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Advanced Energy Industries, Inc. Q4 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Your first question comes from the line of CJ Muse – Barclays Capital

CJ Muse – Barclays Capital

You hinted at inventory at the OEMs I was hoping you could expand on that, how we should think about that business and timing of a recovery there, if and when we see a recovery at your key customers.

Larry Firestone

Just addressing the first half on the inventory side we see our OEM customers with work in process that they're keeping flexible in reconfiguration to use for any orders that they have so that's actually had an impact on inbound order volume and pulls from the just in time side of our business. As far as how long that's going to take before it points to a recover, I don't think we have visibility on that.

CJ Muse – Barclays Capital

In terms end markets how do you envision 2009 playing out on the mix side for revenues between semi and non-semi.

Larry Firestone

We don't have forward guidance on that.

CJ Muse – Barclays Capital

On the EPS guide, can you break out the one-time charges that are embedded in that GAAP EPS guide.

Larry Firestone

I can't, its—

CJ Muse – Barclays Capital

Well you told us there was restructuring, can you remind me what that was for Q1.

Larry Firestone

Yes, its going to be \$1.3 million for restructuring in Q1.

CJ Muse – Barclays Capital

And is there any write-down of inventory within that number you guided.

Larry Firestone

No, not additionally.

CJ Muse – Barclays Capital

Any other charges then we should thinking of.

Larry Firestone

No, well the additional cost reductions which we haven't yet defined will come in as one-time charges in restructuring. Those are not embedded in these numbers.

Operator

Your next question comes from the line of Jay Deahna – JPMorgan

Jay Deahna – JPMorgan

On the inverter market, it sounds like you doubled your installed base sequentially in 4Q if I heard you correctly, is that correct and—

Larry Firestone

Yes.

Jay Deahna – JPMorgan

Okay, and can you give me a sense as to where you see that going, is that a sustainable quarter to quarter phenomenon, is that kind of a big pick up off the bottom and I've been trying to quantify what this means to your overall business and I don't know that you really talked about it, was wondering if you could put some meat on those bones.

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