



Applied Materials Increases Cash Dividend by 23.1 Percent and Announces New \$10 Billion Share Repurchase Authorization

March 13, 2023

SANTA CLARA, Calif., March 13, 2023 (GLOBE NEWSWIRE) -- Applied Materials, Inc. today announced that its Board of Directors has approved a 23.1-percent increase in the quarterly cash dividend from \$0.26 to \$0.32 per share. The dividend is payable on June 15, 2023 to shareholders of record as of May 25, 2023.

The Board also approved a new share repurchase authorization enabling Applied to buyback an additional \$10 billion of its shares over time. This supplements the previous authorization which had \$4.7 billion remaining at the end of the first quarter of fiscal 2023.

"The dividend increase, our largest in five years, and the new share repurchase authorization reflect our positive long-term view of the semiconductor market and our confidence in Applied's outsized growth opportunities driven by our technology leadership, broad portfolio of differentiated products and strong customer engagements," said Gary Dickerson, President and CEO.

Applied has a long history of returning free cash flow to shareholders. The company initiated its dividend program in 2005, and over the past 10 years, Applied has increased the quarterly dividend paid per share at an 11-percent compound annual growth rate and reduced the number of shares outstanding by nearly 30 percent.

Brice Hill, Senior Vice President and CFO, added, "As the market for semiconductors has grown and diversified – and our services business has become larger and more subscription-based – Applied's revenue and profitability have become more predictable and resilient. Given these trends, we believe our free cash flow will continue to grow over time and can support increasing the dividend at an accelerated rate and doubling the previous dividend per share over the next several years."

Forward-Looking Statements

This press release contains forward-looking statements, including those regarding our current view of the semiconductor market, our growth opportunities, our capital deployment strategy, our free cash flow and our ability to increase the dividend at an accelerated rate, and other statements that are not historical facts. These statements and their underlying assumptions are subject to risks and uncertainties and are not guarantees of future performance. Factors that could cause actual results to differ materially from those expressed or implied by such statements include, without limitation: the level of demand for our products, our ability to meet customer demand, and our suppliers' ability to meet our demand requirements; financial, legal and reputational risks, and the risk of loss of intellectual property, resulting from cybersecurity incidents affecting us or our suppliers; global economic, political and industry conditions, including rising inflation and interest rates; the interpretation and implementation of new export regulations and license requirements, and their impact on our ability to export products and provide services to customers and on our results of operations; global trade issues and changes in trade and export license policies; our ability to obtain licenses or authorizations; transportation interruptions and logistics constraints; the effects of regional or global health epidemics, including the severity and duration of COVID-19 and government imposed lockdowns and other measures taken in response; consumer demand for electronic products; the demand for semiconductors; customers' technology and capacity requirements; the introduction of new and innovative technologies, and the timing of technology transitions; our ability to develop, deliver and support new products and technologies; the concentrated nature of our customer base; acquisitions, investments and divestitures; changes in income tax laws; our ability to expand our current markets, increase market share and develop new markets; market acceptance of existing and newly developed products; our ability to obtain and protect intellectual property rights in key technologies; our ability to achieve the objectives of operational and strategic initiatives, align our resources and cost structure with business conditions, and attract, motivate and retain key employees; the variability of operating expenses and results among products and segments, and our ability to accurately forecast future results, market conditions, customer requirements and business needs; our ability to ensure compliance with applicable law, rules and regulations; and other risks and uncertainties described in our SEC filings, including our recent Forms 10-Q and 8-K. While we expect to continue to pay dividends in the future, the declaration of any future dividends or dividends at any particular rate is subject to the discretion of the Board of Directors and will depend on our financial condition, results of operations, capital requirements, business conditions and other factors, as well as a determination by the Board of Directors that dividends are in the best interests of our stockholders. All forward-looking statements are based on management's current estimates, projections and assumptions, and we assume no obligation to update them.

About Applied Materials

Applied Materials, Inc. (Nasdaq: AMAT) is the leader in materials engineering solutions used to produce virtually every new chip and advanced display in the world. Our expertise in modifying materials at atomic levels and on an industrial scale enables customers to transform possibilities into reality. At Applied Materials, our innovations make possible a better future. Learn more at www.appliedmaterials.com.

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