



## **Applied Materials Wins Intel's Preferred Quality Supplier Award**

March 24, 2005

SANTA CLARA, Calif.--(BUSINESS WIRE)--March 24, 2005--Applied Materials, Inc. (Nasdaq:AMAT) was named a recipient of Intel Corporation's Preferred Quality Supplier (PQS) award for outstanding performance in providing products and services deemed essential to Intel's success. The company received this award for its efforts in supplying Intel with fab capital equipment. Applied Materials and 25 additional PQS award winners were honored at a celebration in Burlingame, Calif., on March 15.

"We are very pleased and honored to receive this prestigious award from Intel," said Mike Splinter, President and CEO of Applied Materials. "Our two organizations have worked very closely together towards this level of performance and this is a key step towards achieving our ultimate objective of SCQI (Supplier Continuous Quality Improvement). Focusing on the priorities of this program with Intel has helped to enable an overall quality and business improvement for Applied Materials. We're very proud of this accomplishment and would like to thank the many Intel people that have worked with us to reach this important milestone."

"Intel is pleased to recognize Applied Materials with our Preferred Quality Supplier Award for 2004. This recognition demonstrates Applied Materials' commitment to customer satisfaction and their ability to deliver a high level of performance across every aspect of their business, covering a wide range of products and services. Applied Materials' quality systems contribute to Intel's success by providing industry-leading product innovation, excellent ramp support and continuous improvement in cost and performance metrics. Intel appreciates the hard work and dedication of the employees at Applied Materials and we congratulate them on their achievement," said Bob Bruck, Technology Manufacturing Engineering Vice President, Capital Equipment Development, Intel Corporation.

The PQS awards are part of Intel's Supplier Continuous Improvement (SCQI) process that encourages suppliers to strive for excellence and continuous improvement. To qualify for PQS status, suppliers must score 80 percent on a report card that assesses performance and ability to meet cost, quality, availability, delivery, technology and responsiveness goals. Suppliers must also manage and deliver on a challenging improvement plan and a quality systems assessment. Additional information about the SCQI program is available at <http://supplier.intel.com/quality/>.

Applied Materials, Inc. (Nasdaq:AMAT), headquartered in Santa Clara, California, is the largest supplier of equipment and services to the global semiconductor industry. Applied Materials' web site is [www.appliedmaterials.com](http://www.appliedmaterials.com).

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