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FOR IMMEDIATE RELEASE

ULTRATECH WINS 2007 ADVANCED PACKAGING AWARD FOR 3D PACKAGING INNOVATION

The AP300 DSA Lithography System Features Through-Silicon Via Alignment Capability

SAN JOSE, CA—July 26, 2007—Ultratech, Inc. (Nasdaq: UTEK), a leading supplier of lithography and laser-processing systems used to manufacture semiconductors for flat-panel displays, today announced that its AP300 Dual-Side Alignment (DSA) lithography system won the 2007 *Advanced Packaging* Award (APA) in the category of 3D Packaging. Ultratech's AP300 DSA system was honored for its innovative through-silicon via (TSV) alignment capability for 300-mm, 3D-packaging applications. The APA glass statuette was presented to Ultratech during a ceremony at the San Francisco Museum of Modern Art (MoMA) on July 18. This distinctive award reinforces Ultratech's industry-leading technology to develop innovative and enabling advanced-packaging lithography solutions for its global customers.

Advanced Packaging Magazine Editor-in-Chief Gail Flower noted, "The *Advanced Packaging* Award is the premier recognition for innovation leadership in the semiconductor packaging industry. It recognizes companies with new ideas in products and services that prove to save on cost, to be environmentally responsible and to move the technology forward. This year's APA in the category of 3D Packaging went to Ultratech for its TSV alignment method. Ultratech's AP300 DSA lithography system uses a front-side infrared (IR) approach to perform dual-side alignment, achieving front-to-back overlay of less than 2 microns over a 300-mm wafer. We congratulate them for this remarkable creative innovation in packaging."

"We are honored to receive this industry recognition from *Advanced Packaging Magazine*," explained Manish Ranjan, Ultratech's director of marketing. "To address the market requirements for dual-side alignment, we have worked closely with customers over several quarters and gained greater insight into the lithography requirements for TSV structures. As a result, Ultratech developed the innovative front-to-back-side alignment for the AP300 system, which is production proven to support a broad range of packaging applications. We now have multiple systems with this innovative feature in production. Ultratech will continue to develop innovative products that enable our global customers' advanced-packaging lithography applications in the most cost-effective fashion."

Three-dimensional packaging designs greatly enhance the performance of integrated circuits, while minimizing the overall packaging form factor. These advanced system-in-package (SiP) techniques require TSVs to allow very high-density vertical interchip wiring of multiple device stacks. Lithography techniques utilizing DSA technology is one of the preferred methods for creation of the TSV structures, and is anticipated to be a key enabler for customers requiring TSV features for 3D-packaging and SiP applications.

Certain of the statements contained herein, which are not historical facts and which can generally be identified by words such as "anticipates," "expects," "intends," "will," "could," "believes," "estimates," "continue," and similar expressions, are forward-looking statements under Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that involve risks and uncertainties, such as risks related to our dependence on new product introductions and market acceptance of new products and enhanced versions of our existing products; lengthy sales cycles, including the timing of system installations and acceptances; lengthy and costly development cycles for laser-processing and lithography technologies and applications; integration, development and associated expenses of the laser processing operation; delays, deferrals and cancellations of orders by customers; cyclicality in the semiconductor and nanotechnology industries; pricing pressures and product discounts; high degree of industry competition; intellectual property matters; expiration of licensing arrangements, and the resulting adverse impact on our licensing revenues; changes to financial accounting standards; changes in pricing by us, our competitors or suppliers; customer concentration; international sales; timing of new product announcements and releases by us or our competitors; ability to volume produce systems and meet customer requirements; sole or limited sources of supply; ability and resulting costs to attract or retain sufficient personnel to achieve our targets for a particular period; dilutive effect of employee stock option grants on net income per share, which is largely dependent upon us achieving and maintaining profitability and the market price of our stock; mix of products sold; rapid technological change and the importance of timely product introductions; outcome of litigation; changes in accounting policies or interpretations of such policies; manufacturing variances and production levels; timing and degree of success of technologies licensed to outside parties; product concentration and lack of product revenue diversification; inventory obsolescence; asset impairment; effects of certain anti-takeover provisions; future acquisitions; volatility of stock price; foreign government regulations and restrictions, the political restrictions in Taiwan regarding offshore investments and the exporting of sensitive technologies and jobs to certain countries; business interruptions due to natural disasters or utility failures; environmental regulations; and any adverse effects of terrorist attacks in the United States or elsewhere, or government responses thereto, or military actions in Iraq, Afghanistan and elsewhere, on the economy, in general, or on our business in particular. Such risks and uncertainties are described in Ultratech's SEC reports including its Annual Report on Form 10-K filed for the year ended December 31, 2006, as amended, and Quarterly Report on Form 10-Q for the quarter ended March 31, 2007. Due to these and additional factors, the statements, historical results and percentage relationships set forth herein are not necessarily indicative of the results of operations for any future period. These forward-looking statements are based on management's current beliefs and expectations, some or all of which may prove to be inaccurate, and which may change. We undertake no obligation to revise or update any forward-looking statements to reflect any event or circumstance that may arise after the date of this release.

About Ultratech: Ultratech, Inc. (Nasdaq: UTEK) designs, manufactures and markets photolithography and laser processing equipment. Founded in 1979, Ultratech is a market leader in gold and solder bump lithography, in addition to being a pioneer of laser processing. Its advanced-packaging lithography systems deliver strong cost-of-ownership, repeatability and throughput advantages, and are used worldwide in the fabrication of semiconductors and FPDs. Ultratech's advanced laser processing technology enhances yields, while enabling a cost-effective transfer to 65-nm and below production, and is being integrated into the manufacturing lines of leading-edge semiconductor manufacturers. Ultratech's home page on the World Wide Web is located at: *www.ultratech.com.*

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