
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

May 12, 2006

Cohu, Inc.

(Exact name of registrant as specified in its charter)

Delaware

001-04298

95-1934119

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

12367 Crosthwaite Circle, Poway, California

92064

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

858-848-8100

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.01 Completion of Acquisition or Disposition of Assets.

On May 12, 2006, Cohu, Inc. ("Cohu") sold substantially all the assets, excluding real property, of its wholly owned metal detection equipment subsidiary, FRL, Incorporated to First Texas Holdings Corporation for approximately \$3.2 million in cash. The sale is expected to result in a pretax loss of approximately \$0.7 million that will be recorded in Cohu's second fiscal quarter ending June 24, 2006.

On May 15, 2006, Cohu issued a press release announcing the transaction. The press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

The Exhibit listed below is being furnished with this Current Report on Form 8-K.

Exhibit 99.1
Cohu Sells Metal Detection Business

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Cohu, Inc.

May 15, 2006

By: *John H. Allen*

Name: John H. Allen

Title: VP Finance & CFO

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Cohu Sells Metal Detection Business

Cohu Sells Metal Detection Business

POWAY, Calif., May 15, 2006 — Cohu, Inc. (NASDAQ:COHU) today announced that it has sold substantially all the assets, excluding real property, of its metal detection equipment business, FRL, Incorporated to First Texas Holdings Corporation, for approximately \$3.2 million in cash. The sale is expected to result in a pretax loss of approximately \$0.7 million that will be recorded in Cohu's second fiscal quarter ending June 24, 2006. For the three years ended December 31, 2005, FRL represented 3.5% of Cohu's consolidated sales and generated operating losses of \$2.3 million.

Cohu, through its Delta Design subsidiary, is a leading supplier of test handling solutions used by the global semiconductor industry, as well as a supplier of closed circuit television and microwave communications equipment.

For press releases and other information of interest to investors, please visit Cohu's website at <http://www.cohu.com>. Contact: John Allen — Investor Relations (858) 848-8106.