

RFM News Release

Contacts: RF Monolithics, Inc.
Buddy Barnes
Chief Financial Officer
972-233-2903

Carol Bivings
Director Investor Relations
972-448-3767

RF MONOLITHICS REACTS TO SHIFT IN MARKET REQUIREMENTS WITH NEW PRODUCT PACKAGING, STRATEGIC INITIATIVES, AND 3RD QUARTER CHARGE

RFM Confirms Sales Guidance for Its 3rd Quarter

DALLAS, TEXAS, (May 6, 2003) RF Monolithics, Inc. [NASDAQ:RFMI] RF Monolithics, Inc. (RFM) announced that due to an abrupt shift in market requirements to smaller packaging, it will significantly accelerate the migration of its component and filter products to smaller packages. To address this dynamic market environment further, RFM announced that it will modify its product line strategy by reallocating resources to support these newer products and by discontinuing selected products.

RFM also announced that it has accelerated other strategic initiatives. These include creation of a Module Group to develop higher value-added products utilizing its proprietary and patented enabling technologies, and further operational consolidation that will improve its cost structure.

As a result of these actions, RFM expects to record special non-cash charges of approximately \$3.7 million in its 3rd quarter ending May 31, 2003. RFM consistently reviews its current product lines and inventory in concert with historical and forecasted market data. As a result of the noted market shift and its decision to accelerate the migration of certain products, \$2.5 million of the charge is related to obsolescence and write-down of inventory and will be reflected in cost of sales. The remaining \$1.2 million will relate to asset impairments resulting from the continuation of RFM's facilities consolidation and will be reflected in operating expense.

David M. Kirk, President and CEO of RFM commented, "Estimated sales and cash flow for the current quarter have remained right on target. As we guided, we expect 3rd quarter sales to be up 3-5% over our 2nd quarter. We do not see any unusual expense trends apart from the special charges. We never want to take special charges, but with the changing requirements of our markets, we must accelerate our new package programs and further streamline our operations and recognize the associated costs now.

“We currently have package sizes that meet or exceed our competition’s offerings and meet our customer’s requirements. Product technology roadmaps and transitioning to smaller package sizes are integral parts of our strategic business plan, but the speed and success of customer acceptance of the new, smaller packages, our success in getting the products to market, and the recent pressures of competitive pricing require that we address these product issues now. Additionally, the formation of a Module Group, focusing on identified opportunities involving integration of various components to form module products, is the direct result of our recent Virtual Wire® product growth and partnerships.

“We have proactively revised internal policies and estimates that we believe will align RFM’s products with the new market dynamics we are experiencing. Our product rationalization strategy will reduce the number of products offered by 60%, with less than a 1% projected reduction in sales. We see this as a significant benefit to RFM going forward. At the same time we have revised our inventory reserve estimate, which resulted in the additional inventory reserves.

“As a result of market pressures, we have identified additional opportunities to create efficiencies in our Dallas operations including wafer fabrication and pilot line assembly consolidation into our recently purchased building. We expect to record a charge this quarter of approximately \$1.2 million, the bulk of which is for equipment and other assets that will no longer be usable in our operations.

“Quarterly savings of \$100 thousand are expected to be generated as a result of our actions announced today. These savings combined with \$100 thousand previously identified with our original building purchase and operational consolidation are expected to provide approximately \$200 thousand of savings each quarter. We expect to see these benefits as early as our fourth quarter.

“We believe our responses to the rapid shift in market requirements and the other cost management initiatives have significantly strengthened RFM and positioned us for profitable growth.”

RFM will conduct a conference call tomorrow morning at 8:30 a.m. ET (7:30 a.m. CT) to discuss today’s press release. The conference call will be broadcast live over the Internet and can be accessed at <http://www.rfm.com> . Click on the “Investor Relations” section and then click on “WebCast Live”. You may also access the Conference Call at <http://ccbn.com>. Click on “Company Boardroom” then Click on “Conference Calls” tab, Click on “RF Monolithics”. To listen to the live call, please go to the Web site at least 15 minutes early to download and install any necessary audio software.

To participate in the call, dial toll-free 1-877-888-3490 and the reservation # is T416917R. Please call 10 minutes prior to scheduled start time. After the Conference Call, a replay will be available and can be accessed by dialing 1-888-509-0082. This replay will be available until June 7, 2003.

RFM will provide complete results for its fiscal 2003 third quarter, ending May 31, 2003, and guidance for its fourth quarter in a press release and on an accompanying conference call on June 19, 2003 at 5:00 p.m. ET (4:00 p.m. CT). The conference call will be broadcast live over the Internet at www.ccbn.com or www.rfm.com. The call will also be available live by dialing 1-877-888-3490, no password required.

Forward-Looking Statements:

This news release contains forward-looking statements, made pursuant to the Safe Harbor Provision of the Private Securities Litigation Reform Act of 1995, that involve risks and uncertainties. Statements of RFM's plans, objectives, expectations and intentions involve risks and uncertainties. Statements containing terms such as "believe", "expects", "plans", "anticipates", "may" or similar terms are considered to contain uncertainty and are forward-looking statements. Further, RFM's actual results could differ materially from those discussed. Factors that could contribute to such differences include, but are not limited to, general economic conditions, acts of war, or acts of terrorism as they affect RFM, its customers and manufacturing partners, the timely development, acceptance and pricing of new products, the successful implementation of improved manufacturing processes, the dependence on offshore manufacturing, the impact of competitive products and pricing, availability of sufficient materials, labor, and assembly capacity to meet product demand, as well as the other risks detailed from time to time in RFM's SEC reports, including the report on Form 10-K for the year ended August 31, 2002. The charges described in this release are RFM's best estimates, and will be finalized when its financial statements for the 3rd quarter are reported. RFM does not assume any obligation to update any information contained in this release, apart from its obligations under Securities Exchange Commission rules.