UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

November 8, 2019
Date of Report (Date of earliest event reported)

inTEST Corporation
(Exact Name of Registrant as Specified in its Charter)

Delaware	**1-36117**	**22-2370659**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

804 East Gate Drive, Suite 200, Mt. Laurel, New Jersey 08054
(Address of Principal Executive Offices, including zip code)

(856) 505-8800
(Registrant's Telephone Number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written Communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, par value $0.01 per share	INTT	NYSE American

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter)

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition

On November 8, 2019, inTEST Corporation (the "Company") issued a press release, held a webcast conference call (as previously announced) and posted conference call supplemental information to its website regarding its financial results for the third quarter ended September 30, 2019. The Company's press release is furnished as Exhibit 99.1, the conference call supplemental information is furnished as Exhibit 99.2 and the textual representation of the conference call is furnished as Exhibit 99.3 to this Current Report on Form 8-K.

Item 9.01. Financial Statements and Exhibits

(d) *Exhibits*

Exhibit No.	Description
99.1	Third Quarter 2019 Press Release dated November 8, 2019.
99.2	Third Quarter 2019 Conference Call Supplemental Information dated November 8, 2019.
99.3	Textual representation of conference call of November 8, 2019.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

inTEST CORPORATION

By: /s/ Hugh T. Regan, Jr.
Hugh T. Regan, Jr.
Secretary, Treasurer and Chief Financial Officer

Date: November 12, 2019

EXHIBIT 99.1

inTEST Corporation

NEWS RELEASE

FOR IMMEDIATE RELEASE

inTEST REPORTS 2019 THIRD QUARTER FINANCIAL RESULTS

MANSFIELD, MA, November 8, 2019 - inTEST Corporation (NYSE American: INTT), a global supplier of precision-engineered solutions for use in manufacturing and testing across a wide range of markets including automotive, defense/aerospace, energy, industrial, semiconductor and telecommunications, today announced financial results for the quarter ended September 30, 2019.

2019 Third Quarter Financial Summary

($ in Millions, Except Per Share Data)	**Three Months Ended**		
	9/30/2019	**6/30/2019**	**9/30/2018**
Semi Market Bookings (1)	$ 6.6	$ 8.6	$ 10.6
Multimarket Bookings (2)	7.3	7.3	9.4
Total Bookings	$ 13.9	$ 15.9	$ 20.0
Semi Market Bookings (1) - % of Total Bookings	48%	54%	53%
Multimarket Bookings (2) - % of Total Bookings	52%	46%	47%
Semi Market Net Revenues (1)	$ 7.1	$ 7.7	$ 11.4
Multimarket Net Revenues (2)	7.5	6.7	8.8
Total Net Revenues	$ 14.6	$ 14.4	$ 20.2
Semi Market Net Revenues (1) - % of Total Net Revenues	49%	53%	57%
Multimarket Net Revenues (2) - % of Total Net Revenues	51%	47%	43%
Gross Margin	$ 7.2	$ 6.7	$ 10.1
Gross Margin	49%	47%	50%
Net Earnings (Loss) (GAAP) (3)	$ 0.6	$ (0.2)	$ (0.6)
Net Earnings (Loss) per diluted share (GAAP) (3)	$ 0.06	$ (0.02)	$ (0.05)
Adjusted Net Earnings (Non-GAAP) (4)	$ 1.0	$ 0.1	$ 2.8
Adjusted Net Earnings per diluted share (Non-GAAP) (4)	$ 0.09	$ 0.01	$ 0.27
Adjusted EBITDA (Non-GAAP) (4)	$ 1.3	$ 0.2	$ 3.8

	As of		
	9/30/2019	**6/30/2019**	**12/31/2018**
Cash and cash equivalents	$ 8.0	$ 7.6	$ 17.9

(1) Semi Market: These amounts include all bookings and net revenues from the semiconductor market.

(2) Multimarket: Formerly referred to as “Non Semi Bookings” and “Non Semi Net Revenues.” These amounts include all bookings and net revenues from markets other than the semiconductor market.

(3) For the third quarter of 2018, Net Loss (GAAP) and Net Loss per diluted share (GAAP) include the impact of an increase in the liability for contingent consideration of $3.1 million.

(4) There were no adjustments for contingent consideration in 2019. Further information can be found under “Non-GAAP Results.” See also the reconciliation of GAAP financial measures to non-GAAP financial measures that accompanies this earnings release.

2019 Nine Month Year-to-Date Financial Summary

($ in Millions, Except Per Share Data)	Nine Months Ended	
	9/30/2019	9/30/2018
Semi Market Bookings (5)	$ 20.8	$ 35.1
Multimarket Bookings (6)	20.9	24.7
Total Bookings	$ 41.7	$ 59.8
Semi Market Bookings (5) - % of Total Bookings	50%	59%
Multimarket Bookings (6) - % of Total Bookings	50%	41%
Semi Market Net Revenues (5)	$ 24.9	$ 35.0
Multimarket Net Revenues (6)	22.1	25.1
Total Net Revenues	$ 47.0	$ 60.1
Semi Market Net Revenues (5) - % of Total Net Revenues	53%	58%
Multimarket Net Revenues (6) - % of Total Net Revenues	47%	42%
Gross Margin	$ 22.8	$ 30.4
Gross Margin	48%	51%
Net Earnings (GAAP) (7)	$ 1.6	$ 3.8
Net Earnings per diluted share (GAAP) (7)	$ 0.15	$ 0.37
Adjusted Net Earnings (Non-GAAP) (8)	$ 2.5	$ 8.7
Adjusted Net Earnings per diluted share (Non-GAAP) (8)	$ 0.24	$ 0.84
Adjusted EBITDA (Non-GAAP) (8)	$ 3.4	$ 11.0

(5) Semi Market: These amounts include all bookings and net revenues from the semiconductor market.

(6) Multimarket: Formerly referred to as “Non Semi Bookings” and “Non Semi Net Revenues.” These amounts include all bookings and net revenues from markets other than the semiconductor market.

(7) For the nine months ended September 30, 2018, Net Earnings (GAAP) and Net Earnings per diluted share (GAAP) include the impact of an increase in the liability for contingent consideration of $4.1 million and the reversal of the $476,000 Federal transition tax payable that was estimated during the quarter ended December 31, 2017 under new tax legislation. During the nine months ended September 30, 2018, we determined that this tax was not due.

(8) There were no adjustments for contingent consideration in 2019. Further information can be found under “Non-GAAP Results.” See also the reconciliation of GAAP financial measures to non-GAAP financial measures that accompanies this earnings release.

2019 Third Quarter Highlights

- Third quarter Thermal segment highlights included:
  - An Original Equipment Manufacturer (OEM) customer we won late last year is now placing significant orders for EKOHEAT induction heating equipment systems for automotive preheating applications, becoming Ambrell's third largest customer to date.
  - A European manufacturer of extruded tubing for consumer products placed additional orders for EASYHEAT induction heating equipment. This customer has placed more orders through the third quarter than it did in the entirety of 2018.
  - In our emerging Thermonics Chiller business, we also won two new customers (one integrator and one end-user), who use our products for chemical extraction for the expanding cannabis industry.
- Third quarter EMS segment highlights included:
  - Bookings increased 13% sequentially, due to an uptick in orders for docking products for consumer electronics and mobile applications, including 5G.
  - EMS received a large manipulator order from an OEM for automotive applications test, further demonstrating our value to the semiconductor related automotive industry.

inTEST President & CEO James Pelrin commented, "Despite continued challenging headwinds in the semiconductor market, we delivered profitable third quarter results with increased revenues, expanded gross margin and EBITDA, and we continued to generate cash. Consolidated net revenues increased 2% sequentially; and while Semi Market revenues declined, Multimarket revenues increased over the prior quarter, driven by defense/aerospace and industrial customers, serving to reinforce our long-term strategy of building our base of less volatile, Multimarket related revenues."

Mr. Pelrin added, "Semi market related variabilities are an inherent aspect of our business; and while there is still considerable market uncertainty, we are confident in our long-term diversification strategy of maximizing our Semi business while expanding inTEST's Multimarket footprint. Our customer base continues to grow, testament to the value of our technologies and the demand for our products. We continue to strive to excel with our capabilities to deliver precision-engineered thermal, mechanical and electronic solutions. We believe we are well positioned to participate as the semiconductor industry rebounds."

2019 Fourth Quarter Financial Outlook

inTEST's guidance for the 2019 fourth quarter includes both GAAP and non-GAAP estimates. A reconciliation between these GAAP and non-GAAP financial measures is included below.

Actual results may differ materially as a result of, among other things, the factors described under "Forward-Looking Statements" below.

inTEST expects that net revenues for the fourth quarter of 2019 will be in the range of $14.0 million to $15.0 million and that net earnings per diluted share will range from $0.04 to $0.08. On a non-GAAP basis, adjusted net earnings per diluted share is expected to be in the range of $0.07 to $0.11. In addition, we expect that gross margin will range from 48% to 49%. This outlook is based on the Company's current views with respect to operating and market conditions and customers' forecasts, which are subject to change.

2019 Third Quarter Supplemental Information and Conference Call Details

inTEST is providing Supplemental Information ("Information") in combination with its press release. This Information is offered to provide shareholders and analysts with additional time and detail for analyzing the Company's financial results in advance of the Company's quarterly conference call. The Information will be available in conjunction with the press release at inTEST's website www.intest.com, under the "Investors" section.

inTEST management will host a conference call on Friday, November 8, 2019 at 8:30 am Eastern Standard Time. The conference call will address the Company's 2019 third quarter financial results, and management's current expectations and views of the industry. The call may also include discussion of strategic, operating, product initiatives or developments, or other matters relating to the Company's current or future performance. To access the live conference call, please dial (646) 828-8193 or (888) 394-8218. The Passcode for the conference call is 6975622. Please reference the inTEST 2019 Q3 Financial Results Conference Call.

2019 Third Quarter Live Webcast Details

inTEST Corporation will provide a webcast in conjunction with the conference call. To access the live webcast, please visit inTEST's website www.intest.com under the "Investors" section.

2019 Third Quarter Replay Details (Webcast)

A replay of the webcast will be available on inTEST's website for one year following the live broadcast. To access the webcast replay, please visit inTEST's website www.intest.com under the "Investors" section.

Submit Questions

In advance of the conference call, and for those investors accessing the webcast, inTEST Corporation welcomes individual investors to submit their questions via email to lguerrant@guerrantir.com.

Non-GAAP Results

In addition to disclosing results that are determined in accordance with GAAP, we also disclose non-GAAP financial measures. These non-GAAP financial measures include adjusted net earnings (loss), adjusted net earnings (loss) per diluted share, EBITDA and adjusted EBITDA. Adjusted net earnings (loss) is derived by adding acquired intangible amortization, adjusted for the related income tax expense (benefit), to net earnings (loss) and removing any change in the fair value of our contingent consideration liability from net earnings (loss). Adjusted net earnings (loss) per diluted share is derived by dividing adjusted net earnings (loss) by diluted weighted average shares outstanding. EBITDA is derived by adding acquired intangible amortization, interest expense, income tax expense, and depreciation to net earnings (loss). Adjusted EBITDA is derived by removing any change in the fair value of our contingent consideration liability from EBITDA. These results are provided as a complement to the results provided in accordance with GAAP. Adjusted net earnings (loss), adjusted net earnings (loss) per diluted share, EBITDA and adjusted EBITDA are non-GAAP financial measures presented to provide investors with meaningful, supplemental information regarding our baseline performance before acquired intangible amortization charges and changes in the estimate of future consideration that may be paid out related to prior acquisitions as these expenses or income items may not be indicative of our current core business or future outlook. These non-GAAP financial measures are used by management to make operational decisions, to forecast future operational results, and for comparison with our business plan, historical operating results and the operating results of our peers. A reconciliation from net earnings (loss) and net earnings (loss) per diluted share to adjusted net earnings (loss) and adjusted net earnings (loss) per diluted share and from net earnings (loss) to EBITDA and adjusted EBITDA, which are discussed in this earnings release, is contained in the tables below. The non-GAAP financial measures discussed in this earnings release may not be comparable to similarly titled measures used by other companies. The presentation of non-GAAP financial measures is not meant to be considered in isolation, as a substitute for, or superior to, financial measures or information provided in accordance with GAAP.

About inTEST Corporation
inTEST Corporation is a global supplier of precision-engineered solutions for use in manufacturing and testing across a wide range of markets including automotive, defense/aerospace, energy, industrial, semiconductor and telecommunications. Backed by decades of engineering expertise and a culture of operational excellence, we solve difficult thermal, mechanical and electronic challenges for customers worldwide while generating strong cash flow and profits. Our strategy uses these strengths to grow and increase shareholder value by maximizing our businesses and by identifying, acquiring and optimizing complementary businesses. For more information visit www.intest.com.

Forward-Looking Statements
This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. These statements do not convey historical information, but relate to predicted or potential future events and financial results, such as statements of our plans, strategies and intentions, or our future performance or goals, that are based upon management's current expectations. Our forward-looking statements can often be identified by the use of forward-looking terminology such as “believes,” “expects,” “intends,” “may,” “will,” “should,” “plans,” “projects,” “forecasts,” “outlook,” or “anticipates” or similar terminology. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. In addition to the factors mentioned in this press release, such risks and uncertainties include, but are not limited to, indications of a change in the market cycles in the semiconductor and ATE markets or other markets we serve; changes in business conditions and general economic conditions both domestically and globally; changes in the demand for semiconductors, generally; the success of our strategy to diversify our business by entering markets outside the semiconductor or ATE markets; the possibility of future acquisitions or dispositions and the successful integration of any acquired operations; the ability to borrow funds or raise capital to finance major potential acquisitions; changes in the rates of, and timing of, capital expenditures by our customers; progress of product development programs; increases in raw material and fabrication costs associated with our products; and other risk factors set forth from time to time in our Securities and Exchange Commission filings, including, but not limited to, our periodic reports on Form 10-K and Form 10-Q. Any forward-looking statement made by inTEST in this press release is based only on information currently available to inTEST and speaks to circumstances only as of the date on which it is made. inTEST undertakes no obligation to update the information in this press release to reflect events or circumstances after the date hereof or to reflect the occurrence of anticipated or unanticipated events.

Contacts

inTEST Corporation
Hugh T. Regan, Jr.
Treasurer and Chief Financial Officer
Tel: 856-505-8999

Investors:
Laura Guerrant-Oiye, Principal
Guerrant Associates
guerrant@guerrantir.com
Tel: (808) 960-2642

– tables follow –

SELECTED FINANCIAL DATA
(Unaudited)
(In thousands, except per share data)

Condensed Consolidated Statements of Operations Data:

	Three Months Ended			Nine Months Ended	
	9/30/2019	9/30/2018	6/30/2019	9/30/2019	9/30/2018
Net revenues	$ 14,632	$ 20,160	$ 14,352	$ 47,046	$ 60,128
Gross margin	7,205	10,092	6,719	22,760	30,397
Operating expenses:					
Selling expense	2,044	2,291	2,087	6,505	7,305
Engineering and product development expense	1,261	1,207	1,208	3,753	3,733
General and administrative expense	3,094	3,318	3,718	10,549	9,643
Adjustment to contingent consideration liability	-	3,057	-	-	4,073
Operating income (loss)	806	219	(294)	1,953	5,643
Other income (loss)	(12)	(57)	(6)	3	(103)
Earnings (loss) before income tax expense (benefit)	794	162	(300)	1,956	5,540
Income tax expense (benefit)	147	728	(113)	358	1,711
Net earnings (loss)	647	(566)	(187)	1,598	3,829
Net earnings (loss) per share – basic	$ 0.06	$ (0.05)	$ (0.02)	$ 0.15	$ 0.37
Weighted average shares outstanding – basic	10,421	10,356	10,411	10,406	10,342
Net earnings (loss) per share – diluted	$ 0.06	$ (0.05)	$ (0.02)	$ 0.15	$ 0.37
Weighted average shares outstanding – diluted	10,430	10,356	10,411	10,423	10,378

Condensed Consolidated Balance Sheets Data:

	As of:		
	9/30/2019	6/30/2019	12/31/2018
Cash and cash equivalents	$ 8,025	$ 7,594	$ 17,861
Trade accounts receivable, net	9,223	9,172	10,563
Inventories	7,721	7,183	6,520
Total current assets	25,874	24,493	35,621
Net property and equipment	2,423	2,572	2,717
Total assets	61,305	60,796	67,187
Accounts payable	2,728	2,412	1,787
Accrued expenses	4,683	4,653	6,764
Total current liabilities	9,596	9,116	21,418
Noncurrent liabilities	6,940	7,477	2,889
Total stockholders' equity	44,769	44,203	42,880

Reconciliation of Net Earnings (Loss) (GAAP) to Adjusted Net Earnings (Non-GAAP) and Net Earnings (Loss) Per Share – Diluted (GAAP) to Adjusted Net Earnings Per Share – Diluted (Non-GAAP):

	Three Months Ended			Nine Months Ended	
	9/30/2019	9/30/2018	6/30/2019	9/30/2019	9/30/2018
Net earnings (loss) (GAAP)	$ 647	$ (566)	$ (187)	$ 1,598	$ 3,829
Acquired intangible amortization	312	323	315	944	786
Contingent consideration liability adjustment	-	3,057	-	-	4,073
Tax adjustments	(4)	(5)	(3)	(12)	(18)
Adjusted net earnings (Non-GAAP)	$ 955	$ 2,809	$ 125	$ 2,530	$ 8,670
Diluted weighted average shares outstanding	10,430	10,397	10,425	10,423	10,378
Net earnings (loss) per share – diluted:					
Net earnings (loss) (GAAP)	$ 0.06	$ (0.05)	$ (0.02)	$ 0.15	$ 0.37
Acquired intangible amortization	0.03	0.03	0.03	0.09	0.08
Contingent consideration liability adjustment	-	0.29	-	-	0.39
Tax adjustments	-	-	-	-	-
Adjusted net earnings per share – diluted (Non-GAAP)	$ 0.09	$ 0.27	$ 0.01	$ 0.24	$ 0.84

Reconciliation of Net Earnings (Loss) (GAAP) to EBITDA (Non-GAAP) and Adjusted EBITDA (Non-GAAP):

	Three Months Ended			Nine Months Ended	
	9/30/2019	9/30/2018	6/30/2019	9/30/2019	9/30/2018
Net earnings (loss) (GAAP)	$ 647	$ (566)	$ (187)	$ 1,598	$ 3,829
Acquired intangible amortization	312	323	315	944	786
Interest expense	-	1	-	-	1
Income tax expense (benefit)	147	728	(113)	358	1,711
Depreciation	170	207	184	535	584
EBITDA (Non-GAAP)	1,276	693	199	3,435	6,911
Contingent consideration liability adjustment	-	3,057	-	-	4,073
Adjusted EBITDA (Non-GAAP)	$ 1,276	$ 3,750	$ 199	$ 3,435	$ 10,984

Supplemental Information – Reconciliation of Fourth Quarter 2019 Estimated Net Earnings Per Share – Diluted (GAAP) to Estimated Adjusted Net Earnings Per Share – Diluted (Non-GAAP):

	Low	High
Estimated net earnings per share – diluted (GAAP)	$ 0.04	$ 0.08
Estimated acquired intangible amortization	0.03	0.03
Estimated tax adjustments	-	-
Estimated adjusted net earnings per share – diluted (Non-GAAP)	$ 0.07	$ 0.11

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inTEST Corporation
THIRD QUARTER 2019 EARNINGS ANNOUNCEMENT
CONFERENCE CALL SUPPLEMENTAL INFORMATION
NOVEMBER 8, 2019

inTEST Corporation is providing Supplemental Information in conjunction with our 2019 third quarter press release in order to provide shareholders and analysts with additional time and detail for analyzing our financial results in advance of our quarterly conference call. The conference call will begin today, Friday, November 8, 2019, at 8:30 am EST. To access the conference call, please dial (646) 828-8193 or (888) 394-8218. The passcode for the live call is 6975622. In addition, a live webcast will be available on inTEST's website, www.intest.com under the "Investors" section and a replay of the webcast will be available for one year following the live broadcast.

We are referring to our business somewhat differently in an effort to more crisply define the Company's product mix and our strategic direction; which encompasses maximizing semiconductor related opportunities, as well as growing our business outside of semiconductor markets, both organically and through acquisition. Our historical roots are in the more cyclical Semiconductor market (or "Semi"), which is an important part of our business. "Multimarket" refers to the many other large, more diversified and growing markets for our precision equipment.

Please see the "Reconciliation of Net Earnings (Loss) (GAAP) to EBITDA (Non-GAAP)" later in this document for more details on non-GAAP financial measures, as well as a reconciliation from net earnings (loss) to EBITDA, a non-GAAP financial measure.

Summary of Business and Financial Highlights

Today we reported the following results for the third quarter of 2019:

- Bookings were $13.9 million, down 13% from $15.9 million reported for Q2 2019, and down 31% from $20.0 million reported for Q3 2018. Multimarket bookings were 52% of total bookings for Q3 2019, compared to 46% in Q2 2019 and 47% in Q3 2018.

- Net revenues were $14.6 million, up 2% from $14.4 million reported for Q2 2019, and down 27% from $20.2 million reported for Q3 2018. Multimarket net revenues were 51% of total net revenues for Q3 2019, compared to 47% in Q2 2019 and 43% in Q3 2018.

- Gross margin was $7.2 million or 49%, up from $6.7 million or 47% reported for Q2 2019, and down from $10.1 million or 50% reported for Q3 2018.

- Operating income was $806,000, up from operating loss of ($294,000) reported for Q2 2019 and up from operating income of $219,000 reported for Q3 2018.

- Net earnings were $647,000 or $0.06 per diluted share, up from net loss of ($187,000) or ($0.02) per diluted share reported for Q2 2019, and up from net loss of ($566,000) or ($0.05) per diluted share reported for Q3 2018.

Summary of Bookings and Net Revenues

Bookings by end market served in dollars and as a percentage of total bookings and net revenues by end market served in dollars and as a percentage of total net revenues for the periods presented:

($ in 000s)	**Three Months Ended**									
					Change				**Change**	
	9/30/2019		**6/30/2019**		**$**	**%**	**9/30/2018**		**$**	**%**
Bookings										
Industrial	$ 4,978	35.9%	$ 4,623	29.0%	$ 355	7.7%	$ 5,365	26.9%	$ (387)	-7.2%
Electronic Test	2,277	16.5%	2,669	16.8%	(392)	-14.7%	4,023	20.1%	(1,746)	-43.4%
Multimarket (Non-Semi)	$ 7,255	52.4%	$ 7,292	45.8%	$ (37)	-0.5%	$ 9,388	47.0%	$ (2,133)	-22.7%
Semi Market	6,602	47.6%	8,629	54.2%	(2,027)	-23.5%	10,606	53.0%	(4,004)	-37.8%
	$ 13,857	100.0%	$ 15,921	100.0%	$ (2,064)	-13.0%	$ 19,994	100.0%	$ (6,137)	-30.7%
Net Revenues										
Industrial	$ 5,758	39.3%	$ 4,279	29.8%	$ 1,479	34.6%	$ 5,576	27.7%	$ 182	3.3%
Electronic Test	1,748	12.0%	2,432	17.0%	(684)	-28.1%	3,169	15.7%	(1,421)	-44.8%
Multimarket (Non-Semi)	$ 7,506	51.3%	$ 6,711	46.8%	$ 795	11.8%	$ 8,745	43.4%	$ (1,239)	-14.2%
Semi Market	7,126	48.7%	7,641	53.2%	(515)	-6.7%	11,415	56.6%	(4,289)	-37.6%
	$ 14,632	100.0%	$ 14,352	100.0%	$ 280	2.0%	$ 20,160	100.0%	$ (5,528)	-27.4%

Third quarter Multimarket bookings were $7.3 million, or 52% of total bookings, compared with $7.3 million, or 46% of total bookings in the 2019 second quarter.

Third quarter Multimarket net revenues were $7.5 million, or 51% of total net revenues, compared with $6.7 million, or 47% of total net revenues in the 2019 second quarter.

Summary of Component Material Costs, Cost of Revenues and Gross Margin

Component material costs, cost of revenues and gross margin by segment in dollars and as a percentage of total net revenues in the periods presented:

Gross Margin ($ in 000s)	**Three Months Ended**								
	9/30/2019			**6/30/2019**			**9/30/2018**		
Thermal									
Component material costs	$	3,335	31.4%	$	3,259	31.0%	$	5,010	34.3%
Cost of revenues	$	5,542	52.2%	$	5,607	53.3%	$	7,561	51.7%
Gross margin	$	5,080	47.8%	$	4,912	46.7%	$	7,055	48.3%
EMS									
Component material costs	$	1,260	31.4%	$	1,382	36.0%	$	1,838	33.2%
Cost of revenues	$	1,885	47.0%	$	2,026	52.9%	$	2,506	45.2%
Gross margin	$	2,125	53.0%	$	1,807	47.1%	$	3,037	54.8%
Consolidated									
Component material costs	$	4,595	31.4%	$	4,641	32.3%	$	6,848	34.0%
Cost of revenues	$	7,427	50.8%	$	7,633	53.2%	$	10,068	49.9%
Gross margin	$	7,205	49.2%	$	6,719	46.8%	$	10,092	50.1%

Third quarter gross margin was $7.2 million, or 49%, as compared with $6.7 million, or 47%, in the 2019 second quarter. The improvement in the gross margin was the result of a decrease in our fixed manufacturing costs as a percentage of net revenues as well as a reduction in our component material costs as a percentage of our net revenues. Consolidated component material costs decreased from 32.3% in Q2 2019 to 31.4% in Q3 2019, reflecting lower component material costs in our EMS segment.

The decrease in the component material costs in our EMS segment, which declined from 36.0% in the 2019 second quarter to 31.4% in the 2019 third quarter, was due to a more favorable product and customer mix in the third quarter as compared to the second quarter. This decline was partially offset by a slight increase in the component material costs of our Thermal segment, which saw its component material costs grow from 31.0% in the second quarter to 31.4% in the third quarter, reflecting a less favorable product and customer mix.

Fixed manufacturing costs declined $125,000, or 5% sequentially, to $2.4 million in Q3 2019, and were more favorably absorbed in the third quarter due to the higher net revenues. As a result, these costs represented 16.1% of our net revenues in the third quarter as compared to 17.3% in the 2019 second quarter. The reduction in the dollar amount of our fixed manufacturing costs was driven by reduced salary and benefits in our Thermal segment as well as improved machine shop utilization in our EMS segment.

Summary of Results of Operations

Results of operations in dollars and as a percentage of total net revenues in the periods presented:

($ in 000s, except per share data)	**Three Months Ended**									
					Change				**Change**	
	9/30/2019		**6/30/2019**		**$**	**%**	**9/30/2018**		**$**	**%**
Net revenues	$ 14,632	100.0%	$ 14,352	100.0%	$ 280	2.0%	$ 20,160	100.0%	$ (5,528)	-27.4%
Cost of revenues	7,427	50.8%	7,633	53.2%	(206)	-2.7%	10,068	49.9%	(2,641)	-26.2%
Gross margin	7,205	49.2%	6,719	46.8%	486	7.2%	10,092	50.1%	(2,887)	-28.6%
Selling expense	2,044	14.0%	2,087	14.5%	(43)	-2.1%	2,291	11.4%	(247)	-10.8%
R&D expense	1,261	8.6%	1,208	8.4%	53	4.4%	1,207	6.0%	54	4.5%
G&A expense	3,094	21.1%	3,718	25.9%	(624)	-16.8%	3,318	16.5%	(224)	-6.8%
Adjust to CCL	-	0.0%	-	0.0%	-	-	3,057	15.2%	(3,057)	-100.0%
Operating expenses	6,399	43.7%	7,013	48.8%	(614)	-8.8%	9,873	49.1%	(3,474)	-35.2%
Operating income (loss)	806	5.5%	(294)	-2.0%	1,100	-374.1%	219	1.0%	587	268.0%
Other income (expense)	(12)	-0.1%	(6)	-0.1%	(6)	100.0%	(57)	-0.3%	45	78.9%
Pre-tax income (loss)	794	5.4%	(300)	-2.1%	1,094	-364.7%	162	0.8%	632	390.1%
Income tax expense (benefit)	147	1.0%	(113)	-0.8%	260	230.1%	728	3.6%	(581)	-79.8%
Net income (loss)	$ 647	4.4%	$ (187)	-1.3%	$ 834	446.0%	$ (566)	-2.8%	$ 1,213	214.3%
Diluted EPS	$ 0.06		$ (0.02)				$ (0.05)			
Weighted Avg Shares - diluted	10,430		10,411				10,356			
Adjusted EBITDA	$ 1,276	8.7%	$ 199	1.4%	$ 1,077	541.2%	$ 3,750	18.6%	$ (2,474)	-66.0%

Selling expense declined from $2.1 million for the 2019 second quarter to $2.0 million for the 2019 third quarter, a decrease of $43,000 or 2%. The reduction in selling expense was primarily driven by reduced commission expense, as well as reductions in advertising and warranty expenses. These reductions were partially offset by increased sales travel costs.

Engineering and product development expense increased from $1.2 million for the 2019 second quarter to $1.3 million in the 2019 third quarter, an increase of $53,000 or 4% sequentially. The increase was driven by higher levels of legal costs related to our intellectual property, increased spending on product development consultants and development materials.

General and administrative expense declined from $3.7 million for the 2019 second quarter to $3.1 million for the 2019 third quarter, a decrease of $624,000 or 17%. Non-recurring items in second quarter G&A expense included $351,000 of acquisition-related expense from the transaction that did not close in the second quarter and $223,000 of expense related to consolidation of Ambrell's European facilities.

When adjusted to remove these non-recurring costs, our 2019 third quarter G&A expense would have declined $50,000 or 2.0% sequentially, and the decrease was primarily related to reduced levels of profit-related bonuses. We expect the consolidation of Ambrell's European facilities will reduce future operating expenses by $345,000 annually. On an after-tax basis, these non-recurring costs represented $358,000 or $0.03 per diluted share in Q2 2019.

Other expense was $12,000 in the 2019 third quarter as compared to $6,000 in the 2019 second quarter.

We accrued income tax expense of $147,000 for the 2019 third quarter, compared to an income tax benefit of ($113,000) recorded in the 2019 second quarter. Our effective tax rate was 19% in Q3, compared to 38% in the second quarter. Our unusually high effective tax rate in the second quarter was the result of adjustments made to reduce our year-to-date effective tax rate to 18%. We currently expect our 2019 annual effective tax rate to be between 17% and 18%.

For the quarter ended September 30, 2019, we had net earnings of $647,000 or $0.06 per diluted share, compared to a net loss of ($187,000) or ($0.02) per diluted share for the 2019 second quarter.

Diluted weighted average shares outstanding were 10,429,536 at September 30, 2019. We issued 16,900 shares of restricted stock during the third quarter and repurchased 39,158 shares in our buyback, which began on September 18, 2019.

Depreciation expense was $170,000 for the 2019 third quarter, while acquired intangible amortization was $312,000, both relatively unchanged from the 2019 second quarter. Restricted stock compensation expense was $242,000 for the 2019 third quarter.

EBITDA increased from $199,000 for the 2019 second quarter to $1.3 million reported for the 2019 third quarter.

Balance Sheet and Cash Flow Highlights

Cash and cash equivalents at the end of the 2019 third quarter were $8.0 million, up $431,000 from June 30, 2019. During the quarter we spent $179,000 on the repurchase of our common stock and today cash stands at $7.0 million.

We currently expect cash and cash equivalents to grow sequentially through year-end, excluding the impact of any potential acquisition-related and/or stock buyback activities.

Accounts receivable was flat at $9.2 million, or 58 DSO, at September 30, 2019.

Inventories increased $538,000 to $7.7 million at September 30, 2019, which corresponded to 150 days of inventory, which is at the high end of our normal range.

Capital expenditures during the 2019 third quarter were $115,000, down from $157,000 in the 2019 second quarter.

Backlog at the end of September was $8.0 million, down from $8.8 million at June 30, 2019.

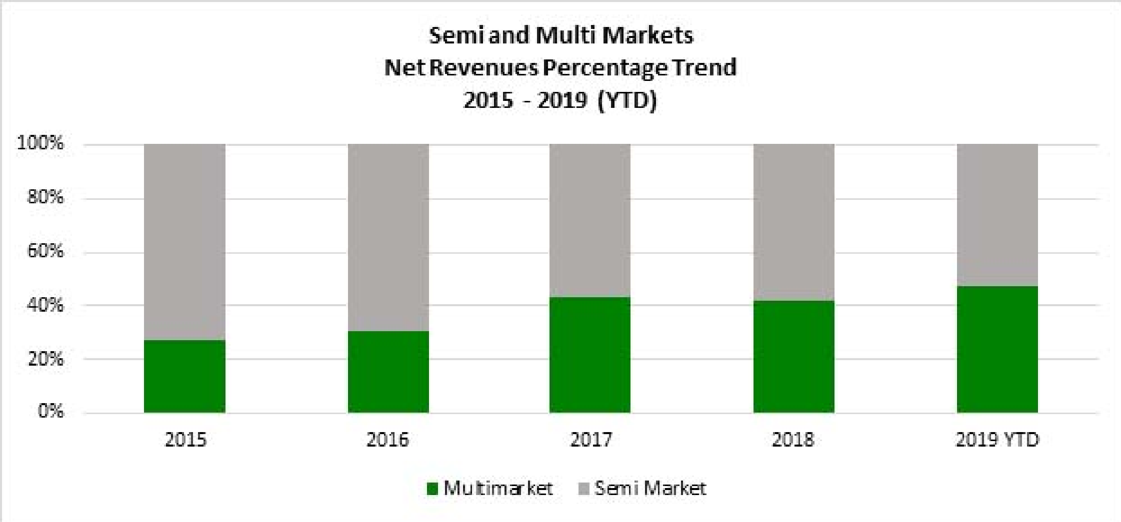
Reconciliation of Net Earnings (Loss) (GAAP) to Adjusted EBITDA (Non-GAAP)

($ in 000s)	**Three Months Ended**		
	9/30/2019	**6/30/2019**	**9/30/2018**
Net earnings (loss) (GAAP)	$ 647	$ (187)	$ (566)
Acquired intangible amortization	312	315	323
Interest expense	-	-	1
Income tax expense (benefit)	147	(113)	728
Depreciation	170	184	207
EBITDA (Non-GAAP)	1,276	199	693
Contingent consideration liability adjustment	-	-	3,057
Adjusted EBITDA (Non-GAAP)	$ 1,276	$ 199	$ 3,750

Non-GAAP Results

In addition to disclosing results that are determined in accordance with GAAP, we also disclose adjusted EBITDA, which is a non-GAAP financial measure. Adjusted EBITDA is derived by adding acquired intangible amortization, interest expense, income tax expense, depreciation and the contingent consideration liability adjustment to net earnings (loss). This non-GAAP financial measure is provided as a complement to the results provided in accordance with GAAP. Adjusted EBITDA is a non-GAAP financial measure presented to provide investors with meaningful, supplemental information regarding our baseline performance before acquired intangible amortization charges, interest expense, income tax expense (benefit), depreciation and the contingent consideration liability adjustment as these expenses or income items may not be indicative of our current core business or future outlook. This non-GAAP financial measure is used by management to make operational decisions, to forecast future operational results, and for comparison with our business plan, historical operating results and the operating results of our peers. A reconciliation from net earnings (loss) to adjusted EBITDA, is contained in the table above. The presentation of a non-GAAP financial measure is not meant to be considered in isolation, as a substitute for, or superior to, financial measures or information provided in accordance with GAAP.

Semi Market and Multi Markets Net Revenues Percentage Trend (2015 - 2019 YTD)



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On November 8, 2019, inTEST Corporation held its quarterly conference call. The following represents a textual representation of the content of the conference call and while efforts are made to provide an accurate transcription, there may be errors, omissions or inaccuracies in this transcript. A recording of the conference call is available for one year on our website at www.intest.com.

Operator

Welcome to inTEST Corporation's 2019 third quarter financial results conference call. At this time all participants are in a listen-only mode. Later, we will conduct a question-and-answer session. At that time if you have a question, you will need to press star, one, on your push-button phone. As a reminder, this conference is being recorded today. A replay will be accessible at www.intest.com. I will now turn the call over to inTEST's Investor Relations consultant, Laura Guerrant. Please go ahead, Ma'am.

Laura Guerrant

Thank you, Serghei. And thank you for joining us for inTEST's 2019 third quarter financial results conference call. With us today are Jim Pelrin, inTEST's President and CEO, and Hugh Regan, Treasurer and Chief Financial Officer. Jim will briefly review the quarter's highlights as well as current business trends. Hugh will then review inTEST's detailed financial results for the quarter and discuss guidance for the 2019 fourth quarter. We'll then have time for any questions. If you have not yet received a copy of today's release, a copy can be obtained on inTEST's website, www.intest.com. In addition to our press release we have issued Supplemental Information in advance of this call, which can be downloaded from our website on the Investor Relations page. The Supplemental Information is offered to provide shareholders and analysts with additional time and detail for analyzing our results in advance of the Company's quarterly results conference call.

Before we begin the formal remarks, the Company's attorneys advise that this conference call may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements do not convey historical information, but relate to predicted or potential future events that are based upon management's current expectations. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. In addition to the factors mentioned in our press release, such risks and uncertainties include, but are not limited to, indications of a change in the market cycles in the semiconductor and ATE markets or other markets we serve; changes in business conditions and general economic conditions both domestically and globally; changes in the demand for semiconductors, generally; the success of our strategy to diversify our business by entering markets outside the semiconductor or ATE markets; the possibility of future acquisitions or dispositions and the successful integration of any acquired operations; the ability to borrow funds or raise capital to finance major potential acquisitions; changes in the rates of, and timing of, capital expenditures by our customers; progress of product development programs; increases in raw material and fabrication costs associated with our products; and other risk factors set forth from time to time in our SEC filings, including, but not limited to, our periodic reports on Form 10-K and Form 10-Q. Any forward-looking statement made by inTEST during this conference call is based only on information currently available to inTEST and speaks to circumstances only as of the date on which it is made. inTEST undertakes no obligation to update the information in this conference call to reflect events or circumstances after the date hereof or to reflect the occurrence of anticipated or unanticipated events.

During today's call, we will make reference to non-GAAP financial measures. We have provided additional information concerning these non-GAAP measures, including a reconciliation to the directly comparable GAAP measure, in our press release, which is posted on the investor page of our website, www.intest.com.

And lastly, we'll be attending the LD Micro Main Event Conference in Los Angeles December 10th. We look forward to seeing many of you. And with that, let me now turn the call over to Jim Pelrin. Please go ahead, Jim.

James Pelrin

Thank you, Laura. We'd like to welcome everyone to our 2019 third quarter conference call. As we noted on our last call, we have been referring to our business somewhat differently. It enables us to more crisply define the Company's product mix and our strategic direction, which encompasses maximizing semi related opportunities as well as growing our semi business outside of semiconductor markets, both organically and through acquisition. Our historical roots are in the more cyclical Semiconductor market (or "Semi" as we refer to it), which is an important part of our business. "Multimarket" refers to the many other large, diversified and growing markets for our precision equipment.

Despite continued challenging headwinds in the sectors we serve, we increased revenues during the third quarter, expanded our gross margin and EBITDA, delivered profitable results, and continued to generate cash. Consolidated net revenues of $14.6 million were up 2% sequentially and within our guidance range. While Semi revenues were down, Multimarket revenues increased over the prior quarter, driven by defense/aerospace as well as industrial customers, serving to reinforce our long-term strategy of building our less volatile, multimarket related revenues. As noted, shipments to Multimarket customers were significantly higher in the third quarter and constituted 51% of net revenues versus 47% in the second quarter. While we of course watch this mix, Multimarket revenue growth is our real goal, regardless of the results from the semi industry.

Gross margin remained strong in spite of semi related weakness, increasing from 47% last quarter to 49% for the 3rd quarter, which was at the high end of our guidance. With our continued focus on operational efficiency as well as cost controls, we delivered net earnings per diluted share of $0.06, also at the high end of our guidance… and additionally, EBITDA grew from $199,000 last quarter to $1.3 million in Q3.

Let's turn to our two operating segments, beginning with Thermal, which is comprised of two business units, inTEST Thermal Solutions and Ambrell. These two operations are responsible for all Multimarket revenue, as well as important revenue from Semi back-end test and front-end manufacturing.

Q3 Thermal net revenues of $10.6 million were up slightly, as anticipated. Thermal bookings of $9.5 million declined 21% quarter-over-quarter, primarily due to reduced semi related orders.

Otherwise, we are seeing broad technical and geographical interest in our thermal products– which is driving our continued success in Multimarket penetration. Some examples are

- An OEM customer that was won last year is now placing significant orders for automotive preheating applications, becoming Ambrell's third largest customer year-to-date.
- In Q3, a European customer placed additional induction heating orders. This customer provides manufacturing cells for the packaging of personal care products and has placed more orders through the third quarter than it did in the entirety of 2018.
- In our emerging Chiller business, we also won two new customers, who use our products for chemical extraction for the expanding cannabis industry.

Turning to the EMS Products Segment, which is known for its engineering and problem-solving products in Semiconductor test cell connectivity… EMS is the semiconductor roots of the company. Q3 bookings of $4.3 million increased 13% sequentially, largely due to an uptick in orders for docking products for consumer electronics and mobile applications, including 5G. During the quarter, we received orders from two OEMs, a 5G related docking application and an automotive related manipulator application, further demonstrating our value to the semiconductor related automotive industry. On a year-to-date basis, at the close of Q3 each of these OEMs had exceeded their respective bookings for all of 2018. Overall, EMS net revenues of $4.0 million were up 5% sequentially. The major drivers of the EMS business continue to be automotive, Internet of Things, heavy industrial applications, and consumer electronics, as well as 5G.

Let me close here with a couple of comments and then hand off to Hugh for detailed operating numbers. While revenues increased in the third quarter, the fourth quarter outlook reflects continued global macroeconomic softness and the geopolitical environment. Though there is still considerable end-market uncertainty, we feel confident in our long-term diversification strategy across our divisions.

M&A is, of course, an important component of our growth strategy. We evaluate many opportunities and are determined to make sure that anything we ultimately choose to pursue is aligned with our strategic vision, optimally positions the Company, and is to the benefit of our shareholders. The right long-term outcome requires patience and persistence.

In closing, we continue to strategically expand from our core roots in semiconductors to be a broad-based supplier to multiple growth markets. Our customer base continues to grow, testament to the value of our technologies and the demand for our products. We strive to excel with our capabilities to deliver precision- engineered thermal, mechanical and electronic solutions, and believe we are also well positioned to participate as the semiconductor industry rebounds. And with that I'd like to turn the call over to Hugh.

Hugh Regan, Jr.

Thanks, Jim. In-line with our guidance, third quarter net revenues were $14.6 million, up 2% sequentially, and down 27% vs. the third quarter of 2018.

Third quarter gross margin was 49%, up 2% from 47% reported in the second quarter, reflecting an improved product mix as well as reduced fixed production costs. By closely controlling our fixed production costs, we are able to sustain better margins, even in difficult times.

Selling expense declined to $2.0 million from $2.1 million in the prior quarter, primarily driven by reduced commission expense.

Engineering and product development expense increased to $1.3 million from $1.2 million in the second quarter, a 4% increase, which reflected increased legal costs related to our patents as well as higher levels of spending on product development consultants and materials in both segments.

We saw a significant reduction in the level of our general and administrative expense, with Q3 G&A expense of $3.1 million down $624,000 or 17% from the prior quarter, which included $351,000 of acquisition-related expenses as well as $223,000 of consolidation-related costs. We currently expect G&A expense in the fourth quarter to be in the range of $3.0 million to $3.2 million.

We accrued income tax expense of $147,000 for the third quarter compared to an income tax benefit of $113,000 recorded in the second quarter. Our effective tax rate was 19% in the third quarter compared to 38% in the prior quarter, which had been unusually high, to bring our year-to-date effective tax rate to 18%, approximately the same level we expect our effective tax rate to be for the balance of 2019.

We reported net earnings of $647,000, or $0.06 per diluted share, compared to a net loss of ($187,000) or ($0.02) per diluted share for the second quarter. Diluted weighted average shares outstanding were 10.43 million as of September 30, 2019. During the third quarter, we issued 16,900 shares of restricted stock and repurchased 39,158 shares under our stock repurchase plan, which commenced September 18th.

EBITDA grew from $199,000 in the second quarter to $1.3 million in the third quarter.

Consolidated headcount at the end of September was 207, a reduction of 3 from the level we had at June 30th and down 19 or 8% from the beginning of 2019. The reductions were primarily due to staff attrition, and to a lesser extent were the result of the planned consolidation of Ambrell's European operations.

I'll now turn to our balance sheet.

Cash and cash equivalents grew $431,000 sequentially to $8.0 million at September 30 and cash flow from operations for the third quarter was $820,000.

We currently expect cash and cash equivalents to grow in the fourth quarter, excluding the impact of any potential acquisition-related and/or stock buyback activities.

Q3 accounts receivable was essentially flat at $9.2 million and DSO of 58. Inventories increased $538,000 or 7% to $7.7 million at September 30th, which corresponded to 150 days of inventory, which is at the high-end of our normal range.

Capital expenditures declined in the third quarter to $115,000 from $157,000 in the second quarter.

Backlog at the end of September was $8.0 million, down from $8.8 million at June 30, reflecting the reduction in orders in the quarter.

As noted in our earnings release, we expect that net revenues for the fourth quarter ending December 31st will be in the range of $14.0 million to $15.0 million and that on a GAAP basis, net earnings per diluted share will range from $0.04 to $0.08. On a non-GAAP basis, adjusted net earnings per diluted share is expected to be in the range of $0.07 to $0.11. In addition, we currently expect that our fourth quarter gross margin will range from 48% to 49%.

Operator, that concludes our formal remarks. We can now take questions.

QUESTION AND ANSWER SECTION

Operator
Thank you, sir. [Operator Instructions]

And our first question comes from the line of Theodore O'Neill of Litchfield Hills Research. Please go ahead.

Theodore O'Neill
Yes, sure. Good morning and thanks for the good quarter.

Jim Pelrin
Good morning, Theo.

Hugh Regan
Good morning, Theodore.

Theodore O'Neill
Good morning. So, my first question is you can't just put the word cannabis in your press release without giving us a little more detail on what's going on there.

A – Jim Pelrin
Sure. As you're -- we are probably aware there's a very, very large and growing demand for CBD oil - and CBD oil is extracted from hemp. To be clear - not marijuana, but hemp, which is also cannabis. And there -- so there's a fast-growing demand. There are lots of small growers and processors that are popping up, no pun intended, to actually capitalize on this emerging demand. So that's the use.

Theodore O'Neill
And how is it being used? I mean can you give us a little more detail on the product specifically and how it's being used?

A – Jim Pelrin
Well sure. You mean CBD?

Hugh Regan
No the...

Theodore O'Neill
No, no, no CBD. Your equipment.

A – Jim Pelrin
The extraction yes. It's chemical extraction. It's our Chiller product line. It's our emerging Chiller product line. And what happens is they heat the product and then they cool it. And they condense out at specific temperatures the CBD oil. And that's how they are able to capture it.

Theodore O'Neill
So, it's like a still.

A – Jim Pelrin
Well kind of kind of.

Theodore O'Neill
Okay, okay. My other question was about the gross margin which came in better than I would have expected. Can you give us a little more color on other -- which products or customers that help you get a good margin in the quarter?

A – Hugh Regan
Yes. I mean it really was our EMS segment Theo that really had a phenomenal quarter. Component material cost in that segment went from 36% in Q2, declined 31.4% in Q3, primarily due to a very favorable product mix much less manipulators and clearly more docking. In addition, as a result of the improvement in revenue quarter-over-quarter, the slight improvement in revenue for that group, we actually saw a better absorption of fixed manufacturing cost. And that helped their margin in EMS go from 47% to 53% in the quarter, which then had a profound impact on our consolidated margin clearly, as well.

Theodore O'Neill
Okay. Thanks very much.

Jim Pelrin
You're welcome.

Hugh Regan
Thank you, Theo.

Operator
Our next question comes from Jaeson Schmidt of Lake Street Capital Markets. Please go ahead.

Jaeson Schmidt
Hey, guys. Thanks for taking my questions. Just want a quick question on linearity of orders. And more specifically, when you look at your Q3 combined with your Q4 outlook, do you think any orders were pulled into the Q3 quarter?

A – Jim Pelrin
This is Jim, Jaeson. I don't think so. I think there is -- as we have defined -- described in the past there was some lumpiness to our Multimarket sector with certain orders. As the semiconductor industry begins to emerge, if I can use that expression, from the doldrums - and it's still very sluggish mind you, we are finding that there are -- there is some large orders that are placed in one quarter where they would normally be repeated in the next subsequent quarter and they're not. It's usually perhaps a quarter or two later that they get repeated. And that's -- that really is in reference to certain OEMs. In fact, that's what happened in the second quarter. We received some fairly large orders from three or four different sources in our Thermal group for semi-related orders, and they didn't repeat in the third quarter which is really responsible for the decline in semi-related orders in the third quarter.

Jaeson Schmidt
Okay. That's helpful. And then on operating expenses, how should we look at OpEx ramping or needing to ramp in 2020?

A – Hugh Regan
We're -- it all depends clearly on the slope of business in 2020. At this time we don't see the semi markets expanding significantly. We still think that they're going to be in a weakened state for most of the year as demand starts to grow back. So at this point, I would see OpEx holding at its current levels. And clearly the reduced G&A level that we had guided to I expect to last for the near term.

Jaeson Schmidt
Okay. Perfect. I'll jump back in the queue. Thank you.

Hugh Regan
Thank you, Jaeson.

Operator
[Operator Instructions]

And our next question comes from Dick Ryan of Dougherty. Please go ahead.

Dick Ryan
Thank you. Say, Jim, you mentioned in EMS kind of business orders relating to 5G. Can you expand on that a little bit? And I know I think last year optical transceivers had a good year. What's the outlook for that as well?

A – Jim Pelrin
Sure Dick. Regarding 5G, that's a very difficult for -- one for us to quantify, because often we don't know, particularly with EMS, we have no idea what our equipment is being used for. We know the tester and we know the peripheral that it's connecting, but we don't know what they're running through there. And occasionally there will be a buy, as what -- and that happened in this past quarter, which we were told was specifically because the customer got an order for -- a large order for 5G related chips. And so, when we get that information, we pass it along, but it's very difficult for us to really quantify 5G -- the totality of 5G specific applications for our product. I -- that's really all I can offer there.

As far as optical transceivers go, that's still -- it's awaiting deployment of 5G, which really hasn't happened. There is still a problem with heat dissipation. Some are going to a silicon photonic technology, which reduces the heat, but that's really in its infancy as far as we can see for optical transceivers for 400G. So, we're continually talking with our transceiver customers. We don't expect any -- we don't know of any large buys that are going to occur in the near future.

Dick Ryan
Okay. Say, Hugh in the Q4, how do you see the Multimarket versus semi mix kind of flip-flop from Q2 to Q3? How do you see that in Q4?

A – Hugh Regan
I would say at this point, we probably see it being consistent with the level that we saw in Q3, and unless we see a significant change on…

A – Jim Pelrin
No. I think Multimarket will exceed semi in Q4.

A – Hugh Regan
All right. So you actually see it right.

A – Jim Pelrin
As it is in Q3.

A – Hugh Regan
Correct. Correct. So, being consistent as I said.

A – Jim Pelrin
Yes.

A – Hugh Regan
Right. Thank you.

Dick Ryan
Okay. And Jim it looks like auto is kind of poking its head back up. Can you talk a little bit what you're seeing on the auto side?

A – Jim Pelrin
Yeah, it is in pockets. There – again, it is almost order driven at our customer level. There are pockets of auto - particularly at the analog and mixed-signal chip testing… there's pockets of it that pop up and we jump all over that. And we often win business there. In general auto is not dead, but it's certainly not as strong as it was last year or the year before. And we don't see -- in the next quarter, we don't see that changing much.

Dick Ryan
Okay. And Hugh, how did the customer concentration look in the quarter?

A – Hugh Regan
Actually, a slight improvement from the prior quarter. Top 10 were 36.2% of business on a year-to-date basis at September 30.

Dick Ryan
Okay.

A – Hugh Regan
And only one customer over 10%. TI is normal for us at 11%.

Dick Ryan
Yeah. Okay. Great. Thank you.

Hugh Regan
You're welcome.

Jim Pelrin
Thanks, Dick.

Hugh Regan
Thanks, Dick.

Operator
Thank you. As there are no further questions in the queue, I would like to turn the call back over to Mr. Pelrin for any additional or closing remarks.

Jim Pelrin
Well, thank you for your interest in inTEST. We look forward to updating you on our progress when we report our fourth quarter results. Operator, this concludes the call.

Operator
Thank you, sir. That will conclude today's conference call. Thank you for your participation ladies and gentlemen. You may now disconnect.

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