

SCHEDULE 14A
(RULE 14A-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION
PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE SECURITIES
EXCHANGE ACT OF 1934 (AMENDMENT NO.)

Filed by the Registrant [X]

Filed by a Party other than the Registrant []

Check the appropriate box:

- [] Preliminary Proxy Statement [] Confidential, for Use of the Commission
Only (as permitted by Rule 14a-6(e)(2))
- [] Definitive Proxy Statement
- [X] Definitive Additional Materials
- [] Soliciting Material Pursuant to Rule 14a-11(c) or Rule 14a-12

APPLIED MATERIALS, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- [X] No fee required.
- [] Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
- (1) Title of each class of securities to which transaction applies:
- (2) Aggregate number of securities to which transaction applies:
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- (4) Proposed maximum aggregate value of transaction:
- (5) Total fee paid:
- [] Fee paid previously with preliminary materials:
- [] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
- (1) Amount Previously Paid:
- (2) Form, Schedule or Registration Statement No.:
- (3) Filing Party:
- (4) Date Filed:

March 26, 1999

Dear Applied Materials Stockholder:

By now, you have received considerable information concerning the State of Wisconsin Investment Board's proposal to amend our Company's bylaws. Since the purpose of your voting guidelines is to assist you in making voting decisions that maximize stockholder value, we ask that you make your decision concerning this proposal based upon the following specific circumstances regarding our Company:

- o Our stockholder rights plan is our most effective defense against an unsolicited, lowball or unfair offer.
- o We believe that the Company's excellent financial performance to date establishes our Board of Directors' commitment to maximizing value for our stockholders. A FORTUNE magazine survey of Fortune 500 companies for the ten year period from 1987 through 1997 ranked the Company FIRST based on growth in earnings per share and TENTH based on highest total return to investors.
- o As we have for many years, our Board will ensure that independent, outside directors continue to represent a majority of the Board. Qualified independent directors like ours are free of any conflicts of interest which might preclude them from acting in the best interest of stockholders in the face of a takeover bid.
- o If we extend our existing rights plan or adopt a new plan, we intend to include "shareholder friendly" Three-Year Independent Director Evaluation ("TIDE") provisions. The increased and active role which our independent directors would play as to any rights plan with TIDE provisions addresses stockholder concerns that the plan could be used improperly to entrench management or block an offer which is in the stockholders' best interest.
- o We believe that stockholder approval requirements, chewable provisions and referendum mechanisms undermine two important advantages a stockholder rights plan like ours provides:
 - First, rights plans like ours encourage a would-be acquiror to negotiate with the board of directors. Through such negotiations, the board has the opportunity to obtain the highest possible price for the company should the company be sold to this acquiror or someone else.
 - Second, rights plans like ours enable the board of directors to develop and implement alternatives to a takeover bid which maximize value for stockholders.

- o Additionally, a requirement for a stockholder vote on a rights plan or a takeover bid would impair the Board's ability to maximize stockholder value by:
 - Giving the hostile raider no reason to negotiate an offer, no matter how lowball or coercive or inadequate;
 - Encouraging stockholders -- especially short term speculative investors who buy stocks in companies "in play" -- to favor the hostile raider's first offer; and
 - Restricting your Board's ability and limiting its time to develop alternatives before a vote is taken.

- o Lastly, your Board believes, based upon the opinion of the Company's counsel, that the proposed binding bylaw amendment would be invalid under Delaware law.

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The real issue raised by SWIB's proposal is: what is the best way to maximize value for all Applied Materials stockholders in the event we receive a takeover bid?

IN THIS REGARD, WE FAVOR A NEW RIGHTS PLAN
WITH TIDE PROVISIONS. WE HOPE YOU AGREE.
PLEASE VOTE AGAINST THE STOCKHOLDER PROPOSAL.

Sincerely,

James C. Morgan