



NEWS RELEASE

CalAmp Reports Fiscal 2004 Fourth Quarter and Year-End Results

4/26/2004

* Fiscal 2004 Sales Reach Record Level

* Quarterly Conference Call to Be Held Tuesday 4/27/04

OXNARD, Calif., April 26 /PRNewswire-FirstCall/ -- California Amplifier, Inc. (Nasdaq: CAMP) today reported results for its fourth quarter and fiscal year ended February 28, 2004.

Sales for the fiscal 2004 fourth quarter were \$41.6 million, an increase of 60% compared to \$26.1 million for the fourth quarter of the prior year. Net income for the fourth quarter increased by 200% to \$3.0 million, or \$0.18 per diluted share, compared to \$1.0 million, or \$0.06 per diluted share for the fourth quarter of last year.

Sales for fiscal year 2004 were a record \$128.6 million, compared to \$100.0 million for fiscal year 2003. Net income for fiscal year 2004 was \$5.7 million, or \$0.37 per diluted share, compared to \$5.2 million, or \$0.35 per diluted share for fiscal year 2003.

Fred Sturm, President and Chief Executive Officer commented, "We are pleased with our overall financial performance for fiscal year 2004. Despite a difficult start to the year in our core satellite business, we rebounded strongly in the second half of the year and we were able to complete fiscal 2004 at a record level of sales and also post our fourth consecutive year of profitability.

Mr. Sturm added, "During the year we also made significant progress in two key aspects of our business. First, we reduced our fixed manufacturing costs by subcontracting a significant portion of our manufacturing operations. Second, we've begun the process of transforming our Company into a communication solutions provider for both

wired and wireless applications with our recent acquisition of Vytek Corporation. This acquisition enables diversification into markets we believe will provide future growth and continued profitability. I'm excited about the opportunities that I expect will be presented to us as a result of our combined strength in engineering, marketing, manufacturing and professional services."

Mr. Sturm also noted, "Based on our current visibility, we estimate fiscal 2005 first quarter revenues in the range of \$43 to \$50 million and earnings in the range of \$0.06 to \$0.10 per diluted share. Our merger with Vytek Corporation was completed on April 12, so our first quarter ending May 31 will include Vytek's operations for about one-half of the quarter. The first quarter is expected to include the write-off of Vytek's in-process R&D of approximately \$500,000 pursuant to purchase accounting rules. Other factors impacting this latest guidance are an anticipated increase in the Company's effective tax rate in fiscal 2005 to approximately 38%, compared to an effective rate of less than one percent in fiscal 2004, and the impact of recent substantial increases in the cost of raw steel, which is a key material for our satellite business. We are, however, taking steps to minimize the impact of these cost increases."

As more fully described in a Form 8-K filed today, on April 21, 2004 the Company was served with a complaint alleging certain violations of the California labor code. The Company intends to defend itself vigorously against these allegations and has established what management believes to be an appropriate reserve in the quarter ended February 28, 2004.

In a change from the schedule previously announced, the Company will hold its quarterly conference call on Tuesday, April 27, 2004 at 1:30 p.m. Pacific Time to discuss its fiscal 2004 fourth quarter financial results and current business status. A live audio webcast of the conference call can be accessed on either the Company's web site, www.calamp.com, or on the web site www.prnewswire.com under the Multimedia News section. Both links require listeners to install either RealPlayer or Windows Media Player to access the event. A replay of the audio broadcast will be available for 14 days after the call's completion.

About California Amplifier, Inc.

CalAmp offers service providers, enterprise customers and technology developers a comprehensive range of communications access and content delivery products, services and solutions. The Company leverages its expertise in supplying cost-effective, high volume RF products, as a leading provider of direct broadcast satellite (DBS) equipment to the U.S. DBS market. Drawing upon its growing expertise in networking applications and wireless technologies, the Company has developed solutions for digital multimedia delivery, residential broadband data delivery, retailing applications, public safety markets and wireless enterprise connectivity. With diverse capabilities ranging from product development through cost-effective, large-scale production, CalAmp provides valuable, high quality solutions to a broad array of customers and markets. The Company is headquartered in Ventura County,

California and has approximately 800 employees. CalAmp was founded in 1981 and has been publicly traded since 1983. For more information visit: www.calamp.com.

Statements in this press release that are not historical in nature are forward-looking statements, which involve known and unknown risks and uncertainties. Words such as "may," "will," "expects," "intends," "plans," "believes," "seeks," "could," "estimate" and variations of these words and similar expressions are intended to identify forward-looking statements. Actual results could differ materially from those implied by such forward-looking statements due to a variety of factors, including, general and industry economic conditions, competition, development factors, operating costs, the Company's ability to integrate the Vytex acquisition successfully and other risks and uncertainties that are detailed from time to time in the Company's filings with the Securities and Exchange Commission. Although the Company believes the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that its expectations will be attained. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

For more information, please contact Rick Vitelle, Chief Financial Officer of California Amplifier, Inc., +1-805-987-9000; or Crocker Coulson, Partner, CCG Investor Relations, +1-818-789-0100, crocker.coulson@ccgir.com, for California Amplifier, Inc.

CALIFORNIA AMPLIFIER, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited, in thousands except per share amounts)

	Three Months Ended		Year Ended	
	February 28,		February 28,	
	2004	2003	2004	2003
Sales	\$41,605	\$26,071	\$128,616	\$100,044
Cost of goods sold	35,179	22,115	110,950	79,511
Gross profit	6,426	3,956	17,666	20,533
Operating expenses:				
Research and development	1,427	1,167	5,363	5,982
Selling	666	617	2,336	2,560
General and administrative	1,346	777	3,984	3,781
	3,439	2,561	11,683	12,323

Operating income	2,987	1,395	5,983	8,210
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Non-operating expense,
net

	(49)	(56)	(243)	(215)
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Income before income

taxes	2,938	1,339	5,740	7,995
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Income tax

benefit (provision)	36	(368)	(26)	(2,835)
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Net income	\$2,974	\$971	\$5,714	\$5,160
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Net income per share:

Basic	\$ 0.20	\$ 0.07	\$ 0.39	\$ 0.35
Diluted	\$ 0.18	\$ 0.06	\$ 0.37	\$ 0.35

Shares used in per
share calculations:

Basic	14,885	14,740	14,791	14,639
Diluted	16,179	14,960	15,390	14,870

Business Segment Sales
Information:

	Three Months Ended		Year Ended	
	February 28,		February 28,	
	2004	2003	2004	2003
Satellite Products	\$39,750	\$23,880	\$121,000	\$88,437
Wireless Access Products	1,855	2,191	7,616	11,607
Total sales	\$41,605	\$26,071	\$128,616	\$100,044

CALIFORNIA AMPLIFIER, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited - In thousands)

	February 28,	
	2004	2003
Current assets		
Cash and cash equivalents	\$22,885	\$21,947
Accounts receivable, net	18,579	16,053
Inventories	20,253	12,862
Deferred income tax assets	2,807	1,130

Prepaid expenses and other current assets	3,244	1,100
Total current assets	67,768	53,092
Property, plant and equipment, net	4,381	9,322
Deferred income tax assets, less current portion	3,956	5,400
Goodwill, net	20,938	20,938
Other assets	599	845
	\$97,642	\$89,597
Current liabilities:		
Current portion of long-term debt	\$3,527	\$3,005
Accounts payable	17,395	11,553
Accrued payroll and employee benefits	1,513	1,649
Other accrued liabilities	2,078	2,198
Total current liabilities	24,513	18,405
Long-term debt, less current portion	7,766	12,569
Stockholders' equity:		
Common stock	149	147
Additional paid-in capital	44,486	43,441
Retained earnings	21,550	15,836
Accumulated other comprehensive loss	(822)	(801)
Total stockholders' equity	65,363	58,623
	\$97,642	\$89,597

SOURCE California Amplifier, Inc.