NOVELLUS SYSTEMS' CLASSIC AND REFURBISHED SEMICONDUCTOR EQUIPMENT BUSINESS STRENGTHENS GLOBAL FOOTPRINT

SEMICON Japan - December 4, 2007 -Novellus Systems, Inc. (Nasdaq: NVLS), today announced that it has qualified several companies as licensed partners to support customers for manufacturing, service and spare parts of its refurbished and ClassicTM equipment. The company also announced it has secured approximately 30 new customers since the inception of its Refurbished Systems Business in 2005, with the highest demand coming from Japan.

According to research firm Gartner Dataquest, the total refurbished semiconductor equipment market will reach $2.26 billion by 2010[1]. Much of this growth will be driven by small wafer fabs and foundries that are seeking to change their product mix with low capital expenditure, or that are looking for 200mm toolsets with higher productivity, reliability and extendibility. In markets like Japan, demand for refurbished systems is fueled by more than 85 fabs with 150mm and 200mm lines addressing niche and highly cost-sensitive markets such as logic chips for children's toys.

"Demand for refurbished systems is driven by customers looking for continued support, as well as the ability to add tools to their fabs at the lowest possible capital cost. While 300mm fabs continue to be the most productive option, they do not fit the needs of smaller wafer fabs targeted at specific niche markets," said David Celli, vice president and general manager of Novellus' Refurbished Systems Business. "Creating a global network of differentiated quality partners enables us to better serve the needs of this customer base."

In Asia, Novellus' qualified licensed partners include Kotec in Japan, Fairtech in Taiwan, and Maestech in Korea. In Europe and North America, Novellus' partners include Entrepix Inc, Simple Technical Solutions (STS), Surplus Process Equipment Corp. (SPEC), Concept Systems Manufacturing and Provano Engineering.

To qualify as a Novellus licensed partner, companies need to adhere to a strict set of criteria and pass an in-depth evaluation - guaranteeing that they meet the high quality standards set by Novellus. Prospects are evaluated on their financial strength, service benchmarks and depth of knowledge of Novellus equipment. Companies chosen as partners must adhere to Novellus' ISO 9000 process, and follow all established and documented processes, procedures and quality inspections.

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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Classic is a registered trademark of Novellus Systems, Inc.

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