



FOR IMMEDIATE RELEASE

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**AEHR TEST SYSTEMS REPORTS THIRD QUARTER
RESULTS FOR FISCAL 2003**

Fremont, CA (March 25, 2003) -- Aehr Test Systems (Nasdaq: AEHR) today announced financial results for the third quarter of fiscal year 2003 ended February 28, 2003.

Net sales for the quarter were \$4.0 million, an increase of 18 percent from \$3.4 million for the same quarter of the prior year. On a sequential basis, net sales were up 38% over the second quarter of this fiscal year. Pre-tax loss for the third quarter of \$938,000 compared favorably with a pre-tax loss of \$1.0 million in the third quarter of fiscal 2002, and was less than half the pre-tax loss of \$2.0 million in the second quarter of fiscal 2003. Net loss for the quarter was \$988,000, or \$0.14 per share, compared with a net loss of \$737,000, or \$0.10 per share, in the same quarter of the prior year.

“We are very excited that our FOXTM program is starting to bear fruit,” said Rhea Posedel, chairman and chief executive officer of Aehr Test. “During the quarter, we received an order for our next generation 300mm FOX full wafer contact test and burn-in system. We believe there is a large market opportunity for this product, as it offers the potential to reduce the high cost of test and burn-in for packaged ICs and could change the way ICs are processed in the back-end. We continue to see interest from several IC manufacturers in our FOX family of products, for use in a wide range of applications.”

C.J. Meurell, president and chief operating officer of Aehr Test, said, “We are proud of our accomplishments this quarter. We received multiple MTX orders, totaling over \$2 million, from two leading Taiwanese test and assembly subcontractors of Nanya Technology, a major DRAM manufacturer. We also were encouraged by the increase in orders for our MAX4 systems in the quarter,” added Meurell. “We recognized \$750,000 in net sales related to completion of a milestone in our previously announced development contract for a full wafer contact system. Finally, as a result of higher net sales and continued cost control, we were able to significantly reduce our pre-tax loss for the third quarter compared with that of the previous quarter.”

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For the nine months ended February 28, 2003, net sales were \$10.5 million, a 16 percent increase from \$9.0 million in the comparable period of fiscal 2002. Loss from operations for the nine months ended February 28, 2003 was \$3.9 million compared with \$3.3 million for the same period of the prior fiscal year. Net loss for the nine months was \$3.9 million, or \$0.54 per share, compared with a net loss of \$2.1 million, or \$0.30 per share, in the comparable period of fiscal 2002. Net loss for the nine months ended February 28, 2002 included a tax benefit of \$835,000, or \$0.12 per share.

Posedel concluded, "With the positive momentum that we've seen in our order flow, we expect that in the fourth quarter we'll be able to reduce our operating loss somewhat when compared with that of the quarter just reported. Our solid balance sheet, with no debt, continues to provide us with the resources to invest in the R&D needed for new products such as the FOX. We believe that the market potential of our FOX product line is large and will drive our growth over the long term."

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 sophisticated 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.

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 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 calendar year 2003. See Aehr Test's recent 10-K and 10-Q reports filed with the SEC for additional risks affecting the Company.

{Financial Tables to Follow}

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

	Three Months Ended		Nine Months Ended	
	February 28,		February 28,	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Net sales	\$4,028	\$3,419	\$10,464	\$ 9,046
Cost of sales	2,512	1,801	6,369	4,612
Gross profit	<u>1,516</u>	<u>1,618</u>	<u>4,095</u>	<u>4,434</u>
Operating expenses:				
Selling, general and administrative	1,497	1,683	4,660	4,814
Research and development	1,100	966	3,295	2,931
Total operating expenses	<u>2,597</u>	<u>2,649</u>	<u>7,955</u>	<u>7,745</u>
Loss from operations	(1,081)	(1,031)	(3,860)	(3,311)
Interest income	44	110	185	423
Other income (expense), net	<u>99</u>	<u>(91)</u>	<u>(160)</u>	<u>(92)</u>
Loss before income taxes	(938)	(1,012)	(3,835)	(2,980)
Income tax expense (benefit)	<u>50</u>	<u>(275)</u>	<u>32</u>	<u>(835)</u>
Net loss	<u><u>\$ (988)</u></u>	<u><u>\$ (737)</u></u>	<u><u>\$ (3,867)</u></u>	<u><u>\$ (2,145)</u></u>
Net loss per share				
Basic	\$(0.14)	\$(0.10)	\$ (0.54)	\$ (0.30)
Diluted	\$(0.14)	\$(0.10)	\$ (0.54)	\$ (0.30)
Shares used in per share calculations:				
Basic	7,137	7,169	7,162	7,140
Diluted	7,137	7,169	7,162	7,140

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