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FREMONT, Calif., October 22, 1997 - Lam Research Corporation (Nasdaq:LRCX), a leading supplier of wafer fabrication equipment to the worldwide semiconductor industry, today announced financial results for the company's first quarter of fiscal 1998, ended September 30, 1997.

Revenue for the first quarter of fiscal 1998 was $289.9 million compared to revenues of $299.2 million for the prior year period. The company reported a net loss of $12.2 million ($0.32 per share) for the quarter compared to net income of $11.7 million ($0.31 per share, fully diluted) for the prior year's first quarter. The first quarter fiscal 1998 results include a $17.7 million pre-tax charge ($0.41 per share, after tax) related to costs associated with the merger of Lam and OnTrak Systems, Inc. which was completed during the quarter.

Geographic revenue distribution for the first quarter was: North America, 49 percent; Europe, 11 percent; Korea, 11 percent; Japan, 9 percent, and Asia Pacific, 20 percent.

"While there is industry concern related to the imbalance in DRAM capacity and demand, customer requirements for 0.25 micron processing equipment continues to drive a high level of investment in logic and memory device production," said James W. Bagley, chief executive officer for Lam. "Our revenue and new order performance are consistent with this trend, and we expect this quarter-micron investment activity by customers to continue in subsequent quarters."

"During this period of technology change, Lam is making progress toward our targeted profitability objectives. We are on plan for building our systems backlog and implementing the operational processes necessary to achieve our gross margin targets," Mr. Bagley said.

Lam Research Corporation is a leading supplier of wafer fabrication equipment and services to the world's semiconductor industry. The company provides processing systems for dry etch, chemical vapor deposition (CVD) and chemical mechanical planarization (CMP), three essential steps in the fabrication of integrated circuits. Lam's headquarters are located in Fremont, California. The company's common stock trades on the Nasdaq National Market under the symbol LRCX. Lam's Worldwide Web address is http://www.lamrc.com.

"Safe Harbor" Statement Under the Private Securities Litigation Act of 1995: Except for historical information, this press release contains certain forward-looking statements, including, but not limited to, the direction of its order backlog and gross margin levels and the release of new products. These statements are subject to various risks and uncertainties that could cause results to differ materially, including but not limited to any downturn in the semiconductor industry, competition, additional or continued difficulties arising out of Lam's product shift, and other risks detailed from time to time in the company's SEC reports, including the report on Form 10-K for the year ended June 30, 1997. The company assumes no obligation to update the information in this release.

LAM RESEARCH CORPORATION CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)
(Unaudited)

	Three Months Ended September 30,	
	1997	1996
Net Sales	$ 289,392	292,687
Royalty income	534	6,559
Total Revenue	289,926	299,246
Cost and expenses		
Cost of goods sold	176,940	175,546

	Research and development	54,177	46,130
	Selling, general and administrative	53,204	51,564
	Merger costs	17,685	-
	Restructuring charge	-	9,021
	Operating income/(loss)	(12,080)	16,685
	Interest amd other expense, net	798	125
	Income/(loss) before income taxes	(12,878)	16,860
	Income taxes/(benefit)	(706)	5,112
	Net income/(loss)	$ (12,172)	$ 11,748
	Net income/(loss) per share		

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