



Taiwan's Nanya Technology Chooses Applied Materials' Ultima and Producer CVD Systems for DRAM Production

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SANTA CLARA, Calif.--(BUSINESS WIRE)--June 30, 2000--

Nanya's Newest Fab II Orders Applied Materials' Systems for

All 0.2-0.175 Micron Dielectric Applications

Nanya Technology Corp. of Taoyuan, Taiwan, has ordered multiple Applied Materials' CVD (chemical vapor deposition) systems for its newest DRAM foundry fab. The purchase includes Ultima HDP-CVD(TM) (high-density plasma-CVD) Centura(R) systems and Producer(R) systems which are expected to be used for all dielectric film applications in the production of Nanya's most advanced DRAM devices.

Mr. Shih, fab director of Nanya's Fab II, said, "Our decision to standardize on Applied Materials for our latest fab's critical dielectric CVD applications was based on the systems' advanced technology, extendibility to future device generations and high productivity in volume production. We will be using these systems initially for 0.20 micron geometries, with a move to 0.175 micron planned for the near future. The excellent technical and support capabilities of Applied Materials Taiwan was also a factor in our decision."

According to market research firms Dataquest and VLSI Research, Applied Materials was ranked the number one supplier of HDP-CVD equipment for two consecutive years (1998-1999). Introduced in 1996, the Ultima system is used by 17 of the top 20 semiconductor manufacturers worldwide for intermetal dielectric, shallow trench isolation (STI) and low (κ) FSG (fluorinated silicate glass) logic applications. As DRAM geometries shrink and filling higher aspect ratio structures becomes more critical, memory chipmakers have expanded their use of the Ultima system to include interconnect and STI, as well as passivation, applications.

Applied Materials has shipped more than 100 Producer systems to customers worldwide since its introduction in mid-1998. A high-throughput dielectric CVD system, Producer is in high demand from chipmakers around the world for a wide range of applications, including dielectric CVD films related to copper device development and production. Nanya is expected to employ the Producer system for premetal dielectric applications using both SACVD(TM) (sub-atmospheric CVD) and PECVD (plasma enhanced CVD) process technologies to deposit anti-reflective coatings, silane oxide and TEOS capping layer films.

"Nanya's choice of these CVD systems for its advanced DRAM production shows the systems' superiority for this kind of high-volume, cost-sensitive manufacturing, which satisfies both difficult technical requirements and the need for low operating cost. We are very pleased with Nanya's decision to use Applied Materials' CVD systems as it moves aggressively toward smaller generation memory chips," said Farhad Moghadam, vice president and general manager of the Dielectric System and Modules Product Group of Applied Materials.

According to Dataquest, a market research firm, the market for dielectric CVD equipment totaled \$1.87 billion in 1999 and is expected to grow to \$3.7 billion by 2004.

Nanya Technology is a unit of Nanya Plastics, Taiwan's largest printed circuit-board maker.

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>.

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