



Applied Materials and Ion Implant Services -- IIS -- Forge New Relationship to Supply Chipmakers With Comprehensive Ion Implant Capability

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SANTA CLARA, Calif.--(BUSINESS WIRE)--July 10, 2000--

Applied Materials Named Preferred Implant Equipment Supplier to IIS

Applied Materials, Inc., the leading supplier of high-current ion implantation systems to the semiconductor industry, and Ion Implant Services (IIS) today announced a new program to supply IIS and its customers with Applied Materials' advanced ion implant systems.

Under a cooperation agreement, Applied Materials will sell ion implant systems to support IIS' new "insourcing" business model in which IIS owns and performs all implant operations within a chipmaker's wafer fab. The agreement provides for the preferred use of Applied Materials' Quantum(TM) and Quantum LEAP implant systems for all pertaining applications.

"This agreement with IIS is an endorsement of the advanced technology and high productivity of Applied Materials' ion implant systems," said Craig Lowrie, vice president and general manager of Applied Materials' Ion Implant Division. "Working with IIS under their insourcing model allows us to maximize our implant technology and process integration capabilities, as well as explore new methods to improve fab efficiency and reduce implant cost."

Chipmakers who adopt IIS' insourcing concept will benefit by having the combined implant resources of IIS and Applied Materials, thus reducing their overall risk and cost while having access to new implant technology as it is developed. In addition to purchasing Applied Materials systems for use in chipmakers' fabs, IIS will use the cooperation arrangement to beta test new productivity enhancements and technology for Applied Materials, providing early production feedback and allowing IIS to bring the most advanced features to its customers.

Dr. Wes Weisenberger, CEO of IIS, said, "This cooperative arrangement with Applied Materials significantly increases the resources IIS can offer our chipmaker customers, and also potentially makes IIS a major customer for Applied Materials' ion implant products and services."

Ion Implant Services is the world's largest supplier of outsourced ion implant services, with facilities in Sunnyvale, California and Austin, Texas. IIS currently has 25 ion implanters installed at its fab sites, where it has performed contract "outsourced" implant processing for more than 20 years. IIS facilities contain the industry's most advanced ion implant technology, including low energy applications required for ultra-shallow junctions and other critical transistor-level applications.

Applied Materials (Nasdaq:AMAT) is a leader of the Information Age and the world's largest supplier of products and services to the global semiconductor and flat panel display industries. Applied Materials' web site is <http://www.appliedmaterials.com>.

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