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Letter of Comment No: 5346 File Reference: 1102-100

From: Tom_Kropewnicki@amat.com

Sent: Thursday, June 24, 2004 9:27 PM

To: Director - FASB

Subject: File Reference 1102-100: Accounting for Stock Options and ESPPs

To Whom It May Concern:

I am writing to express my opposition to changing the accounting treatment for stock options and Employee Stock Purchase Plans (ESPPs). On a practical level, it is impossible to predict the future value of stock options and options are worthless until they vest, so how can a company expense options without what amounts to guessing a value to expense? This sort of fuzzy math will NOT improve the clarity or accuracy of a company's consolidated financial statements and will hurt investors (i.e., people like me and my coworkers). On a personal level, employee stock options and ESPP shares will make it possible for my family to consider such things as buying our first home much sooner that would have been possible without options and ESPP shares.

Please do not change the accounting treatment for stock options and ESPP shares.

Sincerely,

Thomas J. Kropewnicki, PhD Senior Process Engineer Etch Product Business Group Applied Materials, Inc.