

APPLIED MATERIALS INC /DE  
Form 4  
October 09, 2007

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287  
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Kerschbaum Manfred

(Last) (First) (Middle)

C/O APPLIED MATERIALS, INC., P.O. BOX 58039, 3050 BOWERS AV, M/S 2023

(Street)

SANTA CLARA, CA 95054

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
APPLIED MATERIALS INC /DE [AMAT]

3. Date of Earliest Transaction (Month/Day/Year)  
10/05/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
Senior Vice President

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount (A) or (D) Price		
Common Stock	10/05/2007		M		54,000 A \$ 21.0313	305,424 <sup>(1)</sup>	D
Common Stock	10/05/2007		S		54,000 D \$ 21.21	251,424 <sup>(1)</sup>	D
Common Stock	10/05/2007		M		60,000 A \$ 20.0625	311,424 <sup>(1)</sup>	D
Common Stock	10/05/2007		S		60,000 D \$ 21.3	251,424 <sup>(1)</sup>	D
						9,190.871 <sup>(2)</sup>	I

Common  
Stock

By the  
401(k)  
Plan

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 21.0313	10/05/2007		M	54,000	07/15/2004 10/18/2007	Common Stock	54,000	
Employee Stock Option (right to buy)	\$ 20.0625	10/05/2007		M	60,000	07/15/2005 04/03/2008	Common Stock	60,000	

## Reporting Owners

**Reporting Owner Name / Address**

**Relationships**

Director 10% Owner Officer Other

Kerschbaum Manfred  
C/O APPLIED MATERIALS, INC.  
P.O. BOX 58039, 3050 BOWERS AV, M/S 2023  
SANTA CLARA, CA 95054

Senior Vice President

## Signatures

/s/ Charmaine Mesina,  
Attorney-in-Fact

10/09/2007

Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Number of shares includes 245,000 performance shares (restricted stock units) previously reported that in the future will be converted on a one-for-one basis into shares of Applied Materials, Inc. common stock immediately upon vesting, which vesting is scheduled to occur

(1) as follows: 20,000 performance shares are scheduled to vest in two equal annual installments beginning 8/31/08; and, provided specified performance goals are achieved, 225,000 performance shares are scheduled to vest no earlier than in four equal annual installments beginning 12/19/07 (all vesting is subject to continued employment).

(2) Increased number of shares reflects dividend reinvestment and periodic allocation of accrued interest (which interest was automatically converted into shares) to all participants under 401(k) Plan that are exempt under Rule 16b-3.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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