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**ULTRATECH RECEIVES MULTI-SYSTEM ORDER FOR LASER SPIKE ANNEALING SYSTEMS
FROM MAJOR LOGIC FOUNDRY FOR 40-NM PRODUCTION RAMP**

SAN JOSE, CA—September 21, 2010—Ultratech, Inc. (NasdaqGM: UTEK), a leading supplier of lithography and laser-processing systems used to manufacture semiconductor devices and high-brightness LEDs (HB-LEDs), today announced that it has received a follow-on, multiple-system order for its laser spike annealing (LSA) tools from a major logic foundry in Asia. Ultratech’s LSA100A systems will be used to support the production ramp of 40-nm logic devices in 2010. The LSA100A is the second generation of Ultratech’s laser annealing production tools. The process uniformity and cost-of-ownership advantages of Ultratech’s proprietary LSA technology have been demonstrated at all major logic foundries.

“This latest multi-system order confirms the LSA100A system as the millisecond annealing tool of choice for high-volume production at yet another major logic foundry,” noted Jeff Hebb, Ph.D., vice president of laser product marketing at Ultratech. “The proprietary long-wavelength architecture of the LSA system continues to demonstrate excellent within-die uniformity, layout-independent process results, and real-time temperature control. These advantages contribute to enhanced yields and considerable cost savings for our foundry customers. Also, the inherent nature of our scanning LSA system and dwell time flexibility delivers a low stress process, enabling high-process temperatures, lower leakage, and minimal lithography overlay errors. As a result, the LSA100A provides our customers with added value for their 40-nm processes, while enabling extendibility to the 28-nm node and beyond.”

Ultratech’s LSA100A Laser Annealing System

The LSA100A laser spike annealing system enables junction activation and other front-end advanced annealing processes for the 65-nm node and beyond. Building on the success of its predecessor the LSA100, the LSA100A provides both an improvement in the technical capabilities for advanced nodes and a significant increase in productivity. Ultratech’s LSA100A delivers uniform temperature across the wafer independent of the device layout while providing a low overall cost of ownership. LSA100A provides superior technical performance and operational flexibility critical for advanced semiconductor manufacturing.

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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 timing, delays, deferrals and cancellations of orders by customers, including as a result of semiconductor manufacturing capacity as well as our customers' financial condition and demand for semiconductors; cyclical nature in the semiconductor and nanotechnology industries; general economic and financial market conditions including impact on capital spending, as well as difficulty in predicting changes in such conditions; rapid technological change and the importance of timely product introductions; customer concentration; 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; pricing pressures and product discounts; high degree of industry competition; intellectual property matters; changes in pricing by us, our competitors or suppliers; 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; effect of capital market fluctuations on our investment portfolio; 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 our achieving and maintaining profitability and the market price of our stock; mix of products sold; outcome of litigation; 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; changes to financial accounting standards; effects of certain anti-takeover provisions; future acquisitions; volatility of stock price; foreign government regulations and restrictions; 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, 2009 and Quarterly Report on Form 10Q for the quarter ended July 3, 2010. 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 affect 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, the company's market-leading advanced lithography products deliver high throughput and production yields at a low, overall cost of ownership for bump packaging of integrated circuits and high-brightness LEDs (HB-LEDs). A pioneer of laser processing, Ultratech developed laser spike anneal technology, which increases device yield, improves transistor performance and enables the progression of Moore's Law for 45-nm and below production of state-of-the-art consumer electronics. Visit Ultratech online at: www.ultratech.com.

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