Novellus Increases Support For Microelectronics Education In China

Tsinghua University Microelectronics Research Program To Benefit from Donation of CMP Process Tool and Sponsored Professorship

Beijing, China, March 21, 2006 - Novellus Systems, Inc. (Nasdaq NM: NVLS), the productivity and technology leader in advanced process equipment for the global semiconductor industry, today announced that it has donated a 200mm chemical mechanical planarization (CMP) tool to Tsinghua University in Beijing, China. The tool, initially targeted for oxide planarization, can be used to polish a variety of materials, including tungsten, copper and shallow-trench isolation (STI) films used in the manufacturing of integrated circuits (ICs).

The orbital CMP system will enable the integration of multi-level metallization into the University's semiconductor manufacturing process flow, and it will assist with furthering research and education efforts in micro-nano electronics IC processing and design. In addition to the tool donation, Novellus announced the sponsorship of a three-year professorship at Tsinghua University. The first year of the professorship will be awarded to Professor Zhiping Yu, deputy director of the Institute of Microelectronics of Tsinghua University (IMETU), and will support the study of device performance with the integration of low-k materials.

"As the electronics industry in China continues to thrive, the country's universities are challenged to accelerate their research and education programs to meet the demands of the growing industry," said Dr. Ming Xi, chief technology officer of Novellus Systems Asia. "At Novellus, we have a social responsibility in China - not just a commercial responsibility. We are focused on cultivating the region's rich talent base to further develop the semiconductor industry here. We are working with universities like Tsinghua here in Beijing and Fudan University in Shanghai to enhance their programs in core semiconductor design and processing disciplines, and to drive the advancement of IC design and processing in China."

"This generous tool donation and our ongoing relationship with Novellus will enhance our research capabilities and enable us to provide our students with as much training and exposure to semiconductor manufacturing technology as possible before they reach the workforce," said Professor Jun Xu, vice director of IMETU. "We are very grateful."

Novellus has been sponsoring the development of microelectronics education in China for the past several years. In 2003, the company donated a suite of copper semiconductor manufacturing tools to Fudan University. Additionally, Novellus continues to support semiconductor industry growth in China by sponsoring an annual interconnect symposium at Fudan University.

About the Institute of Microelectronics of Tsinghua University:

IMETU, the Institute of Microelectronics of Tsinghua University, was founded in 1980. With government support, IMETU is the main member of the Northern Microelectronics Research and Development Center of China. Its R&D projects focus on VLSI processes and technologies, micro-nano electronic devices, and IC design. IMETU has first-class faculty and advanced facilities for research and education. Since inception, nearly a thousand bachelor-level and more than 300 Master of Science/Ph. D. degrees have been awarded.

About Novellus:

Novellus Systems, Inc., an S&P 500 company, manufactures, markets and services advanced deposition, ultraviolet thermal processing (UVTP), surface preparation and chemical mechanical planarization equipment for today's advanced integrated circuits. Our products are designed for high-volume production of advanced, leading-edge semiconductor devices at the lowest possible cost. Headquartered in San Jose, Calif., with subsidiaries throughout the United States, as well as in the United Kingdom, France, Germany, the Netherlands, Ireland, Israel, Italy, India, China, Japan, Korea, Malaysia, Singapore and Taiwan, we are a publicly traded company on the Nasdaq stock exchange (Nasdaq: NVLS). Additional information about Novellus is available on our home page at 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 statements regarding our
expectation that the electronics industry in China will continue to thrive and our focus on further development of the semiconductor industry there, as well as other matters discussed in this news release that are not purely historical data. Forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those contemplated by such statements. These risks and uncertainties include, but are not limited to, negative economic developments, geo-political instability, natural disasters or epidemics that impede the development of the electronics and semiconductor industries in China, thereby affecting our customers, suppliers and research partners in that region or compelling us to shift our strategic focus from China, 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, 2005, our Quarterly Reports on Form 10-Q and 10-Q/A for the quarters ended July 2, 2005, April 2, 2005 and October 1, 2005 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.