

B E N C H M A R K E L E C T R I R E S U L T S

Benchmark Electronics, Inc. announced sales revenue of \$432 million for the quarter ended March 31, 2001 - an increase of 24% from \$349 million in the same period a year earlier. Net income excluding restructuring charges was \$6.0 million for the quarter, a 203% increase over net income of \$2.0 million in the same quarter of 2000. Cash EPS excluding restructuring charges on a fully diluted basis was 41 cents per share for the quarter ended March 31, 2001, compared to 24 cents per share for the same quarter in the year earlier.

Our first quarter was in line with our revised expectations. This quarter was impacted by the general slowdown in the technology marketplaces, which affected not only existing customer programs but also the pace of the new program rampings. We have taken aggressive measures to adjust our cost structure to the current market conditions. Based on current demand forecasts from our customers for the second quarter, we anticipate revenue to be approximately 10 - 15% below the first quarter and cash earnings per share in the range of 20 to 25 cents, excluding any restructuring charges.

Donald E. Nigbor, president and CEO of Benchmark Electronics, Inc. commented: "Benchmark has undertaken the very painful steps of reducing our workforce in line with the revenue forecasts from our customers. We value each of our team members greatly and take these steps only when required by the business environment. Although this downturn has been rapid and deep, we remain confident of Benchmark's future and the future of the EMS industry."

First Quarter Financial Trend Highlights

- Gross margin was 7.5%, which is consistent with the fourth quarter 2000.
- Selling general and administrative expenses remained at 3.3% for the first quarter 2001.
- Inventories decreased by \$36 million in the quarter to \$310 million as compared to \$346 million for the fourth quarter 2000. Inventory turns remained at 5.2 for the quarter.
- Accounts receivable decreased by \$42 million in the quarter to \$235 million as compared to \$278 million for the fourth quarter 2000. Days sales outstanding improved to 49.0 for the quarter.

This news release contains forward-looking statements based on current expectations, forecasts and assumptions that involve risks and uncertainties that could cause actual outcomes and results to differ materially. These risks and uncertainties include component availability and cost, risk of component price fluctuations, reliance on major customers, delays, reductions and cancellations of orders forecasted by customers, fluctuations in quarterly operating results, changes in technology, competition, the ability to manage through an industry downturn, the ability to manage integration of acquired operations, risks associated with international sales and operations, interest rate risk, environmental regulations, litigation, market risk, segment risk, the ability to retain key personnel, our level of indebtedness, a deterioration in the condition of the capital markets and the ability to maintain our technological and manufacturing process expertise. For a further list and description of risks and uncertainties, see the reports filed by Benchmark with the Securities and Exchange Commission, specifically forms 8-K, 10-Q, 10-K and S-3. Benchmark disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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 16 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 9:00 am CDT 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 <http://www.bench.com/>. Additional information in the form of a slide presentation that summarizes and discusses the quarterly results may also be found on the website.

Benchmark Electronics, Inc. and Subsidiaries

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

	Three Months Ended March 31,	
	2001	2000
Sales	\$431,905	349,155
Cost of sales	399,742	325,509
Gross profit	32,163	23,646
Selling, general and administrative expenses	14,160	12,681
Restructuring charges (a)	1,266	---
Amortization of goodwill	3,222	3,220
Income from operations	13,515	7,745
Other income (expense):		
Interest expense	(5,749)	(5,563)
Other	(463)	828
Total other expense, net	(6,212)	(4,735)
Income before income taxes	7,303	3,010
Income tax expense	2,191	1,033
Net income	\$5,112	1,977
Earnings per share:		
Basic	\$0.26	0.12
Diluted	0.25	0.12
Cash	0.36	0.24
Weighted average number of shares outstanding:		
Basic	19,597	16,248
Diluted	20,324	17,173

(a) During the quarter ended March 31, 2001, we recorded restructuring charges of \$1.27 million (\$0.89 million after-tax) related to reductions in force.

Earnings per share before restructuring charges:		
Basic	\$0.31	0.12
Diluted	0.30	0.12

Cash

0.41

0.24

Benchmark Electronics, Inc. and Subsidiaries
Condensed Consolidated Balance Sheet
March 31, 2001
(Amounts in Thousands, Except Per Share Data)
(UNAUDITED)

Assets

Current assets:

Cash	\$22,646
Accounts receivable, net	235,280
Inventories, net	309,652
Other current assets	18,032
Total current assets	585,610

Property, plant and equipment, net	129,053
Other assets, net	18,069
Goodwill, net	162,214

Total assets \$894,946

Liabilities and Shareholders' Equity

Current liabilities:

Current installments of other long-term debt	\$21,134
Accounts payable	204,987
Other current liabilities	28,890
Total current liabilities	255,011

Revolving line of credit	73,000
Convertible subordinated notes	80,200
Other long-term debt, excluding current installments	61,716
Other long-term liabilities	14,963

Shareholders' equity 410,056

Total liabilities and shareholders' equity \$894,946

SOURCE: Benchmark Electronics, Inc.

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Website: <http://www.bench.com/>

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