Novellus Sets New Productivity Standard for HDP CVD with Introduction of Speed Max

SAN JOSE, Calif. — July 14, 2008 —Novellus Systems, Inc. (Nasdaq: NVLS) today announced the introduction of SPEED® Max&#8482, the latest enhancement to its production-proven high-density plasma (HDP) CVD platform. Designed to address the needs of customers manufacturing flash, DRAM and logic integrated circuits, SPEED Max reduces total capital expenditures due to its flexibility to process multiple layers and applications on a single platform. The system employs innovative new features and capabilities that provide productivity increases of up to 50 percent and process extendibility to the 32nm node. Hynix Semiconductor's M10 fab was able to use SPEED Max to process a number of different products without changing configuration, enabling Hynix to qualify multiple devices and applications in a very short period of time. The platform's ease of use helps improve cycle time and process transparency at Hynix M10.

"Novellus developed SPEED Max to meet the needs of chipmakers for a flexible and cost-effective gapfill solution that will extend HDP technology to future device nodes," said Kaihan Ashtiani, vice president and general manager of Novellus' Gapfill business unit. "SPEED Max enables a greater than 50 percent improvement in productivity, providing the lowest cost of ownership. In addition, SPEED Max employs an innovative plasma source technology that extends its gapfill capabilities to the 32nm node, reducing capital cost expenditures for customers as they transition to next-generation devices. The value demonstrated by SPEED Max has resulted in rapid acceptance among customers. More than 50 SPEED Max modules are in production today at fabs across the world - a number expected to grow to more than 100 by the end of 2008."

SPEED Max combines a number of new features to achieve superior performance in process uniformity, gapfill and defectivity, resulting in demonstrated improvements in product yield. The flexibility of the SPEED Max platform also helps reduce customers' total capital costs through a 30 percent reduction in the number of tools required for a given manufacturing output, with a commensurate reduction in fab labor and floor space.

SPEED Max will be on display during SEMICON West at the Novellus exhibit in the Yerba Buena Center for the Arts, July 15-17.

About SPEED:
The SPEED high-density plasma (HDP) system is a production-proven platform for the deposition of various high-quality silicon oxide films used in the production of integrated circuits for memory and logic devices. SPEED's unique ceramic dome, large volume chamber and high vacuum pumps have made the system the platform of choice for HDP CVD deposition in many IC manufacturing environments. SPEED is available in both 200mm and 300mm configurations.

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 regarding (i) the company's belief that SPEED Max reduces total capital expenditures due to its flexibility to process multiple layers and applications on a single platform, (ii) the company's belief that SPEED Max enables a greater than 50 percent improvement in productivity, providing the lowest cost of ownership, and (iii) the company's expectation that while more than 50 SPEED Max modules are in production today at fabs across the world, by the end of 2008 that number will grow to more than 100. 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 introduction of competitive products in the market which affect the rate in which customers adopt SPEED Max, inefficiencies in the allocation of funds to our strategic product research and development efforts to meet customer demands while keeping production costs low and unforeseen disruptions in the manufacturing and production of SPEED Max that delay the introduction of SPEED Max into the market, 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, our Quarterly Reports on Form 10-Q for the quarter ended March 29, 2008 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.

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SPEED is a registered symbol and SPEED Max is a registered trademark of Novellus Systems, Inc.

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