

# Applied Materials | SECOND QUARTER FISCAL 2026

## FINANCIAL OVERVIEW

Q2'26 REVENUE

**\$7.91B**

↑ 11% YoY

**SEMICONDUCTOR  
SYSTEMS**

**\$5.97B**

↑ 10% YoY

**APPLIED GLOBAL  
SERVICES**

**\$1.67B**

↑ 17% 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](http://ir.appliedmaterials.com)

\*\* CY26 refers to FQ2'26-FQ1'27.  
FQ1'27 will be a 14-week quarter

Applied Materials External



**Non-GAAP Gross Margin\***

50.0% ↑ 80bps YoY



**Non-GAAP EPS\***

\$2.86 ↑ 20% YoY



**Cash Flow**

\$210M in Free Cash Flow\*



**Shareholder Distributions**

\$400M share repurchases  
\$365M dividends



Applied Materials delivered record quarterly performance, and we now expect our semiconductor equipment business to grow more than 30% in calendar 2026. The rapid global build-out of AI computing infrastructure combined with Applied's strong leadership positions in leading-edge logic, DRAM and advanced packaging provide an exceptionally strong foundation for sustained, multi-year revenue and profit growth."

**Gary Dickerson,**  
PRESIDENT AND CEO

## KEY THEMES

**Strong Q2 performance and Q3 outlook fueled by accelerating AI adoption**

- » Delivered record revenue, earnings, and highest gross margin in >25 years
- » Now expect semiconductor equipment business to grow >30% in CY26\*\*
- » Customers increasing cleanroom capacity and serving new demand drivers
- » Investing with confidence in R&D and operations to support strong, long-term growth expected by customers

**Industry spending mix shifted to leading-edge foundry/logic, DRAM, advanced packaging**

- » Expect these areas to represent >80% of 2026 WFE market growth, similar profile in 2027
- » AI adoption is accelerating and diversifying, driving higher growth for Applied
- » Launched new deposition systems for Gate-All-Around transistors
- » Strengthened panel packaging portfolio with pending NEXX acquisition

**Transforming how we work through EPIC, advanced services, and rapid AI adoption**

- » EPIC partners now include Micron, Samsung, SK hynix, TSMC, Advantest, ASU, RPI, Stanford
- » Driving services innovation to accelerate technology transfer from lab to fab
- » Deploying AI to drive breakthroughs, accelerate R&D and optimize operations