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FOR IMMEDIATE RELEASE

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OMNIVISION REPORTS FIRST-QUARTER FISCAL 2003 RESULTS

SUNNYVALE, Calif. – August 20, 2002 – OmniVision Technologies, Inc. (Nasdaq NM: OVTI), an independent supplier of single CameraChip™ solutions for high-volume imaging applications, reported higher revenues and earnings in the first quarter of its fiscal year ending April 30, 2003.

For the three months ended July 31, 2002, net income was \$1.6 million, or \$0.07 per diluted share, on revenues of \$16.8 million, compared to net income of \$510,000, or \$0.02 per diluted share, on revenues of \$11.2 million in the comparable period a year ago, and net income of \$1.6 million, or \$0.07 per diluted share, on revenues of \$13.1 million in the immediately preceding quarter.

For the three months ended July 31, 2002, gross profit was \$6.5 million, or 38.8% of revenues, compared to gross profit of \$5.0 million, or 45.0% of revenues, in the year-ago quarter. Gross profit for the first quarter of fiscal 2003 included a benefit of approximately \$760,000 from the sale of product that had previously been written off. Gross profit for the year-ago quarter included a benefit from the sale of approximately \$1.1 million of product that had previously been written off.

Without the respective benefits from the sales of previously written-off inventory, gross margin would have been 35.9% in the first quarter of fiscal 2003 compared to 34.8% in the first quarter of fiscal 2002 and 42.7% in the fourth quarter of fiscal 2002, which excluded a benefit of approximately \$1.7 million from the sale of product that had previously been written off.

“We continue to be very pleased with the growth of our business, and in the current environment we are optimistic that we will see further quarter-over-quarter revenue growth during the balance of fiscal 2003,” said Shaw Hong, OmniVision’s president and CEO. “During the quarter, sales to cell phone manufacturers exceeded \$1 million and included shipments of small quantities of product related to six customers, four of which are expected to lead to volume shipments in the current quarter. In a related development, we announced general availability of a new line of VGA camera modules — specifically targeted at clip-on and embedded cameras for cellular handsets and PDAs — that, in conjunction with our recently announced JPEG compression chip, will make it easier for manufacturers to integrate camera functions into mobile devices.

“Security and surveillance applications also continue to do well,” said Hong, “and they are expected to benefit from our new line of black and white CameraChips™ that are specifically designed for low-light commercial and household applications. Among higher-resolution products, our 1.3 mega-pixel CameraChip™ — whose growing popularity is evident in strong demand from digital still camera manufacturers, most recently from Concord Camera Corp. — will soon be joined by a 2 mega-pixel sensor that we expect will make further inroads into a market that to date has been dominated by more expensive and complex CCD imagers.”

Distributors accounted for 47% of first-quarter revenues, with the balance coming from direct sales to OEMs and VARs. WPI, a major distributor in Taiwan, and Gain Tune, a Hong Kong-based affiliate of WPI, accounted for, respectively, 11% and 14% of revenues; no other distributor, and no single OEM or VAR, accounted for more than 10% of revenues. Geographically, 17% of sales were to manufacturers in the U.S., 70% to manufacturers in Hong Kong and Taiwan, 11% to manufacturers in Japan, Korea and China, and 2% to manufacturers in Europe. Because of the preponderance of Asia Pacific manufacturers and the fact that virtually all purchasers of the Company’s image sensors sell their products globally, such figures do not reflect geographic distribution of sales into end-user markets.

Sales to manufacturers of PC cameras were 12% of revenues compared to 24% in the preceding quarter. Security and surveillance applications comprised 35% of revenues, up sequentially from 33% in the fourth quarter of fiscal 2002, and digital still camera applications were at 29% of revenues compared to 20% in the prior quarter. Toys and games were 9% of revenues compared to 15% in the prior quarter, and cell phone applications were 7% compared to 5% in the prior quarter.

During the quarter, OmniVision shipped 2.2 million image sensors at an average price of \$7.52, compared to 1.6 million units with an average selling price of \$7.98 in the preceding quarter. The decrease in average selling price is largely a result of volume discounts on 1.3 mega-pixel CameraChips sold to manufacturers of digital still cameras.

First-quarter research and development expenses were \$2.6 million, or 16% of revenues, compared to \$2.4 million, or 18% of revenues, in the immediately preceding quarter. Selling, marketing, general and administrative expenses were \$2.1 million, or 12% of revenues, compared to \$2.7 million, or 20% of revenues, in the prior quarter.

At the end of the first quarter, the Company had \$56.3 million in cash and cash equivalents, \$66.4 million in working capital, no debt, and stockholders’ equity of \$74.1 million.

Management’s current expectations, which do not presume the sale of any previously written-off inventory, are that for the quarter ending October 31, 2002, the Company will report net income in the range of \$1.7 to \$2.2 million, or \$0.07 to \$0.09 per diluted share, on revenues of \$18 to \$19 million.

About OmniVision

OmniVision Technologies is a supplier of highly integrated semiconductor imaging devices for high-volume, low-cost computing, communications and consumer electronics applications. With its small footprint and low power consumption, the Company’s proprietary highly integrated CameraChip™ enjoys significant competitive advantages over CCD image sensors and other multi-chip CMOS solutions. Single-photo and video applications include cell

phones, PDAs, motor vehicles, commercial and residential surveillance, and biometric identification. Further information is available at www.ovt.com.

OmniVision and CameraChip™ are trademarks of OmniVision Technologies, Inc.

Safe Harbor

The foregoing press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward looking statements include, but are not limited to, statements related to our expectations regarding future revenue growth, our expectations regarding volume shipments to certain customers in the quarter ending October 31, 2002, the ease of integrating camera functions into mobile areas, potential benefits related to our black and white CameraChips product, anticipated benefits we expect to realize from our 2 mega-pixel sensor, our expectations regarding market penetration for higher resolution products, and our expectations regarding future business prospects, including net income, revenue and earnings per share estimates. These forward-looking statements are subject to significant risks and uncertainties. Factors that could cause actual results to differ materially from those described in the Company's forward looking statements include: failure to obtain design wins from camera and cell phone manufacturers, which could inhibit the Company's ability to diversify its customer base; any delay in the introduction, manufacture and development of new products, which could adversely affect the Company's revenues, earnings and gross margins as well as its strategy to diversify its customer base; the degree to which intense competition might affect the Company's ability to compete successfully in its current markets and in emerging markets; the Company's dependence upon a few key customers, which could adversely affect its revenues and earnings; a decline in the average selling price of the Company's products, which could result in a decline in its gross margins; and the other risks detailed from time to time in the Company's Securities and Exchange Commission filings and reports, including, but not limited to, the Company's fiscal 2002 Form 10-K. The Company disclaims any obligation to update information contained in any forward-looking statement.

(Financial tables follow)

OMNIVISION TECHNOLOGIES, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)
(unaudited)

	July 31, <u>2002</u>	April 30, <u>2002</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$56,276	\$55,803
Short-term investments	—	2,002
Accounts receivable, net	13,574	10,787
Inventories	6,075	3,244
Refundable and deferred income taxes	3,066	3,066
Prepaid expenses and other assets	<u>2,278</u>	<u>987</u>
Total current assets	81,269	75,889
Property, plant and equipment, net	7,416	6,164
Other non-current assets	<u>292</u>	<u>288</u>
Total assets	<u>\$88,977</u>	<u>\$82,341</u>
 LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 9,588	\$ 5,865
Accrued expenses and other liabilities	4,454	4,306
Deferred revenue	<u>874</u>	<u>651</u>
Total current liabilities	<u>14,916</u>	<u>10,822</u>
 Stockholders' equity:		
Common stock, \$0.001 par value; 100,000 shares authorized; 22,496 and 22,094 shares issued and outstanding	22	22
Additional paid-in capital	96,284	95,469
Deferred compensation related to stock options	(374)	(479)
Accumulated deficit	<u>(21,871)</u>	<u>(23,493)</u>
Total stockholders' equity	<u>74,061</u>	<u>71,519</u>
Total liabilities and stockholders' equity	<u>\$88,977</u>	<u>\$82,341</u>

OMNIVISION TECHNOLOGIES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)
(unaudited)

	Three Months Ended	
	July 31,	July 31,
	2002	2001
Revenues	\$16,790	\$11,161
Cost of revenues.....	<u>10,274</u>	<u>6,133</u>
Gross profit	<u>6,516</u>	<u>5,028</u>
Operating expenses:		
Research and development	2,630	1,688
Selling, general and administrative.....	2,080	3,239
Stock compensation charge	<u>114</u>	<u>158</u>
Total operating expenses	<u>4,824</u>	<u>5,085</u>
Income (loss) from operations	1,692	(57)
Interest income (expense), net	<u>216</u>	<u>567</u>
Income before income taxes.....	1,908	510
Provision for income taxes.....	<u>286</u>	<u>—</u>
Net income	<u>\$1,622</u>	<u>\$ 510</u>
Net income per share:		
Basic	<u>\$ 0.07</u>	<u>\$ 0.02</u>
Diluted	<u>\$ 0.07</u>	<u>\$ 0.02</u>
Shares used in computing net income per share:		
Basic	<u>22,265</u>	<u>21,693</u>
Diluted	<u>24,137</u>	<u>24,377</u>