

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): July 22, 2004

Cohu, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware
*(State or Other
Jurisdiction of
Incorporation)*

1-4298
*(Commission
File Number)*

95-1934119
*(IRS Employer
Identification No.)*

12367 Crosthwaite Circle, Poway, California
(Address of Principal Executive Offices)

92064
(Zip Code)

Registrant's telephone number, including area code (858) 848-8100

Not applicable

(Former Name or Former Address, if Changed Since Last Report)

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Item 7. Financial Statements and Exhibits.

(c) Exhibits.

Exhibit No.	Description
99.1	Second Quarter 2004 Earnings Release, dated July 22, 2004, of Cohu, Inc.

Item 12. Results of Operations and Financial Condition.

On July 22, 2004, Cohu, Inc. (the “Company”) issued a press release regarding its financial results for the quarter ended June 30, 2004. The Company’s press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and incorporated by reference herein.

The information in this Current Report on Form 8-K and the Exhibit attached hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, regardless of any general incorporation language in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

COHU, INC.

Dated: July 22, 2004

By: /s/ John H. Allen
John H. Allen
Vice President Finance and Chief Financial Officer

EXHIBIT INDEX

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99.1	Second Quarter 2004 Earnings Release, dated July 22, 2004, of Cohu, Inc.

COHU REPORTS SECOND QUARTER 2004 OPERATING RESULTS

POWAY, Calif., July 22, 2004 -- Cohu, Inc. (NASDAQ:COHU) today announced that sales were \$47.3 million for the second quarter ended June 30, 2004 compared to \$32.1 million for the second quarter of 2003 and \$35.9 million for the first quarter of 2004. Net income for the second quarter of 2004 was \$6.9 million, or \$0.32 per share compared to net income of \$4.1 million or \$0.19 per share for the second quarter of 2003 and net income of \$2.1 million or \$0.10 per share for the first quarter of 2004. Included in the second quarter 2003 results were a \$7.9 million gain related to the sale of land and a \$2.5 million investment writedown.

Net sales for the first six months of 2004 were \$83.3 million with net income of \$9.0 million and net income per share of \$0.41 compared to net sales of \$63.2 million with net income of \$2.7 million and net income per share of \$0.13 for the first six months of 2003.

Orders for the second quarter of 2004 were \$59.9 million compared to \$58.2 million for the first quarter of 2004. Backlog was \$72.4 million at June 30, 2004 compared to \$59.8 million at March 31, 2004. Second quarter 2004 sales of semiconductor test handling equipment accounted for 83% of total sales. Sales of television cameras and related equipment were 11% of sales and metal detection and microwave communications equipment contributed 6% of sales.

James A. Donahue, President and Chief Executive Officer, stated, "This was a great quarter for Cohu as sales increased 48% year over year and 32% sequentially. We are especially pleased with the significant improvement in operating income, resulting primarily from favorable product mix and improved gross margin in our IC test handling business. Orders were very strong as we saw demand increase across our semiconductor equipment product line, from a broader base of customers."

Donahue concluded, "We are encouraged by the breadth of the recovery. The investments we've made in new product development, proprietary technologies and manufacturing infrastructure put us in an excellent position to benefit from improved business conditions. Our balance sheet remains strong, with cash of nearly \$116 million and no debt."

Cohu's Board of Directors approved a quarterly cash dividend of \$0.05 per share payable on November 5, 2004 to shareholders of record on September 10, 2004. Cohu has paid consecutive quarterly cash dividends since 1977.

Certain matters discussed in this release including statements concerning Cohu's expectations of industry conditions and 2004 operations are forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those projected or forecasted. Such risks and uncertainties include, but are not limited to, the concentration of our revenues in a limited number of customers; intense competition in the semiconductor test handler industry; inventory write-offs; failure to obtain customer acceptance and recognize revenue; the cyclical and unpredictable nature of capital expenditures by semiconductor manufacturers; Cohu's ability to convert new products under development into production on a timely basis, support product development and meet customer delivery and acceptance requirements for next generation equipment; difficulties in integrating acquisitions and new technologies and other risks addressed in Cohu's filings with the Securities and Exchange Commission including the most recently filed Form 10-K and Form 10-Q. Cohu assumes no obligation to update the information in this release.

Cohu is a leading supplier of test handling solutions used by the global semiconductor industry as well as a supplier of closed circuit television, metal detection and microwave communications equipment.

Cohu will be conducting their conference call on Thursday, July 22, 2004 at 2:00 p.m. Pacific Time. The call will be webcast at www.cohu.com. Replays of the call can be accessed at www.cohu.com.

COHU, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share amounts) (unaudited)

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	2004	2003	2004	2003
Net sales	\$ 47,337	\$ 32,084	\$ 83,276	\$ 63,163
Cost and expenses:				
Cost of sales	26,425	21,109	47,442	41,805
Research and development	6,576	5,556	12,760	12,494
Selling, general and administrative	7,230	6,028	14,090	11,943
	40,231	32,693	74,292	66,242
Income (loss) from operations	7,106	(609)	8,984	(3,079)
Gain from sale of land	--	7,873	--	7,873
Investment impairment writedown	--	(2,500)	--	(2,500)
Interest income	336	442	956	1,142
	7,442	5,206	9,940	3,436
Income before income taxes	7,442	5,206	9,940	3,436
Income tax provision	500	1,100	900	700
	6,942	4,106	9,040	2,736
Net income	\$ 6,942	\$ 4,106	\$ 9,040	\$ 2,736
Income per share:				
Basic	\$ 0.32	\$ 0.19	\$ 0.42	\$ 0.13
Diluted	\$ 0.32	\$ 0.19	\$ 0.41	\$ 0.13
Weighted average shares used in computing income per share:				
Basic	21,484	21,098	21,452	21,005
Diluted	21,978	21,631	22,026	21,457

CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands) (unaudited)

	JUNE 30, 2004	December 31, 2003
Assets:		
Current assets:		
Cash and investments	\$115,613	\$107,620
Accounts receivable	39,349	25,578
Inventories	38,634	31,636
Deferred taxes and other	6,539	6,704
	200,135	171,538
Note receivable	--	8,978
Property, plant & equipment, net	30,327	30,683
Goodwill	8,340	8,340
Other assets	971	1,191
	239,773	220,730
Total assets	\$239,773	\$220,730
Liabilities & Stockholders' Equity:		
Current liabilities:		
Deferred profit	\$ 9,831	\$ 4,132
Other current liabilities	27,533	22,685
	37,364	26,817
Deferred taxes and other noncurrent liabilities	1,701	1,683
Stockholders' equity	200,708	192,230
	239,773	220,730
Total liabilities & equity	\$239,773	\$220,730

Contact: John Allen - Investor Relations (858) 848-8106