



Cohu Reports Record Fourth Quarter Revenues and Earnings and Full Year 1999 Results

January 27, 2000

SAN DIEGO, Calif., January 27, 2000 -- Cohu, Inc. (NASDAQ:COHU) today announced record sales of \$74.1 million for the fourth quarter of 1999, an increase of 192% over sales of \$25.3 million for the fourth quarter of 1998 and an increase of 20% over sales of \$61.7 million for the third quarter of 1999. Net income for the fourth quarter of 1999 was a record \$12.2 million or \$.58 per share compared to a net loss of \$2.3 million or \$.12 per share for the fourth quarter of 1998 and net income of \$7.5 million or \$.36 per share for the third quarter of 1999.

New orders for the fourth quarter of 1999 were \$75.9 million compared to \$29.4 million for the fourth quarter 1998 and \$76.5 million for the third quarter of 1999. New orders for 1999 increased 76% to \$253.6 million from \$144.1 million in 1998. Backlog increased 159% to \$72.9 million at December 31, 1999 from \$28.1 million at December 31, 1998 and \$71.1 million at September 30, 1999.

Sales for 1999 were a record \$208.8 million, an increase of 22% over 1998 sales of \$171.5 million. Net income for 1999 was \$25.9 million or \$1.26 per share, increases of 123% and 117% respectively, when compared to net income of \$11.6 million or \$.58 per share in 1998.

Sales of test handling equipment accounted for 84% of 1999 total sales. Sales of television cameras and related equipment accounted for 10% and metal detection and microwave equipment contributed 6% of sales. During 1999 the Company shipped a significant number of its new Summit test handlers. Revenue on these shipments will be recognized in 2000 upon customer acceptance.

Charles A. Schwan, Chairman and Chief Executive Officer, stated "We are very pleased with the record orders, sales and backlog achieved by the Company in 1999. The records demonstrate our ability to respond quickly to the ever changing requirements of our customers and the strong demand for our new Castle and Summit test handlers."

The Company's Board of Directors announced that it has approved an increase of 11% in the quarterly cash dividend to \$.05 per share payable on April 26, 2000 to shareholders of record on March 20, 2000. The Company has paid consecutive quarterly cash dividends since 1977.

Certain matters discussed in this report 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, realize acceptable profit margins on such products and support product development and meet customer delivery 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 the largest U.S. based and one of the world's largest suppliers of test handling equipment used by semiconductor manufacturers in final test operations. The Company also manufactures closed circuit television, metal detection and microwave equipment.

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

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