



## **Applied Materials Achieves Major Market Share Gains in 2004**

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SANTA CLARA, Calif.--(BUSINESS WIRE)--May 17, 2005--According to independent market research firm Gartner Dataquest, Applied Materials, Inc. significantly grew its overall market share in semiconductor wafer fab equipment (WFE) from 18.7% in 2003 to 21.8% in 2004, based on sales revenue. The company's market share growth in calendar year 2004 was the largest of any of the top 10 WFE companies. Gains were achieved by Applied in most of the product areas served by the company's diverse chip manufacturing technologies, including CMP\*, reactor-type CVD\*, PVD\*, epitaxial deposition, etch, and metrology/inspection systems.

"Applied's major gain in market share demonstrates our commitment to helping enable our customers' advancement to next-generation technologies, as well as providing high productivity solutions for their high-volume fabs," said Mike Splinter, president and CEO of Applied Materials. "Our continued investment in technology and the strong support of our customers have been instrumental in this advancement."

Applied Materials' diverse portfolio of advanced technologies is setting the pace for the industry's next phase and enabling leading-edge semiconductor manufacturers to begin 65nm chip production. The company's advanced interconnect, transistor and strain-engineered process technologies are helping to boost chip speed and meet the challenges of continuing Moore's Law for future generations. Applied's breakthrough metrology and inspection technologies offer customers new capabilities to find and analyze ultra-small killer defects that are critical to maintaining high chip yields.

"The success of our customers has always been our most important goal," added Splinter. "We are very pleased that our efforts have been validated by our significant market share in such a broad range of technologies, making many of our products the leading choice of semiconductor manufacturers worldwide."

This press release contains forward looking statements, including those related to Applied Materials' technological leadership, product capabilities, strategic position, and opportunities, and semiconductor industry trends. These statements are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements, including but not limited to: the sustainability of demand in the semiconductor and semiconductor equipment industries, which is subject to many factors, including global economic conditions, business spending, consumer confidence, demand for electronic products and semiconductors, and geopolitical uncertainties; the timing, rate, amount and sustainability of capital spending for new technology, such as 300mm and sub-100 nanometer applications; the company's ability to successfully develop, deliver and support a broad range of products and services and expand its markets; and other risks described in Applied Materials' SEC filings, including its most recent reports on Forms 10-K, 10-Q and 8-K. All forward-looking statements are based on management's estimates, projections and assumptions as of the date hereof and the company undertakes no obligation to update any forward-looking statement.

Applied Materials, Inc. (Nasdaq:AMAT), headquartered in Santa Clara, California, is the largest supplier of equipment and services to the global semiconductor industry. Applied Materials' web site is [www.appliedmaterials.com](http://www.appliedmaterials.com)

Notes (\*):

CMP: chemical mechanical polishing

CVD: chemical vapor deposition

PVD: physical vapor deposition

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