# TECH SEMICONDUCTOR CHOOSES VECTOR EXPRESS FOR HIGH PRODUCTIVITY AND IMPROVED PERFORMANCE

## Shipment Marks the 100th 300 mm Novellus Tool in the Southeast Asia Region

San Jose, Calif.  March 11, 2008  Novellus Systems, Inc. (Nasdaq: NVLS), today announced that its VECTOR Express&#8482 plasma enhanced chemical vapor deposition (PECVD) system has been successfully qualified for production at TECH Semiconductor. The Singapore-based DRAM manufacturer has selected VECTOR Express for its productivity enhancements, low defectivity and high yield at 300 mm.

The shipment also marks a major milestone in Novellus' rapid growth in the Southeast Asia market  this is the 100th 300 mm tool from Novellus to be placed in the region.

"The unparalleled productivity demonstrated by VECTOR Express has helped TECH Semiconductor continuously drive down cost of ownership in the challenging DRAM marketplace," said Andrew Goh, president of Novellus' Southeast Asia operations. "TECH is pleased with Novellus' responsiveness and our commitment to improve productivity for a variety of applications, including AHM, TEOS, SiN and SiON films."

According to SEMI, the wafer processing equipment market in Southeast Asia is expected to grow at a rate of more than 7 percent in 2008. Singapore in particular continues to be a high-growth area for semiconductor manufacturing, with the addition of several new fabs and the expansion of existing ones.

"Southeast Asia is expected to be a growth region for semiconductor manufacturing in the coming years  driven largely by memory manufacturers," said Tom Caulfield, executive vice president of sales, marketing and customer service at Novellus. "Our focus has always been on providing the highest value in capital productivity to our customers, and introducing the VECTOR Express into this region is another example of our goal to meet our customers' need for tools with lower cost of ownership."

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 relating to (i) the expectation that the wafer processing equipment market in Southeast Asia will grow at a rate of more than 7 percent in 2008; (ii) the belief that Singapore continues to be a high-growth area for semiconductor growth; (iii) the expectation that Southeast Asia will be a growth region for semiconductor manufacturing in the coming years and that such growth will be driven by memory manufacturers and (iv) our goal of meeting our customer's needs for tools with lower cost of ownership. 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, fluctuations in the wafer processing equipment market; economic turmoil in Singapore and other parts of Southeast Asia; increased costs and unforeseen disruptions in the production of memory manufacturing; 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, 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.

VECTOR Express is a trademark of Novellus Systems, Inc.

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