

CALIFORNIA COURT OF APPEAL AFFIRMS NOVELLUS SYSTEM'S WIN IN LAWSUIT BROUGHT BY LINEAR TECHNOLOGY

SAN JOSE, Calif., - November 28, 2011 - Novellus Systems (NASDAQ: NVLS) today announced that a California Court of Appeal has fully and unanimously affirmed the company's legal victory in defending itself against a lawsuit brought by Linear Technology Corporation ("LTC"). In its decision, the court also upheld an award requiring LTC to reimburse Novellus for more than \$5,000,000 in attorneys' fees and costs that Novellus incurred in defending the lawsuit over the past decade.

In 2002, LTC filed the lawsuit against Novellus and other suppliers of semiconductor manufacturing equipment, alleging, among other things, breach of contract and fraud. Over the course of the proceedings that lasted over a decade, many of LTC's claims, including its fraud allegations, were dismissed by the court before trial. In 2010, the parties proceeded to trial on LTC's remaining warranty-related claims. On February 26, 2010, after a six-week trial, the jury returned a unanimous verdict in favor of Novellus on all claims. The trial court then awarded Novellus over \$5 million in attorneys' fees and costs. LTC appealed the jury verdict and the fees and costs award. The Court of Appeal considered both parties' positions and in last Tuesday's opinion sided with Novellus on all issues.

About Novellus:

Novellus Systems, Inc. (Nasdaq: NVLS) is a leading provider of advanced process equipment for the global semiconductor industry. The company's products deliver value to customers by providing innovative technology backed by trusted productivity. An S&P 500 company, Novellus is headquartered in San Jose, Calif. with subsidiary offices across the globe. For more information, please visit www.novellus.com.

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