

The logo for Seeking Alpha, with the text 'Seeking Alpha' in white and a gold Greek letter alpha symbol to the right, all on a dark red background.

TriQuint Semiconductor Inc. Q1 2009 Earnings Call Transcript

Earnings Call Excerpt

TriQuint Semiconductor Inc. (TQNT)

Q1 2009 Earnings Call

April 22, 2009; 5:00 pm ET

Executives

Ralph Quinsey - President & Chief Executive Officer

Steven Buhaly - Vice President of Finance & Chief Financial Officer

Analysts

Kamal Das - Barclays Capital

Steve Ferranti - Stephens Inc.

Edward Snyder - Charter Equity Research

Quinn Bolton - Needham & Company

Nathan Johnson - Pacific Crest Securities

Aalok Shah - D.A. Davidson & Company

David Dooley - CACI

Bill Dezellem - Tieton Capital Management

Tony Ryall - Unidentified Company

Presentation

Operator

Good afternoon. My name is Kayla and I will be your conference operator today. At this time, I would like to welcome everyone to the TriQuint first quarter earnings conference call. All lines have been placed on mute to prevent any background noise. After the speaker's remarks there will be a question-and-answer session. (Operator Instructions)

I would now like to turn the call over to Mr. Steve Buhaly, Chief Financial Officer. Sir, you may begin your conference.

Steve Buhaly

Thank you. Good afternoon and welcome to our first quarter 2009 conference call. This call will include forward-looking statements about TriQuint's projected financial and operating results. Results could differ materially based on various factors, including those described in our reports on Forms 10-K and 10-Q and other filings with the Securities and Exchange Commission.

This presentation also includes non-GAAP financial measures, which exclude equity compensation charges, certain impairment charges and charges associated with the acquisition of WJ Communications. These non-GAAP measures are provided to enhance overall understanding of our core operating performance. A full reconciliation of these non-GAAP measures is in our press release.

Ralph, will now provide an overview of the quarter.

Ralph Quinsey

Thank you, Steve. As expected Q1 revenue was seasonally down compared to Q4 in a challenging environment of inventory correction and reduced short term demand. The reduction of both channel and TriQuint inventory drove fabulization to 35% and pushed gross margin down resulting in a non-GAAP loss of \$0.07 per share on revenue of \$119 million, both at the favorable end of our expectations.

Our earnings benefited from aggressive short term operating expense control in Q1. Cash was slightly down, helped by solid inventory reductions that was offset by capital expense committed last year for technology development. It should be noted that in an inflection point of increased demand occurred late in the quarter as handset inventory normalize, supporting higher revenue expectations in Q2.

Copyright © 2009 CBS Interactive, Inc. All Rights Reserved.