

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 22, 2005

Applied Materials, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-6920
(Commission File Number)

94-165526
(IRS Employer
Identification No.)

3050 Bowers Avenue
P.O. Box 58039
Santa Clara, CA
(Address of principal executive offices)

95052-8039
(Zip Code)

Registrant's telephone number, including area code: (408) 727-5555

N/A
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.

On March 22, 2005, the Human Resources and Compensation Committee of the Board of Directors of Applied Materials, Inc. ("Applied") approved the Nonemployee Director Share Purchase Plan (the "Plan"). The purpose of the Plan is to provide nonemployee members of Applied's Board of Directors (the "Board") with a convenient method by which they may purchase shares of Applied's common stock (the "Shares"). Directors will pay 100% of fair market value for any Shares they purchase.

The Plan provides that, at least once annually, each nonemployee director will be given the opportunity to voluntarily elect to receive Shares in lieu of retainer fees and/or meeting fees that otherwise would be payable to them in cash for their service on the Board. Elections relate to fees that have not yet been earned by the director. Once the annual election is made, such election may not be changed or revoked for that year. Any fees that the participating director chooses to forego under the Plan will be converted into Shares based on the fair market value of a Share on the date of the Board or committee meeting for which the participating directors otherwise would be paid (or on the final day of a meeting that takes place over multiple days). Quarterly retainer fees will be converted into Shares based on the fair market value of a Share on the date of the regularly-scheduled quarterly meeting of the Board. However, for the first quarter in which the Plan is in effect (the second fiscal quarter of Applied's 2005 fiscal year), foregone fees will be converted into Shares based on the fair market value of a Share on April 8, 2005. Shares payable under the Plan will be fully vested and taxable.

Item 7.01 Regulation FD Disclosure.

On March 22, 2005, Applied's Board declared a quarterly cash dividend of \$0.03 per share and approved a new stock repurchase program authorizing the purchase of up to \$4.0 billion of Applied stock over the next three years ending March 2008. With the adoption of this new stock repurchase program, the \$3.0 billion stock repurchase program authorized in March 2004 was terminated.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release issued by Applied Materials, Inc. dated March 23, 2005.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Applied Materials, Inc.
(Registrant)

Dated: March 23, 2005

By: /s/ Joseph J. Sweeney

Joseph J. Sweeney
Group Vice President
Legal Affairs and Intellectual Property
and Corporate Secretary

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release issued by Applied Materials, Inc. dated March 23, 2005.

Release: Immediate
Contact: Dave Miller (editorial/media)
(408) 563-9582

Paul Bowman (financial community)
(408) 563-1698

**Applied Materials Declares a Quarterly Cash Dividend
and Increases Share Repurchase Program to \$4 Billion**

SANTA CLARA, Calif., March 23, 2005 – Applied Materials, Inc. (NASDAQ: AMAT), the largest supplier of equipment and services to the global semiconductor industry, today declared a quarterly cash dividend. Stockholders of record on May 18, 2005 will receive \$0.03 per share, payable on June 8, 2005. Applied's Board of Directors also approved a new stock repurchase program for up to \$4.0 billion over the next three years ending in March 2008.

"Our business is generating strong free cash flow which we are using to fund the growth of our business through technology leadership, entry into new markets, service expansion and acquisitions," stated Mike Splinter, president and chief executive officer. "Today's announcement to pay a dividend, as well as the increased share repurchase authorization, is further evidence of our commitment to a balanced approach to capital allocation and returning value to stockholders."

With the adoption of the new stock repurchase program, the Board terminated the \$3.0 billion stock repurchase program authorized in March 2004. In fiscal 2004 through the first quarter of fiscal 2005, Applied repurchased approximately 55,125,000 shares at an average price of \$17.23 per share, for a total of approximately \$950 million.

As of January 30, 2005, Applied Materials had approximately 1.68 billion shares of common stock outstanding.

Forward Looking Statements. This press release contains forward-looking statements, including those relating to Applied Materials' initiation of a cash dividend, revision of its stock repurchase program, business and financial condition, technological leadership, financial performance and delivery of stockholder value. 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; customers' capacity requirements, including capacity utilizing the latest technology, which depend in part on customers' inventory levels relative to demand for their products; 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 develop, deliver and support a broad range of products and services on a timely basis; the company's successful and timely development of new markets, products, processes and services; the company's ability to maintain effective cost controls and to timely align its cost structure with business conditions; the successful integration and performance of acquired businesses; the effectiveness of strategic transactions; changes in management; and other risks described in Applied Materials' SEC filings, including its most recent reports on Form 10-K and Form 10-Q. 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 such statements.

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.

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