NOVELLUS INCREASES STOCK REPURCHASE PROGRAM BY $1 BILLION

SAN JOSE, Calif., October 29, 2007— Novellus Systems, Inc. (Nasdaq: NVLS), today announced that its board of directors has approved an increase to Novellus' previously authorized stock repurchase program. The terms of the expanded program will permit Novellus to repurchase up to an aggregate of approximately $1.3 billion of its outstanding common stock through October 26, 2011. This represents an increase of $1 billion to the approximately $300 million remaining under the previously authorized program.

"We remain confident in our technology and productivity-leading position today and its competitiveness into the future," said Richard S. Hill, chairman and chief executive officer of Novellus. "We believe that our common stock repurchase program is an excellent use of excess cash from operations to increase shareholder value."

Novellus is authorized to repurchase shares from time to time in the open market, through block trades or otherwise. The repurchases may be commenced or suspended at any time or from time to time without prior notice depending on prevailing market conditions and other factors. As of October 25, 2007, Novellus had approximately 117 million shares outstanding. Since 2001, the inception of the stock repurchase program, Novellus has repurchased approximately 48 million shares.

"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 regarding (i) our belief that our common stock repurchase program is an excellent use of excess cash from operations to increase shareholder value, (ii) Novellus' plan to repurchase shares and (iii) that the future financial performance of Novellus involves risks and uncertainties.. 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, uncertainties related to the factors which increase shareholder value and whether directing excess cash from operations to Novellus' common stock repurchase program best achieves this goal, inability to repurchase shares under the plan due to a decrease in cash from operations and our inability to accurately assess Novellus' financial position in the future, 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 quarters ended March 31, 2007,and June 30, 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.

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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