

NOVELLUS SALUTES CHARTERED AS "2004 TOP FAB" AWARD WINNER AND EARLY ADOPTER OF COPPER TECHNOLOGIES

SEMICON WEST, SAN FRANCISCO, July 13, 2004--Novellus Systems, Inc. (Nasdaq NM: NVLS), the productivity and innovation leader in advanced deposition, surface preparation and chemical mechanical planarization processes for the global semiconductor industry, today paid tribute to Chartered Semiconductor Manufacturing, one of the world's top three dedicated semiconductor foundries, for the selection of its Fab 6, also known as Chartered Silicon Partners (CSP), as "2004 Top Fab" by industry trade magazine, Semiconductor International. The award--presented at a breakfast this morning in San Francisco--recognized Chartered for its outstanding manufacturing facilities. In particular, Chartered was highlighted as an early adopter of copper technology and the first fab in the region to successfully integrate complex dual-damascene structures into volume manufacturing.

"This is a well-deserved award," said Tom St. Dennis, Novellus' executive vice president of sales, service and marketing. "Chartered has been a trail-blazer in implementing various innovations and a high-level of automation at its manufacturing facilities. From the outset, it turned to Novellus for its copper processing needs, and has since become the most prolific user of our INOVA 200-mm physical vapor deposition (PVD) systems for copper barrier/seed applications. Our SABRE tools also enjoy a large installed base at this foundry and are being exploited for their industry-leading performance and cost-of-ownership advantages. We congratulate this valued customer for its award-winning efforts and we wish them continued success."

"We are excited and proud of the recognition CSP has earned," said Kay Chai "KC" Ang, senior vice president of fab operations at Chartered. "CSP has contributed significantly to the Company's successful first-source business wins and continuing momentum in the production ramp of our 0.13-micron copper process, where partners like Novellus have played an important role. We take this opportunity to thank our customers, employees, and value-chain partners, for their many contributions and support."

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995

The statement regarding the industry-leading performance and cost-of-ownership advantages of Novellus' SABRE tools, as well as other matters discussed in this news release that do not concern purely historical data, are forward-looking statements. The forward-looking statements involve risks and uncertainties, including, but not limited to, competitor technology introductions that undermine the performance and cost-of-ownership advantages of the SABRE, as well as other risks and uncertainties discussed in Novellus' filings with the Securities and Exchange Commission (SEC). Actual results could differ materially. Novellus assumes no obligation to update this information. For more details relating to risks and uncertainties that could cause actual results to differ from those anticipated in the forward-looking statements, and risks to Novellus' business in general, please refer to Novellus' SEC filings, including its Annual Report on Form 10-K for the fiscal year ended December 31, 2003 and its Quarterly Report on Form 10-Q for the quarter ended March 27, 2004.

About Novellus:

Novellus Systems, Inc., an S&P 500 company, manufactures, markets and services advanced deposition, surface preparation and chemical mechanical planarization equipment for today's advanced integrated circuits. Our products are designed for high-volume production of advanced, leading-edge semiconductor devices at the lowest possible cost. Headquartered in San Jose, Calif., with subsidiaries throughout the United States, as well as in the United Kingdom, France, Germany, the Netherlands, Ireland, Italy, Israel, India, China, Japan, Korea, Malaysia, Singapore and Taiwan, we are a publicly traded company on the Nasdaq stock exchange (Nasdaq: NVLS) and a component of the Nasdaq-100 Index®. Additional information about Novellus is available on our home page at www.novellus.com

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