

Wednesday's Early Winners & Losers

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Shares of **SiRF Technology** (SIRF) plummeted in late trading Tuesday after the company's latest second-quarter earnings report.

SiRF, a maker of chips and software for GPS systems, said earnings dropped to \$1.7 million, or 3 cents a share, down from \$3.9 million, or 7 cents a share, a year ago. Excluding certain items, earnings rose to \$11 million, or 20 cents a share, from \$7.4 million, or 14 cents a share, a year ago. Analysts polled by Thomson First Call projected earnings of 19 cents a share, before items. Revenue totaled \$57.2 million, up 61% from a year ago but slightly below Wall Street's forecast of \$57.3 million. Shares were off \$4.96, or 19%, to \$20.69 after hours Tuesday.

Shares of **Amazon.com** (AMZN) fell after the online retailer's earnings missed Wall Street's targets. For the second quarter, the company earned \$22 million, or 5 cents a share, down from \$52 million, or 12 cents a share, a year ago. Revenue rose to \$2.14 billion from \$1.75 billion a year earlier. Analysts were looking for a 7-cent profit on sales of \$2.1 billion. Operating income dropped 55% from a year ago to \$47 million.

For the third quarter, Amazon forecast operating income of \$7 million to \$42 million and sales of around \$2.25 billion. For the year, the company expects operating income of about \$375 million on revenue of around \$10.4 billion. Analysts predicted sales of \$2.21 billion for the quarter and \$10.14 billion for the full year. Shares fell \$4.14, or 12%, to \$29.45 after hours.

Cymer (CYMI) stumbled as the chip-manufacturing equipment company's second-quarter earnings and third-quarter guidance fell short of Wall Street's expectations. Cymer earned \$22.6 million, or 55 cents a share, in the second quarter, up from \$11 million, or 30 cents a share a year ago. Revenue rose 40% from a year ago to \$135.4 million. Wall Street was looking for Cymer to report earnings of 56 cents a share on revenue of \$139 million.

Looking ahead, Cymer estimated that third-quarter revenue would be up between 5% and 10% over the second quarter. The projection suggests revenue of \$142.2 million to \$148.9 million. Analysts had forecast third-quarter revenue of \$150.4 million. Shares sank \$7.17, or 18%, to \$33.40 after hours.

Encore Wire (WIRE) posted second-quarter earnings that rose sharply from a year ago and topped analysts' estimates. The copper wire company said net income totaled \$57.1 million, or \$2.41 a share, compared with \$2.4 million, or 10 cents a share a year ago. Two analysts had an average estimate for earnings of 90 cents a share. Higher wire prices helped boost second-quarter sales to \$362 million from \$169.3 million last year. Shares were up \$2.85, or 8%, to \$38.25 in late trading.

Flextronics (FLEX) gained after the Singapore-based printed circuit-board company beat Wall Street's first-quarter earnings forecast. For the period ended June 30, the company earned \$84.5 million, or 14 cents a share, up from \$58.7 million, or 10 cents a share, a year ago. Excluding

restructuring and other charges, Flextronics earned \$103.7 million, or 18 cents a share, beating analysts' mean estimate by 2 cents. Revenue rose to \$4.06 billion from \$3.82 billion, surpassing Wall Street's target of \$3.81 billion.

For the September quarter, Flextronics projected revenue from continuing operations of \$4.7 billion to \$4.9 billion and EPS of 19 cents and 21 cents. Wall Street forecast lower sales at \$4.17 billion and an EPS at the low end of the range at 19 cents. For the full year ending in March 2007, Flextronics forecast \$19 billion in sales from continuing operations and EPS of about 80 cents. That tops analysts' current projection for \$16.68 billion in revenue and an EPS of 77 cents. Shares rose 35 cents, or 3.3%, to \$10.95 after hours.