



FOR IMMEDIATE RELEASE

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**AEHR TEST SYSTEMS REPORTS FINANCIAL RESULTS
FOR FOURTH QUARTER FISCAL 2009**

Fremont, CA (July 28, 2009) - Aehr Test Systems (Nasdaq: AEHR), a technology leader in the semiconductor test and burn-in equipment industry, today announced financial results for the fourth quarter and full fiscal year ended May 31, 2009.

Net sales were \$1.2 million in the fourth quarter of fiscal 2009, compared with \$10.9 million in the fourth quarter of fiscal 2008. Aehr Test reported a net loss of \$4.0 million, or \$0.48 per share, in the fourth quarter of fiscal 2009, compared with net income of \$6.5 million, or \$0.74 per diluted share, in the fourth quarter of fiscal 2008. The net loss in the fourth quarter of fiscal 2009 included non-cash charges of \$1.3 million related to restructuring and asset impairments and \$338,000 related to stock compensation expense. Collectively, the non-cash charges accounted for \$0.19 per share in the fourth quarter of fiscal 2009.

“Sales opportunities for our family of Advanced Burn-in and Test Systems (ABTS™) are gaining momentum, as we recently booked three orders, including two from new customers and one follow-on system order from Integrated Service Technology in Taiwan,” said Rhea Posedel, chairman and chief executive officer of Aehr Test Systems. “We are selling aggressively to expand our customer base for the ABTS systems in the coming quarters, which should help drive top-line growth. Our strategy during this downturn is to conserve our cash and book additional production accounts with our new ABTS and FOX products to grow market share. We are optimistic we can achieve this goal, as we have the strongest product portfolio in our company’s history, with our FOX wafer level test and burn-in systems, full wafer contactors and our new ABTS products for packaged part burn-in and test.”

Net sales were \$21.4 million in fiscal 2009, compared with \$39.0 million in fiscal 2008. Net loss for the year ended May 31, 2009 was \$30.0 million, or \$3.55 per share, compared with net income of \$10.6 million, or \$1.24 per diluted share, in the prior fiscal year.

At May 31, 2009, cash and cash equivalents were \$4.4 million. Aehr Test closed the fourth quarter of fiscal 2009 with no outstanding debt and shareholders’ equity of \$10.0 million, or \$1.17 per share outstanding at May 31, 2009. As of May 31, 2009, the Company’s backlog was \$2.0 million, compared with \$18.6 million at May 31, 2008.

Management Conference Call

Management of Aehr Test will host a conference call and webcast today, July 28, 2009 at 5:00 p.m. Eastern (2:00 p.m. Pacific) to discuss the Company’s fourth quarter fiscal 2009 operating results. The

conference call will be accessible live via the internet at www.aehr.com. Please go to the website at least 15 minutes before start time to register, download and install any necessary audio software. A replay of the webcast will be available at www.aehr.com for 90 days.

About Aehr Test Systems

Headquartered in Fremont, California, Aehr Test Systems is a leading worldwide provider of systems for burning-in and testing DRAMs, flash, and other memory and logic integrated circuits and has an installed base of more than 2,500 systems worldwide. Aehr Test has developed and introduced several innovative products, including the ABTS, FOX™, MTX and MAX systems and the DiePak® carrier. The ABTS is Aehr Test's newest system for packaged part test during burn-in for both low-power and high-power logic as well as all common types of memory devices. The FOX system is a full wafer contact test and burn-in system. The MTX system is a massively parallel test system designed to reduce the cost of memory testing by performing both test and burn-in on thousands of devices simultaneously. The MAX system can effectively burn-in and functionally test complex devices, such as digital signal processors, microprocessors, microcontrollers and systems-on-a-chip. The DiePak carrier is a reusable, temporary package that enables IC manufacturers to perform cost-effective final test and burn-in of bare die. For more information, please visit the Company's website at www.aehr.com.

Safe Harbor Statement

This release contains forward-looking statements that involve risks and uncertainties relating to projections regarding revenues and customer demand and acceptance of Aehr Test's products. Actual results may vary from projected results. These risks and uncertainties include without limitation, world economic conditions, the timing of the recovery of the semiconductor equipment market, the Company's ability to maintain sufficient cash to support operations, acceptance by customers of Aehr Test's technologies, acceptance by customers of the systems shipped upon receipt of a purchase order and the ability of new products to meet customer needs or perform as described, and the Company's development and manufacture of a commercially successful wafer-level test and burn-in system. See Aehr Test's recent 10-K and 10-Q reports and other reports from time to time filed with the U.S. Securities and Exchange Commission for a more detailed description of the risks facing our business. The Company disclaims any obligation to update information contained in any forward-looking statement to reflect events or circumstances occurring after the date of this press release.

[Financial Tables to Follow]

AEHR TEST SYSTEMS AND SUBSIDIARIES
Condensed Consolidated Statements of Operations
(in thousands, except per share data)
(unaudited)

	Three Months Ended		Year Ended	
	May 31,		May 31,	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Net sales	\$1,240	\$10,914	\$21,407	\$39,041
Cost of sales	<u>2,752</u>	<u>5,540</u>	<u>20,223</u>	<u>19,072</u>
Gross (loss) profit	<u>(1,512)</u>	<u>5,374</u>	<u>1,184</u>	<u>19,969</u>
Operating expenses:				
Selling, general and administrative	1,380	1,993	20,623	7,657
Research and development	1,111	1,582	5,762	6,501
Impairment of goodwill			274	
Total operating expenses	<u>2,491</u>	<u>3,575</u>	<u>26,659</u>	<u>14,158</u>
(Loss) income from operations	(4,003)	1,799	(25,475)	5,811
Interest income	6	18	142	231
Other (expense) income, net	<u>(107)</u>	<u>(1)</u>	<u>277</u>	<u>(71)</u>
(Loss) income before income tax expense (benefit)	(4,104)	1,816	(25,056)	5,971
Income tax expense (benefit)	<u>(76)</u>	<u>(4,686)</u>	<u>4,915</u>	<u>(4,602)</u>
Net (loss) income	<u>\$ (4,028)</u>	<u>\$ 6,502</u>	<u>\$ (29,971)</u>	<u>\$10,573</u>
Net (loss) income per share				
Basic	\$ (0.48)	\$0.79	\$ (3.55)	\$1.32
Diluted	\$ (0.48)	\$0.74	\$ (3.55)	\$1.24
Shares used in per share calculations:				
Basic	8,473	8,234	8,436	8,013
Diluted	8,473	8,774	8,436	8,508

AEHR TEST SYSTEMS AND SUBSIDIARIES
Reconciliation of GAAP and Non-GAAP Results
(in thousands, except per share data)
(unaudited)

	Three Months Ended		Year Ended	
	May 31,		May 31,	
	2009	2008	2009	2008
GAAP net (loss) income	\$ (4,028)	\$6,502	\$ (29,971)	\$10,573
Provision for bad debts ¹			13,708	
Restructuring and asset impairments ²	1,467		8,137	
Reinstatement of deferred tax asset valuation allowance			4,943	
Stock compensation expense	338	225	1,285	836
Income tax effect on non-GAAP adjustments ³		(5)		(17)
Non-GAAP net (loss) income	<u>\$ (2,223)</u>	<u>\$6,722</u>	<u>\$ (1,898)</u>	<u>\$11,392</u>
GAAP net (loss) income per diluted share	<u>\$ (0.48)</u>	<u>\$0.74</u>	<u>\$ (3.55)</u>	<u>\$1.24</u>
Non-GAAP net (loss) income per diluted share	<u>\$ (0.26)</u>	<u>\$0.77</u>	<u>\$ (0.22)</u>	<u>\$1.34</u>
Shares used in diluted shares calculation	<u>8,473</u>	<u>8,774</u>	<u>8,436</u>	<u>8,508</u>

¹ Related to accounts receivable of Spansion Inc., which filed for bankruptcy in Japan in February 2009 and in the U.S. in March 2009.

² The three months ended May 31, 2009 includes a provision for excess/obsolete inventory of \$1.5 million, \$0.2 million severance costs, and a credit of \$0.3 million for settlement of cancellation charges accrued in the prior fiscal quarter. The year ended May 31, 2009 includes a provision for excess/obsolete inventory of \$7.2 million, cancellation charges of \$0.3 million, \$0.3 million impairment of goodwill, and \$0.4 million severance.

³ Excludes \$4.9 million tax provision related to reinstatement of the valuation allowance.

Non-GAAP net income is a non-GAAP measure and should not be considered a replacement for GAAP results. Non-GAAP net income is a financial measure the Company uses to evaluate the underlying results and operating performance of the business. The limitation of this measure is that it excludes items that impact the Company's current period net income. This limitation is best addressed by using this measure in combination with net income (the most comparable GAAP measure).

AEHR TEST SYSTEMS AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(in thousands, except per share data)
(unaudited)

	<u>May 31,</u> 2009	<u>May 31,</u> 2008
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 4,360	\$15,648
Accounts receivable, net	931	10,927
Inventories	4,472	10,209
Deferred income taxes	--	3,043
Prepaid expenses and other	879	396
Total current assets	<u>10,642</u>	<u>40,223</u>
Property and equipment, net	2,741	2,278
Goodwill	--	274
Deferred income taxes	--	1,900
Other assets	528	524
Total assets	<u><u>\$13,911</u></u>	<u><u>\$45,199</u></u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 995	\$ 2,981
Accrued expenses	2,107	3,694
Deferred revenue	241	186
Total current liabilities	<u>3,343</u>	<u>6,861</u>
Income tax payable	299	297
Deferred lease commitment	306	269
Total liabilities	<u>3,948</u>	<u>7,427</u>
Shareholders' equity	<u>9,963</u>	<u>37,772</u>
Total liabilities and shareholders' equity	<u><u>\$13,911</u></u>	<u><u>\$45,199</u></u>