



July 19, 2000

ALPHA Announces First Quarter Results

WOBURN, Mass.--(BUSINESS WIRE)--July 19, 2000--

- 16% Sequential Revenue Growth
- Record Earnings Performance

ALPHA, INC. (NASDAQ:AHAA) today announced its results for the first fiscal quarter ended July 2, 2000.

The Company reported net income for the first quarter of \$9.0 million or \$0.20 per share, up more than 100% compared with net income for the same period last year.

Net sales for the quarter were \$65.7 million, up by 70% over \$38.6 million for the same period last year. The Company's book-to-bill for the quarter was 1.1.

The Company's Wireless Semiconductors segment generated sales of \$44.5 million and \$6.8 million in operating profit at a 45.1% gross margin. Ceramic Products generated sales of \$12.7 million and \$2.1 million in operating profit at a 37.3% gross margin. Application Specific Products had sales of \$8.5 million and generated \$2.9 million in operating profit at a 56.1% gross margin. Deliveries to one major customer were 32% of total sales for the quarter.

"Alpha continued to make strides operationally, strategically and financially in the first quarter," stated David Aldrich, President and CEO of Alpha. "We increased revenues by 70% over last year, and by 16% over last quarter, and we improved our operating margins. While the numbers are impressive, the dynamic behind them is even more significant.

"We have diversified our customer base in the wireless market and achieved a record number of new design wins during the quarter - our life blood. We have gained market share with the top tier handset OEMs while increasing our penetration of new and emerging customers. As anticipated, sales to Ericsson grew to 14% of total sales. Sales to Motorola increased, but now represent a smaller percentage of our total sales than last quarter. We continue to increase share with Motorola and are designed into virtually all of their newly released handsets. Also during the quarter we successfully completed the acquisition of Network Device Inc. Our margins improved during the quarter even with the absorption of NDI."

"Sales to broadband equipment OEMs also showed strong growth in the quarter and now represent over 10% of our total sales, on track to grow from less than 5% of last year's sales to close to 15% in the current year."

"Alpha is growing rapidly and gaining share in our strategic markets - wireless and broadband. Our technical leadership, product breadth and customer relationships should continue to propel Alpha to new levels."

About Alpha

Alpha Industries designs and manufactures a broad range of products for microwave and radio frequency wireless communications applications. The Wireless Semiconductor segment provides gallium arsenide (GaAs) integrated circuits and other semiconductors to the dynamic global market for wireless telephone handsets. The Ceramic Products segment provides technical ceramic products for wireless telephony infrastructure and other wireless markets. The Application Specific Products (ASP) segment provides a broad range of GaAs and silicon devices to satellite, instrumentation, defense and other communications markets. Alpha has a workforce of over 1,000 employees in Massachusetts, California and Maryland. Additional information is available at Alpha's website - www.alphaind.com.

Safe Harbor Statement

Safe Harbor Statement - Except for the historical information contained herein, this news release contains forward-looking statements that constitute the Company's current intentions, hopes, beliefs, expectation or predictions of the future which are, therefore, inherently subject to risks and uncertainties. The Company's actual results could differ materially from those anticipated in the Company's forward-looking statements based on various factors, including without limitation: cancellation or deferral of customer orders, dependence on a small number of large customers, difficulties in the timely development and market acceptance of new products, market developments that vary from the current public expectations concerning the growth

of wireless communications, difficulties in manufacturing new or existing products in sufficient quantity or quality, increased competitive pressures, decreasing selling prices for the Company's products, or changes in economic conditions. Further information on factors that could affect the Company's performance is included in the Company's periodic reports filed with the SEC, including but not limited to the Company's Form 10-K for the year ended April 2, 2000, and subsequent Forms 10-Q. The Company cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. The Company expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any such statements to reflect any change in the Company's expectations or any change in events, conditions or circumstance on which any such statement is based.

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ALPHA INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF INCOME

(unaudited)	First Quarter Ended			
	July 2, 2000	One-time acquisition closing costs	July 2, 2000 (with acquisition closing costs)	June 27, 1999
(in thousands, except per share data)				
Net sales	\$ 65,688	\$ --	\$ 65,688	\$ 38,653
Cost of sales	36,150	--	36,150	21,656
Research and development expenses	7,895	--	7,895	5,415
Selling and administrative expenses	9,902	1,786	11,688	6,708
Operating income	11,741	(1,786)	9,955	4,874
Interest expense	(16)		(16)	(57)
Interest income and other, net	1,941		1,941	369
Income before income taxes	13,666		11,880	5,186
Provision for income taxes	4,646		4,039	1,867
Net income	\$ 9,020		\$ 7,841	\$ 3,319
Net income per share basic	\$ 0.21		\$ 0.18	\$ 0.09
Net income per share diluted	\$ 0.20		\$ 0.18	\$ 0.09
Weighted average common shares basic	42,662		42,662	36,529
Weighted average common shares diluted	44,786		44,786	38,470

COMPARATIVE BALANCE SHEET

(unaudited)
(in thousands)

	July 2, 2000	April 2, 2000
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ASSETS

Current assets		
Cash, cash equivalents and short-term investments	\$136,230	\$146,610
Accounts receivable, net	44,439	33,844
Inventories	14,209	11,916
Prepaid expenses and other current assets	4,981	5,381
Property, plant and equipment, less accumulated depreciation and amortization	81,631	75,520
Other assets	2,144	2,099
Total assets	\$283,634	\$275,370

Liabilities and Equity

Current liabilities		
Current portion of long-term debt	\$ 111	\$ 3,011
Accounts payable	18,717	20,537
Accrued liabilities and other current liabilities	2,345	3,846
Long-term debt	285	345
Other long-term liabilities	5,328	5,538
Stockholders' equity	256,848	242,093
Total liabilities and equity	\$283,634	\$275,370

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