

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934  
(Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only  
(as permitted by §14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material §240.14a-11(c) or §240.14a-12

**Applied Materials, Inc.**

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(Name of Registrant as Specified in Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No Fee Required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(4) Proposed maximum aggregate value of transaction:

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(5) Total fee paid:

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Fee paid previously with preliminary materials:

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by Registration Statement number, or the Form or Schedule and the date of its filing.

(1) Amount previously paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing party:

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(4) Date filed:

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Email communication sent on March 19, 2004 from Joseph J. Sweeney, Group Vice President, Legal Affairs and Intellectual Property, and Corporate Secretary of Applied Materials, Inc. to Jose Arau, Principal Investment Officer, Corporate Governance Unit, of California Public Employees Retirement System.

March 19, 2004

Mr. Jose Arau  
Corporate Governance Officer  
California Public Employees Retirement System  
400 P Street  
Sacramento, CA 95814

**Re: 2004 Proxy Statement – Fees Paid to PricewaterhouseCoopers LLP**

Dear Mr. Arau:

Thank you for sharing with us the views of California Public Employees Retirement System with respect to auditor independence. As we discussed, Applied Materials, Inc. (“Applied”) wholeheartedly agrees that it is important to maintain the independence and objectivity of outside auditors.

As disclosed in its 2004 Proxy Statement, Applied paid \$21,000 in the category of “All Other Fees” to PricewaterhouseCoopers in fiscal 2003. This \$21,000 was for two categories of work: (a) approximately \$17,000 was for a price verification audit required by a customer contract; and (b) approximately \$4,000 was for verification of certain financial information in a routine environmental report. In February 2004 PricewaterhouseCoopers provided verification of certain financial information in a routine environmental report for a fee of \$8,000, which will be disclosed in the Proxy Statement for the 2005 Annual Meeting of Stockholders. PricewaterhouseCoopers will not be providing these services to Applied in the future.

If you have additional questions or comments, please call me.

Sincerely,

//signed//

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