Novellus Strengthens Market Leadership In Photoresist Strip

San Jose, Calif. July 16, 2007 Novellus Systems, Inc. (Nasdaq: NVLS), today announced that its GAMMA® Express&153; system, introduced at SEMICON West in 2006, is on track to become one of the most rapidly-adopted products in the company's history. Since the beginning of 2007, the company has received repeat orders for multiple GAMMA Express systems that have been installed for both advanced R&D and production applications at leading semiconductor manufacturers in Asia. The GAMMA platform with multi-station sequential processing (MSSP) is in production with leading memory, logic, and foundry fabs around the world, currently processing more than one million wafers per month. With an installed base of more than 250 systems, Novellus leads the market in 300 mm photoresist removal for high-volume manufacturing.

As the industry transitions to advanced technology nodes, photoresist removal becomes an increasingly important process step. Maintaining low silicon and oxide loss during the high dose implant strip (HDIS) process is critical to transistor performance. The GAMMA Express platform can be used for both front-end-of-line (FEOL) and back-end-of-line (BEOL) applications while providing the highest levels of technology, reliability and productivity for bulk and high dose implant strip at advanced nodes. This combination results in a lower cost of ownership while enabling a tight control on manufacturing variability, with greater than 95 percent uptime.

"GAMMA Express is gaining significant market traction as customers realize the benefits of an efficient and effective photoresist removal technology for advanced process nodes," said Kevin Jennings, vice president and general manager of Novellus' Surface Integrity business unit. "The GAMMA platform continues to win customers as a result of its high reliability, high productivity, technology extendibility to 32nm, and low cost of ownership, all supported by Novellus' global service infrastructure."

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.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements that (i) the company's belief that Gamma Express is on track to become one of the most rapidly-adopted products in the company's history, (ii) the company's belief that GAMMA Express is gaining significant market traction as customers realize the benefits of an efficient and effective photoresist removal technology for advanced process nodes, and (iii) the company's belief that the GAMMA Platform continues to win customers as a result of its high reliability, high productivity, technology extendibility to 32nm, and low cost of ownership, all supported by the company's global service infrastructure. Forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those contemplated by the forward-looking statements. Such risks and uncertainties include, but are not limited to, unforeseen disruptions in production and manufacturing that impact production and introduction into the market, failure to accurately predict the market traction of GAMMA Express in the market based on positive feedback from customers, the introduction of competitive products in the market which affect customers adopting the GAMMA Platform , as well as other risks indicated in our filings with the Securities and Exchange Commission (SEC). For more details, please refer to our SEC filings and the amendments thereto, including our Annual Report on Form 10-K for the year ended December 31, 2006, our Quarterly Reports on Form 10-Q for the quarter ended March 31, 2007 and our Current Reports on Form 8-K. Forward-looking statements are made and based on information available to us on the date of this press release, and we assume no obligation to update them.

GAMMA is a registered trademark and GAMMA Express is a trademark of Novellus Systems, Inc.
