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TECHNOLOGY

Sony PlayStation 4 Chipmaker Monolithic Power Systems Tops Q1 Views

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ALLISON GATLIN | 04:41 PM ET 05/02/2016

Sony (SNE) PlayStation 4 chip supplier **Monolithic Power Systems** (**MPWR**) topped Wall Street's Q1 expectations after the close Monday and issued current-quarter sales guidance that beat the consensus at the midpoint.

Monolithic Power stock rose 1.75% in Monday's regular session to 63.51, and was flat in after-hours trading. Shares are even for the year, but have recovered from an 8% dip through mid-February. Monolithic stock broke out of a cup-with-handle based last month at 65.36, so it's down nearly 3% from the buy point.

For Q1, Monolithic Power reported $84.5 million in sales and 45 cents earnings per share minus items, up 15% and 22%, respectively, vs. the year-earlier quarter.

IBD Take: Monolithic Power gets great ratings of late, as you can see from IBD Stock Checkup.

Both measures topped the consensus of eight analysts polled by Thomson Reuters for $83 million and 44 cents per share, and the midpoint of Monolithic Power's earlier sales view for $81 million to $85 million.

Current-quarter sales guidance for $91 million to $95 million would be up 12%-17% and beat analysts' model for $91.5 million at the midpoint.

Monolithic Power stock has an IBD Composite Rating of 97, out of a best-possible 99, trailing **Nvidia** (**NVDA**), **Silicon Motion Tech** (**SIMO**) and **Maxlinear** (**MXL**). Its chips are used in Sony's PlayStation 4, **Microsoft** (**MSFT**) Xbox One and Blu-ray/DVD players.

It competes against tech majors like **Intel** (**INTC**), **Texas Instruments** (**TXN**) and **Qualcomm** (**QCOM**), all **Apple** (**AAPL**) suppliers.