



Applied Materials Marks 20 Years in China as Semiconductor Equipment Leader

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SHANGHAI, China--(BUSINESS WIRE)--Nov. 1, 2004--Applied Materials, Inc. marked its 20th anniversary in China with events to celebrate the company's history and initiatives that support the growth of the local high-tech industry.

"Our long-standing commitment to China has been a key part of our success as the country has established its place among the major chipmaking regions of the world," said Mike Splinter, president and CEO of Applied Materials. "Recognizing early that there was tremendous potential for our industry in China, Applied Materials established its leadership through key relationships and by building a strong sales and service network that has allowed us to support our customers' rapid growth."

The first semiconductor equipment company to establish an office in China, Applied Materials opened a service center in Beijing in 1984 and today supports the largest installed base of chip manufacturing equipment in China, with approximately 400 employees in five offices serving a growing number of semiconductor manufacturers.

Recognizing the growth of Applied Materials in China and its role in helping support the rise of the high-tech industry, Jim Morgan, chairman of the board of directors of Applied Materials, recently was named an Honorary Citizen of Shanghai, the highest award bestowed upon foreign civic and business leaders for contributions that have made a lasting impact on Shanghai and the country.

At a ceremony presided over by Splinter and Morgan, as well as Vice Mayor of Shanghai Yan Junqi, Applied Materials signed agreements to promote science and technology and support the local community.

- The company committed an additional \$1 million over the next five years to the Applied Materials Shanghai R&D Fund that it established in 1994. With a matching contribution of \$1 million from the Science and Technology Commission of Shanghai Municipality, the fund provides technology research assistance and scholarships to engineering students. Applied Materials executives presented scholarships to 32 Shanghai students, bringing the total number of scholarships awarded by the program to 168.
- In keeping with Applied Materials' commitment to inspiring children to pursue education and eventually careers in sciences, the company agreed to sponsor "The Future Science Star Program" with the Science and Technology Commission of Shanghai Municipality and the Shanghai Municipal Education Program. A science competition for children, the program is designed to help broaden interest in technology.
- The company also agreed to help create and donate an exhibit on semiconductors to the Shanghai Science and Technology Museum.

"As we do all around the world, we will continue to work in partnership with China's industry, government and our customers to build a strong infrastructure, inspire innovation and interest in science, and strengthen the foundation of growth for our long-term business," concluded Splinter.

Applied Materials, Inc. (Nasdaq:AMAT) is the largest supplier of equipment and services to the global semiconductor industry. Applied Materials' Web site is www.appliedmaterials.com.

This press release contains forward-looking statements relating to growth opportunities in China and other statements that are not historical facts. These forward-looking statements include the assumptions that underlie such statements and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those stated or implied, including but not limited to: the timing, rate and amount of increased demand in the semiconductor industry, which are subject to many factors, including global economic conditions, demand for electronic products and semiconductors, and geopolitical uncertainties; customers' capacity requirements; the company's ability to timely develop, deliver and support a broad range of products and services and successfully develop new markets; changes in management; and other risks described in Applied Materials' filings with the Securities and Exchange Commission. All forward-looking statements are based on management's estimates, projections and assumptions as of the date hereof and Applied Materials assumes no obligation to update this press release.

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