



NEWS RELEASE

California Amplifier Reaches Agreements to Settle Various Litigation Matters

12/20/2001

CAMARILLO, Calif., December 20, 2001 --- California Amplifier Inc., (Nasdaq: CAMP), today announced that it had reached agreements to settle various litigation matters pending against the Company.

The litigation: includes twenty independent putative class actions filed in federal court regarding the announcement on March 29, 2001 of the resignation of the Company's controller and the overstatement of net income for the fiscal year ended February 26, 2000 and the subsequent restatement of fiscal year 2000 and the interim periods of fiscal years 2001; a shareholder derivative suit, entitled Charles Medalie v. California Amplifier, Inc. et al., filed in Los Angeles Superior Court; and a rescission suit filed in the United States District Court, Central District of California, Western Division by the insurance company providing coverage applicable to the class action and derivative suit.

Under terms of the settlements, the Company's primary directors and officers liability insurance carrier will pay \$575,000 to the plaintiffs and withdraw its rescission action, and the Company will pay \$925,000 to the plaintiffs. This represents a total settlement of \$1.5 million. In addition, the Company has the option to issue up to \$500,000 of its payment in the form of common stock in lieu of cash. The settlements will result in a pre-tax charge of \$925,000 to the Company's fiscal year 2002 third quarter statement of operations.

Fred Sturm, President and Chief Executive Officer, commented, "We believed we had meritorious defenses to these lawsuits. However, the resolution of these various lawsuits was in the best interest of our stockholders, as the risks and costs to litigate these suits as well as the resource commitment by key executives would have far outweighed the cost of settlement. These settlements resolve all pending litigation related to the Company's recent financial restatements. California Amplifier continues to cooperate with the SEC in its investigation into these restatements."

About California Amplifier, Inc.

California Amplifier designs, markets and manufactures a broad line of integrated microwave fixed point solutions used primarily in conjunction with satellite and terrestrial broadband applications. The Company's wireless access business unit designs and markets integrated reception and two-way transmission fixed wireless solutions for video, voice, data, telephony and networking applications. The satellite business unit designs and markets reception components for the worldwide DBS television market as well as a full line of consumer and commercial products for video and data reception. 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 and settlement of litigations 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," "seeks," "could," "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."

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