



## Lam Research Corporation Announces Earnings for the Quarter Ended March 25, 2007

FREMONT, Calif., April 12, 2007 —Lam Research Corporation (NASDAQ: LRCX) highlights for the March 2007 quarter were:

• Revenue:	\$650.3 million
• Operating Margin:	29.1%
• Net Income:	\$164.7 million
• Diluted EPS:	\$1.15

Lam Research Corporation today announced earnings for the quarter ended March 25, 2007. Revenue for the period was \$650.3 million and net income was \$164.7 million, or \$1.15 per diluted share, compared to revenue of \$633.4 million and net income of \$167.3 million, or \$1.15 per diluted share for the December 2006 quarter.

Gross margin of \$326.2 million for the March 2007 quarter met expectations at 50.2 percent compared to gross margin of \$322.9 million, or 51.0 percent, for the December 2006 quarter. Operating expenses increased as planned during the quarter to \$137.3 million compared to operating expenses of \$128.4 million for the December 2006 quarter, including increased equity-based compensation expense as well as salary and benefits costs supporting the Company's new product development and market share growth objectives.

The geographic distribution of shipments and revenue during the March 2007 quarter is shown in the following table:

<u>Region</u>	<u>Shipments</u>	<u>Revenue</u>
North America	13%	16%
Europe	8%	7%
Japan	11%	12%
Korea	36%	28%
Asia Pacific	32%	37%

Cash and cash equivalents, short-term investments and restricted cash and investments balances were \$1.5 billion at the end of March, and cash flows provided by operating activities were \$151.4 million during the quarter. The Company repurchased approximately \$239 million of its common stock during the quarter. Condensed Consolidated Statements of Cash Flows are included at the end of this press release. Deferred revenue and deferred profit balances were \$277.0 million and \$166.1 million, respectively. At the end of the period, the anticipated future revenue value of orders shipped to Japanese customers that are not recorded as deferred revenue was approximately \$49 million.

"Lam Research delivered excellent operational and financial results in the March quarter," said Steve Newberry, Lam Research's president and chief executive officer.

"The company continues to leverage successfully both our etch market share gains and the efficiencies inherent in our business model. During the quarter we made significant progress in advancing our new product growth initiative, including product releases achieved for our 2300® Bevel Clean system, our 2300 Motif™ patterning system, and our Deep Silicon Etch MEMS offering. These accomplishments combined with the anticipated successful execution of our wet clean product roadmap will position Lam to serve a larger segment of the wafer fab equipment market that is benefiting from a favorable secular demand outlook for advanced integrated circuits," Newberry concluded.

Statements made in this press release which are not statements of historical fact are forward-looking statements and are subject to the safe harbor provisions created by the Private Securities Litigation Reform Act of 1995. Such forward-looking statements relate, but are not limited, to the future revenue value of orders shipped to Japanese customers, the continuation of our etch market share gains and efficiencies in our business model and our ability to leverage those gains and efficiencies successfully, the success of our wet clean product, and our future ability to serve a larger market segment. Some factors that may affect these forward-looking statements include: changing business conditions in the semiconductor industry and the overall economy and the efficacy of our plans for reacting to those changes, changing customer demands, success of our competitors' strategies including their development of new technologies, and the technical challenges presented by our new products. These forward-looking statements are based on current expectations and are subject to uncertainties and changes in condition, significance, value and effect as well as other risks detailed in documents filed with the Securities and Exchange

Commission, including specifically the report on Form 10-K for the year ended June 25, 2006, and Form 10-Q for the quarter ended December 24, 2006, which could cause actual results to vary from expectations. The Company undertakes no obligation to update the information or statements made in this press release.

Lam Research Corporation is a major provider of wafer fabrication equipment and services to the world's semiconductor industry. Lam's common stock trades on The NASDAQ Global Select Market<sup>SM</sup> under the symbol LRCX. Lam is a NASDAQ-100<sup>®</sup> company. The Company's World Wide Web address is <http://www.lamresearch.com>.

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