

**Cohu, Inc.**  
**Condensed Consolidated Statements of Operations**

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

|   | Three Months Ended<br>December 31, |          | Years Ended<br>December 31, |            |
|---|------------------------------------|----------|-----------------------------|------------|
|   | 2002                               | 2001     | 2002                        | 2001       |
| Net sales   | \$28,014                           | \$28,121 | \$134,720                   | \$126,550  |
| Cost and expenses:  |                                    |          |                             |            |
| Cost of sales (1)   | 18,117                             | 18,288   | 85,047                      | 93,594     |
| Research and development (2)                                    | 8,371                              | 7,603    | 32,465                      | 29,674     |
| Selling, general and administrative                             | 5,503                              | 5,280    | 24,033                      | 24,972     |
| Gain on sale of facilities                                      | —                                  | —        | —                           | (7,746)    |
| Acquired in-process research and development                    | —                                  | —        | —                           | 2,050      |
|   | <b>31,991</b>                      | 31,171   | <b>141,545</b>              | 142,544    |
| Loss from operations  | (3,977)                            | (3,050)  | (6,825)                     | (15,994)   |
| Interest income   | 1,111                              | 898      | 3,247                       | 4,427      |
| Loss before income taxes  | (2,866)                            | (2,152)  | (3,578)                     | (11,567)   |
| Income tax benefit (3)  | (2,300)                            | (1,300)  | (2,700)                     | (5,100)    |
| Net loss  | \$ (566)                           | \$ (852) | \$ (878)                    | \$ (6,467) |
| Basic and diluted net loss per share                            | \$ (.03)                           | \$ (.04) | \$ (.04)                    | \$ (.32)   |
| Weighted average shares used in computing net loss<br>per share | <b>20,844</b>                      | 20,509   | <b>20,752</b>               | 20,434     |

(1) Includes net inventory related charges of approximately \$2 million and \$16 million in the years ended December 31, 2002 and 2001, respectively.

(2) Includes amortization and write-off of intangible assets of approximately \$750,000 in the three months ended December 31, 2002.

(3) Includes benefit of approximately \$1 million from reversal of tax liability, net of other items, in the three months ended December 31, 2002.

**Condensed Consolidated Balance Sheets**

(in thousands) (unaudited)

|   | December 31,<br>2002 | December 31,<br>2001 |
|---|----------------------|----------------------|
| Assets:   |                      |                      |
| Current assets:                                 |                      |                      |
| Cash and investments                            | \$107,184            | \$ 89,967            |
| Accounts receivable                             | 18,267               | 25,904               |
| Inventories                                     | 24,317               | 30,404               |
| Deferred taxes and other                        | <u>16,530</u>        | <u>20,773</u>        |
|   | <b>166,298</b>       | 167,048              |
| Note receivable                                 | 9,184                | 9,375                |
| Property, plant & equipment, net                | 33,770               | 35,849               |
| Goodwill  | 8,340                | 8,340                |
| Other assets                                    | 4,211                | 947                  |
| Total assets                                    | <b>\$221,803</b>     | \$221,559            |
| Liabilities & Stockholders' Equity:             |                      |                      |
| Current liabilities:                            |                      |                      |
| Deferred profit                                 | \$ 5,231             | \$ 3,108             |
| Other current liabilities                       | <u>20,528</u>        | <u>22,511</u>        |
|   | <b>25,759</b>        | 25,619               |
| Deferred taxes and other noncurrent liabilities | 5,950                | 5,409                |
| Stockholders' equity                            | <b>190,094</b>       | 190,531              |
| Total liabilities & equity                      | <b>\$221,803</b>     | \$221,559            |

For press releases and other information of interest to investors, please visit Cohu's website at [www.cohu.com](http://www.cohu.com)

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