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## Teleflex Incorporated Q1 2009 Earnings Call Transcript

### Question-and-Answer Session

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**Operator**

(Operator instructions). Your first question comes from the line of Jim Lucas with Janney Montgomery Scott. Please proceed.

**Jim Lucas – Janney Montgomery Scott**

Good morning guys.

**Jeff Black**

Good morning Jim.

**Jim Lucas – Janney Montgomery Scott**

Kevin, two numbers questions first. You give us a CapEx, what is D&A expectation for the full year?

**Kevin Gordon**

D&A should be somewhere in the 112 range.

**Jim Lucas – Janney Montgomery Scott**

All right. And the improvements you made on the tax rate in the first quarter, since this was our first look at the ex-ATI. Where do you expect that tax rate now to come in for the full year?

**Kevin Gordon**

We are expecting to be somewhere in the 30% range.

**Jim Lucas – Janney Montgomery Scott**

Okay. And switching gears, if we start on the aerospace side, just that we can flush out a little bit more color, on the new CRJ, is that an OEM that you were referring to as opposed to an aftermarket conversion?

**Kevin Gordon**

Yes, it is.

**Jim Lucas – Janney Montgomery Scott**

Okay.

**Kevin Gordon**

It is a – I mean the CRJ plane is actually produced by Bombardier. We developed a narrow other body system for that through our Swedish operation and delivered the first unit with more to come.

**Jim Lucas – Janney Montgomery Scott**

Okay. But from an aftermarket conversion, not yet?

**Kevin Gordon**

No. It is OEM delivery.

**Jim Lucas – Janney Montgomery Scott**

Okay. And on the medical side, you alluded to it in the prepared remarks, but the comment about seeing an improvement in orders, looking at the inventory de-stocking in the first quarter, could you just maybe flush out a little more color of what you're seeing on the inventory side with your customers and expand on the order comment?

**Kevin Gordon**

Yes. I think what we saw a lot in the first quarter Jim in particular, it seemed to happen pretty quickly early in the quarter. Some of the distributors, particularly on the respiratory side had stocked up pretty significantly for what people were hoping would be a better flu season than it was. So I think we saw a lot of inventory there. We saw a rebalancing of that inventory throughout the first quarter. And as a result of that, that created weakness here in the North American market. So it is two things. It was the flu season itself and then it was the inventory build and the restocking at the distributors. But as we moved through the month of April, we started to see some of those major distributors return to order levels that are more in line with what they have done historically.

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