NOVELLUS' GxT ADVANCED PHOTORESIST REMOVAL SYSTEM QUALIFIED ON LEADING EDGE TECHNOLOGY AT MAJOR FOUNDRY

SAN JOSE, Calif. - September 15, 2008 - Novellus Systems, Inc., today announced that it had won acceptance for its Gamma GxT photoresist strip system as process tool of record from a leading Asian semiconductor foundry. The tool, which will be used for 45nm manufacturing, demonstrates the increasing need for customized photoresist strip systems to solve customer challenges linked to silicon loss and high-dose implant strip (HDIS) in advanced logic semiconductor manufacturing.

"Continued device scaling by the semiconductor industry has led to a need for highly doped shallow transistor junctions," said Dan Hutcheson, CEO of VLSI Research. "With implant profiles closer to the surface, silicon loss during photoresist strip becomes a key challenge, and adds significantly to the complexity of photoresist removal during IC manufacturing for logic devices."

"Gamma GxT, which is targeted at high-performance, leading edge logic applications, has clearly demonstrated superior results with reduced silicon loss. This is a key parameter for logic processes at 45nm and below," stated Kevin Jennings, vice president and general manager of Novellus' strip business. "In addition, the GxT has demonstrated enhanced stability and reliability in a true production-worthy environment while providing significantly higher throughput than the competition."

About Gamma
Both the G400 and the GxT are built on the highly successful Gamma platform, which is deployed at eight of the top 10 semiconductor manufacturers, spans four technology nodes, and is in use today for 32nm pilot production. The continuously evolving Gamma platform enabled Novellus to achieve significant gains in market share in 2007, according to reports from both Dataquest and VLSI Research. Its most recent version, the Gamma Express, is a market leader in 300mm photoresist removal at the 65nm and 45nm nodes, and it is qualified at multiple top DRAM, flash, logic and foundry semiconductor manufacturers.

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 the statement from Mr. Hutcheson regarding the trend in the semiconductor industry towards continued device scaling that has led to a need for highly doped shallow transistor junctions. 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, unanticipated trends with respect to the cyclicality of the semiconductor industry and inefficiencies in the allocation of funds to our strategic product research and development efforts necessary to produce highly doped shallow transistor junctions, 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 quarters ended March 29, 2008 and June 28, 2008, respectively, 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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