# NOVELLUS TO ACQUIRE GERMANY'S PETER WOLTERS AG

SAN JOSE, Calif., June 2, 2004--Novellus Systems, Inc. (Nasdaq NM: NVLS) today announced that it has signed an agreement to acquire Peter Wolters AG, a privately held manufacturer of high-precision machine manufacturing tools headquartered in Rendsburg, Germany. The transaction will add a series of industry-leading machine tools to Novellus' existing portfolio and broadens the company's non-IC-related business and technology portfolio. The deal will also bring a chemical mechanical planarization (CMP) product line that will augment Novellus' existing CMP technology for semiconductor manufacturing. The acquisition is expected to close in the beginning of the third quarter of 2004.

Novellus only recently established its position in the machining equipment and CMP areas with its acquisition of SpeedFam-IPEC, Inc. in 2002. Peter Wolters boasts a 200-year history and a market leadership position in the supply of lapping, grinding, polishing and deburring products for fine-surface optimization of metal, glass, ceramics, plastics and, more recently, nano-range semiconductor materials. The company's lapping and grinding core technology will be merged with Novellus' SpeedFam industrial business, and the combined product lines will be marketed under the Peter Wolters name.

Peter Wolters' tungsten and dielectrics-centric CMP technology will be incorporated into Novellus' existing CMP product line and will complete the company's toolset for both metal and dielectrics applications. The acquisition will also bring intellectual property to Novellus, together with a bank of talented system design engineers and a proven management team. Peter Wolters' proximity to Eastern Europe will provide access to this growing market for Novellus' entire portfolio of IC and non-IC products.

Said Novellus' chairman and chief executive officer, Richard S. Hill, "The compatibility of our product lines makes this acquisition a very good fit for both companies. Peter Wolters' reputation for innovative technology and well-engineered, highly reliable and cost-effective equipment matches the strategy that has defined Novellus' success. The combination of Peter Wolters' technology with Novellus' worldwide service and support infrastructure will present customers with a powerful new vendor source to support their most advanced needs."

Commenting on the deal, Peter Wolters' president and chief executive officer, Udo Hieber, said, "As a leading supplier of fine-grinding technology, we are extremely pleased to expand our horizons through this transaction with Novellus. Since 1804, our company's cutting-edge machine tools have been used across a wide range of industries. Most recently, our market opportunities have expanded to include such areas as aerospace, consumer durable goods, automotive and electronics. We're looking forward to joining forces with Novellus."

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995: The statements regarding (i) the effects of the addition of the Peter Wolters products to Novellus' existing product lines; (ii) the expectation that the transaction will close and that such closing will occur in the beginning of the third quarter of 2004; (iii) the benefits of adding Peter Wolters engineers and management to the Novellus organization; (iv) the expectation that Eastern Europe will be a growing market for Novellus' IC and non-IC products; (v) the compatibility of the two companies' product lines; and (vi) the effects of the combined technology of Peter Wolters AG and Novellus in addressing customers' most advanced machining needs; 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, difficulties in integrating Peter Wolters' tools with Novellus' existing portfolio; the failure of the transaction to close as anticipated; the failure to integrate Peter Wolters' system design engineers and management team into the Novellus organization; the failure of Eastern Europe to be a growing market for Novellus' products; difficulties in combining the two companies' product lines; the ability of the combined companies to support advanced machining needs, 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.

https://newsroom.lamresearch.com/2004-06-02-NOVELLUS-TO-ACQUIRE-GERMANYS-PETER-WOLTERS-AG