

Applied Materials | THIRD QUARTER FISCAL 2025

FINANCIAL OVERVIEW

Q3'25 REVENUE

\$7.30B

↑ 8% YoY

**SEMICONDUCTOR
SYSTEMS**

\$5.43B

↑ 10% YoY

**APPLIED GLOBAL
SERVICES**

\$1.60B

↑ 1% YoY

DISPLAY

\$263M

↑ 5% YoY

This document contains forward-looking statements, which are subject to risks and uncertainties that could cause our actual results to differ. Information concerning the risks and uncertainties is contained in Applied's most recent Forms 10-K and 10-Q. All forward-looking statements are based on management's current estimates, projections and assumptions, and we assume no obligation to update them.

* For reconciliation of GAAP to non-GAAP results, see the investor relations page at ir.appliedmaterials.com

Applied Materials External Use



Non-GAAP Gross Margin*

48.9% ↑ 150bps YoY



Non-GAAP EPS*

\$2.48 ↑ 17% YoY



Cash Flow

\$2.05B in Free Cash Flow*



Shareholder Distributions

\$1.06B share repurchases
\$368M dividends



Applied Materials delivered record performance in our third fiscal quarter, and we are on track to deliver our sixth consecutive year of revenue growth in fiscal 2025. We are currently operating in a dynamic macroeconomic and policy environment, which is creating increased uncertainty and lower visibility in the near term, including for our China business. Despite this, we remain very confident in the longer-term growth opportunities for the semiconductor industry and Applied Materials.”

Gary Dickerson,
PRESIDENT AND CEO

KEY THEMES

Leadership in AI remains a major focus for both companies and countries.

- » Applied is partnering with Apple to strengthen the silicon supply chain in the U.S.
- » We plan to invest >\$200M in Arizona, building on >\$400M invested in U.S. manufacturing over the past five years.

AI's need for energy-efficient computing is shifting value towards materials engineering.

- » Strength in leading-edge foundry supported revenue of ~\$1.2B in metal deposition.
- » We secured our first wins in moly deposition.
- » Strength in DRAM supported >\$1B of quarterly revenue in etch for the first time.
- » We secured production DRAM positions for new gapfill CVD, dielectric patterning systems.

Applied is best positioned at major device architecture inflections enabling AI.

- » Our advanced packaging business is on track to more than double over the next few years.
- » We see opportunity to win incremental DRAM share with the transition to vertical transistors.
- » We expect to gain share in power electronics as the market for datacenter power semiconductors grows.