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SAN JOSE, Calif., May 9, 2002—Novellus Systems Inc. (Nasdaq:NVLS), the productivity and innovation leader in thin film and surface preparation technologies for the global semiconductor industry, today announced the opening of a new manufacturing facility in Tualatin, Ore. Marking a major expansion of the company's engineering and manufacturing infrastructure, the new facility is designed to produce Novellus' copper metallization and damascene dielectric deposition tools. The 382,000-square-foot "copper campus" will supply leading semiconductor fabs and foundries around the world with the tools needed to produce the most advanced integrated circuits (ICs) on the market today.

The opening of Novellus' Tualatin plant coincides with the semiconductor industry's mainstream transition to the use of copper deposition equipment to build the ICs that power today's sophisticated consumer electronic devices. The facility will house the company's Electrofill (TM) Products Business and the PECVD (plasma-enhanced chemical vapor deposition) Products Business, and will produce the tools that deliver the core technologies required to fabricate the copper circuitry or interconnects. The expansion move doubles the manufacturing capacity for the company's PECVD products, VECTOR (TM) and SEQUEL Express (TM) , and provides expanded research and development (R&D) space for its industry-leading SABRE ® Electrofill product.

"This new, state-of-the-art technology and manufacturing facility expands our long-standing business presence in the greater Portland area," said Jeff Benzing, Novellus' executive vice president for the deposition business group. "In fact, much of our early work developing our industry-leading copper Electrofill products was accomplished at our Wilsonville, Ore., plant, which opened in 1995. With leading semiconductor players such as Intel already well established in the region, the Portland metropolitan area offers Novellus and its employees numerous benefits in terms of affordable housing and quality of life, as well as a rich supply of technical talent. Especially significant is the close proximity to several major customers, which bolsters the potential for cutting-edge co-development activities. When it came time to expand our manufacturing infrastructure to satisfy the capacity needs of our global customers, Tualatin was the ideal choice."

In welcoming Tualatin's newest corporate citizen, the town's mayor, Lou Ogden, thanked Novellus for its commitment to the area and pledged his support for a smooth start-up. "In Tualatin, Novellus has a sophisticated partner that can supply the human talent and the infrastructural resources necessary to ensure a top-class manufacturing facility. We're pleased to add this well-respected company to our expanding roster of corporate high-tech citizens, and we wish them every success."

Prior to the introduction of Novellus' SABRE Electrofill tool in 1998, ICs were predominantly built using aluminum interconnects. In the year leading up to the SABRE rollout, IC manufacturers were already engaging in preliminary R&D plans to substitute copper for aluminum, and were searching for the optimal equipment to facilitate this groundbreaking materials shift. Novellus' SABRE copper Electrofill tool—one of the first such systems to be used in a production environment—accelerated the industry's transition from aluminum to copper, making it possible for IC manufacturers to build devices that are smaller, faster and less power-hungry. These new devices are expected to significantly enhance the performance of electronics for a wide range of consumer and industry applications, making it possible to build much smaller systems with increased functionality and—of particular importance for portable electronics—longer operating life. In addition, as technology matures, copper interconnects are expected to be cheaper to produce than those made with aluminum.

"While copper has become the interconnect metal of choice for advanced devices, there's a considerable amount of work that remains to be done to fully harness the benefits of copper interconnects," noted Benzing. "The industry as a whole still faces a steep learning curve in developing and integrating low-k dielectric and related thin films into copper dual damascene structures. This new facility will play a central role, along with our Customer Integration Center, in our efforts to meet that challenge. Our long-term strategic goal is to provide the industry with the fully integrated copper dual damascene processes needed to produce the future generations of high-productivity ICs required for advanced computing, communication and consumer applications."

Located at 11155 SW Leveton Dr., Novellus' 58-acre Tualatin campus was designed to incorporate Class 1000 cleanroom space for system assembly, Class 100 cleanroom space for system testing of Novellus' deposition equipment, and a state-of-the-art Class 10 applications laboratory. In addition, the manufacturing and engineering buildings include full sub-fab basements, and all utilities to tools in the cleanrooms are fed through the waffle slab floor from below. Such design features result in open or "ballroom" cleanroom configurations that make equipment installation easier and less expensive. The remaining buildings of this campus include a site services building, which will serve as the main entrance, as well as a central utility building. The site was carefully designed to enable future expansion within the existing campus.

Novellus' chairman and chief executive officer, Richard S. Hill, will preside over the facility's opening tomorrow at 3:00 p.m. and will be joined by a selection of local officials.

Statements in this press release which are not historical, including statements regarding the Company's or management's intentions, hopes, beliefs, expectations, representations, projections, plans or predictions of the future, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include statements regarding the Company's tools producing the most advanced integrated circuits, the Company's tools delivering the core technologies to fabricate copper circuitry or interconnects, the potential for cutting edge co-development activities at the Company's Tualatin facility, copper devices enhancing performance for a wide range of applications, the Tualatin facility playing a central role in the challenge of dual damascene structures, and the company's strategic goal to provide fully integrated dual damascene processes. It is important to note that the Company's actual results could differ materially from those in any such forward-looking statements. Factors that could cause actual results to differ materially include the possible inability of the Company's tools to efficiently fabricate even more advanced circuits, the possible emergence of a new core technology that the Company's products do not address, the failure of the Company to engage in or realize productive co-development activities with prospective development partners, unexpected limitations on performance in the use of copper devices in new applications, customers' failure to realize increasing cost efficiencies with the increased use of copper interconnects, unexpected difficulties in developing fully integrated dual damascene processes, as well as the other risk factors listed from time to time in the Company's SEC reports including but not limited to, the annual report on Form 10-K for the year ended December 31, 2001.

About Novellus Systems:

Novellus Systems, Inc., an S&P 500 company, manufactures, markets and services advanced deposition and surface preparation equipment for today's advanced integrated circuits. The company's 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 U.S. as well as the United Kingdom, France, Germany, The Netherlands, Ireland, Israel, Italy, India, China, Japan, Korea, Malaysia, Singapore and Taiwan, Novellus is a publicly traded company on the Nasdaq stock exchange (Nasdaq:NVLS) and a component of the Nasdaq-100 Index ® . Additional information about the company is available on Novellus' home page at www.novellus.com ### VECTOR, SEQUEL Express and Electrofill are trademarks and SABRE is a registered trademark of Novellus Systems, Inc.

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