



FOR IMMEDIATE RELEASE

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**AEHR TEST SYSTEMS TO SELL A PORTION OF ITS OWNERSHIP IN
SINGAPORE'S ESA ELECTRONICS**

Fremont, CA (December 18, 2003) — **Aehr Test Systems (Nasdaq: AEHR)**, a leading supplier of semiconductor test and burn-in equipment, today announced that it plans to divest one-half of its shareholdings in ESA Electronics Pte Ltd, a Singapore private limited company, to IPCO International Limited, a Singapore company, representing 12.5% of the outstanding shares of ESA Electronics. As a result, Aehr Test's ownership in ESA Electronics will be reduced from 25% to 12.5%.

Aehr Test will sell the shares in ESA Electronics to IPCO International for \$1,200,000 Singapore Dollars, or approximately \$702,000 U.S. Dollars. In addition, according to the terms of the agreement between Aehr Test and IPCO International, Aehr Test will receive 5,607,143 shares of IPCO International stock, which shares will be released to Aehr Test only in the event that ESA achieves certain income milestones on or before its fiscal year ending October 31, 2005. The latest price of IPCO stock was S\$0.135 per share.

ESA Electronics is in the business of distributing and servicing semiconductor back-end equipment, designing and manufacturing burn-in boards for semiconductor back-end stress test and managing electronics turnkey projects. ESA Electronics has been a sales representative of Aehr Test in Southeast Asia since 1992. ESA Electronics will continue as a sales representative of Aehr Test after the sale of one-half of Aehr Test's ESA Electronics shares to IPCO International.

About IPCO International

Formed in 1975, IPCO International is a public listed company on the mainboard of the Singapore Stock Exchange. IPCO seeks to develop or acquire businesses with good growth potential.

About Aehr Test Systems

Headquartered in Fremont, California, Aehr Test Systems is a leading worldwide provider of systems for burning-in and testing DRAM and logic integrated circuits and has an installed base of more than 2,000 systems worldwide. Aehr Test has developed and introduced several innovative products, including the FOX, MTX, MAX3 and MAX4 systems, and the DiePak® carrier. 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 Web site at www.aehr.com.

Safe Harbor Statement

This release contains forward-looking statements that involve risks and uncertainties relating to projections regarding industry growth and customer demand for Aehr Test's products. Actual results may vary from projected results. These risks and uncertainties include, without limitation, economic conditions in Asia and elsewhere, world events, acceptance by customers of the FOX, MTX, MAX and DiePak technologies, the ability of the Company to gain business in China, the Company's development and manufacture of a commercially successful wafer-level burn-in system, and the potential emergence of alternative technologies, which could adversely affect demand for Aehr Test's products in fiscal year 2004. See Aehr Test's recent 10-K and 10-Q reports filed with the SEC 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.

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