

KULICKE AND SOFFA INDUSTRIES, INC.

Recoupment Policy

This Recoupment Policy provides for the recoupment and recovery by the Company under certain circumstances of cash incentive compensation, stock-based awards, performance-based awards, and any other forms of cash or equity compensation under the Company's short term and long term incentive plans that are based, in whole or in part, on performance targets relating to the financial results of the Company ("Incentive Awards"). This policy applies to the Company's "executive officers" as defined by Rule 3b-7 of the Securities Exchange Act of 1934, as amended, and to the Company's controller and general counsel, without regard to whether they are executive officers (collectively, the "Officers" and individually an "Officer") and any person who held any such position at the time the financial statement being restated, as described below, was originally publicly issued or filed.

If the Board of Directors or the Management Development and Compensation Committee (the "Committee") has determined that any fraud, gross negligence or intentional misconduct by an Officer was a significant factor contributing to the Company restating all or a portion of its financial statement(s), the Board of Directors or the Committee shall take, in its discretion, such action as it deems necessary to remedy the fraud, gross-negligence or intentional misconduct and prevent its recurrence. The Board of Directors or the Committee shall review the facts and circumstances underlying the restatement, and if any Incentive Award was calculated based on the achievement of financial results that were subsequently reduced due to a restatement, may in its discretion (i) require reimbursement to the Company of all or a portion of any Incentive Award; (ii) cancel any unvested or outstanding Incentive Award; and/or (iii) seek reimbursement of any gains realized on the exercise of any Incentive Awards.

If after the restatement, any Incentive Awards would have been paid, granted or vested, or a higher payment would have occurred, the Company shall not be obligated to pay an Officer any additional compensation.

The Company will not seek to recover or recoup Incentive Awards paid or vested more than 60 months prior to the date the applicable restatement is disclosed.

The recoupment of Incentive Awards pursuant to this policy shall not in any way limit or affect the Company's right to pursue disciplinary action or dismissal, take legal action or pursue any other available remedies. This policy shall not replace and shall be in addition to any rights of the Company to recoup or recover Incentive Awards from any officer under applicable laws and regulations, including but not limited to the Sarbanes-Oxley Act of 2002.