

Cohu, Inc.
Condensed Consolidated Statements of Operations

(in thousands, except per share amounts) (unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2002	2001	2002	2001
Net sales	\$36,811	\$25,430	\$106,706	\$ 98,429
Cost and expenses:				
Cost of sales (1)	24,463	21,387	66,930	75,306
Research and development	8,136	7,004	24,094	22,071
Selling, general and administrative	6,015	6,472	18,530	19,692
Gain on sale of facilities	—	(7,746)	—	(7,746)
Acquired in-process research and development	—	2,050	—	2,050
	38,614	29,167	109,554	111,373
Loss from operations	(1,803)	(3,737)	(2,848)	(12,944)
Interest income	648	1,095	2,136	3,529
Loss before income taxes	(1,155)	(2,642)	(712)	(9,415)
Income tax benefit	(600)	(1,200)	(400)	(3,800)
Net loss	\$ (555)	\$ (1,442)	\$ (312)	\$ (5,615)
Net loss per share:				
Basic	\$ (.03)	\$ (.07)	\$ (.02)	\$ (.28)
Diluted	\$ (.03)	\$ (.07)	\$ (.02)	\$ (.28)
Weighted average shares used in computing net loss per share:				
Basic	20,795	20,470	20,722	20,409
Diluted	20,795	20,470	20,722	20,409

(1) Includes inventory related charges of \$4.7 million and \$13.5 million in the three and nine months ended September 30, 2001, respectively.

Condensed Consolidated Balance Sheets

(in thousands) (unaudited)

	September 30, 2002	December 31, 2001
Assets:		
Current assets:		
Cash and investments	\$111,685	\$ 89,967
Accounts receivable	20,549	25,904
Inventories	27,163	30,404
Deferred taxes and other	17,027	20,773
	176,424	167,048
Note receivable	9,184	9,375
Property, plant & equipment, net	34,037	35,849
Other assets, primarily goodwill	9,139	9,287
Total assets	\$228,784	\$221,559
Liabilities & Stockholders' Equity:		
Current liabilities:		
Deferred profit	\$ 4,888	\$ 3,108
Other current liabilities	28,317	22,511
	33,205	25,619
Deferred taxes and other noncurrent liabilities	5,401	5,409
Stockholders' equity	190,178	190,531
Total liabilities & equity	\$228,784	\$221,559

For press releases and other information of interest to investors, please visit Cohu's website at www.cohu.com
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