

COHU, INC. AUDIT COMMITTEE CHARTER

I. Purpose and Authority

The Audit Committee (the "Committee") of the Board of Directors (the "Board") of Cohu, Inc. ("Cohu"):

(a) assists the Board in fulfilling its responsibilities for general oversight of: (1) Cohu's financial reporting processes and the audit of Cohu's financial statements, including the integrity of Cohu's financial statements, (2) Cohu's compliance with legal and regulatory requirements, (3) the independent registered public accounting firm's qualifications and independence, (4) the performance of Cohu's independent registered public accounting firm, and (5) risk assessment and risk management;

(b) prepares the report required by the proxy rules of the Securities and Exchange Commission (the "SEC") to be included in Cohu's annual proxy statement; and

(c) has the additional duties and responsibilities set forth in Section IV below.

The Committee has the authority to obtain advice and assistance from outside legal, accounting or other advisors as the Committee deems necessary to carry out its duties, and the Committee shall receive appropriate funding, as determined by the Committee, from Cohu for payment of compensation to the outside legal, accounting or other advisors employed by the Committee.

II. Membership

The Committee shall consist of at least three directors, each of whom shall be independent under applicable SEC and stock exchange listing standards, as determined by the Board. Each member of the Committee must meet the applicable stock exchange financial literacy and expertise requirements. At least one member of the Committee shall be a "financial expert" as defined by the SEC and applicable stock exchange rules. In addition, no Committee member may have participated in the preparation of the financial statements of Cohu or any of Cohu's current subsidiaries at any time during the past three years.

III. Meeting and Procedures

The Committee shall meet at least four times each year, either in person or telephonically, with additional meetings called as the Committee deems appropriate. The Committee Chair is responsible for the agenda, including input from management, staff and other Committee and Board members as appropriate. A majority of the Committee members shall be present to constitute a quorum for the transaction of the Committee's business. The Committee shall meet regularly in separate executive sessions and also in private sessions with management and the independent registered public accounting firm to facilitate full communication. The Committee shall be given open access to Cohu's Board Chairman, Cohu executives and the independent registered public accounting firm, as well as Cohu's books, records, facilities and other personnel.

IV. Delegation of Authority

The Committee may create a subcommittee of the Committee consisting of one or more directors on the Committee and may delegate any of its duties and responsibilities to such subcommittee, unless otherwise prohibited by applicable laws or listing standards. The Committee may delegate any of its duties and responsibilities to one or more directors on the Committee, another director or other persons, unless otherwise prohibited by applicable laws or listing standards. Any subcommittee, director or other person will provide a written or oral report to the Committee regarding any activities undertaken pursuant to such delegation. The Committee may terminate any such subcommittee and revoke any such delegation at any time.

V. Duties and Responsibilities

The Committee shall:

1. Review and reassess annually the adequacy of this charter and submit the charter for approval of the full Board. The Committee also shall conduct an annual self-evaluation of the Committee's performance and processes.
2. Appoint, evaluate and compensate the independent registered public accounting firm, which shall report directly to the Committee, and oversee the rotation of the independent registered public accounting firm's lead audit and concurring partners at least once every five years and the rotation of other audit partners at least once every seven years, with applicable time-out periods, in accordance with SEC regulations. The Committee shall determine whether to retain or, if appropriate, terminate the independent registered public accounting firm. The Committee is responsible for recommending the independent registered public accounting firm for approval by the stockholders, if appropriate.
3. Review and approve in advance the scope of the annual independent audit and the audit fee, establish policies for the independent registered public accounting firm's activities and any fees beyond the core audit, approve in advance all non-audit services to be performed by the independent registered public accounting firm that are not otherwise prohibited by law and associated fees, and monitor the usage and fees paid to the independent registered public accounting firm. The Committee may delegate to the Chair of the Committee the authority, with agreed limits, to pre-approve non-audit services not prohibited by law to be performed by the independent registered public accounting firm. The Chair shall report any decisions to pre-approve such services to the full Committee at its next meeting.
4. Review and discuss with the independent registered public accounting firm their annual written statement delineating all relationships or services between the independent registered public accounting firm and Cohu, or any other relationships or services that may impact their objectivity and independence.
5. Set clear hiring policies for employees or former employees of the independent registered public accounting firm, and monitor compliance with such policies.
6. Review with management and the independent registered public accounting firm:
 - (a) Cohu's annual audited and quarterly financial statements, including Cohu's disclosures in "Management's Discussion and Analysis of Financial Condition and Results of Operations;"
 - (b) the results of the independent registered public accounting firm's audit and the independent registered public accounting firm's opinion on the annual financial statements;
 - (c) the independent registered public accounting firm's judgments on the quality, not just the acceptability, and consistent application of Cohu's accounting principles, the reasonableness of significant judgments, clarity of disclosures and underlying estimates in the financial statements;
 - (d) changes in accounting principles or application thereof, significant judgment areas, and significant and complex transactions;
 - (e) any disagreements between management and the independent registered public accounting firm, about matters that individually or in the aggregate could be significant to Cohu's financial statements or the independent registered public accounting firm's report, and any serious difficulties the independent registered public accounting firm encountered in dealing with management related to the performance of the audit;
 - (f) analyses prepared by management or the independent registered public accounting firm setting forth significant financial reporting issues and judgments made in

connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements.

7. Recommend to the Board whether the audited financial statements should be included in Cohu's Annual Report on Form 10-K.

8. Discuss earnings press releases, as well as corporate policies with respect to financial information and earnings guidance provided to analysts and ratings agencies.

9. At least annually, obtain from and review a report by the independent registered public accounting firm describing (a) the independent registered public accounting firm's internal quality control procedures, and (b) any material issues raised by the most recent internal quality-control review, or peer review, or by any governmental or professional inquiry or investigation within the preceding five years regarding any audit performed by the independent registered public accounting firm, and any steps taken to deal with any such issues.

10. Review the adequacy and effectiveness of Cohu's disclosure controls and procedures.

11. Review the adequacy and effectiveness of Cohu's internal controls, including any significant deficiencies in such controls and significant changes or material weaknesses in such controls reported by the independent registered public accounting firm or management, and any fraud, whether or not material, that involves management or other Cohu employees who have a significant role in such controls.

12. Review the adequacy and effectiveness of Cohu's information security policies and the internal controls regarding information security.

13. Assure that procedures are established for the receipt, retention and treatment of complaints on accounting, internal accounting controls or auditing matters, as well as for confidential, anonymous submissions by Cohu's employees of concerns regarding questionable accounting or auditing matters and compliance with the Code of Business Conduct and Ethics.

14. Receive and, if appropriate, respond to attorneys' reports of evidence of material violations of securities laws and breaches of fiduciary duty and similar violations of U.S. or state law.

15. Review significant risks or exposures relating to litigation and other proceedings and regulatory matters that may have a significant impact on Cohu's financial statements.

16. Review the results of significant investigations, examinations or reviews performed by regulatory authorities and management's response.

17. Review and approve on an on-going basis all "related party transactions," as defined in applicable SEC rules for potential conflict of interest situations.

18. Conduct or authorize investigations into any matters within the Committee's scope of responsibilities.

19. Consider such other matters regarding Cohu's financial affairs, its controls, and the independent audits of Cohu as the Committee, in its discretion, may determine to be advisable.

20. Report regularly to the Board with respect to the Committee's activities.

21. The Committee will coordinate, as appropriate, with the Compensation Committee regarding cost, funding and financial impact of equity compensation and benefits.