



NEWS RELEASE

California Amplifier Reports FY 2004 Second Quarter Results

10/2/2003

* Sales increase 30% from preceding quarter

* Company returns to profitability in fiscal second quarter

CAMARILLO, Calif., Oct. 2 /PRNewswire-FirstCall/ -- California Amplifier, Inc. (Nasdaq: CAMP) today reported results for its second quarter ended August 31, 2003.

Sales for the second quarter of fiscal 2004 were \$24.2 million, compared to \$18.6 million for the first quarter of fiscal year 2004 and \$27.5 million for the second quarter of the prior year. Net income for the second quarter was \$390,000, or \$0.03 per diluted share, compared to a net loss of \$1.1 million, or (\$0.07) per diluted share in the previous quarter, and net income of \$1.8 million, or \$0.12 per diluted share, in the second quarter of last year.

For the six months ended August 31, 2003 sales were \$42.8 million, compared to \$50.0 million in the prior year. The net loss during the first six months of fiscal year 2004 was \$712,000, or (\$0.05) per diluted share, compared to net income of \$3.3 million, or \$0.22 per diluted share, in the first six months of fiscal year 2003.

Fred Sturm, President and Chief Executive Officer commented, "Our Satellite Products business has experienced a dramatic improvement in recent months. Market activity with our key customers has increased substantially, driven primarily by their promotional programs and seasonal demand entering the holiday season. In order to satisfy our customers' higher volume requirements, we are rapidly ramping up our production capability, thereby reversing the contraction which occurred in the first quarter. However, we are incurring additional costs as a result of this ramp-up, principally due to the expedited procurement of materials."

Mr. Sturm continued, "In our Wireless Access business the development of Ecco(TM), our PCS repeater product, is progressing well. A small number of pre-production units have already been supplied to a major wireless service provider for testing and evaluation purposes. We are also in discussion with other prospective customers who have expressed interest in the potential of our economical, integrated repeater design to improve in-building wireless coverage and increase subscriber satisfaction."

Mr. Sturm also noted, "Based on our current visibility, we estimate third quarter sales in the range of \$30 to \$36 million and earnings in the range of \$0.07 to \$0.12 per diluted share. The range of expectations reflects the fact that results for the third quarter will depend to a large degree on the Company's ability to economically procure materials in sufficient quantities to fulfill existing orders."

About California Amplifier, Inc.

California Amplifier designs, manufactures and markets a broad line of integrated microwave equipment used primarily in conjunction with satellite television and terrestrial wireless broadband and video applications. The Company's Satellite business unit designs and markets outdoor reception equipment for the U.S. Direct Broadcast Satellite (DBS) television market as well as a broad line of consumer and commercial satellite products for video and data reception. The Wireless Access business unit designs and markets integrated reception and two-way transmission fixed wireless equipment for broadband data and video 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," "estimate" 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 more information, contact:

Crocker Coulson	Rick Vitelle
Partner	Chief Financial Officer
CCG Investor Relations	California Amplifier, Inc.
(818) 789-0100	(805) 987-9000
crocker.coulson@ccgir.com	

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

	Three Months Ended		Six Months Ended	
	August 31,		August 31,	
	2003	2002	2003	2002
Sales	\$24,197	\$27,526	\$42,763	\$50,008
Cost of goods sold		20,997	21,171	38,257
			37,809	
Gross profit	3,200	6,355	4,506	12,199
Operating expenses:				
Research and development		1,236	1,723	2,598
Selling	549	744	1,043	1,474
General and administrative		869	1,052	1,713
	2,654	3,519	5,354	7,000
Operating income (loss)		546	2,836	(848)
			5,199	
Non-operating expense, net		(129)	(79)	(182)
			(80)	
Income (loss) before income taxes		417	2,757	(1,030)
			5,119	
Income tax (provision) benefit		(27)	(939)	318
			(1,835)	
Net income (loss)		\$390	\$1,818	\$(712)
			\$3,284	
Net income (loss) per share:				
Basic	\$0.03	\$0.12	\$(0.05)	\$0.23
Diluted	\$0.03	\$0.12	\$(0.05)	\$0.22
Shares used in per share calculations:				
Basic	14,747	14,720	14,746	14,547
Diluted	14,916	14,914	14,746	14,835

Business Segment Sales Information:

Three Months Ended Six Months Ended

	August 31, 2003	August 31, 2002	August 31, 2003	August 31, 2002
Satellite Products	\$22,022	\$24,640	\$38,643	\$44,114
Wireless Access Products	2,175	2,886	4,120	5,894
Total sales	\$24,197	\$27,526	\$42,763	\$50,008

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

	August 31, 2003 (unaudited)	February 28, 2003
Current assets:		
Cash and cash equivalents	\$23,080	\$21,947
Accounts receivable, net	12,884	16,053
Inventories	11,700	12,862
Deferred income tax assets	2,846	1,130
Prepaid expenses and other current assets	1,387	1,100
Total current assets	51,897	53,092
Property, plant and equipment, net	7,550	9,322
Deferred income tax assets, less current portion	3,973	5,400
Goodwill, net	20,938	20,938
Other assets	980	845
	\$85,338	\$89,597
Current liabilities:		
Current portion of long-term debt	\$3,438	\$3,005
Accounts payable	11,105	11,553
Accrued payroll and employee benefits	823	1,649
Other accrued liabilities	1,238	2,198
Total current liabilities	16,604	18,405
Long-term debt, less current portion	10,835	12,569

Stockholders' equity:		
Common stock	147	147
Additional paid-in capital	43,453	43,441
Retained earnings	15,124	15,836
Accumulated other comprehensive loss	(825)	(801)
 Total stockholders' equity	 57,899	 58,623
	\$85,338	\$89,597

SOURCE California Amplifier, Inc.