



Third Quarter Fiscal 2025 Earnings Presentation

August 14, 2025

Applied Materials External



Forward-Looking Statements

This presentation contains forward-looking statements, including those regarding anticipated growth and trends in our businesses and markets, industry outlooks and demand drivers, technology transitions, our business and financial performance and market share positions, our capital allocation and cash deployment strategies, our investment and growth strategies, our development of new products and technologies, our business outlook for the fourth quarter of fiscal 2025 and beyond, the anticipated impact of escalated trade tensions and increased tariffs and trade restrictions, and other statements that are not historical facts. These statements and their underlying assumptions are subject to risks and uncertainties and are not guarantees of future performance.

Factors that could cause actual results to differ materially from those expressed or implied by such statements include, without limitation: the level of demand for our products; global economic, political and industry conditions, including changes in interest rates and prices for goods and services; the implementation of additional export regulations and license requirements and their interpretation, and their impact on our ability to export products and provide services to customers and on our results of operations; global trade issues and changes in trade and export license policies and our ability to obtain licenses or authorizations on a timely basis, if at all; imposition of new or increases in tariffs and any retaliatory measures, including their impact on demand for our products and services; our ability to effectively mitigate the impact of tariffs; the effects of geopolitical turmoil or conflicts; demand for semiconductor chips and electronic devices; customers' technology and capacity requirements; the introduction of new and innovative technologies, and the timing of technology transitions; our ability to develop, deliver and support new products and technologies; our ability to meet customer demand, and our suppliers' ability to meet our demand requirements; the concentrated nature of our customer base; our ability to expand our current markets, increase market share and develop new markets; market acceptance of existing and newly developed products; our ability to obtain and protect intellectual property rights in key technologies; cybersecurity incidents affecting our information systems or information contained in them, or affecting our operations, suppliers, customers or vendors; our ability to achieve the objectives of operational and strategic initiatives, align our resources and cost structure with business conditions, and attract, motivate and retain key employees; the effects of regional or global health epidemics; acquisitions, investments and divestitures; changes in income tax laws; the variability of operating expenses and results among products and segments, and our ability to accurately forecast future results, market conditions, customer requirements and business needs; our ability to ensure compliance with applicable law, rules and regulations and other risks and uncertainties described in our SEC filings, including our recent Forms 10-K, 10-Q and 8-K. All forward-looking statements are based on management's current estimates, projections and assumptions, and we assume no obligation to update them.

Gary Dickerson

President and Chief Executive Officer

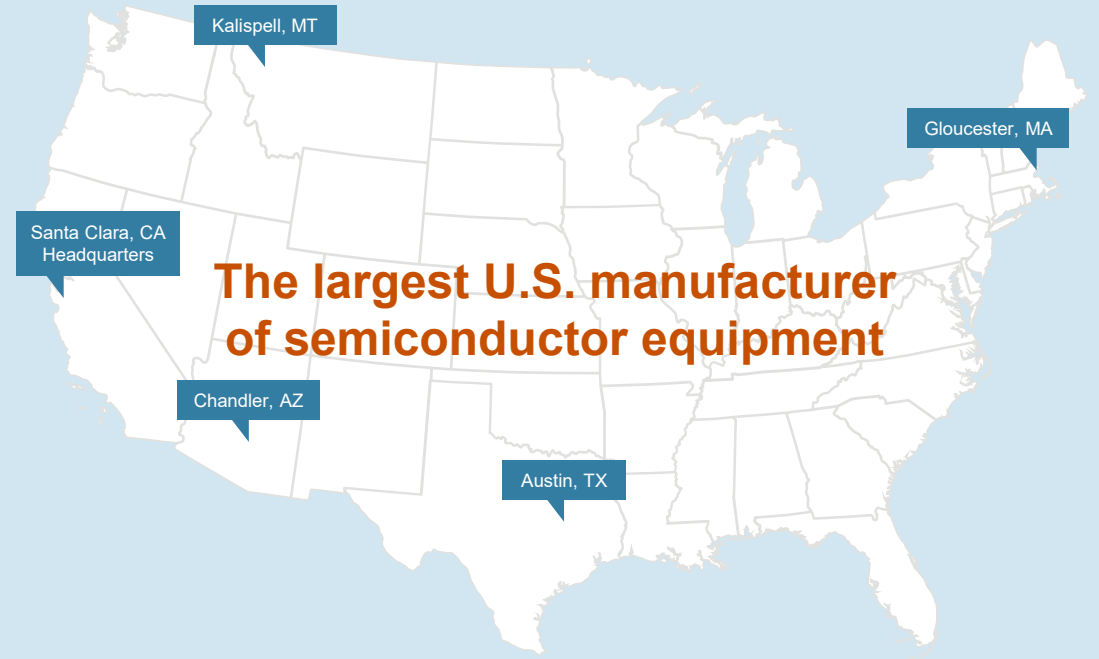


CEO SUMMARY

- Applied delivered record performance in fiscal Q3
- Fiscal Q4 expected to be sequentially lower, primarily due to uncertainties in China business
- On track for sixth consecutive year of growth in FY25
- Long-term growth thesis remains unchanged, driven by global race for AI leadership
- Applied is best positioned at the major device inflections that enable the AI roadmap

Strengthening U.S. Semiconductor Manufacturing

- Working alongside industry leaders to strengthen the domestic chip supply chain
- Investing **>\$200M** in Arizona to establish new components facility
- Building on **>\$400M** invested in U.S. infrastructure over the past five years



Energy-Efficient Computing Enabled by Materials Engineering

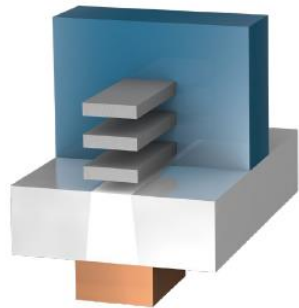


AI DATA CENTER ENABLERS		INFLECTIONS	MATERIALS ENGINEERING LEADERSHIP
Leading-Edge Logic		Gate-all-around transistors Backside power delivery	✓
High-Performance DRAM		4F ² 3D DRAM	✓
DRAM Die Stacking		High-Bandwidth Memory (HBM) Hybrid bonding	✓
Advanced Packaging		Substrates	✓
Power Electronics		Compound semi (SiC, GaN)	✓

Inflections grow the WFE market, increase relative mix of materials engineering, and provide opportunity to gain share

Inflections Create Opportunities for Growth

Gate-All-Around (GAA) with
Backside Power Delivery (BPD)



Leading-Edge Logic

- » Fab with GAA/BPD increases opportunity by ~30%*
- » On track for >50% SAM share
- » In FQ3, revenue of ~\$1.2B for metal deposition business
- » Secured first wins in molybdenum deposition

6F²



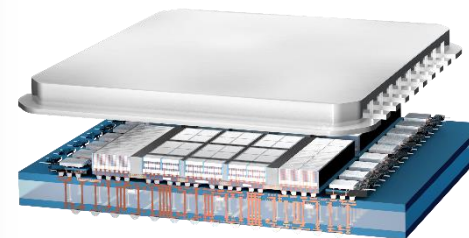
VT 4F²



High-Performance DRAM

- » Expect revenue from leading-edge customers to be up ~50% in FY25
- » In FQ3, DRAM drove record results for etch business
- » Secured production positions for gapfill CVD and dielectric patterning systems
- » Opportunity to win share with adoption of VT 4F²

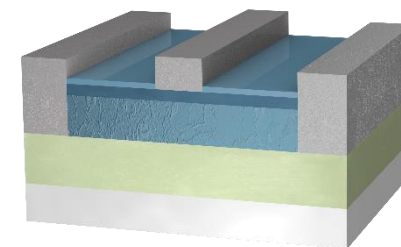
Advanced Package with
High-Bandwidth Memory (HBM)



Advanced Packaging

- » Broad portfolio for HBM and heterogenous integration
- » Packaging market share well above company's overall equipment share
- » Well positioned for future architecture inflections
- » On track to >2X packaging business to >\$3B over next few years

Gallium Nitride (GaN)
Transistor



Power Electronics

- » Data center power semiconductor market could grow to \$9B by 2030
- » On track to grow market share with highly differentiated solutions
- » Positioned well for the future

* Compared to FinFET node, for the equivalent fab capacity (per 100k wafer starts per month)



APPLIED GLOBAL SERVICES®

- Helping customers manage increasing complexity as they ramp next generation technology into high volume manufacturing
- 24 consecutive quarters of year-over-year revenue growth
- Greater than two-thirds of Core AGS revenue is from subscriptions

**Expect low double-digit
annualized growth rate
over the long-term**



COMING SOON

EPIC CENTER

- » Applied's collaborative platform for high-velocity co-innovation
- » A new approach to Equipment and Process Innovation and Commercialization
- » Construction in progress; operations to begin Spring 2026

Brice Hill

SVP, Chief Financial Officer



FQ3

HIGHLIGHTS

- Record quarter with growth across all three segments
- Record non-GAAP EPS; robust GM of 48.9%
- Semi Systems: demand largely in line with expectations; broad-based customer investments across foundry-logic, DRAM and NAND
- AGS: achieved record core services revenue, with positive trends across our key performance indicators
- Display: industry investing in equipment to support further adoption of OLED technology

FQ3'25 Non-GAAP Financial Results

\$M, except EPS	FQ3'24	FQ2'25	FQ3'25	YoY
Revenue	6,778	7,100	7,302	8%
Gross Margin*	47.4%	49.2%	48.9%	150bps
Operating Expenses*	1,258	1,311	1,324	5%
Operating Income*	1,953	2,180	2,245	15%
Operating Margin*	28.8%	30.7%	30.7%	190bps
EPS*	\$2.12	\$2.39	\$2.48	17%

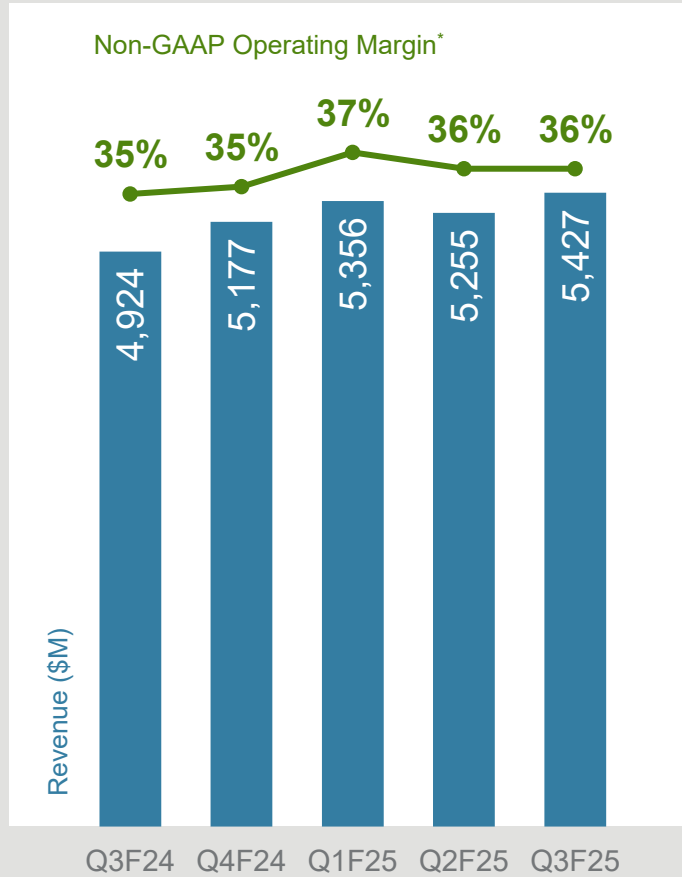
Year-over-year highlights:

- Revenue growth across all business segments
- GM strength driven by combination of product and segment mix and pricing
- Optimized our G&A spending to help offset investments in R&D to support leading-edge technology inflections for our customers' roadmaps
- Record Non-GAAP EPS benefitted from revenue growth, better profitability and share repurchases

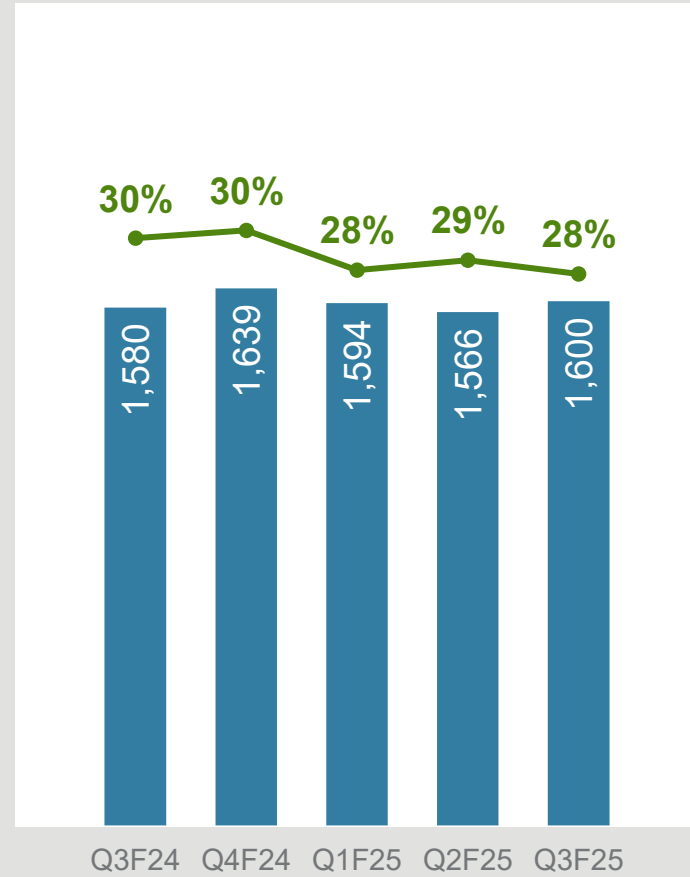
* For reconciliation of GAAP to non-GAAP results, see appendix of this presentation and non-GAAP reconciliation on the investor relations website at ir.appliedmaterials.com

FQ3'25 Segment Results

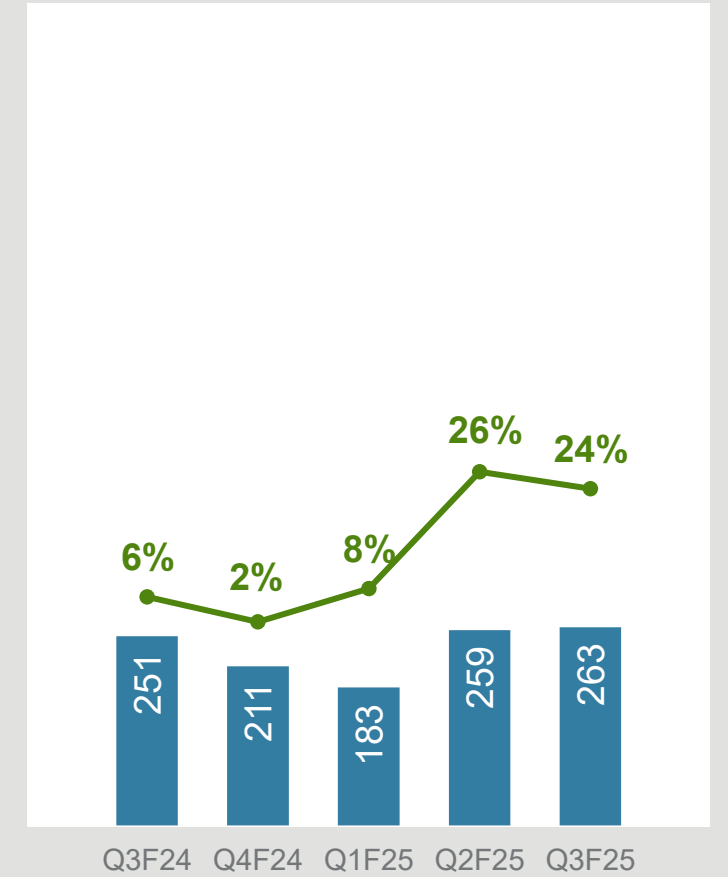
SEMICONDUCTOR SYSTEMS



APPLIED GLOBAL SERVICES



DISPLAY



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Strong Investment-Grade Balance Sheet

CASH AND INVESTMENTS (\$M)	FQ3'24	FQ4'24	FQ1'25	FQ2'25	FQ3'25
Cash and Cash Equivalents	8,288	8,022	6,264	6,169	5,384
Short-Term Investments	815	1,449	1,949	578	1,630
Long-Term Investments	2,981	2,787	2,686	3,638	4,133
Total Cash and Investments	12,084	12,258	10,899	10,385	11,147
DEBT (\$M)					
Short-Term Debt*	99	799	799	799	799
Current ratings (Moody's / S&P): P-1 / A-1					
Long-Term Debt	6,158	5,460	5,461	5,462	5,463
Current ratings (Moody's / S&P): A2 / A					
Total Debt	6,257	6,259	6,260	6,261	6,262

* Includes commercial paper and current portion of long-term debt

Cash Flows and Shareholder Distributions

CASH FLOWS (\$M)	FQ3'24	FQ4'24	FQ1'25	FQ2'25	FQ3'25
Operating Cash Flow	2,385	2,575	925	1,571	2,634
Free Cash Flow*	2,088	2,168	544	1,061	2,050
SHAREHOLDER DISTRIBUTIONS (\$M)					
Total Shareholder Distributions	(1,192)	(1,771)	(1,644)	(1,995)	(1,424)
Share Repurchases	(861)	(1,442)	(1,318)	(1,670)	(1,056)
Dividends	(331)	(329)	(326)	(325)	(368)

Committed to distribute 80–100% of FCF to shareholders over time

\$14.8B remaining on share repurchase authorization at end of FQ3'25

* For reconciliation of GAAP to non-GAAP results, see appendix of this presentation and non-GAAP reconciliation on the investor relations website at ir.appliedmaterials.com

Business Outlook

Fourth QUARTER FISCAL 2025

OUTLOOK*	Total Revenue	~\$6.7B ± \$500M
	Non-GAAP EPS*	~\$2.11 ± \$0.20
SEGMENT REVENUE	Semiconductor Systems	~\$4.70B
	Applied Global Services	~\$1.60B
	Display	~\$350M
OTHER	Non-GAAP Gross Margin*	~48.1%
	Non-GAAP Operating Expenses*	~\$1.31B
	Non-GAAP Tax Rate*	~12.6%

* For reconciliation of GAAP to non-GAAP results, see appendix of this presentation and non-GAAP reconciliation on the investor relations website at ir.appliedmaterials.com

CFO

SUMMARY

- Leveraging our robust supply chain, global manufacturing footprint, leading technology and deep customer relationships to navigate and adapt to the near-term uncertainties
- Long-term growth thesis remains intact
- Remain focused on positioning our investments and portfolio to focus on the most-enabling and critical applications for our customers

Q&A

Capital Allocation Strategy

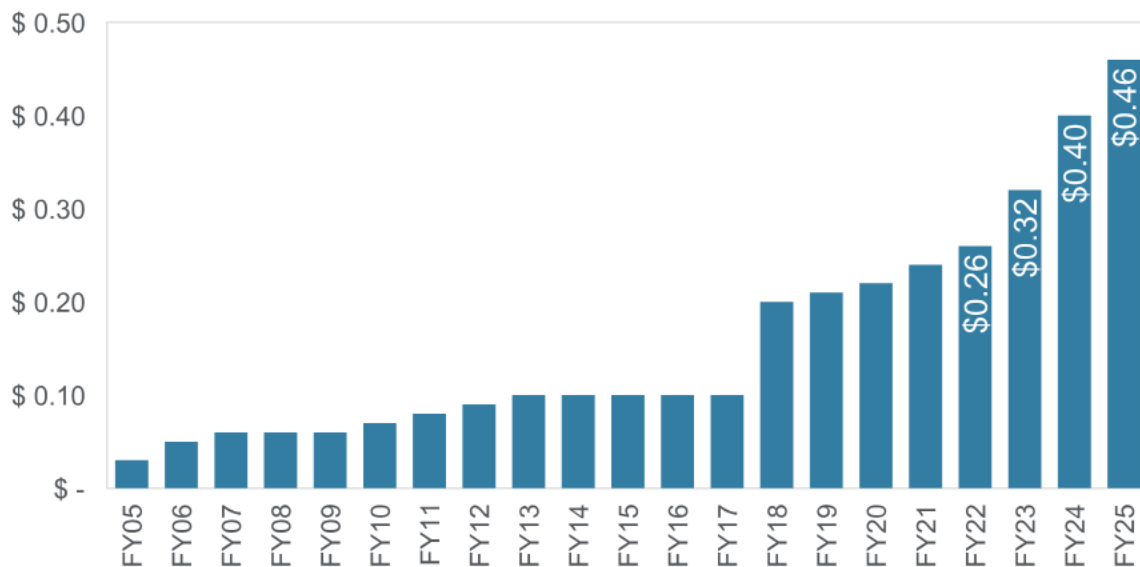
1. Invest in R&D and infrastructure to enable profitable growth

2. Grow dividend per share and use buybacks to distribute excess FCF

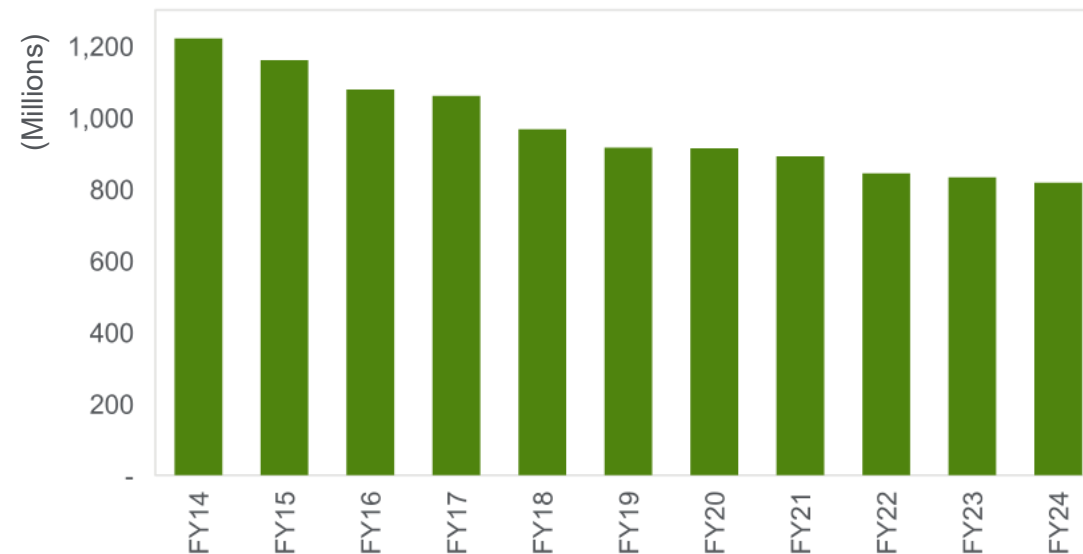
OVER PAST 10 FISCAL YEARS (through FY24)

- » Reinvested >\$22B in R&D and >\$6B in capital additions
- » Distributed nearly 90% of FCF*
- » Grew dividend per share at ~15% CAGR
- » Reduced shares outstanding by 33%

Quarterly Dividend per Share



Shares Outstanding at FY End



Committed to distribute 80–100% of FCF to shareholders over time

\$14.8B remaining on share repurchase authorization at end of FQ3'25

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GLOSSARY: Materials Engineering and Other Technologies from Applied

MATERIALS ENGINEERING

Create and Deposit	<ul style="list-style-type: none">• Deposition: Depositing a thin layer of insulating material (dielectric) or conductive material (metal) onto a substrate.• Epi (Epitaxy): Growing a monocrystalline film on a lattice structure and orientation identical to the substrate.• CVD (Chemical Vapor Deposition): Depositing a thin film of dielectric material by exposing the substrate to one or more volatile precursors, which react and/or decompose on the substrate's surface. Includes ALD (Atomic Layer Deposition) whereby material can be deposited one atomic layer at a time.• PVD (Physical Vapor Deposition): Depositing metal by directing ions at a target of pure material to coat a substrate.• ECD (Electrochemical Deposition/Plating): Depositing metals contained in a solution onto a charged substrate.• Selective Deposition: Occurring only along desired surfaces.
Shape and Remove	<ul style="list-style-type: none">• Etch: Removing material through a chemical reaction or physical bombardment. The process can be performed using liquid-phase (wet) etchants or under vacuum (dry) typically using a plasma to generate gas-phase reactants.• Selective Removal: Removing a target material while leaving other materials in place.• Pattern Shaping: Precisely removing dielectric films used in patterning processes to create denser patterns or correct defects.• Planarization: Making an uneven wafer surface flat using chemical mechanical planarization (CMP).
Modify	<ul style="list-style-type: none">• Implant (Ion Implantation): Using intense electrical fields to accelerate ions and penetrate the surface of the wafer, thereby changing the electrical characteristics of the semiconductor material.• Thermal (Anneals): Using high temperatures to repair defects in crystal structures or induce phase changes.
Connect	<ul style="list-style-type: none">• Advanced Packaging: Using front-end wafer fab equipment tools and advanced substrates to connect a variety of chips using increasingly small contacts and wires to increase integration, reduce power and increase performance -- of both chips and systems.

METROLOGY & INSPECTION

Analyze	<ul style="list-style-type: none">• Optical Inspection: Examining wafers at optical resolution to detect the presence of particles and defects between process steps.• eBeam Defect Review: Examining suspected defects at electron beam resolution to see and classify defects and root-cause process issues.• eBeam Inspection: Using electron beam technology to detect and identify defects that cannot be detected by optical inspection.• eBeam Metrology: Using electron beam technology to measure critical structures including buried structures with nanometer precision.• CD-SEM: Calibrating lithography systems by using electron beam technology to measure the critical dimensions of patterns in photoresist.
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Appendix

GAAP to Non-GAAP Reconciliations

Use of Non-GAAP Adjusted Financial Measures

Applied provides investors with certain non-GAAP financial measures, which are adjusted for the impact of certain costs, expenses, gains and losses, including certain items related to mergers and acquisitions; restructuring and severance charges and any associated adjustments; impairments of assets; gain or loss, dividends and impairments on strategic investments; certain income tax items and other discrete adjustments. On a non-GAAP basis, the tax effect related to share-based compensation is recognized ratably over the fiscal year. Reconciliations of these non-GAAP measures to the most directly comparable financial measures calculated and presented in accordance with GAAP are provided in the appendix to this presentation and on Applied's website, ir.appliedmaterials.com.

Management uses these non-GAAP financial measures to evaluate the company's operating and financial performance and for planning purposes, and as performance measures in its executive compensation program. Applied believes these measures enhance an overall understanding of its performance and investors' ability to review the company's business from the same perspective as the company's management, and facilitate comparisons of this period's results with prior periods on a consistent basis by excluding items that management does not believe are indicative of Applied's ongoing operating performance. There are limitations in using non-GAAP financial measures because the non-GAAP financial measures are not prepared in accordance with generally accepted accounting principles, may be different from non-GAAP financial measures used by other companies, and may exclude certain items that may have a material impact upon our reported financial results. The presentation of this additional information is not meant to be considered in isolation or as a substitute for the directly comparable financial measures prepared in accordance with GAAP.

UNAUDITED QUARTERLY RECONCILIATION OF GAAP TO NON-GAAP ADJUSTED RESULTS

IN MILLIONS, EXCEPT PERCENTAGES

Non-GAAP Gross Profit

	FQ3'24	FQ4'24	FQ1'25	FQ2'25	FQ3'25
GAAP reported gross profit	\$ 3,205	\$ 3,335	\$ 3,496	\$ 3,485	\$ 3,562
Certain items associated with acquisitions ¹	6	6	7	6	7
Impairment of long-lived assets	—	3	—	—	—
Non-GAAP gross profit	<u>\$ 3,211</u>	<u>\$ 3,344</u>	<u>\$ 3,503</u>	<u>\$ 3,491</u>	<u>\$ 3,569</u>
Non-GAAP gross margin	47.4 %	47.5 %	48.9 %	49.2 %	48.9 %

Non-GAAP Operating Income

GAAP reported operating income	\$ 1,942	\$ 2,046	\$ 2,175	\$ 2,169	\$ 2,233
Certain items associated with acquisitions ¹	10	11	12	11	11
Acquisition integration and deal costs	1	3	3	—	1
Impairment of long-lived assets	—	3	—	—	—
Non-GAAP operating income	<u>\$ 1,953</u>	<u>\$ 2,063</u>	<u>\$ 2,190</u>	<u>\$ 2,180</u>	<u>\$ 2,245</u>
Non-GAAP operating margin	28.8 %	29.3 %	30.6 %	30.7 %	30.7 %

Non-GAAP Net Income

GAAP reported net income	\$ 1,705	\$ 1,731	\$ 1,185	\$ 2,137	\$ 1,779
Certain items associated with acquisitions ¹	10	11	12	11	11
Acquisition integration and deal costs	1	3	3	—	1
Impairment of long-lived assets	—	3	—	—	—
Realized loss (gain), dividends and impairments on strategic investments, net	16	(1)	(9)	(18)	16
Unrealized loss (gain) on strategic investments, net	25	244	106	(80)	(314)
Foreign exchange loss (gain) related to purchase of strategic investment	—	—	—	23	—
Loss (gain) on asset sale	—	—	—	(44)	—
Income tax effect of share-based compensation ²	8	7	(10)	4	7
Income tax effect related to intra-entity intangible asset transfers ³	17	(33)	674	32	32
Resolution of prior years' income tax filings and other tax items ⁴	(11)	(47)	(16)	(124)	460
Income tax effect of non-GAAP adjustments ⁵	(4)	(1)	1	(1)	(3)
Non-GAAP net income	<u>\$ 1,767</u>	<u>\$ 1,917</u>	<u>\$ 1,946</u>	<u>\$ 1,940</u>	<u>\$ 1,989</u>

FOOTNOTES:

- These items are incremental charges attributable to completed acquisitions, consisting of amortization of purchased intangible assets.
- GAAP basis tax benefit related to share-based compensation is recognized ratably over the fiscal year on a non-GAAP basis.
- Amount for the first quarter of fiscal 2025 included changes to income tax provision of \$30 million from amortization of intangibles and a \$644 million remeasurement of deferred tax assets resulting from new tax incentive agreements in Singapore in fiscal 2025.
- Amount for the third quarter of fiscal 2025 included the impact of the recognition of a \$410 million valuation allowance against deferred tax assets related to corporate alternative minimum tax credits.
- Adjustment to provision for income taxes related to non-GAAP adjustments reflected in income before income taxes.

UNAUDITED QUARTERLY RECONCILIATION OF GAAP TO NON-GAAP ADJUSTED RESULTS

IN MILLIONS, EXCEPT PER SHARE AMOUNTS

Non-GAAP Earnings Per Diluted Share

	FQ3'24	FQ4'24	FQ1'25	FQ2'25	FQ3'25
GAAP reported earnings per diluted share	\$ 2.05	\$ 2.09	\$ 1.45	\$ 2.63	\$ 2.22
Certain items associated with acquisitions ¹	0.01	0.01	0.01	0.01	0.01
Realized loss (gain), dividends and impairments on strategic investments, net	0.01	—	(0.01)	(0.02)	0.02
Unrealized loss (gain) on strategic investments, net	0.03	0.30	0.13	(0.10)	(0.39)
Foreign exchange loss (gain) related to purchase of strategic investment	—	—	—	0.03	—
Loss (gain) on asset sale	—	—	—	(0.05)	—
Income tax effect of share-based compensation ²	0.01	0.01	(0.01)	—	0.01
Income tax effects related to intra-entity intangible asset transfers ³	0.02	(0.04)	0.83	0.04	0.04
Resolution of prior years' income tax filings and other tax items ⁴	(0.01)	(0.05)	(0.02)	(0.15)	0.57
Non-GAAP earnings per diluted share	<u>\$ 2.12</u>	<u>\$ 2.32</u>	<u>\$ 2.38</u>	<u>\$ 2.39</u>	<u>\$ 2.48</u>
Weighted average number of diluted shares	833	828	819	812	802

FOOTNOTES:

1. These items are incremental charges attributable to completed acquisitions, consisting of amortization of purchased intangible assets.
2. GAAP basis tax benefit related to share-based compensation is recognized ratably over the fiscal year on a non-GAAP basis.
3. Amount for the first quarter of fiscal 2025 included changes to income tax provision of \$0.04 per diluted share from amortization of intangibles and \$0.79 per diluted share from a remeasurement of deferred tax assets resulting from new tax incentive agreements in Singapore in fiscal 2025.
4. Amount for the third quarter of fiscal 2025 included a \$0.51 per diluted share impact of the recognition of a valuation allowance against deferred tax assets related to corporate alternative minimum tax credits.

UNAUDITED QUARTERLY RECONCILIATION OF GAAP TO NON-GAAP SEGMENT OPERATING RESULTS

IN MILLIONS, EXCEPT PERCENTAGES

Semiconductor Systems Non-GAAP Operating Income

	FQ3'24	FQ4'24	FQ1'25	FQ2'25	FQ3'25
GAAP reported operating income	\$ 1,712	\$ 1,824	\$ 1,986	\$ 1,900	\$ 1,966
Certain items associated with acquisitions ¹	10	10	12	11	11
Non-GAAP operating income	<u>\$ 1,722</u>	<u>\$ 1,834</u>	<u>\$ 1,998</u>	<u>\$ 1,911</u>	<u>\$ 1,977</u>
Non-GAAP operating margin	35.0 %	35.4 %	37.3 %	36.4 %	36.4 %

AGS Non-GAAP Operating Income

GAAP reported operating income	\$ 467	\$ 492	\$ 447	\$ 446	\$ 445
Non-GAAP operating income	<u>\$ 467</u>	<u>\$ 492</u>	<u>\$ 447</u>	<u>\$ 446</u>	<u>\$ 445</u>
Non-GAAP operating margin	29.6 %	30.0 %	28.0 %	28.5 %	27.8 %

Display Non-GAAP Operating Income

GAAP reported operating income	\$ 16	\$ 5	\$ 14	\$ 68	\$ 62
Non-GAAP operating income	<u>\$ 16</u>	<u>\$ 5</u>	<u>\$ 14</u>	<u>\$ 68</u>	<u>\$ 62</u>
Non-GAAP operating margin	6.4 %	2.4 %	7.7 %	26.3 %	23.6 %

FOOTNOTE:

- These items are incremental charges attributable to completed acquisitions, consisting of amortization of purchased intangible assets.

NOTE:

The reconciliation of GAAP and non-GAAP adjusted segment results above does not include certain revenues, costs of products sold and operating expenses that are reported within corporate and other and included in consolidated operating income.

UNAUDITED QUARTERLY RECONCILIATION OF GAAP TO NON-GAAP OPERATING EXPENSES

IN MILLIONS

	FQ3'24	FQ4'24	FQ1'25	FQ2'25	FQ3'25
GAAP reported Operating Expenses	\$ 1,263	\$ 1,289	\$ 1,321	\$ 1,316	\$ 1,329
Certain items associated with acquisitions ¹	(4)	(5)	(5)	(5)	(4)
Acquisition integration and deal costs	(1)	(3)	(3)	—	(1)
Non-GAAP operating expenses	<u>\$ 1,258</u>	<u>\$ 1,281</u>	<u>\$ 1,313</u>	<u>\$ 1,311</u>	<u>\$ 1,324</u>

FOOTNOTE:

1. These items are incremental charges attributable to completed acquisitions, consisting of amortization of purchased intangible assets.

UNAUDITED QUARTERLY RECONCILIATION OF NON-GAAP FREE CASH FLOW

IN MILLIONS

Non-GAAP Free Cash Flows¹

	FQ3'24	FQ4'24	FQ1'25	FQ2'25	FQ3'25
Cash provided by operating activities	\$ 2,385	\$ 2,575	\$ 925	\$ 1,571	\$ 2,634
Capital expenditures	<u>(297)</u>	<u>(407)</u>	<u>(381)</u>	<u>(510)</u>	<u>(584)</u>
Non-GAAP free cash flow	<u>\$ 2,088</u>	<u>\$ 2,168</u>	<u>\$ 544</u>	<u>\$ 1,061</u>	<u>\$ 2,050</u>

FOOTNOTE:

1. Free cash flow is a non-GAAP measure and is defined as net cash provided by operating activities less capital expenditures.

UNAUDITED FULL YEAR RECONCILIATION OF NON-GAAP FREE CASH FLOW

IN MILLIONS

Non-GAAP Free Cash Flows¹

	FY2015	FY2016	FY2017	FY2018	FY2019
Cash provided by operating activities	\$ 1,163	\$ 2,566	\$ 3,789	\$ 3,787	\$ 3,247
Capital expenditures	(215)	(253)	(345)	(622)	(441)
Non-GAAP free cash flow	<u>\$ 948</u>	<u>\$ 2,313</u>	<u>\$ 3,444</u>	<u>\$ 3,165</u>	<u>\$ 2,806</u>

IN MILLIONS

Non-GAAP Free Cash Flows¹

	FY2020	FY2021	FY2022	FY2023	FY2024
Cash provided by operating activities	\$ 3,804	\$ 5,442	\$ 5,399	\$ 8,700	\$ 8,677
Capital expenditures	(422)	(668)	(787)	(1,106)	(1,190)
Non-GAAP free cash flow	<u>\$ 3,382</u>	<u>\$ 4,774</u>	<u>\$ 4,612</u>	<u>\$ 7,594</u>	<u>\$ 7,487</u>

FOOTNOTE:

1. Free cash flow is a non-GAAP measure and is defined as net cash provided by operating activities less capital expenditures.

RECONCILIATION INFORMATION FOR BUSINESS OUTLOOK

Non-GAAP outlook for the fourth quarter of fiscal 2025 (including non-GAAP gross margin, operating margin, operating expenses and EPS) excludes known charges related to completed acquisitions of approximately \$11 million, or \$0.01 per share, and includes a net income tax benefit related to intra-entity intangible asset transfers of approximately \$28 million, or \$0.04 per share, but does not reflect any items that are unknown at this time, such as any additional charges related to acquisitions or other non-operational or unusual items, as well as other tax related items, which we are not able to predict without unreasonable efforts due to their inherent uncertainty.



APPLIED
MATERIALS™

Material Innovation