



Applied Materials Completes Acquisition of Remaining Interest in Flat Panel Display Venture

November 2, 1999

SANTA CLARA, Calif.--(BUSINESS WIRE)--Nov. 2, 1999--Applied Materials, Inc. today announced that it has completed its purchase of Komatsu Ltd.'s 50 percent share in Applied Komatsu Technology, Inc., a leading supplier of CVD (chemical vapor deposition) systems used to produce Flat Panel Displays (FPDs). Applied Materials' FPD equipment business will be conducted under the name AKT, an Applied Materials company, and will continue to focus on supplying CVD systems for the FPD market.

Under the terms of the transaction, Applied Materials paid \$87 million in cash for the remaining 50 percent of the outstanding shares of AKT not currently owned by Applied Materials. The acquisition will be accounted for as a purchase business combination.

As originally announced on September 28, 1999, the acquisition by Applied Materials of Komatsu's interest in AKT will not have a material effect on Applied Materials' balance sheet or ongoing net income for the fiscal year 1999. Non-recurring items, including in-process research & development expense, resulting from this transaction will not have an adverse effect on Applied Materials' net income for the fourth fiscal quarter of 1999. Applied Materials expects to announce its earnings for the fiscal year ended October 31, 1999 on November 17, 1999.

This press release contains certain forward-looking statements that are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Such risks and uncertainties include, but are not limited to: the ability of Applied Materials to effectively integrate the operations of AKT, and the ability of Applied Materials and AKT to leverage capabilities and capitalize on their strengths to better serve customers. Applied Materials assumes no obligation to update the information in this press release.

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 www.appliedmaterials.com.