



NEWS RELEASE

California Amplifier Reports FY 2004 First Quarter Results

6/19/2003

CAMARILLO, Calif., June 19 /PRNewswire-FirstCall/ -- California Amplifier, Inc. (Nasdaq: CAMP) today reported results for its first quarter ended May 31, 2003.

Sales for the first quarter of fiscal 2004 were \$18.6 million, compared to \$22.5 million for the first quarter of the prior year. Net loss for the first quarter was \$1.1 million, or \$0.07 per diluted share, compared to net income of \$1.5 million, or \$0.10 per diluted share for the first quarter of fiscal year 2003. First quarter results include the effects of asset impairment charges of approximately \$825,000 before income taxes related to manufacturing equipment and inventories within the Satellite business segment.

Fred Sturm, President and Chief Executive Officer, commented, "California Amplifier continues to reshape itself to compete in what remains a difficult market climate. During the quarter, we undertook several restructuring initiatives, including rationalizing our manufacturing capacity by consolidating two North American facilities, reducing our workforce and expanding our use of outsourced subassemblies. While our management team worked to contain costs and improve operating performance, we also maintained our focus on leveraging the Company's RF design expertise to new markets and products. We look forward to sharing the details on our progress as we meet significant milestones in terms of customer acceptance and market validation."

"Despite the challenging conditions, we remain optimistic about the long-term growth opportunities for our served markets and our balance sheet remains strong with nearly \$22 million in cash," added Mr. Sturm. "Given the industry build-up of certain satellite products inventory and the continued uncertainty in the wireless market, we continue to closely monitor our cost structure and seek ways to improve the efficiency of our operations."

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 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 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," "seeks," "could," "optimistic," "potential," "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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CONSOLIDATED STATEMENTS OF OPERATIONS

(unaudited, in thousands, except per share data)

	Three Months Ended		
	May 31, 2003	May 31, 2002	
Sales	\$18,566	\$22,482	
Cost of sales	17,260	16,638	
Gross profit	1,306	5,844	
Operating expenses:			
Research and development		1,362	1,701
Selling	494	730	
General and administrative		844	1,050
Total operating expenses		2,700	3,481
Operating income (loss)		(1,394)	2,363
Non-operating expense		(53)	(1)
Income (loss) before income taxes		(1,447)	2,362
Income tax (provision) benefit		345	(896)
Net income (loss)		\$(1,102)	\$1,466
Net income (loss) per share:			
Basic		\$(.07)	\$.10
Diluted		\$(.07)	\$.10
Shares used in per share calculations:			
Basic		14,745	14,373
Diluted		14,913	14,756

BUSINESS UNIT SALES INFORMATION:

	Three Months Ended		
	May 31, 2003	May 31, 2002	
Satellite Products	\$16,621	\$19,474	
Wireless Access Products		1,945	3,008
Total	\$18,566	\$22,482	

CONSOLIDATED BALANCE SHEETS

(in thousands)

May 31, February 28,
2003 2003
(unaudited)

ASSETS

Current assets:

Cash and cash equivalents	\$21,899	\$21,947
Accounts receivable, net	6,680	16,053
Inventories	14,103	12,862
Deferred income tax assets	1,454	1,130
Prepaid expenses and other current assets	1,329	1,100
Total current assets	45,465	53,092

Property and equipment, at cost, net of

accumulated depreciation and amortization	7,929	9,322
Deferred income tax assets, less current portion	5,400	5,400
Goodwill	20,938	20,938
Other assets	747	845
	\$80,479	\$89,597

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

Current portion of long-term debt	\$3,425	\$3,005
Accounts payable	4,558	11,553
Accrued payroll and employee benefits	798	1,649
Other accrued liabilities	2,275	2,198
Total current liabilities	11,056	18,405

Long-term debt, net of current portion 11,899 12,569

Stockholders' equity:

Common stock	147	147
Additional paid-in capital	43,444	43,441
Retained earnings	14,734	15,836
Accumulated other comprehensive loss	(801)	(801)
Total stockholders' equity	57,524	58,623

\$80,479 \$89,597

SOURCE California Amplifier, Inc.