

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-8
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

APPLIED MATERIALS, INC.
(Exact name of issuer as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

94-165526
(I.R.S. employer identification
number)

3050 Bowers Avenue, Santa Clara, California 95054
(Address of principal executive offices) (Zip Code)

APPLIED MATERIALS, INC.
30TH ANNIVERSARY STOCK OPTION PLAN
(Full title of the plan)

Joseph J. Sweeney
Applied Materials, Inc.
3050 Bowers Avenue, Santa Clara, California
95054 (Name and address of agent for
service)

Telephone number, including area code, of agent for service: (408) 727-5555

Copy to:
John E. Aguirre
Orrick, Herrington & Sutcliffe LLP
400 Sansome Street
San Francisco, California 94111

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Share*	Proposed Maximum Aggregate Offering Price*	Amount of Registration Fee*
Common Stock, and Options to Purchase Common Stock	3,040,800 shares	\$30.8125	\$93,694,650	\$27,640

* Estimated solely for the purpose of calculating the registration fee on the basis of \$30.8125 per share, the average of the high and low prices for the Common Stock on January 23, 1998 as reported by Nasdaq.

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

ITEM 3. INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents are incorporated by reference in this registration statement: (i) the latest annual report of Applied Materials, Inc. (the "Registrant") filed pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); (ii) all other reports filed by the Registrant pursuant to Sections 13(a) or 15(d) of the Exchange Act since the end of the fiscal year covered by the annual report referred to in clause (i) above; and (iii) the description of the Registrant's common stock set forth in the Registrant's Registration Statement on Form 8-A relating thereto, including any amendment or report filed for the purpose of updating such description. All documents filed by the Registrant after the date of this registration statement pursuant to Sections 13(a), 13(c), 14, and 15(d) of the Exchange Act, prior to the filing of a post-effective amendment (that indicates all securities offered have been sold or deregisters all securities then remaining unsold), shall be deemed to be incorporated by reference in this registration statement and to be a part hereof from the date of filing of such documents.

ITEM 4. DESCRIPTION OF SECURITIES

Inapplicable.

ITEM 5. INTERESTS OF NAMED EXPERTS AND COUNSEL

Inapplicable.

ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 145 of the Delaware General Corporation Law (the "Delaware Law") authorizes a court to award, or a corporation's board of directors to grant, indemnity to directors and officers in terms sufficiently broad to permit such indemnification under certain circumstances for liabilities (including reimbursement for expenses incurred) arising under the Securities Act of 1933, as amended. The Registrant's Certificate of Incorporation provides for indemnification of the Registrant's directors, officers, employees and other agents to the maximum extent permitted by Delaware Law.

ITEM 7. EXEMPTION FROM REGISTRATION CLAIMED

Inapplicable.

ITEM 8. EXHIBITS

- 4.1 Applied Materials, Inc. 30th Anniversary Stock Option Plan.
- 4.2 Form of Nonqualified Stock Option Agreement.
- 5.1 Opinion of Orrick, Herrington & Sutcliffe LLP.
- 23.1 Consent of Price Waterhouse LLP.
- 23.2 Consent of Orrick, Herrington & Sutcliffe LLP is included in Exhibit 5.1 to this Registration Statement.
- 24.1 Power of Attorney.

ITEM 9. UNDERTAKINGS

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

Provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the registration statement is on Form S-3 or Form S-8 and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration

statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

Signatures

THE REGISTRANT

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Santa Clara, State of California on the 23rd day of January, 1998.

APPLIED MATERIALS, INC.
(Registrant)

/s/ James C. Morgan

James C. Morgan
Chairman of the Board and
Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature

Title

Date

Principal Executive Officer:

/s/ James C. Morgan

James C. Morgan

Chairman of the
Board and Chief
Executive Officer

January 23, 1998

Principal Financial Officer:

/s/ Joseph R. Bronson

Joseph R. Bronson

Senior Vice
President, Chief
Financial Officer
and Chief
Administrative
Officer

January 27, 1998

Principal Accounting Officer:

/s/ Michael K. O'Farrell ----- Michael K. O'Farrell	Vice President and Corporate Controller (Principal Accounting Officer)	January 27, 1998
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Directors:

* ----- James C. Morgan	Director	January 27, 1998
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* ----- Dan Maydan	Director	January 27, 1998
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* ----- Michael H. Armacost	Director	January 27, 1998
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* ----- Deborah A. Coleman	Director	January 27, 1998
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* ----- Herbert M. Dwight, Jr.	Director	January 27, 1998
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* ----- Philip V. Gerdine	Director	January 27, 1998
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* ----- Tsuyoshi Kawanishi	Director	January 27, 1998
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Director

January 27, 1998

Paul R. Low

*

Director

January 27, 1998

Alfred J. Stein

*By /s/ James C. Morgan

James C. Morgan
Attorney-in-Fact

A majority of the members of the Board of Directors.

EXHIBIT INDEX

- 4.1 Applied Materials, Inc. 30th Anniversary Stock Option Plan.
- 4.2 Form of Nonqualified Stock Option Agreement.
- 5.1 Opinion of Orrick, Herrington & Sutcliffe LLP.
- 23.1 Consent of Price Waterhouse LLP.
- 23.2 Consent of Orrick, Herrington & Sutcliffe LLP is included in Exhibit 5.1.
- 24.1 Power of Attorney.

APPLIED MATERIALS, INC.
30TH ANNIVERSARY STOCK OPTION PLAN

APPLIED MATERIALS, INC., hereby adopts the Applied Materials, Inc. 30th Anniversary Stock Option Plan effective as of October 1, 1997, as follows:

SECTION 1
BACKGROUND, PURPOSE AND DURATION

1.1 Background and Effective Date. The Plan is effective as of October 1, 1997. The Plan is intended to increase incentive and to encourage Share ownership on the part of eligible non-officer regular employees as of November 14, 1997 of the Company and its Affiliates by providing a one-time grant of nonqualified stock options to such employees in recognition of the 30th anniversary of the Company. The Plan also is intended to further the growth and profitability of the Company.

SECTION 2
DEFINITIONS

The following words and phrases shall have the following meanings unless a different meaning is plainly required by the context:

2.1 "Affiliate" means any corporation or any other entity (including, but not limited to, partnerships and joint ventures) controlling, controlled by, or under common control with the Company.

2.2 "Board" or "Board of Directors" means the Board of Directors of the Company.

2.3 "Code" means the Internal Revenue Code of 1986, as amended. Reference to a specific section of the Code or regulation thereunder shall include such section or regulation, any valid regulation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

2.4 "Company" means Applied Materials, Inc., a Delaware corporation, or any successor thereto.

2.5 "Committee" means the committee appointed by the Board (pursuant to Section 3.1) to administer the Plan. As of the effective date of the Plan, the Plan shall be administered by the Stock Option and Compensation Committee of the Board.

2.6 "Disability" means a permanent and total disability as determined by the Committee in accordance with uniform and non-discriminatory standards adopted by the Committee (in its discretion) from time to time.

2.7 "Eligible Employee" means an Employee who, as of November 14, 1997, is neither (a) an Officer of the Company nor (b) classified as an intern or a co-op.

2.8 "Employee" means any regular full-time or part-time employee of the Company or of any designated Affiliate as of November 14, 1997. The Committee, in its sole discretion, shall determine which Affiliates shall be designated for purposes of this Section 2.8.

2.9 "Exercise Price" means the price at which a Share may be purchased by a Participant pursuant to the exercise of an Option.

2.10 "Fair Market Value" means the last quoted per share selling price for Shares on the relevant date, or if there were no sales on such date, the arithmetic mean of the highest and lowest quoted selling prices on the nearest day before and the nearest day after the relevant date, as determined by the Committee. Notwithstanding the preceding, for federal, state, and local income tax purposes, fair market value shall be determined by the Committee (or its delegate) in accordance with uniform and nondiscriminatory standards adopted from time to time.

2.11 "Grant Date" means, with respect to an Option, the date that the Option is granted.

2.12 "Incentive Stock Option" means an Option to purchase Shares which is designated as an Incentive Stock Option and is intended to meet the requirements of section 422 of the Code.

2.13 "Nonqualified Stock Option" means an option to purchase Shares which is not intended to be an Incentive Stock Option.

2.14 "Officer" means any Employee of the Company who holds office at the level of appointed Vice President or above.

2.15 "Option" means a Nonqualified Stock Option.

2.16 "Option Agreement" means the written agreement setting forth the terms and provisions applicable to each Option granted under the Plan.

2.17 "Participant" means an Eligible Employee who has an outstanding Option.

2.18 "Plan" means the Applied Materials, Inc. 30th Anniversary Stock Option Plan, as set forth in this instrument and as hereafter amended from time to time.

2.19 "Retirement" means, in the case of an Eligible Employee, a Termination of Service by reason of the Eligible Employee's retirement at or after age 65.

2.20 "Shares" means the shares of common stock of the Company.

2.21 "Termination of Service" means a cessation of the employee-employer relationship between an Eligible Employee and the Company or an Affiliate for any reason, including, but not by way of limitation, a termination by resignation, discharge, death, Disability, Retirement, or the disaffiliation of an Affiliate, but excluding any such termination where there is a simultaneous reemployment by the Company or an Affiliate.

SECTION 3
ADMINISTRATION

3.1 The Committee. The Plan shall be administered by the Committee. The members of the Committee shall be appointed from time to time by, and shall serve at the pleasure of, the Board of Directors.

3.2 Authority of the Committee. It shall be the duty of the Committee to administer the Plan in accordance with the Plan's provisions. The Committee shall have all powers and discretion necessary or appropriate to administer the Plan and to control its operation, including, but not limited to, the power to (a) prescribe the terms and conditions of the Options, (b) interpret the Plan and the Options, (c) adopt such sub-plans or rules as may be necessary or appropriate to permit participation in the Plan by Eligible Employees who are not United States citizens or residents, (d) adopt rules for the administration, interpretation and application of the Plan as are consistent therewith, and (e) interpret, amend or revoke any such rules.

3.3 Delegation by the Committee. The Committee, in its sole discretion and on such terms and conditions as it may provide, may delegate all or any part of its authority and powers under the Plan to one or more directors or Officers of the Company.

3.4 Decisions Binding. All determinations and decisions made by the Committee, the Board, and any delegate of the Committee pursuant to the provisions of the Plan shall be final, conclusive, and binding on all persons, and shall be given the maximum deference permitted by law.

SECTION 4
SHARES SUBJECT TO THE PLAN

4.1 Number of Shares. Subject to adjustment as provided in Section 4.3, the total number of Shares available for grant under the Plan shall not exceed 3,040,800. Shares granted under the Plan may be either authorized but unissued Shares or treasury Shares.

4.2 Lapsed Options. If an Option terminates, expires, or lapses for any reason, any Shares subject to such Option shall not again be available to be the subject of another Option.

4.3 Adjustments in Options and Authorized Shares. In the event of any merger, reorganization, consolidation, recapitalization, separation, liquidation, stock dividend, split-up, Share combination, or other change in the corporate structure of the Company affecting the Shares, the Committee shall adjust the number and class of Shares which may be delivered under the Plan, and the number, class, and price of Shares subject to outstanding Options, in such manner as the Committee (in its sole discretion) shall determine to be appropriate to prevent the dilution or diminution of such Options. Notwithstanding the preceding, the number of Shares subject to any Option always shall be a whole number.

SECTION 5
STOCK OPTIONS

5.1 Grant of Options. Subject to the terms and provisions of the Plan, each Eligible Employee shall be granted an Option covering two hundred (200) Shares. The Committee, in its sole discretion, shall determine the Grant Date for each such Option, provided that no Options may be granted after November 15, 1997, unless the Grant Date is required to be postponed due to legal requirements of countries other than the United States.

5.2 Option Agreement. Each Option shall be evidenced by an Option Agreement that shall specify the Exercise Price, the expiration date of the Option, the number of Shares to which the Option pertains, any conditions to the exercise of the Option and such other terms and conditions as the Committee, in its discretion, shall determine. The Option Agreement shall specify that the Option is intended to be a Nonqualified Stock Option.

5.3 Exercise Price. The Exercise Price for each Option shall be not less than one hundred percent (100%) of the Fair Market Value of a Share on the Grant Date.

5.4 Expiration of Options.

5.4.1 Expiration Dates. Each Option shall terminate no later than the first to occur of the following events:

(a) The date for termination of the Option set forth in the written Option Agreement; or

(b) 5:00 p.m. (Pacific time) on November 13, 2004; or

(c) The expiration of fifteen (15) days from the date of the Participant's Termination of Service for a reason other than the Participant's death, Disability or Retirement;

(d) The expiration of six (6) months from the date of the Participant's Termination of Service by reason of Disability; or

(e) The expiration of six (6) months from the date of the Participant's Retirement.

5.4.2 Death of Participant. Notwithstanding Section 5.4.1, if a Participant dies prior to the expiration of his or her Option, the Committee, in its discretion, may provide that his or her Option shall be exercisable for up to one (1) year after the date of death.

5.5 Exercisability of Options. Options granted under the Plan shall be exercisable at such times and be subject to such restrictions and conditions as the Committee shall determine in its

sole discretion.

5.6 Payment. Options shall be exercised by the Participant's delivery of a written notice of exercise to the Secretary of the Company (or its designee), setting forth the number of Shares with respect to which the Option is to be exercised, accompanied by full payment for the Shares.

Upon the exercise of any Option, the Exercise Price shall be payable to the Company in full (in United States dollars) in cash or its equivalent. The Committee, in its sole discretion, also may permit exercise (a) by tendering previously acquired Shares (and held for at least 6 months, if acquired pursuant to an exercise of stock options) having an aggregate Fair Market Value at the time of exercise equal to the total Exercise Price, or (b) by any other means which the Committee, in its sole discretion, determines to both provide legal consideration for the Shares, and to be consistent with the purposes of the Plan.

As soon as practicable after receipt of a written notification of exercise and full payment for the Shares purchased, the Company shall deliver to the Participant (or the Participant's designated broker), Share certificates (which may be in book entry form) representing such Shares.

5.7 Restrictions on Share Transferability. The Committee may impose such restrictions on any Shares acquired pursuant to the exercise of an Option as it may deem advisable, including, but not limited to, restrictions related to applicable federal securities laws, the requirements of any national securities exchange or system upon which Shares are then listed or traded, or any blue sky or state securities laws.

SECTION 6 MISCELLANEOUS

6.1 Deferrals. The Committee in its sole discretion, may permit a Participant to defer receipt of the payment of cash or the delivery of Shares that would otherwise be due to such Participant under an Award. Any such deferral elections shall be subject to such rules and procedures as shall be determined by the Committee in its sole discretion.

6.2 No Effect on Employment or Service. Nothing in the Plan shall interfere with or limit in any way the right of the Company to terminate any Participant's employment or service at any time, with or without cause. For purposes of the Plan, transfer of employment of a Participant between the Company and any one of its Affiliates (or between Affiliates) shall not be deemed a Termination of Service. Employment or service with the Company and its Affiliates is on an at-will basis only.

6.3 Indemnification. The Committee and each person who is or shall have been a member of the Board, shall be indemnified and held harmless by the Company against and from (a) any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under the Plan or any Option Agreement, and (b) from any and all amounts paid by him or her in settlement thereof, with the Company's approval, or paid by him or her in satisfaction of any judgment in any such claim, action, suit, or proceeding against him or her, provided he or she shall give the Company

an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's Certificate of Incorporation or Bylaws, by contract, as a matter of law, or otherwise, or under any power that the Company may have to indemnify them or hold them harmless.

6.4 Successors. All obligations of the Company under the Plan, with respect to Options granted hereunder, shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business or assets of the Company.

6.5 Beneficiary Designations. If permitted by the Committee (in its sole discretion), a Participant under the Plan may name a beneficiary or beneficiaries to whom any vested but unpaid Option shall be paid in the event of the Participant's death. Each such designation shall revoke all prior designations by the Participant and shall be effective only if given in a form and manner acceptable to the Committee. In the absence of any such designation, any vested benefits remaining unpaid at the Participant's death shall be paid to the Participant's estate and, subject to the terms of the Plan and of the applicable Option Agreement, any unexercised vested Option may be exercised by the administrator or executor of the Participant's estate.

6.6 Nontransferability of Options. No Option granted under the Plan may be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will, by the laws of descent and distribution, or to the limited extent provided in Section 6.5. All rights with respect to an Option granted to a Participant shall be available during his or her lifetime only to the Participant.

6.7 No Rights as Stockholder. No Participant (nor any beneficiary) shall have any of the rights or privileges of a stockholder of the Company with respect to any Shares issuable pursuant to an Option, unless and until certificates representing such Shares shall have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to the Participant (or beneficiary).

SECTION 7 AMENDMENT, TERMINATION, AND DURATION

7.1 Amendment, Suspension, or Termination. The Board, in its sole discretion, may amend or terminate the Plan, or any part thereof, at any time and for any reason. The amendment, suspension, or termination of the Plan shall not, without the consent of the Participant, alter or impair any rights or obligations under any Option theretofore granted to such Participant. No Option may be granted during any period of suspension or after termination of the Plan.

7.2 Duration of the Plan. The Plan shall commence on the date specified herein, and subject to Section 7.1 (regarding the Board's right to amend or terminate the Plan), shall remain in effect thereafter.

SECTION 8
TAX WITHHOLDING

8.1 Withholding Requirements. Prior to the delivery of any Shares pursuant to an Option, the Company shall have the power and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy federal, state, and local taxes (including the Participant's FICA obligation) required to be withheld with respect to such Option (or exercise thereof).

8.2 Withholding Arrangements. The Committee, in its sole discretion and pursuant to such procedures as he or she may specify from time to time, may permit or require a Participant to satisfy all or part of the tax withholding obligations in connection with an Option by delivering to the Company already-owned Shares having a Fair Market Value equal to the amount required to be withheld. The amount of the withholding requirement shall be deemed to include any amount which the Committee determines, not to exceed the amount determined by using the maximum federal, state or local marginal income tax rates applicable to the Participant with respect to the Option on the date that the amount of tax to be withheld is to be determined. The Fair Market Value of the Shares to be withheld or delivered shall be determined as of the date that the taxes are required to be withheld.

SECTION 9
LEGAL CONSTRUCTION

9.1 Gender and Number. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine; the plural shall include the singular and the singular shall include the plural.

9.2 Severability. In the event any provision of the Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

9.3 Requirements of Law. The granting of Options and the issuance of Shares under the Plan shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges, as may be required.

9.4 Governing Law. The Plan and all Option Agreements shall be construed in accordance with and governed by the laws of the State of California (with the exception of its conflict of laws provisions).

9.5 Captions. Captions are provided herein for convenience only, and shall not serve as a basis for interpretation or construction of the Plan.

EXECUTION

IN WITNESS WHEREOF, Applied Materials, Inc., by its duly authorized Officer, has executed the Plan as of the date indicated below.

APPLIED MATERIALS, INC.

Dated: October 1, 1997

By: /s/ Michael K. O'Farrell

Michael K. O'Farrell
Vice President and Corporate
Controller
(Principal Accounting Officer)

APPLIED MATERIALS, INC.
30TH ANNIVERSARY STOCK OPTION GRANT TO NON-OFFICERS

NONQUALIFIED STOCK OPTION AGREEMENT

Applied Materials, Inc. (the "Company") hereby grants you (the "Employee") an option under the Company's 1995 Equity Incentive Plan (the "Plan") to purchase shares of common stock of the Company. You are eligible to receive this option only if you are a non-officer regular full-time or part-time employee of record of Applied Materials, Inc. (or an Affiliate thereof) or Applied Komatsu Technology, Inc. as of October 27, 1997. The date of this Agreement is October 27, 1997 (the "Grant Date"). In general, the latest date this option will expire is October 26, 2004 (the "Expiration Date"). However, as provided in Appendix A (on the other side of this agreement), this option may expire earlier than the Expiration Date. Subject to the provisions of Appendix A and of the Plan, the principal features of this option are as follows:

MAXIMUM NUMBER OF SHARES PURCHASABLE WITH THIS OPTION: 200 -----	EXERCISE PRICE PER SHARE: US \$31.00 -----
SCHEDULED VESTING DATES: -----	NUMBER OF SHARES -----
10/27/98	50
10/27/99	50
10/27/00	50
10/27/01	50
EVENT TRIGGERING OPTION TERMINATION -----	MAXIMUM TIME TO EXERCISE AFTER TRIGGERING EVENT* -----
Termination of Service (except as shown below)	15 days
Termination of Service due to Retirement (age 65 or over)	6 months
Termination of Service due to Disability	6 months
Termination of Service due to death	1 year

* However, in no event may this option be exercised after the Expiration Date.

IMPORTANT:

IT IS YOUR RESPONSIBILITY TO EXERCISE THIS OPTION BEFORE IT EXPIRES.

PLEASE BE SURE TO READ ALL OF APPENDIX A, WHICH CONTAINS THE
SPECIFIC TERMS AND CONDITIONS OF THIS OPTION, INCLUDING INFORMATION
CONCERNING CANCELLATION AND TERMINATION OF THIS OPTION.

APPLIED MATERIALS, INC.

James C. Morgan
Chairman of the Board and Chief Executive Officer

APPENDIX A
TERMS AND CONDITIONS OF NONQUALIFIED STOCK OPTION

1. Vesting Schedule. This option is scheduled to become exercisable as to fifty (50) of the shares subject to this option on the first anniversary of the date of this Agreement, and as to an additional fifty (50) shares on each succeeding anniversary date, until one hundred percent (100%) of the shares subject to this option shall have vested. However, the Committee, in its sole discretion, may lengthen or shorten the preceding vesting schedule if the Committee determines that the Employee's position, grade level, or responsibilities have changed significantly. No change in the vesting schedule will (a) affect any shares which previously became exercisable, or (b) reduce the maximum number of shares subject to this option. On any scheduled vesting date, vesting actually will occur only if the Employee is employed by the Company or an Affiliate on such date.

2. Termination of Option. In the event of the Employee's termination of employment ("Termination of Service") for any reason other than Retirement, Disability or death, the Employee may, within fifteen (15) days after the date of the Termination, or within seven (7) years from the date of this Agreement, whichever shall first occur, exercise any vested but unexercised portion of this option. In the event of the Employee's Termination of Service due to Retirement or Disability, the Employee may, within six (6) months after the date of such Termination, or within seven (7) years from the date of this Agreement, whichever shall first occur, exercise any vested but unexercised portion of the option.

3. Death of Employee. In the event that the Employee dies while an employee of the Company or an Affiliate or during the fifteen (15) day or six (6) month periods referred to in Paragraph 2 above, the Employee's designated beneficiary or beneficiaries, or if either no beneficiary survives the Employee or beneficiary designations are not permitted under the Plan, the administrator or executor of the Employee's estate, may, within one (1) year after the date of death, or within seven (7) years from the date of this Agreement, whichever shall first occur, exercise any vested but unexercised portion of this option. Any such transferee must furnish the Company (a) evidence satisfactory to the Company to establish the validity of the transfer of the option, and (b) written acceptance of the terms and conditions of this option as set forth in this Agreement.

4. No Effect on Employment. The Employee's employment with the Company and its Affiliates is on an at-will basis only, subject to the provisions of local law. Accordingly, the terms of the Employee's employment with the Company and its Affiliates shall be determined from time to time by the Company or the Affiliate employing the Employee (as the case may be), and the Company or the Affiliate shall have the right, which is hereby expressly reserved, to terminate or change the terms of the employment of the Employee at any time for any reason whatsoever, with or without good cause (subject to the provisions of local law).

5. Address for Notices. Any notice to be given to the Company under the terms of this Agreement shall be addressed to the Company, in care of Stock Administration, at Applied Materials, Inc., P.O. Box 58039, Santa Clara, CA 95052, or at such other address as the Company may hereafter designate in writing.

6. Option is Not Transferable. Except as provided in Paragraph 3 above, this option and the rights and privileges conferred hereby shall not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) and shall not be subject to sale under execution, attachment or similar process. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of this option, or of any right or privilege conferred hereby, or upon any attempted sale under any execution, attachment or similar process, this option and the rights and privileges conferred hereby immediately shall become null and void.

7. Conditions to Exercise. The exercise price for this option must be paid in the legal tender of the United States or, in the Committee's discretion, in shares of the Company's common stock. No partial exercise of this option may be made for fewer than ten (10) shares. Exercise of this option will not be permitted until satisfactory arrangements have been made for the payment of the appropriate amount of withholding taxes (as determined by the Company). If the Employee receives a hardship withdrawal from the Employee's account under the Company's Employee Savings and Retirement Plan, this option may not be exercised during the twelve (12) month period following the hardship withdrawal.

8. Plan Governs. This Agreement is subject to all terms and provisions

of the Plan. In the event of a conflict between one or more provisions of this Agreement and one or more provisions of the Plan, the provisions of the Plan shall govern. Terms used and not defined in this Agreement shall have the meaning set forth in the Plan. This option is not an incentive stock option as defined in Section 422 of the Internal Revenue Code.

9. Binding Agreement. Subject to the limitation on the transferability of the option contained herein, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

10. Committee Authority. The Committee shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and binding upon the Employee, the Company and all other interested persons. The Committee shall not be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or this Agreement.

11. Captions. Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

12. Agreement Severable. In the event that any provision in this Agreement shall be held invalid or unenforceable, such provision shall be severable from, and such invalidity or unenforceability shall not be construed to have any effect on, the remaining provisions of this Agreement.

13. Modifications to the Agreement. This Agreement constitutes the entire understanding of the parties on the subjects covered. The Employee expressly warrants that he or she is not accepting this Agreement in reliance on any promises, representations, or inducements other than those contained herein. Modifications to this Agreement or the Plan can be made only in an express written contract executed by a duly authorized officer of the Company.

14. Amendment, Suspension, Termination. By accepting this option, the Employee expressly warrants that he or she has received an option to purchase stock under the Plan, and has received, read and understood a description of the Plan. The Employee understands that the Company has reserved the right to amend or terminate the Plan at any time, and that the grant of an option in one year or at one time does not in any way obligate the Company or any Affiliate thereof to make a grant in any future year or in any given amount. The Employee acknowledges and understands that the Plan is wholly discretionary in nature and income received as a result of exercising an option under the Plan shall not be considered part of the Employee's normal or expected compensation subject to severance, resignation, redundancy or similar pay.

15. Disclosure of Employee Information. By accepting this option, the Employee authorizes and directs the Company or any Affiliate of the Company to disclose to the Company or any of its Affiliates such information regarding the Employee's employment, the nature and amount of the Employee's compensation and the fact and conditions of the Employee's participation in the Plan as the Company or the Affiliate deems necessary to facilitate the administration of the Plan.

January 21, 1998

Applied Materials, Inc.
3050 Bowers Avenue
Santa Clara, California 95054

Re: Registration Statement on Form S-8/
Applied Materials, Inc. 30th Anniversary
Stock Option Plan

Ladies and Gentlemen:

At your request, we are rendering this opinion in connection with the proposed issuance pursuant to the Applied Materials, Inc. 30th Anniversary Stock Option Plan (the "Plan"), of up to 3,040,800 shares of common stock, \$0.01 par value ("Common Stock"), of Applied Materials, Inc., a Delaware corporation (the "Company").

We have examined instruments, documents, and records which we deemed relevant and necessary for the basis of our opinion hereinafter expressed. In such examination, we have assumed the following: (a) the authenticity of original documents and the genuineness of all signatures; (b) the conformity to the originals of all documents submitted to us as copies; and (c) the truth, accuracy and completeness of the information, representations and warranties contained in the records, documents, instruments and certificates we have reviewed.

Based on such examination, we are of the opinion that the 3,040,800 shares of Common Stock to be issued by the Company pursuant to the Plan are validly authorized shares of Common Stock and, when issued in accordance with the provisions of the Plan, will be legally issued, fully paid and nonassessable.

We hereby consent to the filing of this opinion as an exhibit to this Registration Statement on Form S-8 and to the use of our name wherever it appears in said Registration Statement. In giving such consent, we do not consider that we are "experts" within the meaning of such term as used in the Securities Act of 1933, as amended, or the rules and regulations of the Securities and Exchange Commission issued thereunder, with respect to any part of the Registration Statement, including this opinion as an exhibit or otherwise.

Very truly yours,

/s/ Orrick, Herrington & Sutcliffe LLP

ORRICK, HERRINGTON & SUTCLIFFE LLP

Consent of Independent Accountants

We hereby consent to the incorporation by reference in this Registration Statement on Form S-8 of our report dated November 19, 1997, which appears on page 52 of the 1997 Annual Report to Stockholders of Applied Materials, Inc., which is incorporated by reference in Applied Materials, Inc.'s Annual Report on Form 10-K for the year ended October 26, 1997. We also consent to the incorporation by reference of our report on the Financial Statement Schedule, which appears on page 18 of such Annual Report on Form 10-K.

San Jose, California
January 21, 1998

POWER OF ATTORNEY

The undersigned directors and officers of Applied Materials, Inc., a Delaware corporation (the "Company") constitute and appoint James C. Morgan and Gerald F. Taylor, and each one of them with full power to act without the other, such person's true and lawful attorneys-in-fact, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to execute in the name and on behalf of the undersigned as such director or officer a Registration Statement on Form S-8 or other appropriate form, under the Securities Act of 1933, as amended, with respect to shares of Common Stock of the Company, and any and all amendments (including post-effective amendments) to such Registration Statement, and to file such Registration Statement and any and all amendments thereto, with exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform each and every act and thing necessary or desirable to be done in and about the premises, as fully to all intents and purposes, as he might or could do in person, thereby ratifying and confirming all that said attorneys-in-fact, or any of them or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 11th day of December, 1997.

/s/ Michael H. Armacost

/s/ James C. Morgan

Michael H. Armacost
Director

James C. Morgan
Chairman, Chief Executive
Officer and Director
(Principal Executive Officer)

/s/ Deborah A. Coleman

/s/ Dan Maydan

Deborah A. Coleman
Director

Dan Maydan
President and Director

/s/ Herbert M. Dwight, Jr.

Herbert M. Dwight, Jr.
Director

/s/ Gerald F. Taylor

Gerald F. Taylor
Senior Vice President and
Chief Financial Officer
(Principal Financial Officer)

/s/ Philip V. Gerdine

Philip V. Gerdine
Director

/s/ Michael K. O'Farrell

Michael K. O'Farrell
Vice President and
Corporate Controller
(Principal Accounting Officer)

/s/ Tsuyoshi Kawanishi

Tsuyoshi Kawanishi
Director

/s/ Paul R. Low

Paul R. Low
Director

/s/ Alfred J. Stein

Alfred J. Stein
Director