

5 things to know about Lam's *Employee Stock Purchase Plan (ESPP)*

The Employee Stock Purchase Plan (ESPP) is a program that offers eligible employees the opportunity to buy Lam Research stock at a discount. It can be a great way to accumulate savings and to participate in Lam's success. Here are five things you should know to help you take advantage of Lam's ESPP.

1

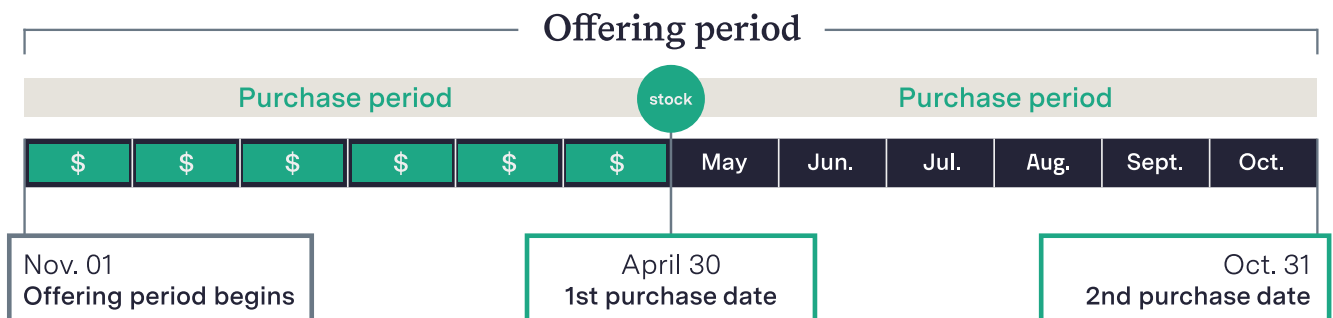
You can contribute between 1% and 15% of your salary (up to \$21,250 a year).

Regular employees who work 20 hours or more per week are invited to join the ESPP. You can enroll to participate in a 12-month "offering period" during which you make after-tax contributions to the ESPP from your paycheck. Enrollment typically occurs for two weeks every April and October. You can stop participating in the ESPP at any time.

2

ESPP participants get a 15% discount on Lam stock on the purchase date.

At the end of each six-month "purchase period"—the last business day of April and October—you have the opportunity to buy stock, which Lam purchases on your behalf at a discount of 15% on the purchase date.



This example illustrates an offering period that begins on November 1 and ends on October 31. Offering periods can also begin on May 1 and run through April 30.

3

The purchase price is determined by comparing Lam’s stock price on two different dates.

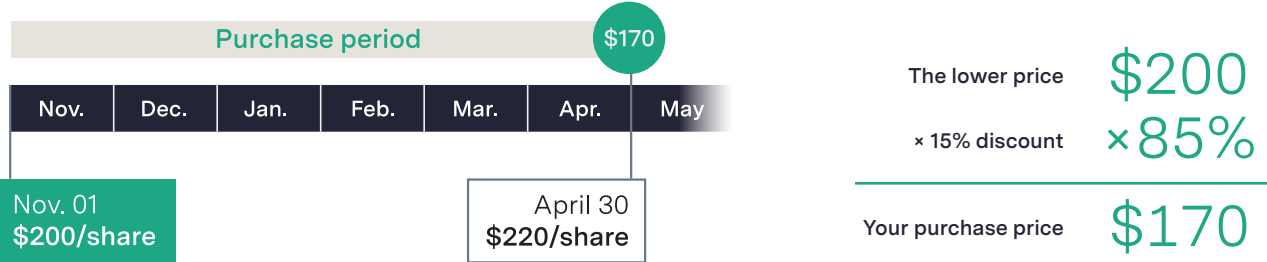
To determine the ESPP stock purchase price, Lam compares the stock price from two different points in time—the price on the first day of the offering period and the price on the last day of the purchase period.

4

To ensure you get the biggest benefit, the 15% discount is applied to the lower of the two stock prices.

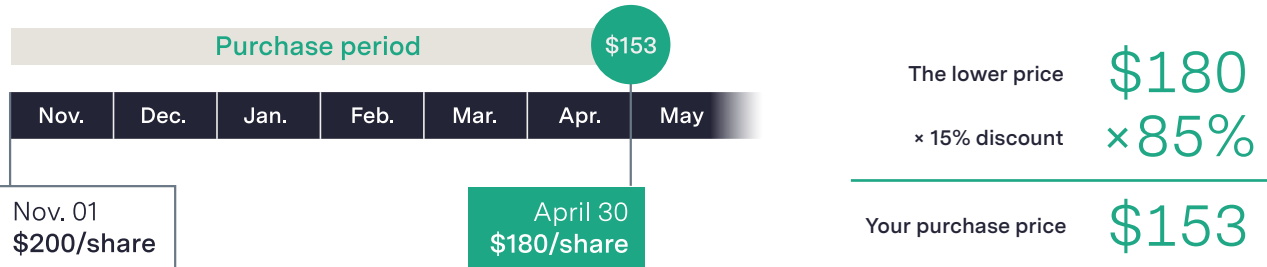
Since the ESPP compares two prices and chooses the one that’s lower, when Lam’s stock price has increased, your benefit could be even greater than 15% when compared to the price other people are paying to buy Lam stock on the date your purchase is made. When the stock price is down on the purchase date, your 15% discount is applied to that lower price.

You benefit when Lam’s stock price goes up:



Savings on purchase date: \$220 – \$170 = \$50 per share

You benefit when Lam’s stock price goes down:

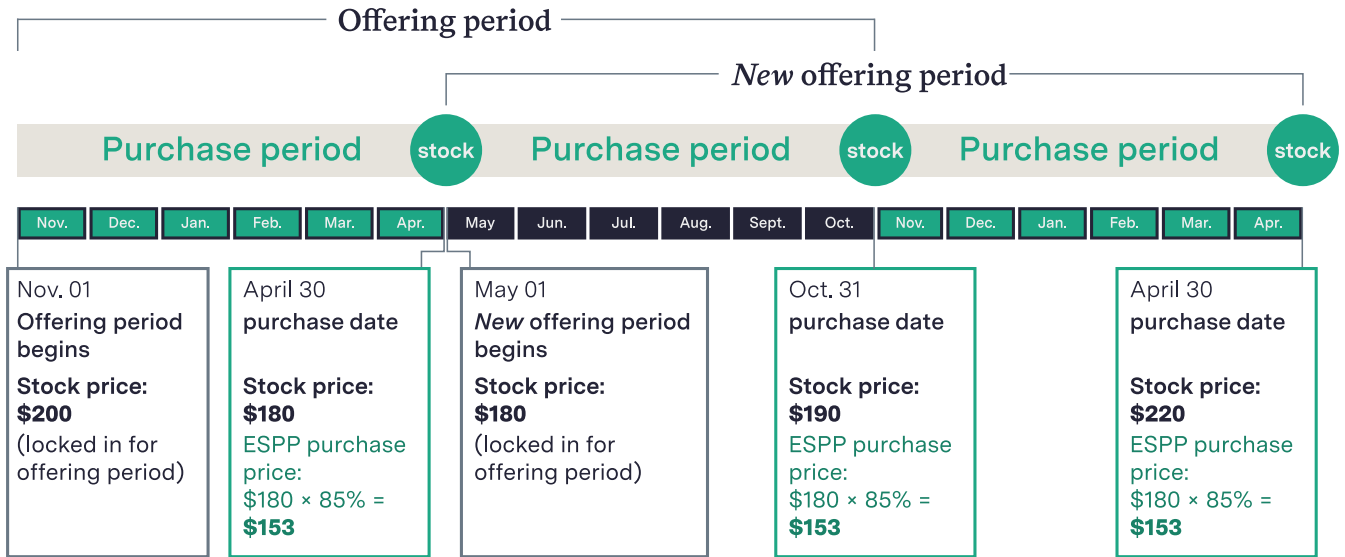


Savings on purchase date: \$180 – \$153 = \$27 per share

5

The offering period is reset when the price goes down.

If the stock price is down on a purchase date, the current offering period ends, and you will be enrolled automatically in a new offering period at the lower price. This reset helps ensure that you pay the lowest price possible for your stock on the next two purchase dates.



Once stock is purchased, it's put into your Fidelity investment account for you to hold or sell. You then own the stock and can sell it for cash at any time.

You are not charged commissions or other fees when you purchase Lam stock through the ESPP. Brokerage commissions or fees may apply when you sell stock.

To enroll in the ESPP, visit Fidelity's [NetBenefits.com](https://www.fidelity.com/stockplan) or call 1-800-544-9354 during the enrollment period.

Questions? Email: Stockplan@lamresearch.com

For more detailed information about how Lam's ESPP works, check out the prospectus, available at [LamBenefits.com > Financial > ESPP](https://www.lamresearch.com/financial/espp).