

APPLIED MATERIALS INC /DE

Form 4

July 06, 2007

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
Kerschbaum Manfred

(Last) (First) (Middle)

C/O APPLIED MATERIALS,
INC., PO BOX 58039, 3050
BOWERS AVE, 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)
07/03/2007

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ 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	07/03/2007		M		15,000	A	\$ 15.07	271,500 <u>(1)</u>	D	
Common Stock	07/03/2007		S		15,000	D	\$ 20.16	256,500 <u>(1)</u>	D	
Common Stock	07/03/2007		M		30,000	A	\$ 14.57	286,500 <u>(1)</u>	D	
Common Stock	07/03/2007		S		30,000	D	\$ 20.16	256,500 <u>(1)</u>	D	
	07/03/2007		M		62,500	A		319,000 <u>(1)</u>	D	

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Common Stock						\$ 16.12			
Common Stock	07/03/2007		S	62,500	D	\$ 20.16	256,500 <u>(1)</u>	D	
Common Stock	07/05/2007		S	1,500	D	\$ 19.9	255,000 <u>(1)</u>	D	
Common Stock							9,164.667 <u>(2)</u>	I	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)	\$ 15.07	07/03/2007		M	15,000	07/15/2004 11/19/2009	Common Stock 15,000
Employee Stock Option (right to buy)	\$ 14.57	07/03/2007		M	30,000	<u>(3)</u> 12/11/2009	Common Stock 30,000
Employee Stock Option (right to buy)	\$ 16.12	07/03/2007		M	62,500	<u>(4)</u> 11/03/2011	Common Stock 62,500

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Kerschbaum Manfred C/O APPLIED MATERIALS, INC. PO BOX 58039, 3050 BOWERS AVE, M/S 2023 SANTA CLARA, CA 95054			Senior Vice President	

Signatures

/s/ Charmaine Mesina,
Attorney-in-Fact

07/06/2007

__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 255,000 performance shares (or 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

- (1) occur as follows: 30,000 performance shares are scheduled to vest in three equal annual installments beginning 8/31/07; 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 periodic payroll acquisitions, reinvestment of dividends, and periodic allocation of accrued interest to all participants under 401(k) Plan that are exempt under Rule 16b-3.
- (3) 30,000 shares became exercisable on 7/15/06 and 65,000 shares become exercisable on 7/15/07, subject to continued employment.
- (4) 31,250 shares became exercisable on each of 7/15/05 and 7/15/06; and 31,250 shares become exercisable on each of 7/15/07 and 7/15/08, subject to continued employment.

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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