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ULTRATECH RECEIVES FOLLOW-ON, MULTI-SYSTEM ORDER FOR LASER SPIKE ANNEALING SYSTEMS FROM MAJOR LOGIC FOUNDRY

Ultratech's LSA100A Systems to Support High-volume Production of Advanced Logic Devices

SAN JOSE, CA—February 4, 2010—Ultratech, Inc. (NasdaqGM: UTEK), a leading supplier of lithography and laser-processing systems used to manufacture semiconductor devices, today announced that it has received a follow-on, multiple-system order for its laser spike anneal (LSA) tools from a major foundry in Asia. Ultratech's LSA100A systems will be used to support high-volume production for advanced logic devices in 2010. Based on Ultratech's proprietary long-wavelength annealing technology, the LSA100A provides significant cost of ownership, process uniformity, and process control advantages that make it an ideal tool for foundry manufacturing. Ultratech's LSA tools are currently being used in all major logic foundries.

Ultratech's Vice President of Laser Product Marketing, Jeff Hebb, Ph.D., noted, "Our foundry customers require a cost-effective, advanced annealing solution that has the flexibility to process many different product layouts while maintaining high product yields. The unique technology of the LSA100A system has demonstrated that it can meet these critical requirements in a foundry environment, and is also extendible to the next two technology generations. Our LSA system provides uniform temperature and uniform process results that are independent of the device layout. As a result, our foundry customers can feel confident that they will not experience yield issues when transferring LSA processes to new product designs, as many have done already. This follow-on, multi-system order further confirms the LSA100A system provides a low-risk solution for the foundries' advanced annealing requirements."

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; cyclicity 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, 2008 and Quarterly Report on Form 10Q for the quarter ended October 3, 2009. 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. (NasdaqGM: 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. 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 65-nm and below production of state-of-the-art consumer electronics. Visit Ultratech online at: www.ultratech.com.

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