



April 30, 2002

Alpha Reports Fourth Quarter and Year-End Fiscal 2002 Financial Results

Company Meets Prior Guidance; Expects 8-12% Sequential Revenue Growth; Provides Update on Pending Merger with Wireless Business of Conexant Systems

WOBURN, Mass., Apr 30, 2002 (BUSINESS WIRE) -- Alpha Industries, Inc. (Nasdaq: AHAA), which produces highly integrated RF semiconductor solutions to enhance the speed, quality and performance of wireless communications, today reported financial results for the fourth quarter and fiscal year 2002 ended March 31, 2002.

Net sales for the fourth quarter of fiscal 2002 were \$28.2 million compared with \$33.1 million in the third quarter of 2002 and \$54.0 million in the fourth quarter one year earlier. The pro forma net loss for the fourth quarter of fiscal 2002 was \$5.5 million, or \$0.12 per share, compared with a pro forma net loss of \$1.9 million, or \$0.04 per share, in the third quarter of fiscal 2002. Net income for the fourth quarter of fiscal 2001 was \$3.4 million, or \$0.08 per diluted share. As previously announced, Alpha incurred transaction expenses related to the Company's proposed merger with the wireless business of Conexant Systems, Inc. and one-time costs associated with the acquisition of Aimta, Inc. Including these items, Alpha's net loss for the fourth quarter ended March 31, 2002 was \$8.5 million, or \$0.19 per share.

"We met the revised top-line and bottom-line guidance provided to investors in March," said David Aldrich, Alpha's president and CEO. "As we announced at that time, our fourth-quarter results reflected a decline in wireless infrastructure spending by global telecom carriers, and short-term delays in two power amplifier orders. We expect these orders to begin ramping in the current quarter."

For the 12 months ended March 31, 2002, net sales were \$126.5 million compared with net sales of \$271.6 million for fiscal year 2001. The net loss before one-time costs and transaction expenses was \$13.8 million, or \$0.31 per share. Including those items, the net loss was \$18.3 million, or \$0.42 per share. Alpha reported net income of \$33.4 million, or \$0.75 per diluted share, for the 12 months ended April 1, 2001.

"While fiscal 2002 was a challenging year for the wireless industry, we continued to increase our investment in research and development," Aldrich said. "That investment has resulted in recent design wins and production orders for our tri- and quad-band power amplifier and RF front-end modules. We also recently received production orders for GaAs switch components from the world's leading Asian mobile phone OEM. As a result, we expect sales to increase in the June quarter as these contracts -- and recent orders for 802.11 wireless data products -- ramp into volume production."

Highlights Alpha's recent news and highlights include:

- the acquisition of Aimta, Inc., a developer of Low Temperature Co-fired Ceramics (LTCC), a platform for packaging and integrating multi-chip modules. Acquiring Aimta's technology enables Alpha to offer original equipment manufacturers (OEMs), a module that combines power amplification with front-end switching and filtering capability;
- design wins for switch-filter modules incorporating Alpha's LTCC technology. These include a module that has been designed into a combination CDMA wireless handset/GPS receiver and modules for 802.11 WLAN chipsets;
- recent orders for Alpha's quad-band InGaP power amplifier modules, which have been designed into two new handsets being introduced in 2002 by the Company's largest wireless handset customer. The customer is integrating Alpha's 137-501 module into GSM/GPRS phones being launched in the United States, Europe and Asia;
- volume production shipments of GaAs ICs to Asia's leading wireless handset OEM for a high volume CDMA mobile phone; and
- production orders for Alpha's new transmit chain module incorporating a dual-band HBT power amplifier, PA controller, MMIC switch, filter, directional detector, switch controller and discrete semiconductors.

Merger Agreement with Conexant Wireless Business

Alpha's proposed merger with the wireless business of Conexant Systems, Inc. reached an important milestone in the fourth

quarter when the Federal Trade Commission granted early termination of the anti-trust waiting period under the Hart-Scott-Rodino Antitrust Improvements Act. Within the next few weeks, Alpha expects to finalize its proxy statement to shareholders relating to the special meeting of shareholders to consider the merger. Subject to shareholder approval and satisfaction of other closing conditions, the Company expects the merger to close in the June quarter.

"Our integration plan is progressing on schedule," Aldrich said. "More than 100 people are involved in the integration process, reviewing all aspects of our investment strategy, sales channel, operations and organization structure. Based on the strength of our combined product portfolio and customer relationships, we are confident that we can generate significant customer, product and sales synergies. In addition, we have developed and are preparing to implement detailed plans to achieve profitability by accelerating top-line growth and reducing costs. We look forward to providing additional details about our strategic direction, operating plans and financial model in the near future."

Business Outlook -- Sequential Growth

"Based on the strength of our production orders and design wins, we expect Alpha's first quarter fiscal 2003 revenues to improve between 8 and 12 percent sequentially," Aldrich said. "We expect to see that growth come from our new modules, where we capture between \$2 and \$5 of total content per phone, and our switch business, where we remain a clear market leader. On the operations side, we anticipate our gross margin will improve by between 400 and 460 basis points, resulting in a loss per share in the fiscal 2003 first quarter, excluding merger-related expenses, of \$0.09 to \$0.10."

Conference Call

Alpha will host a teleconference call with investors at 5:15 p.m. (ET) today to discuss its fourth quarter and year-end fiscal 2002 financial results. Investors can hear the call live by dialing (719) 457-2629. A replay of the call will be available from 8:15 p.m. (ET) April 30 through midnight (ET) Tuesday, May 7. The replay phone number is (719) 457-0820. Please refer to confirmation code 684425.

Alpha also will provide a live audio Webcast of the call. Investors who want to listen to the Webcast should log on to the investor relations section of Alpha's Web site, www.alphaind.com, at least 15 minutes prior to the event's broadcast. The call will be archived on the Web site for two weeks.

About Alpha

Alpha Industries produces highly integrated RF semiconductor solutions for enhancing the speed, quality and performance of wireless voice, data and video communications. Alpha's GaAs switches, power amplifiers and discrete semiconductors have become reference products for many of the world's largest manufacturers of wireless handsets, mobile data devices, wireless infrastructure and broadband access platforms. Alpha's strategy is to leverage its industry-leading process breadth, which includes GaAs PHEMT, HBT, InGaP and associated RF process technologies, into increasing levels of component integration. As a result, the Company is winning new business for its growing line of integrated RF module solutions, which reduce design complexity and improve the OEM's time to market for new products. For more information, please visit Alpha's Web site, www.alphaind.com.

Safe Harbor Statement - Except for historical information, this release contains forward-looking statements. These statements reflect Alpha's current expectations and predictions of future results, accomplishments, intentions and other matters, all of which are inherently subject to risks and uncertainties. Actual results may differ materially from those anticipated in forward-looking statements, based on various factors. Such factors include, but are not limited to: variations in projected sales, earnings, losses, expenses and other financial results for the first quarter of fiscal year 2003 and subsequent periods; the magnitude, mix and timing of orders and shipments, and Alpha's ability to accurately predict such matters; the timing and success of both Alpha's and Alpha's customers' new product development and marketing; the success of critical supply and product development relationships; the timing and extent of recovery in Alpha's markets; variations in Alpha's strategic direction, operating plans, and financial model; and market developments, competitive pressures and changes in economic conditions that vary from Alpha's expectations. As well, additional factors relate to the proposed merger of Alpha with the wireless communications business of Conexant Systems Inc., including but not limited to: the expected costs, benefits and timing of the merger; Alpha's ability to successfully integrate the merged businesses, operations, personnel and customers; financial results of the post-merger enterprise that vary from Alpha's expectations. Additional information on these and other factors that may cause actual results and Alpha's performance to differ materially is included in Alpha's periodic and current reports filed with the SEC, including but not limited to Alpha's Form 10-K for the year ended April 1, 2001, subsequently filed Forms 10-Q, and in the preliminary form of Proxy Statement contained in Alpha's Registration Statement on Form S-4/A filed on April 16, 2002. Copies may be obtained by contacting Alpha or the SEC. Alpha cautions readers not to place undue reliance upon any forward-looking statements, which speak only as of the date made. Alpha does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement to reflect any change in Alpha's expectations or any change in events, conditions or circumstance on which any such statement is based.

CONSOLIDATED STATEMENT OF INCOME
(unaudited)
(in thousands, except per share data)

Fourth Quarter Ended

	March 31, 2002			April 1,
	Pro Forma	Pro Forma Adjustments	As Reported	2001 As Reported
Net sales	\$ 28,190	\$ --	\$ 28,190	\$ 53,995
Cost of sales	21,886	--	21,886	33,702
Research and development expenses	9,810	2,502 (1)	12,312	9,783
Selling and administrative expenses	5,681	2,018 (2)	7,699	9,318
Operating (loss) income	(9,187)	(4,520)	(13,707)	1,192
Interest expense	(5)	--	(5)	(2)
Interest income and other, net	1,025	--	1,025	2,644
(Loss) income before income taxes	(8,167)	(4,520)	(12,687)	3,384
(Credit) provision for income taxes	(2,696)	(1,492) (3)	(4,188)	449
Net (loss) income	\$ (5,471)	\$ (3,028)	\$ (8,499)	\$ 3,385
Net (loss) income per share basic	\$ (0.12)		\$ (0.19)	\$ 0.08
Net (loss) income per share diluted	\$ (0.12)		\$ (0.19)	\$ 0.08
Weighted average common shares basic	44,242		44,242	43,469
Weighted average common shares diluted	44,242		44,242	44,729

Fiscal Year Ended

	March 31, 2002			April 1,
	Pro Forma	Pro Forma Adjustments	As Reported	2001 As Reported
Net sales	\$126,502	\$ --	\$126,502	\$271,568
Cost of sales	89,604	--	89,604	151,632
Research and development expenses	39,076	2,502 (1)	41,578	36,026
Selling and administrative expenses	23,998	4,146 (2)	28,144	43,250
Operating (loss) income	(26,176)	(6,648)	(32,824)	40,660
Interest expense	(41)	--	(41)	(56)
Interest income and other, net	5,571	--	5,571	8,666
(Loss) income before income taxes	(20,646)	(6,648)	(27,294)	49,270
(Credit) provision for income taxes	(6,814)	(2,194) (3)	(9,008)	15,897
Net (loss) income	\$ (13,832)	\$ (4,454)	\$ (18,286)	\$ 33,373
Net (loss) income per share basic	\$ (0.31)		\$ (0.42)	\$ 0.78
Net (loss) income per share diluted	\$ (0.31)		\$ (0.42)	\$ 0.75
Weighted average common shares basic	44,010		44,010	43,029
Weighted average common shares diluted	44,010		44,010	44,752

(1) Includes in-process research and development and amortization of intangible assets related to Alpha's acquisition of Aimta, Inc.

(2) Expenses related to Alpha's merger with the wireless business of

Conexant

(3) The effective rate for the credit for income taxes of 33% has been applied pro rata to the pro forma adjustments.

ALPHA INDUSTRIES, INC. AND SUBSIDIARIES
COMPARATIVE BALANCE SHEET
(unaudited)
(in thousands)

	March 31, 2002	April 1, 2001
Assets		
Current assets		
Cash, cash equivalents and short-term investments	\$114,140	\$153,784
Accounts receivable, net	24,485	36,984
Inventories	12,218	15,661
Prepaid expenses and other current assets	7,048	13,572
Property, plant and equipment, less accumulated depreciation and amortization	134,356	114,196
Other assets	22,897	2,822
Total assets	\$315,144	\$337,019
Liabilities and Equity		
Current liabilities		
Current portion of long-term debt	\$ 129	\$ 129
Accounts payable	14,345	20,820
Accrued liabilities and other current liabilities	6,119	10,764
Long-term debt	106	235
Other long-term liabilities	2,283	5,893
Stockholders' equity	292,162	299,178
Total liabilities and equity	\$315,144	\$337,019

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