As filed with the Securities and Exchange Commission on June 21, 2018

Registration No. 333-

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

COHU, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**3825**	**95-1934119**
(State or Other Jurisdiction of Incorporation or Organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification Number)**

12367 Crosthwaite Circle

Poway, California 92064

(858) 848-8100

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant s Principal Executive Offices)

Jeffrey D. Jones, VP Finance and Chief Financial Officer

Cohu, Inc.

12367 Crosthwaite Circle

Poway, California 92064

(858) 848-8100

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

Copies to:

Thomas D. Kampfer **VP, Corporate Development, General Counsel and Secretary** **Cohu, Inc.** **12367 Crosthwaite Circle** **Poway, CA 92064** **Tel: (858) 848-8100**	**Paul J. Shim** **Cleary Gottlieb Steen & Hamilton LLP** **One Liberty Plaza** **New York, NY 10006** **Tel.: (212) 225-2000** **Fax: (212) 225-3999**	**Colin J. Savoy** **Chief Legal Counsel** **Xcerra Corporation** **825 University Avenue** **Norwood, MA 02062** **Tel.: (781) 461-1000**	**Tad Freese** **Chad Rolston** **Latham & Watkins LLP** **140 Scott Drive** **Menlo Park, CA 94025** **Tel.: (650) 328-4600** **Fax: (650) 463-2600**

Approximate date of commencement of proposed sale to public: As soon as practicable after the effectiveness of this Registration Statement on Form S-4 (this Registration Statement) and the satisfaction or waiver of all other conditions to the transactions described herein.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of large accelerated filer, accelerated filer, smaller reporting company, and emerging growth company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer		Accelerated filer
Non-accelerated filer	(Do not check if a smaller reporting company)	Smaller reporting company
		Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to section 7(a)(2)(B) of the securities Act.

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered (1)	Amount to be Registered (2)	Proposed Maximum Offering Price per Unit	Proposed Maximum Aggregate Offering Price (3)	Amount of Registration Fee (4)
Common Stock, par value $1.00 per share	12,049,695	N/A	$281,388,092	$35,032.82

(1) This Registration Statement relates to common stock, par value $1.00 per share, of Cohu, Inc., which we refer to as Cohu, issuable to holders of common stock, par value $0.05 per share of Xcerra Corporation, a Massachusetts corporation, which we refer to as Xcerra, in the proposed Merger of Xavier Acquisition Corporation, a Delaware corporation and a direct, wholly owned subsidiary of Cohu, which we refer to as Merger Sub, with and into Xcerra.

(2) Based on the maximum number of shares of Cohu common stock to be issued in connection with the Merger, calculated as the sum of (a) the product of (i) 54,914,881 shares of Xcerra common stock outstanding as of June 5, 2018 (other than shares owned by Cohu, Xcerra or any of their respective subsidiaries) and (ii) the stock consideration of 0.2109 of a share of Cohu common stock for each share of Xcerra common stock and (b) the product of (i) 2,219,757 shares of Xcerra common stock issuable pursuant to Xcerra equity awards outstanding as of May 31, 2018 (which upon consummation of the Merger will be converted into equity awards exercisable for shares of Cohu common stock) and (ii) the stock consideration of 0.2109 of a share of Cohu common stock for each share of Xcerra common stock.

(3) Estimated solely for the purpose of calculating the registration fee required by Section 6(b) of the Securities Act of 1933, as amended, which we refer to as the Securities Act, and calculated pursuant to Rule 457(f) under the Securities Act. Pursuant to Rule 457(f)(1) under the Securities Act, the proposed maximum aggregate offering price of the registrant s common stock was calculated based upon the market value of shares of Xcerra common stock (the securities to be cancelled in the Merger) in accordance with Rule 457(c) under the Securities Act as follows: the product of (i) $13.99, the average of the high and low prices per share of Xcerra common stock on June 19, 2018, as reported on NASDAQ, multiplied by (ii) 57,134,638, the estimated number of shares of Xcerra common stock to be cancelled and exchanged in connection with the Merger, (iii) minus $514,211,742 (the estimated amount of cash to be paid by the registrant to Xcerra s stockholders in the Merger), which is the product of (a) the cash consideration of $9.00 per share of Xcerra common stock and (b) 57,134,638, the estimated number of shares of Xcerra common stock to be cancelled and exchanged in connection with the Merger.

(4) Calculated as follows: the product of $281,388,092, the proposed maximum aggregate offering price for the shares of Cohu common stock registered pursuant to this Registration Statement multiplied by 0.0001245.

If, as a result of stock splits, stock dividends or similar transactions, the number of securities purported to be registered on the Registration Statement changes, the provisions of Rule 416 shall apply to the Registration Statement.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this joint proxy statement/prospectus is subject to completion and amendment. A registration statement relating to the securities described in this joint proxy statement/prospectus has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy these securities be accepted prior to the time the Registration Statement becomes effective. This joint proxy statement/prospectus shall not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration under the securities laws of any such jurisdiction.

PRELIMINARY COPY

SUBJECT TO COMPLETION, DATED JUNE 21, 2018

JOINT PROXY STATEMENT/PROSPECTUS PROPOSED TRANSACTION YOUR VOTE IS VERY IMPORTANT

Dear Stockholders:

Cohu, Inc., which we refer to as Cohu, Xavier Acquisition Corporation, a wholly owned subsidiary of Cohu, which we refer to as Merger Sub, and Xcerra Corporation, which we refer to as Xcerra, have entered into an agreement and plan of merger, dated as of May 7, 2018 (the Merger Agreement) pursuant to which Merger Sub will merge with and into Xcerra (the Merger), with Xcerra continuing as the surviving corporation of the Merger (the Surviving Corporation) and a wholly owned subsidiary of Cohu. At the effective time of the Merger (the Effective Time), (a) each share of Xcerra s common stock, par value $0.05 per share (Xcerra Common Stock) issued and outstanding immediately prior to the Effective Time (other than dissenting shares and shares held by Cohu, Merger Sub, Xcerra or any direct or indirect wholly owned subsidiary of Cohu or Xcerra) will be converted into the right to receive (i) $9.00 in cash, without interest (the Cash Consideration), and (ii) 0.2109 of a validly issued, fully paid and nonassessable share of common stock of Cohu, par value $1.00 per share (Cohu Common Stock) (the Stock Consideration and, together with the Cash Consideration, the Merger Consideration) and (b) each outstanding Xcerra restricted stock unit (an Xcerra RSU) that either (i) will vest automatically according to its terms at the Effective Time, or (ii) is held by a member of the board of directors of Xcerra, will be cancelled and converted into the right to receive the Merger Consideration. All Xcerra RSUs not described in the preceding sentence that are outstanding and unvested at the Effective Time will be assumed by Cohu and converted into a restricted stock unit award representing that number of shares of Cohu Common Stock equal to the product of (A) the number of shares of Xcerra Common Stock represented by such Xcerra RSU immediately prior to the Effective Time multiplied by (B) the sum of (1) the Stock Consideration plus (2) the quotient of (x) the Cash Consideration divided by (y) the volume weighted average of the trading prices of Cohu Common Stock on each of the three consecutive trading days ending on the trading day that is one trading day prior to the date of the closing of the Merger.

Immediately following the closing of the Merger, Cohu s stockholders will own approximately 72% of the outstanding Cohu Common Stock, and Xcerra s former stockholders will own approximately 28% of the outstanding Cohu Common Stock, based on the number of shares of Cohu and Xcerra Common Stock outstanding as of May 31, 2018. Cohu Common Stock is listed on the NASDAQ Global Select Market (NASDAQ) under the symbol COHU and Xcerra Common Stock is listed on NASDAQ under the symbol XCRA. Upon completion of the Merger, we expect to delist Xcerra Common Stock from NASDAQ.

The Merger will be a taxable transaction for U.S. federal income tax purposes.

Each of Cohu and Xcerra is holding a special meeting of its stockholders (the Cohu Special Meeting and the Xcerra Special Meeting, respectively) in order to obtain the stockholder approvals necessary to consummate the Merger. At the respective special meetings, Xcerra will ask its stockholders to approve the Merger Agreement and Cohu will ask its stockholders to approve the issuance of shares of Cohu Common Stock in connection with the Merger to the extent such issuance would require approval under NASDAQ Stock Market Rule 5635(a), which, subject to certain exceptions, generally requires stockholder approval prior to the issuance of common stock in connection with a merger to the extent such issuance would equal or exceed 20% of the issuer s issued and outstanding common stock before such issuance (the Stock Issuance Proposal). Approval of the Stock Issuance Proposal by holders of a majority of the outstanding shares of Cohu Common Stock represented in person or by proxy at the Cohu Special Meeting, and approval of the Merger Agreement by the holders of two-thirds of the outstanding shares of Xcerra Common Stock are conditions to the consummation of the Merger. The obligations of Cohu, Merger Sub and Xcerra to complete the Merger are also subject to the satisfaction or waiver of several other conditions to the Merger set forth in the Merger Agreement and described in this joint proxy statement/prospectus. More information about Cohu, Merger Sub, Xcerra and the Merger is contained in this joint proxy statement/prospectus. **We urge you to read this joint proxy statement/prospectus, and the documents incorporated by reference into this joint proxy statement/prospectus, carefully and in their entirety. In particular, we urge you to read carefully *Risk Factors* beginning on page 27**.

After careful consideration, the board of directors of each of Cohu and Xcerra have determined that the Merger Agreement and the Merger are fair to, advisable and in the best interests of, their respective stockholders. **Accordingly, the Cohu board of directors recommends that the Cohu stockholders vote FOR the Stock Issuance Proposal and FOR the Cohu Adjournment Proposal (as defined in Cohu s *Notice of Special Meeting of Cohu Stockholders to be Held on [ ], 2018*) and the Xcerra board of directors recommends that the Xcerra stockholders vote FOR the approval of the Merger Proposal (as defined in Xcerra s *Notice of Special Meeting of Xcerra Stockholders to be Held on [ ], 2018*), FOR the Xcerra Adjournment Proposal (as defined in Xcerra s *Notice of Special Meeting of Xcerra Stockholders to be Held on [ ], 2018*) and FOR the Xcerra Non-Binding Advisory Proposal (as defined in Xcerra s *Notice of Special Meeting of Xcerra Stockholders to be Held on [ ], 2018*).**

We are very excited about the opportunities the Merger brings to both Cohu stockholders and Xcerra stockholders, and we thank you for your consideration and continued support.

Luis A. Müller	David G. Tacelli
President and Chief Executive Officer	President and Chief Executive Officer
Cohu, Inc.	Xcerra Corporation

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated [ ], 2018, and is first being mailed to Cohu stockholders and Xcerra stockholders on or about [ ], 2018.

REFERENCES TO ADDITIONAL INFORMATION

As used in this joint proxy statement/prospectus, Cohu refers to Cohu, Inc. and its consolidated subsidiaries, Merger Sub refers to Xavier Acquisition Corporation, and Xcerra refers to Xcerra Corporation and its consolidated subsidiaries. We or our refers to Cohu. This joint proxy statement/prospectus incorporates important business and financial information about Cohu and Xcerra from documents that each company has filed with the Securities and Exchange Commission, which is referred to as the SEC, but which have not been included in or delivered with this joint proxy statement/prospectus. For a list of documents incorporated by reference into this joint proxy statement/prospectus and how you may obtain them, see *Where You Can Find More Information* beginning on page 188.

This information is available to you without charge upon your written or oral request. You can also obtain the documents incorporated by reference into this joint proxy statement/prospectus by accessing the SEC s website maintained at http://www.sec.gov.

In addition, Cohu s filings with the SEC are available to the public on Cohu s website, https://cohu.gcs-web.com/sec-filings, and Xcerra s filings with the SEC are available to the public on Xcerra s website, https://Xcerra.com/investors. Information contained on Cohu s website, Xcerra s website or the website of any other person is not incorporated by reference into this joint proxy statement/prospectus, and you should not consider information contained on those websites as part of this joint proxy statement/prospectus.

Cohu or its proxy solicitor will provide you with copies of such information that relates to Cohu, without charge, if you request them in writing or by telephone from:

Cohu, Inc.

12367 Crosthwaite Circle

Poway, California 92064

Attention: Jeffrey D. Jones

(858) 848-8106

E-mail: corp@cohu.com

Okapi Partners LLC

1212 Avenue of the Americas, 24 th Floor

New York, New York 10036

Banks and Brokerage Firms, call: (212) 297-0720

Stockholders and All Others, call toll-free: (877) 629-6357

Email: info@okapipartners.com

Xcerra or its proxy solicitor will provide you with copies of such information that relates to Xcerra, without charge, if you request them in writing or by telephone from:

Xcerra Corporation

825 University Avenue

Norwood, Massachusetts 02062

Attention: Rich Yerganian

Tel.: (781) 467-5063

E-mail: rich.yerganian@xcerra.com

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The Proxy Advisory Group, LLC

Toll free: 888-337-7699 or 888-55PROXY

Collect: 212-616-2180

If you would like to request documents, please do so by [ ], 2018, in order to receive them before the special meetings.

Cohu has supplied, and is responsible for, all information contained in or incorporated by reference in this joint proxy statement/prospectus relating to Cohu and Merger Sub, and Xcerra has supplied, and is responsible for, all information contained in or incorporated by reference in this joint proxy statement/prospectus relating to Xcerra. No one else has been authorized to give you any other information, and neither Cohu nor Xcerra takes responsibility for any information that others may give you. This joint proxy statement/prospectus is dated as of [**],** 2018. You should not assume that the information contained in this joint proxy statement/prospectus is accurate as of any other date or that information incorporated by reference in this joint proxy statement/prospectus is accurate as of any date other than the date of such information. Neither Cohu s nor Xcerra s mailing of this joint proxy statement/prospectus will create any implication to the contrary. This joint proxy statement/prospectus does not constitute an offer to sell any securities, a solicitation of an offer to buy any securities, or the solicitation of a proxy, in each case in any jurisdiction in which such offer or solicitation would be unlawful.

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NOTICE OF SPECIAL MEETING OF COHU STOCKHOLDERS

TO BE HELD ON [ ], 2018

To the Stockholders of Cohu, Inc.:

Cohu, Inc. (Cohu) will hold a special meeting of stockholders (the Cohu Special Meeting) at Cohu s corporate offices, located at 12367 Crosthwaite Circle, Poway, California 92064-6817, on [ ], 2018, at [ ], Pacific Time, unless postponed or adjourned to a later date. The Cohu Special Meeting will be held for the following purposes:

1. to approve the issuance of Cohu common stock in connection with the merger (the Merger) of Xavier Acquisition Corporation (Merger Sub) with and into Xcerra Corporation (Xcerra) with Xcerra continuing as the surviving corporation and a wholly owned subsidiary of Cohu, to the extent such issuance would require approval under NASDAQ Stock Market Rule 5635(a); the Merger is being effected pursuant to the Agreement and Plan of Merger, dated May 7, 2018, by and among Cohu, Merger Sub and Xcerra (the Merger Agreement), a copy of which is attached as Annex A to the joint proxy statement/ prospectus accompanying this notice (the Stock Issuance Proposal); and

2. to approve any adjournment of the Cohu Special Meeting, if necessary or appropriate, including to permit further solicitation of proxies if there are not sufficient votes at the time of the Cohu Special Meeting to approve the Stock Issuance Proposal (a Cohu Adjournment Proposal).

These items of business are described in the accompanying joint proxy statement/prospectus. Please refer to the attached document, including the Merger Agreement and all other annexes, including any documents incorporated by reference, for further information with respect to the business to be transacted at the Cohu Special Meeting. You are encouraged to read the entire document carefully before voting. **In particular, see the section entitled *Risk Factors* beginning on page 27.**

Only Cohu stockholders of record at the close of business on [ ], 2018 are entitled to notice of the Cohu Special Meeting and to vote at the Cohu Special Meeting and any adjournments or postponements of the Cohu Special Meeting. The Cohu board of directors (the Cohu Board) has fixed the close of business on [ ], 2018 as the record date for determination of Cohu stockholders entitled to receive notice of, and to vote at, the Cohu Special Meeting or any adjournments or postponements thereof.

The Cohu Board has unanimously approved and declared advisable the Merger Agreement and the transactions contemplated thereby, including the Merger, and has determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, are fair to, advisable and in the best interests of Cohu and Cohu s stockholders. The Cohu Board has approved and declared fair, advisable and in the best interests of, Cohu and Cohu s stockholders, the issuance of Cohu s common stock in the Merger. The Cohu Board recommends that you vote FOR the Stock Issuance Proposal and FOR any Cohu Adjournment Proposal.

In deciding to approve the Merger Agreement and the transactions contemplated thereby, including the Merger and the issuance of Cohu common stock in the Merger, the Cohu Board considered a number of factors, including those listed in the section entitled *Recommendation of the Cohu Board and Cohu s Reasons for the Merger*.

Your vote is very important regardless of the number of shares of Cohu common stock that you own. Whether or not you plan to attend the Cohu Special Meeting in person, please complete, sign and date the enclosed proxy card(s) as soon as possible and return it in the postage-paid envelope provided, or vote your

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shares of Cohu common stock by telephone or over the Internet as described in the accompanying joint proxy statement/prospectus. Submitting a proxy or voting by telephone or Internet now will not prevent you from being able to vote at the Cohu Special Meeting by attending in person and casting a vote. **However, if you do not return or submit your proxy or vote your shares of Cohu common stock by telephone or over the Internet or vote in person at the Cohu Special Meeting, it will have no effect in determining the outcome of the Stock Issuance Proposal, provided that a quorum is achieved. If you attend the Cohu Special Meeting in person or by proxy, and you abstain from voting, that will have the same effect as a vote AGAINST approval of the Stock Issuance Proposal.**

Cohu stockholders who hold their shares of Cohu common stock in street name and wish to submit a proxy must provide instructions to the broker, bank, trustee or other nominee that holds their shares of Cohu common stock as to how to vote their shares of Cohu common stock with respect to the proposals above. Cohu stockholders who hold their shares Cohu common stock in street name and wish to vote in person at the Cohu Special Meeting must obtain proxies issued in their own names (known as a legal proxy) from their broker, bank or trustee. Your bank, broker or other nominee cannot vote on any of the proposals, including the proposal to approve the issuance of Cohu common stock in connection with the Merger, without your instructions.

By Order of the Board of
Directors,

Thomas D. Kampfer
Secretary
Poway, California

[ ], 2018

Please vote your shares promptly. You can find instructions for voting on the enclosed proxy card.

If you have questions, contact:

Cohu, Inc.

12367 Crosthwaite Circle

Poway, California 92064

Attention: Jeffrey D. Jones

(858) 848-8106

E-Mail: corp@cohu.com

or

Okapi Partners LLC

1212 Avenue of the Americas, 24th Floor

New York, New York 10036

Banks and Brokerage Firms, call: (212) 297-0720

Stockholders and All Others, call toll-free: (877) 629-6357

Email: info@okapipartners.com

YOUR VOTE IS VERY IMPORTANT.

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Xcerra Corporation

825 University Avenue

Norwood, Massachusetts 02062

(781) 461-1000

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON [ ], 2018

Notice is hereby given that a special meeting of stockholders (the Xcerra Special Meeting) of Xcerra Corporation (Xcerra) will be held on [ ], 2018, at **[ ]**, Eastern Time, at Xcerra s headquarters at 825 University Avenue, Norwood, Massachusetts 02062, for the following purposes:

1. To consider and vote on the proposal to approve the Agreement and Plan of Merger (as it may be amended from time to time, the Merger Agreement), dated May 7, 2018, by and among Cohu, Inc. (Cohu), a Delaware corporation, Xavier Acquisition Corporation, a Delaware corporation and wholly owned subsidiary of Cohu (Merger Sub) and Xcerra. Upon the satisfaction or waiver of the conditions to the closing set forth in the Merger Agreement, Merger Sub will, at the closing, merge with and into Xcerra (the Merger), and Xcerra will become a wholly owned subsidiary of Cohu.

2. To consider and vote on any proposal to adjourn the Xcerra Special Meeting to a later date or dates, if necessary or appropriate, to solicit additional proxies if there are insufficient votes to approve the Merger Agreement at the time of the Xcerra Special Meeting (the Xcerra Adjournment Proposal);

3. To consider and vote on the proposal to approve, by non-binding, advisory vote, compensation that will or may become payable to Xcerra s named executive officers in connection with the Merger (the Xcerra Non-Binding Advisory Proposal); and

4. To transact any other business that may properly come before the Xcerra Special Meeting or any adjournment, postponement or other delay of the Xcerra Special Meeting.

Only Xcerra stockholders of record as of the close of business on [ ], 2018, are entitled to notice of the Xcerra Special Meeting and to vote at the Xcerra Special Meeting or any adjournment, postponement or other delay thereof.

The Board of Directors of Xcerra (the Xcerra Board) unanimously recommends that you vote: (1) FOR the approval of the Merger Agreement; (2) FOR any Xcerra Adjournment Proposal; and (3) FOR the Xcerra Non-Binding Advisory Proposal.

Whether or not you plan to attend the Xcerra Special Meeting in person, please sign, date and return, as promptly as possible, the enclosed proxy card in the accompanying prepaid reply envelope or grant your proxy electronically over the Internet or by telephone. If you attend the Xcerra Special Meeting and vote in person by ballot, your vote will revoke any proxy that you have previously submitted. If you hold your shares of Xcerra common stock in street name, you should instruct your bank, broker or other nominee how to vote your shares of Xcerra common stock in accordance with the voting instruction form that you will receive from your bank, broker or other nominee. Your bank, broker or other nominee cannot vote on any of the proposals, including the proposal to approve the Merger Agreement, without your instructions.

By the Order of the Xcerra Board,
Colin J. Savoy

Corporate Secretary

Norwood, Massachusetts
[ ], 2018

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QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETINGS AND THE MERGER

The following questions and answers briefly address some questions that you may have about the special meetings of Cohu and Xcerra and the Merger. They may not include all the information that is important to you. Cohu, Merger Sub and Xcerra urge you to read carefully this entire joint proxy statement/prospectus, including the annexes and the other documents to which we have referred you. We have included cross-references in certain parts of this section to direct you to a more detailed description of each topic presented elsewhere in this joint proxy statement/prospectus.

***Q*: What is this document?**

A: This joint proxy statement/prospectus serves as the joint proxy statement through which Cohu and Xcerra provide their respective stockholders with important information regarding their respective special meetings, the Merger and the other transactions contemplated by the Merger Agreement and solicit proxies to obtain approvals from their respective stockholders for the approval of the Merger Agreement (in the case of Xcerra) and the issuance of shares of Cohu common stock, par value $1.00 per share (Cohu Common Stock), in connection with the Merger (in the case of Cohu), to the extent such issuance requires approval pursuant to NASDAQ Stock Market Rule 5635(a), which, subject to certain exceptions, generally requires stockholder approval prior to issuances of common stock in connection with a merger to the extent such issuance would equal or exceed 20% of the issuer s issued and outstanding common stock before such issuance. It also serves as the prospectus by which Cohu will offer and issue Cohu Common Stock pursuant to the Merger.

Q: Why am I receiving this joint proxy statement/prospectus?

A: The board of directors of Cohu (the Cohu Board), the board of directors of Merger Sub, and the board of directors of Xcerra (the Xcerra Board) have each approved the Merger of Merger Sub with and into Xcerra pursuant to the Merger Agreement that is described in this joint proxy statement/prospectus. A copy of the Merger Agreement is attached to this joint proxy statement/prospectus as Annex A. See *The Merger* and *The Merger Agreement* for more information.

In order to complete the transactions contemplated by the Merger Agreement, including the Merger, Xcerra stockholders must approve the Merger Agreement and Cohu stockholders must approve the issuance of shares of Cohu Common Stock in connection with the Merger, as such issuance would equal or exceed 20% of the issued and outstanding Cohu Common Stock before such issuance, and all other conditions to the Merger set forth in the Merger Agreement must be satisfied or waived. Cohu and Xcerra will hold separate special meetings of their respective stockholders to vote on these proposals. This joint proxy statement/prospectus contains important information, which you should read carefully, about the Merger Agreement, the transactions contemplated by the Merger Agreement, including the Merger and the issuance by Cohu of shares of Cohu Common Stock in connection with the Merger, and the respective special meetings of the Cohu stockholders and the Xcerra stockholders.

The enclosed proxy materials allow you to grant a proxy or vote your shares by telephone or Internet without attending Xcerra s or Cohu s respective special meeting in person.

Your vote is important. We encourage you to submit your proxy or vote your shares by telephone or Internet as soon as possible.

Q: What is the proposed transaction for which I am being asked to vote?

A: Cohu and Xcerra stockholders are being asked to vote with respect to two distinct matters. Xcerra stockholders are being asked to vote on a proposal to approve the Merger Agreement pursuant to which Merger Sub will merge with and into Xcerra, with Xcerra surviving such Merger as a wholly owned subsidiary of Cohu. Cohu stockholders are being asked to approve the Stock Issuance Proposal. See *The Merger Overview* and *The Merger Merger Consideration* for more information regarding the Merger and the Merger Consideration.

Q: What if approval of the Stock Issuance Proposal is not obtained?

A: The approval by the Cohu stockholders of the Stock Issuance Proposal is a condition to the obligations of the parties to the Merger Agreement to complete the Merger.

If the Cohu stockholders do not approve the issuance of shares of Cohu Common Stock pursuant to the Merger, then the parties are not obligated to consummate the Merger and each party will have the right to terminate the Merger Agreement.

Q: What if the Xcerra stockholder approval of the Merger Agreement is not obtained?

A: The approval by the Xcerra stockholders of the Merger Agreement is a condition to the obligations of the parties to the Merger Agreement to complete the Merger.

If Xcerra s stockholders do not approve the Merger Agreement, then the Merger will not be consummated and each party will have the right to terminate the Merger Agreement.

Q: Why are Cohu and Xcerra proposing the Merger?

A: The Cohu Board and Xcerra Board each believe that the Merger will provide substantial strategic and financial benefits to the stockholders of Cohu and Xcerra, respectively. To review the reasons for each board of directors approval of the Merger and the transactions contemplated by the Merger Agreement, see *The Merger Recommendation of the Cohu Board and Cohu s Reasons for the Merger* and *The Merger Recommendation of the Xcerra Board and Xcerra s Reasons for the Merger* for more information.

Q: What are the positions of the Cohu Board and the Xcerra Board regarding the Merger and the related proposals that are being put to a vote of their respective stockholders?

A: The Cohu Board and the Xcerra Board have each unanimously approved and declared advisable the Merger Agreement and the transactions contemplated thereby, including the Merger, and determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, are fair to, advisable and in the best interests of, the Cohu stockholders or Xcerra stockholders, as applicable. The Cohu Board unanimously recommends that Cohu stockholders vote: (1) **FOR** the Stock Issuance Proposal and (2) **FOR** the Cohu Adjournment Proposal at the Cohu Special Meeting. The Xcerra Board unanimously recommends that Xcerra stockholders vote: (1) **FOR** the approval of the Merger Agreement; (2) **FOR** any Xcerra Adjournment Proposal; and (3) **FOR** the Xcerra Non-Binding Advisory Proposal. See *The Merger Recommendation of Cohu s Board* *of Directors and Cohu s Reasons for the Merger* and *The Merger Recommendation of Xcerra s Board of Directors and Xcerra s Reasons for the Merger* for more information.

Q: What vote is required to approve each proposal on the agenda for the Cohu Special Meeting?

A: The approval of the Stock Issuance Proposal requires the affirmative vote of a majority of shares of Cohu Common Stock present in person or represented by proxy at the Cohu Special Meeting and entitled to vote, assuming a quorum is present. If you are a Cohu stockholder who attends the Cohu Special Meeting in person or by proxy, and you abstain from voting, that will have the same effect as a vote **AGAINST** approval of the Stock Issuance Proposal. Shares not in attendance whether by proxy or in person at the Cohu Special Meeting and broker non-votes will have no effect on the outcome of the Stock Issuance Proposal, provided that a quorum is achieved. See *Questions and Answers about the Special Meetings and the Merger What if I don t provide my bank, broker or other nominee with instructions on how to vote?* for an explanation of broker non-votes.

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To approve the Cohu Adjournment Proposal, the affirmative vote of a majority of the shares of Cohu Common Stock present in person or represented by proxy at the Cohu Special Meeting and entitled to vote is required, regardless of whether a quorum is present. If you are present in person or represented by proxy at the Cohu Special Meeting abstain from voting, it will have the same effect as a vote **AGAINST** the Cohu Adjournment Proposal, while broker non-votes and shares of Cohu Common Stock not in attendance at the Cohu Special Meeting will have no effect on the outcome of the Cohu Adjournment Proposal. See *The Cohu Special Meeting* for more information.

Q: What vote is required to approve each proposal on the agenda for the Xcerra Special Meeting?

A: The affirmative vote of the holders of two-thirds of the outstanding shares of Xcerra s common stock, par value $0.05 per share (Xcerra Common Stock) on the close of business on [ ], 2018 (the Xcerra Record Date) is required to approve the Merger Agreement. Approval of the Merger Agreement by Xcerra s stockholders is a condition to the closing of the Merger.

Approval of the proposal to Xcerra Adjournment Proposal, whether or not a quorum is present, requires the affirmative vote of a majority of the shares of Xcerra Common Stock having voting power present in person or represented by proxy at the Xcerra Special Meeting and entitled to vote on the subject matter. Approval of the Xcerra Non-Binding Advisory Proposal requires the affirmative vote of a majority of the shares of Xcerra Common Stock having voting power present in person or represented by proxy at the Xcerra Special Meeting and entitled to vote on the subject matter.

If an Xcerra stockholder abstains from voting, that abstention will have the same effect as if the stockholder voted **AGAINST** the proposal to approve the Merger Agreement. For Xcerra stockholders who abstain from voting their shares of Xcerra Common Stock, such abstention will have the same effect as if such Xcerra stockholder voted **AGAINST** any Xcerra Adjournment Proposal and **AGAINST** the Xcerra Non-Binding Advisory Proposal. An abstention occurs when a stockholder attends a meeting either (i) in person, but abstains from voting or (ii) by proxy, by marking the box labeled Abstain. If an Xcerra stockholder signs and returns its proxy card(s) but does not mark its card(s) to tell the proxies how to vote its shares on each proposal, the shares will be voted as recommended by the Xcerra Board.

See *The Xcerra Special Meeting* for more information.

Q: Why am I being asked to cast a non-binding, advisory vote regarding compensation that will or may become payable to Xcerra s named executive officers in connection with the Merger?

A: SEC rules require Xcerra to seek a non-binding, advisory vote regarding compensation that will or may become payable by Xcerra to its named executive officers in connection with the Merger.

Q: What is the compensation that will or may become payable to Xcerra s named executive officers in connection with the Merger for purposes of this advisory vote?

A: The compensation that will or may become payable by Xcerra to its named executive officers in connection with the Merger is certain compensation that is tied to or based on the Merger and payable to certain of Xcerra s named executive officers. For further detail, see the section captioned X*cerra Proposal 3: Advisory, Non-binding Vote on Merger-Related Executive Compensation Arrangements*.

Q: What will happen if stockholders do not approve the compensation that will or may become payable by Xcerra to its named executive officers in connection with the Merger at the Xcerra Special Meeting?

A: Approval of the Xcerra Non-Binding Advisory Proposal is not a condition to completion of the Merger. The vote with respect the Xcerra Non-Binding Advisory Proposal is an advisory vote and will not be binding on Xcerra. If the Merger Agreement is approved by the Xcerra stockholders and the Merger is completed, the compensation that will or may become payable by Xcerra to its named executive officers in connection with the Merger may be paid to Xcerra s named executive officers even if the Xcerra stockholders fail to approve the Xcerra Non-Binding Advisory Proposal.

Q: What is the difference between holding shares as a stockholder of record and in street name?

A: If your shares are registered directly in your name with Cohu s or Xcerra s transfer agent, you are considered, with respect to those shares, to be the stockholder of record. In this case, this joint proxy statement/prospectus and your proxy card have been sent directly to you by Cohu or Xcerra.

If your shares are held through a bank, broker or other nominee, you are considered the beneficial owner of shares of common stock held in street name. In that case, this joint proxy statement/prospectus has been forwarded to you by your bank, broker or other nominee who is considered, with respect to those shares, to be the stockholder of record.

As the beneficial owner, you have the right to direct your bank, broker or other nominee how to vote your shares by following their instructions for voting. You are also invited to attend the Cohu Special Meeting (if you are a beneficial owner of Cohu Common Stock) or the Xcerra Special Meeting (if you are a beneficial owner of Xcerra Common Stock). However, because you are not the stockholder of record, you may not vote your shares of Cohu Common Stock or Xcerra Common Stock in person at the Cohu Special Meeting or the Xcerra Special Meeting, respectively, unless you obtain a legal proxy from your bank, broker or other nominee.

Q: What will happen in the Merger?

A: In the Merger, Merger Sub, a wholly owned subsidiary of Cohu, will merge with and into Xcerra, the separate corporate existence of Merger Sub will cease, and Xcerra will continue as the surviving corporation of the Merger (the Surviving Corporation) and a wholly owned subsidiary of Cohu. If the Merger is completed, the Xcerra Common Stock will be delisted from NASDAQ and will be deregistered under the Securities Exchange Act of 1934, as amended (the Exchange Act).

Q: Will the Merger affect the board of directors of Cohu after the Merger?

A: Yes. At the effective time of the Merger (the Effective Time), two members of the Xcerra Board will be appointed to the Cohu Board.

Q: What will Xcerra stockholders receive in the Merger?

A: At the Effective Time, each share of Xcerra Common Stock issued and outstanding immediately prior to the Effective Time (other than (a) dissenting shares and (b) shares held by Cohu, Merger Sub, Xcerra or any direct or indirect wholly owned subsidiary of Cohu or Xcerra (Cancelled Shares)) will be converted into the right to receive (i) $9.00 in cash, without interest (the Cash Consideration), and (ii) 0.2109 of a validly issued, fully paid and nonassessable share of Cohu Common Stock, (the Stock Consideration and, together with the Cash

Consideration, the "Merger Consideration").

Q: How does the Merger Consideration compare to the unaffected market price of the Xcerra Common Stock?

A: As of [ ], 2018, the most recently ended full trading day prior to the date of this joint proxy statement/prospectus, the Merger Consideration constitutes a premium of (1) approximately [ ]% to the closing price of Xcerra Common Stock on May 7, 2018, the last full trading day prior to the date on which the Merger was announced and (2) approximately [ ]% to the average closing price of Xcerra Common Stock over the 30 trading day period ending on May 7, 2018, the last full trading day prior to the date on which the Merger was announced.

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Q: What percentage of Cohu Common Stock will be owned by former Xcerra stockholders following the consummation of the Merger?

A: Immediately following the consummation of the Merger, former Xcerra stockholders will own approximately 28% of the issued and outstanding Cohu Common Stock based on the number of issued and outstanding shares of Cohu Common Stock and Xcerra Common Stock on May 31, 2018.

Q: Do Xcerra stockholders have appraisal rights?

A: Under the Massachusetts Business Corporation Act (the MBCA), Xcerra is required to state whether it has concluded that Xcerra stockholders are, are not or may be entitled to assert appraisal rights, which are generally available to stockholders of a merging Massachusetts corporation under Section 13.02(a)(1) of the MBCA, subject to certain exceptions. For the reasons described under the caption *The Merger Appraisal Rights for Xcerra Stockholders*, Xcerra has concluded that Xcerra stockholders may be entitled to appraisal rights. The relevant provisions of the MBCA have not been the subject of judicial interpretation and Xcerra and Cohu reserve the right to contest the validity and availability of any purported demand for appraisal rights in connection with the Merger.

Under Part 13 of the MBCA, Xcerra stockholders who believe they are or may be entitled to appraisal rights in connection with the Merger must, in order to exercise those rights:

- prior to the Xcerra Special Meeting, deliver to Xcerra a written notice of intent to demand payment for such stockholders shares of Xcerra Common Stock if the Merger is effectuated;
- NOT vote for the proposal to approve the Merger Agreement; and
- comply with the other procedures under Part 13 of the MBCA.

Failure to follow exactly the procedures specified under the MBCA may result in the loss of any appraisal rights. If you hold your shares of Xcerra Common Stock through a bank, brokerage firm or other nominee and you wish to exercise appraisal rights, you should consult with your bank, brokerage firm or other nominee to determine the appropriate procedures for the making of a demand for appraisal by your bank, brokerage firm or nominee. See the section captioned *The Merger Appraisal Rights for Xcerra Stockholders* and the text of Part 13 of the MBCA reproduced in its entirety as Annex D to this joint proxy statement/prospectus.

Q: Do any of Cohu s directors or officers have interests in the Merger that may differ from those of Cohu s stockholders generally?

A: Yes. In considering the recommendation of the Cohu Board with respect to the Stock Issuance Proposal, Cohu stockholders should be aware that Cohu s directors and executive officers may have interests in the Merger that are different from, or in addition to, the interests of Cohu stockholders generally. In (i) evaluating and negotiating the Merger Agreement, (ii) approving the Merger Agreement and the Merger, and (iii) recommending that the Cohu stockholders approve the Stock Issuance Proposal, the Cohu Board was aware of and considered these interests to the extent that they existed at the time, among other matters. For more information, see the section of this joint proxy statement/prospectus captioned *The Merger Interests of Cohu s Directors and Executive Officers in the Merger*.

We currently expect that Cohu s directors and executive officers will vote their shares of Cohu Common Stock (1) **FOR** the Stock Issuance Proposal and (2) **FOR** the Cohu Adjournment Proposal, although none of them has entered into any agreement requiring them to do so.

Q: Do any of Xcerra s directors or officers have interests in the Merger that may differ from those of Xcerra s stockholders generally?

A: Yes. In considering the recommendation of the Xcerra Board with respect to the proposal to approve the Merger Agreement, Xcerra stockholders should be aware that Xcerra s directors and executive officers may

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have interests in the Merger that are different from, or in addition to, the interests of Xcerra stockholders generally. In (i) evaluating and negotiating the Merger Agreement; (ii) approving the Merger Agreement and the Merger; and (iii) recommending that the Merger Agreement be approved by Xcerra stockholders, the Xcerra Board was aware of and considered these interests to the extent that they existed at the time, among other matters. For more information, see the section of this proxy statement captioned *The Merger Interests of Xcerra s Directors and Executive Officers in the Merger*.

We currently expect that Xcerra s directors and executive officers will vote their shares of Xcerra Common Stock (1) **FOR** the approval of the Merger Agreement; (2) **FOR** any Xcerra Adjournment Proposal; and (3) **FOR** the Xcerra Non-Binding Advisory Proposal.

Q: When do you expect to complete the Merger?

A: While Cohu and Xcerra expect to complete the Merger in the fourth calendar quarter of 2018, the completion of the Merger is subject to the satisfaction of certain conditions to closing, including the receipt of required regulatory approvals. See *The Merger Agreement Conditions to the Closing of the Merger.*

Q: What is required to complete the Merger?

A: Each of Cohu s and Xcerra s obligation to consummate the Merger is subject to a number of conditions specified in the Merger Agreement, including the following: (i) approval of the issuance of Cohu Common Stock in the Merger by the affirmative vote of the holders of a majority of the outstanding shares of Cohu Common Stock represented in person or by proxy at the Cohu Special Meeting; (ii) approval of the Merger Agreement by the affirmative vote of the holders of two-thirds of the outstanding shares of Xcerra Common Stock; (iii) expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and receipt of customary antitrust clearances in Germany; (iv) the Cohu Common Stock to be issued in the Merger being approved for listing on NASDAQ; (v) the Registration Statement on Form S-4 (the Registration Statement) which will be filed by Cohu with respect to the Cohu Common Stock to be issued in the Merger being declared effective by the SEC; (vi) the representations and warranties of each of Cohu and Xcerra being true and correct, subject to the materiality standards contained in the Merger Agreement; (vii) the absence of specified adverse laws or orders; (viii) material compliance by each of Cohu and Xcerra with its respective covenants contained in the Merger Agreement; and (ix) the absence of a material adverse effect with respect to the other party after execution of the Merger Agreement. The consummation of the Merger is not subject to a financing condition.

Q: What are the U.S. federal income tax consequences of the Merger to U.S. holders of Xcerra Common Stock?

A: The exchange of Xcerra Common Stock pursuant to the Merger will be a taxable transaction for U.S. federal income tax purposes. Accordingly, a U.S. holder (as defined in *Material United States Federal Income Tax Consequences*) of Xcerra Common Stock who receives the Merger Consideration in exchange for such U.S. holder s shares of Xcerra Common Stock generally will recognize taxable gain or loss in an amount equal to the difference, if any, between the Cash Consideration plus the fair market value of the Stock Consideration received and such U.S. holder s adjusted tax basis in the shares of Xcerra Common Stock that are exchanged. See *Material United States Federal Income Tax Consequences* for more information.

Q: What is the amount of debt financing to be incurred in connection with the Merger?

A: In connection with the proposed Merger, on May 7, 2018, Cohu obtained a financing commitment (the Commitment Letter) from Deutsche Bank AG New York Branch (the Lender) pursuant to which the Lender (acting alone or through or with affiliates selected by it) has committed to provide to Cohu a first lien term loan facility in an aggregate principal amount of $350.0 million (the Term Facility) and if cash on hand of Xcerra is not available at the closing of the Merger, a cash bridge facility in an aggregate principal amount of up to $100.0 million (the Cash Bridge Facility and, together with the Term Facility, the Facilities) to finance a portion of the Cash Consideration and pay related costs and expenses. The obligations of the Lender to provide the Facilities are subject to a number of customary conditions. The Commitment Letter terminates upon the earliest of (i) the valid termination or abandonment of the Merger Agreement prior to the consummation of the Merger, (ii) the consummation of the Merger without the use of any Facility, and (iii) the Termination Date (as defined in the Merger Agreement and including any extension of the Termination Date in accordance with the Merger Agreement).

Q: What is the Marketing Period?

A: The Marketing Period (as defined in *The Merger Agreement Closing and Effective Time*) is the first period of twenty consecutive business days, subject to certain terms and excluded dates set forth in the Merger Agreement, commencing on the first date when and throughout which period (i) Cohu will have received from Xcerra certain required financing information in connection with the debt financing and such financing information meets certain requirements set forth in the Merger Agreement and (ii) the conditions to each party s obligation to effect the Merger and the conditions to the obligations of Cohu and Merger Sub to effect the Merger will have been satisfied and nothing has occurred and no condition or state of fact exists that would cause any of such conditions to fail to be satisfied assuming the closing were to be scheduled for any time during such twenty consecutive business day period. For more information about the Marketing Period please see *The Merger Agreement Closing and Effective Time.*

Q: Should Xcerra stockholders send in stock certificates now?

A: **NO, XCERRA STOCKHOLDERS SHOULD NOT SEND STOCK CERTIFICATE(S) WITH THE PROXY CARD(S).** If the Merger is completed, Cohu will send Xcerra stockholders written instructions for sending in their stock certificates or, in the case of book-entry shares, for surrendering their book-entry shares. See *The Merger Agreement Exchange and Payment Procedures* for more information.

Q: Who can answer my questions about the Merger?

A: If you have any questions about the Merger or the Cohu Special Meeting or Xcerra Special Meeting, need assistance in voting your shares of Cohu Common Stock or Xcerra Common Stock, or need additional copies of this joint proxy statement/prospectus or the enclosed proxy card(s), you should contact:

If you are a Cohu stockholder:

Okapi Partners LLC

1212 Avenue of the Americas, 24^{th} Floor

New York, New York 10036

Banks and Brokerage Firms, call: (212) 297-0720

Stockholders and All Others, call toll-free: (877) 629-6357

Email: info@okapipartners.com

If you are an Xcerra stockholder:

The Proxy Advisory Group, LLC

Toll free: 888-337-7699 or 888-55PROXY

Collect: 212-616-2180

Q: When and where are the special meetings?

A: The Cohu Special Meeting will be held at Cohu s corporate offices, located at 12367 Crosthwaite Circle, Poway, California 92064-6817 at [ ], Pacific Time, on [ ], 2018.

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The Xcerra Special Meeting will be held on [ ], 2018, at [ ], Eastern Time, at the offices of Xcerra at 825 University Avenue, Norwood, Massachusetts 02062.

Q: Who is eligible to vote at the Cohu and the Xcerra Special Meetings?

A: Owners of Cohu Common Stock are eligible to vote at the Cohu Special Meeting if they are stockholders of record at the close of business on [ ], 2018 (the Cohu Record Date). See *The Cohu Special Meeting Record Date; Outstanding Shares; Shares Entitled to Vote* for more information.

Owners of Xcerra Common Stock are eligible to vote at the Xcerra Special Meeting if they are stockholders of record at the close of business on the Xcerra Record Date. See *The Xcerra Special Meeting Xcerra Record Date; Shares Entitled to Vote; Quorum* for more information.

Q: Does my vote matter?

A: Yes, your vote is very important. Cohu and Xcerra cannot consummate the Merger unless Xcerra stockholders approve the Merger Agreement and the Cohu stockholders approve the Stock Issuance Proposal. Whether or not you plan to attend the Cohu Special Meeting or Xcerra Special Meeting, please vote as soon as possible by following the instructions in this joint proxy statement/prospectus.

In the event the Merger is not consummated for any reason, Xcerra will remain an independent public company, Xcerra Common Stock will continue to be listed and traded on NASDAQ and registered under the Exchange Act, and Xcerra will continue to file public reports with the SEC. Under specified circumstances, Xcerra will be required to pay Cohu a termination fee upon the termination of the Merger Agreement; and under different specified circumstances, Cohu will be required to pay Xcerra a termination fee upon the termination of the Merger Agreement. See *The Merger Agreement Termination Fees* for more information.

Q: What constitutes a quorum?

A: For purposes of the Cohu Special Meeting, a quorum is the presence at the Cohu Special Meeting, either in person or by proxy, of holders of shares of outstanding Cohu Common Stock entitled to vote at the Cohu Special Meeting representing at least a majority of the outstanding voting power of Cohu Common Stock.

For purposes of the Xcerra Special Meeting, a quorum is the presence at the Xcerra Special Meeting, either in person or by proxy, of holders of shares of outstanding Xcerra Common Stock entitled to vote at the Xcerra Special Meeting representing at least a majority of the outstanding voting power of Xcerra Common Stock.

Shares of Cohu Common Stock or Xcerra Common Stock that are represented in person or by proxy at the Cohu Special Meeting or the Xcerra Special Meeting, respectively, but for which the holders have abstained from voting, if any, will be included in the calculation of the number of shares of Cohu Common Stock or Xcerra Common Stock represented at the Cohu Special Meeting or Xcerra Special Meeting, respectively, for purposes of determining whether a quorum has been achieved. Broker non-votes will not be included in the calculation of the number of shares of Cohu

Common Stock or Xcerra Common Stock represented at the Cohu Special Meeting or Xcerra Special Meeting, respectively, for purposes of determining whether quorum has been achieved.

Q: What should I do now?

A: You should read this joint proxy statement/prospectus carefully, including the annexes, and return your completed, signed and dated proxy card(s) by mail in the enclosed postage-paid envelope or submit your voting instructions by telephone or over the Internet as soon as possible so that your shares will be represented and voted at the Cohu Special Meeting or the Xcerra Special Meeting, as applicable. A number

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of banks and brokerage firms participate in a program that also permits stockholders whose shares are held in street name to direct their vote by telephone or over the Internet. This option, if available, will be reflected in the voting instructions from the bank or brokerage firm that accompany this joint proxy statement/prospectus. If your shares are held in an account at a bank or brokerage firm that participates in such a program, you may direct the vote of these shares by telephone or over the Internet by following the voting instructions enclosed with the proxy form from the bank or brokerage firm. See *The Cohu Special Meeting* and *The Xcerra Special Meeting* for more information.

Q: What happens if I sell or otherwise transfer my shares before the Cohu Special Meeting or the Xcerra Special Meeting?

A: If you transfer your shares of Xcerra Common Stock or Cohu Common Stock after the Xcerra Record Date or the Cohu Record Date, as applicable, but before the Xcerra Special Meeting or Cohu Special Meeting, respectively, you will retain (subject to any arrangements made with the purchaser of such stockholder s shares) your right to vote at the Xcerra Special Meeting or Cohu Special Meeting, as applicable. In order for Xcerra stockholders to receive the Merger Consideration pursuant to the Merger, they must hold their shares of Xcerra Common Stock through the Effective Time.

Q: How do I vote my shares of Cohu Common Stock?

A: You may vote your shares of Cohu Common Stock by proxy or, subject to the below, in person at the Cohu Special Meeting. Cohu recommends that you submit your proxy even if you plan to attend the Cohu Special Meeting. If you submit your proxy, you may change your vote if you attend and vote at the Cohu Special Meeting; however, mere attendance at the Cohu Special Meeting after submitting your proxy will have no effect on your vote.

You may use the enclosed proxy card(s) to tell the persons named as proxies how to vote your shares of Cohu Common Stock. If you properly complete, sign and date your proxy card(s) or submit your voting instructions by telephone or over the Internet, your shares of Cohu Common Stock will be voted in accordance with your instructions. The named proxies will vote all shares of Cohu Common Stock at the Cohu Special Meeting for which proxies have been properly submitted (whether by mail, telephone or over the Internet) and not revoked.

The deadline for voting electronically through the Internet or by telephone is 11:59 p.m., Pacific Time, on [ ], 2018.

Q: How do I vote my shares of Xcerra Common Stock?

A: If you hold shares of Xcerra Common Stock that are registered in your name with Xcerra s transfer agent, Computershare Investor Services, you may cause such shares of Xcerra Common Stock to be voted by returning a signed and dated proxy card in the accompanying prepaid envelope, or may vote in person at the Xcerra Special Meeting. Additionally, you may grant a proxy electronically over the Internet or by telephone by following the instructions on the enclosed proxy card. You must have the enclosed proxy card available, and follow the instructions on the proxy card, in order to grant a proxy electronically over the Internet or by telephone. Based on the received proxy cards or Internet and telephone proxies, the proxy holders will vote your shares of Xcerra Common Stock according to your directions.

If you plan to attend the Xcerra Special Meeting and wish to vote in person, you will be given a ballot at the Xcerra Special Meeting. Even if shares of Xcerra Common Stock are registered in your name, you are encouraged to vote by proxy even if you plan to attend the Xcerra Special Meeting in person. If you attend the Xcerra Special Meeting and vote in person by ballot, such vote will revoke any previously submitted proxy.

The deadline for voting electronically through the Internet or by telephone is 11:59 p.m., Eastern Time, on [ ], 2018.

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Q: What if I hold shares in both Cohu and Xcerra?

A: If you are a Cohu Stockholder and an Xcerra Stockholder, you will receive two separate packages of proxy materials. A vote as an Xcerra stockholder for the proposal to approve the Merger Agreement will not constitute a vote as a Cohu stockholder for approval of Stock Issuance Proposal, or vice versa. **THEREFORE, PLEASE, SIGN, DATE AND RETURN ALL PROXY CARDS THAT YOU RECEIVE, WHETHER FROM COHU OR XCERRA, OR SUBMIT A PROXY AS BOTH A COHU STOCKHOLDER AND AN XCERRA STOCKHOLDER OVER THE INTERNET**.

Q: What is a Proxy?

A: A proxy is your legal designation of another person, referred to as a proxy, to vote your shares of Cohu Common Stock or Xcerra Common Stock, as applicable. The written document describing the matters to be considered and voted on at the Cohu Special Meeting and the Xcerra Special Meeting, respectively, is called a proxy statement. The document used to designate a proxy to vote your shares of Cohu Common Stock or Xcerra Common Stock, as applicable, is called a proxy card.

With respect to the matters to be voted on at the Cohu Special Meeting, Luis A. Müller, Cohu s President and Chief Executive Officer, Jeffrey D. Jones, Cohu s VP Finance and Chief Financial Officer, and Thomas D. Kampfer, Cohu s VP, Corporate Development, General Counsel and Secretary, with full power of substitution, are the proxy holders for the Cohu Special Meeting.

With respect to the matters to be voted on at the Xcerra Special Meeting, David G. Tacelli, Xcerra s President and Chief Executive Officer, Mark J. Gallenberger, Xcerra s Chief Financial Officer and Chief Operating Officer, and Colin Savoy, Xcerra s Chief Legal Counsel and Corporate Secretary, with full power of substitution, are the proxy holders for the Xcerra Special Meeting.

Q: If I am planning to attend the Cohu Special Meeting or Xcerra Special Meeting, should I return my proxy card(s)?

A: Yes. Returning your completed, signed and dated proxy card(s) or voting by telephone or over the Internet ensures that your shares will be represented and voted at the Cohu Special Meeting or Xcerra Special Meeting, as applicable, in the case you are unable to attend. See *The Cohu Special Meeting How to Vote* and *The Xcerra Special Meeting Voting of Proxies* for more information.

Q: How will my proxy be voted?

A: If you complete, sign and date your proxy card(s) or vote by telephone or over the Internet, your shares of Cohu Common Stock or Xcerra Common Stock will be voted in accordance with your instructions. If you sign and date your proxy card(s) but do not indicate how you want to vote at the Cohu Special Meeting or Xcerra Special Meeting, respectively:

for Cohu stockholders of record as of the Cohu Record Date, your shares of Cohu Common Stock will be voted **FOR** the Stock Issuance Proposal and **FOR** any Cohu Adjournment Proposal.

for Xcerra stockholders of record as of the Xcerra Record Date, your shares of Xcerra Common Stock will be voted **FOR** the approval of the Merger Agreement; **FOR** any Xcerra Adjournment Proposal; and **FOR** the Xcerra Non-Binding Advisory Proposal.

Q. Can I change my vote after I mail my proxy card(s) or vote by telephone or over the Internet?

A: Yes. If you are a stockholder of record of Cohu Common Stock or of Xcerra Common Stock (that is, you hold your shares in your own name and not through a bank, broker or other nominee) as of the close of business on the Cohu Record Date or Xcerra Record Date, as applicable, you can change your vote by:

sending a written notice to the corporate secretary of Cohu or Xcerra, as applicable, that is received prior to your special meeting and states that you revoke your proxy;

signing, dating and delivering a new valid proxy card(s) bearing a later date that is received prior to the Cohu Special Meeting or Xcerra Special Meeting, as applicable;

voting again by telephone or over the Internet by 11:59 p.m. local time on [ ], 2018; or

attending the Cohu Special Meeting or Xcerra Special Meeting, as applicable, and voting in person, although your attendance alone will not revoke your proxy.

If your shares are held in a street name account, you must contact your broker, bank or other nominee to change your vote.

Q: What if my bank, broker or other nominee holds my shares in street name ?

A: If a bank, broker or other nominee holds your shares for your benefit but not in your own name, your shares are in street name. In that case, your bank, broker or other nominee will send you a voting instruction form to use in voting your shares. The availability of telephone and Internet voting depends on the voting procedures of your bank, broker or other nominee. Please follow the instructions on the voting instruction form sent to you by your bank, broker or other nominee. If your shares are held in street name and you wish to vote in person at the Cohu Special Meeting or Xcerra Special Meeting, you must contact your bank, broker or other nominee and request a document called a legal proxy. You must bring this legal proxy to the Cohu Special Meeting or Xcerra Special Meeting, as applicable, in order to vote in person.

Q: What if I don t provide my bank, broker or other nominee with instructions on how to vote?

A: Generally, a bank, broker or other nominee may vote the shares that it holds for you only in accordance with your instructions. However, if your bank, broker or other nominee has not received your instructions, your bank, broker or other nominee has the discretion to vote on certain matters that are considered routine. A broker non-vote occurs if your bank, broker or other nominee cannot vote on a particular matter because your bank, broker or other nominee has not received instructions from you and because the proposal is not routine. None of the matters being presented to Cohu stockholders for a vote at the Cohu Special Meeting or to Xcerra Stockholders at the Xcerra Special Meeting is considered a routine matter. Therefore, your bank, broker or other nominee will not be permitted to vote at the Cohu Special Meeting or Xcerra Special Meeting without instruction from you.

Q: What if I abstain from voting?

A: Your abstention from voting will have the following effect:

If you are a Cohu stockholder:

If a Cohu stockholder abstains from voting, that abstention will have the same effect as if the Cohu stockholder voted **AGAINST** the Stock Issuance Proposal. If a Cohu stockholder abstains from voting, that abstention will have the same effect as if the Cohu stockholder voted **AGAINST** the Cohu Adjournment Proposal. An abstention occurs when a stockholder attends a meeting either (i) in person, but abstains from voting or (ii) by proxy, by marking the box labeled Abstain. If a Cohu stockholder signs and returns its proxy card(s) but does not mark its card(s) to tell the proxies how to vote its shares on each proposal, the shares will be voted as recommended by the Cohu Board.

If you are an Xcerra stockholder:

If an Xcerra stockholder abstains from voting, that abstention will have the same effect as if the Xcerra stockholder voted **AGAINST** the proposal to approve the Merger Agreement. If an Xcerra stockholder abstains from voting, that abstention will have the same effect as if the Xcerra stockholder voted **AGAINST** any Xcerra Adjournment Proposal and **AGAINST** the Xcerra Non-Binding Advisory Proposal. An abstention occurs when a stockholder attends a meeting either (i) in person, but abstains

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from voting or (ii) by proxy, by marking the box labeled Abstain. If an Xcerra stockholder signs and returns its proxy card(s) but does not mark its card(s) to tell the proxies how to vote its shares on each proposal, the shares will be voted as recommended by the Xcerra Board.

Q: What does it mean if I receive multiple proxy cards?

A: You may hold shares in multiple accounts, such as brokerage accounts and 401(k) accounts. It is important that you complete, sign, date and return each proxy card or voting instruction form you receive or vote using the telephone or the Internet as described in the instructions included with your proxy card(s) or voting instruction form(s).

Q: Where can I find the voting results of the special meetings?

A: If available, each of Cohu and Xcerra may announce preliminary voting results at the conclusion of the Cohu Special Meeting and the Xcerra Special Meeting, as applicable. Each of Cohu and Xcerra intends to publish final voting results in a Current Report on Form 8-K to be filed with the SEC following the Cohu Special Meeting and the Xcerra Special Meeting, respectively. All reports that Cohu and Xcerra file with the SEC are publicly available when filed. See the section of this joint proxy statement/prospectus captioned *Where You Can Find More Information*.

Q: What will happen to Xcerra equity awards at the time of the Merger?

A: Pursuant to the Merger Agreement, each Xcerra restricted stock unit (each, an Xcerra RSU) that is outstanding and either (i) vests automatically according to its terms at the Effective Time or (ii) is held by a member of the Xcerra Board (each, a Vested RSU) will be cancelled and terminated as of the Effective Time and the holder of such Vested RSU will receive:

(1) an amount in cash (without interest) equal to the product of (x) $9.00 *multiplied* by (y) the total number of shares of Xcerra Common Stock represented by such Vested RSU; and

(2) a number of shares of Cohu Common Stock equal to the product of (x) 0.2109 *multiplied* by (y) the total number of shares of Xcerra Common Stock represented by such Vested RSU immediately prior to the Effective Time (such consideration, the Vested RSU Consideration).

Each Xcerra RSU that is outstanding and unvested as of the Effective Time (an Unvested RSU) will be assumed by Cohu and shall be converted into a Cohu restricted stock unit award (each, an Assumed RSU) representing the number of whole shares of Cohu Common Stock equal to the product of (1) the number of shares of Xcerra Common Stock represented by such Unvested RSU immediately prior to the Effective Time *multiplied* by (2) the Equity Award Exchange Ratio, rounded down to the nearest whole share. The Equity Award Exchange Ratio is the sum of (1) 0.2109, plus (2) the quotient of (x) $9.00 *divided by* (y) the volume weighted average of the trading prices of Cohu Common Stock on each of the three consecutive trading days ending on the trading day that is one trading day prior the Merger closing date.

Pursuant to the Merger Agreement, Xcerra will not establish any new offering period under Xcerra s Third Amended and Restated Employee Stock Purchase Plan (the Xcerra ESPP) and Xcerra will take all actions necessary so that (i) any offering period and purchase period (or similar period during which shares may be purchased) underway as of the date of the Merger Agreement under the Xcerra ESPP is terminated as of no later than the last payroll date immediately preceding the Effective Time (the Final Exercise Date); (ii) any pro-rata adjustments that may be necessary to reflect any shortened offering period or purchase period (or similar period) are made and so that any such shortened offering period or purchase period (or similar period) is treated as a fully effective and completed offering period or purchase period, as applicable, for all purposes under the Xcerra ESPP; (iii) each participant s shares purchase right under the Xcerra ESPP outstanding as of the Final Exercise Date are exercised as of the Final Exercise Date; (iv) no further offering periods or purchase periods (or similar periods during which shares may be purchased) will commence under the Xcerra ESPP on or after the date of the Merger Agreement; (v) no participant in the Xcerra ESPP may increase the rate of his or her contributions to the Xcerra ESPP on or after the date of the Merger Agreement; (vi) no individual who is not participating in the Xcerra ESPP as of the date of the Merger Agreement may commence participation in the Xcerra ESPP on or after the date of the Merger Agreement; and (vii) the Xcerra ESPP is terminated as of the Final Exercise Date, provided, however, that termination of the Xcerra ESPP will be subject to the consummation of the Merger.

For more information see *The Merger Agreement Treatment of Equity-Based Awards.*

Q: Where can I find more information about Cohu and Xcerra?

A: You can find more information about Cohu and Xcerra from various sources described under *Where You Can Find More Information.*

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SUMMARY

This summary highlights selected information from this joint proxy statement/prospectus and might not contain all of the information that is important to you. You should read carefully this entire joint proxy statement/prospectus, including the Annexes, and the other documents to which this joint proxy statement/prospectus refers to understand fully the Merger and the related transactions. In addition, Cohu and Xcerra incorporate by reference into this joint proxy statement/prospectus important business and financial information about Cohu and Xcerra. See *Where You Can Find More Information* for more information. The Merger Agreement is attached as Annex A to this joint proxy statement/prospectus. We encourage you to read the Merger Agreement, which is the legal document that governs the Merger, carefully and in its entirety.

Except as otherwise specifically noted in this joint proxy statement/prospectus, Xcerra refers to Xcerra Corporation, including, in certain cases, its subsidiaries, and Cohu, we, our, us and similar words refer to Cohu, Inc., including, in certain circumstances, its subsidiaries. Throughout this joint proxy statement/prospectus, we refer to Xavier Acquisition Corporation as Merger Sub. In addition, throughout this joint proxy statement/prospectus we refer to the Agreement and Plan of Merger, dated May 7, 2018, by and among Xcerra, Cohu and Merger Sub, as the Merger Agreement.

Information About Cohu

Cohu is a corporation organized under the laws of the State of Delaware and is a leading supplier of semiconductor test and inspection handlers, micro-electro mechanical system (MEMS) test modules, test contactors and thermal sub-systems used by global semiconductor manufacturers and test subcontractors. Cohu develops, manufactures, sells and services a broad line of equipment capable of handling a wide range of integrated circuits and light-emitting diodes (LEDs).

Cohu Common Stock is listed on the NASDAQ Global Select Market (NASDAQ) under the symbol COHU. Cohu s principal executive offices are located at 12367 Crosthwaite Circle, Poway, California, 92064-6817. Cohu s telephone number is (858) 848-8100 and its website is www.cohu.com.

Information About Merger Sub

Merger Sub, a wholly owned subsidiary of Cohu, is a Delaware corporation that was formed on May 4, 2018 for the purpose of effecting the Merger. In the Merger, Merger Sub will be merged with and into Xcerra, with Xcerra surviving as a wholly owned subsidiary of Cohu. Merger Sub s principal executive offices are located at c/o Cohu, Inc., 12367 Crosthwaite Circle, Poway, California, 92064-6817. Merger Sub s telephone number is (858) 848-8100.

Information About Xcerra

Xcerra is a corporation organized under the laws of Massachusetts and is a global provider of test and handling capital equipment, interface products, test fixtures and related services to the semiconductor and electronics manufacturing industries. Xcerra designs, manufactures and markets products and services that address the broad, divergent requirements of the mobility, industrial, medical, automotive and consumer end markets, offering a comprehensive portfolio of solutions and technologies and a global network of strategically deployed applications and support resources. Xcerra operates in the semiconductor and electronics manufacturing test markets through its atg-Luther & Maelzer, Everett Charles Technologies (ECT), LTX-Credence and Multitest businesses. Xcerra has a broad spectrum of semiconductor and printed circuit board (PCB) test expertise that drives innovative new products and services and its ability to deliver fully integrated semiconductor test solutions.

Xcerra Common Stock is listed on NASDAQ under the symbol XCRA. Xcerra s principal executive offices and global headquarters are located at 825 University Avenue, Norwood, Massachusetts 02062. Xcerra s telephone number is (781) 461-1000 and its website is www.xcerra.com.

The Merger

Upon the terms and subject to the conditions of the Merger Agreement, and in accordance with Massachusetts and Delaware law, at the Effective Time, Merger Sub will merge with and into Xcerra. The separate corporate existence of Merger Sub will cease, and Xcerra will continue as the Surviving Corporation and a wholly owned subsidiary of Cohu.

We encourage you to read the Merger Agreement, which governs the Merger and is attached as Annex A to this joint proxy statement/prospectus, because it sets forth the terms of the Merger.

Merger Consideration (page 82)

At the Effective Time, each share of Xcerra Common Stock issued and outstanding immediately prior to the Effective Time (other than dissenting shares and Cancelled Shares) will be converted into the right to the Merger Consideration.

Financing Relating to the Merger (beginning on page 140)

In connection with the Merger, on May 7, 2018, Cohu obtained the Commitment Letter from the Lender, pursuant to which the Lender (acting alone or through or with affiliates selected by it) has committed to provide the Facilities to finance a portion of the Cash Consideration and pay related costs and expenses. The obligations of the Lender to provide the Facilities are subject to a number of customary conditions. The Commitment Letter terminates upon the earliest of (i) the valid termination or abandonment of the Merger Agreement prior to the consummation of the Merger, (ii) the consummation of the Merger without the use of such Facility, and (iii) the Termination Date (as defined in and including as extended in accordance with the Merger Agreement).

Recommendations of the Cohu Board and Cohu s Reasons for the Merger (beginning on page 15)

At the meeting of the Cohu Board on May 7, 2018, after careful consideration, including detailed discussions with Cohu s management and its legal and financial advisors, all of the directors present at the meeting unanimously approved and declared advisable the Merger Agreement and the transactions contemplated thereby, including the Merger, and determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, are fair to, advisable and in the best interests of, Cohu and the Cohu stockholders. In evaluating the Merger, the Cohu Board consulted with Cohu s management, as well as Cohu s legal and financial advisors and, in reaching a conclusion to approve the Merger and related transactions and to recommend that Cohu stockholders approve the Stock Issuance Proposal, the Cohu Board reviewed a significant amount of information and considered a number of factors, including those listed in *The Merger Recommendation of the Cohu Board and Cohu s Reasons for the Merger*. The Cohu Board recommends that Cohu stockholders vote: (1) **FOR** the Stock Issuance Proposal and (2) **FOR** any Cohu Adjournment Proposal, if applicable.

Recommendations of the Xcerra Board and Xcerra s Reasons for the Merger (beginning on page 15)

The Xcerra Board, after considering various factors described under the caption *The Merger Reasons for the Merger and Recommendation of the Xcerra Board*, has unanimously (A) determined that the terms of the Merger and the other transactions contemplated by the Merger Agreement are fair to, and in the best interests of,

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Xcerra and its stockholders, (B) determined that it is in the best interests of Xcerra and its stockholders, and declared it advisable, to enter into the Merger Agreement, (C) approved the execution and delivery by Xcerra of the Merger Agreement, the performance by Xcerra of its covenants and agreements contained therein and the consummation of the Merger and the other transactions contemplated by the Merger Agreement upon the terms and subject to the conditions contained therein and (D) resolved to recommend that the Xcerra stockholders approve the Merger Agreement in accordance with the MBCA, subject to the conditions contained therein. The Xcerra Board recommends that Xcerra stockholders vote: (1) **FOR** the approval of the Merger Agreement; (2) **FOR** the adjournment of the Xcerra Special Meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes to approve the Merger Agreement at the time of the Xcerra Special Meeting; and (3) **FOR** the non-binding, advisory proposal to approve compensation that will or may become payable to Xcerra s named executive officers in connection with the Merger.

Opinions of Financial Advisors (beginning on page 103 for Cohu s financial advisor and on page 112 for Xcerra s financial advisor)

Opinion of Cohu s Financial Advisor, Deutsche Bank (beginning on page 103)

At the May 7, 2018 meeting of the Cohu Board, Deutsche Bank Securities Inc. (Deutsche Bank) rendered its oral opinion to the Cohu Board, subsequently confirmed by delivery of a written opinion dated May 7, 2018, to the effect that, as of the date of such opinion, and based upon and subject to the assumptions, limitations, qualifications and conditions described in Deutsche Bank s opinion, the Merger Consideration of $9.00 in cash and 0.2109 of a share of Cohu Common Stock proposed to be paid per share of Xcerra Common Stock in the Merger pursuant to the Merger Agreement was fair, from a financial point of view, to Cohu.

The full text of Deutsche Bank s written opinion, dated May 7, 2018, which sets forth the assumptions made, procedures followed, matters considered and limitations, qualifications and conditions on the review undertaken by Deutsche Bank in connection with its opinion, is included in this joint proxy statement/prospectus as Annex B. The summary of Deutsche Bank s opinion set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of the opinion. Deutsche Bank s opinion was approved and authorized for issuance by a Deutsche Bank fairness opinion review committee and was addressed to, and was for the use and benefit of, the Cohu Board in connection with and for the purpose of its evaluation of the Merger. Deutsche Bank s opinion was limited to the fairness, from a financial point of view, to Cohu of the Merger Consideration of $9.00 in cash and 0.2109 of a share of Cohu Common Stock proposed to be paid per share of Xcerra Common Stock pursuant to the Merger Agreement as of the date of the opinion. Cohu did not ask Deutsche Bank to, and Deutsche Bank s opinion did not, address the fairness of the Merger, or any consideration received in connection therewith, to the holders of any class of securities, creditors or other constituencies of Cohu, nor did it address the fairness of the contemplated benefits of the Merger. Deutsche Bank expressed no opinion as to the merits of the underlying decision by Cohu to engage in the Merger or the relative merits of the Merger as compared to any alternative transactions or business strategies.

Opinion of Xcerra s Financial Advisor, Cowen (beginning on page 112)

Xcerra retained Cowen and Company, LLC (Cowen) to act as its exclusive financial advisor in connection with certain potential strategic transactions, including a possible sale of, or other business combination involving, Xcerra, and to render an opinion to the Xcerra Board as to the fairness, from a financial point of view, of the Merger Consideration to be received by the Xcerra stockholders in the Merger.

In connection with the Merger, Cowen delivered its opinion to the Xcerra Board to the effect that, as of May 7, 2018, and subject to the various assumptions and limitations set forth therein, the Merger Consideration of $9.00 in cash and 0.2109 of a share of Cohu Common Stock to be received by the Xcerra stockholders in the Merger was fair, from a financial point of view, to such stockholders, other than Cohu and its affiliates. **The full text of the written opinion of Cowen, dated May 7, 2018, is attached as Annex C hereto and is incorporated by reference. Xcerra encourages stockholders to read the opinion in its entirety for the assumptions made, procedures followed, other matters considered and limits of the review by Cowen. Cowen s analyses and opinion were prepared for and addressed to the Xcerra Board and are directed only to the fairness, from a financial point of view, of the Merger Consideration to be received by the Xcerra stockholders in the Merger, other than Cohu and its affiliates. Cowen s opinion is not a recommendation to any stockholder or any other person as to how to vote with respect to the Merger or to take any other action in connection with the Merger or otherwise. For more information, see the section of this joint proxy statement/prospectus captioned** ***The Merger Opinion of Xcerra s Financial Advisor, Cowen*****.**

Effect of the Merger on Xcerra s Equity Awards (beginning on page 138)

Treatment of Restricted Stock Units

As a result of the Merger, the treatment of Xcerra s equity awards that are outstanding immediately prior to the Effective Time will be as follows:

Each Xcerra RSU that is a Vested RSU will be cancelled and terminated as of the Effective Time and the holder of such Vested RSU will receive the Vested RSU Consideration, which is composed of:

(1) an amount in cash (without interest) equal to the product of (x) $9.00 *multiplied* by (y) the total number of shares of Xcerra Common Stock represented by such Vested RSU; and

(2) a number of shares of Cohu Common Stock equal to the product of (x) 0.2109 *multiplied* by (y) the total number of shares of Xcerra Common Stock represented by such Vested RSU immediately prior to the Effective Time.

Each Unvested RSU will be assumed by Cohu and shall be converted into an Assumed RSU representing the number of whole shares of Cohu Common Stock equal to the product of (1) the number of shares of Xcerra Common Stock represented by such Unvested RSU immediately prior to the Effective Time *multiplied* by (2) the Equity Award Exchange Ratio, rounded down to the nearest whole share. The Equity Award Exchange Ratio is calculated as the sum of (1) 0.2109, plus (2) the quotient of (x) $9.00 *divided by* (y) the volume weighted average of the trading prices of Cohu Common Stock on each of the three consecutive trading days ending on the trading day that is one trading day prior to the Merger closing date.

Treatment of Purchase Rights under the Employee Stock Purchase Plan

Pursuant to the Merger Agreement, Xcerra will not establish any new offering period under the Xcerra ESPP and Xcerra will take all actions necessary so that (i) any offering period and purchase period (or similar period during which shares may be purchased) underway as of the date of the Merger Agreement under the Xcerra ESPP is terminated as of the Final Exercise Date; (ii) any pro-rata adjustments that may be necessary to reflect any shortened offering period or purchase period (or similar period) are made and so that any such shortened offering period or purchase period (or similar period) is treated as a fully effective and completed offering period or purchase period, as applicable, for all purposes under the Xcerra ESPP; (iii) each participant s shares purchase right under the Xcerra ESPP outstanding as of the Final Exercise Date are exercised as of the Final Exercise Date; (iv) no further offering periods or purchase periods (or similar periods during which shares may be purchased) will commence under the Xcerra ESPP on or after the date of the Merger Agreement; (v) no participant in the Xcerra ESPP may increase the rate of his or her contributions to the Xcerra ESPP on or after the

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date of the Merger Agreement; (vi) no individual who is not participating in the Xcerra ESPP as of the date of the Merger Agreement may commence participation in the Xcerra ESPP on or after the date of the Merger Agreement; and (vii) the Xcerra ESPP is terminated as of the Final Exercise Date, provided, however, that termination of the Xcerra ESPP will be subject to the consummation of the Merger.

Record Date; Outstanding Shares; Shares Entitled to Vote; Vote Required (page 18 for Cohu and page 18 for Xcerra)

The Cohu Special Meeting

Date, Time and Place

The special meeting of Cohu stockholders (the Cohu Special Meeting) will be held at Cohu s corporate offices, located at 12367 Crosthwaite Circle, Poway, California 92064-6817 on [ ], 2018, at [ ], Pacific Time, unless adjourned or postponed to a later date or time.

Record Date; Outstanding Shares; Shares Entitled to Vote

The Cohu Record Date for the Cohu Special Meeting is the close of business on [ ], 2018. This means that you must be a stockholder of record of Cohu Common Stock at the close of business on [ ], 2018, in order to vote at the Cohu Special Meeting. You are entitled to one vote for each share of Cohu Common Stock you own.

A complete list of Cohu stockholders entitled to vote at the Cohu Special Meeting will be available for inspection at the principal place of business of Cohu during regular business hours for a period of no less than ten days before the Cohu Special Meeting and at the place of the Cohu Special Meeting during the meeting.

Purpose

At the Cohu Special Meeting, Cohu s stockholders will be asked:

- to approve the Stock Issuance Proposal; and
- to approve any Cohu Adjournment Proposal, if applicable.

Quorum and Required Vote

A quorum of stockholders is necessary to hold a valid special meeting of Cohu. The required quorum for the transaction of business at the Cohu Special Meeting is a majority of the issued and outstanding shares of Cohu Common Stock entitled to vote at the Cohu Special Meeting, whether present in person or represented by proxy. Any abstentions will be counted as present and entitled to vote in determining whether a quorum is present at the Cohu Special Meeting. For shares held in street name, your bank, broker or other nominee will not be permitted to vote at the Cohu Special Meeting without specific instructions as to how to vote from you as the beneficial owner of the shares of Cohu Common Stock. A broker non-vote (as defined below) will have no effect on the Stock Issuance Proposal (assuming a quorum is achieved) or any proposal to adjourn the Cohu Special Meeting. Broker non-votes will not be counted as present for purposes of determining whether a quorum is present at the Cohu Special Meeting.

The approval of the Stock Issuance Proposal requires the affirmative vote of a majority of shares present in person or represented by proxy at the Cohu Special Meeting, assuming a quorum is present. Approval of any Cohu Adjournment Proposal requires the affirmative vote of a majority of the shares of Cohu Common Stock present in person or represented by proxy at the Cohu Special Meeting and entitled to vote is required, regardless of whether a quorum is present.

Voting and Proxies

Any Cohu stockholder of record entitled to vote may submit a proxy by returning a signed proxy card by mail in the accompanying prepaid reply envelope or granting a proxy electronically over the Internet or by telephone, or may vote in person by appearing at the Cohu Special Meeting. If a Cohu stockholder is a beneficial owner and holds shares of Cohu Common Stock in street name through a bank, broker or other nominee, such Cohu stockholder should instruct its bank, broker or other nominee of how it wishes to vote its shares of Cohu Common Stock using the instructions provided by the bank, broker or other nominee. Under applicable stock exchange rules, banks, brokers or other nominees have the discretion to vote on routine matters. The proposals to be considered at the Cohu Special Meeting are non-routine matters, and banks, brokers and other nominees cannot vote on these proposals without such Cohu stockholder s instructions. **Therefore, it is important that each Cohu stockholder cast its vote or instruct its bank, broker or nominee on how such Cohu stockholder wishes to vote its shares of Cohu Common Stock**.

The Xcerra Special Meeting

Date, Time and Place

A special meeting of Xcerra stockholders (the Xcerra Special Meeting) will be held on [ ], 2018 at [ ] [a.m./p.m.], Eastern Time, at Xcerra s offices at 825 University Avenue, Norwood, Massachusetts 02062.

Record Date; Shares Entitled to Vote

Xcerra stockholders are entitled to vote at the Xcerra Special Meeting if such stockholders owned shares of Xcerra Common Stock at the close of business on [ ], 2018, the Xcerra Record Date. You are entitled to one vote at the Xcerra Special Meeting for each share of Xcerra Common Stock that you own at the close of business on the Xcerra Record Date.

Purpose

At the Xcerra Special Meeting, Xcerra will ask Xcerra stockholders to vote on proposals to: (1) approve the Merger Agreement; (2) adjourn the Xcerra Special Meeting to a later date or dates to solicit additional proxies if there are insufficient votes to approve the Merger Agreement at the Xcerra Special Meeting (an Xcerra Adjournment Proposal); and (3) approve, by non-binding, advisory vote, compensation that will or may become payable to Xcerra s named executive officers in connection with the Merger (the Xcerra Non-Binding Advisory Proposal).

Required Vote

The affirmative vote of the holders of two-thirds of the outstanding shares of Xcerra Common Stock is required to approve the Merger Agreement. Approval of any Xcerra Adjournment Proposal, whether or not a quorum is present, requires the affirmative vote of a majority of the shares of Xcerra Common Stock having voting power present in person or represented by a proxy at the Xcerra Special Meeting and entitled to vote on the subject matter. Approval, by non-binding advisory vote, of the Xcerra Non-Binding Advisory Proposal requires the affirmative vote of a majority of the shares of Xcerra Common Stock having voting power present in person or represented by proxy at the Xcerra Special Meeting and entitled to vote on the subject matter.

Voting and Proxies

Any Xcerra stockholder of record entitled to vote may submit a proxy by returning a signed proxy card by mail in the accompanying prepaid reply envelope or granting a proxy electronically over the Internet or by telephone, or may vote in person by appearing at the Xcerra Special Meeting. If an Xcerra stockholder is a beneficial owner and holds shares of Xcerra Common Stock in street name through a bank, broker or other nominee, such Xcerra stockholder should instruct its bank, broker or other nominee of how it wishes to vote its shares of Xcerra Common Stock using the instructions provided by the bank, broker or other nominee. Under applicable stock exchange rules, banks, brokers or other nominees have the discretion to vote on routine matters. The proposals to be considered at the Xcerra Special Meeting are non-routine matters, and banks, brokers and other nominees cannot vote on these proposals without such Xcerra stockholder s instructions. **Therefore, it is important that each Xcerra stockholder cast its vote or instruct its bank, broker or nominee on how such Xcerra stockholder wishes to vote its shares of Xcerra Common Stock**.

Stock Ownership and Voting by Cohu s and Xcerra s Directors and Executive Officers (page 20 for Cohu and page 20 for Xcerra)

Cohu

As of May 31, 2018, Cohu s directors and executive officers beneficially owned and were entitled to vote, in the aggregate, 783,314 shares of Cohu Common Stock, representing approximately 2.7% of the shares of Cohu Common Stock outstanding on May 31, 2018. Cohu s directors and executive officers have informed Cohu that they currently intend to vote: (1) **FOR** the Stock Issuance Proposal; and (2) **FOR** any Cohu Adjournment Proposal, if applicable.

Xcerra

As of May 31, 2018, Xcerra s directors and officers beneficially owned and were entitled to vote, in the aggregate, 1,567,958 shares of Xcerra Common Stock, representing approximately 2.9% of the shares of Xcerra Common Stock outstanding on May 31, 2018. Xcerra s directors and executive officers have informed Xcerra that they currently intend to vote: (1) **FOR** the approval of the Merger Agreement; (2) **FOR** any Xcerra Adjournment Proposal; and (3) **FOR** the Xcerra Non-Binding Advisory Proposal.

Interests of Cohu Directors and Executive Officers in the Merger (beginning on page 20)

Some of Cohu s executive officers and members of its board of directors, in their capacities as such, may have financial interests in the Merger that may be different from, or in addition to, their interests as stockholders and the interests of Cohu stockholders generally.

Cohu s named executive officers are not party to any agreements or understandings concerning compensation that is based on or otherwise relates to the transactions contemplated by the Merger Agreement.

The members of the Cohu Board were aware of and considered these interests, among other matters, in evaluating and negotiating the Merger Agreement and the Merger, and in recommending that Cohu stockholders vote for the Stock Issuance Proposal.

The interests summarized above are discussed in more detail in the section entitled *The Merger Interests of Cohu Directors and Executive Officers in the Merger*.

Interests of Xcerra Directors and Executive Officers in the Merger (beginning on page 20)

When considering the recommendation of the Xcerra Board that Xcerra stockholders vote to approve the proposal to approve the Merger Agreement, Xcerra stockholders should be aware that Xcerra s directors and executive officers may have interests in the Merger that are different from, or in addition to, the interests of

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Xcerra s stockholders. In (i) evaluating and negotiating the Merger Agreement; (ii) approving the Merger Agreement and the Merger; and (iii) recommending that the Merger Agreement be approved by Xcerra s stockholders, the Xcerra Board was aware of and considered these interests to the extent that they existed at the time, among other matters. These interests include the following:

- compensation to be paid to members of the Xcerra Board who are appointed to the Cohu Board following the consummation of the Merger;
- the entitlement of Xcerra executive officers to receive payments and benefits under Change-of-Control Employment Agreements and executive employment agreements in connection with certain terminations of employment;
- continued indemnification and directors and officers liability insurance to be provided by the Surviving Corporation;
- termination of Vested RSUs held by certain Xcerra executive officers and members of the Xcerra Board at the Effective Time in exchange for the Vested RSU Consideration;
- conversion of Unvested RSUs held by certain executive officers into Assumed RSUs; and
- pursuant to the terms and conditions of Xcerra s 2010 Stock Plan (the 2010 Stock Plan), accelerated vesting of Assumed RSUs upon termination of the employment of executive officers by Xcerra or Cohu without cause (as defined in the 2010 Stock Plan) within one year following the completion of the Merger.

If the proposal to approve the Merger Agreement is approved, the shares of the Xcerra Common Stock held by Xcerra s directors and executive officers will be treated in the same manner as outstanding Xcerra Common Stock held by all other Xcerra stockholders.

Post-Closing Cohu Board

At the Effective Time, two members of the Xcerra Board will be appointed to the Cohu Board.

Listing of Cohu Common Stock and Delisting of Xcerra Common Stock (page 21)

Approval of the listing on NASDAQ of the shares of Cohu Common Stock to be issued in the Merger pursuant to the Merger Agreement is a condition to each party s obligation to complete the Merger. If the Merger is completed, the Xcerra Common Stock will be delisted from NASDAQ and will be deregistered under the Exchange Act.

Appraisal Rights for Xcerra Stockholders (page 21)

Under the MBCA, Xcerra is required to state whether it has concluded that Xcerra stockholders are, are not or may be entitled to assert appraisal rights, which are generally available to stockholders of a merging Massachusetts corporation under Section 13.02(a)(1) of the MBCA, subject to certain exceptions. For the reasons described under the caption The Merger Appraisal Rights, Xcerra has concluded that Xcerra stockholders may be entitled to appraisal rights. The relevant provisions of the MBCA have not been the subject of judicial interpretation and Xcerra and Cohu reserve the right to contest the validity and availability of any purported demand for appraisal rights in connection with the Merger.

Under Part 13 of the MBCA, Xcerra stockholders who believe they are or may be entitled to appraisal rights in connection with the Merger must, in order to exercise those rights:

prior to the Xcerra Special Meeting, deliver to Xcerra a written notice of intent to demand payment for such stockholders shares of Xcerra Common Stock if the Merger is effectuated;

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NOT vote for the proposal to approve the Merger Agreement; and

Comply with the other procedures under Part 13 of the MBCA.

An Xcerra stockholder s failure to follow exactly the procedures specified under the MBCA may result in the loss of any appraisal rights for such stockholder. If an Xcerra stockholder holds shares of Xcerra Common Stock through a bank, brokerage firm or other nominee and wishes to exercise appraisal rights, such Xcerra stockholder should consult with its bank, brokerage firm or other nominee to determine the appropriate procedures for the making of a demand for appraisal by such bank, brokerage firm or nominee. See the section captioned The Merger Appraisal Rights and the text of Part 13 of the MBCA reproduced in its entirety as Annex D to this joint proxy statement/prospectus.

Conditions to the Closing of the Merger (beginning on page 22)

The completion of the Merger depends upon the satisfaction or waiver of a number of conditions which, to the extent permitted by applicable laws and as described below, may be waived by Cohu, Merger Sub and Xcerra, as applicable.

The obligations of Cohu and Merger Sub, on the one hand, and Xcerra, on the other hand, to consummate the Merger are subject to the satisfaction or waiver (where permitted by applicable law), at or prior to the Effective Time, of each of the following conditions:

the approval of the Merger Agreement by the affirmative vote of the holders of two-thirds of the outstanding shares of Xcerra Common Stock and the approval of the issuance of Cohu Common Stock in the Merger by a majority of Cohu stockholders represented in person or by proxy at the Cohu Special Meeting;

the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the HSR Act) and expiration or termination of the applicable waiting period or approval by the relevant governmental authorities of any foreign antitrust jurisdictions, as applicable;

the consummation of the Merger, the issuance of Cohu Common Stock in the Merger or the other transactions contemplated by the Merger Agreement not being made illegal or otherwise prohibited by any law or order of any governmental authority in the U.S.;

the Registration Statement becoming effective with no stop order suspending the effectiveness of the Registration Statement having being issued by the SEC and no proceeding to that effect having being commenced or threatened; and

the authorization for listing on NASDAQ of the shares of Cohu Common Stock issuable in the Merger.

In addition, the obligations of Cohu and Merger Sub to consummate the Merger are subject to the satisfaction or waiver (where permitted by applicable law), at or prior to the Effective Time, of each of the following additional conditions:

the representations and warranties of Xcerra relating to requisite stockholder approval and absence of certain changes being true and correct in all respects as of the date of the Merger Agreement and on and as of the closing date of the Merger with the same force and effect as if made on and as of such date (or, in the case of those representations and warranties that are made as of a particular date or period, as of such date or for such period);

certain representations and warranties of Xcerra relating to Xcerra s capitalization being true and correct in all but de minimis respects as of the date of the Merger Agreement and on and as of the

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closing date of the Merger with the same force and effect as if made on and as of such date or period, except for those representations and warranties which address matters only as of a particular date or period (which representations will have been true and correct as of such particular date);

the representations and warranties of Xcerra relating to organization and standing, authorization and enforceability, brokers, opinion of Xcerra s financial advisor, state anti-takeover statutes and shareholders rights plans being true and correct in all material respects as of the date of the Merger Agreement and on and as of the closing date of the Merger with the same force and effect as if made on and as of such date, except in each case for those representations and warranties which address matters only as of a particular date or period (which representations will be true and correct in all respects as of such particular date or period), but without regard to any qualification as to materiality or material adverse effect contained therein;

the other representations and warranties of Xcerra set forth elsewhere in the Merger Agreement being true and correct in all respects as of the date of the Merger Agreement and on and as of the closing date of the Merger with the same force and effect as if made on and as of such date (disregarding all materiality qualifications contained in such representations and warranties), except (1) for any failure to be so true and correct which would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect (as defined in the Merger Agreement and described in *The Merger Agreement Representations and Warranties*), and (2) for those representations and warranties which address matters only as of a particular date or period (which representations will have been true and correct as of such particular date or period, except for any failure to be so true and correct as of such date which would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect);

Xcerra having performed in all material respects the obligations required by the Merger Agreement to be performed by Xcerra at or prior to the Effective Time;

there not having occurred any event, occurrence, revelation or development of a state of circumstances or facts which, individually or in the aggregate, has had or would reasonably be expected to have a Company Material Adverse Effect; and

the receipt by Cohu and Merger Sub of a certificate of Xcerra, validly executed for and on behalf of Xcerra and in its name by a duly authorized officer, certifying that the conditions described in the preceding six paragraphs have been satisfied.

In addition, the obligation of Xcerra to consummate the Merger is subject to the satisfaction or waiver (where permitted by applicable law), at or prior to the Effective Time, of each of the following additional conditions:

the representations and warranties of Cohu relating to requisite stockholder approval and absence of certain changes being true and correct in all respects as of the date of the Merger Agreement and on and as of the closing date of the Merger with the same force and effect as if made on and as of such date (or, in the case of those representations and warranties that are made as of a particular date or period, as of such date or for such period);

certain representations and warranties of Cohu relating to Cohu s capitalization being true and correct in all but de minimis respects as of the date of the Merger Agreement and on and as of the closing date of the Merger with the same force and effect as if made on and as of such date, except for those representations and warranties which address matters only as of a particular date or period (which representations will have been true and correct as of such particular date or period);

the representations and warranties of Cohu relating to organization and standing, authorization and enforceability, brokers, opinion of Cohu s financial advisor and state anti-takeover statutes being true and correct in all material respects as of the date of the Merger Agreement and on and as of the closing date of the Merger with the same force and effect as if made on and as of such date, except in each case for those representations and warranties which address matters only as of a particular date or period (which representations will be true and correct in all respects as of such particular date or period), but without regard to any qualification as to materiality or material adverse effect contained therein;

each of the remaining representations and warranties of Cohu set forth in the Merger Agreement being true and correct as of the date of the Merger Agreement and on and as of the closing date of the Merger with the same force and effect as if made on and as of such date (except for those representations and warranties which address matters only as of a particular date or period, which representations will have been true and correct as of such particular date or period), and except for any failure to be so true and correct which would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the ability of Cohu to consummate the Merger or any of the other transactions contemplated by the Merger Agreement, but without regard to any qualification as to materiality or material adverse effect contained therein;

Cohu and Merger Sub having performed in all material respects all obligations required by the Merger Agreement be performed by Cohu or Merger Sub prior to the Effective Time;

there not having occurred any event, occurrence, revelation or development of a state of circumstances or facts which, individually or in the aggregate, has had or would reasonably be expected to have a Parent Material Adverse Effect (as defined in the Merger Agreement and described in *The Merger Agreement Representations and Warranties*); and

the receipt by Xcerra of a certificate of Cohu and Merger Sub, validly executed for and on behalf of Cohu and Merger Sub and in their respective names by a duly authorized executive officer thereof, certifying that the conditions described in the preceding six paragraphs have been satisfied.

Regulatory Approvals Required for the Merger (beginning on page 24)

The completion of the Merger is subject to compliance with the HSR Act. The notifications required under the HSR Act to the U.S. Federal Trade Commission and the Antitrust Division of the U.S. Department of Justice (the Antitrust Division), were filed on May 25, 2018, and the transaction is currently under review by the Antitrust Division. Under the HSR Act, the Merger may not be completed until the required 30-day HSR Act waiting period has expired or been terminated. The waiting period expires at 11:59 p.m., Eastern Time, on June 25, 2018, unless it is shortened by a grant of early termination or extended by the Antitrust Division issuing a request for additional information, also known as a second request. If a second request is issued, the transaction cannot close until 30 days after substantial compliance with the second request unless the parties otherwise agree with the Antitrust Division not to close the transaction, enter into a consent decree with the Antitrust Division, or the Antitrust Division concludes its investigation and grants early termination of the second waiting period. Cohu may also choose to withdraw and re-file its notification under the HSR Act before the end of the initial 30-day waiting period. If Cohu withdraws and re-files its notification, the initial 30-day waiting period will restart as of the date the notification is re-filed.

The completion of the Merger is also subject to compliance with applicable foreign antitrust laws. The German Act Against Restraints of Competition (the GWB) requires pre-merger notification of and approval by the German Federal Cartel Office (FCO). The Merger may not be completed until either the FCO clears the merger or the mandatory waiting period expires. The parties have filed with the FCO on June 16, 2018. The FCO has one month (until July 16,

2018) to review the transaction until it will be deemed cleared. The FCO can shorten the waiting period by explicitly clearing the transaction before the expiration of the waiting period or may extend the waiting period by initiating an in-depth review (which extends the review period by four months). Upon agreement between the FCO and the parties to the transaction, the review period can be extended further. Cohu may also choose to withdraw and refile its notification. In this case, the waiting periods will restart as of the date the notification is re-filed.

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Termination of the Merger Agreement (beginning on page 25)

The Merger Agreement contains certain customary termination rights, including, among others, (i) the right of either Cohu or Xcerra to terminate the Merger Agreement if Xcerra s stockholders fail to approve the Merger Agreement or if Cohu s stockholders fail to approve the issuance of Cohu Common Stock, (ii) the right of either Cohu or Xcerra to terminate the Merger Agreement if the board of directors of the other party changes its recommendation to such party s shareholders, (iii) the right of Xcerra to terminate the Merger Agreement to accept a Company Acquisition Proposal resulting in a superior proposal (as described further in *The Merger Agreement Alternative Acquisition Proposals*), (iv) the right of either Cohu or Xcerra to terminate the Merger Agreement if the Merger has not occurred by November 7, 2018 (as such date may be extended by either party pursuant to the Merger Agreement, the Termination Date) and (v) the right of either Cohu or Xcerra to terminate the Merger Agreement due to a material breach by the other party of any of its representations, warranties or covenants, subject to certain conditions.

Termination Fees (beginning on page 25)

The Merger Agreement provides for Xcerra to pay to Cohu a termination fee of $22.8 million (the Xcerra Termination Fee) if the Merger Agreement is terminated (i) by Cohu as a result of a change in the Xcerra Board recommendation to Xcerra s stockholders or a failure of Xcerra to comply with the non-solicitation and board recommendation covenants in the Merger Agreement; (ii) by Xcerra in order to accept a Company Acquisition Proposal resulting in a superior proposal (as described further in *The Merger Agreement Alternative Acquisition Proposals*); (iii) by either Cohu or Xcerra if (A) the Merger has not been consummated by the Termination Date or (B) Xcerra shall have failed to obtain the necessary shareholder approval for the Merger and, in each case of (A) and (B) a competing proposal with respect to Xcerra was publicly disclosed and not publicly withdrawn prior to the meeting of Xcerra s shareholders and Xcerra either consummates a transaction with respect to a competing proposal or enters into a definitive agreement with respect to a competing proposal, in each case within twelve months of such termination; or (iv) by Cohu if Xcerra is in breach of a representation, warranty or covenant that would cause the closing conditions to fail to be satisfied, and the breach cannot be cured within 20 calendar days, so long as Cohu has not materially breached the Merger Agreement.

The Merger Agreement provides for Cohu to pay to Xcerra a termination fee of $22.8 million (the Cohu Termination Fee) if the Merger Agreement is terminated by Xcerra (i) as a result of Cohu s breach of a representation, warranty or covenant that would cause the closing conditions to fail, and the breach cannot be cured within 20 calendar days, so long as Xcerra has not materially breached the Merger Agreement or (ii) as a result of a change by the Cohu Board in its recommendation that Cohu s shareholders approve the issuance of Cohu Common Stock in the Merger. The Merger Agreement further provides for Cohu to pay to Xcerra a termination fee of $45. 0 million (the Financing Termination Fee) if the Merger Agreement is terminated by Xcerra as a result of Cohu s failure to consummate the Merger within five business days of written notice from Xcerra to Cohu at a time when all closing conditions have been satisfied and the Marketing Period has expired.

Material United States Federal Income Tax Consequences (beginning on page 25)

The exchange of Xcerra Common Stock pursuant to the Merger will be a taxable transaction for U.S. federal income tax purposes. Accordingly, a U.S. holder (as defined in *Material United States Federal Income Tax Consequences*) of Xcerra Common Stock who receives the Merger Consideration in exchange for such U.S. holder s shares of Xcerra Common Stock generally will recognize taxable gain or loss in an amount equal to the difference, if any, between the Cash Consideration plus the fair market value of the Stock Consideration received and such U.S. holder s adjusted tax basis in the shares of Xcerra Common Stock exchanged therefor.

THIS JOINT PROXY STATEMENT/PROSPECTUS CONTAINS A GENERAL DESCRIPTION OF THE MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER.

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THIS DESCRIPTION DOES NOT ADDRESS ANY NON-U.S. TAX CONSEQUENCES, NOR DOES IT PERTAIN TO STATE, LOCAL OR OTHER TAX CONSEQUENCES. CONSEQUENTLY, YOU ARE URGED TO CONTACT YOUR OWN TAX ADVISOR TO DETERMINE THE PARTICULAR TAX CONSEQUENCES TO YOU OF THE MERGER.

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RISK FACTORS

In deciding whether to vote for the proposals discussed in this joint proxy statement/prospectus, we urge you to consider carefully all of the information included or incorporated by reference in this joint proxy statement/prospectus. You should also read and consider the risks associated with each of the businesses of Cohu and Xcerra, because these risks will also affect Cohu after the consummation of the Merger. The risks associated with the business of Cohu can be found in Cohu s Exchange Act reporting, including Cohu s Annual Report on Form 10-K for the year ended December 30, 2017 and its Quarterly Report on Form 10-Q for the fiscal quarter ended on March 31, 2018, which are incorporated by reference in this joint proxy statement/prospectus. The risks associated with the business of Xcerra can be found in Xcerra s Exchange Act reporting, including Xcerra s Annual Report on Form 10-K for its fiscal year ended July 31, 2017, and its Quarterly Reports on Form 10-Q for the fiscal quarters ended on October 31, 2017, January 31, 2018 and April 30, 2018, which are incorporated by reference in this joint proxy statement/prospectus. See the section of this joint proxy statement/prospectus entitled *Where You Can Find More Information.*

Risk Factors Relating to the Merger

The number of shares of Cohu Common Stock that Xcerra stockholders will receive in the Merger is based on a fixed exchange ratio. Because the Merger Agreement does not provide for any adjustment to the Merger Consideration, Xcerra stockholders will be exposed to the risk of market fluctuations in the price of Cohu Common Stock and Xcerra stockholders cannot be certain of the value of the Stock Consideration they will receive in the Merger.

Pursuant to the terms of the Merger Agreement, upon the consummation of the Merger, each outstanding share of Xcerra Common Stock will be cancelled and automatically converted into the right to receive the Merger Consideration, consisting of 0.2109 of a share of Cohu Common Stock and $9.00 in cash. The exchange ratio is fixed, and there will be no adjustment to the Merger Consideration for changes in the market price of Cohu Common Stock or Xcerra Common Stock prior to completion of the Merger. Accordingly, the exact value of the Stock Consideration each Xcerra stockholder will receive in connection with the Merger is not determinable prior to the date of delivery of the Stock Consideration. Stock price changes may result from a variety of factors, some of which are out of Cohu s and Xcerra s control, including general market and economic conditions, changes in the respective businesses, operations and prospects of Cohu and Xcerra, regulatory considerations, and other risks discussed in this section of this joint proxy statement/prospectus. Neither Cohu nor Xcerra is permitted to terminate the Merger Agreement or resolicit the vote of its respective stockholders solely because of changes in the market price of either Cohu Common Stock or Xcerra Common Stock.

Because the Merger will be consummated after the Xcerra Special Meeting, the value of the Stock Consideration to be received by Xcerra stockholders will not be known at the time of the Xcerra Special Meeting and the Merger Consideration actually received by Xcerra Stockholders upon the consummation of the Merger may be greater or less than the Merger Consideration that would be payable to Xcerra stockholders if the Merger were consummated immediately following the Xcerra Stockholder Meeting. In determining how to vote their shares of Xcerra Common Stock, Xcerra stockholders should obtain current stock price quotations for Cohu Common Stock and Xcerra Common Stock prior to the Xcerra Special Meeting. Cohu Common Stock and Xcerra Common Stock are listed on NASDAQ under the symbols COHU and XCRA, respectively.

The market price of Cohu Common Stock after the Merger might be affected by factors different from, or in addition to, those currently affecting the respective market prices of Cohu Common Stock and Xcerra Common Stock.

The businesses of Cohu and Xcerra differ and, accordingly, the results of operations of Cohu and the market price of Cohu Common Stock after the Merger may be affected by factors different from, or in addition to, those currently affecting the independent results of operations of each of Cohu and Xcerra and the market prices of Cohu Common Stock and Xcerra Common Stock. For a discussion of the businesses of Cohu and Xcerra and of factors to consider in connection with those businesses, see the documents incorporated by reference into this document and referred to under the heading *Where You Can Find More Information.* Additionally, see the section of this joint proxy statement/prospectus entitled *Comparative Per Share Market Price Information* for additional information on the market value of shares of Cohu Common Stock and Xcerra Common Stock.

Until the Effective Time or the termination of the Merger Agreement in accordance with its terms, Cohu and Xcerra are prohibited from entering into certain business combination transactions and taking certain other actions.

From the date of the Merger Agreement, and continuing until the earlier of the Effective Time or the termination of the Merger Agreement in accordance with its terms, except as permitted by certain limited exceptions in the Merger Agreement or required by the respective fiduciary duties of the Xcerra Board and the Cohu Board and subject to the other requirements of the Merger Agreement, the Cohu Board may not withdraw, withhold, amend, qualify or modify, in any manner adverse to Xcerra, its recommendation that the Cohu stockholders approve the Stock Issuance Proposal and the Xcerra Board may not withdraw, withhold, amend, qualify or modify, in a manner adverse to Cohu, its recommendation that the Xcerra stockholders approve the Merger Agreement. See *The Merger Agreement The Xcerra Board s recommendation; Xcerra Board Recommendation Change* and *The Merger Agreement The Cohu Board s recommendation; Cohu Board Recommendation Change* for additional information. In addition, during such time, neither the Xcerra Board nor the Cohu Board may recommend an acquisition proposal to acquire beneficial ownership of more than 20% of the issued and outstanding common stock, or more than 20% of the consolidated assets, of Xcerra or Cohu, respectively, other than the Merger, or negotiate or authorize negotiations with a third party regarding an acquisition proposal other than the Merger, except as permitted by certain limited exceptions in the Merger Agreement or required by their fiduciary duties and subject to the other requirements of the Merger Agreement. These provisions may limit Xcerra s and Cohu s respective ability to pursue offers from third parties that could result in greater value to their respective stockholders than the value resulting from the Merger. In the event that the Xcerra Board or the Cohu Board change their respective recommendations, Xcerra or Cohu, as the case may be, will be required, pursuant to the terms of the Merger Agreement, to pay to the other party a $22.8 million termination fee. See *The Merger Agreement Termination Fees* for additional information. The termination fee payable by Xcerra and Cohu in certain circumstances may also discourage third parties from pursuing an alternative acquisition proposal with respect to Xcerra or Cohu, or might result in third parties proposing to pay a lower value per share to acquire Xcerra or Cohu than such third party might otherwise have been willing to pay in the absence of such termination fee. The Merger Agreement also requires Xcerra and Cohu to, and to each cause their respective subsidiaries to, conduct their respective businesses in the ordinary course consistent with past practice. See *The Merger Agreement Conduct of Business Pending the Merger* for additional information. Altogether, the foregoing could have the effect of delaying other strategic transactions and may, in some cases, make it impossible to pursue other strategic transactions that are available only for a limited time.

The Merger is subject to a number of conditions, some of which are outside of the parties control, and if these conditions are not satisfied or waived, the Merger will not be completed.

The Merger Agreement contains a number of conditions that must be satisfied or in some cases waived in order to complete the Merger. Those conditions include, among other customary conditions, (i) approval of the Merger by at least two-thirds of the shares of Xcerra Common Stock entitled to vote at the Xcerra Special Meeting, (ii) approval of the Stock Issuance Proposal by a majority of the shares of Cohu Common Stock present, in person or by proxy, at the Cohu Special Meeting, (iii) expiration or termination of all waiting periods (and any extensions thereof) under applicable antitrust laws, including the applicable waiting periods under the HSR Act and foreign antitrust laws and the receipt of any requisite consents with respect to applicable antitrust laws (the Approvals), (iv) no material action being taken by any governmental entity enjoining or otherwise prohibiting consummation of the Merger and no law being enacted or promulgated by any governmental entity making the consummation of the Merger illegal, (v) authorization for listing by NASDAQ of the shares Cohu Common Stock to be issued in connection with the Merger, (vi) the accuracy of the representations and warranties of the parties to the applicable standards provided by the Merger Agreement, (vii) performance in all material respects by each party of their respective covenants in the Merger Agreement, (viii) the absence of any event or occurrence that had or would reasonably be expected to have a material adverse effect on Cohu or Xcerra, and (ix) the effectiveness of the Registration Statement of which this joint proxy statement/prospectus forms a part. See *The Merger Agreement Conditions to the Closing of the Merger* for a more detailed description of the conditions to the closing of the Merger.

The required satisfaction or waiver of the foregoing conditions could delay the completion of the Merger for a significant period of time or, if not ever satisfied or waived, may prevent the Merger from occurring at all. Any delay in completing the Merger could cause the combined company not to realize some or all of the benefits that the parties expect the combined company to achieve. As such, there can be no assurance that the conditions to the closing of the Merger will be satisfied or waived or that the Merger will be completed.

In addition, if the Merger is not completed by the Termination Date, Cohu or Xcerra may choose to terminate the Merger Agreement. Cohu or Xcerra may also elect to terminate the Merger Agreement in certain other circumstances, and the parties can mutually decide to terminate the Merger Agreement at any time prior to the closing of the Merger. See *The Merger Agreement Termination of the Merger Agreement* and *The Merger Agreement Termination Fees* for a more detailed description of these circumstances.

Cohu and Xcerra must obtain required approvals and governmental and regulatory consents to complete the Merger, which, if delayed, not granted or granted subject to conditions, may jeopardize or delay the consummation of the Merger, result in additional expenditures of money and resources and/or reduce the anticipated benefits of the Merger.

The Merger is subject to customary closing conditions, including, among others, the receipt of the Approvals.

The governmental agencies from which the parties will seek the Approvals have broad discretion in administering the governing regulations. As a condition to their approval of the Merger, these governmental agencies may impose requirements, limitations or costs, require divestitures or place restrictions on the conduct of Cohu s business after consummation of the Merger. These requirements, limitations, costs, divestitures or restrictions could jeopardize or delay the consummation of the Merger. However, as described further in *The Merger Agreement Efforts to Complete the Merger*, in no event shall Cohu, Merger Sub or Xcerra, in connection with their respective efforts to obtain the Approvals, be required to agree to the sale, license, assignment, transfer or other divestiture or disposition of, holding separate or any other limitation on (A) in the case of businesses, services, products or assets of Xcerra and its subsidiaries, any such businesses, services, products or assets that generated aggregate revenue for the twelve month period ended December 30, 2017 of greater than $20.0 million and (B) in the case of businesses, services, products or assets of Cohu and its subsidiaries, any such businesses, services, products or assets that generated aggregate revenue for the twelve month period ended December 30, 2017 of greater than $4.0 million, and, further, none of Cohu, Merger Sub or Xcerra is required to agree to any sale, license, assignment, transfer or other divestiture or disposition of, holding separate or any other limitation on products or services that have not yet been commercialized (including those under development or in the research, planning, prototyping, design, pre-production, evaluation or testing phases). Even if the Approvals are obtained and all other conditions to the closing of the Merger are satisfied, no assurance can be given as to the terms, conditions and timing of the Approvals. If Cohu or Xcerra agrees to any requirements, limitations, costs, divestitures or restrictions in order to obtain the Approvals or any other approval or consent required to consummate the Merger, these requirements, limitations, costs, divestitures or restrictions could adversely affect Cohu s ability to integrate its operations with Xcerra s operations, reduce the anticipated benefits of the Merger, and have a material adverse effect on the business and results of operations of Cohu after consummation of the Merger. Any requirements, limitations, costs, divestitures or restrictions imposed by any governmental agencies could also result in delay or failure to consummate the Merger.

Any delay in completing the Merger may significantly reduce the benefits expected to be obtained from the Merger.

In addition to the Approvals, the Merger is subject to a number of other conditions that are beyond the control of Cohu and Xcerra and that may prevent, delay or otherwise materially adversely affect completion of the Merger. Cohu and Xcerra cannot predict whether and when these other conditions will be satisfied. Further, the requirements for obtaining the Approvals could delay the completion of the Merger for a significant period of time or prevent the Merger from occurring. Any delay in completing the Merger could result in the failure to realize some or all of the cost synergies projected to result from the Merger and other benefits that Cohu and Xcerra expect to achieve if they successfully complete the Merger within the expected timeframe and integrate their respective businesses. See *The Merger Agreement Conditions to the Closing of the Merger* for more information.

The consummation of the Merger may permit counterparties to certain agreements with Xcerra to terminate those agreements.

Xcerra is a party to certain agreements that give the counterparties to such agreements certain rights, including consent and/or termination rights, in connection with change in control transactions or otherwise. Under certain of these agreements, the Merger may constitute a change in control or otherwise give rise to consent or termination rights in favor of the counterparty thereto. If Cohu and Xcerra are unable to negotiate the waiver of any such provision and/or obtain consent from the counterparty to any such agreement with respect to the Merger, such counterparty may assert its rights under the applicable agreement, potentially terminating the agreement or seeking monetary damages. Even if Cohu and Xcerra are able to negotiate waivers or obtain required consents under these agreements, the counterparties thereto may require a fee for such waivers or consent or seek to renegotiate the agreements on terms that may be less favorable to Xcerra or the combined company and which may adversely affect the value of Cohu Common Stock following completion of the Merger.

Uncertainty about the Merger may cause Cohu s and Xcerra s current and prospective employees to experience uncertainty about their future roles and relationships with Cohu, whether or not the Merger is completed.

Uncertainties about the effect of the Merger on Cohu s and Xcerra s current and prospective employees future roles and relationships with Cohu and Xcerra, respectively, may cause them to choose to pursue other opportunities, which could have an adverse effect on the business of Cohu and Xcerra prior to or after the Merger. These uncertainties may impair Cohu s and Xcerra s ability to retain, recruit or motivate key management, sales, marketing, engineering, technical and other personnel. If, despite Cohu s and Xcerra s retention efforts, key employees depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the combined company following the consummation of the Merger, Cohu s and Xcerra s businesses could be seriously harmed. Any delay in completing the Merger may further increase such uncertainties and the adverse effects related thereto.

Uncertainty about the Merger may adversely affect Cohu s and Xcerra s businesses and relationships with customers or other counterparties, whether or not the Merger is completed.

Each of Cohu and Xcerra is subject to risks in connection with the pendency of the Merger, including the pendency and outcome of any legal proceedings with respect to the Merger and of foregoing opportunities that Cohu or Xcerra, respectively, might otherwise pursue absent the Merger. In addition, in response to the announcement of the Merger and regardless of whether the Merger is ultimately completed, Cohu s and Xcerra s respective existing or prospective customers, suppliers, business or strategic partners or other counterparties may:

delay, defer or cease purchasing goods or services from or providing goods or services to Cohu or Xcerra, as applicable;

delay or defer other decisions concerning, or refuse to extend credit to, Cohu or Xcerra, as applicable;

cease further joint development activities; or

otherwise seek to change the terms on which they do business with Cohu or Xcerra, as applicable.

While Cohu and Xcerra are attempting to address these risks through communications with their respective existing and prospective customers, suppliers or joint development partners, such parties may be reluctant to continue to do business with Cohu or Xcerra, as applicable, due to the potential uncertainty about, among other things, product offerings and the support and service following the consummation of the Merger.

The Merger Agreement subjects Cohu and Xcerra to certain restrictive covenants that will restrict the way each party conducts its respective business until either the consummation or the termination of the Merger which could adversely affect the price of Cohu Common Stock and Cohu s results of operations, as well as the price of Xcerra Common Stock and Xcerra s results of operations.

The Merger Agreement restricts each of Xcerra and Cohu, subject to certain exceptions, from making certain acquisitions and taking other specified actions until the completion of the Merger, or the termination of the Merger Agreement pursuant to its terms. These restrictions may prevent Cohu and Xcerra from pursuing otherwise attractive business opportunities and making other changes to their respective businesses prior to completion of the Merger or termination of the Merger Agreement. See *The Merger Agreement Conduct of Business Pending the Merger* for further detail on the various restrictions on Cohu and Xcerra during the pendency of the Merger.

Some of Cohu s and Xcerra s officers and directors may have interests in the Merger that are different from, or in addition to, the interests of Cohu stockholders and Xcerra stockholders.

When considering the recommendation of the Cohu Board and the Xcerra Board with respect to the Merger, Xcerra stockholders and Cohu stockholders should be aware that some directors and executive officers of Xcerra and Cohu, respectively, may have interests in the Merger that may be different from, or in addition to, the interests of Xcerra stockholders and Cohu stockholders, respectively. These interests include, among others, potential payments under employment agreements and change in control severance agreements, rights to acceleration of vesting and exercisability of options, and acceleration of vesting of restricted stock units as a result of the Merger, rights to ongoing indemnification and insurance coverage for acts or omissions occurring prior to the Merger, continued employment as an executive officer of Cohu and/or service as a director of Cohu. See *The Merger Interests of Cohu Directors and Executive Officers in the Merger* and *The Merger Interests of Xcerra Directors and Executive Officers in the Merger* for more information.

As a result of these interests, the directors and executive officers of Cohu or Xcerra, as the case may be, might be more likely to support and to vote in favor of the proposals described in this joint proxy statement/prospectus than if such persons did not have these interests. Each of Cohu s and Xcerra s stockholders should consider whether these interests might have influenced the directors and executive officers of Cohu and Xcerra, respectively, to support or recommend, with respect to Xcerra, approval of the Merger Agreement or, with respect to Cohu, approval of the issuance of the Cohu Common Stock payable in the Merger. At the close of business on the Cohu Record Date, Cohu s directors and executive officers were entitled to vote approximately [ ]% of the then-outstanding shares of Cohu Common Stock. As of the close of business on the Xcerra Record Date, Xcerra s directors and executive officers were entitled to vote approximately [ ]% of the then-outstanding shares of Xcerra Common Stock.

There can be no assurance that Cohu will be able to secure the funds necessary to pay the Cash Consideration on acceptable terms, in a timely manner or at all.

Cohu intends to fund the Cash Consideration to be paid to Xcerra stockholders with a combination of unrestricted cash on hand and debt financing. To this end, Cohu has entered into the Commitment Letter providing for, as of the date of this joint proxy statement/prospectus, the Term Facility and the Cash Bridge Facility. The obligations of the Lender to provide the Facilities are subject to a number of customary conditions. However, as of the date of this joint proxy statement/prospectus, neither Cohu nor any of its subsidiaries has entered into definitive agreements for the Debt Financing (as defined herein) (or any equity issuance or other financing arrangements in lieu thereof). There can be no assurance that Cohu will be able to secure the Debt Financing pursuant to the Commitment Letter. See *The Merger Financing Relating to the Merger* for a discussion of Cohu s Merger-related financing.

In the event that the Debt Financing contemplated by the Commitment Letter is not available, other financing may not be available on acceptable terms, in a timely manner or at all. If Cohu is unable to secure financing, the Merger may be delayed or not be completed. In addition, Cohu may be required, pursuant to the terms of the Merger Agreement, to pay to Xcerra a $45.0 million termination fee if the Merger Agreement is terminated by Xcerra under certain circumstances related to a failure by Cohu to obtain financing. See *The Merger Agreement Termination Fees Termination Fee Payable by Cohu* for more information.

The failure to complete the Merger could have an adverse impact on the price of each of Xcerra Common Stock and Cohu Common Stock as well as the future business and operating results of Xcerra and Cohu.

If the Merger is not completed, Xcerra and Cohu would be subject to a number of consequences that could adversely affect their businesses, results of operations and the price of each of Xcerra Common Stock and Cohu Common Stock, including the following:

- Xcerra and Cohu would not realize the anticipated benefits of the Merger, including among other things, increased operating efficiencies;

- either party could be required to pay a termination fee of $22.8 million to the other party under certain circumstances, and Cohu could be required to pay the Financing Termination Fee of $45.0 million if the failure to complete the Merger related to a failure by Cohu to obtain financing;

- Xcerra and Cohu will have incurred significant costs in connection with the Merger that they will be unable to recover, including transaction, legal, employee-related and other costs;

- either party could experience the potential loss of key personnel during the pendency of the Merger, as employees may experience uncertainty about their future roles with the combined company;

- Xcerra and Cohu will have been subject to certain restrictions on the conduct of their respective businesses, which could prevent them from making certain acquisitions or dispositions or pursuing certain business opportunities during the pendency of the Merger;

- Xcerra or Cohu could be subject to legal proceedings related to the Merger;

the failure of the Merger to be consummated could result in negative publicity and a negative impression of Xcerra or Cohu in the investment community;

either party could experience disruptions to its business resulting from the announcement and pendency of the Merger, including any adverse changes in its relationships with its customers, strategic partners, suppliers, licensees, other business partners and employees, may continue or intensify in the event the Merger is not consummated;

Xcerra or Cohu may not be able to take advantage of alternative business opportunities or effectively respond to competitive pressures;

either party could experience an increase in employee departures; and

The trading price of Xcerra Common Stock and/or Cohu Common Stock may decline to the extent that the current respective market prices of Xcerra Common Stock and Cohu Common Stock reflect an assumption that the Merger will be completed.

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The occurrence of any of these events, individually or in combination, could have a material adverse effect on Xcerra s and/or Cohu s results of operations or the trading price of Xcerra Common Stock or Cohu Common Stock.

Litigation that may be filed against Xcerra, Cohu and Merger Sub could prevent or delay the completion of the Merger or result in the payment of damages following completion of the Merger.

Xcerra, Cohu, Merger Sub and members of the Xcerra Board and Cohu Board may in the future be parties, among others, to various claims and litigation related to the Merger, including putative stockholder class actions. Among other remedies, the plaintiffs in such matters may seek to enjoin the Merger. The results of complex legal proceedings are difficult to predict, and could delay or prevent the Merger from becoming effective in a timely manner. The existence of litigation relating to the Merger could impact the likelihood of obtaining the required approval of the Xcerra stockholders and the Cohu stockholders. Moreover, any future litigation could be time consuming and expensive, could divert Cohu and Xcerra s respective management s attention away from their regular business, and, if adversely resolved against either Cohu, Xcerra or Merger Sub, could have a material adverse effect on their respective financial condition.

One of the conditions to the closing of the Merger is that no governmental authority of competent jurisdiction shall have issued any order, judgment, decision, decree, injunction, ruling, or award that has the effect of prohibiting or otherwise preventing the consummation of the Merger, the issuance of Cohu Common Stock in the Merger or the other transactions contemplated by the Merger Agreement, and that no law shall have been enacted, issued or promulgated by any governmental authority of competent jurisdiction that has the effect of making the Merger, the issuance of Cohu Common Stock in the Merger or the other transactions contemplated by the Merger Agreement illegal or that has the effect of prohibiting or otherwise preventing the consummation of the Merger, the issuance of Cohu Common Stock in the Merger or the other transactions contemplated by the Merger Agreement. Consequently, if a settlement or other resolution is not reached with respect to any future litigation resulting in the imposition of injunctive or other relief prohibiting, delaying or otherwise adversely affecting Cohu s and/or Xcerra s ability to complete the Merger on the terms contemplated by the Merger Agreement, then such injunctive or other relief may prevent the Merger from becoming effective in a timely manner or at all.

Shares of Cohu Common Stock to be received by Xcerra stockholders in connection with the Merger will have rights different from the shares of Xcerra Common Stock.

Upon completion of the Merger, the rights of former Xcerra stockholders who become Cohu stockholders will be governed by Cohu s amended and restated certificate of incorporation, as amended, and Cohu s amended and restated bylaws. The rights associated with Xcerra Common Stock are different from the rights associated with Cohu Common Stock. See *Comparison of Rights of Stockholders* for a comparison of the rights associated with Cohu Common Stock and those associated with Xcerra Common Stock.

Risk Factors Relating to the Combined Company Following the Merger

Cohu may fail to realize the benefits expected from the Merger, which could adversely affect Cohu s stock price.

The anticipated benefits Cohu expects from the Merger are, necessarily, based on projections and assumptions about the combined businesses of Cohu and Xcerra, which may not materialize as expected or which may prove to be inaccurate. The value of Cohu Common Stock following the completion of the Merger could be adversely affected if Cohu is unable to realize the anticipated benefits from the Merger on a timely basis or at all. Achieving the benefits of the Merger will depend, in part, on Cohu s ability to integrate the business and operations of Xcerra successfully and efficiently with Cohu s business. The challenges involved in this integration, which will be complex and time-consuming, include the following:

- difficulties entering new markets or manufacturing in new geographies where Cohu has no or limited direct prior experience;

successfully managing relationships with Cohu and Xcerra s combined supplier and customer base;

coordinating and integrating independent research and development and engineering teams across technologies and product platforms to enhance product development while reducing costs;

coordinating sales and marketing efforts to effectively position the combined company s capabilities and the direction of product development;

limitations or restrictions required by regulatory authorities on the ability of management of Cohu and of Xcerra to conduct planning regarding the integration of the two companies;

difficulties and significant costs in integrating the systems and processes of two companies with complex operations including multiple manufacturing sites;

the increased scale and complexity of Cohu s operations resulting from the Merger;

Cohu s ability to achieve the cost synergies contemplated by the proposed transaction within the expected time frame, and significant costs of integration and restructuring;

retaining key employees of Cohu and Xcerra;

obligations that Cohu will have to counterparties of Xcerra that arise as a result of the change in control of Xcerra; and

the diversion of management attention from other important business objectives.

If Cohu does not successfully manage these issues and the other challenges inherent in integrating an acquired business of the size and complexity of Xcerra, then Cohu may not achieve the anticipated benefits of the Merger and Cohu s revenue, expenses, operating results and financial condition could be materially adversely affected.

The business and operating results of Cohu could be harmed by the highly cyclical nature of the semiconductor industry.

Cohu and Xcerra operate in the semiconductor industry. Historically, the semiconductor industry has been highly cyclical with recurring periods of diminished product demand. Significant downturns in the semiconductor industry are often experienced in connection with, or in anticipation of, excess manufacturing capacity worldwide, maturing product cycles and declines in general economic conditions. Even if demand for the products and solutions of Cohu and Xcerra remains constant after the completion of the Merger, oversupply in the semiconductor industry may create competitive pressures that can degrade pricing levels and reduce revenues of the combined company. Any failure to expand in cycle upturns to meet customer demand and delivery requirements or contract in cycle downturns at a pace consistent with cycles in the industry could have an adverse effect on the business of the combined company.

Cohu stockholders and Xcerra stockholders will have a reduced ownership and voting interest after completion of the Merger and will exercise less influence over management.

Cohu stockholders currently have the right to vote on the election of the Cohu Board and on other matters affecting Cohu. Similarly, Xcerra stockholders presently have the right to vote on the election of the Xcerra Board and on other matters affecting Xcerra. Immediately following the Merger, Cohu stockholders will own approximately 72% of Cohu Common Stock, and Xcerra stockholders will own approximately 28% of Cohu Common Stock, based on the number of shares of Cohu and Xcerra Common Stock outstanding as of May 31, 2018. As a result, current Cohu stockholders and current Xcerra stockholders may have less influence on the management and policies of the combined company than they now have on the management and policies of Cohu and Xcerra, respectively.

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Uncertainties associated with the Merger may cause a loss of employees and may otherwise materially adversely affect the future business and operations of the combined company.

The combined company s success after the Merger will depend in part upon the ability of the combined company to retain executive officers and key employees of Cohu and Xcerra. In some of the fields in which Cohu and Xcerra operate, there are only a limited number of people in the job market who possess the requisite skills and it may be increasingly difficult for the combined company to hire personnel over time. The combined company will operate in several geographic locations where the labor markets, especially for technical professionals, are particularly competitive. Each of Cohu and Xcerra has experienced difficulty in hiring and retaining sufficient qualified management, manufacturing, technical, application engineering, marketing, sales and support personnel in parts of their respective businesses.

Current and prospective employees of Cohu and Xcerra may experience uncertainty about their roles with the combined company following the Merger. In addition, key employees may depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the combined company following the Merger. The loss of services of any key personnel or the inability to hire new personnel with the requisite skills could restrict the ability of the combined company to develop new products or enhance existing products in a timely manner, to sell products to customers or to manage the business of the combined company effectively. Also, the business, financial condition and results of operations of the combined company could be materially adversely affected by the loss of any of its key employees, by the failure of any key employee to perform in his or her current position, or by the combined company s inability to attract and retain skilled employees, particularly for technical professionals.

Third parties may claim that the combined company is infringing their intellectual property, and the combined company could suffer significant litigation or licensing expenses or be prevented from selling its products or services.

The semiconductor industry is characterized by uncertain and conflicting intellectual property claims and vigorous protection and pursuit of intellectual property rights. Each of Cohu and Xcerra from time to time is involved in disputes regarding patent and other intellectual property rights. Each of Cohu and Xcerra has in the past received, and the combined company may in the future receive, communications from third parties asserting that certain of products, processes or technologies of the combined company infringe upon their patent rights, copyrights, trademark rights or other intellectual property rights. The combined company may also receive claims of potential infringement if it attempts to license intellectual property to others. Defending these claims may be costly and time consuming, and may divert the attention of management and key personnel from other business issues. The complexity of the technology involved and the uncertainty of intellectual property litigation increase these risks. Claims of intellectual property infringement also might require the combined company to enter into costly royalty or license agreements. The combined company may be unable to obtain royalty or license agreements on acceptable terms, or at all. Similarly, changing the combined company s products or processes to avoid infringing the rights of others may be costly or impractical. The combined company may also be subject to significant damages or injunctions against the development and sale of certain of its products and services. Resolution of such disputes could have a material adverse effect on the combined company s results of operations or financial condition and may require material changes in production processes and products.

The combined company may not be able to adequately protect or enforce its intellectual property rights, which could harm its competitive position, cause license and royalty revenue to decline and result in costly litigation to enforce its rights.

The combined company s success and future revenue growth will depend, in part, on its ability to protect its intellectual property. The combined company will primarily rely on patent, copyright, trademark and trade secret laws, as well as nondisclosure agreements and other methods, to protect its proprietary technologies and processes. It is possible that competitors or other unauthorized third parties may obtain, copy, use or disclose, illegally or otherwise, the combined company s proprietary technologies and processes, despite efforts of the combined company to protect its proprietary technologies and processes. While the combined company will hold a significant number of patents, there can be no assurance that such patents will not be challenged. As new patents are issued, the claims allowed may not be sufficiently broad to protect the combined company s technology. In addition, any of Cohu s or Xcerra s existing patents, and any future patents issued to the combined company, may be challenged, invalidated or circumvented, either in connection with the transactions contemplated by the Merger Agreement or otherwise. As such, any rights granted under these patents may not provide the combined company with meaningful protection. Cohu and Xcerra may not have, and in the future the combined company may not be able to obtain, foreign patents or pending applications corresponding to its U.S. patents and applications. Even if foreign patents are granted, effective enforcement in foreign countries may not be available. If the combined company s patents do not adequately protect its technology, competitors may be able to offer products similar to the combined company s products. The combined company s competitors may also be able to develop similar technology independently or design around the combined company s patents.

The combined company may incur significant patent litigation costs as part of the licensing process or to enforce its patents. Litigation is subject to inherent risks and uncertainties that may cause actual results to differ materially from the combine company s expectations. If the combined company brings a patent infringement action and is not successful, its competitors would be able to use similar technology to compete with the combined company. Moreover, the defendant in such an action may successfully countersue the combined company for infringement of such counterparty s patents or assert a counterclaim that the combined company s patents are invalid or unenforceable. If the combined company does not prevail in the defense of patent infringement claims, it could be required to pay substantial damages and royalties, cease the manufacture, use and sale of infringing products in one or more geographic locations, expend significant resources to develop non-infringing technology, discontinue the use of specific processes or obtain licenses to the technology infringed, all of which could be materially adverse to the business and results of operations of the combined company.

The Merger could have an adverse effect on the Cohu and Xcerra brands.

The success of Cohu and Xcerra is largely dependent upon the ability of Cohu and Xcerra to maintain and enhance the value of their respective brands, their customers connection to and perception of their respective brands, and sustain a positive relationship with customers and suppliers. Brand value, and as a result the businesses and results of operations of Cohu and Xcerra, could be severely damaged if the Merger receives considerable negative publicity or if customers or suppliers otherwise come to have a diminished view of the respective brands of Cohu and Xcerra as a result of the Merger or the common ownership of the existing businesses.

Following the Merger, Cohu will have significantly less cash on hand than Cohu and Xcerra collectively have as of the date of this joint proxy statement/ prospectus.

Following an assumed completion of the Merger on March 31, 2018, after all other pro forma adjustments relating to the Merger, Cohu would have had, on a pro forma basis as of March 31, 2018, approximately $151.1 million in cash, cash equivalents, and marketable securities. In addition, the combined company would have had, on a pro forma basis as of March 31, 2018 approximately $351.5 million in long-term indebtedness and $3.3 million of other short-term borrowings. By comparison, as of May 31, 2018, Cohu has approximately $140.6 million in cash, cash equivalents, and marketable securities, and as of May 31, 2018, Xcerra has approximately $145.1 million in cash, cash equivalents, and marketable securities. In addition, as of May 31, 2018, Cohu has approximately $5.5 million of long-term debt and $3.2 million of other short term borrowings, and as of May 31, 2018, Xcerra has approximately $2.5 million of long-term debt. If the actual amount of cash and cash equivalents that Cohu has on hand following the Merger is less than expected, this could adversely affect Cohu s ability to grow and to perform which in turn could have a materially adverse effect on the business and results of operations of the combined company. See *The Merger Financing Relating to the Merger* for more information.

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The use of cash and incurrence of substantial indebtedness in connection with the financing of the Merger may have an adverse impact on Cohu s liquidity, limit Cohu s flexibility in responding to other business opportunities and increase Cohu s vulnerability to adverse economic and industry conditions.

The Merger will be financed in part by the use of Cohu s cash on hand and the incurrence of indebtedness. As of May 31, 2018, Cohu had approximately $111.2 million of cash and cash equivalents, approximately $29.3 million of short-term investments and approximately $8.7 million of total debt outstanding. In connection with the Merger, Cohu expects to enter into the Facilities. The proceeds from the Facilities are expected to be used to pay part of the Cash Consideration and to pay transaction related fees and expenses. The use of cash on hand and indebtedness to finance the acquisition will reduce Cohu s liquidity and could cause Cohu to place more reliance on cash generated from operations to pay principal and interest on Cohu s debt, thereby reducing the availability of Cohu s cash flow for working capital, dividend and capital expenditure needs or to pursue other potential strategic plans. Cohu expects that the agreements it will enter into with respect to the Debt Financing will contain certain negative covenants, including limitations on Cohu s ability to incur additional liens and indebtedness or to pay dividends and make certain investments. Cohu s ability to comply with these negative covenants may be affected by events beyond its control. The indebtedness and these negative covenants will also have the effect, among other things, of limiting Cohu s ability to obtain additional financing, if needed, limiting its flexibility in the conduct of its business and making Cohu more vulnerable to economic downturns and adverse competitive and industry conditions. In addition, a breach of the negative covenants could result in an event of default with respect to the indebtedness, which, if not cured or waived, could result in the indebtedness becoming immediately due and payable and could have a material adverse effect on Cohu s business, financial condition or operating results. See *The Merger Financing Relating to the Merger* for more information.

Because of high debt levels, Cohu may not be able to service its debt obligations in accordance with their terms after the completion of the Merger.

Cohu s ability to meet its expense and debt service obligations contained in the agreements Cohu expects to enter into with respect to the Debt Financing will depend on Cohu s future performance, which will be affected by financial, business, economic and other factors, including potential changes in industry conditions, industry supply and demand balance, customer preferences, the success of Cohu s products and pressure from competitors. In addition, Cohu is subject to interest rate risks, and continuing increases in interest rates will increase Cohu s debt service obligations. Should Cohu s revenues decline after the Merger, Cohu may not be able to generate sufficient cash flow to pay its debt service obligations when due. If Cohu is unable to meet its debt service obligations after the Merger or should Cohu fail to comply with the covenants contained in the agreements governing its indebtedness, Cohu may be required to refinance all or part of its debt, sell important strategic assets at unfavorable prices, incur additional indebtedness or issue Cohu Common Stock or other equity securities. Cohu may not be able to, at any given time, refinance its debt, sell assets, incur additional indebtedness or issue equity securities on terms acceptable to Cohu, in amounts sufficient to meet Cohu s needs or at all. If Cohu is able to raise additional funds through the issuance of equity securities, such issuance would also result in dilution to Cohu s stockholders. Cohu s inability to service its debt obligations or refinance its debt could have a material adverse effect on its business, financial conditions or operating results after the Merger. In addition, Cohu s debt obligations may limit its ability to make required investments in capacity, technology or other areas of its business, which could have a material adverse effect on its business, financial conditions or operating results.

The Merger may result in significant charges or other liabilities that could adversely affect the financial results of the combined company.

The financial results of the combined company may be adversely affected by cash expenses and non-cash accounting charges incurred in connection with the integration of the respective businesses and operations of Cohu and Xcerra. The amount and timing of these possible charges are not yet known. Further, Cohu s failure to identify or accurately assess the magnitude of certain liabilities that Cohu is assuming in the Merger could result

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in unexpected litigation or regulatory exposure, unfavorable accounting charges, unexpected increases in taxes due, a loss of anticipated tax benefits or other adverse effects on Cohu s business, operating results or financial condition. The price of Cohu Common Stock following the Merger could decline to the extent the combined company s financial results are materially affected by any of these events.

Cohu expects to incur substantial expenses related to the Merger.

Cohu expects to incur substantial expenses in connection with the consummation of the Merger and integrating the business, operations, systems, technologies, policies and procedures of Xcerra with those of Cohu. While Cohu has assumed that a certain level of transaction and integration expenses would be incurred, there are a number of factors beyond its control that could affect the total amount or the timing of its integration expenses. Many of the expenses that will be incurred, by their nature, are difficult to estimate accurately at the present time. As a result, the transaction and integration expenses associated with the Merger could, particularly in the near term, exceed the savings that Cohu expects to achieve from the elimination of duplicative expenses and the realization of economies of scale and cost savings related to the integration of the businesses following the completion of the Merger.

Significant developments stemming from the current U.S. presidential administration s priorities or initiatives, particularly with respect to trade, could have a material adverse effect on the combined company.

The current U.S. presidential administration has proposed restrictions on free trade generally and significant increases in tariffs on goods imported into the United States, particularly from China. In addition, the administration has notified Congress of its intentions to begin renegotiating NAFTA, and withdrawn the United States from negotiations for the Trans-Pacific Partnership. Changes in U.S. social, political, regulatory and economic conditions or in laws and policies governing foreign trade, manufacturing, development and investment in the territories and countries where Cohu or Xcerra currently develop and sell products and any negative sentiments towards the United States as a result of such changes, could adversely affect the business of the combined company. To the extent U.S. policies lead to an economic downturn, in the United States or abroad, the effects could materially affect the business of the combined company in many ways, any of which could have a material adverse effect on the combined company s results of operations.

Cohu s actual financial position and results of operations may differ materially from the unaudited pro forma financial data included herein.

The unaudited pro forma financial data included herein are presented for illustrative purposes only and are not necessarily indicative of what Cohu s actual financial position or results of operations would have been had the Merger been completed on the dates indicated. These data reflect adjustments, which are based upon preliminary estimates, to allocate the purchase price to Xcerra s net assets. The purchase price allocation reflected in this document is preliminary, and final allocation of the purchase price will be based upon the actual purchase price and the fair value of the assets and liabilities of Xcerra as of the date of the completion of the Merger. In addition, subsequent to the closing date of the Merger, there may be further refinements of the purchase price allocation as additional information becomes available.

Accordingly, the final purchase accounting adjustments might differ materially from the pro forma adjustments reflected herein. See *Selected Unaudited Pro Forma Combined Financial Information* for more information.

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The unaudited prospective financial information of Cohu and Xcerra included in this joint proxy statement/prospectus involves risks, uncertainties and assumptions, many of which are beyond the control of Cohu and Xcerra. As a result, it may not prove to be accurate and is not necessarily indicative of current values or future performance.

The unaudited prospective financial information of Cohu and Xcerra referred to in *The Merger Opinion of Cohu s Financial Advisor, Deutsche Bank*, *The Merger Opinion of Xcerra s Financial Advisor, Cowen* and *The Merger Unaudited Prospective Financial Information*, involves risks, uncertainties and assumptions and is not a guarantee of future performance. While the unaudited prospective financial information utilized by Cohu, Xcerra and their respective advisors in connection with the Merger and summarized in this joint proxy statement/prospectus was prepared in good faith based on information available at the time of preparation, no assurance can be made regarding future events or that the assumptions made in preparing such unaudited prospective financial information will accurately reflect future conditions. In preparing such unaudited prospective financial information, the respective managements of Cohu and Xcerra each made assumptions regarding, among other things, future economic, competitive, regulatory and financial market conditions and future business decisions that may not be realized and that are inherently subject to significant uncertainties and contingencies, including, among others, risks and uncertainties described or incorporated by reference in this section and the section entitled *Cautionary Statement Concerning Forward-Looking Statements*, all of which are difficult to predict and many of which are beyond the control of Cohu and Xcerra and, if the Merger is completed, will be beyond the control of the combined company. Thus, the future financial results of Cohu and Xcerra and, if the Merger is completed, the combined company, may materially differ from those expressed in the unaudited prospective financial information due to factors that are beyond Cohu s and Xcerra s ability to control or predict. Neither Cohu nor Xcerra can provide any assurance that Cohu s or Xcerra s unaudited prospective financial information will be realized or that Cohu s or Xcerra s future financial results will not materially vary from the applicable unaudited prospective financial information. The unaudited prospective financial information covers multiple years, and the information by its nature becomes subject to greater uncertainty with each successive year. The unaudited prospective financial information does not reflect Cohu s or Xcerra s current estimates and does not take into account any circumstances or events occurring after the date it was prepared.

The unaudited prospective financial information was not prepared with a view toward public disclosure or compliance with published guidelines of the SEC or the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information or U.S. generally accepted accounting principles or GAAP and does not reflect the effect of any proposed or other changes in GAAP that may be made in the future. As a result, the unaudited prospective financial information cannot be considered predictive of actual future operating results, and this information should not be relied on as such.

The opinions rendered to the Cohu Board and Xcerra Board by the parties respective financial advisors were based on the respective financial analyses performed, which considered factors such as market and other conditions then in effect, and prospective financial information and other information made available to such financial advisors, as of the date of their respective opinions. As a result, the opinions do not reflect changes in events or circumstances after the date of the opinions.

The opinions rendered to the Cohu Board and the Xcerra Board by the parties respective financial advisors were provided in connection with, and at the time of, the Cohu Board s and the Xcerra Board s respective evaluations of the Merger. The opinions were necessarily based on the respective financial analyses performed, which considered market and other conditions then in effect, and prospective financial information and other information made available to them, as of the date of the respective opinions, which may have changed after the date of the respective opinion. The opinions did not speak as of the time that the Merger would be completed or as of any date other than the date of such opinions. For more information, see the sections entitled *The Merger Opinion of Cohu s Financial Advisor,* *Deutsche Bank* and *The Merger Opinion of Xcerra s Financial Advisor, Cowen*.

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The Merger will result in changes to the Cohu Board that may affect the strategy and operations of the combined company as compared to that of Cohu and Xcerra as they currently exist.

If the Merger is completed, the composition of the Cohu Board will change. Upon completion of the Merger, the Cohu Board will include two new members selected from members of the Xcerra Board. There can be no assurance that the newly constituted Cohu Board will function effectively as a team and that there will not be any adverse effect on the combined company s business as a result.

Cohu cannot provide assurance that it will be able to continue paying dividends at the current rate.

Cohu plans to continue its currently quarterly dividend practices following the Merger. However, Cohu stockholders may not receive the same dividends following the Merger for various reasons, including the following:

- as a result of the Merger and the issuance of shares of Cohu Common Stock in connection with the Merger, the total amount of cash required for Cohu to pay dividends at its current rate will increase;

- Cohu may not have enough cash to pay such dividends due to Cohu s cash requirements, capital spending plans, cash flow or financial position;

- decisions on whether, when and in which amounts to make any future distributions will remain at all times entirely at the discretion of the Cohu Board, which reserves the right to change Cohu s dividend practices at any time;

- Rising interest rates, which increase Cohu s debt service obligations;

- Cohu may desire to retain cash to maintain or improve its credit ratings; and

- the amount of dividends that Cohu s subsidiaries may distribute to Cohu may be subject to restrictions imposed by state or foreign law, restrictions that may be imposed by state or foreign regulators, and restrictions imposed by the terms of any current or future indebtedness that these subsidiaries may incur.

Uncertainties underlie Cohu s expectation that, relative to Cohu on a stand-alone basis, the Merger will be accretive to Cohu s earnings per share after consummation of the Merger.

Cohu believes that, relative to Cohu on a stand-alone basis, the Merger will be accretive to Cohu s earnings per share following the consummation of the Merger. However, Cohu cannot give any assurance that the Merger will be accretive to Cohu s earnings per share. In addition to the uncertainties that underlie any financial forecast, Cohu will account for the Merger as an acquisition under Accounting Standards Codification Topic 805, Business Combinations, or ASC 805 . The total cost of the Merger will be allocated to the underlying identifiable net tangible and intangible assets and liabilities based on their respective estimated fair values. Until the acquisition price and other factors are known, Cohu can only estimate the allocation of the acquisition price to the net assets acquired and the effect of the allocation on future results. That estimate could materially change.

Risk Factors Relating to Cohu s Business

You should read and consider factors specific to Cohu s business that will also affect the combined company following the completion of the Merger, as described in Part I, Item 1A in Cohu s Annual Report on Form 10-K for the year ended December 30, 2017 and in Part I, Item 1A in Cohu s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2018, which have been filed by Cohu with the SEC and are incorporated by reference into this document. See *Where You Can Find More Information* in the forepart of this joint proxy statement/prospectus for the location of information incorporated by reference in this joint proxy statement/prospectus.

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Risk Factors Relating to Xcerra s Business

You should read and consider risk factors specific to Xcerra s business that will also affect the combined company following the completion of the Merger, as described in Part I, Item 1A of Xcerra s Annual Report on Form 10-K for the fiscal year ended July 31, 2017 and in Part I Item 1A of Xcerra s Quarterly Reports on Form 10-Q for the quarterly periods ended October 31, 2018, January 31, 2018 and April 30, 2018, which have been filed by Xcerra with the SEC and are incorporated by reference into this document. See *Where You Can Find More Information* in the forepart of this joint proxy statement/prospectus for the location of information incorporated by reference in this joint proxy statement/prospectus.

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FINANCIAL SUMMARY

Selected Historical Consolidated Financial Data of Cohu

The following table presents selected historical consolidated financial data of Cohu. The selected historical consolidated financial data of Cohu for each the years ended December 30, 2017, December 31, 2016, December 26, 2015, and as of December 30, 2017 and December 31, 2016, are derived from Cohu s audited consolidated financial statements and related notes contained in its Annual Report on Form 10-K for the year ended December 30, 2017, which is incorporated by reference into this joint proxy statement/prospectus. The selected historical consolidated financial data of Cohu for each of the years ended December 27, 2014 and December 28, 2013, and as of December 26, 2015, December 27, 2014 and December 28, 2013, have been derived from Cohu s audited consolidated financial statements for such years, which have not been incorporated by reference into this joint proxy statement/prospectus.

The selected historical consolidated financial data of Cohu as of, and for the three months ended, March 31, 2018 and the three months ended March 25, 2017, are derived from Cohu s unaudited consolidated financial statements and related notes contained in its Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2018, which is incorporated by reference into this joint proxy statement/prospectus. The selected historical consolidated financial data of Cohu as of March 25, 2017 are derived from Cohu s unaudited consolidated financial statements and related notes contained in its Quarterly Report on Form 10-Q for the quarterly period ended March 25, 2017, which has not been incorporated by reference into this joint proxy statement/prospectus. Cohu s management believes that Cohu s unaudited consolidated financial statements have been prepared on a basis consistent with its audited financial statements and include all normal and recurring adjustments necessary for a fair presentation of the results for each interim period.

You should read the following selected historical consolidated financial data of Cohu in conjunction with Cohu s audited consolidated financial statements contained in its Annual Report on Form 10-K for the year ended December 30, 2017 and unaudited consolidated financial statements and related notes contained in its Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2018. In particular, see the notes to Cohu s audited consolidated financial statements and unaudited consolidated financial statements for significant events affecting the comparability of results as well as material uncertainties regarding Cohu s future financial condition and results of operations.

	As of/For the Three Months Ended		As of/For the Years Ended				
	Mar. 31, 2018 (1)	Mar. 25, 2017	Dec. 30, 2017 (2)	Dec. 31, 2016	Dec. 26, 2015	Dec. 27, 2014	Dec. 28, 2013
	(in thousands, except per share amounts)						
Statement of Operations Data:							
Net sales	$ 95,150	$ 81,097	$ 352,704	$ 282,084	$ 269,654	$ 316,629	$ 214,511
Gain on sale of facility	$	$	$	$	$ 3,198	$	$
Income (loss) from continuing operations	$ 8,122	$ 6,763	$ 33,121	$ 3,260	$ 5,792	$ 14,780	$ (28,548)
Per Common Share Data:							
Basic earnings per share	$ 0.28	$ 0.25	$ 1.19	$ 0.12	$ 0.22	$ 0.58	$ (1.15)

Diluted earnings per share	$ 0.28	$ 0.24	$ 1.15	$ 0.12	$ 0.22	$ 0.57	$ (1.15)
Dividends declared per common share	$ 0.06	$ 0.06	$ 0.24	$ 0.24	$ 0.24	$ 0.24	$ 0.24
Balance Sheet Data:							
Total working capital	$ 219,355	$ 172,283	$ 212,171	$ 176,460	$ 171,272	$ 142,194	$ 125,837
Total assets	$ 422,718	$ 378,767	$ 420,457	$ 345,512	$ 345,346	$ 344,765	$ 345,423
Long-term debt	$ 5,838	$ 7,084	$ 5,855	$	$	$	$
Total Cohu stockholders equity	$ 298,352	$ 245,356	$ 289,091	$ 235,469	$ 238,137	$ 247,068	$ 253,160

(1) Cohu adopted Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers* (ASC 606), on December 31, 2017, the first day of its 2018 fiscal year. It was implemented using the modified

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retrospective method of adoption which only applies to those contracts which were not completed as of December 31, 2017. Net sales for the quarter ended March 31, 2018, have been accounted for using ASC 606 and all prior year amounts and the three-month period ended March 25, 2017, have not been adjusted.

(2) On January 4, 2017, Cohu purchased Kita Manufacturing Co. Ltd. and the results of its operations have been included in Cohu s consolidated financial statements since that date. Additionally, results for the year ended December 30, 2017, include the impact from the Tax Cuts and Jobs Act.

Selected Historical Consolidated Financial Data of Xcerra

The selected historical consolidated financial data of Xcerra for each of the years ended July 31, 2017, 2016 and 2015 and as of July 31, 2017 and 2016 has been derived from Xcerra s audited consolidated financial statements included in Xcerra s Annual Report on Form 10-K for the year ended July 31, 2017, filed with the SEC on September 11, 2017, as amended on November 21, 2017, which is incorporated by reference herein. The selected historical consolidated financial data of Xcerra presented for each of the years July 31, 2014 and 2013 and as of July 31, 2015, 2014 and 2013 has been derived from Xcerra s audited consolidated financial statements not incorporated by reference herein. The results for any historical period are not necessarily indicative of future results of Xcerra or the combined company following completion of the Merger.

The selected historical consolidated financial data of Xcerra as of April 30, 2018, and for each of the nine months ended April 30, 2018 and 2017 were derived from the unaudited historical consolidated financial statements included in Xcerra s Quarterly Report on Form 10-Q for the period ended April 30, 2018, filed with the SEC on June 11, 2018, which is incorporated by reference herein. The selected historical consolidated financial data of Xcerra as of April 30, 2017 was derived from Xcerra s Quarterly Report on Form 10-Q for the period ended April 30, 2017, filed with the SEC on June 7, 2017, which is not incorporated by reference herein. Interim results for the nine months ended and as of April 30, 2018 are not necessarily indicative of, and are not projections for, the results to be expected for the fiscal year ending July 31, 2018.

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This financial data should be read in conjunction with the consolidated financial statements and related notes incorporated by reference in this joint proxy statement/prospectus, as well as other information that has been filed by Xcerra with the SEC. See *Where You Can Find More Information* beginning on page 188 for more information on where you can obtain copies of this information.

	Nine Months Ended April 30, (In thousands except per share and ratio data)		**Fiscal Years Ended July 31, (In thousands except per share and ratio data)**				
	2018 [1][2]	**2017 [1]**	**2017 [1]**	**2016 [1]**	**2015 [1]**	**2014 [1]**	**2013**
Consolidated Statements of Operations Data:							
Net sales	$ 346,279	$ 263,845	$ 390,771	$ 324,206	$ 397,978	$ 305,106	$ 151,982
Cost of sales	183,670	148,373	217,662	184,280	218,064	165,248	71,223
Engineering and product development expenses	50,848	45,891	61,689	60,929	64,157	60,733	52,314
Selling, general and administrative expenses	65,830	58,069	82,141	76,742	82,124	77,017	39,253
Amortization of purchased intangible assets	423	518	676	1,203	1,834	1,936	1,582
Restructuring	688	592	791	924	2,206	3,943	476
Income (loss) from continuing operations	44,820	10,402	27,812	128	29,593	(3,771)	(12,866)
Bargain purchase gain						8,621	
Other income (expense), net	(1,361)	1,386	687	671	4,513	(1,992)	464
Income (loss) from continuing operations before provision for income taxes	43,459	11,788	28,499	799	34,106	2,858	(12,402)
Provision for (benefit from) income taxes	6,074	1,650	5,944	(1,660)	2,588	767	(275)
Income (loss) from continuing operations	37,385	10,138	22,555	2,459	31,518	2,091	(12,127)
				8,715	(3,292)	(1,258)	

Income (loss) from discontinued operations, net of tax							
Net income (loss)	$ 37,385	$ 10,138	$ 22,555	$ 11,174	$ 28,226	$ 833	$ (12,127)
Net income attributable to noncontrolling interest**:**	$ 169	$	$	$	$	$	$
Net income (loss) attributable to Xcerra	$ 37,216	$ 10,138	$ 22,555	$ 11,174	$ 28,226	$ 833	$ (12,127)
Basic net income (loss) per share attributable to Xcerra**:**							
Net income (loss) from continuing operations	$ 0.68	$ 0.19	$ 0.42	$ 0.05	$ 0.59	$ 0.04	$ (0.25)
Net income (loss) from discontinued operations, net of tax				0.16	(0.06)	(0.02)	
Basic net income (loss) per share	$ 0.68	$ 0.19	$ 0.42	$ 0.21	$ 0.53	$ 0.02	$ (0.25)
Diluted net income (loss) per share attributable to Xcerra**:**							
Net income (loss) from continuing operations	$ 0.67	$ 0.19	$ 0.41	$ 0.05	$ 0.58	$ 0.04	$ (0.25)
Net income (loss) from discontinued operations, net of tax				0.16	(0.06)	(0.02)	
Diluted net income (loss) per share	$ 0.67	$ 0.19	$ 0.41	$ 0.21	$ 0.52	$ 0.02	$ (0.25)
Weighted average common shares used in computing net income (loss) per share:							
Basic	54,781	54,080	54,127	53,783	53,658	48,214	47,719
Diluted	55,813	54,661	54,872	53,974	54,531	49,150	47,719
Consolidated Balance Sheet Data:							

Working capital	$ 286,936	$ 239,004	$ 256,902	$ 230,688	$ 225,337	$ 192,109	$ 147,393
Property and equipment, net	30,191	26,965	28,509	25,483	31,450	32,153	16,647
Total assets	457,968	398,767	438,613	378,083	387,475	364,143	247,601
Total debt	2,544	21,984	21,327	24,019	26,447	68,748	
Stockholders equity	362,146	293,575	313,679	281,838	278,468	204,619	198,497
Other Information:							
Current ratio	4.40	4.07	3.61	4.48	4.04	3.31	4.91
Asset turnover	N/A	N/A	0.89	0.86	1.02	0.84	0.61
Debt as a percentage of stockholders equity	0.7%	7.5%	6.8%	8.5%	8.7%	25%	
Purchases of property and equipment	$ 4,877	$ 5,539	$ 6,852	$ 3,907	$ 4,389	$ 7,743	$ 2,769
Depreciation and amortization	$ 4,692	$ 4,641	$ 6,190	$ 6,953	$ 8,084	$ 8,060	$ 8,044

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(1) The selected consolidated financial data for the fiscal years ended July 31, 2017, 2016, 2015 and 2014, and nine months ended April 30. 2018 and 2017, includes the results of Xcerra s Multitest, ECT and atg-Luther & Maelzer businesses, which Xcerra acquired from Dover Printing & Identification, Inc. on December 1, 2013.

(2) The selected consolidated financial data for the nine months ended April 30, 2018, includes Xcerra s non-controlling interest in ALBS Solutions Sdn Bhd.

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Selected Unaudited Pro Forma Financial Data

The following unaudited pro forma condensed combined statements of income data for the year ended December 30, 2017, and the three months ended March 31, 2018 reflect the Merger between Cohu and Xcerra as if it occurred on January 1, 2017. The following unaudited pro forma condensed combined balance sheet data as of March 31, 2018 reflects the Merger as if it had occurred on that date. Such unaudited pro forma condensed combined financial data is based on the historical financial statements of Cohu and Xcerra and gives effect to the Merger of Xcerra by Cohu under the acquisition method of accounting. The unaudited pro forma condensed combined statement of income for the year-ended December 30, 2017, will include (1) Cohu s year ended December 30, 2017 and (2) Xcerra s 12-month period ended January 31, 2018. The unaudited pro forma condensed combined pro forma statement of income for the three months ended March 31, 2018 will include (1) Cohu s three months ended March 31, 2018 and (2) Xcerra s three months ended January 31, 2018. The unaudited pro forma condensed combined balance sheet as of March 31, 2018, combines the historical consolidated balance sheets of Cohu as of March 31, 2018 and Xcerra as of January 31, 2018, giving effect to the Merger and the estimated borrowings used to finance the Merger as if it had occurred on March 31, 2018. As a result, the unaudited pro forma condensed combined financial information is based on certain significant assumptions and adjustments as discussed in the section titled *Unaudited Pro Forma Condensed Combined Financial Statements,* including assumptions related to allocating consideration paid to the assets acquired and liabilities assumed of Xcerra based on preliminary estimates of their fair value. The unaudited pro forma condensed combined financial statements are presented for illustrative purposes only and are not necessarily indicative of: (i) results of operations or financial position of the combined company or (ii) the future results of operations or financial position of the combined company. The unaudited pro forma condensed combined financial statements do not reflect any revenue enhancements or benefits from anticipated synergies, operating efficiencies or cost savings that may be associated with the Merger, nor do they reflect the costs necessary to achieve any revenue enhancements, anticipated synergies, operating synergies or cost savings. The following should be read in connection with the section of this joint proxy statement/prospectus entitled *Unaudited Pro Forma Condensed Combined Financial Statements,* and other information included in or incorporated by reference into this document.

	Unaudited Pro Forma Condensed Combined Financial Information	
	For the Three Months Ended March 31, 2018	**For the Year Ended December 30, 2017**
	(in thousands, except per share amounts)	
Condensed Combined Statements of Income Data:		
Net sales	$ 205,426	$ 813,827
Income from operations	$ 12,375	$ 58,649
Net income from continuing operations	$ 4,685	$ 31,309
Income per share:		
Basic		
Income from continuing operations	$ 0.12	$ 0.79
Diluted		

Income from continuing operations	$	0.11	$	0.76

	March 31, 2018 *(in thousands)*
Condensed Combined Balance Sheet Data:	
Total cash, cash equivalents and short-term investments	$ 151,101
Total assets	$ 1,159,225
Long-term liabilities	$ 427,366
Total stockholders equity	$ 553,943

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COHU, INC. AND XCERRA CORPORATION

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

Cohu and Xcerra have different fiscal years. Cohu s fiscal year is based on a 52- or 53-week period ending on the last Saturday in December, whereas Xcerra s fiscal year is based on a July 31st fiscal year-end. The unaudited pro forma condensed combined balance sheet and statements of income have been prepared utilizing period ends that differ by less than 93 days, as permitted by Rule 11-02 Regulation S-X, Title 17 of the Code of Federal Regulations of the United States Part 210.

The unaudited pro forma condensed combined balance sheet as of March 31, 2018, combines the historical consolidated balance sheets of Cohu as of March 31, 2018 and Xcerra as of January 31, 2018, giving effect to the Merger and the estimated borrowings used to finance the Merger as if it had occurred on March 31, 2018. The unaudited pro forma condensed combined statement of income for the year-ended December 30, 2017, will include (1) Cohu s year ended December 30, 2017 and (2) Xcerra s 12-month period ended January 31, 2018. The unaudited pro forma condensed combined pro forma statement of income for the three months ended March 31, 2018 will include (1) Cohu s three months ended March 31, 2018 and (2) Xcerra s three months ended January 31, 2018. Accordingly, Xcerra s results of operations for the three months ended January 31, 2018 are included in both the annual and interim pro forma condensed combined income statements. The preliminary unaudited pro forma condensed combined statements of income for the year ended December 30, 2017, and the three months ended March 31, 2018, are presented as if the Merger and the estimated borrowings used to finance the Merger occurred on January 1, 2017. The historical consolidated financial information has been adjusted in the unaudited pro forma condensed combined financial statements to give effect to pro forma events that are (i) directly attributable to the Merger, (ii) factually supportable, and (iii) with respect to the statements of income, expected to have a continuing impact on the combined company s results.

The unaudited pro forma condensed combined financial statements should be read in conjunction with the accompanying notes to the unaudited pro forma condensed combined financial statements. In addition, the unaudited pro forma condensed combined financial information was based on, and should be read in conjunction with, the following historical consolidated financial statements and accompanying notes, which are incorporated by reference into this joint proxy statement/prospectus:

- separate audited historical consolidated financial statements of Cohu as of, and for the year ended, December 30, 2017, and the related notes included in Cohu s Annual Report on Form 10-K for the year ended December 30, 2017;

- separate audited historical consolidated financial statements of Xcerra as of and for the year ended July 31, 2017, and the related notes included in Xcerra s Annual Report on Form 10-K for the year ended July 31, 2017;

- separate unaudited historical consolidated financial statements of Xcerra as of, and for the six months ended, January 31, 2017, and the related notes included in Xcerra s Quarterly Report on Form 10-Q for the quarterly period ended January 31, 2017;

separate unaudited historical condensed consolidated financial statements of Cohu as of, and for the three months ended, March 31, 2018, and the related notes included in Cohu s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2018; and

separate unaudited historical consolidated financial statements of Xcerra as of, and for the three and six months ended, January 31, 2018, and the related notes included in Xcerra s Quarterly Report on Form 10-Q for the quarterly period ended January 31, 2018.

The unaudited pro forma condensed combined financial information has been prepared by Cohu using the acquisition method of accounting in accordance with GAAP. Cohu has been treated as the acquirer in the Merger for accounting purposes. The acquisition accounting is dependent upon certain valuation and other studies that

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have yet to commence or progress to a stage where there is sufficient information for a definitive measurement. The Merger has not yet received the Approvals and prior to the consummation of the Merger, there are significant limitations regarding what Cohu can learn about Xcerra. The assets and liabilities of Xcerra have been measured based on various preliminary estimates using assumptions that Cohu believes are reasonable based on information that is currently available to it. Differences between these preliminary estimates and the final acquisition accounting will occur, and those differences could have a material impact on the accompanying unaudited pro forma condensed combined financial statements and the combined company s future results of operations and financial position. The pro forma adjustments are preliminary and have been made solely for the purpose of providing unaudited pro forma condensed combined financial statements prepared in accordance with the rules and regulations of the SEC.

Cohu intends to commence the necessary valuation and other studies required to complete the acquisition accounting promptly upon consummation of the Merger and will finalize the acquisition accounting as soon as practicable within the required measurement period, but in no event later than one year following consummation of the Merger.

The unaudited pro forma condensed combined financial information has been presented for informational purposes only. The unaudited pro forma condensed combined financial information does not purport to represent the actual results of operations that Cohu and Xcerra would have achieved had the companies been combined during the periods presented in the unaudited pro forma condensed combined financial statements and is not intended to project the future results of operations that the combined company may achieve after the Merger. The unaudited pro forma condensed combined financial information does not reflect any potential divestitures that may occur prior to, or subsequent to, completion of the Merger or cost savings that may be realized as a result of the Merger and also does not reflect any restructuring or integration-related costs to achieve those potential cost savings.

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COHU, INC. AND XCERRA CORPORATION

UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET

As of March 31, 2018

(in thousands)

	Historical Cohu March 31, 2018 [a]	Historical Xcerra January 31, 2018 [b]	Reclass Adjustments [c]	Equity Issuance & Debt Financing Pro Forma Adjustments	Xcerra Acquisition Pro Forma Adjustments	Pro Forma Combined
ASSETS						
Current assets:						
Cash and cash equivalents	$ 115,136	$ 118,223		343,000 [d]	(502,677) [g]	$ 73,682
Short-term investments	24,594	52,825				77,419
Accounts receivable, net	85,176	77,138				162,314
Inventories	62,676	87,240			37,775 [h]	187,691
Other current assets	9,924	10,486				20,410
Assets held for sale		850			130 [i]	980
Total current assets	297,506	346,762				522,496
Property, plant and equipment, net	35,122	30,091			4,500 [i]	69,713
Goodwill	66,784	45,873			120,562 [j]	233,219
Intangible assets, net	16,131	8,458			299,842 [k]	324,431
Other non-current assets	7,175	2,191				9,366
	$ 422,718	$ 433,375				$ 1,159,225
LIABILITIES AND STOCKHOLDERS EQUITY						
Current liabilities:						
Short-term borrowings	$ 3,293	$				$ 3,293
Current installments of long-term debt	1,291	362		2,470 [e]		4,123
Accounts payable	40,970	24,005				64,975
Accrued compensation and benefits	13,608		18,135		6,335 [m]	38,078
Accrued warranty	4,570		3,872			8,442
Deferred profit	2,914	8,123			(4,123) [n]	6,914
Income taxes payable	1,546		7,984			9,530

Other accrued liabilities	9,959	39,843	(29,991)		22,750 (o)	42,561
Total current liabilities	78,151	72,333				177,916
Accrued retirement benefits	18,990		2,720			21,710
Noncurrent deferred gain on sale of facility	9,868					9,868
Deferred income taxes	3,812		1,138		29,142 (l)	34,092
Noncurrent income tax liabilities	6,435		4,127			10,562
Long-term debt	4,547	2,276		340,530 (e)		347,353
Other accrued liabilities	2,563	9,203	(7,985)			3,781
Commitments and contingencies						
Stockholders equity:						
Preferred stock						
Common stock	28,796	2,744		11,780 (f)	(2,744) (p)	40,576
Paid-in capital	125,448	811,698		271,161 (f)	(811,698) (p)	396,609
Retained earnings (deficit)	158,124	(461,593)			432,508 (q)	129,039
Accumulated other comprehensive loss	(14,016)	(5,021)			5,021 (p)	(14,016)
Total stockholders equity	298,352	347,828				552,208
Noncontrolling interest		1,735				1,735
Total equity	298,352	349,563				553,943
	$ 422,718	$ 433,375				$ 1,159,225

See accompanying notes to unaudited pro forma condensed combined financial statements.

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COHU, INC. AND XCERRA CORPORATION

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF INCOME

For the Year Ended December 30, 2017

(in thousands, except per share amounts)

	Historical Cohu December 30, 2017 (r)	Historical Xcerra January 31, 2018 (s)	Reclass Adjustments (t)	Debt Financing Pro Forma Adjustments	Xcerra Acquisition Pro Forma Adjustments	Pro Forma Combined
Net sales	$ 352,704	$ 461,123				$ 813,827
Cost and expenses:						
Cost of sales	211,986	247,196	552		20,660 (w)	480,394
Research and development	40,737	65,110	434		(343) (x)	105,938
Selling, general and administrative	65,233	88,866	3,422		11,325 (y)	168,846
Amortization of purchased intangible assets		601	(601)			
Restructuring		1,070	(1,070)			
	317,956	402,843				755,178
Income from operations	34,748	58,280				58,649
Interest (expense) income, net	617	(766)		(17,892) (u)	(565) (z)	(18,606)
Other (expense) income, net		(2,323)	2,737			414
Income before income taxes	35,365	55,191				40,457
Income tax provision (benefit)	2,244	9,751		(v)	(2,860) (v)	9,135
Income from continuing operations	33,121	45,440				31,322
Net income attributable to noncontrolling interest		(13)				(13)
Net income from continuing operations attributable to Cohu /	$ 33,121	$ 45,427				$ 31,309

Xcerra

Income per share:								
Basic								
Income from continuing operations	$	1.19	$	0.83		$	0.79	
Diluted								
Income from continuing operations	$	1.15	$	0.82		$	0.76	
Weighted average shares used in computing income per share:								
Basic		27,836		54,490	(42,710)		39,616	(aa)
Diluted		28,916		55,324	(43,271)		40,969	(aa)

See accompanying notes to unaudited pro forma condensed combined financial statements.

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COHU, INC. AND XCERRA CORPORATION

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF INCOME

For the Three Months Ended March 31, 2018

(in thousands, except per share amounts)

	Historical Cohu March 31, 2018 (r)	Historical Xcerra January 31, 2018 (s)	Reclass Adjustments (t)	Debt Financing Pro Forma Adjustments	Xcerra Acquisition Pro Forma Adjustments	Pro Forma Combined
Net sales	$ 95,150	$ 110,276				$ 205,426
Cost and expenses:						
Cost of sales	55,599	59,726	116		5,194 (w)	120,635
Research and development	11,775	16,592			(111) (x)	28,256
Selling, general and administrative	17,763	21,986	2,059		2,352 (y)	44,160
Amortization of purchased intangible assets		137	(137)			
Restructuring		550	(550)			
	85,137	98,991				193,051
Income from operations	10,013	11,285				12,375
Interest (expense) income, net	236	(709)		(4,428) (u)	(203) (z)	(5,104)
Other (expense) income, net		(1,414)	1,488			74
Income before income taxes	10,249	9,162				7,345
Income tax provision (benefit)	2,127	1,388		(v)	(698) (v)	2,817
Income from continuing operations	8,122	7,774				4,528
Net loss attributable to noncontrolling interest		157				157
Net income from continuing operations attributable to Cohu / Xcerra	$ 8,122	$ 7,931				$ 4,685

Income per share:					
Basic					
Income from continuing operations	$ 0.28	$ 0.14		$ 0.12	
Diluted					
Income from continuing operations	$ 0.28	$ 0.14		$ 0.11	
Weighted average shares used in computing loss per share:					
Basic	28,602	54,836	(43,056)	40,382	(aa)
Diluted	29,531	55,450	(43,279)	41,702	(aa)

See accompanying notes to unaudited pro forma condensed combined financial statements.

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Note 1. Description of the Merger

On May 7, 2018, Cohu, Merger Sub and Xcerra entered into the Merger Agreement, pursuant to which the Merger will be consummated, with Xcerra continuing as the Surviving Corporation. At the Effective Time, each share of Xcerra Common Stock issued and outstanding immediately prior to the Effective Time (other than dissenting shares and shares held by Cohu, Merger Sub, Xcerra or any direct or indirect wholly owned subsidiary of Cohu or Xcerra), will be converted into the right to receive, in the aggregate for all shares of Xcerra Common Stock, the Merger Consideration, estimated at approximately $785.6 million as of May 31, 2018. Following consummation of the Merger, Xcerra will be a wholly owned subsidiary of Cohu.

Cohu intends to finance the Merger, including all related fees and expenses, with the following:

- $179.0 million cash from combined balance sheets;
- The incurrence of $350.0 million from the Term Facility;
- The issuance of approximately 11,780,000 shares of Cohu Common Stock; and
- The issuance of approximately 751,000 Assumed RSUs to Xcerra employees, of which a portion of the fair value of the Assumed RSUs will be attributed to pre-Merger services.

Immediately prior to the Effective Time, each Xcerra RSU that is a Vested RSU will be cancelled and terminated as of the Effective Time and the holder of such Vested RSU will receive the Vested RSU Consideration, which is composed of:

(1) an amount in cash (without interest) equal to the product of (x) $9.00 *multiplied* by (y) the total number of shares of Xcerra Common Stock represented by such Vested RSU; and

(2) a number of shares of Cohu Common Stock equal to the product of (x) 0.2109 *multiplied* by (y) the total number of shares of Xcerra Common Stock represented by such Vested RSU immediately prior to the Effective Time.

Immediately prior to the Effective Time, each Unvested RSU will be assumed by Cohu and shall be converted into an Assumed RSU representing the number of whole shares of Cohu Common Stock equal to the product of (1) the number of shares of Xcerra Common Stock represented by such Unvested RSU immediately prior to the Effective Time *multiplied* by (2) the Equity Award Exchange Ratio, rounded down to the nearest whole share. The Equity Award Exchange Ratio is calculated as the sum of (1) 0.2109, plus (2) the quotient of (x) $9.00 *divided by* (y) the volume weighted average of the trading prices of Cohu Common Stock on each of the three consecutive trading days ending on the trading day that is one trading day prior to the Merger closing date.

The completion of the Merger is subject to the approval of the Merger Agreement by the Xcerra stockholders, the approval of the Stock Issuance Proposal by the Cohu stockholders, receipt of the Approvals and subject to the satisfaction or, to the extent permitted by law, waiver of all of the conditions to the Merger set forth in the Merger Agreement and described in this joint proxy statement/prospectus, certain other conditions to the closing of the Merger. As of the date of this joint proxy statement/prospectus, Cohu and Xcerra expect the Merger to be completed in the second half of 2018.

Note 2. Basis of Pro Forma Presentation

The unaudited pro forma condensed combined financial statements were prepared using the acquisition method of accounting and are based on the historical consolidated financial statements of Cohu and Xcerra.

The acquisition method of accounting is based on Accounting Standards Codification (ASC) 805, *Business Combinations* (ASC 805), and uses the fair value concepts defined in ASC 820, *Fair Value Measurement* (ASC 820).

ASC 805 requires, among other things, that most assets acquired and liabilities assumed be recognized at their fair values as of the acquisition date. In addition, ASC 805 requires that the consideration transferred be measured at the date the merger is completed at the then-current market price. This requirement will likely result in a per share equity component that is different from the amount assumed in these unaudited pro forma condensed combined financial statements, since the market price of the shares of Cohu Common Stock at the Effective Time is likely to be different than the $24.02 market price that was used in the preparation of the unaudited pro forma condensed combined financial statements. The market price of $24.02 was based upon the closing price of shares of Cohu Common Stock on NASDAQ on May 31, 2018.

ASC 820 defines the term fair value and sets forth the valuation requirements for any asset or liability measured at fair value, expands related disclosure requirements and specifies a hierarchy of valuation techniques based on the nature of the inputs used to develop the fair value measures. Fair value is defined in ASC 820 as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This is an exit price concept for the valuation of the asset or liability. In addition, market participants are assumed to be buyers and sellers in the principal (or the most advantageous) market for the asset or liability. Fair value measurements for an asset assume the highest and best use by these market participants. As a result of these standards, Cohu may be required to record the fair value of assets which are not intended to be used or sold and/or to value assets at fair value measures that do not reflect Cohu s intended use of those assets. Many of these fair value measurements can be highly subjective, and it is possible that other professionals, applying reasonable judgment to the same facts and circumstances, could develop and support a range of alternative estimated amounts.

Under the acquisition method of accounting, the assets acquired and liabilities assumed will be recorded, as of the Effective Time, primarily at their respective fair values and added to those of Cohu. Financial statements and reported results of operations of Cohu issued after the Effective Time will reflect these values, but will not be retroactively restated to reflect the historical financial position or results of operations of Xcerra.

Under ASC 805, acquisition-related transaction costs (e.g., advisory, legal and other professional fees) are not included as a component of consideration transferred but are accounted for as expenses in the periods in which such costs are incurred. Merger-related transaction costs expected to be incurred by Cohu include, among other costs, estimated fees related to obtaining the Term Facility. Total Merger-related transaction costs expected to be incurred by Cohu and Xcerra are estimated to be approximately $22.8 million in total. Cohu did not incur any material Merger-related transaction costs during the twelve months ended December 30, 2017, and incurred approximately $0.3 million of Merger-related transaction costs during the three months ended March 31, 2018. Xcerra did not incur any Merger-related transaction costs during the twelve months ended January 31, 2018 or during the three months ended January 31, 2018.

The unaudited pro forma condensed combined balance sheet as of March 31, 2018, is required to include adjustments which give effect to events that are directly attributable to the Merger regardless of whether they are expected to have a continuing impact on the combined results or are non-recurring. Therefore, Merger-related transaction costs expected to be incurred by Cohu and Xcerra subsequent to March 31, 2018, are reflected as a pro forma adjustment to the unaudited pro forma condensed combined balance sheet as of March 31, 2018, with the impact presented as an increase to accrued expenses and other current liabilities and a decrease to retained earnings.

The unaudited pro forma combined financial information is presented solely for informational purposes and is not necessarily indicative of the combined results of operations or financial position that might have been achieved for the periods or dates indicated, nor is it necessarily indicative of the future results of the combined company. The unaudited pro forma combined financial information has not been adjusted to give effect to certain expected financial benefits of the Merger, such as tax savings, cost synergies or revenue synergies, or the anticipated costs to achieve these benefits, including the cost of integration activities. The unaudited pro forma combined financial information does not reflect possible adjustments related to restructuring or potential

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divestitures that may occur prior to, or subsequent to, completion of the Merger, that have yet to be determined. Further, one-time transaction-related expenses anticipated to be incurred prior to, or concurrent with, the closing of the Merger are not included in the unaudited pro forma combined statements of income. However, the impact of such transaction expenses is reflected in the unaudited pro forma combined balance sheet as a decrease to retained earnings and as an increase to other accrued expenses as noted above. Although Cohu projects that significant cost savings will result from the Merger, there can be no assurance that these cost savings will be achieved. Any restructuring or integration-related costs will be expensed in the appropriate accounting periods after completion of the Merger.

Note 3. Summary of Significant Accounting Policies

After the completion of the Merger, Cohu will review Xcerra s accounting policies. As a result of that review, Cohu may identify differences between the accounting policies of the two companies that, when conformed, could have a material impact on the combined financial statements. With the exception of one accounting policy related to recently issued accounting guidance that Cohu adopted on December 31, 2017, Cohu is not aware of any differences that would have a material impact on the combined financial statements, and therefore, the unaudited pro forma condensed combined financial statements assume there are no other differences in accounting policies other than the one described below.

Adoption of New Revenue Accounting Standard

Net sales presented in the unaudited pro forma condensed combined statement of income for the year ended December 30, 2017, were recognized, for both Cohu and Xcerra, using ASC 605, *Revenue Recognition* (ASC 605). Cohu adopted ASC 606, *Revenue from Contracts with Customers* (ASC 606), on December 31, 2017, the first day of its 2018 fiscal year using the modified retrospective method of adoption which only applies to those contracts which were not completed as of December 31, 2017. Cohu s net sales presented in the unaudited pro forma condensed combined statement of income for the three months ended March 31, 2018, have been accounted for under the provisions of ASC 606.

Under ASC 605, Xcerra recognizes revenue when persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the seller s price is fixed or determinable and collectability is reasonably assured. Revenue related to equipment sales is recognized when: (a) Xcerra has a written sales agreement; (b) delivery has occurred or service has been rendered; (c) the price is fixed or determinable; (d) collectability is reasonably assured; (e) the equipment delivered is a standard product with historically demonstrated acceptance; and (f) there is no unique customer acceptance provision or payment tied to acceptance or an undelivered element significant to the functionality of the system. Generally, payment terms are time based after product shipment. From time to time, sales to a customer may involve multiple elements, in which case revenue is recognized on the delivered element provided that (1) the undelivered element is a proven technology, (2) there is a history of acceptance on the equipment with the customer, (3) the undelivered element is not essential to the customer s application, (4) the delivered item(s) has value to the customer on a stand-alone basis, and (5) if the arrangement includes a general right of return relative to the delivered item(s), delivery or performance of the undelivered item(s) is considered probable and substantially in the control of Xcerra. The arrangement consideration, or the amount of revenue to be recognized on each separate unit of accounting, is allocated at the inception of the arrangement to all deliverables on the basis of their relative selling price. Revenue related to maintenance and service contracts is recognized ratably over the duration of the contracts.

For Xcerra, ASC 606 will be effective for its fiscal year beginning on August 1, 2018, and Xcerra currently anticipates adopting ASC 606 using the modified retrospective method. Xcerra s management has completed its preliminary assessment of the financial statement impact of the new standard and does not expect it to have a material impact on its financial position or results of operations. This preliminary assessment is based on a review of the types and number of revenue arrangements currently in place including the review of individual customer contracts related to these revenue streams. The exact impact of the new standard will be dependent on facts and circumstances at adoption and could vary from quarter to quarter.

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Based on Xcerra s preliminary assessment, Xcerra s management expects Xcerra s results will not be materially different from those recognized under ASC 605 and, as such, no adjustment to Xcerra s net sales in the unaudited pro forma condensed combined statement of income for the three months ended March 31, 2018, has been made.

Note 4. Estimate of Consideration Expected to be Transferred

The following is a preliminary estimate of the Merger Consideration expected to be transferred to effect the Merger (*in thousands, except per common share data*):

Aggregate Cash Consideration:

Stockholders:	
Xcerra Common Stock outstanding as of April 30, 2018	54,915
Multiplied by Cash Consideration	$ 9.00
Preliminary estimate of aggregate Cash Consideration paid to Xcerra stockholders	$ 494,235
Holders of Xcerra RSUs:	
Vested RSUs as of immediately prior to the Effective Time	938
Multiplied by Cash Consideration	$ 9.00
Preliminary estimate of aggregate Cash Consideration paid to holders of Vested RSUs	$ 8,442
Preliminary fair value estimate of aggregate Cash Consideration	$ 502,677

Stock Consideration:

Stockholders:	
Xcerra Common Stock outstanding as of April 30, 2018	54,915
Multiplied by Stock Consideration	0.2109
Multiplied by per share price of Cohu Common Stock on May 31, 2018	$ 24.02
Preliminary fair value estimate of aggregate Stock Consideration paid to Xcerra stockholders	$ 278,189
Holders of Xcerra RSUs:	
Vested RSUs as of immediately prior to the Effective Time	938
Multiplied by Stock Consideration	0.2109
Multiplied by per share price of Cohu Common Stock on May 31, 2018	$ 24.02
Preliminary fair value estimate of aggregate Stock Consideration paid to holders of Xcerra RSUs	$ 4,752
Preliminary fair value estimate of aggregate Stock Consideration	$ 282,941

Aggregate Merger Consideration:

Aggregate Cash Consideration	$ 502,677
Aggregate Stock Consideration	282,941
Estimate of aggregate Merger Consideration expected to be transferred [a]	$ 785,618

(a) As further described in Note 1, Description of the Merger, beginning on page 52 of this joint proxy statement/prospectus, each Unvested RSUs will not be settled upon completion of the Merger, and instead will be converted into an Assumed RSU. The above table excludes approximately 1,283,000 Xcerra RSUs outstanding at April 30, 2018, that will be converted into approximately 751,000 Assumed RSUs, from the estimate of total consideration expected to be transferred. Other consideration transferred will include the portion of the fair value of the Assumed RSUs that is attributed to pre-Merger services. The fair value attributable to post-Merger services will be recorded as compensation expense in Cohu s post-Merger financial statements. At this time, Cohu is unable to reasonably estimate the respective amounts attributable to pre- and post-Merger services.

The estimated Merger Consideration expected to be transferred reflected in these unaudited pro forma condensed combined financial statements does not purport to represent the actual Merger Consideration that will be transferred when the Merger is completed. In accordance with ASC 805, the fair value of equity securities issued as part of the Merger Consideration will be measured on the date the Merger is completed at the then-current market price. This requirement will likely result in a different value of the Stock Consideration, and that difference may be material. For example, if the per share price of Cohu Common Stock on the date the Merger is completed increased or decreased by 10% from the price assumed in these unaudited pro forma condensed combined financial statements, the Merger Consideration would increase or decrease by approximately $28.3 million, which would be reflected in these unaudited pro forma condensed combined financial statements as an increase or decrease to goodwill.

Note 5. Estimate of Assets to be Acquired and Liabilities to be Assumed

The total estimated purchase price was allocated to Xcerra s net tangible and intangible assets based on their estimated fair values as of March 31, 2018, the effective date of the Merger for the purposes of this pro forma presentation. The following table is a preliminary estimate of the assets to be acquired and the liabilities to be assumed by Cohu in the Merger, reconciled to the estimate of the Merger Consideration at March 31, 2018 (*in thousands*):

Assets Acquired and Liabilities Assumed:	
Current assets, including cash received	$ 384,667
Property, plant and equipment	34,591
Other assets	2,191
Intangible assets (b)	308,300
Goodwill (c)	166,435
Total assets acquired	896,184
Liabilities assumed (d)	(110,566)
Net assets acquired	$ 785,618

(b) As of completion of the Merger, identifiable intangible assets are required to be measured at fair value, and these acquired assets could include assets that are not intended to be used or sold or that are intended to be used in a manner other than their highest and best use. For purposes of these unaudited pro forma condensed combined financial statements and consistent with the ASC 820 requirements for fair value measurements, it is assumed that all assets will be used, and that all acquired assets will be used in a manner that represents the highest and best use of those acquired assets.

(c)

Goodwill is calculated as the difference between the acquisition date fair value of the Merger Consideration expected to be transferred and the aggregate values assigned to the assets acquired and liabilities assumed. Goodwill is not amortized.

(d) Includes a preliminary estimate of $29.1 million of net deferred tax liabilities recorded as a result of the purchase price allocation.

Under the HSR Act and other relevant laws and regulations, there are significant limitations on Cohu s ability to obtain specific information about Xcerra s intangible assets prior to completion of the Merger. As of the date of this joint proxy statement/prospectus, Cohu does not have sufficient information as to the amount,

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timing and risk of the cash flows from all of Xcerra s identifiable intangible assets to determine their fair value. Some of the more significant assumptions inherent in the development of intangible asset values, from the perspective of a market participant, include, but are not limited to: the amount and timing of projected future cash flows (including revenue and profitability); the discount rate selected to measure the risks inherent in the future cash flows; the assessment of the asset s life cycle; and the competitive trends impacting the asset. However, for purposes of these unaudited pro forma condensed combined financial statements and using publicly available information, such as historical revenues, Xcerra s cost structure, industry information for comparable intangible assets and certain other high-level assumptions, the fair value of Xcerra s identifiable intangible assets and their weighted average useful lives have been preliminarily estimated as follows (*dollars in thousands*):

	Estimated Fair Value	Estimated Useful Life (Years)
Developed technology	$ 170,000	8
Customer relationships	86,600	8
In-process research and development (IPR&D)	20,600	indefinite
Backlog	15,800	0.5
Trademarks and trade names	14,000	6
Favorable lease	1,300	4
Total	$ 308,300	

The value assigned to developed technology was determined by using the multi-period excess earnings method under the income approach. Developed technology, which comprises products that have reached technological feasibility, includes the products in Xcerra s product line. The revenue estimates used to value the developed technology were based on estimates of relevant market sizes and growth factors, expected trends in technology and the nature and expected timing of new product introductions by Xcerra and competitors. The estimated cash flows were based on revenues for the developed technology net of operating expenses and net of contributory asset charges. The discount rate utilized to discount the net cash flows of the developed technology to present value was based on the risk associated with the respective cash flows taking into consideration the perceived risk of the technology relative to the other acquired assets, the weighted average cost of capital, the internal rate of return, and the weighted average return on assets.

The value assigned to customer relationships was determined by using the with and without method under the income approach, which analyzes the difference in discounted cash flows generated with the customer relationships in place compared to the discounted cash flows generated without the customer relationships in place.

In-process research and development (IPR&D) represents the estimated fair value assigned to research and development projects acquired in a business combination that have not been completed at the date of acquisition and which have no alternative future use. IPR&D is initially accounted for as an indefinite-lived intangible asset. Once a project reaches technological feasibility amounts capitalized related to the project are reclassified to developed technology and the intangible asset begins to be amortized over its estimated useful life. For the IPR&D, additional research and development will be required to assess technological feasibility.

The value assigned to backlog acquired was estimated based upon the contractual nature of the backlog as of the assumed effective date of the Merger, using the income approach to discount back to present value the cash flows attributable to the backlog.

The value assigned to trademarks and trade names was estimated using the relief-from-royalty method of the income approach. This approach is based on the assumption that in lieu of ownership, a company would be willing to pay a royalty in order to exploit the related benefits of this intangible asset.

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In our preliminary estimate of the fair value of Xcerra s net assets, Cohu identified a lease that appears to be at a favorable rate compared to current market rates. As a result, Cohu anticipates recording a $1.3 million favorable lease asset, which must be amortized to rent expense over the terms of the related lease.

These preliminary estimates of fair value and estimated useful life will likely be different from the amounts included in the final acquisition accounting, and the difference could have a material impact on the accompanying unaudited pro forma condensed combined financial statements. Once Cohu has full access to information about Xcerra s intangible assets, additional insight will be gained that could impact (i) the estimated total value assigned to identifiable intangible assets, (ii) the estimated allocation of value between finite-lived and indefinite-lived intangible assets and/or (iii) the estimated weighted average useful life of each category of intangible assets. The estimated intangible asset values and their useful lives could be impacted by a variety of factors that may become known to Cohu only upon access to additional information and/or by changes in such factors that may occur prior to completion of the Merger. These factors include, but are not limited to, changes in the regulatory, legislative, legal, technological and/or competitive environments. Increased knowledge about these and/or other elements could result in a change to the estimated fair value of the identifiable Xcerra intangible assets and/or to the estimated weighted average useful lives from what Cohu has assumed in these unaudited pro forma condensed combined financial statements. The combined effect of any such changes could then also result in a significant increase or decrease to Cohu s estimate of associated amortization expense.

Note 6. Reclassification and Pro Forma Adjustments

Pro forma adjustments are necessary to reflect the financial statement impact directly attributable to the Merger as detailed below. Due to differences in presentation, certain reclassification adjustments are necessary to conform certain of Xcerra s amounts to Cohu s presentation.

In the process of finalizing our purchase price allocation, if information becomes available which would indicate the existence of a material pre-acquisition contingency and it is determined that events giving rise to the contingency occurred prior to the effective date of the Merger and the amounts can be reasonably estimated, such items will be included in our final purchase price allocation.

The pro forma adjustments included in the unaudited pro forma condensed combined balance sheet are as follows:

(a) Represents Cohu s historical consolidated balance sheet as of March 31, 2018.

(b) Represents Xcerra s historical consolidated balance sheet as of January 31, 2018.

(c) Adjustments required to conform Xcerra s condensed financial statement presentation with Cohu s presentation. Adjustments include reclassifying amounts presented by Xcerra in total current other accrued liabilities into accrued compensation, accrued warranty and income taxes payable. Additionally, Xcerra s noncurrent other accrued liabilities has been reclassified into accrued retirement benefits, deferred income taxes and noncurrent income tax liabilities.

(d)

Adjustment to record the anticipated net proceeds from the $350.0 million Term Facility, less underwriting fees and original issue discount totaling approximately $7.0 million which is recorded as a direct reduction of the loan amount.

(e) Adjustment to record short-term and long-term liabilities related to the Term Facility.

(f) Adjustment to record shares of Cohu Common Stock issued in connection with the Merger.

(g) Adjustment to reflect the net cash paid to Xcerra shareholders of approximately $502.7 million.

(h) Adjustment to reflect the estimated fair value of inventories acquired. The fair value calculation is preliminary and subject to change. The fair value was determined based on the estimated selling price of the inventory, less the remaining manufacturing and selling costs and a normal profit margin on

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those manufacturing and selling efforts. After the Merger, the step-up in inventory fair value will increase cost of sales over approximately six months as the inventory is sold. This increase is not reflected in the pro forma condensed combined statements of income because it does not have a continuing impact.

(i) Adjustments to increase the basis in certain acquired property, plant and equipment to estimated fair value which is subject to change after finalization of review of the specific types, nature, age, condition and location of Xcerra s property, plant and equipment.

(j) Adjustments to remove Xcerra s historical goodwill totaling $45.9 million and to record the estimated fair value of goodwill totaling $166.4 million based on net assets acquired as if the Merger closed on March 31, 2018.

(k) Adjustments to remove Xcerra historical intangible assets totaling $8.5 million and to record the estimated fair value of identifiable intangible assets of approximately $308.3 million as if the Merger occurred on March 31, 2018.

(l) Adjustment to record the tax effects of the various purchase accounting entries recorded as a result of the merger.

(m) Adjustment to record an estimate of post-acquisition compensation expense liability required by change in control agreements of Xcerra s executive officers.

(n) Estimated adjustment to decrease the assumed deferred revenue obligations to a fair value of $4.0 million. The fair value was determined based on the estimated costs to fulfill the remaining performance obligations plus a normal profit margin. This calculation of fair value is preliminary and subject to change.

(o) Adjustment to record one-time transaction-related expenses consisting of legal, accounting, debt issuance and other third-party expenses anticipated to be incurred prior to, or concurrent with, the closing of the Merger.

(p) Adjustment to eliminate the historical stockholder equity accounts of Xcerra.

(q) Adjustments to eliminate the historical accumulated deficit of Xcerra totaling $461.6 million and to record estimated one-time transaction-related expenses totaling $22.8 million and an estimate of post-acquisition compensation expense liability totaling $6.3 million as described above.

The pro forma adjustments included in the unaudited pro forma condensed combined statements of income are as follows:

(r) Represents Cohu s historical consolidated statement of income for the year ended December 30, 2017 or the three months ended March 31, 2018, as applicable.

(s) Represents Xcerra s historical consolidated statement of operations for the twelve months ended January 31, 2018 or the three months ended January 31, 2018, as applicable.

(t) Adjustments required to conform Xcerra s financial statement presentation with Cohu s presentation. Adjustments include reclassifying amortization and restructuring expenses into cost of sales, research and development and selling, general and administrative. In addition, Xcerra s foreign exchange losses have been reclassified from other (expense) income into selling, general and administrative expense.

(u) Adjustment to reflect estimated additional interest expense associated with the Term Facility as well as the amortization of estimated debt issuance costs of $5.3 million and original issue discount of $1.7 million as follows:

	Year Ended December 30, 2017	Three Months Ended March 31, 2018
	(in thousands)	
Additional interest expense associated with the $350.0 million variable-rate Term Facility to partially fund the Merger with an assumed maturity of 7 years and an assumed weighted average annual interest rate of 4.8%*	$ (16,862)	$ (4,173)
Amortization of estimated debt issuance costs and original issuance discount totaling $7.0 million associated with the Term Facility to be issued to partially fund the Merger	(1,030)	(255)
Estimated adjustment to interest expense related to the Term Facility	$ (17,892)	$ (4,428)

* If interest rates were to increase or decrease by 0.125% from the rates assumed in estimating this pro forma adjustment to interest expense, pro forma interest expense would increase or decrease by approximately $0.4 million in the year ended December 30, 2017 and $0.1 million in the three months ended March 31, 2018.

(v) Represents the income tax impact of the pro forma adjustments, using the appropriate statutory tax rates. These adjustments and the resulting pro forma tax provision differs from the U.S. federal statutory rate primarily due to the lack of a benefit on domestic losses as a result of Cohu and Xcerra s valuation allowance on deferred tax assets and foreign income taxed at different rates. This does not represent Cohu s effective tax rate, which will include other tax charges and benefits, and does not take into account any historical or possible future tax events that may impact Cohu following the consummation of the Merger.

(w) Adjustment to cost of sales to eliminate Xcerra s historical intangible amortization expense, reflect estimated additional intangible asset amortization expense resulting from the fair value of Xcerra s intangible assets excluding amortization expense related to backlog because it does not have a continuing impact, to eliminate Xcerra s historical share-based compensation expense and to reflect the estimated share-based compensation expense related to the Assumed RSUs as part of the estimated share-based compensation expense as follows:

	Year Ended	Three Months Ended

	December 30, 2017	March 31, 2018
	(in thousands)	
Eliminate Xcerra historical share-based compensation expense	$ (103)	$ (7)
Eliminate Xcerra historical amortization expense	(552)	(116)
Estimated transaction-related intangible asset amortization	21,252	5,313
Estimated transaction-related share-based compensation expense	63	4
	$ 20,660	$ 5,194

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(x) Adjustment to research and development expense to eliminate Xcerra s historical share-based compensation expense and to reflect the estimated share-based compensation expense related to the Assumed RSUs as part of the estimated share-based compensation expense as follows:

	Year Ended December 30, 2017	Three Months Ended March 31, 2018
	(in thousands)	
Eliminate Xcerra historical share-based compensation expense	$ (882)	$ (247)
Estimated transaction-related share-based compensation expense	539	136
	$ (343)	$ (111)

(y) Adjustment to selling, general and administrative expense to eliminate Xcerra s historical intangible amortization expense, to eliminate acquisition costs related to Xcerra, to reflect estimated additional intangible asset amortization expense resulting from the fair value of Xcerra s intangible assets, to record estimated depreciation expense related to the fair market value adjustment to property, plant and equipment, to eliminate Xcerra s historical share-based compensation expense and to reflect the estimated share-based compensation expense related to the Assumed RSUs as part of the estimated share-based compensation expense as follows:

	Year Ended December 30, 2017	Three Months Ended March 31, 2018
	(in thousands)	
Eliminate Xcerra historical amortization expense	$ (49)	$ (21)
Eliminate Cohu s acquisition costs related to Xcerra	(27)	(296)
Eliminate Xcerra historical share-based compensation expense	(6,312)	(1,770)
Estimated transaction-related intangible asset amortization	13,480	3,370
Estimated transaction-related share-based compensation expense	3,857	975
Estimated depreciation related to fair market value adjustment to property, plant and equipment	376	94
	$ 11,325	$ 2,352

(z) Represents the estimated reduction in interest income earned on Cohu s cash and short-term investments (cash reserves) of approximately of $0.6 million and $0.2 million for the year ended December 30, 2017 and the quarter ended March 31, 2018, respectively.

(aa) The combined basic and diluted earnings per share from continuing operations for the periods presented are based on the combined weighted average basic and diluted shares of Cohu Common Stock and Xcerra Common Stock. The historical weighted average basic and diluted shares of Xcerra Common Stock were assumed to be replaced by the shares of Cohu Common Stock expected to be issued by Cohu to effect the Merger.

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The following table summarizes the computation of the unaudited pro forma combined weighted average basic and diluted shares outstanding:

	Year Ended December 30, 2017	Three Months Ended March 31, 2018
	(in thousands, except exchange ratio)	
Cohu weighted average shares used to compute basic earnings per share	27,836	28,602
Xcerra Common Stock outstanding as of April 30, 2018, converted at the exchange ratio of (54,915*0.2109)	11,582	11,582
Combined weighted average basic shares outstanding	39,418	40,184
Number of Vested RSUs at April 30, 2018 (938*0.2109)	198	198
Pro forma weighted average basic shares outstanding	39,616	40,382
Dilutive effect of Cohu s outstanding stock-based awards	1,080	929
Dilutive effect of Assumed RSUs	273	391
Pro forma weighted average shares used to compute diluted earnings per share	40,969	41,702

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COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA

PER SHARE FINANCIAL INFORMATION

The following table sets forth selected historical and unaudited pro forma combined per share information for Cohu and Xcerra.

Historical Per Common Share Information of Cohu and Xcerra. Cohu and Xcerra have different fiscal years. Cohu s fiscal year is based on a 52- or 53-week period ending on the last Saturday in December, whereas Xcerra s fiscal year is based on a July 31st fiscal year-end. The historical per common share information of Cohu and Xcerra below for the three months ended March 31, 2018 is derived from (1) Cohu s three months ended March 31, 2018 and (2) Xcerra s three months ended January 31, 2018. This historical per common share information of Cohu and Xcerra for the year ended December 31, 2017 is derived from (1) Cohu s year ended December 30, 2017 and (2) Xcerra s 12-month period ended January 31, 2018. Accordingly, Xcerra s results of operations for the three months ended January 31, 2018 are included in both the annual and interim pro forma condensed combined income statements.

Unaudited Pro Forma Combined per share of Cohu Common Stock Data. The unaudited pro forma combined per share of Cohu Common Stock data set forth below give effect to the Merger under the acquisition method of accounting, as if the merger had been effective on January 1, 2017, the first day of Cohu s fiscal year ended December 30, 2017, in the case of income from continuing operations per share. The unaudited pro forma combined book value per share of Cohu Common Stock data set forth below give effect to the Merger under the acquisition method of accounting, as if the Merger had been effective March 31, 2018, assuming that each outstanding share of Xcerra Common Stock and the Vested RSUs had been converted into shares of Cohu Common Stock pursuant to the Merger Agreement.

The unaudited pro forma combined per share of Cohu Common Stock data is derived from the consolidated financial statements of each of Cohu and Xcerra as of and for the three months ended March 31, 2018, will include (1) Cohu s three months ended March 31, 2018 and (2) Xcerra s three months ended January 31, 2018, and for the year ended December 30, 2017 will include (1) Cohu s year ended December 30, 2017 and (2) Xcerra s 12-month period ended January 31, 2018.

The acquisition method of accounting is based on ASC 805, Business Combinations, and uses the fair value concepts defined in ASC 820, Fair Value Measurements, which Cohu has adopted as required. Acquisition accounting requires, among other things, that most assets acquired and liabilities assumed be recognized at their fair values as of the acquisition date. Fair value measurements recorded in acquisition accounting are dependent upon certain valuation studies of Xcerra s assets and liabilities and other studies that have yet to commence or progress to a stage where there is sufficient information for a definitive measurement. Accordingly, the pro forma adjustments reflect the assets and liabilities of Xcerra at their preliminary estimated fair values. Differences between these preliminary estimates and the final values in acquisition accounting will occur, and these differences could have a material impact on the unaudited pro forma combined per share information set forth in the following table.

The unaudited pro forma combined per share of Cohu Common Stock data does not purport to represent the actual results of operations that Cohu would have achieved had the companies been combined during these periods or to project the future results of operations that Cohu may achieve after completion of the Merger.

Unaudited Pro Forma Combined per Xcerra Equivalent Share Data. The unaudited pro forma combined per Xcerra equivalent share data set forth below shows the effect of the Merger from the perspective of an owner of shares of Xcerra Common Stock. The information was calculated by multiplying the unaudited pro forma combined per share of Cohu Common Stock amounts by 0.2109 pursuant to the Merger Agreement.

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Generally. You should read the below information in conjunction with the selected historical consolidated financial data included elsewhere in this joint proxy statement/prospectus and the historical consolidated financial statements of Cohu and Xcerra and related notes that have been filed with the SEC, certain of which are incorporated by reference into this joint proxy statement/prospectus. See *Selected Historical Consolidated Financial Data of Cohu, Selected Historical Consolidated Financial Data of Xcerra* and *Where You Can Find More Information* of this joint proxy statement/prospectus. The unaudited pro forma combined per Cohu common share data and the unaudited pro forma combined per Xcerra equivalent share data is derived from, and should be read in conjunction with, the Cohu and Xcerra unaudited pro forma condensed combined financial statements and related notes included in this joint proxy statement/prospectus. See *Unaudited Pro Forma Condensed Combined Financial Statements.*

	As of/For the Three Months Ended March 31, 2018	As of/For the Year Ended December 30, 2017
Cohu Historical per Common Share Data:		
Income from continuing operations basic	$ 0.28	$ 1.19
Income from continuing operations diluted	0.28	1.15
Cash dividends declared	0.06	0.24
Book value [(1)]	10.36	10.15
Xcerra Historical per Common Share Data:		
Net income basic	0.14	0.83
Net income diluted	0.14	0.82
Cash dividends declared [(2)]	N/A	N/A
Book value [(1)]	6.34	6.34
Unaudited Pro Forma Combined per Cohu Common Share Data:		
Income from continuing operations basic	0.12	0.79
Income from continuing operations diluted	0.11	0.76
Cash dividends declared [(3)]	N/A	N/A
Book value [(1)]	13.61	N/A
Unaudited Pro Forma Combined per Xcerra Equivalent Share Data:		
Income from continuing operations basic [(4)]	0.03	0.17
Income from continuing operations diluted [(4)]	0.02	0.16
Cash dividends declared [(3)]	N/A	N/A
Book value [(4)]	2.87	N/A

(1) Amounts calculated by dividing the applicable total stockholders equity by the applicable common shares outstanding. Pro forma combined book value per share as of December 30, 2017, is not applicable as the estimated pro forma adjustments were calculated as of March 31, 2018.

(2) Xcerra has not paid dividends on Xcerra Common Stock during 2018 or 2017.

(3) Pro forma combined dividends per share data is not provided due to the fact that the dividend policy for the combined company will be determined by Cohu s board of directors following completion of the Merger.

(4) Amounts calculated by multiplying unaudited pro forma combined per share amounts and book value by 0.2109 pursuant to the Merger Agreement.

COMPARATIVE PER SHARE MARKET PRICE INFORMATION

Cohu Common Stock and Xcerra Common Stock are each listed on NASDAQ under the trading symbols COHU and XCRA respectively.

The following table sets forth the high, low and closing prices for Cohu Common Stock and Xcerra Common Stock as reported on NASDAQ on May 7, 2018, the last trading day before announcement of the Merger, and [ ], 2018, the latest practicable trading day before the printing of this joint proxy statement/prospectus. The table also includes the value of Xcerra Common Stock on an equivalent price per share basis as determined by reference to the value of the Merger Consideration to be received in respect of each share of Xcerra Common Stock in the Merger (including the cash consideration of $9.00 per share). These equivalent prices per share reflect the fluctuating value of Cohu Common Stock that Xcerra stockholders would receive in exchange for each share of Xcerra Common Stock (together with the amount of cash to be paid per share for Xcerra Common Stock) if the Merger was completed on either of these dates, applying the exchange ratio of 0.2109 of a share of Cohu Common Stock for each share of Xcerra Common Stock.

	Cohu Common Stock			Xcerra Common Stock			Equivalent Value of Xcerra Common Stock		
	High	Low	Close	High	Low	Close	High	Low	Close
May 7, 2018	$ 23.42	$ 22.45	$ 23.35	$ 13.01	$ 12.33	$ 12.84	$ 13.94	$ 13.73	$ 13.92
[ ], 2018	$ [ ]	$ [ ]	$ [ ]	$ [ ]	$ [ ]	$ [ ]	$ [ ]	$ [ ]	$ [ ]

Cohu

The following table shows the high and low intra-day sale prices per share of Cohu Common Stock on NASDAQ as well as the quarterly cash dividends per share of Cohu Common Stock for the fiscal quarters indicated:

	Cohu Common Stock		
	High	Low	Dividends
Fiscal Year Ending December 31, 2018 Quarter Ended			
June 30, 2018 (through [ ], 2018)	$ [ ]	$ [ ]	$ [ ]
March 31, 2018	$ 25.14	$ 18.60	$ 0.06
Fiscal Year Ended December 30, 2017 Quarter Ended			
December 30, 2017	$ 26.17	$ 20.30	$ 0.06
September 30, 2017	$ 23.88	$ 15.55	$ 0.06
June 24, 2017	$ 21.64	$ 15.68	$ 0.06
March 25, 2017	$ 18.51	$ 12.64	$ 0.06
Fiscal Year Ended December 31, 2016 Quarter Ended			
December 31, 2016	$ 14.43	$ 10.72	$ 0.06
September 24, 2016	$ 12.00	$ 10.01	$ 0.06
June 25, 2016	$ 12.48	$ 10.43	$ 0.06
March 26, 2016	$ 12.60	$ 10.87	$ 0.06
Fiscal Year Ended December 26, 2015 Quarter Ended			
December 26, 2015	$ 13.43	$ 9.38	$ 0.06
September 26, 2015	$ 13.46	$ 9.14	$ 0.06

June 27, 2015	$ 13.84	$ 10.17	$ 0.06
March 28, 2015	$ 12.10	$ 10.28	$ 0.06

On [ ], 2018, the latest practicable trading day before the printing of this joint proxy statement/prospectus, the closing price of Cohu Common Stock on NASDAQ was $[ ] per share. You are encouraged to obtain current market quotations for Cohu Common Stock.

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Xcerra

The following table shows the high and low intra-day closing sale prices per share of Xcerra Common Stock on NASDAQ during the fiscal quarters indicated:

	Xcerra Common Stock Prices	
	High	Low
Current Fiscal Year Ending July 31, 2018 Quarter Ended		
July 31, 2018 (through [ ], 2018)	$ [ ]	$ [ ]
April 30, 2018	$ 13.29	$ 9.50
January 31, 2018	$ 10.15	$ 9.61
October 31, 2017	$ 9.99	$ 9.20
Fiscal Year Ended July 31, 2017 Quarter Ended		
July 31, 2017	$ 10.00	$ 9.05
April 30, 2017	$ 10.01	$ 7.21
January 31, 2017	$ 7.99	$ 5.32
October 31, 2016	$ 6.22	$ 5.14
Fiscal Year Ended July 31, 2016 Quarter Ended		
July 31, 2016	$ 7.60	$ 5.51
April 30, 2016	$ 6.55	$ 4.93
January 31, 2016	$ 7.36	$ 5.06
October 31, 2015	$ 7.26	$ 5.77
Fiscal Year Ended July 31, 2015 Quarter Ended		
July 31, 2016	$ 10.43	$ 6.10
April 30, 2016	$ 10.63	$ 7.39
January 31, 2016	$ 9.34	$ 7.66
October 31, 2015	$ 10.92	$ 7.46

Xcerra did not pay a dividend during any of the periods referenced above. On [ ], 2018, the latest practicable trading day before the printing of this joint proxy statement/prospectus, the closing price of Xcerra Common Stock on NASDAQ was $[ ] per share. You are encouraged to obtain current market quotations for Xcerra Common Stock.

Following the Merger, there will be no further market for Xcerra Common Stock and it will be delisted from NASDAQ and deregistered under the Exchange Act. As a result, following the Merger Xcerra will no longer file periodic reports with the SEC.

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CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This joint proxy statement/prospectus, including the information and other documents incorporated by reference into this joint proxy statement/prospectus, may contain forward-looking statements subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements relate to, among other things, the Merger, the expected benefits, timing, results, effects and certainty of the Merger and future prospects, developments and business strategies. Words such as will, continue, potential, forecast, anticipate, believe, could, estimate, expect, plan, predict, project, should and similar terms and phrases, including references to assumptions, are used to identif forward-looking statements. These forward-looking statements are made based on current assumptions, expectations and beliefs concerning future events affecting Cohu and Xcerra and are subject to uncertainties and factors relating to their respective operations and business environment, all of which are difficult to predict and many of which are beyond their control, that could cause their actual results to differ materially from those matters expressed in or implied by these forward-looking statements.

The forward-looking statements involve certain risks and uncertainties. Because these forward-looking statements are subject to assumptions and uncertainties, actual results might differ materially from those expressed or implied by these forward-looking statements. You are cautioned not to place undue reliance on these statements, which speak only as of the date of this joint proxy statement/prospectus or the date of any document incorporated by reference in this joint proxy statement/prospectus. Some of the factors that may cause actual results or earnings to differ materially from those contemplated by the forward-looking statements include, but are not limited to, those discussed under *Risk Factors* and those discussed in the filings of each of Cohu and Xcerra that are incorporated herein by reference, including the following:

- the timing of the completion of the Merger;
- the risk that Xcerra s stockholders do not approve the Merger;
- fluctuations in the stock price of Cohu;
- the risk that the conditions to the closing of the Merger, including regulatory approvals, are not satisfied or are not satisfied in the expected timeframe;
- the risk that regulatory agencies impose restrictions, limitations, costs, divestitures or other conditions in connection with providing regulatory approval for the Merger;
- uncertainty of the expected financial performance of Cohu following completion of the Merger, which may differ significantly from the pro forma financial data and financial projections contained in this joint proxy statement/prospectus;
- the failure of Cohu stockholders to approve the Stock Issuance Proposal;

the calculations of, and factors that may impact the calculations of, the Merger Consideration in connection with the Merger and the allocation of such Merger Consideration to the net assets acquired in accordance with applicable accounting rules and methodologies;

the outcome of pending or potential litigation or governmental investigations;

the risk that the businesses of Cohu and Xcerra will not be integrated successfully or that such integration may be more difficult, time-consuming or costly than expected, including due to any restrictions, limitations, costs, divestitures or other conditions imposed by regulatory agencies;

Cohu s ability to achieve the cost synergies contemplated by the proposed transaction within the expected time frame;

disruptions resulting from the proposed Merger making it more difficult for Cohu and Xcerra to maintain relationships with their respective customers, employees, suppliers and strategic partners;

changes in both companies businesses during the period between now and the completion of the Merger;

the combined company s high debt levels, rising interest rates and ability to service its debt obligations in accordance with their terms, or the ability to make required investments in capacity, technology or other areas of the business;

adverse effects on Cohu s stock price resulting from the announcement or completion of the Merger;

competitive responses to the proposed Merger;

unexpected costs, liabilities, charges or expenses resulting from the Merger;

the inability to obtain, renew or modify permits in a timely manner, or comply with government regulations;

the inability to retain key personnel of Xcerra or of Cohu;

changes in laws and regulations or interpretations or applications thereof;

general economic or industry-specific conditions that are less favorable than expected; and

competition in the industry.

All subsequent written and oral forward-looking statements concerning the Merger or other matters addressed in this joint proxy statement/prospectus and attributable to Cohu or Xcerra or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except to the extent required by applicable law or regulation, Cohu and Xcerra undertake no obligation to update these forward-looking statements to reflect events or circumstances after the date of this joint proxy statement/prospectus or to reflect the occurrence of unanticipated events.

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THE COHU SPECIAL MEETING

Overview

This joint proxy statement/prospectus is being provided to Cohu stockholders as part of a solicitation of proxies by the Cohu Board for use at the Cohu Special Meeting and at any adjournments or postponements thereof. This joint proxy statement/prospectus is first being furnished to Cohu stockholders on or about [ ], 2018. In addition, this joint proxy statement/prospectus constitutes a prospectus for Cohu in connection with the issuance by Cohu of its common stock pursuant to the Merger Agreement. This joint proxy statement/prospectus provides Cohu stockholders with information they need to know to vote or instruct their vote to be cast at the Cohu Special Meeting.

Date, Time and Place of the Cohu Special Meeting

The Cohu Special Meeting will be held at Cohu s corporate offices, located at 12367 Crosthwaite Circle, Poway, California 92064-6817 on [ ], 2018, at [ ], Pacific Time, unless adjourned or postponed to a later date or time.

Purposes of the Cohu Special Meeting

At the Cohu Special Meeting, Cohu s stockholders will be asked:

- to approve the Stock Issuance Proposal; and

- to approve the Cohu Adjournment Proposal.

Record Date; Outstanding Shares; Shares Entitled to Vote

The Cohu Record Date is the close of business on [ ], 2018. This means that you must be a stockholder of record of Cohu Common Stock at the close of business on the Cohu Record Date, in order to vote at the Cohu Special Meeting. You are entitled to one vote for each share of Cohu Common Stock you own. At the close of business on [ ], 2018, there were [ ] shares of Cohu Common Stock outstanding and entitled to vote, held by approximately [ ] holders of record.

A complete list of Cohu stockholders entitled to vote at the Cohu Special Meeting will be available for inspection at the principal place of business of Cohu during regular business hours for a period of no less than ten days before the Cohu Special Meeting and at the place of the Cohu Special Meeting during the meeting.

Quorum and Vote Required

A quorum of stockholders is necessary to hold a valid special meeting of Cohu. The required quorum for the transaction of business at the Cohu Special Meeting is a majority of the issued and outstanding shares of Cohu Common Stock entitled to vote at the Cohu Special Meeting, whether present in person or represented by proxy. Any abstentions will be counted as present and entitled to vote in determining whether a quorum is present at the Cohu Special Meeting. For shares held in street name, your bank, broker or other nominee will not be permitted to vote at the Cohu Special Meeting without specific instructions as to how to vote from you as the beneficial owner of the shares of Cohu Common Stock. A broker non-vote (as defined below) will have no effect on the Stock Issuance Proposal (assuming a quorum is achieved) or the Cohu Adjournment Proposal. Broker non-votes will not be counted as present for purposes of determining whether a quorum is present at the Cohu Special Meeting.

The approval of the Stock Issuance Proposal requires the affirmative vote of a majority of shares present in person or represented by proxy at the Cohu Special Meeting, assuming a quorum is present. If you are a Cohu

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stockholder who attends the meeting in person or by proxy, and you abstain from voting, that will have the same effect as a vote **AGAINST** approval of the Stock Issuance Proposal. Broker non-votes and shares not in attendance at the Cohu Special Meeting will have no effect on the Stock Issuance Proposal, provided that a quorum is achieved.

To approve the Cohu Adjournment Proposal, the affirmative vote of a majority of the shares of Cohu Common Stock present in person or represented by proxy at the Cohu Special Meeting and entitled to vote is required, regardless of whether a quorum is present. Abstentions will have the same effect as a vote **AGAINST** the Cohu Adjournment Proposal, while broker non-votes and shares not in attendance at the Cohu Special Meeting will have no effect on the outcome of the Cohu Adjournment Proposal.

Stock Ownership and Voting by Cohu s Directors and Executive Officers

At the close of business on May 31, 2018, Cohu s directors and executive officers had the right to vote approximately 783,314 shares of the then-outstanding Cohu Common Stock at the Cohu Special Meeting, collectively representing approximately 2.7% of Cohu Common Stock outstanding and entitled to vote on that date. We currently expect that Cohu s directors and executive officers will vote their shares **FOR** the Stock Issuance Proposal and **FOR** any Cohu Adjournment Proposal, although none of them has entered into any agreement requiring them to do so.

How to Vote

You may vote your shares of Cohu Common Stock in person at the Cohu Special Meeting or by proxy. Cohu recommends that you submit your proxy even if you plan to attend the Cohu Special Meeting. If you submit your proxy, you may change your vote if you attend and vote at the Cohu Special Meeting; however, mere attendance at the Cohu Special Meeting will have no effect on your vote.

Owners of record (that is, stockholders of record who hold shares of Cohu in their own name, as opposed to through a bank, broker or other nominee), as of the close of business on the Cohu Record Date, may vote in person at the Cohu Special Meeting or by proxy. This means that you may use the enclosed proxy card(s) to tell the persons named as proxies how to vote your shares. If you properly complete, sign and date your proxy card(s) or submit your voting instructions by telephone or over the Internet, your shares will be voted in accordance with your instructions. The named proxies will vote all shares at the Cohu Special Meeting for which proxies have been properly submitted (whether by mail, telephone or over the Internet) and not revoked. Owners of record have three ways to vote by proxy:

Internet: You can vote over the Internet at the Web address shown on your proxy card(s). You will be prompted to enter your Control Number from your proxy card. This number will identify you as a stockholder of record. Follow the simple instructions that will be given to you to record your vote. If you vote over the Internet, do not return your proxy card(s).

Telephone: You can vote by telephone by calling the toll-free number on your proxy card(s). You will be prompted to enter your Control Number from your proxy card. This number will identify you as a stockholder of record. Follow the simple instructions that will be given to you to record your vote. If you vote by telephone, do not return your proxy card(s).

Mail: You can vote by mail by simply signing, dating and mailing your proxy card(s) in the postage-paid envelope included with this joint proxy statement/prospectus.

If you sign and return your proxy card(s) but do not mark your card(s) to tell the proxies how to vote your shares on each proposal, your shares will be voted as recommended by the Cohu Board.

The deadline for voting electronically through the Internet or by telephone is 11:59 p.m., Pacific Time, on [ ], 2018.

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Cohu stockholders who hold shares of Cohu Common Stock in a stock brokerage account or through a bank, broker or other nominee (street name stockholders) who wish to vote at the Cohu Special Meeting should be provided a voting instruction card by the institution that holds their shares. If this has not occurred, contact the institution that holds your shares. A number of banks and brokerage firms participate in a program that also permits stockholders whose shares are held in street name to direct their vote by telephone or over the Internet. If your shares are held in an account at a bank or brokerage firm that participates in such a program, you may direct the vote of these shares by telephone or over the Internet by following the voting instructions enclosed with the proxy form from the bank or brokerage firm. The Internet and telephone proxy procedures are designed to authenticate stockholders identities, to allow stockholders to give their proxy voting instructions and to confirm that those instructions have been properly recorded. Votes directed by telephone or over the Internet through such a program must be received by 11:59 p.m., Pacific Time, on [ ], 2018. Directing the voting of your shares will not affect your right to vote in person if you decide to attend the Cohu Special Meeting; however, you must first obtain a signed and properly executed legal proxy from your bank, broker or other nominee to vote your shares held in street name at the Cohu Special Meeting. Requesting a legal proxy prior to the deadline described above will automatically cancel any voting directions you have previously given by telephone or over the Internet with respect to your shares.

With respect to the Stock Issuance Proposal and any Cohu Adjournment Proposal for shares held in street name, if you do not instruct your bank, broker or other nominee how to vote your shares, your bank, broker or other nominee will not be authorized to vote, and a broker non-vote will occur. A broker non-vote will have no effect on the Stock Issuance Proposal (provided that a quorum is achieved) or any Cohu Adjournment Proposal.

If you abstain from voting with respect to the Stock Issuance Proposal or the Cohu Adjournment Proposal by submitting a properly executed proxy marked Abstain, your abstention will have the same effect as a vote **AGAINST** such proposal.

Revoking Your Proxy

If you are the owner of record as of the close of business on the Cohu Record Date, you can revoke your proxy at any time before its exercise by:

- sending a written notice to Cohu, Inc. at 12367 Crosthwaite Circle, Poway, California 92064-6817, attention: Corporate Secretary, bearing a date later than the date of the proxy, that is received prior to the Cohu Special Meeting and states that you revoke your proxy;

- submitting your voting instructions again by telephone or over the Internet;

- signing another valid proxy card(s) bearing a later date and mailing it so that it is received by Cohu prior to the Cohu Special Meeting; or

- attending the Cohu Special Meeting and voting in person, although attendance at the Cohu Special Meeting will not, by itself, revoke a proxy.

If you are a street name stockholder, you must follow the instructions found on the voting instruction card provided by your bank, broker or other nominee, or contact your bank, broker or other nominee in order to revoke your previously given proxy.

Other Voting Matters

Voting in Person

If you plan to attend the Cohu Special Meeting and wish to vote in person, Cohu will give you a ballot at the special meeting. However, if your shares are held in street name, you must first obtain from your bank, broker or other nominee a legal proxy authorizing you to vote the shares in person, which you must bring with you to the Cohu Special Meeting.

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Electronic Access to Proxy Materials

This joint proxy statement/prospectus is available on Cohu s website at https://cohu.gcs-web.com/sec-filings.

People with Disabilities

Cohu can provide you with reasonable assistance to help you to participate in the Cohu Special Meeting if you tell Cohu about your disability and how you plan to attend. Please write to Cohu, Inc. at 12367 Crosthwaite Circle, Poway, California 92064-6817, Attention: Corporate Secretary, or call at (858) 848-8100, at least two weeks before the Cohu Special Meeting.

Proxy Solicitations

Cohu is soliciting proxies for the Cohu Special Meeting from Cohu stockholders. Cohu will bear the entire cost of soliciting proxies from Cohu stockholders. In addition to this mailing, Cohu s directors, officers and employees (who will not receive any additional compensation for their services) may solicit proxies personally, and by telephone, facsimile, courier service, mail, email, Internet, press release or advertisement (including on television, radio, newspapers or other publications of general distribution). Okapi Partners LLC (Okapi), has been engaged to aid in the distribution and solicitation of proxies. Cohu will pay Okapi a fee estimated to be approximately $18,000 plus a reasonable amount to cover expenses. Cohu has agreed to indemnify Okapi against certain liabilities arising out of or in connection with this engagement. Cohu will also reimburse brokers or other persons holding Cohu Common Stock in their names or the names of their nominees for the expenses of forwarding soliciting material to their principals.

Cohu stockholders should not submit any stock certificates with their proxy cards.

Cohu stockholders will not need to send in their share certificates or surrender their book-entry shares.

Other Business

Cohu is not aware of any other business to be acted upon at the Cohu Special Meeting. If, however, other matters are properly brought before the Cohu Special Meeting, your proxies will have discretion to vote or act on those matters according to their best judgment and they intend to vote the shares as the Cohu Board may recommend.

Assistance

If you need assistance in completing your proxy card or have questions regarding Cohu s special meeting, please contact Okapi Partners LLC, 1212 Avenue of the Americas, 24th Floor, New York, New York 10036, banks and brokerage firms, call: (212) 297-0720, stockholders and all others, call toll-free: (877) 629-6357, email: info@okapipartners.com.

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COHU PROPOSAL 1

THE STOCK ISSUANCE PROPOSAL

As discussed elsewhere in this joint proxy statement/prospectus, Cohu stockholders are considering and voting on the proposal to approve the issuance of Cohu Common Stock in connection with the Merger of Merger Sub with and into Xcerra with Xcerra surviving the Merger as the Surviving Corporation and a wholly owned subsidiary of Cohu to the extent such issuance would require approval under NASDAQ Stock Market Rule 5635(a), which, subject to certain exceptions, generally requires stockholder approval prior to issuances of common stock in connection with a merger to the extent such issuances would equal or exceed 20% of the issuer s issued and outstanding common stock before such issuance. The Merger is being effected pursuant to the Merger Agreement, a copy of which is attached as Annex A to this joint proxy statement/ prospectus. The approval of this proposal by the stockholders of Cohu is a condition to consummation of the Merger.

The approval of the Stock Issuance Proposal requires the affirmative vote of a majority of shares present in person or represented by proxy at the Cohu Special Meeting, assuming a quorum is present.

You should read carefully this joint proxy statement/prospectus in its entirety for more detailed information concerning the proposed common stock issuances and the transactions contemplated by the Merger Agreement, including the Merger. In particular, you are directed to the Merger Agreement, which is attached as Annex A to this joint proxy statement/prospectus.

After careful consideration, the Cohu Board has approved and declared advisable the Merger Agreement and the transactions contemplated thereby, including the Merger and has determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, are fair to, advisable and in the best interests of, Cohu and the Cohu stockholders. Accordingly, the Cohu Board recommends that Cohu stockholders vote **FOR** the Stock Issuance Proposal, and your properly signed and dated proxy will be so voted unless you specify otherwise.

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COHU PROPOSAL 2

THE COHU ADJOURNMENT PROPOSAL

Cohu stockholders may be asked to vote on a proposal to adjourn the Cohu Special Meeting if necessary or appropriate, including to permit further solicitation of proxies if there are not sufficient votes at the time of the Cohu Special Meeting to approve the Stock Issuance Proposal.

The Cohu Board recommends that Cohu stockholders vote **FOR** any proposal to adjourn the Cohu Special Meeting, and your properly signed and dated proxy will be so voted unless you specify otherwise.

Please note that pursuant to Article I, Section 8 of Cohu s bylaws, a majority in voting power of the stockholders present in person or by proxy and entitled to vote has the power to adjourn the Cohu Special Meeting for any reason, whether or not quorum is present. Any postponement or adjournment of the Cohu Special Meeting is subject to conditions set forth in the Merger Agreement (for more information see *The Merger Agreement Stockholder Meetings; Proxy Statement/Prospectus*).

THE XCERRA SPECIAL MEETING

The Xcerra Board is soliciting proxies for use at the Xcerra Special Meeting.

Date, Time and Place

Xcerra will hold the Xcerra Special Meeting on [ ], 2018, at [ ], Eastern Time, at the offices of Xcerra at 825 University Avenue, Norwood, Massachusetts 02062.

Purpose of the Xcerra Special Meeting

At the Xcerra Special Meeting, Xcerra will ask stockholders to vote on proposals to (i) approve the Merger Agreement, (ii) approve any Xcerra Adjournment Proposal and (iii) approve the Xcerra Non-Binding Advisory Proposal.

Xcerra Board Recommendation

The Xcerra Board, after considering various factors described under the caption *The Merger Reasons for the Merger and Recommendation of the Xcerra Board*, has unanimously (i) determined that the terms of the Merger and the other transactions contemplated by the Merger Agreement are fair to, and in the best interests of Xcerra and its stockholders, (ii) determined that it is in the best interests of Xcerra and its stockholders, and declared it advisable, to enter into the Merger Agreement, (iii) approved the execution and delivery by Xcerra of the Merger Agreement, the performance by Xcerra of its covenants and agreements contained therein and the consummation of the Merger and the other transactions contemplated by the Merger Agreement upon the terms and subject to the conditions contained therein and (iv) resolved to recommend that the Xcerra stockholders approve the Merger Agreement in accordance with the MBCA, subject to the conditions contained therein. The Xcerra Board recommends that Xcerra stockholders vote: (A) **FOR** the approval of the Merger Agreement; (B) **FOR** any Xcerra Adjournment Proposal; and (C) **FOR** the Xcerra Non-Binding Advisory Proposal.

Xcerra Record Date; Shares Entitled to Vote; Quorum

Only Xcerra stockholders of record as of the Xcerra Record Date are entitled to notice of the Xcerra Special Meeting and to vote at the Xcerra Special Meeting. A list of Xcerra stockholders entitled to vote at the Xcerra Special Meeting will be available at Xcerra s principal executive offices, located at 825 University Avenue, Norwood, Massachusetts 02062, during regular business hours for a period of no less than ten days before the Xcerra Special Meeting and at the place of the Xcerra Special Meeting during the meeting.

As of [ ], 2018, there were [ ] shares of Xcerra Common Stock outstanding and entitled to vote at the Xcerra Special Meeting.

The holders of a majority in voting power of the Xcerra Common Stock issued and outstanding and entitled to vote at the Xcerra Special Meeting, present in person or represented by proxy, will constitute a quorum at the Xcerra Special Meeting. In the event that a quorum is not present at the Xcerra Special Meeting, it is expected that the meeting will be adjourned to solicit additional proxies.

Vote Required; Abstentions and Broker Non-Votes

The affirmative vote of the holders of two-thirds of the outstanding shares of Xcerra Common Stock on the Xcerra Record Date is required to approve the Merger Agreement. Approval of the Merger Agreement by Xcerra s stockholders is a condition to the closing of the Merger.

Approval of any Xcerra Adjournment Proposal, whether or not a quorum is present, requires the affirmative vote of a majority of the shares of Xcerra Common Stock having voting power present in person or represented by proxy at the Xcerra Special Meeting and entitled to vote on the subject matter. Approval, by non-binding, advisory vote, of compensation that will or may become payable to Xcerra s named executive officers in connection with the Merger requires the affirmative vote of a majority of the shares of Xcerra Common Stock having voting power present in person or represented by proxy at the Xcerra Special Meeting and entitled to vote on the subject matter.

If an Xcerra stockholder abstains from voting, that abstention will have the same effect as if the stockholder voted **AGAINST** the proposal to approve the Merger Agreement. For Xcerra stockholders who abstain from voting, the abstention will have the same effect as if the stockholder voted **AGAINST** any Xcerra Adjournment Proposal and **AGAINST** the Xcerra Non-Binding Advisory Proposal. An abstention occurs when a stockholder attends a meeting either (i) in person, but abstains from voting or (ii) by proxy, by marking the box labeled Abstain. If an Xcerra stockholder signs and returns its proxy card(s) but does not mark its card(s) to tell the proxies how to vote its shares on each proposal, the shares will be voted as recommended by the Xcerra Board.

Each broker non-vote will also count as a vote **AGAINST** the proposal to approve the Merger Agreement, but will have no effect on (i) any Xcerra Adjournment Proposal or (ii) the Xcerra Non-Binding Advisory Proposal. A broker non-vote generally occurs when a bank, broker or other nominee holding shares on behalf of a stockholder does not vote on a proposal because the bank, broker or other nominee has not received such stockholder s voting instructions and lacks discretionary power to vote the shares. Broker non-votes, if any, will be counted for the purpose of determining whether a quorum is present.

Shares of Xcerra Common Stock Held by Xcerra s Directors and Executive Officers

As of May 31, 2018, 2018, Xcerra directors and executive officers beneficially owned and were entitled to vote, in the aggregate, 1,567,958 shares of Xcerra Common Stock, representing approximately 2.9% of the shares of Xcerra Common Stock outstanding on May 31, 2018, 2018. Xcerra directors and executive officers have informed Xcerra that they currently intend to vote: (1) **FOR** the approval of the Merger Agreement; (2) **FOR** any Xcerra Adjournment Proposal; and (3) **FOR** the Xcerra Non-Binding Advisory Proposal.

Voting of Proxies

If an Xcerra stockholder holds shares of Xcerra Common Stock that are registered in such Xcerra stockholder s name with Xcerra s transfer agent, Computershare Investor Services, such Xcerra stockholder may cause such shares of Xcerra Common Stock to be voted by returning a signed and dated proxy card in the accompanying prepaid envelope, or may vote in person at the Xcerra Special Meeting. Additionally, an Xcerra stockholder may grant a proxy electronically over the Internet or by telephone by following the instructions on the enclosed proxy card. Xcerra stockholders must have the enclosed proxy card available, and follow the instructions on the proxy card, in order to grant a proxy electronically over the Internet or by telephone. Based on the received proxy cards or Internet and telephone proxies, the proxy holders will vote Xcerra stockholders shares of Xcerra Common Stock according to such stockholders directions.

The deadline for voting electronically through the Internet or by telephone is 11:59 p.m., Eastern Time, on [ ], 2018.

If an Xcerra Stockholder plans to attend the Xcerra Special Meeting and wishes to vote in person, such stockholder will be given a ballot at the Xcerra Special Meeting. If shares of Xcerra Common Stock are registered in the stockholder s name, such stockholder is encouraged to vote by proxy even if such stockholder plans to attend the Xcerra Special Meeting in person. If an Xcerra stockholder attends the Xcerra Special Meeting and votes in person by ballot, such vote will revoke any previously submitted proxy.

Voting instructions are included on the enclosed proxy card. All shares of Xcerra Common Stock represented by properly signed and dated proxies received in time for the Xcerra Special Meeting will be voted at

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the Xcerra Special Meeting in accordance with the instructions of the stockholder. Properly signed and dated proxies that do not contain voting instructions will be voted: (1) **FOR** approval of the Merger Agreement; (2) **FOR** any Xcerra Adjournment Proposal; and (3) **FOR** the Xcerra Non-Binding Advisory Proposal.

If shares of Xcerra Common Stock are held in street name through a bank, broker or other nominee, an Xcerra stockholder may vote through its bank, broker or other nominee by completing and returning the voting form provided by such bank, broker or other nominee or attending the Xcerra Special Meeting and voting in person with a legal proxy from such bank, broker or other nominee. If such a service is provided, an Xcerra stockholder may vote over the Internet or by telephone through its bank, broker or other nominee by following the instructions on the voting form provided by such bank, broker or other nominee. If an Xcerra stockholder does not return its bank s, broker s or other nominee s voting form, does not vote via the Internet or telephone through its bank, broker or other nominee, if possible, or does not attend the Xcerra Special Meeting and vote in person with a legal proxy from its bank, broker or other nominee, it will have the same effect as if such Xcerra stockholder voted **AGAINST** the proposal to approve the Merger Agreement but will not have any effect on any Xcerra Adjournment Proposal or the Xcerra Non-Binding Advisory Proposal.

Revocability of Proxies

If you are an Xcerra stockholder of record, you may change your vote or revoke your proxy at any time before it is voted at the Xcerra Special Meeting by:

- signing another proxy card with a later date and returning it to us prior to the Xcerra Special Meeting;
- submitting a new proxy electronically over the Internet or by telephone after the date of the earlier submitted proxy;
- delivering a written notice of revocation to Xcerra s Corporate Secretary; or
- attending the Xcerra Special Meeting and voting in person by ballot.

If you are an Xcerra stockholder who has submitted a proxy, your appearance at the Xcerra Special Meeting, in the absence of voting in person or submitting an additional proxy or revocation, will not have the effect of revoking your prior proxy.

If you are an Xcerra stockholder who holds your shares of Xcerra Common Stock in street name, you should contact your bank, broker or other nominee for instructions regarding how to change your vote. You may also vote in person at the Xcerra Special Meeting if you obtain a legal proxy from your bank, broker or other nominee.

Any adjournment, postponement or other delay of the Xcerra Special Meeting, including for the purpose of soliciting additional proxies, will allow Xcerra stockholders who have already sent in their proxies to revoke them at any time prior to their use at the Xcerra Special Meeting as adjourned, postponed or delayed.

Solicitation of Proxies

The expense of soliciting proxies in connection with the Xcerra Special Meeting will be borne by Xcerra. Xcerra has engaged The Proxy Advisory Group, LLC, a proxy solicitation firm (the Xcerra Proxy Solicitor), to assist Xcerra in the solicitation of proxies and provide related advice and informational support, for a services fee, plus customary disbursements, which are not expected to exceed $20,000 in total. Xcerra will also indemnify the Xcerra Proxy Solicitor against losses arising out of its provisions of these services on Xcerra s behalf. In addition, Xcerra may reimburse banks, brokers and other nominees representing beneficial owners of shares of Xcerra Common Stock for their expenses in forwarding soliciting materials to such beneficial owners. Proxies may also be solicited by Xcerra s directors, officers and employees, personally or by telephone, email, fax, over the Internet or other means of communication. No additional compensation will be paid for such services.

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Adjournments or Postponements

Although it is not currently expected, the Xcerra Special Meeting may be adjourned for the purpose of, among other things, soliciting additional proxies, by the vote of a majority of the shares of Xcerra Common Stock represented at the Xcerra Special Meeting, whether or not a quorum is present. Any signed proxies received by Xcerra for which no voting instructions are provided on such matter will be voted **FOR** an Xcerra Adjournment Proposal.

Appraisal Rights

Under the MBCA, Xcerra is required to state whether it has concluded that Xcerra stockholders are, are not or may be entitled to assert appraisal rights, which are generally available to stockholders of a merging Massachusetts corporation under Section 13.02(a)(1) of the MBCA, subject to certain exceptions. For the reasons described under the caption The Merger Appraisal Rights, Xcerra has concluded that Xcerra stockholders may be entitled to appraisal rights. The relevant provisions of the MBCA have not been the subject of judicial interpretation and Xcerra and Cohu reserve the right to contest the validity and availability of any purported demand for appraisal rights in connection with the Merger.

Under Part 13 of the MBCA, Xcerra stockholders who believe they are or may be entitled to appraisal rights in connection with the Merger must, in order to exercise those rights:

- prior to the Xcerra Special Meeting, deliver to Xcerra a written notice of intent to demand payment for such stockholders shares of Xcerra Common Stock if the Merger is effectuated;
- NOT vote for the proposal to approve the Merger Agreement; and
- Comply with the other procedures under Part 13 of the MBCA.

Your failure to follow exactly the procedures specified under the MBCA may result in the loss of any appraisal rights. If you hold your shares of Xcerra Common Stock through a bank, brokerage firm or other nominee and you wish to exercise appraisal rights, you should consult with your bank, brokerage firm or other nominee to determine the appropriate procedures for the making of a demand for appraisal by your bank, brokerage firm or nominee. See the section captioned *The Merger Appraisal Rights* and the text of Part 13 of the MBCA reproduced in its entirety as Annex D to this joint proxy statement/prospectus.

Important Notice Regarding the Availability of Proxy Materials for the Xcerra Special Meeting to be Held on [ ], 2018

This joint proxy statement/prospectus is available at *http://www.xcerra.com/investors/download-library* under Investors Download Library.

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XCERRA PROPOSAL 1: APPROVAL OF THE MERGER AGREEMENT

Xcerra is asking Xcerra stockholders to approve the Merger Agreement.

For a summary of and detailed information regarding this proposal, see the information about the Merger Agreement and the Merger throughout this joint proxy statement/prospectus, including the information set forth in the sections captioned *The Merger* beginning on page 82 of this joint proxy statement/prospectus and *The Merger Agreement* beginning on page 146 of this joint proxy statement/prospectus. A copy of the Merger Agreement is attached to this joint proxy statement/prospectus as Annex A. Xcerra stockholders are urged to read the Merger Agreement carefully in its entirety.

Under applicable law and the terms of Xcerra s articles of organization, Xcerra cannot complete the Merger without the affirmative vote of two-thirds of the outstanding shares of Xcerra Common Stock voting in favor of the proposal to approve the Merger Agreement. If an Xcerra stockholder abstains from voting, fails to cast a vote, in person or by proxy, or fails to give voting instructions to its brokerage firm, bank, trust or other nominee, it will have the same effect as a vote against the proposal to approve the Merger Agreement.

The Xcerra Board unanimously recommends that you vote FOR this proposal.

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XCERRA PROPOSAL 2: XCERRA ADJOURNMENT PROPOSAL

Xcerra may ask Xcerra stockholders to approve a proposal to adjourn the Xcerra Special Meeting to a later date or dates if necessary or appropriate to solicit additional proxies if there are insufficient votes to approve the Merger Agreement at the time of the Xcerra Special Meeting. If Xcerra stockholders approve an Xcerra Adjournment Proposal, Xcerra could adjourn the Xcerra Special Meeting and any adjourned session of the Xcerra Special Meeting and use the additional time to solicit additional proxies, including proxies from stockholders that have previously returned properly executed proxies voting against approval of the Merger Agreement. Among other things, approval of an Xcerra Adjournment Proposal could mean that, even if Xcerra had received proxies representing a sufficient number of votes against approval of the Merger Agreement such that the proposal to approve the Merger Agreement would be defeated, Xcerra could adjourn the Xcerra Special Meeting without a vote on the approval of the Merger Agreement and seek to convince the holders of those shares to change their votes to votes in favor of approval of the Merger Agreement. Additionally, Xcerra may seek to adjourn the Xcerra Special Meeting if a quorum is not present or otherwise at the discretion of the chairman of the Xcerra Special Meeting.

The Xcerra Board unanimously recommends that you vote FOR this proposal.

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XCERRA PROPOSAL 3: ADVISORY, NON-BINDING VOTE ON MERGER-RELATED EXECUTIVE COMPENSATION ARRANGEMENTS

Section 14A of the Exchange Act, which was enacted as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, requires that Xcerra provide its stockholders with the opportunity to vote to approve, on an advisory, non-binding basis, the payment of certain compensation that will or may become payable to Xcerra s named executive officers in connection with the Merger, as disclosed in the section of this joint proxy statement/prospectus captioned *The Merger Agreement Potential Payments Upon Termination or Change-in-Control Golden Parachute Compensation*.

Accordingly, Xcerra is asking Xcerra stockholders to indicate their approval of such compensation that will or may become payable to Xcerra s named executive officers in connection with the Merger.

In general, the various plans and arrangements pursuant to which these compensation payments may be made have previously formed part of Xcerra s overall compensation program for Xcerra s named executive officers and previously have been disclosed to Xcerra stockholders as part of the Compensation Discussion and Analysis and related sections of Xcerra s annual proxy statement. These historical arrangements were adopted and approved by the Compensation Committee of the Xcerra Board, which is composed solely of non-management directors, and are Xcerra believes they are reasonable and in line with marketplace norms.

As required by Section 14A of the Exchange Act, Xcerra is asking its stockholders to vote on the adoption of the following resolution:

RESOLVED, that the compensation that may be paid or become payable to Xcerra s named executive officers in connection with the Merger, as disclosed in the joint proxy statement/prospectus in the table entitled Golden Parachute Compensation under the heading *The Merger Agreement Potential Payments Upon Termination or Change-in-Control Golden Parachute Compensation*, including the associated narrative discussion, is hereby APPROVED.

The vote on executive compensation payable in connection with the Merger is a vote separate and apart from the vote to approve the Merger Agreement. Accordingly, you may vote to approve the executive compensation and vote against approval of the Merger Agreement, or vice versa. Because the vote is advisory in nature only, it will not be binding on Xcerra, and because Xcerra is contractually obligated to pay the compensation if the Merger is consummated, the compensation will be payable, subject only to the conditions applicable thereto, regardless of the outcome of the advisory vote.

Approval of the advisory resolution on executive compensation payable to Xcerra s named executive officers in connection with the Merger requires the affirmative vote of a majority of the shares of Xcerra Common Stock present in person or represented by proxy at the Xcerra Special Meeting and entitled to vote on the subject matter. Proxies received but marked as abstentions will be considered a vote AGAINST this proposal. The Xcerra Board recommends a vote FOR this proposal.

The Xcerra Board unanimously recommends that you vote FOR this proposal.

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THE MERGER

Overview

The Cohu Board and the Xcerra Board have each approved the Merger Agreement. Pursuant to the Merger Agreement, Merger Sub, a wholly owned subsidiary of Cohu, will merge with and into Xcerra, with Xcerra continuing as the Surviving Corporation and a wholly owned subsidiary of Cohu.

Merger Consideration

At the Effective Time, each share of Xcerra Common Stock issued and outstanding immediately prior to the Effective Time (other than dissenting shares and Cancelled Shares) will be converted into the right to receive (i) the Cash Consideration of $9.00 per share of Xcerra Common Stock and (ii) the Stock Consideration of 0.2109 of a share of Cohu Common Stock per share of Xcerra Common Stock.

Background of the Merger

Each of the Cohu Board and the Xcerra Board, together with members of the respective management teams of Cohu and Xcerra, regularly reviews and assesses the performance, future growth prospects, business plans and overall strategic direction of Cohu and Xcerra, respectively, and considers a variety of strategic alternatives that may be available to Cohu and Xcerra, respectively, including continuing to pursue each respective company s strategy as a stand-alone company or pursuing potential strategic or financing transactions with third parties, in each case with the goal of maximizing stockholder value.

In April of 2016, the Xcerra Board approved the engagement of Cowen to assist in Xcerra s exploration of strategic alternatives, including strategic partnerships and growth opportunities in the Chinese market in light of the importance of the Chinese market to Xcerra and Xcerra s potential growth opportunities in China. Members of Xcerra s management thereafter directed representatives of Cowen to approach, on Xcerra s behalf, a total of seven Chinese parties (the 2016 Potential Partners), including Sino IC Capital Co. Ltd. (Sino IC Capital), each of which was identified by Cowen as a party that may be interested in pursuing a strategic transaction with Xcerra and able to assist Xcerra in its efforts to grow its business in China.

Beginning in April of 2016, at the request of the Xcerra Board and management of Xcerra, Cowen approached each of the 2016 Potential Partners on behalf of Xcerra. During the period beginning on April 19, 2016 and continuing through September 2, 2016, members of Xcerra s management and representatives of Cowen engaged in various discussions relating to a potential strategic transaction involving Xcerra with each of the 2016 Potential Partners and participated in meetings with all but one of such parties. All 2016 Potential Partners other than Sino IC Capital ultimately indicated to representatives of Cowen that such parties were not interested in pursuing a strategic transaction with Xcerra at that time.

Thereafter, Xcerra continued to engage in discussions and negotiations with Sino IC Capital and its related party, Unic Capital Management Co., Ltd. (Unic Capital), regarding a strategic transaction involving Xcerra. On April 7, 2017, Xcerra entered into an Agreement and Plan of Merger with Unic Capital and China Integrated Circuit Industry Investment Fund Co., Ltd., as joined by Unic Acquisition Corporation (Unic Merger Sub) (as amended, the Unic Merger Agreement), providing for the acquisition by Unic Capital of 100% of the outstanding shares of Xcerra Common Stock at a per share price of $10.25 in cash and the merger of Unic Merger Sub with and into Xcerra (the Unic Merger), with Xcerra surviving the Unic Merger. On August 4, 2017, Unic Capital subsequently assigned all of its rights under the Unic Merger Agreement to Hubei Xinyan Equity Investment Partnership (Limited Partnership)

(Hubei). The closing of the Unic Merger was subject to certain conditions, including clearance by the Committee on Foreign Investment in the United States (CFIUS).

The Unic Merger Agreement included a go-shop provision that provided Xcerra with the ability to solicit, and subject to the payment by Xcerra of a reduced termination fee to accept, alternative proposals for an acquisition of Xcerra during the period beginning on the date of the Unic Merger Agreement and continuing until May 12, 2017 (the Go-Shop Period).

On April 10, 2017, Luis Müller, Cohu s President and Chief Executive Officer, emailed David Tacelli, Xcerra s President and Chief Executive Officer, in order to extend his congratulations on the announcement of the Unic Merger, as well as to inquire about the transaction process. Mr. Tacelli referred Mr. Müller to the terms of the Unic Merger Agreement, including those provisions relating to the Go-Shop Period, and indicated that representatives of Cowen would initiate outreach during the Go-Shop Period. There was no further communication between Messrs. Müller and Tacelli during the pendency of the Unic Merger.

During the Go-Shop Period, at the direction of the Xcerra Board, representatives of Cowen contacted a total of 55 parties, including 33 strategic parties and 22 financial sponsors, to solicit their interest in a possible acquisition of Xcerra. Of the 55 parties contacted by representatives of Cowen, only one party, Cohu, executed a confidentiality agreement. Also during the Go-Shop Period, Cohu had brief discussions with representatives of Cowen regarding Cohu s consideration of a possible acquisition proposal pursuant to which Cohu would acquire all outstanding Xcerra Common Stock for a combination of cash and stock consideration. Cohu did not provide the economic terms of any such possible acquisition proposal. However, on April 14, 2017, Cohu indicated that it was not interested in pursuing a strategic transaction involving Xcerra.

On May 12, 2017, the Go-Shop Period expired. None of the 55 parties contacted during the Go-Shop Period, nor any other party, submitted an alternative acquisition proposal to Xcerra during the Go-Shop Period.

On October 3, 2017, Mr. Tacelli received a telephone call from the chief executive officer of a publicly traded company (Company A). Company A was one of the parties contacted by Cowen during the Go-Shop Period. On the call, Mr. Tacelli and the representative of Company A discussed working together on joint projects, following which, the representative inquired as to Xcerra s interest in selling Xcerra s LTXC tester business to Company A. Mr. Tacelli referred the representative of Company A to the terms of the Unic Merger Agreement, and subsequently informed representatives of Hubei and Unic Capital of the inquiry. There were no further communications concerning any transaction with Company A during the pendency of the Unic Merger, and at no time during the pendency of the Unic Merger did Xcerra receive an alternative acquisition proposal from any third party.

On October 12, 2017, at a special meeting called for that purpose, Xcerra stockholders voted to approve the Unic Merger and adopt the Unic Merger Agreement, which reflected a purchase price per share of Xcerra Common Stock of $10.25 payable in cash.

In October 2017, the Cohu Board engaged Deutsche Bank to provide advisory and investment banking services and engaged Cleary Gottlieb Steen & Hamilton LLP (Cleary Gottlieb) as its legal advisor, in each case with respect to a potential transaction with Xcerra in the event that the Unic Merger ultimately was not completed.

In December 2017, Xcerra and Hubei submitted a request to withdraw and re-file their joint voluntary notice to CFIUS to allow more time for review and discussion with CFIUS in connection with the Unic Merger.

On December 4, 2017, the Cohu Board held a telephonic meeting where Cohu management provided an update to the Cohu Board regarding the Unic Merger and potential acquisition strategies for Cohu to pursue with regard to Xcerra. At the meeting, Cleary Gottlieb made a presentation regarding alternative approaches for a potential business combination of the two companies in the event that the Unic Merger Agreement were to be terminated. Representatives of Deutsche Bank reviewed with the Cohu Board certain preliminary financial information relating to Xcerra and Cohu.

On February 6, 2018, the Xcerra Board held a telephonic meeting, which was also attended by members of Xcerra s management. At the meeting, the participants discussed recent developments with respect to Xcerra s

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efforts to obtain CFIUS approval of the Unic Merger, including discussions held with representatives of CFIUS, consultations with Xcerra s legal and regulatory advisors, and certain other indications and reports that CFIUS approval would not likely be granted. The members of the Xcerra Board and Company management present at the meeting reviewed the options available to Xcerra if CFIUS approval were in fact denied, including the mechanisms for terminating the Unic Merger Agreement pursuant to its terms. Following discussion, the members of the Xcerra Board agreed that, based on the advice of its various advisors, obtaining CFIUS approval of the Unic Merger was highly unlikely and proceeding with the Unic Merger despite the failure to receive such approval would not be in the best interest of Xcerra s stockholders. As a result, the Xcerra Board unanimously approved the termination of the Unic Merger Agreement subject to the satisfactory negotiation of a mutual termination agreement with Hubei.

On February 21, 2018, after further discussions between Xcerra and Hubei concerning the CFIUS filing and the Unic Merger Agreement, Xcerra and Hubei jointly withdrew their joint voluntary notice to CFIUS.

On February 22, 2018, after further discussions between Xcerra and Hubei, Xcerra and Hubei entered into a termination agreement, dated February 22, 2018 (the Termination Agreement), pursuant to which Xcerra and Hubei mutually terminated the Unic Merger Agreement and agreed to release each other and certain related parties from certain claims and liabilities relating to the Unic Merger Agreement and the transactions contemplated thereby (the Termination). No termination fee was payable in connection with the Termination. Between April 7, 2017 and February 22, 2018 (i.e., during the period from the signing of the Unic Merger Agreement to the Termination), Xcerra received no alternative acquisition proposals.

On February 23, 2018, the chief executive officer of Company A telephoned Mr. Tacelli to discuss Company A s interest in exploring a potential strategic transaction involving Xcerra and Company A. Mark Gallenberger, Xcerra s Senior Vice President, Chief Operating Officer and Chief Financial Officer, also participated in the call. The participants discussed the potential implications of a strategic transaction involving Xcerra and Company A, including the cultural and operational fit of the two companies, as well as the potential business opportunities that a combination of Xcerra and Company A might create. The participants also discussed the scheduling of a subsequent in-person meeting in March to be attended by members of management of each company. The participants did not discuss any economic terms of a potential strategic transaction during the call.

Also on February 23, 2018, certain members of Cohu s management participated in a telephonic meeting with representatives of Deutsche Bank and Cleary Gottlieb to discuss the termination of the Unic Merger Agreement and a strategy for re-engaging with Xcerra. Cohu s management instructed representatives of Deutsche Bank to update its preliminary financial analysis with respect to Xcerra and Cohu.

On February 27, 2018, the Xcerra Board held a telephonic meeting, which was also attended by members of Xcerra s management. During the meeting, Mr. Tacelli led a discussion regarding the Termination and Xcerra s business opportunities, and provided a review of Xcerra s strategy and operations. Mr. Tacelli then reviewed with the Xcerra Board the discussion that had occurred with the representative of Company A on February 23, 2018 regarding a potential strategic transaction. The Xcerra Board directed management to pursue further discussions with representatives of Company A with respect to a potential strategic transaction.

On February 28, 2018, Mr. Müller and Thomas Kampfer, Cohu s Vice President of Corporate Development, General Counsel and Secretary, met telephonically with representatives of Cowen in connection with a previously scheduled meeting regarding general investment banking matters. At such meeting, representatives of Cowen discussed industry developments and benchmarking as well as potential acquisition partners for Cohu, including Xcerra. The materials prepared by Cowen for the meeting included, among other things, a pro forma income statement analysis, based solely on publicly available information, with respect to a hypothetical combination of Cohu and Xcerra, to gauge Cohu s potential interest in a transaction involving Xcerra. The pro forma income statement analysis did not assume any particular purchase price, range of purchase prices or form of consideration (such as cash or stock) for the hypothetical combination of Cohu and Xcerra. The representatives of Cowen indicated that they were not participating in such meeting in their capacity as representatives of Xcerra, as Cowen s prior engagement with Xcerra had expired, but indicated in the course of that conversation that they believed that management of Xcerra might be open to discussions with Cohu regarding a potential transaction. The representatives of Cowen discussed this conversation with Xcerra management the following day.

Later on February 28, 2018, the Cohu Board met telephonically with representatives of Deutsche Bank and Cleary Gottlieb to discuss updated preliminary financial information relating to Xcerra and Cohu prepared by Deutsche Bank. Following this discussion, the Cohu Board authorized members of Cohu s management to make an initial offer for the acquisition of all of the outstanding shares of Xcerra Common Stock for a purchase price of up to $13.00 per share .

On March 1, 2018, Mr. Müller sent an email to Mr. Tacelli requesting a telephonic meeting to discuss the Termination and the state of the semiconductor test market. Later on March 1, 2018, Mr. Tacelli and Mr. Müller participated in a telephonic meeting during which they discussed the Termination and the state of the semiconductor test market. During the meeting, Mr. Müller informed Mr. Tacelli that Cohu was interested in submitting to the Xcerra Board an offer to acquire all of the outstanding shares of Xcerra Common Stock. Mr. Tacelli advised Mr. Müller that he would share any offer received with the Xcerra Board.

Later on March 1, 2018, Mr. Müller delivered to Mr. Tacelli by email a written proposal letter, dated as of March 1, 2018 (the Initial Proposal Letter), from Cohu specifying, among other things, a non-binding offer for the acquisition by Cohu of 100% of the outstanding shares of Xcerra Common Stock at a per share price equal to $11.75, consisting of $8.57 payable in cash and $3.18 payable in Cohu Common Stock. On March 1, 2018, the closing price of Xcerra Common Stock was $9.95 per share and the closing price of Cohu Common Stock was $19.99 per share. The Initial Proposal Letter requested a response from Xcerra by March 15, 2018. Mr. Tacelli held a telephonic meeting with Roger W. Blethen, Chairman of the Xcerra Board, to review the terms of the Initial Proposal Letter.

Also on March 1, 2018, Xcerra and Company A entered into a customary non-disclosure agreement which did not contain a standstill provision.

On March 2, 2018, the Cohu Board met telephonically to discuss updates to the status of negotiations with Xcerra.

On March 2, 2018, Mr. Tacelli delivered a copy of the Initial Proposal Letter by email to the members of the Xcerra Board. Also on March 2, 2018, representatives of Cowen participated in a telephonic meeting with representatives of Deutsche Bank to discuss the terms of the Initial Proposal Letter and a potential strategic transaction involving Cohu and Xcerra, including, among other things, the timeline for a potential transaction, the scope of due diligence, the financing structure of the potential transaction, Xcerra s ability to solicit interest from other potentially interested parties and the potential for Xcerra representation on the Cohu Board following closing of a potential transaction.

On March 3, 2018, Mr. Tacelli participated in a telephonic meeting with Mr. Müller. During the meeting, Mr. Tacelli communicated to Mr. Müller that Xcerra was considering the Initial Proposal Letter and had retained Cowen to assist with financial analysis.

On March 6, 2018, the Xcerra Board held a telephonic meeting, which was also attended by members of Xcerra s management, representatives of Cowen and a representative of Latham & Watkins LLP, Xcerra s outside counsel (Latham & Watkins). At that meeting, the participants discussed the Termination and the market s reaction to the Termination, Company management s recent discussions with representatives of Company A and an in-person meeting to be held with representatives of Xcerra s management and

representatives of Company A in the coming week, and the Initial Proposal Letter. Representatives of Cowen reviewed with the Xcerra Board Cowen s preliminary financial analysis of the implied per share purchase price of $11.75 included in the Initial Proposal Letter. A representative of Latham & Watkins provided an overview of the Xcerra Board s fiduciary duties in the context of an assessment of the Initial Proposal Letter and any other strategic transaction. After discussion, the Xcerra Board determined that, although the price per share conveyed in the Initial Proposal Letter was insufficient, Xcerra should continue to pursue further discussions with Cohu with respect to a potential strategic transaction and should also proceed with the in-person meeting with representatives of Company A in the coming week, and the Xcerra Board directed management and the representatives of Cowen to convey to Cohu that the Xcerra Board believed the purchase price offered in the Initial Proposal Letter was insufficient.

On March 10, 2018, Mr. Tacelli participated in a telephonic meeting with Mr. Müller. During the meeting, Mr. Tacelli communicated to Mr. Müller that Xcerra was continuing to evaluate the Initial Proposal Letter and expected to have feedback to Cohu by March 15, 2018.

On March 12 and March 13, 2018, members of Xcerra s management, including Messrs. Tacelli and Gallenberger, Pascal Rondé, Senior Vice President of Xcerra s Global Customer Team, and Steve Wigley, Vice President of Xcerra s LTXC tester business, met with representatives of Company A at their headquarters to discuss Company A s interest in a potential strategic transaction involving Xcerra. Each party gave a presentation of its business and discussion ensued regarding each of the presentations. At the conclusion of the meeting, representatives of Company A indicated that a combination of Xcerra s LTXC tester business with Company A s business would provide a strong value proposition, but that Company A was not sure how Xcerra s other businesses would fit into Company A s overall long-term strategy. The representatives of Company A indicated that they would follow up with Xcerra s management during the week of March 19, 2018, once Company A had further considered a potential strategic transaction involving Xcerra.

On March 14, 2018, Mr. Tacelli participated in a telephonic meeting with Mr. Müller. During the meeting, Mr. Tacelli communicated to Mr. Müller the Xcerra Board s belief that the per share purchase price set forth in the Initial Proposal Letter was insufficient as Xcerra s trading price had not fully normalized following the Termination, and that Xcerra s current trading price did not yet accurately reflect the value of Xcerra s business. Mr. Müller indicated that Cohu Board s belief that the offered amount represented a strong value for Xcerra s stockholders and suggested that the parties should continue discussions and possibly meet for in-person discussions at the end of the month. Messrs. Tacelli and Müller also agreed that Xcerra and Cohu should enter into a non-disclosure agreement in advance of any in-person meetings or detailed discussions regarding Xcerra s business.

Also on March 14, 2018, representatives of Cowen and representatives of Deutsche Bank participated in a telephonic meeting to discuss the Initial Proposal Letter. During the meeting, the representatives of Cowen communicated the Xcerra Board s belief that the per share purchase price reflected in the Initial Proposal Letter was insufficient and that Cohu would need to increase the per share purchase price. The representatives of Cowen and Deutsche Bank set up a follow-up call for March 16, 2018 to discuss the potential transaction involving Cohu and Xcerra.

On March 16, 2018, representatives of Cowen and representatives of Deutsche Bank participated in a telephonic meeting to discuss the Initial Proposal Letter. During the meeting, the representatives of Cowen reiterated to Deutsche Bank that Cohu would need to increase the proposed per share purchase price. Representatives of Cowen and representatives of Deutsche Bank discussed Cohu s and Xcerra s respective historical financial performance, the recent activity in the trading of Xcerra s common stock and a pro forma financial analysis. Representatives of Deutsche Bank also discussed with representatives of Cowen the potential market reaction to a transaction involving Cohu and Xcerra. At the end of the meeting, representatives of Cowen and representatives of Deutsche Bank agreed that they would work to schedule a meeting between the respective management teams of Xcerra and Cohu later in the month to continue due diligence and discussions with respect to a potential transaction.

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On March 20, 2018, representatives of Deutsche Bank called representatives of Cowen to discuss Cohu s forthcoming announcement the following morning regarding an increase in Cohu s previous earnings guidance as a result of revenue recognition related to the accelerated qualification and product acceptance of Cohu s Eclipse XTA handler by a large Korean customer.

Also on March 20, 2018, the Cohu Board met to, among other things, discuss updates to the status of negotiations with Xcerra.

On March 21, 2018, Mr. Tacelli participated in a telephonic meeting with the chief executive officer of Company A. During the meeting, Company A s chief executive officer noted that Company A believed that Xcerra s LTXC tester business would complement Company A s business, but that Company A was not interested in an acquisition of 100% of the outstanding shares of Xcerra Common Stock. The chief executive officer of Company A inquired as to whether Xcerra would consider the sale of its LTXC tester business to Company A. Mr. Tacelli responded that Xcerra was not seeking to divest any of its businesses, but if Company A was interested in submitting an offer of sufficient premium to justify the divestment of the LTXC tester business, Xcerra would evaluate such offer. Following this discussion, the chief executive officer of Company A informed Mr. Tacelli that Company A would not be further pursuing a strategic transaction with Xcerra.

On March 21, 2018, Xcerra and Cohu executed a mutual non-disclosure agreement which did not contain a standstill provision.

On March 22, 2018, Mr. Tacelli provided the Xcerra Board a summary of his discussions on March 21, 2018 with the chief executive officer of Company A, including that Company A had indicated that it was not interested in an acquisition of the entirety of Xcerra but, rather, was only interested in acquiring the LTXC tester business, and accordingly, would no longer pursue a strategic transaction with Xcerra.

On March 26, 2018, Messrs. Tacelli, Gallenberger and Müller and Mr. Jeffrey Jones, Cohu s Vice President of Finance and Chief Financial Officer, met for an in-person meeting in Chestnut Hill, Massachusetts, in order to discuss the semiconductor industry generally, the businesses run by each company and general factors to consider in determining the potential transaction value.

On March 27, 2018, Messrs. Tacelli, Gallenberger, Müller, Jones, and Kampfer and representatives of each of Cowen and Deutsche Bank, participated in in-person meetings in Dedham, Massachusetts. During the meetings, the participants discussed the key terms of a potential transaction involving Cohu and Xcerra, including with respect to the per share purchase price to be paid by Cohu, preliminary diligence matters, financing of the transaction and regulatory matters. Mr. Gallenberger also presented to the participants the Xcerra FY 2018 FY 2019 Forecast. During the meetings, Messrs. Müller and Jones initially indicated that Cohu would increase its offer from $11.75 per share to $12.50 per share of Xcerra Common Stock. Following extensive discussions and negotiations, Messrs. Tacelli, Gallenberger, Müller and Jones agreed to present to the respective boards of directors of Xcerra and Cohu for approval an offer of $13.75 per share of Xcerra Common Stock, consisting of $9.00 in cash and $4.75 in Cohu Common Stock and proposed that the post-closing board of directors of Cohu would include the addition of two former Xcerra directors. The members of Cohu s management in attendance at the meetings indicated that Cohu would provide a formal written revised offer for the Xcerra Board s consideration following approval of the offer by Cohu s Board. The closing price of Xcerra Common Stock on March 27, 2018, was $11.39 per share and the closing price of Cohu Common Stock on March 27, 2018, was $22.91 per share.

On March 28, 2018, Mr. Tacelli provided a summary of the March 26 and March 27 meetings to members of the Xcerra Board by email.

Also on March 28, 2018, the Cohu Board held a special telephonic meeting, a portion of which was attended by representatives of Deutsche Bank and representatives of Cleary Gottlieb. At the meeting, the Cohu Board discussed, among other matters, the March 26 and March 27 meetings, the potential business combination between Cohu and Xcerra, Xcerra s business and stock performance, preliminary financial information relating to Xcerra and Cohu and a preliminary timeline of the potential transaction. Following this discussion, the Cohu Board authorized Mr. Müller to present to Xcerra a revised written proposal letter, dated as of March 29, 2018 (the Revised Proposal Letter), specifying, among other things, a non-binding offer for Cohu to acquire 100% of the outstanding shares of Xcerra Common Stock at a per share price equal to $13.75, consisting of $9.00 payable in cash and $4.75 payable in Cohu Common Stock at an exchange ratio to be based on the 30-trading day volume weighted average price of Cohu s Common Stock through the last trading day prior to the signing of a definitive merger agreement. The closing price of Xcerra Common Stock on March 29, 2018 was $11.65 per share and the closing price of Cohu Common Stock on March 29, 2018, was $22.81 per share.

On March 29, 2018, Mr. Müller delivered to Mr. Tacelli the Revised Proposal Letter. Also on March 29, 2018, Mr. Müller delivered to Mr. Tacelli a letter agreement to be entered into by Cohu and Xcerra (the Exclusivity Agreement) providing that Cohu would have the exclusive right to negotiate with Xcerra regarding a possible acquisition of Xcerra until May 8, 2018 (unless earlier terminated).

Also on March 29, 2018, representatives of Cowen and representatives of Deutsche Bank participated in a telephonic meeting to discuss the key terms of the Revised Proposal Letter, including the per share purchase price and the exchange ratio for the stock portion of the consideration, Cohu s financing of the transaction, key due diligence items, and Xcerra s desire to solicit interest from other potentially interested parties before entering into an exclusivity agreement with Cohu.

On March 30, 2018, Messrs. Tacelli and Müller participated in a telephonic meeting to discuss the Revised Proposal Letter. Mr. Tacelli noted that the Revised Proposal Letter had been provided to the Xcerra Board for discussion at a meeting of the Xcerra Board to be held later that day.

Also on March 30, 2018, the Cohu Board met telephonically to discuss updates to the status of negotiations with Xcerra.

Also on March 30, 2018, the Xcerra Board held a telephonic meeting, which was also attended by members of Xcerra s management, representatives of Cowen and representatives of Latham & Watkins. Representatives of Cowen provided the Xcerra Board with an update regarding the potential transaction involving Cohu and Xcerra, including with respect to the negotiations that had taken place between members of Xcerra s management and members of Cohu s management at the in-person meetings held on March 26 and March 27, 2018. The representatives of Cowen noted that, during such negotiations, the participants discussed Cohu s proposed implied per share purchase price and that representatives of Xcerra s management had been successful in negotiating from the initial offer of $11.75 per share set forth in the Initial Proposal Letter to the $13.75 per share offer set forth in the Revised Proposal Letter. The representatives of Cowen also noted that the Revised Proposal Letter provided that two former Xcerra Board members would be invited to join Cohu s board of directors following the closing of the transaction and that Xcerra stockholders would own approximately 28% of outstanding Cohu Common Stock following the closing of the transaction. The representatives of Cowen also reviewed with the Xcerra Board Cowen s preliminary financial analysis of the implied per share consideration of $13.75 represented by the Revised Proposal Letter. Following Cowen s presentation, the participants in the meeting discussed the potential transaction, including the per share purchase price reflected in the Revised Proposal Letter (which Messrs. Tacelli and Gallenberger and representatives of Cowen stated, based on negotiations with representatives of Cohu that took place on March 27, 2018, to be the highest price that they believed that Cohu would be willing to offer), Xcerra s recent performance, the current state of the semiconductor test equipment market and certain regulatory approvals that would be required in connection with the potential transaction. A representative of Latham & Watkins then reviewed with the members of the Xcerra Board their fiduciary duties with respect to the Xcerra Board s consideration of the potential transaction. Following discussion and taking into account the review of strategic alternatives and market outreach that had been conducted in connection with the Unic Merger Agreement, the Xcerra Board directed Cowen to approach, on behalf of Xcerra, a total of 15 parties (the Potential Partners) to solicit their interest in pursuing a strategic transaction with Xcerra. The Potential Partners included those parties that the Xcerra Board believed, after consultation with Xcerra s management and representatives of Cowen, were the parties most likely to be interested in, and capable of, pursuing a strategic transaction with Xcerra. Company A was included as a Potential Partner. A representative of Latham & Watkins then reviewed the terms of the proposed Exclusivity Agreement provided by Cohu. Following discussion, the Xcerra Board determined that Xcerra would enter into the Exclusivity Agreement only after Cowen s outreach to the Potential Partners had been completed. Following further discussion, the members of the Xcerra Board unanimously approved the Revised Proposal Letter. The Xcerra Board further approved the Exclusivity Agreement, subject to the satisfactory completion of Cowen s outreach to the Potential Partners and the absence of interest expressed by any of the Potential Partners in pursuing a possible strategic transaction with Xcerra. The Xcerra Board directed Xcerra s management and the respective representatives of Cowen and Latham & Watkins to continue to engage with Cohu with respect to due diligence and to commence drafting a definitive agreement.

Beginning on March 30, 2018, at the request of management of Xcerra as directed by the Xcerra Board, Cowen approached on behalf of Xcerra each of the Potential Partners.

On April 2, 2018, Messrs. Tacelli and Gallenberger participated in a telephonic meeting with Mr. Müller to discuss measurement of the exchange ratio for the portion of the per share merger consideration which would be paid to Xcerra s stockholders in the form of Cohu Common Stock. Following discussion, Messrs. Tacelli, Gallenberger and Müller agreed that the exchange ratio for the shares of Cohu Common Stock to be issued in the Merger would be based on the 20-trading day volume weighted average price of Cohu Common Stock through the last trading day prior to the signing of the definitive agreement.

Also on April 2, 2018, the Cohu Board met telephonically to discuss updates to the status of negotiations with Xcerra.

On April 3, 2018, Colin Savoy, Xcerra s Chief Legal Counsel participated in an introductory telephonic meeting with Mr. Kampfer to discuss diligence matters and the Exclusivity Agreement. Messrs. Savoy and Kampfer also discussed potential regulatory matters presented by the proposed transaction.

Later on April 3, 2018, following an introduction by Mr. Savoy, representatives of Latham & Watkins participated in a telephonic meeting with representatives of Cleary Gottlieb to discuss diligence matters and the Exclusivity Agreement. Following the meeting, representatives of Latham & Watkins delivered a revised version of the Exclusivity Agreement to representatives of Cleary Gottlieb which, among other things, provided that Cohu would also not solicit proposals for a possible acquisition of Cohu during the term of exclusivity thereunder. Representatives of Latham & Watkins also delivered an initial draft of a clean team agreement with respect to Cohu s due diligence of Xcerra, as well as a list of information requests with respect to Xcerra s due diligence of Cohu.

On April 4, 2018, representatives of Cohu and Xcerra held a telephonic meeting to discuss the status of the Exclusivity Agreement.

On April 5, 2018, Cowen completed its outreach efforts to the Potential Partners. Representatives of Cowen indicated to members of Xcerra s management and Latham & Watkins that 13 of such Potential Partners, including Company A, had affirmatively passed on the opportunity to explore a potential strategic transaction with Xcerra, one of such Potential Partners had been removed from the outreach list based on its foreign domicile which was determined by Xcerra s management to pose too great a regulatory risk and one of such Potential Partners had not responded to Cowen despite repeated outreach efforts by Cowen. Neither Cowen nor Xcerra ever received a response from such Potential Partner.

Also on April 5, 2018, representatives of Cohu delivered to representatives of Xcerra a second revised version of the Proposal Letter (the Second Revised Proposal Letter) reflecting the agreement of Messrs. Tacelli

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and Müller with respect to the use of the 20-trading day volume weighted average price of Cohu Common Stock through the last trading day prior to the signing of the definitive agreement as the measurement period of the exchange ratio for the shares of Cohu Common Stock to be issued in the Merger. Later on April 5, 2018, the parties executed and delivered to one another the Exclusivity Agreement. Other than the measurement period to be used for purposes of determining the exchange ratio, the terms of the Second Revised Proposal Letter were the same as those reflected in the Revised Proposal Letter. Pursuant to the Exclusivity Agreement, Xcerra agreed to negotiate exclusively with Cohu with respect to a potential transaction until the earlier of the execution of a definitive agreement with respect to such transaction and May 10, 2018.

Also on April 5, 2018, the Cohu Board met telephonically to discuss updates to the status of negotiations with Xcerra.

On April 6, 2018, Xcerra provided representatives of Cohu and its advisors with access to an electronic data room with respect to Cohu s due diligence of Xcerra.

From April 2018 through the execution of the definitive Merger Agreement, each of Cohu and Xcerra, with the assistance of their respective advisors, continued to engage in due diligence activities. Due diligence activities included participation in various telephonic meetings among the respective advisors of Cohu and Xcerra and the members of the respective managements of Cohu and Xcerra.

On April 10, 2018, Cohu and Xcerra executed a clean team agreement with respect to Cohu s diligence of Xcerra, and representatives of Latham & Watkins sent a revised list of information requests with respect to Xcerra s due diligence of Cohu to Cleary Gottlieb.

On April 13, 2018, Cohu and Xcerra executed a reverse clean team agreement with respect to Xcerra s due diligence of Cohu.

Also on April 13, 2018, representatives of Cleary Gottlieb delivered an initial draft of the Merger Agreement to representatives of Latham & Watkins.

During the period from April 17 through April 20, 2018, members of Cohu s management team and members of Xcerra s management team participated in in-person due diligence meetings at a location in Norwood, Massachusetts, near Xcerra s headquarters. During these meetings, representatives of Cohu s management team presented to the participants the Cohu Management Projections. Also during these meetings, the participants discussed, among other matters, Xcerra s business, its operations and financial projections, the draft Merger Agreement, and certain regulatory matters.

On April 20, 2018, representatives of Latham & Watkins delivered a revised draft of the Merger Agreement to representatives of Cleary Gottlieb.

On April 24, 2018, representatives of Cleary Gottlieb delivered a further revised draft of the Merger Agreement to representatives of Latham & Watkins.

On April 26, 2018, representatives of Latham & Watkins delivered a further revised draft of the Merger Agreement to representatives of Cleary Gottlieb.

On April 27, 2018, representatives of Latham & Watkins and representatives of Cleary Gottlieb participated in a telephonic meeting to discuss certain key terms of the Merger Agreement, including with respect to Cohu s and Xcerra s respective required efforts to obtain certain regulatory approvals required in connection with the proposed transaction, the covenants applicable to each of Cohu and Xcerra during the period commencing upon the execution of the Merger Agreement and ending on the earlier of the Effective Time and the termination of the Merger Agreement (such period, the Interim Period) and Cohu s ability to terminate the Merger Agreement if Cohu was unable to obtain financing for the Merger.

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Also on April 27, 2018, representatives of Cowen delivered the Xcerra FY 2018 FY 2023 Forecast to representatives of Deutsche Bank.

On April 28, 2018, representatives of Deutsche Bank delivered the Cohu Management Projections to representatives of Cowen.

On April 29, 2018, members of Cohu s management, members of Xcerra s management, representatives of Cleary Gottlieb and representatives of Latham & Watkins participated in a telephonic meeting to discuss certain key terms of the Merger Agreement, including Cohu s ability to terminate the Merger Agreement if Cohu was unable to obtain financing for the Merger, each party s required efforts to obtain regulatory approvals and the ability of Cohu s board of directors to change its recommendation to Cohu s stockholders if Cohu were to receive a superior proposal.

On April 30, 2018, representatives of each of Latham & Watkins and Cleary Gottlieb participated in a telephonic meeting to discuss certain regulatory matters.

On May 1, 2018, at the direction of members of Xcerra s management, representatives of Cowen participated in a telephonic meeting with representatives of Deutsche Bank to discuss the per share purchase price indicated in the Second Revised Proposal Letter. During the meeting, based on instructions previously received from management of Cohu, the representatives of Deutsche Bank indicated that Cohu would not increase the per share purchase price indicated in the Second Revised Proposal Letter and that such price was Cohu s best and final offer.

Also on May 1, 2018, representatives of Cleary Gottlieb delivered an initial draft of the Commitment Letter to representatives of Latham & Watkins with respect to the debt financing to be obtained by Cohu in connection with the Merger.

Also on May 1, 2018, the Cohu Board met telephonically to discuss updates to the status of negotiations with Xcerra.

On May 2, 2018, Mr. Tacelli participated in several telephonic meetings with Mr. Müller to discuss certain key terms of the Merger Agreement, including with respect to Cohu s efforts to obtain financing and regulatory approval of the Merger.

On May 3, 2018, members of Xcerra s management and members of Cohu s management participated in a telephonic meeting to discuss Xcerra s earnings for the third quarter of its 2018 fiscal year and Company management s outlook for Xcerra s fourth quarter of its 2018 fiscal year. Following that meeting, at the direction of members of Xcerra s management, representatives of Cowen participated in a telephonic meeting with representatives of Deutsche Bank to discuss increasing the per share purchase price offered by Cohu in connection with the Merger. During that call, based on instructions previously received from management of Cohu, the representatives of Deutsche Bank again indicated that Cohu would not increase the per share purchase price indicated in the Second Revised Proposal Letter.

Later on May 3, 2018, representatives of Cleary Gottlieb delivered a further revised draft of the Merger Agreement to representatives of Latham & Watkins.

Also on May 3, 2018, the Cohu Board held a telephonic meeting, which was attended by members of Cohu s management, representatives of Cleary Gottlieb and representatives of Deutsche Bank. At the meeting, the Cohu Board was also provided with an update on negotiations with respect to the proposed transaction, the Merger Agreement and related matters. Representatives of Cleary Gottlieb gave an overview of negotiations and the structure of the proposed transaction. Representatives of Cleary Gottlieb then gave a presentation regarding the Cohu Board s fiduciary duties in the context of considering Cohu s strategic alternatives and the proposed

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transaction. Representatives of Cleary Gottlieb then reviewed with the Cohu Board a summary of transaction terms that was circulated to each member of the Cohu Board in advance of the meeting, reviewed the terms of the Merger Agreement and discussed certain provisions of the Merger Agreement related to the Cohu Board s ability to accept a superior proposal and enter into an alternative transaction in the exercise of the Cohu Board s fiduciary duties. Representatives of Deutsche Bank and representatives of Cleary Gottlieb then gave a presentation that summarized the terms of the Commitment Letter.

On May 4, 2018, Mr. Tacelli and Mr. Müller participated in a telephonic meeting to discuss certain key terms of the Merger Agreement, including each party s required efforts to obtain regulatory approvals and certain limitations on Xcerra s conduct of business during the Interim Period. Also on May 4, 2018, representatives of Latham & Watkins and representatives of Cleary Gottlieb participated in a telephonic meeting to discuss certain key terms of the Merger Agreement, including certain limitations on the each party s conduct of business during the Interim Period, certain limitations on Cohu s conduct of business during the Interim Period and Cohu s efforts to obtain financing in connection with the Merger. Following that meeting, representatives of Latham & Watkins delivered a revised draft of the Merger Agreement to representatives of Cleary Gottlieb.

Later on May 4, 2018, the Xcerra Board held a telephonic meeting, which was attended by members of Xcerra s management, representatives of Latham & Watkins and representatives of Cowen. At such meeting, the Xcerra Board discussed the current terms of the Merger Agreement and related matters. Mr. Tacelli provided an update on Xcerra s negotiations with Cohu and its advisors with respect to the proposed transaction and the Merger Agreement.

Representatives of Cowen then provided an update on Cowen s previously conducted outreach to the Potential Partners and any indication of interest with respect to an alternative strategic transaction. The representatives of Cowen reviewed with the members of the Xcerra Board the list of Potential Partners and noted that of the 15 Potential Partners contacted, 14 of the Potential Partners had affirmatively passed on the opportunity to explore a potential strategic transaction with Xcerra, including Company A, and one of such Potential Partners had not responded to Cowen. Representatives of Cowen then reviewed with the Xcerra Board its financial analysis of the implied per share consideration of $13.75 represented by the Merger Consideration based on the recent closing prices of the Cohu Common Stock and the Xcerra Common Stock, a copy of such analysis which had been circulated to each member of the Xcerra Board prior to the meeting. The representatives of Cowen then responded to questions from members of the Xcerra Board regarding its financial analysis. The participants at the meeting then discussed the value of the proposed consideration to Xcerra s stockholders, including the relative value of the cash and equity portions of the proposed consideration based on the then current price of Cohu Common Stock, the expected post-transaction indebtedness of Cohu and accretion to Xcerra s stockholders.

Representatives of Latham & Watkins then gave a presentation regarding the Xcerra Board s fiduciary duties in the context of considering Xcerra s strategic alternatives and the proposed transaction with Cohu. Representatives of Latham & Watkins reviewed with the Xcerra Board a summary of transaction terms that was circulated to each member of the Xcerra Board in advance of the meeting and gave a presentation that summarized the current terms of the Merger Agreement. Following discussion, representatives of Latham & Watkins led a discussion with respect to the process for Xcerra s and Cohu s application for regulatory review with respect to the proposed transaction, including the process for submitting an application for regulatory review, the risks associated with such review, the potential for remedial measures to be imposed by a governmental authority and Xcerra and Cohu s termination rights included in the Merger Agreement with respect to failure to obtain regulatory clearance.

Following discussion of the key terms of the Merger Agreement and the process for regulatory review of the proposed transaction, representatives of Latham & Watkins reviewed the proposed resolutions of the Xcerra Board which provided for the Xcerra Board s approval of the Merger Agreement and authorized the execution, delivery and performance of the Merger Agreement and the transactions contemplated by the Merger Agreement,

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a copy of such proposed resolutions which had been provided to the members of the Xcerra Board prior to the meeting.

Following review of the proposed resolutions, the Xcerra Board engaged in discussion concerning the considerations supporting entry into the Merger Agreement and certain factors that may not support entry into the Merger Agreement, including an extensive discussion of the current state of the semiconductor test equipment market business cycle and such other factors as are described in this joint proxy statement/prospectus under the section entitled *Recommendations of the Xcerra Board and Xcerra s Reasons for the Merger.* Following such discussion, the participants agreed to adjourn the meeting and to reconvene on May 7, 2018, for further discussion and consideration of the proposed transaction.

On May 5, 2018, representatives of Latham & Watkins and representatives of Cleary Gottlieb participated in a telephonic meeting to discuss the remaining issues in the Merger Agreement, including representations and warranties of Cohu and limitations on Xcerra s conduct of business during the Interim Period.

On May 6, 2018, representatives of Cleary Gottlieb and representatives of Latham & Watkins participated in several telephonic meetings to discuss remaining issues in the Merger Agreement, including limitations on Xcerra s conduct of business during the Interim Period. Also on May 6, 2018, Mr. Tacelli and Mr. Müller communicated with respect to the same remaining issues in the Merger Agreement. As a result of these conversations, on May 6, 2018, representatives of Cleary Gottlieb and representatives of Latham & Watkins delivered to one another a total of three further revised drafts of the Merger Agreement.

On May 7, 2018, representatives of Cleary Gottlieb delivered a further revised draft of the Merger Agreement to representatives of Latham & Watkins. Later on May 7, 2018, representatives of Latham & Watkins delivered a further revised draft of the Merger Agreement to representatives of Cleary Gottlieb.

Also on May 7, 2018, the Xcerra Board held a telephonic meeting, which was attended by members of Xcerra s management, representatives of Latham & Watkins and representatives of Cowen. At such meeting, the Xcerra Board considered approval of the Merger Agreement and related matters.

Representatives of Cowen reviewed with the Xcerra Board its financial analysis of the Merger Consideration. The representatives of Cowen then responded to questions from members of the Xcerra Board regarding its financial analysis. The participants at the meeting then discussed the value of the proposed consideration to Xcerra s stockholders, including the premium represented by the Merger Consideration as of May 7, 2018, payable to Xcerra s stockholders, expected accretion to Xcerra s stockholders and the expected synergies to be realized following the closing of the potential transaction.

Representatives of Latham & Watkins then reviewed with the participants the Xcerra Board s fiduciary duties in the context of considering Xcerra s strategic alternatives and the proposed transaction with Cohu. Following discussion, representatives of Latham & Watkins then reviewed with the Xcerra Board the terms of the Merger Agreement that had changed since the last meeting of the Xcerra Board, at which meeting the Xcerra Board had reviewed a summary of transaction terms circulated to each member of the Xcerra Board in advance of that meeting. Following discussion, representatives of Latham & Watkins reviewed the proposed resolutions of the Xcerra Board that had been provided to each member of the Xcerra Board prior to the meeting and which provided for the Xcerra Board s approval of the Merger Agreement and authorized the execution, delivery and performance of the Merger Agreement and the transactions contemplated by the Merger Agreement.

Representatives of Cowen then delivered Cowen s opinion to the Xcerra Board to the effect that, as of May 7, 2018, and subject to the various assumptions and limitations set forth therein, the Merger Consideration to be received by the holders of Xcerra Common Stock in the Merger was fair, from a financial point of view, to such stockholders, other than Cohu and its affiliates. The opinion of Cowen is more fully described below under the heading *Opinion of Xcerra s Financial Advisor, Cowen*.

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After considering the proposed terms of the Merger Agreement and the presentations of each of Latham & Watkins and Cowen, including the receipt of Cowen s oral opinion, the Xcerra Board engaged in extended discussion concerning the considerations supporting entry into the Merger Agreement and certain factors that may not support entry into the Merger Agreement, including such factors as are described in this joint proxy statement/prospectus under the section entitled *Recommendations of the Xcerra Board and Xcerra s Reasons for the Merger.* Following such discussion, the Xcerra Board unanimously determined that the Merger Agreement, in the form presented to the Xcerra Board, and the Merger and the other transactions contemplated by the Merger Agreement, were fair to, advisable and in the best interests of Xcerra and its stockholders. The Xcerra Board then authorized and directed management to execute, deliver and perform the Merger Agreement and recommended that Xcerra s stockholders approve the Merger Agreement and the Merger. Mr. Tacelli then provided a timeline of announcements, communications and other events related to Xcerra s entry into the Merger Agreement. Representatives of Latham & Watkins then provided the participants with an overview of certain public filings that would be made with respect to Xcerra s entry into the Merger Agreement and the issuance of certain communications by Xcerra and Cohu.

Also on May 7, 2018, the Cohu Board held a telephonic meeting, which was attended by members of Cohu s management, representatives of Cleary Gottlieb and representatives of Deutsche Bank to, among other things, consider approval of the Merger Agreement and related matters. Mr. Müller gave an overview of the agenda of the meeting and provided an update on Cohu s business and financial prospects. Representatives of Cleary Gottlieb then gave an overview of negotiations and the structure of the proposed transaction. Representatives of Cleary Gottlieb then gave a presentation regarding the Cohu Board s fiduciary duties in the context of considering Cohu s strategic alternatives and the proposed transaction with Xcerra. Representatives of Cleary Gottlieb then reviewed with the Cohu Board a summary of transaction terms that was circulated to each member of the Cohu Board in advance of the meeting, reviewed the terms of the Merger Agreement and discussed certain provisions of the Merger Agreement related to the Cohu Board s ability to accept a superior proposal and enter into an alternative transaction in the exercise of the Cohu Board s fiduciary duties. Representatives of Deutsche Bank and representatives of Cleary Gottlieb then gave a presentation that summarized the terms of the Commitment Letter.

Representatives of Deutsche Bank reviewed with the Cohu Board Deutsche Bank s financial analysis relating to the Merger Consideration and responded to questions from members of the Cohu Board regarding such financial analysis. The representatives of Deutsche Bank then rendered to the Cohu Board an oral opinion, subsequently confirmed by delivery of a written opinion dated May 7, 2018, to the effect that, as of the date of such opinion, and based upon and subject to the assumptions, limitations, qualifications and conditions described in such opinion, the Merger Consideration proposed to be paid per share of Xcerra Common Stock in the Merger pursuant to the Merger Agreement was fair, from a financial point of view, to Cohu. The opinion and analysis of Deutsche Bank is more fully described below in *Opinion of Cohu s Financial Advisor, Deutsche Bank Securities, Inc.*

Following the meetings of the Xcerra Board and the Cohu Board on May 7, 2018, the Merger Agreement and related documents were executed and delivered by Xcerra, Cohu and Merger Sub. On May 7, 2018, the last full trading day before the announcement of the transaction, Xcerra Common Stock closed at a price of $12.84 per share and the closing price of Cohu Common Stock was $23.35 per share.

Xcerra and Cohu issued a joint press release announcing the execution of the Merger Agreement and the related documents before the open of trading of Xcerra Common Stock on May 8, 2018.

No member of the Xcerra Board and no member of Xcerra s management has had or currently has any relationship with any of the parties to the Merger Agreement (other than Xcerra) or Deutsche Bank.

To date, no member of Xcerra s management and no member of the Xcerra Board has engaged in any discussions with Cohu or any of its affiliates regarding the substantive terms, including compensation, of such

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person s continued employment with or service to Xcerra (other than with respect to the two members of the Cohu Board to be designated by Xcerra as described in *Board of Directors and Management after the Transaction*) following the consummation of the Merger and each such person has agreed not to engage in any such discussions until after the Xcerra Special Meeting and Cohu Special Meeting have concluded.

Recommendation of the Cohu Board and Cohu s Reasons for the Merger

At the meeting of the Cohu Board on May 7, 2018, after careful consideration, including detailed discussions with Cohu s management and its legal and financial advisors, all of the directors present at the meeting unanimously approved and declared advisable the Merger Agreement and the transactions contemplated thereby, including the Merger, and determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, are fair to, advisable and in the best interests of, Cohu and the Cohu stockholders, and recommended that the Cohu stockholders vote FOR the Stock Issuance Proposal and FOR the Cohu Adjournment Proposal.

In evaluating the Merger, the Cohu Board consulted with Cohu s management, as well as Cohu s legal and financial advisors and, in reaching a conclusion to approve the Merger and related transactions and to recommend that Cohu stockholders approve the Stock Issuance Proposal, the Cohu Board reviewed a significant amount of information and considered a number of factors including:

- its knowledge of Cohu s business, operations, financial condition, earnings and prospects and of Xcerra s business, operations, financial condition, earnings and prospects and the ratio of Cohu s stock price to Xcerra s stock price over various periods, taking into account the results of Cohu s due diligence of Xcerra;

- its knowledge of the current environment in the semiconductor back-end manufacturing industry, including emerging competing technologies, emerging complementary technologies, customer consolidation trends, economic conditions, current financial market conditions and the likely effects of these factors on Cohu s and Xcerra s potential growth, development, productivity and strategic options;

- the provisions of the Merger Agreement providing for the payment of the Merger Consideration in a combination of cash and Cohu Common Stock;

- the strategic nature of the acquisition, which would create a world leader in semiconductor back-end manufacturing equipment with combined sales of approximately $840.0 million;

- the complementary nature of Cohu s and Xcerra s product lines, including semiconductor test and inspection handlers, test contactors, thermal sub-systems and MEMS test modules;

- other strategic benefits of the transaction, including the expansion of Cohu s business into areas where it has no presence, such as semiconductor automated test equipment, PCB test solutions and PCBA fixtures business, expansion of the portfolio of customer solutions in test contactors (a business that is less seasonal than test handler system sales), enhancing Cohu s global customer service and support infrastructure, improving and accelerating R&D strategies and innovation to develop next generation products and solutions, potentially increased valuation multiples and shareholder value, and potentially greater access to financial markets to enable future growth initiatives.

that a fixed exchange ratio for the Stock Consideration avoids fluctuations in the number of shares that will be issued through the transaction, but can result in fluctuations in value caused by near-term market volatility;

the probability that regulatory approvals for the Merger could be obtained within the timeframes specified in the Merger Agreement without the imposition of conditions beyond what Cohu would find unacceptable;

that two members of the Xcerra Board would be joining the current Cohu Board to form the Cohu Board at the Effective Time (the New Cohu Board) and that the senior management of Cohu would otherwise continue as the senior management of Cohu;

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the belief that the Cohu management team will be able to successfully integrate the two companies;

Cohu s management s expectation of achieving full annual run-rate cost synergies of $20.0 million within 24 months following closing of the Merger;

the provisions of the Merger Agreement that allow the Cohu Board, under certain circumstances, to change its recommendation with regard to the Merger Agreement prior to Cohu stockholder approval of the Stock Issuance Proposal, in response to an unsolicited takeover proposal with respect to which the Cohu Board determines in good faith, after consultation with Cohu s outside legal counsel, that the failure to change its recommendation would be inconsistent with the Cohu Board s fiduciary duties;

that, subject to certain exceptions, Xcerra is prohibited from taking certain actions that would be deemed to be a solicitation under the Merger Agreement, including solicitation, initiation, inducement, encouragement, facilitation or assistance of any inquiries or the making of any proposals for certain types of business combinations or acquisitions of Xcerra (or entering into any agreements for such business combinations or acquisitions of Xcerra);

that Xcerra must pay to Cohu a termination fee of $22.8 million if the Merger Agreement is terminated under certain circumstances specified in the Merger Agreement, as described in the section entitled *The Merger Agreement Termination Fees*;

the probability that the conditions to completion of the Merger would be satisfied prior to the Termination Date;

the premiums paid by the acquiring entities in comparable mixed cash-and-stock transactions in the recent past; and

the financial presentation of Deutsche Bank to the Cohu Board on May 7, 2018 and the oral opinion of Deutsche Bank delivered to the Cohu Board on May 7, 2018, subsequently confirmed by delivery of a written opinion dated May 7, 2018, as to the fairness, from a financial point of view, as of the date of such opinion, and based upon and subject to the assumptions, limitations, qualifications and conditions described in Deutsche Bank s opinion, to Cohu of the Merger Consideration of $9.00 in cash and 0.2109 of a share of Cohu Common Stock proposed to be paid per share of Xcerra Common Stock in the Merger, as more fully described below in *The Merger Opinion of Cohu s Financial Advisor, Deutsche Bank*

The Cohu Board also considered the potential adverse impact of other factors weighing negatively against the Merger, including, without limitation, the following:

the risks and contingencies relating to the announcement and pendency of the Merger and the risks and costs to Cohu if the Merger does not close timely or does not close at all, including the impact on Cohu s relationships with employees and with third parties;

the dilution to Cohu stockholders resulting from the issuance of the Stock Consideration;

the risk of diverting management s focus, employee attention and resources from other strategic opportunities and operational matters while working to complete the Merger and implement Merger integration efforts;

the challenges of combining the businesses, operations and workforces of Cohu and Xcerra and realizing the anticipated synergies projected to result from the Merger;

the possibility that the Merger may not be completed or that completion may be unduly delayed for reasons beyond the control of Cohu and/or Xcerra, including the potential length of the regulatory review process and the risk that applicable antitrust and competition authorities may seek to prohibit or enjoin the proposed Merger, or otherwise seek to impose conditions on Cohu and/or Xcerra that Cohu could find undesirable;

the risk that the parties may incur significant costs and delays resulting from seeking governmental consents and approvals necessary for completion of the Merger;

certain terms and conditions of the Merger Agreement, including:

that Cohu must pay to Xcerra a termination fee of $22.8 million or $45.0 million if the Merger Agreement is terminated under certain circumstances specified in the Merger Agreement, as described in the section entitled *The Merger Agreement Termination Fees*; and

the requirement that Cohu generally conduct its business only in the ordinary course and that Cohu is subject to a variety of other restrictions on the conduct of its business prior to the completion of the Merger, as more fully described in the section entitled *The Merger Agreement Conduct of Business Pending the Merger*, any of which may delay or prevent Cohu from pursuing business opportunities that may arise or may delay or preclude Cohu from taking actions that would be advisable if it were to remain an independent company.

the fact that Cohu expects to incur indebtedness of up to approximately $350.0 million in connection with the Merger (net debt of approximately $230.0 million), which debt will have a floating interest rate, and such debt may adversely impact Cohu s operations following the Merger and prevent Cohu from engaging in share buybacks or financing larger new projects; and

the risks described in the section entitled *Risk Factors*.

The Cohu Board concluded that the anticipated benefits of the Merger outweigh the preceding considerations.

In addition, the Cohu Board was aware of and considered the interests that some of Cohu s directors and executive officers may have in the transactions contemplated by the Merger Agreement that may be different from, or in addition to, their interests as stockholders and the interests of Cohu stockholders generally, as described in *The Merger Interests of Cohu Directors and Executive Officers in the Merger*.

The reasons set forth above are not intended to be exhaustive, but include material facts considered by the Cohu Board in approving the Merger Agreement. In view of the wide variety of factors considered in connection with its evaluation of the Merger and the complexity of these matters, the Cohu Board did not find it useful to and did not attempt to quantify, rank or assign any relative or specific weights to the various factors that it considered in reaching its determination to approve the Merger and the Merger Agreement and to make its recommendation to Cohu stockholders. In addition, individual members of the Cohu Board may have given differing weights to different factors. The Cohu Board carefully considered all of the factors described above as a whole.

Recommendation of the Xcerra Board and Xcerra s Reasons for the Merger

At a meeting on May 7, 2018, the Xcerra Board unanimously:

determined that the terms of the Merger and the other transactions contemplated by the Merger Agreement were fair to, and in the best interests of, Xcerra and its stockholders;

determined that it was in the best interests of Xcerra and its stockholders, and declared it advisable, to enter into the Merger Agreement;

approved the execution and delivery by Xcerra of the Merger Agreement, the performance by Xcerra of its covenants and agreements contained in the Merger Agreement and the consummation of the Merger and the other transactions contemplated by the Merger Agreement upon the terms and subject to the conditions contained therein; and

resolved to recommend that the Xcerra stockholders approve the Merger Agreement in accordance with the MBCA.

As described above under *The Merger Agreement Background of the Merger*, in the course of reaching its determination to approve the Merger and the Merger Agreement, the Xcerra Board held numerous meetings and consulted with Xcerra s senior management, financial advisor and outside legal counsel, and reviewed, evaluated and considered a variety of factors weighing positively and negatively in respect of the Merger.

The Xcerra Board considered a wide and complex variety of factors in reaching its determination to approve the Merger and the Merger Agreement, including the following positive factors (which such factors are not necessarily presented in order of relative importance):

- information concerning Xcerra s and Cohu s business, financial performance (both historical and projected), financial condition, results of operations (both historical and projected), and business strategic objectives, as well as the risks of accomplishing those objectives;

- the results of Xcerra s due diligence investigation of Cohu and the reputation, business practices and experience of Cohu and its current management;

- the expectation that the combined company would achieve over $20.0 million of annual run-rate cost synergies within two years of the closing of the Merger, excluding stock-based compensation, including synergies resulting from the elimination of redundant public company costs, consolidation of back office operations, consolidation of worldwide facilities and elimination of other redundant investments;

- the advantages that the combined company may have over Xcerra as a standalone company, including as a result of the belief that the combined company will be a leading worldwide semiconductor tester and handler supplier and will be better positioned to more effectively service its customers through its broader and more diversified product offerings;

- the expanded possibilities, including organic growth and future acquisitions, that would be available to the combined company, given its larger size, asset base, capital and footprint;

- the view that the combined company will be better able to withstand the cyclical nature of the semiconductor industry;

- the fact that the Merger Consideration of $13.92 per share (based upon the closing price of a share of Cohu Common Stock on May 7, 2018) represents a premium to the then current and historical market prices of Xcerra Common Stock as follows:

  - an approximately 8.4% premium to the closing price of Xcerra Common Stock on May 7, 2018, the last trading day prior to the approval of the Merger Agreem