

Kerschbaum Manfred
 Form 4
 January 29, 2007

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 *
 Kerschbaum Manfred

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

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

3. Date of Earliest Transaction (Month/Day/Year)
 01/25/2007

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 Indirect Ownership (Instr. 4)
Performance Shares (or Restricted Stock Units) (1)	01/25/2007		A	225,000 (2)	A \$ 0 256,500 (3)	D	
Common Stock					8,020.057 (4)	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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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)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Transaction (Instr. 5)
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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 01/29/2007

**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) 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.
- (2) The performance shares will vest only after the satisfaction of specified performance goals. Provided such goals are achieved, vesting is scheduled to occur no earlier than in four equal annual installments commencing 12/19/07 (assuming continued employment).
- (3) Number of shares includes 30,000 performance shares 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 in three equal annual installments beginning 8/31/07 (assuming continued employment).
- (4) Increased number of shares reflects periodic payroll acquisitions under 401(k) Plan that are exempt under Rule 16b-3.

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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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