Good morning. With me today are David Li, President and CEO, who is participating in our call from our office in Shanghai, and Bill Johnson, Executive Vice President and CFO.

This morning we reported results for our second quarter of fiscal year 2016, which ended March 31. A copy of our earnings release is available in the investor relations section of our website, cabotcmp.com, or by calling our investor relations office at 630-499-2600. A webcast of today's conference call and the script of this morning's formal comments will also be available on our website.

Please remember that our discussions today may include "forward-looking statements" that involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from these forward-looking statements. These risk factors are discussed in our SEC filings, including our report filed on Form 10-K for the fiscal year ended September 30, 2015. We assume no obligation to update any of this forward-looking information.

Also, our prepared remarks this morning reference non-GAAP financial measures. Our earnings release includes a reconciliation of non-GAAP financial measures.

I will now turn the call over to David.

Thanks, Trisha. Good morning, everyone, and thanks for joining us.

During our second quarter of fiscal 2016 we made significant progress on a number of strategic initiatives, notably in pads, dielectrics slurries, and slurry and pad consumable sets, although our financial results reflect continued soft semiconductor industry demand conditions. This is consistent with our comments last January when we reported results for our first quarter, and also during our Annual Meeting of Stockholders on March 8. As we mentioned in our press release, we continue to expect stronger demand in the second half of our fiscal year, and through the first month of our third fiscal quarter, orders for our CMP consumables products have notably strengthened. Later, Bill will provide more detail on our orders to date in April.

During the quarter, we reported revenue of $99.2 million dollars, a gross profit margin of 47.3 percent of revenue, and diluted earnings per share of 37 cents. Excluding amortization expense related to the NexPlanar acquisition, our non-GAAP gross profit margin was 48.4 percent of revenue, and non-GAAP earnings per share were 41 cents. We generated strong cash flow from operations of $25.4 million dollars and paid our first quarterly cash dividend on April 15.

To provide some context for our second quarter results, let me first offer some perspectives on the global semiconductor industry environment. Early signs in 2016 indicate that the PC market has still not stabilized. For the first quarter of the calendar year, Gartner reported that worldwide PC shipments declined nearly ten percent from the first quarter of 2015, representing the sixth consecutive quarter of PC shipment declines. Exiting the March quarter, some reports suggest that NAND and PC DRAM device inventories appear to still be in moderate oversupply due to this soft PC demand.

Despite the continued soft outlook for PC demand, there are expectations for growth during the year in the smartphone, wireless network, automotive, and gaming markets. Industry reports and comments made recently by some of our strategic customers suggest that most IC inventories related to these end markets are currently at normal seasonal levels. This is likely due to semiconductor device manufacturers' reducing capacity utilization and output to actively manage inventories in the supply chain. Also, reports indicate that the earthquake that occurred in Taiwan on February 6 caused some disruption in production and also damaged some inventories. In addition, industry news indicates that the earthquakes in Japan during mid-April may have impacted elements of the semiconductor industry supply chain. Our facilities were not impacted by these events in Taiwan and Japan.

Looking ahead, based on all of this, some of our customers and industry analysts are forecasting stronger semiconductor industry demand in the June quarter compared to the March quarter, and mid-single digit growth for the full calendar year. Their general view appears to be that demand will be driven by inventory replenishments, preparation for new product launches, and the fulfillment of delayed shipments as a result of the earthquakes. This would suggest above normal seasonal growth during the June period, and as I mentioned, we are seeing stronger demand for our CMP consumables products through April.

Now let me turn to our IC CMP consumables business, starting with pads. This quarter we continued the successful integration of our NexPlanar acquisition. Our total pad revenue was approximately twelve million dollars this quarter, including approximately five million dollars from NexPlanar. As a result, revenue from our CMP pads area grew 35 percent year-over-year. Our new global Pads team combines elements from NexPlanar and our original organization, and we are already beginning to see benefits of combining research and technical resources, and leveraging our global infrastructure, supply chain capabilities and quality systems.

In particular, we are utilizing our global sales channel to broadly introduce NexPlanar pads around the world. Recall that NexPlanar had specifically focused its efforts on winning advanced applications with a limited number of technology-leading customers, and was successful winning supply positions with six of the top ten semiconductor manufacturers in the world. But now, as part of our company, we can leverage our global reach to significantly expand opportunities, including both 200 and 300mm platforms.

In addition, we have been delighted by the speed of qualification of NexPlanar pads, and have observed several evaluations where we qualified in less than six months, which is far shorter than our previous experience of 18 months or longer. We attribute this difference in qualification time primarily to the ability of our customers to more easily transition the NexPlanar thermoset product into their existing high volume operations while also achieving superior defect performance. As a result, we won new business during the quarter with both existing and new NexPlanar pad customers – and, in particular, opportunities where we have displaced other providers at Korean memory and Asian foundry customers.

Furthermore, since closing the acquisition, we have expanded our pipeline of new business opportunities, including combined slurry and pad consumable sets. Today, we have a sizeable number of active evaluations in various stages of qualification. We continue to view pads as our most significant growth opportunity for our Company, and expect to achieve revenue from our pads product area of around $70 to $90 million dollars in fiscal 2018, which we have previously discussed.

Turning to CMP slurries, during the quarter we advanced customer adoption of our new, colloidal silica-based dielectrics slurries, which we believe provide best-in-class defectivity performance. In particular, we expanded prior wins into additional fabs at a number of technology-leading customers, and also won new business with slurry and pad consumable sets. We expect that demand from these wins, as well as opportunities we won several quarters ago, will gradually increase through the rest of the fiscal year. In addition, we have a strong pipeline of active opportunities around the world covering logic, memory and foundry customers, on both 200 and 300mm platforms.

In addition, during the quarter we made notable progress with our advanced ceria platform for dielectrics applications with leading memory customers. In the past, most of our discussion has centered on our new colloidal silica-based dielectrics slurry products, but we also have been focused on developing and refining our family of dielectrics products using ceria as the abrasive particle, which are primarily targeted toward certain CMP applications for memory devices. Similar to our other solutions, customers are seeing higher removal rates and improved defectivity. As a result, we won business with one technology leading memory customer over competitive offerings in two regions this quarter, and are engaged with a number of others on opportunities with our ceria-based slurry and pad consumable sets. We expect that both our colloidal silica- and ceria-based dielectrics slurries will be sources of profitable growth for our company over the next several years.

Turning now to tungsten, we continue to support our strategic customers in the early production of 3D memory and FinFET for advanced logic IC devices. Both of these applications require additional CMP steps, in particular tungsten, which we believe will continue to drive profitable growth for our company as these technologies are more broadly adopted over time. Related to this, we have seen sustained revenue growth from our tungsten products, which underscores our continued leadership in advanced and legacy tungsten applications.

In March we were honored to have again earned Intel's most prestigious award for suppliers, the Supplier Continuous Quality Improvement Award, for the fourth consecutive year. Notably, we were recognized as one of only eight companies, out of thousands of suppliers to Intel, for our performance in 2015. We are proud of this repeated recognition, and also of the awards we have received from other customers over the years. We believe these awards are evidence of the unique value we provide to our customers through technology, world class operations and quality systems and infrastructure, and our close relationships with our customers.

To summarize, we are excited about our progress on several strategic initiatives including pad growth through NexPlanar, dielectrics, and continued strength in tungsten, which along with the improving industry environment, should position us well for a strong second half of our fiscal year and build on our foundation and momentum for profitable growth into the future. We also will continue to monitor opportunities to strengthen and expand our business through a variety of other means, that could provide additional value to our shareholders.

And with that, I will turn the call over to Bill for more detail on our financial results.

Thanks, Dave, and good morning everyone.

Revenue for the second quarter of fiscal 2016 was $99.2 million, which represents a 5.4 percent decrease from the same quarter last year. Our second quarter revenue reflects continued softness in demand within the global semiconductor industry, continued soft demand for PCs, and competitive dynamics within data storage applications, all of which we have previously discussed. Year to date, revenue of $199.6 million represents a 7.9 percent decrease from the prior year. The decrease reflects similar factors as in the second fiscal quarter, as well as competitive dynamics in certain dielectrics applications that we have previously discussed. Foreign exchange rate changes reduced year-over-year revenue by $1.1 million in the quarter, mainly due to the weaker Korean won versus the US dollar, and by $2.5 million in the first half, primarily due to both the weaker won and Japanese yen.

Drilling down into revenue by product area:

Tungsten slurries contributed 44.2 percent of total quarterly revenue, with revenue up 0.5 percent from the same quarter a year ago. We continue to see strong demand for our tungsten slurries for advanced applications, including 3D memory and FinFET; and, as Dave mentioned earlier we expect this to be a strong driver for future profitable growth.

Dielectrics slurries provided 23.9 percent of our revenue this quarter, with overall sales down 0.9 percent from the same quarter a year ago. During the quarter, we saw the impact of soft foundry demand mostly offset by revenue growth from some of our new, high-performing colloidal silica-based dielectrics slurry products, in conjunction with our transformation of this product area, and also the advanced ceria-based products, that Dave discussed.

Sales of slurries for polishing metals other than Tungsten, including copper, aluminum and barrier, represented 14.3 percent of our total revenue, and decreased 22.6 percent from the same quarter last year. We believe this decrease was primarily due to soft demand from the foundry segment, and repurposing capacity for the next technology node, particularly with respect to our aluminum slurries, which is an industry transition we have been discussing for several quarters.

Sales of our polishing pads, which include our NexPlanar acquisition, represented 12.0 percent of our total revenue for the quarter, and increased 35.1 percent compared to the same quarter last year. We expect the NexPlanar acquisition will accelerate growth in our pads product area, and we are encouraged by the customer response and wins to date.

Finally, revenue from our Engineered Surface Finishes area and data storage products represented 3.8 percent and 1.8 percent of our quarterly revenue, respectively.

Our full fiscal year 2016 GAAP gross profit guidance range of 49 to 51 percent of revenue, including NexPlanar, remains unchanged. Gross profit for the quarter was 47.3 percent. This reflects $1.1 million of NexPlanar amortization expense. Excluding this amortization expense, non-GAAP gross profit was 48.4 percent of revenue, compared to 52.1 percent of revenue we reported in the same quarter a year ago. Other factors impacting gross profit this quarter compared to last year include lower sales volume and higher fixed manufacturing costs, including NexPlanar costs, partially offset by lower incentive compensation costs. This quarter we incurred some staffing related costs that are typically associated with the first quarter of the calendar year, and are generally transitory.

Year to date, gross profit was 48.6 percent of revenue, which includes $0.7 million of acquisition-related costs and $2.0 million of amortization expense related to NexPlanar. Excluding these costs, non-GAAP gross profit for the first half of the fiscal year was 50.0 percent of revenue, compared to 51.5 percent last year.

Now I'll turn to operating expenses, which include research, development and technical, selling and marketing, and general and administrative costs. Operating expenses this quarter of $34.6 million include $0.5 million of NexPlanar amortization expense. Operating expenses were $0.6 million lower than the $35.2 million reported in the same quarter a year ago. This reflects lower staffing related costs, including incentive compensation costs, and the absence of costs associated with last year's CEO transition, partially offset by NexPlanar staffing costs.

Year to date, total operating expenses were $70.4 million, which includes $2.1 million of NexPlanar acquisition-related costs and $0.8 million of amortization expense. We are lowering our full fiscal year guidance range for operating expenses to $139 million to $143 million, including NexPlanar; this is $2 million lower than our prior guidance range of $141 million to $145 million, and $4 million lower than our original guidance range.

Diluted earnings per share were 37 cents this quarter, or 41 cents on a non-GAAP basis, excluding amortization expense related to the acquisition, compared to 55 cents reported last year, primarily due to lower revenue and a lower gross profit margin. Year to date, diluted earnings per share were 83 cents, or 98 cents on a non-GAAP basis, compared to $1.36 last year.

Our effective tax rate for the second fiscal quarter was 21.0 percent, and 18.1 percent year-to-date. We continue to expect our effective tax rate for full fiscal year 2016 to be within the range of 18 to 21 percent, including NexPlanar.

Turning now to cash and balance sheet related items, our cash flow from operations was strong this quarter, at $25.4 million. Depreciation and amortization expense was $6.5 million, including approximately $1.6 million of amortization expense related to NexPlanar. Capital investments for the quarter were $5.2 million, bringing our year to date capital spending to $10.3 million. For the full fiscal year, we currently expect our capital spending to be within the range of $17 million to $20 million, including NexPlanar; previously, we had indicated a range of $15 million to $20 million. In addition, we purchased $15.0 million of our stock during the quarter under our share repurchase program, and have purchased $25.0 million year-to-date, leaving approximately $135 million of authorization remaining. We ended the quarter with a cash balance of $226.4 million and have $159.7 million of debt outstanding. On April 15, we paid our first regular quarterly cash dividend of $0.18 per share, or approximately $4.4 million in total, reflecting our ongoing focus on providing additional value to our shareholders.

Now I would like to offer a few comments on recent revenue and order patterns.

During the second fiscal quarter, we saw a 1.1 percent decrease in revenue compared to the first quarter of fiscal 2016. Within the quarter, revenue in January and February was even at approximately $32 million in each month, and revenue in March increased to approximately $36 million. Earlier, Dave talked about industry expectations for stronger demand in the June quarter, and reminded you of our own expectations for stronger demand in the second half of our fiscal year. Consistent with that, orders to date in April for our CMP consumables products are trending approximately six percent higher than the average rate in our second fiscal quarter.

To summarize, from a financial standpoint, as we think about full fiscal year 2016, we expect stronger demand in the second half, we are maintaining our gross margin guidance for the full fiscal year at 49 to 51 percent of revenue, despite the softer gross margin we just reported, and we have reduced our guidance for operating expenses for the full year by another $2 million.

Now I'll turn the call back to the operator, as we prepare to take your questions.

That is all the questions we have this morning. Thank you for your time and your interest in Cabot Microelectronics.