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FREMONT, Calif., January 21, 1998 - 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 second quarter of fiscal 1998, ended December 31, 1997.

Revenue for the second quarter of fiscal 1998 was $292.1 million compared to revenue of $258.1 million for the prior year period. The company reported net income of $3.5 million ($0.09 per share, diluted) for the quarter compared to net income of $3.3 million ($0.09 per share, diluted) for the prior year's second quarter.

Geographic revenue distribution for the second quarter was: North America, 44 percent; Europe, 19 percent; Korea, 10 percent; Japan, 5 percent, and Asia Pacific, 22 percent.

"This quarter's results reflect Lam's ongoing focus on business process improvement," said James W. Bagley, chief executive officer for Lam. "Maintaining investment and profitability levels that enable us to provide the products our customers require are key priorities for the company. We recently enhanced our TCP product line for devices with 0.25 micron or smaller geometries and extended our capabilities by introducing a shallow trench isolation etch process. We will further broaden our product portfolio when we introduce our next-generation chemical mechanical planarization (CMP) system in the first calendar quarter of this year."

"Due to the financial crisis in Asia, several customers have announced delays in their plans for fab expansion. During this period of uncertainty, we will manage the company conservatively and continue with activities aimed at strengthening our operating model," 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 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.

"We remain confident that with the capability of our products combined with the strategies we are executing, the company will participate fully in the market opportunities today as well as in the future," Bagley concluded.

"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 release of new products and the management of operating expenses of the company. These statements are subject to various risks and uncertainties that could cause results to differ materially, including but not limited to uncertainty surrounding the Asia financial crisis, continued 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 December 31,		Six Months Ended December 31,	
	1997	1996	1997	1996
Net sales	$ 291,291	$ 253,354	$ 580,683	$ 546,041
Royalty income	765	4,710	1,299	11,269
Total revenue	292,056	258,064	581,982	557,310
Cost and expenses:				
Cost of goods sold	178,960	161,185	355,900	336,731
Research and development	54,474	43,909	108,651	90,039
Selling, general and administrative	53,455	48,568	106,659	100,132

	Merger costs	-	-	17,685	-
	Restructuring charge	-	-	-	9,021

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