

Applied Materials | FIRST QUARTER FISCAL 2026

FINANCIAL OVERVIEW

Q1'26 REVENUE

\$7.0B

↓ 2% YoY

**SEMICONDUCTOR
SYSTEMS**

\$5.1B

↓ 8% YoY

**APPLIED GLOBAL
SERVICES**

\$1.6B

↑ 15% YoY

This document contains forward-looking statements, which are not guarantees of future performance. Risks and uncertainties that could cause our actual results to differ materially from those expressed or implied by such statements include those described in our SEC filings, including our most recent Forms 10-K, 10-Q and 8-K. 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



Non-GAAP Gross Margin*

49.1% ↑ 20bps YoY



Non-GAAP EPS*

\$2.38 Flat YoY



Cash Flow

\$1.04B in Free Cash Flow*



Shareholder Distributions

\$337M share repurchases

\$365M dividends



Applied Materials delivered strong results in our fiscal first quarter, fueled by the acceleration of industry investments in AI computing. The need for higher performance and more energy-efficient chips is driving high growth rates for leading-edge logic, high-bandwidth memory and advanced packaging. These are areas where Applied is the process equipment leader, and we expect to grow our semiconductor equipment business over 20 percent this calendar year.”

Gary Dickerson,
PRESIDENT AND CEO

KEY THEMES

Strong Q1 performance and 2026 outlook fueled by investments in AI computing

- » Delivered Q1 revenue and earnings above midpoint of guided range
- » Expect semiconductor equipment business to grow >20% in CY26, 2H'26 weighted
- » Leading-edge foundry/logic, HBM DRAM, advanced packaging are fastest growing markets

Inflection-focused innovation strategy generating expansive pipeline of products

- » Launched three new systems to extend leadership in advanced logic and memory
- » Viva™ radical treatment smoothens GAA silicon nanosheets with atomic-level precision
- » Sym3™ Z Magnum™ conductor etch delivers angstrom-level 3D trench profile control
- » Spectral™ ALD selectively deposits molybdenum to reduce contact resistance

Driving high-velocity co-innovation with customers and R&D partners

- » Announced Samsung Electronics will join new EPIC Center in Silicon Valley
- » EPIC designed to accelerate commercialization of next-generation technologies