

Davis George S
 Form 4
 March 11, 2009

FORM 4

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

OMB APPROVAL

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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 *
 Davis George S

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

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)
 Director 10% Owner
 Officer (give title below) Other (specify below)
 Senior Vice President and CFO

(Last) (First) (Middle)
 C/O APPLIED MATERIALS, INC., P.O. BOX 58039, 3050 BOWERS AV, M/S 2023
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 03/09/2009

SANTA CLARA, CA 95054
 (City) (State) (Zip)

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

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)
Common Stock				(A) or (D)	339,829.5476 (1) (2)	D	
Common Stock				(A) or (D)	220	I	By Trust
Common Stock				(A) or (D)	1,343.076 (3)	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 Security (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount
Employee Stock Option (right to buy)	\$ 8.58	03/09/2009		A	600,000	04/01/2010 ⁽⁴⁾	03/09/2014	Common Stock	600,000

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Davis George S
C/O APPLIED MATERIALS, INC.
P.O. BOX 58039, 3050 BOWERS AV, M/S 2023
SANTA CLARA, CA 95054

Senior Vice President and CFO

Signatures

/s/ Charmaine Mesina,
Attorney-in-Fact

03/11/2009

__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) Amount reported solely to reflect increased number of shares from periodic payroll acquisitions under Employees' Stock Purchase Plan that are exempt under Rule 16a-10 and Rule 16b-3. Number of shares includes 246,375 performance shares (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 upon vesting, which vesting is scheduled to occur as follows:

- (a) 2,000 performance shares are scheduled to vest on 8/31/09; (b) 100,000 performance shares are scheduled to vest in two equal annual installments beginning 12/19/09; (c) 91,875 performance shares are scheduled to vest in three equal installments beginning 12/19/09; and
- (2) (d) provided specified performance goals are achieved, 52,500 performance shares are scheduled to vest (i) as to 26,250 shares no earlier than on 12/19/09 and (ii) as to 26,250 shares no earlier than in two equal annual installments beginning 12/19/10 (all vesting is subject to continued employment).

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- (3) Increased number of shares reflects dividend reinvestment under the 401(k) Plan that is exempt under Rule 16b-3.
- (4) Shares become exercisable in three equal annual installments beginning on April 1, 2010 (assuming 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. 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.