



NEWS RELEASE

California Amplifier Develops Smart Antenna Technology to Enhance 802.11 Performance

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CAMARILLO, Calif., Jan. 7 /PRNewswire-FirstCall/ -- California Amplifier, Inc. (Nasdaq: CAMP) announced today that it has developed an adaptive digital beamforming smart antenna technology for 802.11 applications. The Company has applied for patent protection on its beamforming technology and is evaluating incorporation of this technology into a next generation Wi-Fi chip, under a licensing agreement with an 802.11 integrated circuit developer.

"We are very pleased with our progress in applying our extensive RF design and wireless systems expertise to a widely deployed standard like 802.11," said Fred Sturm, Chief Executive Officer. "We believe this is a major step towards diversifying our Wireless Access business unit beyond our traditional MMDS video and data markets."

In typical 802.11 systems, an access point acts as a hub station, coordinating communications between many client stations. The Company's smart antenna technology, called RASTER(TM), resides at the access point to significantly enhance the coverage and data throughput, particularly in areas where poor signal quality is an issue. Unlike other approaches to increase throughput and coverage, products based on RASTER technology will not require any changes to the 802.11 standard, and are expected to work with commercially available network interface client cards.

California Amplifier's RASTER beamforming technology, which was initially targeted to MMDS applications, has been in development since calendar year 2000. RASTER uses multiple antennas and powerful digital signal processing to dynamically form an antenna pattern optimized to a desired client at any given instant, based on interference and other wireless channel conditions. The Company has integrated RASTER with 802.11 physical layer and media access control processing, allowing an access point to form transmit and receive beams, cancel interference and better utilize high multipath, non-line-of-sight channels, thus substantially improving performance. Development of

RASTER-enhanced products that are cost-competitive with standard access points will require integration of this technology into a next generation 802.11 chip, which the Company expects will occur over the next 12 months.

"Smart antennas are the next frontier in wireless communications," said Kris Kelkar, Senior Vice President of Wireless Access Products. "We have achieved signal quality improvements that are expected to double the burst data rate and increase overall throughput by approximately 50% in weak signal conditions, while dramatically increasing the coverage of a single access point. When combined with the inherent interference cancellation ability of RASTER, this advancement brings a higher level of performance and robustness to a very cost effective, standards-based wireless solution."

Gemma Paulo, a senior analyst with technology research company In-Stat/MDR, commented, "Interference, limited range and data throughput continue to be issues that drag down the widespread deployment of 802.11 wireless networks. Smart Antenna technology, such as California Amplifier's RASTER, has great potential for driving the broader implementation of 802.11 products in Enterprise, Hot-Spot and Campus environments. These hardware markets had revenues of \$1.4 billion in 2001, and are expected to grow to \$2.7 billion in 2004."

802.11 refers to a family of specifications for wireless local area networks (WLANs) developed by the Institute of Electrical and Electronics Engineers (IEEE). It specifies an over-the-air interface between a wireless client and a base station or between two wireless clients. There are currently four specifications in the family: 802.11, 802.11a, 802.11b, and 802.11g.

About California Amplifier, Inc.

California Amplifier designs, manufactures and markets a broad line of integrated microwave solutions used primarily in conjunction with satellite television and terrestrial broadband wireless applications. The Company's satellite business unit designs and markets reception components for the worldwide Direct Broadcast Satellite television market as well as a full line of consumer and commercial products for video and data reception. The wireless access business unit designs and markets integrated wireless solutions for video, voice and data applications. California Amplifier is an ISO 9001 certified company. For additional information, visit California Amplifier's web site at www.calamp.com.

Statements in this release about the Company's future financial performance, customer relationships, initiatives to develop innovative wireless solutions, and the market potential of new products are forward-looking statements and are subject to risks and uncertainties that could cause actual results to differ materially from expectations. Words such as "may," "will," "expects," "intends," "plans," "believes," "anticipates," "seeks," "could," "evaluates," "estimates" and variations of these words and similar expressions are intended to identify forward-looking statements. Factors that could impact California Amplifier's future results include changes in product demand and

market growth rates, the effect of competition, pricing pressures, supplier constraints, manufacturing yields, market acceptance of new products and the viability and market acceptance of new technologies. 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. More information about California Amplifier's risks is available in the Company's annual report on Form 10-K and other filings made from time to time with the Securities and Exchange Commission.

For further information, please contact: Crocker Coulson, Partner, Coffin Communications Group, +1-818-789-0100, crocker.coulson@coffincg.com , for California Amplifier, Inc.; or Kris Kelkar, Senior Vice President, Wireless Access Products of California Amplifier, Inc., +1-805-987-9000.

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