TEXAS INSTRUMENTS HAS "AGGRESSIVE AND THOUGHTFUL RESIZING OF THE WORKFORCE"

The second-largest U.S. chipmaker, Texas Instruments Inc.'s, fourth quarter net income dropped to $107 million, which equates to 8 cents a share, the company said yesterday. Earnings were 21 cents a share excluding reorganization costs. Those earnings were enough to top the average estimate of 12 cents given by a Bloomberg survey of analysts.

The economic crisis has provoked a dip in demand for mobile-phone chips made by the Texas-based company. They cut 1,800 jobs, and lost another 1,600 employees through voluntary retirements. The company will save around $700 million from the cuts, including the cuts they made at its wireless business last year. "There's hope we are getting to the bottom," said Bill Kreher, an analyst with Edward Jones in St. Louis. "The quicker we get to the bottom, the quicker we get to the recovery.

Texas Instruments stock rose 73 cents to $15.50 in late trading on the New York Stock Exchange.

Last year, the stock plummeted 54% Sales at the chipmaker fell to $2.49 billion, which was more than the $2.37 billion estimated by the Bloomberg Survey. "We have taken what we believe is an aggressive and thoughtful resizing of the workforce to meet an extended weak economy," said Kevin March, Chief Financial Officer for Texas Instruments.

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