NOVELLUS SHIPS 100TH 300 mm TOOL TO THE CHINA MARKET

Shipment to Wuhan Xinxin Semiconductor Highlights Growth of Advanced Technology in the Region

SHANGHAI, China March 17, 2008 Novellus Systems today announced it has shipped its 100th 300 mm tool into China, marking a major milestone in its growth in the region. The 100th tool a VECTOR Express&#8482 CVD platform has been selected by Wuhan Xinxin Semiconductor Manufacturing Corporation for its new state-of-the-art manufacturing facility in Wuhan, China, which is operated and managed by Semiconductor Manufacturing International Corporation (SMIC).

Novellus has been an active participant in the growth of semiconductor manufacturing in China with installations of all its major 200 mm and 300 mm product lines among Chinese customers. According to SEMI's estimate, China will experience continued growth as processes with 180nm to 90nm feature sizes become mainstream over the next three years. At the same time, 300 mm tools will dominate spending in the new equipment market.* The Wuhan fab is poised to be part of this growth, as one of the largest and most advanced foundries in China. "Fabs in China that are ramping up their 300 mm facilities are looking for high-productivity tools that will give them the maximum return on their investment," said Tom Caulfield, executive vice president of sales, marketing and customer service at Novellus. "We are very pleased to be working with Wuhan Xinxin Semiconductor to provide the efficiencies, economics and performance they require." "Wuhan Xinxin Semiconductor is the first 300 mm fab in central China," said John Liu, vice president of the Wuhan project at SMIC. "Continued improvements in productivity are critical in delivering advanced technologies. Novellus' products, such as the production-proven VECTOR Express, are instrumental to achieving our goal." *"China Semiconductor Wafer Fab and Foundry Outlook (2007-2008)," SEMI. 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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"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) China will experience continued growth as processes with 180nm to 90nm feature sizes become mainstream over the next three years; (ii) our belief that as China continues to experience continued growth, 300 mm tools will dominate spending in the new equipment market; (iii) our belief that the Wuhan fab is poised to be part of this growth as one of the largest and most advanced foundries in China and (iv) our belief that our products are instrumental in achieving SMIC's goals. 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, the difficulties in accurately forecasting the growth of the semiconductor market in China, the introduction of competitive products that affect the size and brand of the tools purchased by consumers, and unforeseen disruptions in manufacturing and production, 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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