



Cohu Reports Second Quarter 2000 Operating Results

July 27, 2000

SAN DIEGO, Calif., July 27, 2000 -- Cohu, Inc. (NASDAQ/COHU) today announced that sales were a record \$86.7 million for the second quarter ended June 30, 2000 compared to \$43.5 million for the second quarter of 1999 and \$72.5 million for the first quarter of 2000. Net income for the second quarter of 2000 was a record \$13.1 million, or \$.62 per share, compared to net income of \$4.9 million or \$.24 per share for the second quarter of 1999 and net income of \$9.9 million or \$.47 per share in the first quarter of 2000. Net sales for the first six months of 2000 were \$159.2 million with net income of \$23.0 million and earnings per share of \$1.08. This compares to sales of \$73.0 million, net income of \$6.3 million and earnings per share of \$.31 for the first six months of 1999.

Net sales for the quarter and six months ended June 30, 2000 included \$17.5 million and \$29.3 million, respectively, of sales from the Company's new Summit test handlers. Through June 30, 2000, additional Summit handlers with a sales value of \$17.3 million had been shipped. Revenue on these shipments will be recognized subsequent to June 30, 2000 upon customer acceptance which is expected to occur in the third quarter of 2000. Customer payments received on these shipments totaled \$11.5 million at June 30, 2000 and have been recorded as customer advances.

New orders for the second quarter of 2000 were \$70.8 million compared to \$62.3 million for the second quarter of 1999 and \$84.3 million for the first quarter of 2000. Backlog was \$68.8 million at June 30, 2000 compared to \$84.7 million at March 31, 2000. Second quarter 2000 sales of semiconductor test handling equipment accounted for 89% of total sales. Sales of television cameras and related equipment were 8% of sales and metal detection and microwave equipment contributed 3% of sales.

James A. Donahue, President and Chief Executive Officer, commented: "We are pleased to report record results, particularly in view of our increased investment in R&D during the quarter. Our spending on new product development is focused in three key handling areas: pick and place, gravity and the emerging strip handling segment. We continue to add capabilities and features to our industry-leading pick and place product line, responding to our customers' requirements for increased productivity and lower cost of test. We added new customers and continue to successfully transition current customers to Castle Lx, our new logic pick and place handler." Donahue continued: "During the second quarter, our Summit Handler was selected by two additional IC manufacturers for high-power logic test applications, following competitive evaluations. We recently introduced a new high-speed gravity handler, the Delta 1888, targeted at RF and wireless devices and have received orders for this system. Finally, we're excited with our strip handler development program and plan to deliver the first system later this year."

The Company's Board of Directors announced that it has approved a quarterly cash dividend of \$.05 per share payable on October 27, 2000 to shareholders of record on September 8, 2000. The Company has paid consecutive quarterly cash dividends since 1977.

Certain matters discussed in this report including statements regarding the Company's expectations concerning recognition of Summit revenue and the delivery of the first strip handler system, 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 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; the cyclical and unpredictable nature of capital expenditures by semiconductor manufacturers; and other risks addressed in filings with the Securities and Exchange Commission. 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.

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

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