



Applied Materials and STEAG AST Elektronik Settle Patent Litigation

February 25, 1999

SANTA CLARA, Calif.--(BUSINESS WIRE)--Feb. 25, 1999--Applied Materials, Inc. and STEAG AST Elektronik GmbH and its subsidiary STEAG AST Elektronik U.S.A., Inc., announced today that they have reached a settlement of the pending patent litigation between them. Under the settlement, the parties (1) dismissed their patent suits and countersuits pending in the United States District Court for the Northern District of California and the courts of the Federal Republic of Germany concerning rapid thermal processing technologies; (2) provided for the cross-licensing of certain technology; and (3) Applied agreed not to sue AST on its illuminator patents so long as AST continues not to use a particular RTP lamp array, which AST states previously had been discontinued. The detailed terms and conditions of the settlement are confidential. The parties are pleased to enter into an amicable settlement of their litigation and believe that their settlement successfully resolves the parties' dispute.

STEAG Elektronik Systems GmbH, through its subsidiaries STEAG AST Elektronik and STEAG MicroTech, is a leading supplier of RTP and wet processing systems for semiconductor and silicon wafer production. STEAG has over 12 years' experience in the RTP industry, with well over 400 RTP systems now in production worldwide.

Applied Materials, Inc. is a Fortune 500 global growth company and the world's largest supplier of wafer fabrication systems and services to the global semiconductor industry. Applied Materials is traded on the Nasdaq National Market System under the symbol, "AMAT." Applied Materials' web site is <http://www.AppliedMaterials.com>.