

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 December 31, 2000

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 No

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

CLASS -----	OUTSTANDING AT JANUARY 28, 2001 -----
COMMON STOCK, PAR VALUE \$.25 PER SHARE	43,426,263

TABLE OF CONTENTS

	PAGE
PART 1	FINANCIAL INFORMATION
Item 1 - Financial Statements	
Consolidated Balance Sheets - December 31, 2000 and April 2, 2000.....	3
Consolidated Statements of Income - Quarters and Nine Month Periods Ended December 31, 2000 and December 26, 1999.....	4
Consolidated Statements of Cash Flows - Nine Month Periods Ended December 31, 2000 and December 26, 1999.....	5
Notes to Consolidated Financial Statements.....	6
Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations.....	10
PART 2	OTHER INFORMATION
Item 6 - Exhibits and Reports on Form 8-K.....	14

ALPHA INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(Unaudited)

(In thousands except share and per share amounts)

	DECEMBER 31, 2000	APRIL 2, 2000
<hr/>		
ASSETS		
Current assets		
Cash and cash equivalents	\$ 30,004	\$ 23,219
Short-term investments (Note 3)	113,028	123,391
Accounts receivable, trade, less allowance for doubtful accounts of \$1,027 and \$796	52,563	33,844
Inventories (Note 4)	16,492	11,916
Prepayments and other current assets	5,075	2,583
Prepaid income taxes	4,213	1,191
Deferred income taxes	7,261	7,261
	<hr/>	<hr/>
Total current assets	228,636	203,405
	<hr/>	<hr/>
Property, plant and equipment, less accumulated depreciation and amortization of \$78,534 and \$67,042	102,168	75,520
Other assets	2,033	2,099
	<hr/>	<hr/>
	\$ 332,837	\$ 281,024
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Current maturities of long-term debt	\$ 111	\$ 3,011
Accounts payable	18,294	20,537
Accrued liabilities:		
Payroll, commissions and related expenses	9,145	6,975
Other	3,458	2,525
	<hr/>	<hr/>
Total current liabilities	31,008	33,048
	<hr/>	<hr/>
Long-term debt	285	345
	<hr/>	<hr/>
Other long-term liabilities	2,204	2,237
	<hr/>	<hr/>
Deferred income taxes	3,301	3,301
	<hr/>	<hr/>
Commitments and contingencies (Note 7)		
Stockholders' equity		
Common stock par value \$0.25 per share: authorized 100,000,000 shares; issued 43,453,890 and 42,576,518 shares.....	10,863	10,644
Additional paid-in capital	221,426	197,711
Retained earnings	63,794	33,806
Treasury shares 41,899 and 64,786 at cost	(44)	(68)
	<hr/>	<hr/>
Total stockholders' equity	296,039	242,093
	<hr/>	<hr/>
	\$ 332,837	\$ 281,024
	=====	=====
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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)

	THIRD QUARTERS ENDED		NINE MONTH PERIODS ENDED	
	DEC. 31, 2000	DEC. 26, 1999	DEC. 31, 2000	DEC. 26, 1999
Net sales	\$ 78,684	\$ 48,043	\$ 217,573	\$ 128,617
Cost of sales	42,326	27,088	117,930	72,630
Research and development expenses	9,534	6,490	26,243	17,685
Selling and administrative expenses.....	11,405	7,792	33,932	21,663
Operating income	15,419	6,673	39,468	16,639
Interest expense	(16)	(72)	(54)	(146)
Interest income and other, net	2,143	1,916	6,022	3,951
Income before income taxes	17,546	8,517	45,436	20,444
Provision for income taxes	5,966	3,066	15,448	7,361
Net income	\$ 11,580	\$ 5,451	\$ 29,988	\$ 13,083
Basic earnings per share	\$ 0.27	\$ 0.13	\$ 0.70	\$ 0.33
Diluted earnings per share	\$ 0.26	\$ 0.12	\$ 0.67	\$ 0.31
Shares used in computing:				
Basic earnings per share	43,147	41,985	42,882	40,009
Diluted earnings per share	44,784	44,034	44,760	42,153

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

ALPHA INDUSTRIES, INC. AND SUBSIDIARIES

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

NINE MONTH PERIODS ENDED
DEC. 31, DEC. 26,
2000 1999

CASH PROVIDED BY OPERATIONS:		
Net income	\$ 29,988	\$ 13,083
Adjustments to reconcile net income to net cash provided by operations:		
Depreciation and amortization of property, plant and equipment	11,492	7,700
Gain on sale of property, plant and equipment	(28)	--
Loss on disposal of property, plant and equipment	--	303
Deferred income taxes	--	2,538
Issuance of treasury stock to 401(k) plan	1,077	850
Amortization of unearned compensation - restricted stock	--	4
(Decrease) increase in other liabilities and long-term benefits	(33)	230
Decrease (increase) in other assets	66	(266)
Changes in operating assets and liabilities:		
Accounts receivable	(18,719)	(5,039)
Inventories	(4,576)	(910)
Prepayments and other current assets	(5,514)	(1,753)
Accounts payable	(2,243)	3,172
Other accrued liabilities and expenses	19,390	2,490
Net cash provided by operations	30,900	22,402

CASH USED IN INVESTING:		
Additions to property, plant and equipment	(38,140)	(26,961)
Proceeds from sale of property, plant and equipment	28	60
Purchases of short-term investments	(94,257)	(148,719)
Maturities of short-term investments	104,620	50,010
Net cash used in investing	(27,749)	(125,610)

CASH PROVIDED BY FINANCING:		
Payments on long-term debt	(2,960)	(1,110)
Proceeds from long-term debt	--	2,900
Deferred charges related to long-term debt	--	30
Proceeds from sale of stock	238	116,036
Exercise of stock options and warrants	6,356	2,106
Net cash provided by financing activities	3,634	119,962

Net increase in cash and cash equivalents	6,785	16,754
Cash and cash equivalents, beginning of period	23,219	15,162
Cash and cash equivalents, end of period	\$ 30,004	\$ 31,916
=====		

Supplemental cash flow disclosures:		
Cash paid for income taxes	\$ 1,854	\$ 3,078
=====		
Cash paid for interest	\$ 51	\$ 156
=====		
Supplemental disclosure of non-cash operating activities:		
Tax benefit associated with the exercise of stock options	\$ 16,150	\$ 4,911
=====		
Compensation expense related to stock options	\$ 137	\$ --
=====		

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1 BASIS OF PRESENTATION

The interim 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. 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.

NOTE 2 ACQUISITION OF NETWORK DEVICE, INC.

On April 24, 2000, the Company completed its acquisition of privately-held Network Device, Inc. ("NDI") of Sunnyvale, California. Approximately 2.67 million shares of common stock were exchanged for all outstanding shares of NDI. Approximately 185,000 shares of Company stock were issued for the conversion of NDI stock options into Company options.

The acquisition has been accounted for as a pooling-of-interests and accordingly, the prior period consolidated financial statements and related notes included herein have been restated to include the combined results of operations, financial position and cash flows of NDI.

Prior to the merger, NDI's fiscal year ended on September 30. In recording the business combination, NDI's prior period financial statements have been restated to conform with the Company's year end.

The following information presents certain income statement data of the separate companies for prior periods reflected:

	THIRD QUARTER ENDED DEC. 26, 1999 ----- (in thousands)	NINE MONTH PERIOD ENDED DEC. 26, 1999 -----
Net sales:		
Alpha Industries, Inc.	\$ 47,463	\$127,837
Network Device, Inc.	725	1,093
Adjustments/ Eliminations.....	(145)	(313)
	-----	-----
	\$ 48,043	\$128,617
	=====	=====
Net income (loss):		
Alpha Industries, Inc.	\$ 6,297	\$ 16,070
Network Device, Inc.	(1,322)	(4,667)
Adjustments/Eliminations	476	1,680
	-----	-----
	\$ 5,451	\$ 13,083
	=====	=====

The effects of conforming NDI's accounting policies to those of the Company were not material

NOTE 3 SHORT-TERM INVESTMENTS

The Company's short-term investments are classified as held-to-maturity. These investments consist primarily of commercial paper and securities issued by various federal agencies and corporations with original maturities of more than 90 days. Such short-term investments are carried at amortized cost, which approximates fair value, due to the short period of time to maturity. Gains and losses are included in investment income in the period they are realized.

NOTE 4 INVENTORIES

Inventories consist of the following:	DEC. 31, 2000	APRIL 2, 2000

	(in thousands)	
Raw materials	\$ 5,216	\$ 3,473
Work-in-process.....	8,469	7,397
Finished goods	2,807	1,046
	-----	-----
	\$16,492	\$11,916
	=====	=====

NOTE 5 SEGMENT INFORMATION

During the second quarter ended October 1, 2000, the Company reorganized into two reportable segments based on management's methods of evaluating operations and performance. The new reportable segments are: Semiconductor Products and Ceramic Products. The Semiconductor Products segment is comprised of two of the Company's former segments: Wireless Semiconductor Products and Application Specific Products. A description of the reportable segments follows:

SEMICONDUCTOR PRODUCTS:

The Semiconductor Products segment designs and manufactures gallium arsenide integrated circuits and other discrete semiconductors primarily for the global wireless communications and broadband markets.

CERAMIC PRODUCTS:

The Ceramic Products segment designs and manufactures technical ceramic and magnetic products primarily for the global wireless infrastructure and broadband markets.

ALPHA INDUSTRIES, INC. AND SUBSIDIARIES

The table below presents selected financial data by business segment for the periods indicated. The prior periods presented have been restated to reflect the reorganization into two reportable segments.

	QUARTERS ENDED		NINE MONTH PERIODS ENDED	
	DEC. 31, 2000	DEC. 26, 1999	DEC. 31, 2000	DEC. 26, 1999
	(in thousands)			
SALES				
Semiconductor Products.....	\$ 65,866	\$ 39,891	\$179,796	\$104,042
Ceramic Products	12,818	8,152	37,777	24,575
	<u>\$ 78,684</u>	<u>\$ 48,043</u>	<u>\$217,573</u>	<u>\$128,617</u>
OPERATING INCOME				
Semiconductor Products.....	\$ 13,179	\$ 5,632	\$ 33,013	\$ 13,657
Ceramic Products	2,240	1,041	6,455	2,982
	<u>\$ 15,419</u>	<u>\$ 6,673</u>	<u>\$ 39,468</u>	<u>\$ 16,639</u>

	DEC. 31, 2000	APRIL 2, 2000
	(in thousands)	
NET LONG-LIVED ASSETS		
Semiconductor Products.....	\$ 86,532	\$ 62,459
Ceramic Products	15,636	13,061
	<u>\$102,168</u>	<u>\$ 75,520</u>
TOTAL ASSETS		
Semiconductor Products.....	\$142,657	\$ 95,755
Ceramic Products	30,105	25,892
Corporate	160,075	159,377
	<u>\$332,837</u>	<u>\$281,024</u>

SIGNIFICANT CUSTOMERS

During the three months ended December 31, 2000, two customers accounted for approximately 27% and 10%, respectively, of the Company's total sales. During the three months ended December 26, 1999, one customer accounted for approximately 35% of the Company's sales. For the nine months ended December 31, 2000, two customers accounted for approximately 28% and 13%, respectively, of the Company's total sales. For the nine months ended December 26, 1999, one customer accounted for approximately 34% of the Company's total sales.

NOTE 6 EARNINGS PER SHARE

A reconciliation of the weighted average number of shares outstanding used in the computation of basic and diluted earnings per share for the quarters and nine month periods ended December 31, 2000 and December 26, 1999 is as follows:

	QUARTERS ENDED		NINE MONTH PERIODS ENDED	
	DEC. 31, 2000	DEC. 26, 1999	DEC. 31, 2000	DEC. 26, 1999
	(in thousands)			
Weighted average shares (basic)	43,147	41,985	42,882	40,009
Effect of dilutive stock options	1,637	2,049	1,878	2,144
Weighted average shares (diluted).....	<u>44,784</u>	<u>44,034</u>	<u>44,760</u>	<u>42,153</u>

For the quarters ended December 31, 2000 and December 26, 1999, options to purchase approximately 1.2 million and 41,000 shares, respectively, were outstanding but not included in the computation of diluted earnings per share because the exercise prices of the options were greater than the average market prices of the Company's common stock during those periods.

NOTE 7 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

The following table shows our statement of operations data as a percentage of sales for the periods indicated. All data represented in the table has been restated to reflect the Company's April 24, 2000 acquisition of Network Device, Inc., which was accounted for as a pooling-of-interests:

	Quarters Ended		Nine Month Periods Ended	
	Dec. 31, 2000	Dec. 26, 1999	Dec. 31, 2000	Dec. 26, 1999
Sales	100.0%	100.0%	100.0%	100.0%
Cost of sales	53.8	56.4	54.2	56.5
Gross margin	46.2	43.6	45.8	43.5
Research and development expenses	12.1	13.5	12.1	13.8
Selling and administrative expenses.....	14.5	16.2	15.6	16.8
Operating income	19.6	13.9	18.1	12.9
Other income, net	2.7	3.8	2.7	3.0
Income before income taxes	22.3	17.7	20.9	15.9
Provision for income taxes	7.6	6.4	7.1	5.7
Net income	14.7%	11.3%	13.8%	10.2%

SALES. Sales increased 63.8% to \$78.7 million for the third quarter of fiscal 2001 from \$48.0 million for the third quarter of fiscal 2000. For the first nine months of fiscal 2001, sales increased 69.2% to \$217.6 million from \$128.6 million for the first nine months of fiscal 2000. Orders increased 41.5% to \$76.4 million for the third quarter of fiscal 2001, compared with \$54.0 million for the same period last year. The increase in sales and orders continues to be the result of high growth experienced by both our Semiconductor and Ceramic Products Groups as a result of increased demand for wireless products, as well as the increasing diversification of our customer base. In addition, our continued ability to penetrate the emerging broadband market has contributed to the overall increase in sales and orders. Deliveries to two customers represented approximately 27% and 10%, respectively, of our total sales for the third quarter of fiscal 2001, compared with one customer which represented 35% of our sales for the same period last year. Deliveries to two customers represented approximately 28% and 13% of our total sales for the first nine months of fiscal 2001, compared with one customer which represented 34% for the comparable period last year.

GROSS PROFIT. Gross profit increased 73.5% to \$36.4 million or 46.2% of sales for the third quarter of fiscal 2001 from \$21.0 million or 43.6% of sales for the comparable period last year. For the first nine months of fiscal 2001, gross profit increased 78.0% to \$99.6 million or 45.8% of sales compared with \$56.0 million or 43.5% of sales for the same period last year. The increase in gross margin for the quarter and year to date was primarily attributable to our continued ability to leverage capacity and improve operating efficiencies in both the Semiconductor and Ceramic Products Groups.

RESEARCH AND DEVELOPMENT EXPENSES. Research and development expenses increased 46.9% to \$9.5 million or 12.1% of sales for the third quarter of fiscal 2001 from \$6.5 million or 13.5% of sales for the comparable period last year. For the first nine months of fiscal 2001, research and development expenses increased 48.4% to \$26.2 million or 12.1% of sales from \$17.7 million or 13.8% of sales for the comparable period last year. The increase in research and development expenses is primarily due to our ongoing development of processes and applications within our Semiconductor Products Group. For the third quarter and first nine months of fiscal 2001, over 90% of our total research and development expenses were focused on the Semiconductor Products Group.

SELLING AND ADMINISTRATIVE EXPENSES. Selling and administrative expenses totaled \$11.4 million or 14.5% of sales for the third quarter of fiscal 2001, compared with \$7.8 million or 16.2% of sales for the same period last year. For the first nine months of fiscal 2001, selling and administrative expenses totaled \$33.9 million or 15.6% of sales. Included in the \$33.9 million is approximately \$1.8 million in one-time closing costs associated with the acquisition of Network Device, Inc. (NDI), which was completed on April 24, 2000. Excluding these one time costs, selling and administrative expenses for the nine months ended December 31, 2000 would have totaled \$32.1 million or 14.8% of sales compared with \$21.7 million or 16.8% of sales for the comparable period last year. The increase in selling and administrative expenses was primarily attributable to increased direct selling costs resulting from higher sales volumes as well as increased costs related to training and recruiting employees. Due to our continued ability to support our sales growth without incurring substantial additional costs, selling and administrative expenses as a percentage of sales declined for the quarter and nine months ended December 31, 2000 when compared to the same periods last year.

OTHER INCOME, NET. Other income, net, for the third quarter and first nine months of fiscal 2001 increased \$283,000 and \$2.2 million, respectively, over the comparable periods last year. These increases were primarily attributable to an increase in interest income as a result of higher average levels of cash, cash equivalents and short-term investments.

PROVISION FOR INCOME TAXES. Our effective tax rates for the first nine months of fiscal 2001 and 2000 were 34% and 36%, respectively.

BUSINESS SEGMENTS

The table below displays sales and operating income by business segment for the periods indicated. All data represented in the table has been restated to reflect the Company's acquisition of Network Device, Inc. on April 24, 2000:

	Quarters Ended		Nine Month Periods Ended	
	Dec. 31, 2000	Dec. 26, 1999	Dec. 31, 2000	Dec. 26, 1999
	(in thousands)			
Sales				
Semiconductor Products.....	\$ 65,866	\$ 39,891	\$179,796	\$104,042
Ceramic Products	12,818	8,152	37,777	24,575
	-----	-----	-----	-----
	\$ 78,684	\$ 48,043	\$217,573	\$128,617
	=====	=====	=====	=====
Operating Income				
Semiconductor Products.....	\$ 13,179	\$ 5,632	\$ 33,013	\$ 13,657
Ceramic Products	2,240	1,041	6,455	2,982
	-----	-----	-----	-----
	\$ 15,419	\$ 6,673	\$ 39,468	\$ 16,639
	=====	=====	=====	=====

SEMICONDUCTOR PRODUCTS. Sales for the Semiconductor Products Group increased 65.1% to \$65.9 million for the third quarter of fiscal 2001 from \$39.9 million for the same quarter last year. For the first nine months of fiscal 2001, sales for the Semiconductor Products Group increased 72.8% to \$179.8 million from \$104.0 million for the same period last year. The increase was primarily attributable to increased demand and penetration into our two targeted markets - wireless and broadband.

Operating income for the Semiconductor Products Group more than doubled to \$13.2 million for the third quarter of fiscal 2001 from \$5.6 million for the comparable quarter last year. For the nine months ended December 31, 2000, operating income increased to \$33.0 million from \$13.7 million for the comparable period last year. Included in the \$33.0 million is approximately \$1.8 million in one-time closing costs associated with the acquisition of NDI. Excluding these one-time costs, operating income for the nine months ended December 31, 2000 would have totaled \$34.8 million, an increase of 154.8% when compared to the same period last year. The increase was primarily attributable to increased sales and improved operating efficiencies as this group continued to leverage capacity and improve yields. In addition, this group continued its focus on the development of processes and products for the wireless and broadband markets, while continuing to control administrative costs.

CERAMIC PRODUCTS. Sales for the Ceramic Products Group for the third quarter increased 57.2% to \$12.8 million from \$8.2 million for the same quarter last year. For the first nine months of fiscal 2001, sales for the Ceramic Products Group increased 53.7% to \$37.8 million from \$24.6 million for the same period last year. The increase was primarily due to growth in demand and increased penetration in the wireless infrastructure and broadband markets.

Operating income for the Ceramic Products Group more than doubled to \$2.2 million for the third quarter from \$1.0 million for the third quarter a year ago, and also more than doubled to \$6.5 million from \$3.0 million for the first nine months of fiscal 2001 compared with the same period last year. The increase in operating income was primarily the result of increased sales and improved operating efficiencies, including the leveraging of existing capacity and increased manufacturing automation.

FINANCIAL CONDITION

At December 31, 2000, working capital totaled \$197.6 million and included \$143.0 million in cash, cash equivalents and short-term investments. Average days sales outstanding for the nine months ended December 31, 2000 was 54, consistent with the comparable period last year. Additionally, annualized inventory turns for the nine months ended December 31, 2000 increased to 11.1 from 10.5 for the comparable period last year.

Capital expenditures for the nine months ended December 31, 2000 totaled \$38.1 million. Of the \$38.1 million, approximately \$8.8 million related to the purchase of a 125,000 square foot manufacturing and office facility on a forty-one acre site in Haverhill, Massachusetts. Initial operations at this site commenced in January 2001 and include design engineering as well as automated gallium arsenide integrated circuit (GaAs IC), silicon semiconductor and multi-chip module assembly and testing. The relocation of these operations to the Haverhill facility has provided space for the expansion of fabrication operations at our facility in Woburn, Massachusetts.

In September 1999, we announced the completion of the first phase of a major expansion program to enhance and expand the available clean room space in our GaAs IC facility in Woburn, Massachusetts. The new clean room space is complete and in use, and additional manufacturing equipment has been installed and brought to full operation. The second phase, which involved the installation of additional production equipment within the existing facility, has been completed. The third phase of this project involves the creation of a GaAs IC line that would allow the manufacture of product on six-inch wafers. We are in the initial phases of development of this six-inch wafer production line, which we estimate will cost approximately \$30 million dollars. We expect to complete this phase within twelve to fifteen months. Once this new six-inch wafer production line is in operation, we plan to convert our existing four-inch wafer production areas to six-inch, as future demand requires.

We believe that anticipated cash from operations, available funds and borrowings under our revolving credit agreement will be adequate to fund our currently planned working capital and capital expenditure requirements, at least through fiscal 2001.

NEW ACCOUNTING PRONOUNCEMENTS

Statement of Financial Accounting Standards ("SFAS") No. 133, "Accounting for Derivative Instruments and Hedging Activities" establishes accounting and reporting standards for derivatives and hedging activities. In June 2000, the Financial Accounting Standards Board issued SFAS No. 138, "Accounting for Certain Derivative Instruments and Certain Hedging Activities," an amendment to SFAS No. 133. These statements require that an entity recognize all derivatives as either assets or liabilities in the balance sheet and measure those instruments at fair value. These statements will be effective for our fiscal 2002. We are currently evaluating SFAS No.133 and SFAS No. 138. We do not expect these new statements to have a material effect on our consolidated financial position, results of operations or cash flow.

OTHER MATTERS

Safe Harbor Statement - Except for the historical information contained herein, this report contains forward-looking statements that reflect the Company's current intentions, expectations and predictions of future results, accomplishments and other matters, all of which are inherently subject to risks and uncertainties. The Company's actual results may differ materially from those anticipated in the Company's forward-looking statements, based on various factors. Such factors include, but are not limited to: cancellation or postponement of customer orders, inability to predict customer orders, the disproportionate impact of the Company's business relationships with its larger customers, variations in the timing of new product development and market acceptance, difficulty manufacturing products in sufficient quantity and quality, difficulty completing the Company's planned capital investments and process improvements, erosion of selling prices or margins, modification of the Company's plans or intentions, and market developments, competitive pressures and changes in economic conditions that vary from the Company's expectations. Additional information on these and other factors that may cause actual results and the Company's performance to differ materially is included in the Company's periodic reports filed with the Securities and Exchange Commission, including but not limited to the Company's Annual Report on Form 10-K for the year ended April 2, 2000, and subsequent Quarterly Reports on Form 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 circumstances on which any such statement is based.

PART II - OTHER INFORMATION

ITEM 6 EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

- (4) Instruments defining rights of security holders, including indentures.
 - (c) Revolving Credit Agreement dated November 16, 2000 between Alpha Industries, Inc., Trans-Tech Inc., Fleet National Bank and Silicon Valley Bank.
- (11) Statement regarding computation of per share earnings.**

(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 December 31, 2000.

- - - - -
** Reference made to Note 6 of the notes to Consolidated Financial Statements on Page 9 of this Quarterly Report on Form 10-Q, which Note 6 is hereby incorporated by reference herein.

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: February 9, 2001

Alpha Industries, Inc. and Subsidiaries

Registrant

/s/ David J. Aldrich

David J. Aldrich
Chief Executive Officer
President
Director

/s/ Paul E. Vincent

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

AGREEMENT AND AMENDMENT NO. 1

THIS AGREEMENT AND AMENDMENT NO. 1 (this "Agreement") is made as of November 16, 2000, by and among ALPHA INDUSTRIES, INC., TRANS-TECH, INC., FLEET NATIONAL BANK, as Agent and SILICON VALLEY BANK.

WHEREAS, the parties hereto are parties to a certain Revolving Credit Agreement, dated as of November 1, 1999 (the "Credit Agreement"). Terms defined in the Credit Agreement are used herein with the same meanings;

WHEREAS, the Borrowers have requested certain changes to the Credit Agreement; and

WHEREAS, subject to the terms and provisions hereof, the Banks are willing to so amend the Credit Agreement;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. AMENDMENTS TO SECTION 1.1. Section 1.1 of the Credit Agreement shall be amended by deleting the date "October 31, 2000" from the third line thereof and substituting in its stead the date "November 15, 2002".

2. AMENDMENT TO SECTION 7.3. Section 7.3 of the Credit Agreement is hereby amended by deleting clause (e) and substituting in its stead a new clause (e) to read in its entirety as follows:

(e) the aggregate value in any fiscal year of (i) cash consideration paid by the Borrowers and their Subsidiaries in connection with such transactions does not exceed \$25,000,000 and (ii) non-cash consideration paid by the Borrowers and their Subsidiaries in connection with such transactions does not exceed \$100,000,000.

3. AMENDMENT TO SECTION 7.14. Section 7.14 of the Credit Agreement is hereby amended by deleting the figure "\$40,000,000" from the last line thereof and substituting in its stead the figure "\$80,000,000".

4. REPRESENTATIONS AND WARRANTIES. The Borrowers hereby represent and warrant to the Agent and the Banks as follows:

(a) REPRESENTATIONS AND WARRANTIES IN CREDIT AGREEMENT. Except as specified in writing by the Borrowers to the Agent with respect to the subject matter of this Amendment by the Banks and the Borrowers, the representations and warranties of the Borrowers contained in the Credit Agreement were true and correct in all material respects when made and continued to be true and correct in all material respects on the date hereof, except to the extent that such representations and warranties relate expressly to an earlier date.

(b) AUTHORITY, NO CONFLICTS, ENFORCEABILITY OF OBLIGATIONS, ETC. The Borrowers hereby confirm that the representations and warranties of the Borrowers contained in Sections 4.1 and 4.3 of the Credit Agreement are true and correct on and as of the date hereof as if made on the date hereof, treating this Amendment, the Credit Agreement as amended hereby, and the other Loan Documents as amended hereby, as "Loan Documents" for the purposes of making said representations and warranties.

5. CONDITIONS TO EFFECTIVENESS. The effectiveness of this Amendment shall be subject to the delivery to the Agent by the Borrowers, contemporaneously with the execution hereof, of the following, in form and substance satisfactory to the Agent:

- (a) this Amendment signed by each of the Borrowers and the Banks;
- (b) an amended and restated Promissory Note in the form enclosed herewith, duly executed by the Borrowers to the order of Fleet National Bank;
- (c) an amended and restated Promissory Note in the form enclosed herewith, duly executed by the Borrowers to the order of Silicon Valley Bank; and
- (d) any other confirmatory or corporate authority document or instrument the Agent may reasonably request.

6. MISCELLANEOUS PROVISIONS. Except as otherwise expressly provided by this Amendment, all of the terms, conditions and provisions of the Credit Agreement and the other Loan Documents shall remain in full force and effect. The Borrowers confirm and agree that the Obligations of the Borrowers to the Banks, as amended and supplemented hereby, are entitled to the benefits of the Loan Documents. The parties hereto hereby acknowledge and agree that all references to the Credit Agreement and the Obligations thereunder contained in any of the Loan Documents shall be references to the Credit Agreement and the Obligations as amended hereby and as the same may be amended, modified, supplemented, or restated from time to time. This Amendment may be executed in any number of counterparts, but all such counterparts shall together constitute but one instrument. In making proof of this Amendment it shall not be necessary to produce or account for more than one counterpart signed by each party hereto by and against which enforcement hereof is sought. The Borrowers hereby confirm their obligations to pay promptly upon request all reasonable out-of-pocket costs and expenses incurred or sustained by the Agent in connection with this Amendment, including the reasonable fees and expenses of Sullivan & Worcester LLP.

7. GOVERNING LAW. This Amendment shall be construed according to and governed by the internal laws of The Commonwealth of Massachusetts without reference to principles of conflicts of law.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized.

Executed as a sealed instrument as of the date first set forth above.

ALPHA INDUSTRIES, INC.

By: /s/ Paul E. Vincent

Name: Paul E. Vincent
Title: Chief Financial Officer

TRANS-TECH, INC.

By: /s/ Paul E. Vincent

Name: Paul E. Vincent
Title: Chief Financial Officer

FLEET NATIONAL BANK, in its capacity as a Bank and as Agent hereunder

By: /s/ Irina V. Case

Name: Irina V. Case
Title: Vice President

SILICON VALLEY EAST, a Division of Silicon Valley Bank, in its capacity as a Bank

By: /s/ J. Frank Tower

Name: J. Frank Tower
Title: Vice President

SILICON VALLEY BANK, in its capacity as a Bank

By: /s/ Maggie Garcia

Name: Maggie Garcia
Title: Loan Administrative Team Leader
(Signed at Santa Clara, California)

AMENDED AND RESTATED PROMISSORY NOTE
(Revolving Line of Credit Loans)

\$7,500,000

Woburn, Massachusetts
Dated as of November 16, 2000

For value received, the undersigned, ALPHA INDUSTRIES, INC., a Delaware corporation, and TRANS-TECH, INC., a Maryland corporation (each a "BORROWER" and collectively the "BORROWERS"), jointly and severally promise to pay to FLEET NATIONAL BANK (the "BANK") at the office of the Bank located at 100 Federal Street, Boston, Massachusetts 02110, or to its order, the lesser of SEVEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$7,500,000) or the outstanding principal amount hereunder, on November 15, 2002 (the "MATURITY DATE"), together with interest on the principal amount hereof from time to time payable at the times and outstanding at the rate set forth in the Credit Agreement referred to below.

Computations of interest shall be made by the Bank on the basis of a year of 360 days for the actual number of days occurring in the period for which such interest is payable.

This promissory note amends and restates the terms and conditions of the obligations of the Borrowers under the domestic revolving line promissory note dated November 1, 1999 (the "ORIGINAL NOTE") by the Borrowers to the Bank. Nothing contained in this promissory note shall be deemed to create or represent the issuance of new indebtedness or the exchange by the Borrowers of the Original Note for a new promissory note. This promissory note is one of the Revolving Line of Credit Notes referred to in the Section 1.3(i) of that certain Revolving Credit Agreement dated November 1, 1999, as amended by Agreement and Amendment No. 1 dated November 16, 2000, by and among Silicon Valley Bank, the Bank, as Agent and a bank and the Borrowers together with all related schedules, as the same may be further amended, modified or supplemented from time to time (the "CREDIT AGREEMENT"), and is subject to optional and mandatory prepayment as provided therein, and is entitled to the benefits thereof and of the other Loan Documents referred to therein.

Each reference in each Loan Document (as defined in the Credit Agreement) to "Revolving Line of Credit Note", "thereof", "therein", "thereunder", or words of like import referring to the Original Note, shall mean and be a reference to the Original Note, as amended and restated hereby.

Upon the occurrence of any Event of Default under, and as defined in, the Credit Agreement, at the option of the Bank, the principal amount then outstanding of and the accrued interest on the advances under this note and all other amounts payable under this note shall become immediately due and payable, without notice (including, without limitation, notice of intent to accelerate), presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by the Borrowers.

The Bank shall keep a record of the amount and the date of the making of each advance pursuant to the Credit Agreement and each payment of principal with respect thereto by maintaining a computerized record of such information and printouts of such computerized record, which computerized record, and the printouts thereof, shall constitute PRIMA FACIE evidence of the accuracy of the information so endorsed.

If the entire amount of any required payment of principal and/or interest is not paid within ten (10) Business Days after the same is due, the Borrowers shall pay to the Bank a late fee equal to five percent (5%) of the required payment.

Each of the undersigned agrees to pay all reasonable costs and expenses of the Agent or the Bank (including, without limitation, the reasonable fees and expenses of attorneys) in connection with the enforcement of this note and the other Loan Documents and the preservation of its rights hereunder and thereunder.

No delay or omission on the part of the Agent or the Bank in exercising any right hereunder shall operate as a waiver of such right or of any other right of the Bank, nor shall any delay, omission or waiver on any one occasion

be deemed a bar to or waiver of the same or any other right on any future occasion. The Borrowers and every endorser or guarantor of this note regardless of the time, order or place of signing waives presentment, demand, protest and notices of every kind and assents to any one or more extensions or postponements of the time of payment or any other indulgences, to any substitutions, exchanges or releases of collateral for this note, and to the additions or releases of any other parties or persons primarily or secondarily liable.

The Bank may at any time pledge all or any portion of its rights under the Loan Documents including any portion of this promissory note to any of the twelve (12) Federal Reserve Banks organized under Section 4 of the Federal Reserve Act, 12 U.S.C. Section 341. No such pledge or enforcement thereof shall release the Bank from its obligations under any of the Loan Documents.

THE BORROWERS HEREBY EXPRESSLY WAIVE ANY RIGHT THEY MAY NOW OR HEREAFTER HAVE TO A JURY TRIAL IN ANY SUIT, ACTION OR PROCEEDING WHICH ARISES OUT OF OR BY REASON OF THIS NOTE, ANY LOAN DOCUMENT (AS DEFINED IN THE CREDIT AGREEMENT), OR THE TRANSACTIONS CONTEMPLATED HEREBY.

BY ITS EXECUTION AND DELIVERY OF THIS NOTE, EACH BORROWER ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE NON-EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE COMMONWEALTH OF MASSACHUSETTS IN ANY ACTION, SUIT OR PROCEEDING OF ANY KIND AGAINST IT WHICH ARISES OUT OF OR BY REASON OF THIS NOTE, ANY LOAN DOCUMENT (AS DEFINED IN THE CREDIT AGREEMENT), OR THE TRANSACTIONS CONTEMPLATED HEREBY, IN ADDITION TO ANY OTHER COURT IN WHICH SUCH ACTION, SUIT OR PROCEEDING MAY BE BROUGHT, IRREVOCABLY AGREES TO BE BOUND BY ANY FINAL JUDGMENT RENDERED BY ANY SUCH COURT IN ANY SUCH ACTION, SUIT OR PROCEEDING IN WHICH IT SHALL HAVE BEEN SERVED WITH PROCESS IN THE MANNER HEREINAFTER PROVIDED, SUBJECT TO EXERCISE AND EXHAUSTION OF ALL RIGHTS OF APPEAL AND TO THE EXTENT THAT IT MAY LAWFULLY DO SO, WAIVES AND AGREES NOT TO ASSERT, BY WAY OF MOTION, AS A DEFENSE OR OTHERWISE, IN SUCH ACTION, SUIT OR PROCEEDING ANY CLAIMS THAT IT IS NOT PERSONALLY SUBJECT TO THE JURISDICTION OF SUCH COURT, THAT ITS PROPERTY IS EXEMPT OR IMMUNE FROM ATTACHMENT OR EXECUTION, THAT THE ACTION, SUIT OR PROCEEDING IS BROUGHT IN AN INCONVENIENT FORUM OR THAT THE VENUE THEREOF IS IMPROPER, AND AGREES THAT PROCESS MAY BE SERVED UPON IT IN ANY SUCH ACTION, SUIT OR PROCEEDING IN THE MANNER PROVIDED BY CHAPTER 223A OF THE GENERAL LAWS OF MASSACHUSETTS, RULE 4 OF THE MASSACHUSETTS RULES OF CIVIL PROCEDURE OR RULE 4 OF THE FEDERAL RULES OF CIVIL PROCEDURE.

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ALL RIGHTS AND OBLIGATIONS HEREUNDER SHALL BE GOVERNED BY THE LAW OF THE COMMONWEALTH OF MASSACHUSETTS AND THIS NOTE SHALL BE DEEMED TO BE UNDER SEAL.

Attest: ALPHA INDUSTRIES, INC.
 By: /s/ Paul E. Vincent

 Name: Paul E. Vincent
 Title: Chief Financial Officer

[Seal]

Attest: TRANS-TECH, INC.
 By: /s/ Paul E. Vincent

 Name: Paul E. Vincent
 Title: Chief Financial Officer

[Seal]

:11/7/97

AMENDED AND RESTATED PROMISSORY NOTE
(Revolving Line of Credit Loans)

\$2,500,000

Woburn, Massachusetts
Dated as of November 16, 2000

For value received, the undersigned, ALPHA INDUSTRIES, INC., a Delaware corporation, and TRANS-TECH, INC., a Maryland corporation (each a "BORROWER" and collectively the "BORROWERS"), jointly and severally promise to pay to SILICON VALLEY BANK (the "BANK") at the office of the Bank located at 3003 Tasman Drive, Santa Clara, California 95054, or to its order, the lesser of TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (\$2,500,000) or the outstanding principal amount hereunder, on November 15, 2002 (the "MATURITY DATE"), together with interest on the principal amount hereof from time to time outstanding payable at the times and at the rate set forth in the Credit Agreement referred to below.

Computations of interest shall be made by the Bank on the basis of a year of 360 days for the actual number of days occurring in the period for which such interest is payable.

This promissory note amends and restates the terms and conditions of the obligations of the Borrowers under the domestic revolving line promissory note dated November 1, 1999 (the "ORIGINAL NOTE") by the Borrowers to the Bank. Nothing contained in this promissory note shall be deemed to create or represent the issuance of new indebtedness or the exchange by the Borrowers of the Original Note for a new promissory note. This promissory note is one of the Revolving Line of Credit Notes referred to in the Section 1.3(i) of that certain Revolving Credit Agreement dated November 1, 1999, as amended by Agreement and Amendment No. 1 dated November 16, 2000, by and among the Bank, Fleet National Bank as Agent and a bank and the Borrowers together with all related schedules, as the same may be further amended, modified or supplemented from time to time (the "CREDIT AGREEMENT"), and is subject to optional and mandatory prepayment as provided therein, and is entitled to the benefits thereof and of the other Loan Documents referred to therein.

Each reference in each Loan Document (as defined in the Credit Agreement) to "Revolving Line of Credit Note", "thereof", "therein", "thereunder", or words of like import referring to the Original Note, shall mean and be a reference to the Original Note, as amended and restated hereby.

Upon the occurrence of any Event of Default under, and as defined in, the Credit Agreement, at the option of the Bank, the principal amount then outstanding of and the accrued interest on the advances under this note and all other amounts payable under this note shall become immediately due and payable, without notice (including, without limitation, notice of intent to accelerate), presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by the Borrowers.

The Bank shall keep a record of the amount and the date of the making of each advance pursuant to the Credit Agreement and each payment of principal with respect thereto by maintaining a computerized record of such information and printouts of such computerized record, which computerized record, and the printouts thereof, shall constitute PRIMA FACIE evidence of the accuracy of the information so endorsed.

If the entire amount of any required payment of principal and/or interest is not paid within ten (10) Business Days after the same is due, the Borrowers shall pay to the Bank a late fee equal to five percent (5%) of the required payment.

Each of the undersigned agrees to pay all reasonable costs and expenses of the Agent and the Bank (including, without limitation, the reasonable fees and expenses of attorneys) in connection with the enforcement of this note and the other Loan Documents and the preservation of its rights hereunder and thereunder.

No delay or omission on the part of the Agent or the Bank in exercising any right hereunder shall operate as a waiver of such right or of any other right of the Agent or the Bank, nor shall any delay, omission or waiver on any one occasion be deemed a bar to or waiver of the same or any other right on any future occasion. The Borrowers and every endorser or guarantor of this note regardless of the time, order or place of signing waives presentment, demand, protest and notices of every kind and assents to any one or more extensions or postponements of the time of payment or any other indulgences, to any substitutions, exchanges or releases of collateral for this note, and to the additions or releases of any other parties or persons primarily or secondarily liable.

The Bank may at any time pledge all or any portion of its rights under the Loan Documents including any portion of this promissory note to any of the twelve (12) Federal Reserve Banks organized under Section 4 of the Federal Reserve Act, 12 U.S.C. Section 341. No such pledge or enforcement thereof shall release the Bank from its obligations under any of the Loan Documents.

THIS NOTE HAS BEEN DELIVERED TO THE BANK AND ACCEPTED BY THE BANK IN THE STATE OF CALIFORNIA.

THE BORROWERS HEREBY EXPRESSLY WAIVE ANY RIGHT THEY MAY NOW OR HEREAFTER HAVE TO A JURY TRIAL IN ANY SUIT, ACTION OR PROCEEDING WHICH ARISES OUT OF OR BY REASON OF THIS NOTE, ANY LOAN DOCUMENT (AS DEFINED IN THE CREDIT AGREEMENT), OR THE TRANSACTIONS CONTEMPLATED HEREBY.

BY ITS EXECUTION AND DELIVERY OF THIS NOTE, EACH BORROWER ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE NON-EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE COMMONWEALTH OF MASSACHUSETTS (OR IF FOR ANY REASON ACCESS TO SUCH COURTS IS DENIED TO THE BANK, THEN, IN THE STATE OF CALIFORNIA) IN ANY ACTION, SUIT OR PROCEEDING OF ANY KIND AGAINST IT WHICH ARISES OUT OF OR BY REASON OF THIS NOTE, ANY LOAN DOCUMENT (AS DEFINED IN THE CREDIT AGREEMENT), OR THE TRANSACTIONS CONTEMPLATED HEREBY, IN ADDITION TO ANY OTHER COURT IN WHICH SUCH ACTION, SUIT OR PROCEEDING MAY BE BROUGHT, IRREVOCABLY AGREES TO BE BOUND BY ANY FINAL JUDGMENT RENDERED BY ANY SUCH COURT IN ANY SUCH ACTION, SUIT OR PROCEEDING IN WHICH IT SHALL HAVE BEEN SERVED WITH PROCESS IN THE MANNER HEREINAFTER PROVIDED, SUBJECT TO EXERCISE AND EXHAUSTION OF ALL RIGHTS OF APPEAL AND TO THE EXTENT THAT IT MAY LAWFULLY DO SO, WAIVES AND AGREES NOT TO ASSERT, BY WAY OF MOTION, AS A DEFENSE OR OTHERWISE, IN SUCH ACTION, SUIT OR PROCEEDING ANY CLAIMS THAT IT IS NOT PERSONALLY SUBJECT TO THE JURISDICTION OF SUCH COURT, THAT ITS PROPERTY IS EXEMPT OR IMMUNE FROM ATTACHMENT OR EXECUTION, THAT THE ACTION, SUIT OR PROCEEDING IS BROUGHT IN AN INCONVENIENT FORUM OR THAT THE VENUE THEREOF IS IMPROPER, AND AGREES THAT PROCESS MAY BE SERVED UPON IT IN ANY SUCH ACTION, SUIT OR PROCEEDING IN THE MANNER PROVIDED BY CHAPTER 223A OF THE GENERAL LAWS OF MASSACHUSETTS, RULE 4 OF THE MASSACHUSETTS RULES OF CIVIL PROCEDURE OR RULE 4 OF THE FEDERAL RULES OF CIVIL PROCEDURE.

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ALL RIGHTS AND OBLIGATIONS HEREUNDER SHALL BE GOVERNED BY THE LAW OF THE COMMONWEALTH OF MASSACHUSETTS AND THIS NOTE SHALL BE DEEMED TO BE UNDER SEAL.

Attest: ALPHA INDUSTRIES, INC.
By: /s/ Paul E. Vincent

Name: Paul E. Vincent
Title: Chief Financial Officer

[Seal]

Attest: TRANS-TECH, INC.
By: /s/ Paul E. Vincent

Name: Paul E. Vincent
Title: Chief Financial Officer

[Seal]

:11/7/97

CONSENT

The undersigned, as party to that certain Guarantee, dated as of November 1, 1999 (the "GUARANTEE"), by the undersigned in favor of Silicon Valley Bank ("SVB") and Fleet National Bank ("FLEET", together with SVB, the "BANKS" and each a "BANK") and Fleet as agent for the Banks (together with its successors in such capacity, the "AGENT"), delivered pursuant to that certain Revolving Credit Agreement, dated as of November 1, 1999, by and among Alpha Industries, Inc., Trans-Tech, Inc., the Banks and the Agent (the "AGREEMENT") hereby consents to the Agreement and Amendment No. 1, dated as of November 16, 2000 (the "AMENDMENT") and hereby confirms and agrees that the Guarantee is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects, except that, upon the effectiveness of, and on and after the date of, said Amendment, each reference in the Guarantee to "the Credit Agreement," "thereunder," "thereof," "therein," or words of like import referring to the Agreement, shall mean and be a reference to the Agreement, as amended by the Amendment.

ALPHA SECURITIES CORP.

By: /s/ Paul E. Vincent

Name: Paul E. Vincent
Title: Chief Financial Officer

Dated: November 16, 2000