

**Press Release**

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**FOR IMMEDIATE RELEASE**

**BENCHMARK ELECTRONICS REPORTS THIRD QUARTER  
AND NINE MONTH RESULTS**

ANGLETON, TX, OCTOBER 23, 2001 – Benchmark Electronics, Inc. (NYSE: BHE) announced its financial results for the third quarter and nine months ended September 30, 2001.

For the quarter ended September 30, 2001 sales revenue was \$258 million as compared to \$460 million for the same period in the prior year. Cash net income excluding restructuring charges was \$2.2 million for the quarter compared to cash net income of \$8.4 million in the same period a year earlier. Cash EPS excluding restructuring charges on a fully diluted basis was 11 cents per share for the quarter ended September 30, 2001 compared to 42 cents per share for the same quarter in the year earlier.

For the nine-month period ended September 30, 2001, revenue was \$1.01 billion, compared to \$1.21 billion for the same period in the prior year, a 17 percent decrease. Cash EPS excluding restructuring charges on a fully diluted basis was 64 cents per share for the nine months ended September 30, 2001 compared to \$1.00 per share for the same period in the prior year. Cash provided from operations for the nine months ended September 30, 2001 was \$101 million.

During the third quarter the company recorded a one-time pre-tax restructuring charge of \$62.2 million associated with the previously announced consolidation and downsizing of certain of its facilities. These non-cash charges included the re-valuation of certain assets, including goodwill. The company anticipates additional pre-tax restructuring

charges of approximately \$3 million during the fourth quarter of 2001 related to the consolidation efforts

“The weakness in end-market demand over the past nine months has dramatically changed the challenges that we face in the technology marketplace,” stated Cary I. Fu, President. “Our team has shown excellent abilities to rapidly respond to market conditions, both in the fast paced uptick in demands experienced during the last calendar year and in the equally fast downturn in demands in the recent quarters. We have further reduced our cost structure through the recently announced consolidation and downsizing of facilities. Concurrently we are investing in and expanding our strengths in providing engineering support to our customers. We believe that these steps allow us to effectively compete in the current economic environment and position ourselves to be a leading electronic manufacturing services provider ”

The economic uncertainties in today’s marketplace make it challenging to provide guidance. However, the company expects revenues for the fourth quarter of 2001 in the range of \$245 – 275 million, and cash earnings per share, excluding restructuring charges of approximately \$ .09 - .13 as the company starts to benefit from its restructuring activities, and ramping of new programs to production.

This news release contains certain forward-looking statements within the scope of the Securities Act of 1933 and the Securities Exchange Act of 1934. The words “expect,” “estimate,” “anticipate,” “predict,” and similar expressions, and the negatives of such expressions, are intended to identify forward-looking statements. Although the Company believes that these statements are based upon reasonable assumptions, such statements involve risks, uncertainties and assumptions, including but not limited to industry and economic conditions, customer actions and the other factors discussed in Benchmark’s Form 10-K for the year ended December 31, 2000 and its other filings with the Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual outcomes may vary materially from those indicated.

Benchmark Electronics, Inc. is in the business of manufacturing electronics and provides its services to original equipment manufacturers of telecommunication equipment, computers and related products for business enterprises, video/audio/entertainment products, industrial control equipment, testing and instrumentation products, personal

computers and medical devices. Benchmark's global operations include facilities in six countries. Benchmark's Common Stock trades on the New York Stock Exchange under the symbol BHE.

A conference call hosted by Benchmark management will be held today at 10:00 am CDI to discuss the financial results of the Company and its future outlook. This call will be broadcast via the Internet and may be accessed by logging on to our website at [www.bench.com](http://www.bench.com).

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## Benchmark Electronics, Inc. and Subsidiaries

Consolidated Statements of Income  
(Amounts in Thousands, Except Per Share Data)  
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
Net sales	\$ 257,969	459,540	1,007,307	1,215,266
Cost of sales	<u>239,071</u>	<u>425,640</u>	<u>934,194</u>	<u>1,128,016</u>
Gross profit	18,898	33,900	73,113	87,250
Selling, general and administrative expenses	12,581	15,523	41,406	41,636
Restructuring charges	62,201	-	66,814	-
Amortization of goodwill	<u>3,222</u>	<u>3,096</u>	<u>9,667</u>	<u>9,416</u>
Operating income (loss)	(59,106)	15,281	(44,774)	36,198
Other income (expense):				
Interest expense	(3,862)	(5,638)	(14,175)	(18,251)
Other	719	(540)	1,013	(359)
Total other expense, net	<u>(3,143)</u>	<u>(6,178)</u>	<u>(13,162)</u>	<u>(18,610)</u>
Income (loss) before income taxes	<u>(62,249)</u>	<u>9,103</u>	<u>(57,936)</u>	<u>17,588</u>
Income tax expense (benefit)	<u>(5,234)</u>	<u>2,867</u>	<u>(3,940)</u>	<u>5,769</u>
Net income (loss)	<u>\$ (57,015)</u>	<u>6,236</u>	<u>(53,996)</u>	<u>11,819</u>
Earnings (loss) per share:				
Basic	<u>\$ (2.90)</u>	<u>0.34</u>	<u>(2.75)</u>	<u>0.70</u>
Diluted	<u>(2.90)</u>	<u>0.32</u>	<u>(2.75)</u>	<u>0.65</u>
Earnings per share before restructuring charges:				
Basic	<u>\$ 0.00</u>	<u>0.34</u>	<u>0.32</u>	<u>0.70</u>
Diluted	<u>0.00</u>	<u>0.32</u>	<u>0.31</u>	<u>0.65</u>
Cash	<u>0.11</u>	<u>0.42</u>	<u>0.64</u>	<u>1.00</u>
Weighted average number of shares outstanding:				
Basic	<u>19,645</u>	<u>18,189</u>	<u>19,616</u>	<u>16,914</u>
Diluted	<u>19,645</u>	<u>19,770</u>	<u>19,616</u>	<u>18,148</u>

## Benchmark Electronics, Inc. and Subsidiaries

Condensed Consolidated Balance Sheet  
September 30, 2001  
(Amounts in Thousands)  
(UNAUDITED)

Assets

Current assets:	
Cash	\$ 24,008
Accounts receivable, net	176,629
Inventories, net	237,219
Other current assets	<u>24,113</u>
Total current assets	461,969
Property, plant and equipment, net	100,272
Other assets, net	13,206
Goodwill, net	<u>122,820</u>
Total assets	\$ <u><u>698,267</u></u>

Liabilities and Shareholders' Equity

Current liabilities:	
Current installments of other long-term debt	\$ 22,119
Accounts payable	130,529
Other current liabilities	<u>20,349</u>
Total current liabilities	172,997
Revolving line of credit	28,000
Convertible subordinated notes	80,200
Other long-term debt, excluding current installments	50,476
Other long-term liabilities	17,481
Shareholders' equity	<u>349,113</u>
Total liabilities and shareholders' equity	\$ <u><u>698,267</u></u>