



Cohu Reports First Quarter 2001 Operating Results and Sale of San Diego Facilities

April 24, 2001

SAN DIEGO, Calif., April 24, 2001 -- Cohu, Inc. (NASDAQ:COHU) today announced that sales were \$43.7 million for the first quarter ended March 31, 2001 compared to \$72.7 million for the first quarter of 2000 and \$55.9 million for the fourth quarter of 2000. The net loss for the first quarter of 2001 was \$1.3 million, or \$.07 per share, compared to net income of \$7.2 million or \$.33 per share for the first quarter of 2000 and \$4.6 million or \$.22 per share in the fourth quarter of 2000. In the quarter ended March 31, 2001 the Company recorded a pretax charge for excess and obsolete inventory of approximately \$4.2 million primarily as a result of changes in customer forecasts. Excluding the impact of this charge, net income per share would have been \$.06 for the quarter ended March 31, 2001.

All amounts included in this press release reflect the application of SEC Staff Accounting Bulletin 101 ("SAB 101"). SAB 101 became effective in the fourth quarter of 2000 and sets forth guidelines on the timing of revenue recognition based upon factors such as passage of title, installation, payment and customer acceptance. Prior to SAB 101 revenue was generally recognized upon shipment once customer acceptance provisions had been met. Amounts previously reported for the quarter ended March 31, 2000 have been restated for SAB 101 and include a cumulative effect adjustment of \$3.3 million or \$.16 per share.

The Company also announced that in April 2001 it sold its land and buildings in San Diego, California for \$12.5 million, excluding commissions and other related expenses. The Company expects to recognize a pretax gain on the transaction of approximately \$7 million in the second or third quarter of 2001 after the Company vacates the facilities. As previously announced, the Company will consolidate the San Diego operations of Delta Design in a recently purchased 338,000 sq. ft. facility in Poway, California.

New orders for the first quarter of 2001 were \$34.3 million compared to \$43.3 million for the fourth quarter of 2000. Backlog was \$41.5 million at March 31, 2001 compared to \$50.9 million at December 31, 2000. First quarter 2001 sales of semiconductor test handling equipment accounted for 81% of total sales. Sales of television cameras and related equipment were 13% of sales and metal detection and microwave equipment contributed 6% of sales.

James A. Donahue, President and Chief Executive Officer, stated, "Numerous technology companies have announced significant reductions in orders, sales and earnings as a result of the dramatic slowdown in the technology sector. Until conditions improve, we anticipate that our customers will continue to provide us with only short-term visibility. We have reduced our headcount, are carefully controlling expenses and will continue to closely monitor business conditions. Despite the challenging business environment, our strong financial condition allows us to invest aggressively in new product development and continue to provide our customers with exceptional service and support."

Certain matters discussed in this report including statements concerning the Company's expectations of industry conditions and its potential responses are forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those projected or forecasted. Such risks and uncertainties include, but are not limited to, the cyclical and unpredictable nature of capital expenditures by semiconductor manufacturers; inventory write-offs; the Company's ability to convert new products under development into production on a timely basis, support product development and meet customer delivery and acceptance requirements for next generation equipment; the effect of competitive products; the concentration of revenues in a limited number of customers; increased electricity costs and power shortages; and other risks addressed in the Company's filings with the Securities and Exchange Commission including the most recently filed Form 10-K and Form 10-Q. The Company assumes no obligation to update the information in this report.

Cohu is a leading supplier of test handling solutions used by the global semiconductor industry as well as a supplier of closed circuit television, metal detection and microwave radio equipment.

Cohu will be conducting their conference call on Tuesday, April 24, 2001 at 2:00 PM PST. The call will be webcast at www.cohu.com. Replays of the call can be accessed at www.cohu.com.

[Full Press Release including Consolidated Statements of Operations and Consolidated Balance Sheets](#)

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