Lam Research Corporation Announces Additional Cost Saving Activities

Lam Research Corporation Announces Additional Cost Saving Activities FREMONT, Calif., August 31, 2001 - Lam Research Corporation (Nasdaq: LRCX) today announced that it is implementing additional cost savings measures to better align the company's operations with current market conditions. In addition to a reduction in force, which will impact approximately 10 percent of global employees, Lam is pursuing several initiatives to lower operating expenses. These include company-wide shutdown days, voluntary pay reductions, and employee furloughs. The company will record a restructuring charge against financial results for the quarter ending September 23, 2001.

"Current industry conditions warrant a conservative approach to cost management, while the cyclical nature of our business demands flexibility as well," stated James W. Bagley, Lam's chairman and chief executive officer.

"Downturns are a time to introduce new products and win market share. We are actively engaged with our customers on next-generation development work for the transition to copper and other new materials. In addition, the move to 300 mm wafer processing is underway. Our recently introduced suite of 2300 products is 200 mm and 300 mm capable and offers our customers key cost and technology benefits on both wafer sizes. The 2300 products are being very well received, and we expect our market share to reflect these early successes when growth in industry spending resumes," Bagley concluded.

This press release contains certain forward-looking statements which are subject to the Safe Harbor provisions created by the Private Securities Litigation Reform Act of 1995. Such forward-looking statements relate generally to Lam's product developments, future market conditions or trends, market share estimates, and the impact of any marketing programs, product introductions or cost reduction efforts. Such statements are based on current expectations and are subject to risks, uncertainties, and changes in condition, and other risks detailed in documents filed with the Securities and Exchange Commission, including specifically the report on Form 10-K for the year ended June 25, 2000, and the Form 10-Q for the quarter ended March 25, 2001. The company undertakes no obligation to update the information in this Press Release.

Lam Research Corporation is a leading supplier of wafer fabrication equipment and services to the world's semiconductor industry. Lam's common stock trades on the Nasdaq National Market under the symbol LRCX. The Company's World Wide Web address is http://www.lamrc.com.
