



Item 7.01 Regulation FD Disclosure

## ***For Immediate Release***

*For Details, Please Contact:*

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## **Richardson Reports Record Fiscal First Quarter Sales of \$138.5 Million, up 16% from the Prior Year**

**LaFox, IL, Friday, September 23, 2004:** Richardson Electronics, Ltd. (NASDAQ: RELL) today reported results for the first quarter of fiscal 2005, which ended August 28, 2004. Sales in the quarter were \$138.5 million, a record fiscal first quarter sales level for the Company and an increase of 16% from the first quarter of fiscal 2004. Net income was \$1.2 million, or \$0.08 per share, in the quarter compared to \$0.4 million, or \$0.03 per share, in the same quarter last year.

### *Sales Highlights - First Quarter Fiscal 2005 Compared to First Quarter Fiscal 2004*

The Company recorded its ninth consecutive quarter of year over year sales growth. Sales in RF/Wireless Communications increased 29.3% with strong growth in the United States in network access and passive/interconnect product sales. Industrial Power Group sales grew 14.7% led by strong power component demand in the United States and Asia. Sales in the Security Systems Division were up 2.3% with increased private label sales in Canada. Display Systems Group sales grew 5.6% driven by increased demand in workstations and high-resolution flat panel monitors for the medical market.

Geographically, the Company's sales in Asia/Pacific grew 28.9% led by strong wireless infrastructure and industrial power demand, particularly in China and Japan. Sales in Europe and North America were up 16.4% and 13.7%, respectively, as a result of strong growth in RF/Wireless Communications product sales, notably in the United States, United Kingdom, and Israel. Sales in Latin America declined 4.7% as lower broadcast demand was partially offset by increased industrial power demand.

"Our engineered solutions focus continues to produce positive results with record first quarter sales, growth from all of our strategic business units, and continued sales and earnings expansion from comparable prior year periods," said Edward J. Richardson, Chairman of the Board and Chief Executive Officer. "As orders continue to outpace billings, we look forward to sustained business growth going into our seasonally strong fiscal second quarter."

On Friday, September 24, 2004 at 9:00 a.m. CST, Mr. Edward J. Richardson, Chairman and Chief Executive Officer will host a conference call to discuss the release. A question and answer session will be included as part of the call's agenda. To listen to the call, please dial 888-273-9885

approximately five minutes prior to the start of the call. A replay of the call will be available from 12:30 p.m. on September 24, 2004 through December 16, 2004. The telephone numbers for the replay are (USA) 800-475-6701 and (International) 320-365-3844; access code 745691.

This release includes certain “forward-looking” statements as defined by the SEC. Statements in this press release regarding the Company’s business which are not historical facts represent “forward-looking statements” that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see “Risk Factors” in the Company’s annual report on form 10-K. The Company assumes no responsibility to update the forward-looking statements in this release as a result of new information, future events, or otherwise.

### About Richardson Electronics

Richardson Electronics, Ltd. is a global provider of “engineered solutions,” serving the RF and wireless communications, industrial power conversion, security and display systems markets. The Company delivers engineered solutions for its customers’ needs through product manufacturing, systems integration, prototype design and manufacture, testing and logistics. Press announcements and other information about Richardson are available on the World Wide Web at <http://www.rell.com/investor.asp>.

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**RICHARDSON ELECTRONICS, LTD**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**FOR THE THREE-MONTH PERIODS ENDED AUGUST 28, 2004 AND AUGUST 30, 2003**  
(In thousands, except per share amounts, unaudited)

|  | <b>Three months ended</b>  |                            |
|--|----------------------------|----------------------------|
|  | <b>August 28,<br/>2004</b> | <b>August 30,<br/>2003</b> |
| <b>Net sales</b>                             | \$ 138,520                 | \$ 119,306                 |
| Cost of products sold                        | <u>104,918</u>             | <u>90,191</u>              |
| <b>Gross margin</b>                          | 33,602                     | 29,115                     |
| Selling, general and administrative expenses | <u>29,289</u>              | <u>25,845</u>              |
| <b>Operating income</b>                      | 4,313                      | 3,270                      |
| Other expenses, net                          | <u>2,472</u>               | <u>2,594</u>               |
| Income before income taxes                   | 1,841                      | 676                        |
| Income tax provision                         | 592                        | 284                        |
| <b>Net income</b>                            | <u>\$ 1,249</u>            | <u>\$ 392</u>              |
| <b>Net income per share - basic:</b>         |                            |                            |
| Net income per share                         | <u>\$ 0.08</u>             | <u>\$ 0.03</u>             |
| Average shares outstanding                   | <u>15,872</u>              | <u>13,925</u>              |
| <b>Net income per share - diluted:</b>       |                            |                            |
| Net income per share                         | <u>\$ 0.08</u>             | <u>\$ 0.03</u>             |
| Average shares outstanding                   | <u>16,124</u>              | <u>14,201</u>              |

|                            |         |         |
|----------------------------|---------|---------|
| Dividends per common share | \$ 0.04 | \$ 0.04 |
|----------------------------|---------|---------|

### RICHARDSON ELECTRONICS, LTD

#### SALES AND GROSS MARGIN FIRST QUARTER FISCAL 2005 (In thousands, unaudited)

##### By Business Unit:

|                      | SALES             |                   |              | GROSS MARGIN     |              |                  |              |
|----------------------|-------------------|-------------------|--------------|------------------|--------------|------------------|--------------|
|                      | FY 2005           | FY 2004           | % Change     | FY 2005          | % of Sales   | FY 2004          | % of Sales   |
| <b>First Quarter</b> |                   |                   |              |                  |              |                  |              |
| RFWC                 | \$ 64,427         | \$ 49,815         | 29.3%        | \$ 14,670        | 22.8%        | \$ 11,182        | 22.4%        |
| IPG                  | 29,647            | 25,850            | 14.7%        | 9,107            | 30.7%        | 7,669            | 29.7%        |
| SSD                  | 25,761            | 25,172            | 2.3%         | 6,498            | 25.2%        | 6,361            | 25.3%        |
| DSG                  | 16,980            | 16,079            | 5.6%         | 4,133            | 24.3%        | 4,259            | 26.5%        |
| Other                | 1,705             | 2,390             |              | (806)            |              | (356)            |              |
| <b>Total</b>         | <b>\$ 138,520</b> | <b>\$ 119,306</b> | <b>16.1%</b> | <b>\$ 33,602</b> | <b>24.3%</b> | <b>\$ 29,115</b> | <b>24.4%</b> |

##### By Geographic Area:

|                      | SALES             |                   |              | GROSS MARGIN     |              |                  |              |
|----------------------|-------------------|-------------------|--------------|------------------|--------------|------------------|--------------|
|                      | FY 2005           | FY 2004           | % Change     | FY 2005          | % of Sales   | FY 2004          | % of Sales   |
| <b>First Quarter</b> |                   |                   |              |                  |              |                  |              |
| North America        | \$ 74,385         | \$ 65,431         | 13.7%        | \$ 19,014        | 25.6%        | \$ 17,556        | 26.8%        |
| Europe               | 29,529            | 25,366            | 16.4%        | 8,454            | 28.6%        | 7,377            | 29.1%        |
| Asia/Pacific         | 28,789            | 22,330            | 28.9%        | 6,716            | 23.3%        | 4,939            | 22.1%        |
| Latin America        | 4,865             | 5,105             | -4.7%        | 1,294            | 26.6%        | 1,183            | 23.2%        |
| Corporate            | 952               | 1,074             |              | (1,876)          |              | (1,940)          |              |
| <b>Total</b>         | <b>\$ 138,520</b> | <b>\$ 119,306</b> | <b>16.1%</b> | <b>\$ 33,602</b> | <b>24.3%</b> | <b>\$ 29,115</b> | <b>24.4%</b> |

Note: Fiscal 2004 data has been reclassified to conform with the fiscal 2005 presentation. Direct Export and a portion of Corporate have been reclassified to the identified geographic areas based on ship to location. Europe includes sales and gross margins to Middle East and Africa. Corporate consists of freight and other non-area specific sales and gross margins.

### RICHARDSON ELECTRONICS, LTD

#### CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands)

As of

|   | August 28,<br>2004 | May 29,<br>2004   |
|---|--------------------|-------------------|
| (unaudited)                                       |                    |                   |
| <b>ASSETS</b>                                     |                    |                   |
| <b>Current Assets</b>                             |                    |                   |
| Cash  | \$ 12,758          | \$ 16,927         |
| Account receivable, net                           | 105,444            | 106,130           |
| Inventories                                       | 102,994            | 92,297            |
| Other   | 16,172             | 19,739            |
| <b>Total current assets</b>                       | <b>237,368</b>     | <b>235,093</b>    |
| Property, plant and equipment, net                | 31,651             | 30,589            |
| Goodwill and intangible assets                    | 6,390              | 6,726             |
| Other assets                                      | 10,699             | 6,480             |
| <b>Total assets</b>                               | <b>\$ 286,108</b>  | <b>\$ 278,888</b> |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>       |                    |                   |
| <b>Current Liabilities</b>                        |                    |                   |
| Accounts payable                                  | \$ 36,088          | \$ 33,473         |
| Accrued liabilities                               | 17,516             | 23,224            |
| Current portion of long-term debt                 | 3,867              | 4,027             |
| <b>Total current liabilities</b>                  | <b>57,471</b>      | <b>60,724</b>     |
| Long-term debt, less current portion              | 115,329            | 133,813           |
| Other non-current liabilities                     | 338                | 241               |
| <b>Total liabilities</b>                          | <b>173,138</b>     | <b>194,778</b>    |
| Stockholders' Equity                              | 112,970            | 84,110            |
| <b>Total liabilities and stockholders' equity</b> | <b>\$ 286,108</b>  | <b>\$ 278,888</b> |

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**RICHARDSON ELECTRONICS, LTD.**

Date: September 23, 2004

By: /s/ DARIO SACROMANI

Name: Dario Sacromani  
Title: Senior Vice President and  
Chief Financial Officer