

## **NXP and Applied Materials Sign Comprehensive Service Contract**

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SANTA CLARA, Calif., Jul 13, 2010 (BUSINESS WIRE) --

Applied Materials, Inc. today announced that it has signed a comprehensive, five-year contract to service all Applied Materials chip production equipment at NXP Semiconductor's facility in Nijmegen, Holland. Through its flexible <a href="AppliedPerformance Service">Applied Performance Service</a> program, Applied will provide NXP with committed system uptime for over 70 Applied Materials systems in NXP's 8-inch wafer facility, at a low, predictable cost that scales with factory loading - a key ingredient for success in the current business climate.

As part of the agreement, Applied will hire NXP engineers to be members of Applied's on-site service team, ensuring a smooth transfer of responsibilities and demonstrating Applied's ability to tailor service solutions to meet specific customer needs.

"We expect to lower our overall costs and increase operational flexibility by leveraging Applied's depth of expertise in both service and equipment engineering," said Rutger Wijburg, vice president and manager of Front End Operations at NXP Semiconductor. "Applied will be responsible for maximizing tool performance, freeing us to focus on our primary mission: delivering High Performance Mixed-Signal integrated circuits for automotive, lighting and power applications."

"Our adaptive service model, powered by our service technologies, can help NXP align its costs with revenue by converting fixed costs to variable expenses without compromising performance," said Charlie Pappis, vice president and general manager of Applied Global Services. "This agreement demonstrates Applied's commitment to helping our customers maximize the return from their fab assets and is a testament to the value proposition that only Applied has the global infrastructure to offer."

Under the agreement, a team of local and internationally located Applied certified engineers will provide NXP with 24x7 support using advanced engineering and logistics technologies, including Applied's ExpertConnect<sup>(TM)</sup> remote diagnostic capability and Applied E3<sup>(TM)</sup> equipment performance tracking and diagnostic software. All the Applied tools covered under the contract will receive preventive and corrective maintenance, spare parts management, parts cleaning and coating, and analytical services.

For more information about Applied's portfolio of service solutions, visit <a href="www.appliedmaterials.com/products/index">www.appliedmaterials.com/products/index</a> pc2.html.

Applied Materials, Inc. (Nasdaq:AMAT) is the global leader in Nanomanufacturing Technology(TM) solutions with a broad portfolio of innovative equipment, service and software products for the fabrication of semiconductor chips, flat panel displays, solar photovoltaic cells, flexible electronics and energy efficient glass. At Applied Materials, we apply Nanomanufacturing Technology to improve the way people live. Learn more at <a href="https://www.appliedmaterials.com">www.appliedmaterials.com</a>.

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