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[Cymer Shares Plunging After Q2 Miss, Disappointing Q3 Guidance](#)

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Adding to the Tuesday afternoon parade of tech earnings misery is Cymer ([CYMI](#)), which makes excimer laser light sources used in semiconductor manufacturing. [For the second quarter, Cymer reported earnings of 55 cents a share, and revenue of \\$135.4 billion](#), compared to Street expectations of 56 cents a share and \$139 million. Bookings in the quarter fell to \$128.3 million, from \$135.6 billion in the first quarter.

In a statement accompanying the earnings release, Cymer CEO Bob Akins tried to calm any concerns. "Over the past few weeks, investor sentiment in the semiconductor sector has obviously become cautious, based in part on concerns over whether or not consumers will continue to spend. Looking at semiconductor market conditions, in spite of the currently mixed macro-environment, the demand picture for DUV lithography remains intact and broad-based. Fab over buying has not occurred and fab utilization remains in the low to mid 90% range. Flash memory manufacturers continue to expand capacity and 300mm fabs continue being built and populated."

Investors, unimpressed, are focusing instead on the third quarter outlook. The company sees revenue growth of 5%-10% over the second quarter, which implies \$142 million to \$149 million, compared to Street expectations of \$150 million. The company expects gross margin in the quarter of 50-52 percent, R&D expenses of \$19-20 million, SG&A between \$17.5-\$18 million and an effective tax rate for the year of 35 percent. They don't offer a bottom line number, but if you roll the clues together, you come up a nickel or so shy of the consensus estimate of 68 cents. (Well, at least that's what I came up with; you might want to see what the Street says.)

Cymer shares are down \$7.87, or more than 19%, to \$40.57 in after hours trading.