



January 11, 2000

Alpha Announces Record Third Quarter, With EPS of \$0.31

WOBURN, Mass.--(BUSINESS WIRE)--Jan. 11, 2000--ALPHA INDUSTRIES, INC. (NASDAQ:AHAA) today announced record financial results for the third fiscal quarter ended December 26, 1999.

The Company reported net income for the third quarter of \$6.3 million or \$0.31 per share, up 86% compared with adjusted net income for last year's quarter. Adjusted net income of \$3.4 million or \$0.21 per share for last year's third quarter assumes a tax rate of 36%, the same as for this year's quarter. Reported net income for last year's quarter, which used a 10% tax rate, was \$4.8 million or \$0.29 per share.

The Company's net sales for the quarter were \$47.5 million, up 46% from the same quarter last year. The Wireless Semiconductors segment had sales of \$31.5 million and generated \$5.0 million in operating profit at a 44.2% gross margin. Application Specific Products (ASP) had sales of \$7.8 million and generated \$2.0 million in operating profit at a 52.9% gross margin. Ceramic Products had sales of \$8.2 million and generated \$1.0 million in operating profit at a 35.8% gross margin. Driven by shipments for new digital handset platforms, deliveries to Alpha's largest customer accounted for 34% of year to date sales.

Tom Leonard, CEO and Vice Chairman of Alpha, stated, "Alpha's focus on the wireless marketplace, especially handsets, is driving our dynamic growth. Alpha's sales for wireless applications are up 75% over this time last year and up 20% over last quarter. Our Wireless Semiconductor Products division is now 66% of sales and growing. Orders remained strong throughout the quarter, and we continue to grow market share with our strategic customers in the wireless handset and wireless data markets.

"Alpha has established itself as an important supplier of the high-performance gallium arsenide integrated circuits that are essential to the many existing and emerging wireless applications. Our technology roadmap is well aligned with our customers and with the entire wireless market. We are expanding our capacity to meet market demand and grow our market share." Leonard concluded, "Alpha's future is bright."

Company Summary - Alpha Industries designs, develops, manufactures and markets proprietary radio frequency, microwave frequency and millimeter wave frequency integrated circuits and discrete semiconductors for wireless voice and data communications. The primary applications for our products include wireless handsets for cellular and personal communications services, or PCS. We also produce integrated circuits, discrete components and ceramic resonators and ferrites used in wireless base station equipment, cable television, wireless local loop, wireless personal digital assistants and wireless local area networks. Additional information is available at Alpha's Website - www.alphaind.com.

Safe Harbor Statement - Except for the historical information contained herein, this news release contains forward-looking statements that constitute the Company's current intentions, hopes, beliefs, expectations or predictions of the future which are, therefore, inherently subject to risks and uncertainties. The Company's actual results could differ materially from those anticipated in the Company's forward-looking statements based on various factors, including without limitation: cancellation or deferral of customer orders, dependence on a small number of large customers, difficulties in the timely development and market acceptance of new products, market developments that vary from the current public expectations concerning the growth of wireless communications, difficulties in manufacturing new or existing products in sufficient quantity or quality, increased competitive pressures, decreasing selling prices for the Company's products, or changes in economic conditions. Further information on factors that could affect the Company's performance is included in the Company's periodic reports filed with the SEC, including but not limited to the Company's Form 10-K for the year ended March 28, 1999, and subsequent Forms 10-Q. The Company cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. The Company expressly disclaims any obligations or undertakings 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.

-0-

*T

ALPHA INDUSTRIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF INCOME

(unaudited) Third Quarter Ended Nine Months Ended

	Dec. 26,	Dec. 27,	Dec. 26,	Dec. 27,
(in thousands, except per share data)	1999	1998	1999	1998
Net sales	\$ 47,463	\$ 32,489	\$ 127,837	\$ 92,070
Cost of sales	26,484	18,151	71,340	52,046
Research and development expenses	5,332	3,397	14,416	9,310
Selling and administrative expenses	7,598	5,809	20,886	16,728
Operating income	8,049	5,132	21,195	13,986
Interest expense	(20)	(61)	(94)	(231)
Interest income and other, net	1,810	231	4,009	647
Income before income taxes	9,839	5,302	25,110	14,402
Provision for income taxes	3,542	530	9,040	1,440
Net income(a)	\$ 6,297	\$ 4,772	\$ 16,070	\$ 12,962
Net income per share basic(a)	\$ 0.32	\$ 0.30	\$ 0.86	\$ 0.82
Net income per share diluted(a)	\$ 0.31	\$ 0.29	\$ 0.82	\$ 0.80
Weighted average common shares basic	19,660	15,835	18,671	15,773
Weighted average common shares diluted	20,605	16,402	19,688	16,211

COMPARATIVE BALANCE SHEET

(unaudited) (in thousands)	Dec. 26, 1999	Mar. 28, 1999
Assets		
Current assets		
Cash, cash equivalents and short-term investments	\$135,891	\$ 23,760
Accounts receivable, net	27,691	22,972
Inventories	9,324	8,773
Prepaid expenses and other current assets	4,978	7,318
Property, plant and equipment, less accumulated depreciation and amortization	59,383	42,497
Other assets	1,561	1,361
Total assets	\$238,828	\$106,681
Liabilities and Equity		
Current liabilities		
Current portion of long-term debt	\$ 111	\$ 912
Accounts payable	12,733	10,700
Accrued liabilities and other current liabilities	5,942	8,524
Long-term debt	404	713
Other long-term liabilities	5,237	4,818
Stockholders' equity	214,401	81,014
Total liabilities and equity	\$238,828	\$106,681

*T

(a) Note - Alpha began reporting earnings on a fully taxed basis at an effective rate of 36%, beginning with the first quarter of fiscal 2000. Reported earnings for the third quarter and first nine months of fiscal 1999 reflect a 10% tax rate, due to the utilization of net operating loss carryforwards. At an assumed tax rate of 36%, net income for the third quarter of fiscal 1999 would have been \$3.4 million or \$0.21 per share. At an assumed tax rate of 36%, net income for the first nine months of fiscal 1999 would have been \$9.2 million or \$0.57 per share.

CONTACT: Alpha Industries, Inc.
James C. Nemiah, Investor Relations
617/824-4426