

CyberOptics Reports Third Quarter Operating Results Consistent With Previously-Issued Financial Guidance

Minneapolis, MN—October 22, 2008—CyberOptics Corporation (Nasdaq: CYBE) today reported operating results for the third quarter of 2008 ended September 30.

- Consolidated sales totaled \$11,570,000, down from \$13,391,000 in this year's second quarter and \$16,173,000 in the third quarter of 2007.
- CyberOptics reported an operating loss of \$1,716,000, compared to the operating loss of \$733,000 in the second quarter and operating income of \$1,806,000 in the third quarter of 2007.
- CyberOptics' net loss came to \$772,000 or \$0.11 per diluted share, which included approximately \$650,000 of pre-tax expense related to the previously announced transition of inspection systems-related R&D and manufacturing to Singapore and a \$257,000 income tax benefit from an expiring statute of limitations for certain tax exposures. The company reported a net loss of \$269,000 or \$0.03 per diluted share in this year's second quarter and net income of \$1,473,000 or \$0.16 per diluted share in last year's third quarter.
- CyberOptics ended the third quarter of 2008 with cash and marketable securities of \$29,228,000, compared to \$45,713,000 at the end of the second quarter and \$52,618,000 at the beginning of 2008. Cash reserves at this level are more than adequate for funding the growth opportunities CyberOptics is pursuing.
- Cash totaling approximately \$15,000,000 was used in this year's third quarter to repurchase 1,500,000 CyberOptics shares under a modified Dutch auction tender offer. During the first nine months of 2008, CyberOptics utilized cash of \$20.9 million to repurchase approximately 2.1 million common shares. No share repurchase authorizations are currently in effect.

Kathleen P. Iverson, president and chief executive officer, commented: "Our third quarter operating results were consistent with our expectations, despite the continuing slowdown in the global electronics market. We are encouraged by sales of our inspection systems, which were virtually flat with our second quarter level and up 23% from the year-earlier period. This performance partly compensated for the sharply lower sales of electronic assembly sensors that we forecasted for this period, reflecting the slowing growth of new SMT production capacity worldwide. The extreme miniaturization of electronic components used on SMT circuit boards is driving the growing need to inspect for product quality. This ongoing trend has made our systems business less reliant on expansions in SMT production capacity, since a substantial portion of our systems sales involves retrofitting existing production lines with our solder paste or automated optical inspection (AOI) systems, or both. Reflecting this positive trend, we added 11 new systems customers during the third quarter, in addition to receiving a significant order for 17 Flex Ultra AOI, which we expect to recognize as revenue in the fourth quarter of this year."

The transition of CyberOptics' systems-related R&D to Singapore is scheduled for completion, as planned, by the end of this year's fourth quarter. While establishing an R&D operation in Singapore, CyberOptics has been gradually phasing out its Minneapolis-based systems R&D function throughout 2008, which has resulted in duplicated R&D costs. Product development of next-generation sensors will remain in Minneapolis. The realignment of the systems business, which will include all systems manufacturing in the first half of 2009, is forecasted to result in lower costs and a more focused R&D effort. These benefits are expected to position CyberOptics for generating higher levels of profitable growth in the future.