



## **Altis Semiconductor, IBM-Infineon JV, Uses Applied Materials' New Service Program to Boost Productivity at European Copper Chip Fab**

April 4, 2000

CORBEIL ESSONNES, France--(BUSINESS WIRE)--April 4, 2000--

Total Parts Management(TM)(TPM) Program Cuts Altis  
Semiconductor Inventory Management Costs for  
More Than 120 Applied Materials Systems

Altis Semiconductor, the joint venture between IBM and Infineon in Corbeil Essonnes, France, is using Applied Materials' Total Parts Management(TM) (TPM) service program to improve site productivity and simplify the complex parts management for more than 120 Applied Materials systems.

Altis Semiconductor is one of the first European chipmakers to begin volume production of copper chips, having recently switched a major portion of its production from advanced DRAMs to copper-based custom logic chips. The company has already begun shipments of these custom logic chips to leading customers worldwide for telecommunications, computer peripherals and wireless applications.

Didier Lamouche, chief executive officer of Altis, said, "Our simultaneous transition to both logic chips and copper manufacturing technology requires that we focus our resources on the key manufacturing challenges. Having Applied Materials completely own and manage the spare parts function for over 120 of our Applied Materials systems greatly simplifies administrative requirements and reduces the time and manpower we need to devote to parts management. At the same time, we are seeing increased overall productivity due to improved parts availability. The TPM program is a significant step forward in how system suppliers can use service innovations to improve their customers' productivity."

The TPM program offers customers the option of having Applied Materials completely own and manage spare parts (consumables and non-consumables) for Applied Materials equipment used in a fab. Parts are automatically replenished as they are used, and updated with new revisions or technology changes as necessary. Under this plan, customers can significantly reduce inventory and administrative costs for Applied Materials parts covered under the program and pay only for parts used. TPM provides customers a parts supply commitment with significantly lower costs and increased ease of doing business.

Jean-Paul Guery, purchasing manager at Altis Semiconductor, said, "The TPM program's parts availability and performance commitment translates to a high degree of confidence in how we schedule our system maintenance for maximum uptime. This program simplifies the paperwork we have to manage and provides superior operating results from the systems."

"Besides the TPM program's advantages in terms of parts logistics and administration, we are also using its superior parts availability to enhance the performance of a large installed base of Applied Materials systems, including those being used directly in copper interconnect fabrication," noted Vinod Mahendroo, president of the Installed Base Support Service business group of Applied Materials. "The ability to directly supply Altis with the latest parts revisions for many advanced systems means higher system uptime and top performance in the most critical applications."

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](http://www.appliedmaterials.com).

CONTACT: Applied Materials, Inc., Santa Clara

Betty Newboe, 408/563-0647 (editorial/media)

Carolyn Schwartz, 408/748-5227 (financial community)