

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

**FORM 8-K**

**CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): **April 29, 2014**

**SILICON LABORATORIES INC.**

(Exact Name of Registrant as Specified in Charter)

**Delaware**  
(State or Other Jurisdiction)

**000-29823**  
(Commission File Number)

**74-2793174**  
(IRS Employer  
Identification No.)

**400 West Cesar Chavez, Austin, TX**  
(Address of Principal Executive Offices)

**78701**  
(Zip Code)

Registrant's telephone number, including area code: **(512) 416-8500**

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 (see General Instruction A.2. below):

- 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))

---

---

**Item 2.02. Results of Operations and Financial Condition**

On April 29, 2014, Silicon Laboratories Inc. ("Silicon Laboratories") issued a press release describing its results of operations for its fiscal quarter ended March 29, 2014. A copy of the press release is attached as Exhibit 99 to this report.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits.

99 Press Release of Silicon Laboratories Inc. dated April 29, 2014

**Use of Non-GAAP Financial Information**

From time to time, Silicon Laboratories provides certain non-GAAP financial measures as additional information relating to its operating results. The non-GAAP financial measurements provided in the press release furnished herewith do not replace the presentation of Silicon Laboratories' GAAP financial results. These additional measurements merely provide supplemental information to assist investors in analyzing Silicon Laboratories' financial position and results of operations; however, these measures are not in accordance with, or an alternative to, GAAP and may be different from non-GAAP measures used by other companies. Silicon Laboratories has chosen to provide this information to investors because it believes that such supplemental information enables them to perform meaningful comparisons of past, present and future operating results, and as a means to highlight the results of core ongoing operations.

Pursuant to the requirements of Regulation G, we have provided in the press release furnished with this report a reconciliation of the non-GAAP financial measures to the most directly comparable GAAP financial measures.

The information in this report, including the exhibit hereto, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section. The information contained therein and in the accompanying exhibit shall not be incorporated by reference into any filing with the U.S. Securities and Exchange Commission made by Silicon Laboratories, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

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.

SILICON LABORATORIES INC.

April 29, 2014

Date

/s/ John C. Hollister

John C. Hollister  
Senior Vice President and  
Chief Financial Officer  
(Principal Financial Officer)

2

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99	Press Release of Silicon Laboratories Inc. dated April 29, 2014

3



## SILICON LABS ANNOUNCES FIRST QUARTER 2014 RESULTS

– *Company Sees Growing Momentum in the Internet of Things* –

**AUSTIN, Texas — April 29, 2014** — Silicon Labs (NASDAQ: SLAB), a leader in high-performance, analog-intensive, mixed-signal integrated circuits (ICs), today reported financial results for its first quarter ended March 29, 2014. Revenue in the first quarter was at the top end of guidance at \$145.7 million, compared with \$146.2 million reported in the fourth quarter. Additionally, the company reported excellent performance on its balance sheet with strong cash flows and effective working capital management.

### Q1 Financial Highlights

On a GAAP basis:

- Gross margin was 59.8 percent
- R&D expenses were \$42.5 million
- SG&A expenses were \$34.6 million
- Operating income as a percentage of revenue was 6.9 percent
- Diluted earnings per share were \$0.18

On a non-GAAP basis (results exclude the impact of stock compensation, amortization from acquired intangible assets and certain other items as set forth in the reconciliation tables below):

- Gross margin was 60.2 percent
- R&D expenses were \$35.0 million
- SG&A expenses were \$28.5 million
- Operating income was 16.6 percent
- Diluted earnings per share were \$0.42

### Business Highlights

- Broad-based revenue was \$72.3 million, essentially flat sequentially, as expected.
- Broadcast exceeded expectations with revenue of \$50.7 million, including record revenue in video.
- Access revenue decreased slightly, as expected, to \$22.7 million.

### Product Highlights

- Introduced a new version of the Simplicity Studio™ development ecosystem supporting Silicon Labs' MCU products in a single, unified platform, making the embedded design process easier, faster and more efficient.
- Announced the expansion of Silicon Labs' Ember® ZigBee® portfolio with the introduction of a new ARM®-based system-on-a-chip family that reduces the cost and complexity of deploying ZigBee solutions in smart metering and home automation applications.
- Launched the industry's first single-chip digital ultraviolet (UV) index sensor ICs designed to track UV sun exposure, heart rate and blood oxygen levels for wearable products such as smart watches and health and fitness trackers.
- Acquired the full product portfolio and intellectual property of Silicon Valley-based Touchstone Semiconductor, an early-stage technology company and provider of low-power analog IC products targeting Internet of Things applications.

### Business Outlook

The company expects revenue in the second quarter to be in the range of \$147 million to \$151 million. Second quarter diluted earnings per share are expected to be between \$0.15 and \$0.19 on a GAAP basis and between \$0.43 and \$0.47 on a non-GAAP basis. Both GAAP and non-GAAP estimates include an estimated \$0.03 per share effect from litigation costs.

“We continue to strengthen our position as a leading supplier of silicon solutions for the Internet of Things,” said Tyson Tuttle, CEO of Silicon Labs. “We expect this momentum to drive record Broad-based revenue in the second quarter.”

### Webcast and Conference Call

A conference call discussing the quarterly results will follow this press release at 7:30 a.m. Central time. An audio webcast will be available simultaneously on Silicon Labs' website under Investor Relations ([www.silabs.com](http://www.silabs.com)). A replay will be available after the call at the same website listed above or by calling 1 (855) 859-2056 or (404) 537-3406 (international) and by entering 39717388. The replay will be available through May 29.

### About Silicon Labs



									Percent of Revenue						
Revenues	\$	145,691													
Gross margin		87,105	59.8%	\$	195	\$	390	\$	—	\$	—	\$	87,690	60.2%	
Research and development		42,485	29.2%		4,241		3,247		—		—		34,997	24.0%	
Selling, general and administrative		34,611	23.7%		4,841		729		(267)		816		28,492	19.6%	
Operating income		10,009	6.9%		9,277		4,366		(267)		816		24,201	16.6%	
<b>Three Months Ended March 29, 2014</b>															
<b>Non-GAAP Diluted Earnings Per Share</b>		<b>GAAP Measure</b>		<b>Stock Compensation Expense</b>		<b>Intangible Asset Amortization</b>		<b>Termination Costs</b>		<b>Acquisition Related Items</b>		<b>Release of Unrecognized Tax Benefits</b>		<b>Non-GAAP Measure</b>	
Net income	\$	8,110	\$	7,966	\$	3,019	\$	(199)	\$	816	\$	(1,292)	\$	18,420	
Diluted shares outstanding		44,056		—		—		—		—		—		44,056	
Diluted earnings per share	\$	0.18												\$	0.42

**Unaudited Forward-Looking Statements Regarding Business Outlook**  
(In thousands, except per share information)

<b>Business Outlook</b>	<b>Three Months Ending June 28, 2014</b>	
	<b>High</b>	<b>Low</b>
Estimated GAAP diluted earnings per share	\$ 0.19	\$ 0.15
Estimated non-GAAP charges	0.28	0.28
Estimated non-GAAP diluted earnings per share	\$ 0.47	\$ 0.43

**Silicon Laboratories Inc.**  
**Condensed Consolidated Balance Sheets**  
(In thousands, except per share data)  
(Unaudited)

	March 29, 2014	December 28, 2013
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 128,323	\$ 95,800
Short-term investments	194,765	179,593
Accounts receivable, net of allowances for doubtful accounts of \$767 at March 29, 2014 and \$797 at December 28, 2013	64,672	72,124
Inventories	44,334	45,271
Deferred income taxes	15,203	18,878
Prepaid expenses and other current assets	40,214	47,651
<b>Total current assets</b>	<b>487,511</b>	<b>459,317</b>
Long-term investments	10,997	10,632
Property and equipment, net	130,829	132,445
Goodwill	228,781	228,781
Other intangible assets, net	128,453	131,593
Other assets, net	23,482	28,382
<b>Total assets</b>	<b>\$ 1,010,053</b>	<b>\$ 991,150</b>
<b>Liabilities and Stockholders' Equity</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 22,707	\$ 22,126
Current portion of long-term debt	8,750	7,500
Accrued expenses	67,745	45,975
Deferred income on shipments to distributors	32,589	30,853
Income taxes	1,330	2,693
<b>Total current liabilities</b>	<b>133,121</b>	<b>109,147</b>
Long-term debt	85,000	87,500
Other non-current liabilities	30,737	55,941
<b>Total liabilities</b>	<b>248,858</b>	<b>252,588</b>
<b>Commitments and contingencies</b>		
<b>Stockholders' equity:</b>		
Preferred stock — \$0.0001 par value; 10,000 shares authorized; no shares issued and outstanding	—	—
Common stock — \$0.0001 par value; 250,000 shares authorized; 43,433 and 42,779 shares issued and	4	4

outstanding at March 29, 2014 and December 28, 2013, respectively		
Additional paid-in capital	62,883	48,630
Retained earnings	698,722	690,612
Accumulated other comprehensive loss	(414)	(684)
Total stockholders' equity	<u>761,195</u>	<u>738,562</u>
Total liabilities and stockholders' equity	<u>\$ 1,010,053</u>	<u>\$ 991,150</u>

**Silicon Laboratories Inc.**  
**Condensed Consolidated Statements of Cash Flows**  
(In thousands)  
(Unaudited)

	Three Months Ended	
	March 29, 2014	March 30, 2013
<b>Operating Activities</b>		
Net income	\$ 8,110	\$ 20,034
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation of property and equipment	3,290	3,297
Amortization of other intangible assets and other assets	4,491	2,840
Stock-based compensation expense	9,277	6,260
Income tax benefit (shortfall) from stock-based awards	45	(363)
Excess income tax benefit from stock-based awards	(235)	(217)
Deferred income taxes	6,784	7,521
Changes in operating assets and liabilities:		
Accounts receivable	7,452	5,256
Inventories	1,083	(7,350)
Prepaid expenses and other assets	14,266	4,620
Accounts payable	1,195	2,356
Accrued expenses	(2,218)	(4,330)
Deferred income on shipments to distributors	1,736	(598)
Income taxes	(8,324)	(9,818)
Net cash provided by operating activities	<u>46,952</u>	<u>29,508</u>
<b>Investing Activities</b>		
Purchases of available-for-sale investments	(43,366)	(78,851)
Proceeds from sales and maturities of available-for-sale investments	28,242	25,674
Purchases of property and equipment	(1,673)	(3,898)
Purchases of other assets	(2,113)	(1,228)
Net cash used in investing activities	<u>(18,910)</u>	<u>(58,303)</u>
<b>Financing Activities</b>		
Proceeds from issuance of common stock, net of shares withheld for taxes	5,496	4,915
Excess income tax benefit from stock-based awards	235	217
Payments on debt	(1,250)	(2,500)
Net cash provided by financing activities	<u>4,481</u>	<u>2,632</u>
Increase (decrease) in cash and cash equivalents	32,523	(26,163)
Cash and cash equivalents at beginning of period	95,800	105,426
Cash and cash equivalents at end of period	<u>\$ 128,323</u>	<u>\$ 79,263</u>

###