



Applied Materials Pledges Additional Funds to Support Information Technology in the People's Republic of China

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(US)\$1 Million Commitment to the Applied Materials Shanghai

Research and Development Fund

Applied Materials, Inc. renewed its commitment to supporting information technology in the People's Republic of China by pledging an additional (US)\$1 million to the Applied Materials Shanghai Research and Development Fund. A joint effort between the Company and the Science and Technology Commission of Shanghai, the Fund will obtain Applied Materials' second million-dollar contribution since its inception in 1994.

Dr. David N.K. Wang, senior vice president, office of the president of Applied Materials, and Mr. Zhu Ji Ping, chairman of the Science and Technology Commission of Shanghai, pledged their renewed commitment to the Applied Materials Shanghai Research and Development Fund at a signing ceremony in Shanghai.

"When Applied Materials first helped to establish this Fund, our goal was to establish a cooperative framework to work with local government and universities so that we could make a direct contribution to the emerging microelectronics and information industry in China," said Dr. Wang. "With this new pledge, the Company aims to further develop the country's high-technology capabilities."

The Fund's establishment has resulted in the funding of 55 research and development projects, more than 40 scholarships at Shanghai-area universities and research institutions, and two Chinese patents.

In addition to supporting research projects and scholarships, the new pledge is expected to fund an annual international information technology forum beginning this fall. The forum will bring science and technology dignitaries from around the world to local universities and institutes. The Fund also plans to launch a management development seminar for government and high-tech leaders.

"Applied Materials' work with the Shanghai Research and Development Fund has allowed us to provide many researchers and students with an opportunity to participate in the development of China's technology industry," said Zhu. "Cooperation such as this is an important element in the rapid development of our technology capabilities."

A six-member council consisting of three representatives from Applied Materials and three representatives from the Science and Technology Commission of Shanghai manages the Fund. James C. Morgan, chairman and chief executive officer of Applied Materials and Zhu Ji Ping, chairman of the Science and Technology Commission, serve as honorary advisors to the council.

Applied Materials has maintained a strong presence in China for more than 15 years. The Company was the first semiconductor equipment company to operate a service center in the People's Republic of China, offering system service and support to local semiconductor manufacturers. Applied Materials China, Ltd. maintains sales and support offices in Beijing, Shanghai, Tianjin and Wuxi.

Applied Materials, Inc. is a Fortune 500 global growth company and the world's largest supplier of wafer fabrication systems and services to the global semiconductor industry. Applied Materials is traded on the Nasdaq National Market under the symbol "AMAT." Applied Materials' website is www.appliedmaterials.com.

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