



NEWS RELEASE

California Amplifier Reports FY 2004 Third Quarter Results

12/23/2003

* Company generates record sales of \$44.2 million in latest quarter

* Q3 diluted EPS of 22 cents, up from 6 cents a year ago

CAMARILLO, Calif., Dec. 23 /PRNewswire-FirstCall/ -- California Amplifier, Inc. (Nasdaq: CAMP) today reported results for its third quarter ended November 30, 2003.

Sales for the third quarter of fiscal 2004 were \$44.2 million, compared to \$24.2 million for the immediately preceding quarter and \$24.0 million for the third quarter of the prior year. Net income for the third quarter was \$3.5 million, or \$0.22 per diluted share, compared to net income of \$391,000, or \$0.03 per diluted share in the immediately preceding quarter, and net income of \$905,000, or \$0.06 per diluted share, in the third quarter of last year.

"We are pleased with our overall performance during the third quarter, during which we successfully responded to the substantial increase in market demand for our satellite television reception products," stated Fred Sturm, President and Chief Executive Officer. "Our third quarter revenue, which increased over 80% on both a sequential quarter and prior year basis, represents a record level for our Company, greatly surpassing the previous record for quarterly revenue of \$32.8 million set two years ago. The performance in the latest quarter was made possible by the outstanding efforts of our employees and our supply chain partners."

Mr. Sturm continued, "In addition to increased market demand, our record revenues in the third quarter were the result of higher average selling prices on our latest generation satellite television products. We remain encouraged by the continued growth in subscriber base by the U.S. satellite television providers, and we are continuing our

efforts to support their product requirements."

For the nine months ended November 30, 2003 sales were \$87.0 million, compared to \$74.0 million in the prior year. Net income for the first nine months of fiscal year 2004 was \$2.7 million, or \$0.18 per diluted share, compared to net income of \$4.2 million, or \$0.28 per diluted share, in the first nine months of fiscal year 2003. Net income for the latest nine month period is down from the prior year because of manufacturing inefficiencies associated with substantial quarter-to-quarter changes in customer demand and production volume, material expedite costs associated with the significant ramp-up in production volume beginning in the second quarter, and increased competitive pricing pressures in the Satellite products business.

Mr. Sturm also noted, "Based on our current visibility, we estimate fourth quarter sales in the range of \$40 to \$48 million and earnings in the range of \$0.18 to \$0.24 per diluted share."

As separately announced today, the Company has entered into an agreement to acquire Vytek Corporation, a privately-held company engaged in providing software and hardware solutions and services that enable wired and wireless access to information.

Conference Call

The Company will conduct a conference call to discuss its third quarter results and the planned acquisition of Vytek, Inc. on Tuesday, December 23, 2003 at 1:30 p.m., Pacific Time that will be available as a live audio webcast at 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.

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.

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[TABLES FOLLOW]

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

	Three Months Ended		Nine Months Ended	
	November 30,		November 30,	
	2003	2002	2003	2002
Sales	\$44,248	\$23,965	\$87,011	\$73,973
Cost of goods sold		37,514	19,587	75,771
Gross profit	6,734	4,378	11,240	16,577
Operating expenses:				
Research and development		1,338	1,391	3,936
Selling	627	469	1,670	1,943
General and administrative		925	902	2,638
	2,890	2,762	8,244	9,762

Operating income	3,844	1,616	2,996	6,815
Non-operating expense, net	(12)	(79)	(194)	(159)
Income before income taxes	3,832	1,537	2,802	6,656
Income tax provision	(380)	(632)	(62)	(2,467)
Net income	\$3,452	\$905	\$2,740	\$4,189
Net income per share:				
Basic	\$0.23	\$0.06	\$0.19	\$0.29
Diluted	\$0.22	\$0.06	\$0.18	\$0.28

Shares used in per share calculations:

Basic	14,788	14,720	14,760	14,605
Diluted	15,555	14,850	15,128	14,840

Business Segment Sales Information:

	Three Months Ended		Nine Months Ended	
	November 30,		November 30,	
	2003	2002	2003	2002
Satellite Products	\$42,607	\$20,443	\$81,250	\$64,557
Wireless Access Products	1,641	3,522	5,761	9,416
Total sales	\$44,248	\$23,965	\$87,011	\$73,973

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

	November 30, 2003	February 28, 2003
	(unaudited)	
Current assets:		
Cash and cash equivalents	\$25,286	\$21,947
Accounts receivable, net	17,399	16,053
Inventories	13,875	12,862
Deferred income tax assets	2,576	1,130
Prepaid expenses and other current assets	935	1,100
Total current assets	60,071	53,092
Property, plant and equipment, net	7,887	9,322
Deferred income tax assets, less current portion	4,098	5,400
Goodwill, net	20,938	20,938
Other assets	668	845
	\$93,662	\$89,597

Current liabilities:

Current portion of long-term debt	\$3,375	\$3,005
Accounts payable	15,671	11,553
Accrued payroll and employee benefits	1,311	1,649
Other accrued liabilities	1,488	2,198
Total current liabilities	21,845	18,405
Long-term debt, less current portion	9,874	12,569
Stockholders' equity:		
Common stock	148	147
Additional paid-in capital	44,024	43,441
Retained earnings	18,576	15,836
Accumulated other comprehensive loss	(805)	(801)
Total stockholders' equity	61,943	58,623
	\$93,662	\$89,597

SOURCE California Amplifier, Inc.