DI-Core Predictive Maintenance Software Selected by Major IDM

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POWAY, Calif.--(BUSINESS WIRE)--Dec. 12, 2022-- Cohu, Inc. (NASDAQ: COHU), a global supplier of equipment and services optimizing semiconductor manufacturing yield and productivity, today announced that a major European IDM has selected and deployed Cohu's Predictive Maintenance (PdM) software. PdM is part of a suite of data analytics software products sold under the DI-Core Data Intelligence System brand. The software is sold per handler based on an annual subscription.

PdM software provides real-time component and thermal performance analytics that enables semiconductor manufacturers to significantly improve overall equipment efficiency for Cohu's large installed base of handlers. By analyzing a broad range of internal handler sensor data, the software provides advance notice to perform proactive maintenance to minimize failures and increase equipment uptime. PdM extends Cohu's handler automation capability for semiconductor manufacturers' lights out automated factory and Industry 4.0 initiatives.

Implementing predictive maintenance enables increased productivity by reducing downtime and increasing production output per machine. The market for predictive maintenance software as part of the global manufacturing industry is estimated at $1.0B and is projected to grow at 20% CAGR.

"We are pleased to introduce our DI-Core PdM software and receive validation with an order from a major IDM," said Luis Müller, Cohu President and CEO. "After extensive evaluation, the customer has deployed PdM on Cohu MATRiX handlers to enable automation and optimization of their test process. The software delivers comprehensive equipment data analytics to improve equipment productivity."

About Cohu:

Cohu (NASDAQ: COHU) is a global technology leader supplying test, automation, inspection and metrology products and services to the semiconductor industry. Cohu's differentiated and broad product portfolio enables optimized yield and productivity, accelerating customers' manufacturing time-to-market. Additional information can be found at www.Cohu.com.

Forward-Looking Statements:

Certain statements contained in this release may be considered forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, including all references to DI-Core PdM software results, performance and efficiency; the market size and growth of the manufacturing predictive maintenance software industry; and any other statements that are predictive in nature and depend upon or refer to future events or conditions; and/or include words such as "may," "will," "should," "would," "expect," "anticipate," "plan," "likely," "believe," "estimate," "project," "intend;" and/or other similar expressions among others. Statements that are not historical facts are forward-looking statements. Forward-looking statements are based on current beliefs and assumptions that are subject to risks and uncertainties and are not guarantees of future performance. Any third-party market research or forecasts quoted are for reference only and Cohu does not adopt or affirm any such forecasts.

Actual results and future business conditions could differ materially from those contained in any forward-looking statement as a result of various factors, including, without limitation: an initial deployment may not result in future sales; customer results may vary depending on operating factors beyond Cohu's control; semiconductor customers frequently rely upon internal factory productivity solutions and may not adopt a third party product such as DI-Core; political and economic instability and adverse worldwide impacts resulting from the military incursion into Ukraine by Russia, including potential energy shortages in Europe; the ongoing effects of the COVID-19 pandemic and its impact on our operations and the operations of our key suppliers, customers and other business partners; we are making investments in new products and product enhancements, which may adversely affect our operating results and these investments may not be commercially successful; we have manufacturing operations in Asia and any failure to effectively manage multiple manufacturing sites and to secure raw materials meeting our quality, cost and other requirements, or failures by our suppliers to perform, could harm our sales, service levels and reputation; any failure to perform or unexpected downtime experienced by our sole contract manufacturer for certain semiconductor automated test equipment; any failure of critical suppliers to deliver sufficient quantities of parts in a timely and cost-effective manner, including ongoing shortages of semiconductor devices used in our system products; continued high inflation and increasing interest rates; we may not be able to increase prices to fully offset inflationary pressures on costs, such as raw and packaging materials, components and subassemblies, labor and distribution costs; the semiconductor industry we serve is seasonal, cyclical, volatile and unpredictable; the semiconductor equipment industry is intensely competitive; semiconductor equipment is subject to rapid technological change, product introductions and transitions which may result in inventory write-offs, and our new product development involves numerous risks and uncertainties; the seasonal nature of the semiconductor equipment industry places enormous demands on our employees, operations and infrastructure; a limited number of customers account for a substantial percentage of our net sales; inherent uncertainty of backlog wherein customers may delay shipments or cancel orders; majority of our revenues are generated

from exports to foreign countries, primarily in Asia, that are subject to economic and political instability and we compete against a number of Asia-based test contactor, test handler and automated test equipment suppliers; we are exposed to the risks of operating in certain foreign locations from where Cohu manufactures certain products, and supports our sales and services to the global semiconductor industry; increasingly restrictive trade and export regulations, including new U.S. export rules announced October 7, 2022 relating to certain advanced computing and semiconductor manufacturing items and supercomputer and semiconductor end use, may materially harm or limit Cohu's business and ability to sell its products; the remaining indebtedness in connection with our financing of the Xcerra acquisition may have an adverse impact on Cohu's liquidity, access to capital and business flexibility; we are exposed to other risks associated with additional potential acquisitions, investments and divestitures such as integration difficulties, disruption to our core business, dilution of stockholder value, and diversion of management attention; our financial and operating results may vary and fall below analysts' estimates, or credit rating agencies may change their ratings on Cohu, any of which may cause the price of our common stock to decline or make it difficult to obtain other financing; we have experienced significant volatility in our stock price; there may be changes in, and uncertainty with respect to, legislation, regulation and governmental policy in the United States; and impacts in the event of a cybersecurity breach.

These and other risks and uncertainties are discussed more fully in Cohu's filings with the SEC, including the most recently filed Form 10-K and Form 10-Q, and the other filings made by Cohu with the SEC from time to time, which are available via the SEC's website at www.sec.gov. Except as required by applicable law, Cohu does not undertake any obligation to revise or update any forward-looking statement, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise.

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