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From: Christine_Reyna@amat.com
Sent: Thursday, June 24, 2004 10:49 AM
To: Director - FASB
Subject: File Reference 1102-100: Accounting for Stock Options and ESPPs

Letter of Comment No: 5260
File Reference: 1102-100

I am writing to express my opposition to changing the accounting treatment for stock options and Employee Stock Purchase Plans (ESPPs). In the last three years the semiconductor industry has experienced the worst downturn in the industry in its history, first due to the downturn for our industry and then the events that occurred on 9/11/2001.

While I am very fortunate to still have a job, however the only thing that allowed me to keep my spirits up in the past three years is the stock options and ESPP shares granted to me by the company during this downturn. It has helped me bridge the gap for the 5% pay decrease we had to endure in 2002 and the following merit increase hold and no promotions. My family's livelihood depends on my income and I could not have gotten through this without that incentive to stay employed with my company and wait out this downturn.

If this new accounting treatment is enacted, my company would be forced to reduce, if not eliminate any or all incentives given to employees. Please consider my plea when making your decision. Employees like me should not have to pay for a change in accounting reporting.

Sincerely,

Christine Reyna
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