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Liam Roberts@amat.com From:

Sent:

Thursday, June 17, 2004 4:17 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).

Letter of Comment No: 4480 File Reference: 1102-100

Stock options, while somewhat risky, are one of the main reasons I go above and beyond normal expectations. If our company is expected to expense Stock Options, my expectation is that emplyees will be offered less. If that's the case, I may as well go work for someone else, or reduce my productivity.

It does not make sense for companies to expense something which has no value until the stock is exercised. By then, no one knows if it's of any value at all.

Please consider this change seriously. It does not make sense to me.

Regards, Liam Roberts **Applied Materials**