
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):

June 4, 2014

Cohu, Inc.

(Exact name of registrant as specified in its charter)

Delaware

001-04298

95-1934119

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

12367 Crosthwaite Circle, Poway, California

92064

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

858-848-8100

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01 Other Events.

On June 4, 2014 Cohu, Inc. ("Cohu"), announced that it had entered into a definitive agreement with Costar Technologies, Inc. ("Costar") under which Costar, based near Dallas, Texas, would purchase substantially all the assets of Cohu's video camera and equipment segment ("Electronics Division") which develops, manufactures and sells video cameras and related products, specializing in video solutions for security, surveillance and traffic monitoring. On June 6, 2014 Cohu announced the completion of the sale to Costar.

The purchase price was \$9.5 million in cash plus up to \$0.5 million in contingent consideration. In connection with the closing of the transaction, Costar entered into a three-year lease, subject to certain early termination rights, with Cohu that enables the business to continue to operate at its current location in Poway, California.

The Electronics Division had sales of \$15.7 million in 2013. As a result of this transaction, financial results for the Electronics Division will be reported as discontinued operations in the second quarter of 2014.

Included within the press release of Cohu, Inc. dated June 4, 2014 are non-GAAP financial measures that supplement amounts prepared under generally accepted accounting principles (GAAP). These non-GAAP financial measures adjust the Company's forecasted results prepared under GAAP to exclude charges and the related income tax effect for share-based compensation, the amortization of acquired intangible assets, manufacturing transition costs and employee severance costs.

These non-GAAP measures are not meant as a substitute for GAAP, but are included solely for informational and comparative purposes. The Company's management believes that this information can assist investors in evaluating the Company's operational trends, financial performance, and cash generating capacity. Management believes these non-GAAP measures allow investors to evaluate Cohu's financial performance using some of the same measures as management. However, the non-GAAP financial measures should not be regarded as a replacement for (or superior to) corresponding, similarly captioned, GAAP measures.

A reconciliation of these non-GAAP amounts to GAAP is as follows:

Forecasted Q2 Gross Margin (%) - GAAP - 34%
Adjustment for Intangible Amortization - 2%
Forecasted Q2 Gross Margin (%) - non-GAAP - 36%

Forecasted Q2 Operating Expense (\$) – GAAP – \$ 25.0 million
Adjustment for Share Based Compensation – \$ (1.7) million
Adjustment for Intangible Amortization – \$ (0.5) million
Adjustment for Manufacturing Transition Costs – \$ (0.8) million
Forecasted Q2 Operating Expense (\$) – non-GAAP – \$ 22.0 million

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No. — 99.1
Press release, dated June 4, 2014 of Cohu, Inc.

Exhibit No. — 99.2
Press release, dated June 6, 2014 of Cohu, Inc.

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 hereunto duly authorized.

Cohu, Inc.

June 9, 2014

By: /s/ Jeffrey D. Jones

Name: s/ Jeffrey D. Jones

Title: Vice President Finance & Chief Financial Officer

Exhibit Index

Exhibit No.	Description
99.1	Press release, dated June 4, 2014 of Cohu, Inc.
99.2	Press release, dated June 6, 2014 of Cohu, Inc.

Cohu to Sell Video Camera Business and Updates Guidance

POWAY, Calif. – June 4, 2014 — Cohu, Inc. (NASDAQ: COHU) announced today that it has entered into a definitive agreement with Costar Technologies, Inc. (“Costar”) under which Costar, based near Dallas, Texas, will purchase substantially all the assets of Cohu’s Electronics Division. The purchase price is \$9.5 million in cash plus up to \$0.5 million in contingent consideration. The transaction is subject to customary closing conditions, including a working capital adjustment, and is expected to be completed in June, 2014. Upon closing the transaction, Costar will enter into a three-year lease, subject to certain early termination rights, with Cohu that enables the business to continue to operate at its current location in Poway, California.

The Electronics Division had sales of \$15.7 million in 2013. As a result of this transaction, financial results for the Electronics Division will be reported as discontinued operations and Cohu expects to record a pretax gain of approximately \$4 million.

James A. Donahue, Cohu’s Chairman, President and Chief Executive Officer, stated: “The Electronics Division has been a proud part of Cohu for many years and I want to thank all employees for their contributions to the company. Combining forces with Costar creates additional scale and greater opportunities for success in the future and enables us to focus on our semiconductor equipment and mobile microwave businesses.”

The company is updating its guidance for the second quarter of 2014 as follows: Sales of \$70 million to \$78 million, non-GAAP gross margin and operating expenses of approximately 36% and \$22 million. Donahue concluded, “Order momentum in our semiconductor equipment business has continued to build throughout the quarter with broad-based demand across our product lines.”

Forward Looking Statements:

Certain matters discussed in this release, including statements concerning the expected transaction completion date, pretax gain, and second quarter 2014 orders and financial results 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, timely satisfaction of the closing conditions and completion of the aforementioned transaction, inventory, goodwill and other intangible asset write-downs; our 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; our reliance on third-party contract manufacturers; failure to obtain customer acceptance resulting in the inability to recognize revenue and accounts receivable collection problems; customer orders may be canceled or delayed; the concentration of our revenues from a limited number of customers; intense competition in the semiconductor test handler industry; our reliance on patents and intellectual property; compliance with U.S. export regulations; and the cyclical and unpredictable nature of capital expenditures by semiconductor manufacturers. These and other risks and uncertainties are discussed more fully 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.

About Cohu:

Cohu is a supplier of test handling, burn-in, thermal subsystems and MEMS test solutions used by the global semiconductor industry, mobile microwave communications and video equipment.

For press releases and other information of interest to investors, please visit Cohu’s website at www.cohu.com. Contact: Jeffrey D. Jones — Investor Relations (858) 848-8106.

Cohu Completes Sale of Video Camera Business

POWAY, Calif. — June 6, 2014 — Cohu, Inc. (NASDAQ: COHU) has completed the previously announced sale of substantially all the assets of its Cohu Electronics Division to Costar Technologies, Inc.

About Cohu:

Cohu is a supplier of test handling, burn-in, thermal subsystems and MEMS test solutions used by the global semiconductor industry and mobile microwave communications equipment.

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