

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 28, 1998

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-5560

ALPHA INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

04-2302115
(I.R.S. Employer
Identification No.)

20 SYLVAN ROAD, WOBURN, MASSACHUSETTS
(Address of principal executive offices)

01801
(Zip Code)

Registrant's telephone number, including area code: (781) 935-5150

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No
----- -----

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

CLASS
COMMON STOCK, PAR VALUE \$.25 PER SHARE

OUTSTANDING AT JULY 26, 1998
10,514,436

TABLE OF CONTENTS

| | PAGE |
|--|-----------------------|
| PART 1 | FINANCIAL INFORMATION |
| Item 1 - Financial Statements | |
| Consolidated Balance Sheets - June 28, 1998 and March 29, 1998..... | 3 |
| Consolidated Statements of Income - Quarters Ended June 28, 1998 and June 29, 1997..... | 4 |
| Consolidated Statements of Cash Flows - Three Months Ended June 28, 1998 and June 29, 1997..... | 5 |
| Notes to Consolidated Financial Statements..... | 6 |
| Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations..... | 7 |
| PART 2 | OTHER INFORMATION |
| Item 1 - Legal Proceedings..... | 10 |
| Item 6 - Exhibits and Reports on Form 8-K..... | 10 |

STATEMENT OF FAIR PRESENTATION

The financial information included herein is unaudited. In addition, the financial information does not include all disclosures required under generally accepted accounting principles because certain note information included in the Company's annual report to shareholders has been omitted and such information should be read in conjunction with the prior year's annual report. However, the financial information reflects all adjustments (consisting solely of normal recurring adjustments) which are, in the opinion of management, necessary to a fair statement of the results for the interim periods. The Company considers the disclosures adequate to make the information presented not misleading.

Alpha Industries, Inc. and Subsidiaries

CONSOLIDATED BALANCE SHEETS
(In thousands except share and per share amounts)

| | JUNE 28, 1998 (UNAUDITED) | MARCH 29, 1998 (AUDITED) |
|---|---------------------------------|--------------------------------|
| ----- | | |
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents at cost..... | \$ 12,923 | \$ 14,356 |
| Short-term investments (approximates market)..... | 5,721 | 1,493 |
| Accounts receivable..... | 17,070 | 18,500 |
| Inventories (Note 1)..... | 9,788 | 7,941 |
| Prepayments and other current assets..... | 1,003 | 883 |
| | ----- | ----- |
| Total current assets..... | 46,505 | 43,173 |
| | ----- | ----- |
| Property, plant and equipment, less accumulated depreciation and amortization of \$62,700 and \$60,824..... | 33,905 | 32,664 |
| Other assets..... | 1,138 | 1,092 |
| | ----- | ----- |
| | \$ 81,548 | \$ 76,929 |
| | ===== | ===== |
| | | |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities | | |
| Current maturities of long-term debt..... | \$ 1,876 | \$ 1,876 |
| Current maturities of capital lease obligations..... | 2 | 8 |
| Accounts payable..... | 7,026 | 5,725 |
| Payroll and related expenses..... | 5,808 | 6,724 |
| Other accrued liabilities..... | 3,237 | 2,779 |
| | ----- | ----- |
| Total current liabilities..... | 17,949 | 17,112 |
| | ----- | ----- |
| Long-term debt..... | 1,156 | 1,625 |
| | ----- | ----- |
| Other long-term liabilities..... | 2,348 | 2,370 |
| | ----- | ----- |
| Commitments and contingencies (Note 4) | | |
| Stockholders' equity | | |
| Common stock par value \$.25 per share: authorized 30,000,000 shares; issued 10,569,043 and 10,545,167 shares..... | 2,642 | 2,636 |
| Additional paid-in capital..... | 57,066 | 56,758 |
| Retained earnings (accumulated deficit)..... | 760 | (3,214) |
| Less - Treasury shares 86,286 and 100,195 shares at cost..... | 276 | 315 |
| Unearned compensation-restricted stock..... | 97 | 43 |
| | ----- | ----- |
| Total stockholders' equity..... | 60,095 | 55,822 |
| | ----- | ----- |
| | \$ 81,548 | \$ 76,929 |
| | ===== | ===== |
| ----- | | |

The accompanying notes are an integral part of these financial statements.

Alpha Industries, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(In thousands except per share data)

| | FIRST QUARTER ENDED | |
|--|---------------------|------------------|
| | JUNE 28, 1998 | JUNE 29, 1997 |
| ----- | | |
| Net sales | \$ 29,955 | \$ 25,705 |
| Cost of sales | 17,132 | 16,808 |
| Research and development expenses | 3,022 | 2,319 |
| Selling and administrative expenses | 5,497 | 5,262 |
| | ----- | ----- |
| Operating income | 4,304 | 1,316 |
| Interest expense..... | (89) | (145) |
| Interest income and other, net | 201 | 62 |
| | ----- | ----- |
| Income before income taxes | 4,416 | 1,233 |
| Provision for income taxes | 442 | 123 |
| | ----- | ----- |
| Net income | \$ 3,974 | \$ 1,110 |
| | ===== | ===== |
| Net income per share diluted | \$ 0.37 | \$ 0.11 |
| | ===== | ===== |
| Net income per share basic | \$ 0.38 | \$ 0.11 |
| | ===== | ===== |
| Weighted average common shares diluted | 10,732 | 10,155 |
| | ===== | ===== |
| Weighted average common shares basic | 10,472 | 9,991 |
| | ===== | ===== |
| ----- | | |

The accompanying notes are an integral part of these financial statements.

Alpha Industries, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

| | THREE MONTHS ENDED | |
|---|--------------------|------------------|
| | JUNE 28, 1998 | JUNE 29, 1997 |
| <hr/> | | |
| Cash flows from operating activities: | | |
| Net income..... | \$ 3,974 | \$ 1,110 |
| Adjustments to reconcile net income to net cash provided from operations: | | |
| Depreciation and amortization of property, plant and equipment..... | 1,876 | 1,634 |
| Contribution of treasury shares to Savings and Retirement Plan..... | 215 | 214 |
| Amortization of unearned compensation - restricted stock, net..... | 8 | 10 |
| Decrease in other liabilities and long-term benefits..... | (22) | (88) |
| Increase in other assets..... | (50) | (85) |
| Change in assets and liabilities: | | |
| Accounts receivable..... | 1,430 | (908) |
| Inventories..... | (1,847) | 390 |
| Other current assets..... | (120) | (437) |
| Accounts payable..... | 1,301 | (195) |
| Repositioning reserve..... | 0 | (118) |
| Other accrued liabilities and expenses..... | (458) | 1,075 |
| Net cash provided from operations..... | 6,307 | 2,602 |
| Cash flows from investing activities: | | |
| Purchases of short-term investments..... | (4,228) | (843) |
| Maturities of short-term investments..... | 0 | 720 |
| Additions to property, plant and equipment..... | (3,117) | (2,004) |
| Net cash used in investing activities..... | (7,345) | (2,127) |
| Cash flows from financing activities: | | |
| Payments on long-term debt..... | (469) | (1,539) |
| Deferred charges related to long-term debt..... | 4 | 5 |
| Payments on capital lease obligations..... | (6) | (91) |
| Exercise of stock options..... | 76 | 15 |
| Net cash used in financing activities..... | (395) | (1,610) |
| Net decrease in cash and cash equivalents..... | (1,433) | (1,135) |
| Cash and cash equivalents, beginning of period..... | 14,356 | 5,815 |
| Cash and cash equivalents, end of period..... | \$ 12,923 | \$ 4,680 |
| | ===== | ===== |

The accompanying notes are an integral part of these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

NOTE 1 INVENTORIES

| Inventories consist of the following (in thousands): | JUNE 28, 1998 | MARCH 29, 1998 |
|--|------------------|-------------------|
| Raw materials..... | \$ 4,178 | \$ 3,916 |
| Work-in-process..... | 2,997 | 2,259 |
| Finished goods..... | 2,613 | 1,766 |
| | ----- | ----- |
| | \$ 9,788 | \$ 7,941 |
| | ===== | ===== |

NOTE 2 COMPANY OPERATIONS

During the quarter ended June 28, 1998, one customer accounted for approximately 25% of the Company's sales.

NOTE 3 EARNINGS PER SHARE

Effective December 28, 1997, the Company adopted Statement of Financial Accounting Standards No. 128, "Earnings Per Share" (FAS 128) which changed the method of computing and presenting earnings per common share. All periods presented have been restated in accordance with FAS 128.

A reconciliation of the weighted average number of shares outstanding used in the computation of the basic and diluted earnings per share for the three months ended June 28, 1998 and June 29, 1997 is as follows (in thousands):

| | JUNE 28, 1998 | JUNE 29, 1997 |
|--|------------------|------------------|
| Weighted average shares (basic)..... | 10,472 | 9,991 |
| Effect of dilutive stock options..... | 260 | 164 |
| | ----- | ----- |
| Weighted average shares (diluted)..... | 10,732 | 10,155 |
| | ===== | ===== |

The net income used in the calculation for basic and diluted earnings per share calculations agrees with the net income appearing in the financial statements.

NOTE 4 COMMITMENTS AND CONTINGENCIES

The Company is party to suits and claims arising in the normal course of business. Management believes these are adequately provided for or will result in no significant additional liability to the Company.

PART I - ITEM 2

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

Sales of the first quarter of fiscal 1999 totaled \$30.0 million compared with sales of \$25.7 million for the same period last year. New orders received in the quarter totaled \$27.7 million, compared to \$26.9 million for the same period last year. The increase in sales and orders continues to be the result of higher sales volumes due to increased penetration into several handset platforms. The Company's Wireless Semiconductor sector had sales of \$14.1 million while the Application Specific Products (ASP) sector had sales of \$9.9 million and the Ceramic Products sector had sales of \$6.0 million for the first quarter of fiscal 1999. Deliveries to one customer were 25% of the Company's total sales for the first quarter of fiscal 1999.

Gross profit for the first quarter of fiscal 1999 totaled \$12.8 million or 42.8% of sales compared with \$8.9 million or 34.6% of sales for the comparable quarter last year. Gross margins continue to increase quarter over quarter primarily as the result of increased sales volumes and the leveraging of capacity on the Company's high volume semiconductor operation, as well as reduced manufacturing costs and improved operating efficiencies for the Ceramic Products group. The Wireless Semiconductor sector reported gross margins of 39.3% while ASP reported gross margins of 55.3% and the Ceramic Products sector reported gross margins of 30.5%.

Research and development expenses for the first quarter of fiscal 1999 were \$3.0 million or 10.1% of sales compared with \$2.3 million or 9.0% of sales for the same quarter last year. The increased research and development is due mainly to the development of processes and applications related to high volume products in the Wireless Semiconductor Products group, which are targeted at the rapidly-growing wireless markets. Over 75% of the Company's total R&D expenditures support this dynamic sector. The Company is strongly committed to continuing its investment in the GaAs IC and high volume wireless products to better serve its targeted markets, particularly as it continues to introduce new products that its key customers need.

Selling and administrative expenses totaled \$5.5 million or 18.4% of sales for the first quarter of fiscal 1999, as compared with \$5.3 million or 20.5% of sales for the comparable quarter last year. Overall selling and administrative expenses continues to steadily decrease as a percentage of sales, whereas, the actual selling and administrative spending continues to increase. The increase in selling and administrative expenses reflect increased sales commissions related to higher sales levels.

Interest expense for the first quarter of fiscal 1999 decreased \$56 thousand over the comparable quarter last year due to a decline in borrowings. Interest income increased \$139 thousand for the first quarter of fiscal 1999 compared to the same quarter last year as a result of increased levels of short-term investments.

The Company's effective tax rate for the first quarter of fiscal 1999 was 10% compared to the current combined statutory federal, state and foreign rate of approximately 40%. This rate differed from the statutory rate primarily as a result of the utilization of net operating loss carryforwards. At June 28, 1998, the Company had available net operating loss carryforwards of approximately \$22 million which expire commencing in 2004.

For the first quarter of fiscal 1999, the Company reported net income of \$4.0 million or \$0.37 per share diluted, up more than 250% compared with net income of \$1.1 million or \$0.11 per share diluted for the comparable period last year.

FINANCIAL CONDITION

At June 28, 1998, working capital totaled \$28.6 million and included \$18.6 million in cash, cash equivalents, and short-term investments, compared with \$26.1 million of working capital at the end of fiscal 1998. Cash, cash equivalents, and short-term investments increased \$2.8 million during the first quarter of fiscal 1999 as operations

contributed \$6.3 million of cash principally from net income, depreciation and a decline in working capital requirements. Uses of cash included \$3.1 million for capital expenditures and \$469 thousand for the repayment of long-term debt. The Company continued its investment in capital expenditures particularly for the semiconductor wafer fab operation and the IC and discrete semiconductor assembly and tests areas, as well as for improved manufacturing capabilities at the ceramics manufacturing facility. The Company remains strongly committed to adding the required capacity needed to service the wireless markets as demand continues to grow. During fiscal 1999, the Company anticipates committing approximately \$18 million in capital expenditures for the high volume Wireless Semiconductor Products sector since this group is expected to be the primary engine for growth. These capital expenditures are expected to be disbursed over the next 9 to 15 months.

The Company expects to generate sufficient cash from operations to fund the necessary projected levels of growth. With cash, cash equivalents, and short-term investments of \$18.6 million, a \$7.5 million line of credit and a \$7.5 million equipment line of credit currently available, the Company believes it has adequate funds to support its current operating needs.

NEW ACCOUNTING PRONOUNCEMENTS

The Financial Accounting Standards Board recently issued SFAS No. 129, "Disclosure of Information about Capital Structure." This statement establishes standards for disclosing information about an entity's capital structure. This statement is effective for periods ending after December 15, 1997. The Company is in compliance with this standard.

In June 1997, the FASB issued Financial Accounting Standards No. 130, "Reporting Comprehensive Income" and No. 131, "Disclosure about Segments of an Enterprise and Related Information," which are effective for fiscal years beginning after December 15, 1997. The Company has complied with SFAS No. 130 and determined there was no effect on the Company's financial statements, and the Company is currently evaluating the effects of SFAS No. 131.

The Financial Accounting Standards Board recently issued SFAS No. 132, "Employers' Disclosures about Pensions and Other Postretirement Benefits." This statement standardizes disclosure requirements for pensions and other postretirement benefits, and is effective for fiscal years beginning after December 15, 1997. This statement does not apply to the Company as the Company does not currently sponsor any defined benefit plan.

SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities" establishes accounting and reporting standards for derivatives and hedging activities. It requires that an entity recognize all derivatives as either assets or liabilities in the balance sheet and measure those instruments at fair value. SFAS No. 133 is effective for fiscal years beginning after June 15, 1999.

The AICPA issued two new Statements of Position ("SOP") in Fiscal Year 1998, SOP 98-1, "Accounting for Costs of Computer Software Developed or Obtained for Internal Use" requires that companies capitalize certain internal use software costs upon meeting of certain criteria. This SOP is effective for fiscal years beginning after December 15, 1998. SOP 98-5, "Reporting on the Costs of Start-up Activities" requires companies to expense start-up costs as they are incurred. This SOP is effective for fiscal years beginning after December 15, 1998.

The Company is currently evaluating SFAS NO. 133, SOP 98-1 and SOP 98-5 and has not yet determined their impact on the Company's consolidated financial statements.

YEAR 2000

Management is aware of the potential software anomalies associated with the year 2000 date change. The Company has been evaluating the potential issues that need to be addressed in connection with its operations. The Company has determined its products are not date sensitive and does not expect year 2000 exposure for products sold. A comprehensive review of the Company's computer systems and software is largely complete and the Company is not aware at this time of any significant year 2000 issues in its own systems that will not be resolved prior to the year 2000. Over the last several years, the Company has invested heavily in new computer hardware and software to improve its business operations. All such systems were required to be year 2000 compliant as a condition of purchase. Formal communication have begun with the Company's significant suppliers, large customers, and financial institutions to ensure that those parties have appropriate plans in place to properly address the year 2000

issues. Based on preliminary information, costs of addressing the issue are not expected to have any material effect upon the Company's financial position, results of operations, or cash flows in future periods. The Company believes it has adequate plans in place to address the year 2000 issues. However, there can be no assurances that the systems on which the Company's operations rely will be converted on a timely basis and will not have a material effect on the Company. The Company is in the process of developing a contingency plan for the year 2000.

OTHER MATTERS

Safe Harbor Statement - Except for the historical information contained herein, this Form 10-Q contains forward-looking statements that are inherently subject to risks and uncertainties. The Company's results could differ materially based on various factors, including without limitation: cancellation or deferral of customer orders, 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 financial results is included in the Company's periodic reports filed with the S.E.C., including the Form 10-K for the fiscal year ended March 29, 1998 and subsequent Form 10-Qs.

PART II - OTHER INFORMATION

ITEM 1 LEGAL PROCEEDINGS

The Company does not have any material pending legal proceedings other than routine litigation incidental to its business.

The Company has been notified by federal and state environmental agencies of its potential liability with respect to the Spectron, Inc. Superfund site in Elkton, Maryland. Several hundred other companies have also been notified about their potential liability regarding this site. The Company continues to deny that it has any responsibility with respect to this site other than as a de minimis

party. Management is of the opinion that the outcome of the aforementioned environmental matter will not have a material effect on the Company's operations or financial position.

ITEM 6 EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

(3) Certificate of Incorporation and By-laws.

- (a) Restated Certificate of Incorporation (Filed as Exhibit 3 (a) to Registration Statement on Form S-3 (Registration No. 33-63857))*.
- (b) Amended and restated By-laws of the Corporation dated April 30, 1992 (Filed as Exhibit 3(b) to the Annual Report on Form 10-K for the year ended March 29, 1992)*.

(4) Instruments defining rights of security holders, including indentures.

- (a) Specimen Certificate of Common Stock (Filed as Exhibit 4(a) to Registration Statement on Form S-3 (Registration No. 33-63857))*.
- (b) Frederick County Industrial Development Revenue Bond, Deed of Trust, Loan Agreement and Guaranty and Indemnification Agreement dated June 17, 1982 (Filed as Exhibit 4(g) to the Registration Statement on Form S-8 filed July 29, 1982)*. Bond and Loan Document Modification Agreement dated December 9, 1993 (Filed as Exhibit 4(c) to the Quarterly Report on Form 10-Q for the quarter ended December 26, 1993)*.
- (c) Loan and Security Agreement dated December 15, 1993 between Trans-Tech, Inc., and County Commissioners of Frederick County (Filed as Exhibit 4(h) to the Quarterly Report on Form 10-Q for the quarter ended July 3, 1994)*.
- (d) Stock Purchase Warrant for 50,000 shares of the Registrant's Common Stock issued to Silicon Valley Bank as of April 1, 1994 (Filed as Exhibit 4(i) to the Quarterly Report on Form 10-Q for the quarter ended July 3, 1994)*.
- (e) Amended and restated Credit Agreement dated October 1, 1997 between Alpha Industries, Inc., and Trans-Tech, Inc. and Fleet Bank of Massachusetts and Silicon Valley Bank (Filed as Exhibit 4(f) to the Quarterly Report on Form 10-Q for the quarter ended December 28, 1997)*.

(10) Material Contracts.

- (a) Alpha Industries, Inc., 1986 Long-Term Incentive Plan as amended (Filed as Exhibit 10(a) to the Quarterly Report on Form 10-Q for the quarter ended October 2, 1994)*.(1)
- (b) Alpha Industries, Inc., Employee Stock Purchase Plan as amended October 22, 1992 (Filed as Exhibit 10(b) to the Annual Report on Form 10-K for the fiscal year ended March 28, 1993)* and amended August 22, 1995 (Filed as Exhibit 10(b) to the Annual Report on Form 10-K for the fiscal year ended March 31, 1996)*.(1)

- (c) SERP Trust Agreement between the Registrant and the First National Bank of Boston as Trustee dated April 8, 1991 (Filed as Exhibit 10(c) to the Annual Report on Form 10-K for the fiscal year ended March 31, 1991)*. (1)
- (d) Alpha Industries, Inc., Long-Term Compensation Plan dated September 24, 1990 (Filed as Exhibit 10(i) to the Annual Report on Form 10-K for the fiscal year ended March 29, 1992)*; amended March 28, 1991 (Filed as Exhibit 10 (a) to the Quarterly Report on Form 10-Q for the quarter ended June 27, 1993)* and as further amended October 27, 1994 (Filed as Exhibit 10(f) to the Annual Report on Form 10-K for the fiscal year ended April 2, 1995)*.(1)
- (e) Master Equipment Lease Agreement between AT&T Commercial Finance Corporation and the Registrant dated June 19, 1992 (Filed as Exhibit 10(j) to the Annual Report on Form 10-K for the fiscal year ended March 28, 1993)*.
- (f) Severance Agreement dated January 13, 1997 between the Registrant and Thomas C. Leonard (Filed as Exhibit 10(f) to the Annual Report on Form 10-K for the fiscal year ended March 30, 1997)*. (1).
- (g) Severance Agreement dated May 20, 1997 between the Registrant and David J. Aldrich (Filed as Exhibit 10(g) to the Annual Report on Form 10-K for the fiscal year ended March 30, 1997)*. (1)
- (h) Severance Agreement dated January 14, 1997 between the Registrant and Richard Langman (Filed as Exhibit 10(h) to the Annual Report on Form 10-K for the fiscal year ended March 30, 1997)*.(1)
- (i) Consulting Agreement dated August 13, 1992 between the Registrant and Sidney Topol (Filed as Exhibit 10(p) to the Annual Report on Form 10-K for the fiscal year ended April 3, 1994)*.(1)
- (j) Master Lease Agreement between Comdisco, Inc. and the Registrant dated September 16, 1994 (Filed as Exhibit 10(q) to the Quarterly Report on Form 10-Q for the quarter ended October 2, 1994)*.
- (k) Alpha Industries, Inc., 1994 Non-Qualified Stock Option Plan for Non-Employee Directors (Filed as Exhibit 10(r) to the Quarterly Report on Form 10-Q for the quarter ended October 2, 1994)*.(1)
- (l) Alpha Industries Executive Compensation Plan dated January 1, 1995 and Trust for the Alpha Industries Executive Compensation Plan dated January 3, 1995 (Filed as Exhibit 10(p) to the Annual Report on Form 10-K for the fiscal year ended April 2, 1995)*.(1)
- (m) Alpha Industries, Inc. Savings and Retirement 401(k) Plan dated July 1, 1996 (Filed as Exhibit 10(n) to the Annual Report on Form 10-K for the fiscal year ended March 30, 1997)*.
- (n) Change in Control Agreement between the Registrant and Paul E. Vincent dated August 23, 1996 (Filed as Exhibit 10(o) to the Annual Report on Form 10-K for the fiscal year ended March 30, 1997)*.(1)
- (o) Change in Control Agreement between the Registrant and James C. Nemiah dated August 23, 1996 (Filed as Exhibit 10(p) to the Annual Report on Form 10-K for the fiscal year ended March 30, 1997)*.(1)
- (p) Severance Agreement dated April 30, 1996 between the Registrant and Jean Pierre Gillard (Filed as Exhibit 10(q) to the Annual Report on Form 10-K for the fiscal year ended March 30, 1997)*.(1)
- (q) Lease Agreement between MIE Properties, Inc. and Trans-Tech, Inc. (Filed as Exhibit 10(r) to the Quarterly Report on Form 10-Q for the quarter ended September 29, 1996)*.
- (r) Alpha Industries, Inc., 1997 Non-Qualified Stock Option Plan for Non-Employee Directors (Filed as Exhibit 10(r) to the Annual Report on Form 10-K for the fiscal year ended March 29, 1998)*.(1)

(11) Statement re computation of per share earnings**.

(27) Financial Data Schedules.

(b) Reports on Form 8-K

No reports on Form 8-K were filed with the Securities and Exchange Commission during the fiscal quarter ended June 28, 1998.

*Not filed herewith. In accordance with Rule 12b-32 promulgated pursuant to the Securities Exchange Act of 1934, as amended, reference is hereby made to documents previously filed with the Commission, which are incorporated by reference herein.

**Reference is made to Note 3 of the notes to Consolidated Financial Statements on Page 6 of this Quarterly Report on Form 10-Q which Note 3 is hereby incorporated by reference herein.

(1) Management Contracts.

Alpha Industries, Inc. and Subsidiaries

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: August 10, 1998

Alpha Industries, Inc. and Subsidiaries

Registrant

/s/ Thomas C. Leonard

Thomas C. Leonard
Chief Executive Officer
President

/s/ Paul E. Vincent

Paul E. Vincent
Chief Financial Officer
Principal Financial Officer
Principal Accounting Officer

This schedule contains summary financial information extracted from the financial statements of Alpha Industries, Inc. and Subsidiaries as of the three months ended June 28, 1998 and is qualified in its entirety by reference to such financial statements.

| | | |
|--------|-------------|--------|
| 3-MOS | | |
| | MAR-28-1999 | |
| | JUN-28-1998 | |
| | | 12,923 |
| | | 5,721 |
| | | 17,711 |
| | | 641 |
| | | 9,788 |
| | 46,505 | |
| | | 96,605 |
| | 62,700 | |
| | 81,548 | |
| | 17,949 | |
| | 0 | 1,156 |
| | | 0 |
| | | 2,642 |
| | | 57,453 |
| 81,548 | | |
| | | 29,955 |
| | 29,955 | |
| | | 17,132 |
| | 25,651 | |
| | 0 | |
| | 69 | |
| | (112) | |
| | 3,974 | |
| | | 0 |
| 3,974 | | |
| | 0 | |
| | 0 | |
| | | 0 |
| | 3,974 | |
| | 0.38 | |
| | 0.37 | |

This schedule contains summary financial information extracted from the financial statements of Alpha Industries, Inc. and Subsidiaries as of and for the three months ended June 29, 1997 and is qualified in its entirety by reference to such financial statements.

| 3-MOS | MAR-29-1998 | JUN-29-1997 |
|--------|-------------|-------------|
| | | 4,680 |
| | 1,341 | |
| | 18,512 | |
| | 585 | |
| | 9,877 | |
| | 35,119 | 85,062 |
| | 56,084 | |
| | 65,646 | |
| 16,400 | | 3,113 |
| 0 | | 0 |
| | | 2,532 |
| | | 42,203 |
| 65,646 | | 25,705 |
| | 25,705 | |
| | | 16,808 |
| | 24,389 | |
| | 3 | |
| | 59 | |
| | 80 | |
| | 1,233 | |
| | | 123 |
| 1,110 | | 0 |
| | 0 | |
| | | 0 |
| | 1,110 | |
| | 0.11 | |
| | 0.11 | |