



Applied Materials Recognized For Excellence By Texas Instruments; Special Recognition Given to Applied Materials' Total Parts Management Program

July 12, 1999

Business Editors/High-Tech Writers

SANTA CLARA, Calif.--(BUSINESS WIRE)--July 12, 1999--Applied Materials, Inc. today announced that it has been honored with a 1998 Supplier Excellence Award from Texas Instruments (TI). Established to recognize companies that demonstrate outstanding dedication to quality and service, the annual award is given to less than one-half of one percent of TI's supplier base. The special recognition went to Applied Materials' Installed Base Support Services (IBSS) Business Group for exemplary service quality.

"We commend Applied Materials for being the first semiconductor equipment company to earn a Supplier Excellence Award for spare parts and service performance," said Rob Simpson, Director, Worldwide Capital Equipment Procurement for Texas Instruments. "Applied Materials' IBSS group exceeded our stringent standards across a range of targeted categories. In particular, their innovative Total Parts Management program allowed us to achieve significant cost reductions in spares ownership and administration while increasing inventory efficiencies. This kind of product solution delivered through a highly capable global account organization adds to our competitive position and deserves recognition."

Winners of TI's Supplier Excellence Award are an elite group of companies that demonstrate their commitment to total quality and continuous improvement. They are selected by TI's worldwide procurement organizations based on excellence in the combined areas of Cost; Environmental, Safety & Health; Technology; Responsiveness; Assurance of Supply and Quality.

Winning a 1998 Supplier Excellence Award from TI affirms the customer-oriented value of Applied Materials' Total Parts Management(TM) (TPM) service. Total Parts Management is part of a new line of Total Service Solutions(TM) (TSS) service products announced today. With a TPM contract, Applied Materials will completely own and manage spare parts for its equipment in a fab to provide significant reductions in inventory and administrative costs to its customers.

"Applied Materials is proud to receive a Supplier Excellence Award from Texas Instruments for our dedication to providing quality service and competitive value," said Vinod Mahendroo, president of Applied Materials' IBSS Business Group. "This award reflects the shared customer focus, capability and commitment of our global account team organization and IBSS. We're gratified to be recognized by a company committed to customer satisfaction as a primary business principle. Receiving this award has inspired us to continue raising the bar on delivering quality service and innovative solutions to our customers."

Applied Materials, Inc. is a Fortune 500 global growth company and the world's largest supplier of wafer fabrication systems and services to the global semiconductor industry. Applied Materials is traded on the Nasdaq National Market System under the symbol "AMAT." Applied Materials' web site is <http://www.appliedmaterials.com>.

--30--sdf/sf*

CONTACT: Applied Materials, Inc.
Connie Duncan, 408/563-6209 (editorial/media)
Carolyn Schwartz, 408/748-5227 (financial community)

KEYWORD: CALIFORNIA
INDUSTRY KEYWORD: COMPUTERS/ELECTRONICS COMED PRODUCT