

APPLIED MATERIALS INC /DE
 Form 4
 July 17, 2007

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
 St Dennis Thomas

2. Issuer Name and Ticker or Trading Symbol
 APPLIED MATERIALS INC /DE
 [AMAT]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
 (Month/Day/Year)
 07/15/2007

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

C/O APPLIED MATERIALS,
 INC., PO BOX 58039, 3050
 BOWERS AVE, M/S 2023

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

SANTA CLARA, CA 95054

(City) (State) (Zip)

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 Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	07/15/2007		M		16,062 ⁽¹⁾	A	\$ 0 287,499 ⁽²⁾ D
Common Stock	07/15/2007		J		50,000 ⁽³⁾	A	\$ 0 337,499 D
Common Stock							7,189.102 ⁽⁴⁾ I

By the
 401(k)
 Plan

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(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)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Performance Shares (or Restricted Stock Units) <u>(5)</u>	\$ 20.48	07/15/2007		F	8,938 <u>(6)</u>	<u>(7)</u>	<u>(8)</u>	Common Stock	8,938
Performance Shares (or Restricted Stock Units) <u>(5)</u>	<u>(8)</u>	07/15/2007		M	16,062	<u>(7)</u>	<u>(8)</u>	Common Stock	16,062
Performance Shares (or Restricted Stock Units) <u>(5)</u>	<u>(8)</u>	07/15/2007		J	50,000 <u>(9)</u>	<u>(7)</u>	<u>(8)</u>	Common Stock	50,000

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

St Dennis Thomas
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

07/17/2007

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).
- (1) Represents performance shares (or restricted stock units) that were converted on a one-for-one basis into shares of Applied Materials, Inc. common stock upon vesting on 7/15/07.

Increased number of shares also reflects periodic payroll acquisitions under Employees' Stock Purchase Plan that are exempt under Rule 16a-10 and Rule 16b-3. Number of shares includes 262,500 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 occur as follows: 37,500 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) Represents a change in reporting of 50,000 performance shares (or restricted stock units) previously reported on Table II that will now instead be reported on this Table I. These shares remain unvested and 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 occur in two equal annual installments beginning 7/15/08 (subject to continued employment).
- (3) Increased number of shares reflects reinvestment of dividends and periodic allocation of accrued interest to all participants under 401(k) Plan that are exempt under Rule 16b-3.
- (4) The performance shares (or restricted stock units) will be converted on a one-for-one basis into shares of Applied Materials, Inc. common stock immediately upon vesting.
- (5) Represents shares that were automatically withheld to cover tax withholding obligations in a transaction exempt under Rule 16b-3.
- (6) 25,000 shares vested on 7/15/07 and 25,000 shares to become vested on each of 7/15/08 and 7/15/09 (subject to continued employment).
- (7) Not applicable.
- (8) These shares, which remain unvested, will now be reported on Table I. Please see footnote 3 above.
- (9)

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.