USDC and Applied Materials Collaborate to Develop Advanced Films for Next Generation Display Products

July 2, 2008

SAN JOSE, Calif.--(BUSINESS WIRE)--July 2, 2008--The U.S. Display Consortium (USDC), a public/private partnership chartered with developing the flat panel display and flexible electronics supply chain, today announced a cost-shared contract award with Applied Materials, Inc. to develop metal-oxide films for next-generation thin-film transistors (TFTs). Oregon State University (OSU), a pioneer in transparent electronics, will work with Applied's Display Business Group-AKT, in this USDC-sponsored program, bringing together the U.S. government, private industry and university research to enable critical innovations for future display technology.

The R&D program will address two main challenges for future displays -- to significantly improve device performance and reduce display cost per area. New metal-oxide films are one of the promising disruptive technologies for next-generation panels since they have higher electron mobility and the potential to reduce costs through lower temperature processing. Metal oxide films are also expected to be used for fabricating flexible displays and backplanes for OLED applications.

The exponential growth of the display industry has been driven by continuous improvements in performance and cost, stated Gilad Almogy, group vice president and general manager of Applied Materials' Display and Thin Film Solar Products Group. Applied has always been an industry leader and an enabler of emerging thin-film semiconductor technologies. I am happy to launch this new development program expanding our technology portfolio, which is expected to further contribute to the growing applications for digital information displays.

USDC is pleased to have the team of Applied Materials and OSU working together to resolve fundamental issues in the manufacturing of displays, commented Dr. Mark Hartney, USDC's chief technology officer. This is a very strong partnership, bringing together OSU's leading-edge R&D in transparent electronics and AKT/Applied Materials' world-class technology development capability.

I congratulate Applied Materials in receiving this competitively-bid contract award from USDC to provide solutions for the manufacture of displays and other innovative products, said Representative Mike Honda (CA, 15th District). This award represents exciting R&D being conducted in Silicon Valley for emerging display applications. Applied Materials has an exceptional history of developing technology that strengthens California's economic base.

The USDC program is expected to take a year to complete. Additional support will be provided by the U.S. Army's Flexible Display Center at Arizona State University.

About USDC

USDC is an industry-led public/private partnership providing a common platform for flat panel display and flexible electronics manufacturers and developers, integrators, and the supplier base. Headquartered in San Jose, Calif., the consortium's primary mission is to identify and manage R&D projects and share results with USDC member companies. The USDC also provides a communication channel among industry, government and the financial communities; sponsors forums to broaden the impact of technological developments; and educates consumers on the importance of emerging technology. More information about the USDC can be found at www.usdc.org and www.fpoelectronics.org.

About Applied Materials, Inc.

About Applied Materials, Inc. (Nasdaq:AMAT) is the global leader in Nanomanufacturing Technology(TM) solutions with a broad portfolio of innovative equipment, service and software products for the fabrication of semiconductor chips, flat panel displays, solar photovoltaic cells, flexible electronics and energy efficient glass. At Applied Materials, we apply Nanomanufacturing Technology to improve the way people live. Learn more at www.appliedmaterials.com.

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