

From: Craig_Jimerson@amat.com
Sent: Saturday, June 19, 2004 6:19 PM
To: Director - FASB
Subject: File Reference 1102-100: Accounting for Stock Options and ESPPs

I am writing to express my opposition to changing the accounting treatment for stock options and Employee Stock Purchase Plans ESPPs. I am very opposed to the changes under consideration for the AMAT stock option and ESPP plan. This plan in its current form has been a godsend to myself and other employees here at AMAT. I believe that this plan in its CURRENT form is mutually beneficial to both the AMAT employees and shareholders. Employees, like myself, are offered an incentive with this program that benefits our families in the long-term and is there as an emergency reserve in case of need. During some of the darkest and trying times of our recent and still ongoing economic downturn I, along with others I know, was put into the unfortunate position of having to draw upon the ESPP part of the program to remain self reliant and make ends meet. Thank god for it!.

I, as an AMAT employee, am dedicated to maintaining a high level of productivity in order to provide our market with a quality product that keeps orders coming in and our reputation strong. This makes the stockholder a winner as well. From what I understand, our stockholders are aware of the accounting practices used to manage and report the program and do not feel cheated by it. They realize that this incentive attracts and retains higher quality employees, while increasing the overall productivity of Applied Materials.

I would ask that the program stay in place the way it is and not change. In a time where my company and others like it in the U.S. high tech industry are trying to recover market share, profitability and develop new products to insure our future. What is the benefit of changing the way we report our earnings if there is no legal wrongdoing and everyone involved reaps from the investment they contribute? At this time, we cant afford to lose ground to global competitors that are not held to the same reporting guidelines.

If there is an explanation as to why this change is being proposed and who benefits from the change, please send it to me via email.

Thanks for your time,

Craig Jimerson

Send reply to: Craig_Jimerson@AMAT.com