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## SigmaTel Q1 2006 Earnings Conference Call Transcript (SGTL)

### Earnings Call Excerpt

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SigmaTel (SGTL)  
Q1 2006 Earnings Conference Call  
April 25, 2006, 4:30 PM ET

#### **Executives**

Ron Edgerton, Chief Executive Officer and President  
Ross Goolsby, Vice President and Chief Financial Officer

#### **Analysts**

Chris Danely, JPMorgan  
Adam Benjamin, Jefferies & Co.  
Jason Pflaum, Thomas Weisel Partners  
Quinn Bolton, Needham and Co.  
Vernon Essi, Janney Montgomery Scott  
(unidentified analyst name and company)  
Shaw Wu, American Technology Research

#### **Presentation:**

##### **David Donovan**

Thank you. Good Afternoon and welcome to SigmaTel's 1st quarter 2006 Earnings Conference Call. You should have the Press Release asking detailing our financial results which was issued a short time ago and is also available on the SigmaTel website.

Before we begin, I need to mention that this presentation contains forward-looking statements which are based on our current expectations including forecasted revenue, earnings, and expenses. These forward-looking statements are subject to a number of risks and uncertainties including the risk of adverse changes in the global economy, delays in the release of new products, fluctuations in the price of components used in our customer's products, fluctuations in customer demand for SigmaTel products, manufacturing inefficiencies, shortage of components used in our customer's devices, and fluctuating foundry capacity and intellectual property litigation common in our industry.

We ask that you keep this in mind in relying on any such statements of expectations. For a more thorough discussion of the risks to which the forward-looking statements are subject, please refer to our Press Release from earlier this afternoon and to our recent SEC Filings. The discussions today

will use non-GAAP financial measures. A reconciliation of non-GAAP financial measures can be found in today's Press Release which will be on SigmaTel's website under the Investor Relations section.

At this time I would like to introduce our Chairman, Chief Executive Officer and President, Ron Edgerton to provide a brief overview of our business during the 1st quarter of 2006. After Ross Goolsby, our Chief Financial Officer, updates the details of our financial results, Ron will conclude the formal portion of the call with guidance for the 2nd quarter of 2006, Ron.

**Ron Edgerton, Chief Executive Officer and President**

Thanks, Dave and welcome everyone. As we announced in our guidance call four weeks ago, the results for our 1st quarter of 2006 are disappointing. We have reported revenues for the quarter of \$33 million dollars, a sequential decline from revenue of \$82 million dollars in the 4th quarter of 2005 and a year-over-year decline compared to our all time record high revenues of \$99.3 million dollars in the 1st quarter of 2005.

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