

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): October 20, 2003

SILICON LABORATORIES INC.
(Exact Name of Registrant as Specified in Charter)

Delaware (State or Other Jurisdiction of Incorporation)	000-29823 (Commission File Number)	74-2793174 (IRS Employer Identification No.)
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4635 Boston Lane, Austin, TX 78735
(Address of Principal Executive Offices) (Zip Code)

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

Not Applicable
(Former Name or Former Address, if Changed since Last Report)

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA INFORMATION AND EXHIBITS

(c) Exhibits.

99 Press Release of Silicon Laboratories Inc. dated October 20, 2003.

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On October 20, 2003, Silicon Laboratories Inc. issued a press release describing its results of operations for its fiscal quarter ended September 27, 2003. A copy of the press release is attached as Exhibit 99 to this report.

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 herein 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.,
a Delaware corporation

Dated: October 20 2003

By: /s/ John W. McGovern

John W. McGovern
VICE PRESIDENT AND
CHIEF FINANCIAL OFFICER
(PRINCIPAL ACCOUNTING OFFICER)

EXHIBIT INDEX

Exhibit	No.	Description
	99	Press release dated October 20, 2003 of the Registrant

Silicon Laboratories Reports Record Financial Results

AUSTIN, Texas--(BUSINESS WIRE)--Oct. 20, 2003--Silicon Laboratories Inc. (Nasdaq:SLAB), a leader in high-performance, analog-intensive, mixed-signal ICs, today reported record third quarter results for the period ended September 27, 2003. The company delivered its tenth consecutive quarter of revenue growth.

Financial Results

Revenues for the third quarter of 2003 increased twenty percent sequentially to \$82.9 million from \$69.1 million in the second quarter of 2003. This represents a 60 percent increase over revenues of \$51.8 million during the third quarter of 2002.

Under generally accepted accounting principles (GAAP), net income for the third quarter of 2003 was \$13.9 million, resulting in diluted net income per share of \$0.26, compared to second quarter 2003 net income of \$10.9 million, which resulted in diluted net income per share of \$0.21. Excluding non-cash charges for amortization of deferred stock compensation, adjusted net income for the third quarter of 2003 was \$15.1 million, representing 18 percent of revenues. Adjusted diluted net income per share was \$0.29. The reconciling charges are set forth in the reconciliation of GAAP to non-GAAP financial measures tables included below.

Operating income for the third quarter was \$20.7 million or 25 percent of revenues. The company ended the quarter with a highly liquid balance sheet with cash and short-term investments totaling \$143 million, an increase from \$131 million at the end of the second quarter of 2003.

Business Summary

"Business in the third quarter was strong across all of our product areas. We believe that we are successfully gaining market share in existing markets while simultaneously expanding to new markets and applications," said Nav Sooch, chairman and chief executive officer of Silicon Laboratories. "In addition, we met our adjusted operating income goal for the fifth consecutive quarter which demonstrates that we are effectively managing our rapidly growing business."

The strong performance during the quarter was the result of dramatic growth in the GSM/GPRS handset, notebook and set-top box markets. Next generation products added new design wins, which will also drive growth. For example, the ADSL AFE shipped in volume and contributed to revenue for the first time in the third quarter.

"The rapid growth in the quarter gave us an opportunity to leverage our very efficient supply chain to quickly meet accelerated demand. As a result of close relationships with our key partners TSMC, ASE and Amkor, we have proven our ability to meet rapidly changing customer needs," said Dan Artusi, president and chief operating officer of Silicon Laboratories. "We see very exciting opportunities ahead of us as we continue to execute and deliver on new product developments currently underway."

Business Outlook

For the fourth quarter of 2003, before taking into account any revenues or charges related to the acquisition of Cygnal Integrated Products, which is expected to close during Q4, the company currently anticipates revenues in the range of \$92 to \$95 million, and Q4 diluted net income per share on a GAAP basis is expected to be \$0.27 to \$0.29. Q4 adjusted diluted net income per share, which excludes a non-cash charge for amortization of deferred stock compensation and before taking into account any changes related to the acquisition of Cygnal, is expected to be \$0.30 to \$0.32. If the Cygnal acquisition closes during Q4 as expected, the company will incur additional acquisition-related charges, such as the write off of in-process research and development and amortization of acquired intangible assets.

Conference Call Today

A conference call discussing the third quarter results is scheduled for 3:15 p.m. Central Time. An audio webcast will be available simultaneously on Silicon Laboratories' website under Investor Relations at <http://www.silabs.com>. A replay will be available after the call at the website listed above or by calling 800-638-8815 (U.S.) or +1 402-220-0241 (international). These replays

will be available through November 20, 2003.

About Silicon Laboratories Inc.

Silicon Laboratories Inc. is a leading designer of high-performance, analog-intensive mixed-signal integrated circuits (ICs) for a broad range of applications. Silicon Laboratories' diverse portfolio of highly integrated, patented solutions is developed by a world-class engineering team with decades of cumulative expertise in cutting-edge mixed-signal design. The company has design, engineering, marketing, sales and applications offices throughout North America, Europe and Asia. For more information about Silicon Laboratories please visit www.silabs.com.

Cautionary Language

This press release contains forward-looking statements based on Silicon Laboratories' current expectations. The words "believe," "expect," "intend," "plan," "project," "will" and similar phrases as they relate to Silicon Laboratories are intended to identify such forward-looking statements. These forward-looking statements reflect the current views and assumptions of Silicon Laboratories and are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. Among the factors that could cause actual results to differ materially from those in the forward-looking statements are as follows: risks that Silicon Laboratories may not be able to maintain its historical growth rate; quarterly fluctuations in revenues and operating results; risks that Silicon Labs may not be able to manage strains associated with its growth; difficulties developing new products that achieve market acceptance; difficulties managing international activities; credit risks associated with our accounts receivable; geographic concentration of manufacturers, assemblers, test service providers and customers in the Pacific Rim that subjects Silicon Laboratories' business and results of operations to risks of natural disasters, epidemics, war and political unrest; dependence on a limited number of products and customers; product development risks; intellectual property litigation risks; risks associated with acquisitions, including the acquisition of Cygnal Integrated Products; the competitive and cyclical nature of the semiconductor industry and other factors that are detailed in Silicon Laboratories filings with the SEC, including the Form 10-K filed January 22, 2003 and the Form 10-Q that we anticipate will be filed on or about October 20, 2003.

Non-GAAP Financial Measurements

In addition to the GAAP results provided throughout this document, the Company has provided non-GAAP financial measurements that present net income, operating income and net income per share on a basis excluding non-cash and other one-time charges. Details of these excluded items are presented in the table below, which reconciles the GAAP results to non-GAAP financial measurements described in this press release. Also, this press release and the reconciliation from GAAP results to these and other additional non-GAAP financial measurements that may be discussed in the earnings conference call can be found on the Company's website at http://investor.silabs.com/ireye/ir_site.zhtml?ticker=SLAB&script=950.

The non-GAAP financial measurements provided in this press release do not replace the presentation of Silicon Laboratories' GAAP financial results. These 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 it may enable them to perform meaningful comparisons of past, present and future operating results, and as a means to more clearly highlight the results of core ongoing operations.

Note to editors: Silicon Laboratories and the Silicon Laboratories logo are trademarks of Silicon Laboratories Inc. All other product names noted herein may be trademarks of their respective holders.

Silicon Laboratories Inc.
Unaudited Condensed Consolidated Statements of Income (in thousands,
except per share data)

THREE MONTHS ENDED NINE MONTHS ENDED

	SEPT. 27, 2003	SEPT. 28, 2002	SEPT. 27, 2003	SEPT. 28, 2002
Revenues	\$82,907	\$51,786	\$215,746	\$121,819
Cost of revenues	38,061	22,747	111,906(a)	54,144
Gross profit	44,846	29,039	103,840	67,675
Operating expenses:				
Research and development	12,267	7,379	33,433	23,637
Selling, general and administrative	10,688	8,653	30,223	23,627
Amortization of deferred stock compensation	1,196	1,293	3,686	3,906
Operating expenses	24,151	17,325	67,342	51,170
Operating income	20,695	11,714	36,498	16,505
Other income (expense):				
Interest income	281	351	933	1,177
Interest expense	--	(150)	--	(450)
Other income (expense), net	75	(286)	(707)	(296)
Income before income taxes	21,051	11,629	36,724	16,936
Provision for income taxes	7,119	3,747	12,931	6,044
Net income	\$13,932	\$7,882	\$23,793	\$10,892
Net income per share:				
Basic	\$0.28	\$0.17	\$0.49	\$0.23
Diluted	\$0.26	\$0.16	\$0.46	\$0.21
Weighted-average common shares outstanding:				
Basic	48,939	47,703	48,545	47,288
Diluted	52,816	50,519	51,709	50,902

(a) Includes a \$15.3 million charge for patent infringement litigation settlement

Unaudited Reconciliation of GAAP to Non-GAAP Financial Measures
(in thousands, except per share data)

GAAP net income	\$13,932	\$7,882	\$23,793	\$10,892
Tax-effected adjustments:				
Settlement of patent infringement lawsuit	--	--	10,377	--
Amortization of deferred stock compensation	1,196	1,293	3,686	3,906
Adjusted net income	\$15,128	\$9,175	\$37,856	\$14,798
GAAP diluted shares outstanding	52,816	50,519	51,709	50,902
Adjusted diluted net income per share	\$0.29	\$0.18	\$0.73	\$0.29

THREE MONTHS ENDED

	SEPT. 27, 2003	JUNE 28, 2003	MARCH 29, 2003	DEC. 28, 2002	SEPT. 28, 2002
GAAP revenues	\$82,907	\$69,086	\$63,753	\$60,196	\$51,786
GAAP operating income (loss)	20,695	16,422	(619)	14,485	11,714
GAAP operating income (loss) %	25.0%	23.8%	(1.0)%	24.1%	22.6%

Adjustments:
Settlement of

patent infringement lawsuit	--	--	15,260	--	--
Impairment of goodwill and other intangible assets	--	--	--	37	--
Amortization of deferred stock compensation	1,196	1,223	1,266	1,267	1,293
Adjusted operating income	\$21,891	\$17,645	\$15,907	\$15,789	\$13,007
Adjusted operating income %	26.4%	25.5%	25.0%	26.2%	25.1%

Condensed Consolidated Balance Sheets (in thousands, except per share data)

	SEPTEMBER 27, 2003	DECEMBER 28, 2002
(UNAUDITED)		
ASSETS		
Current assets:		
Cash and cash equivalents	\$110,383	\$73,950
Short-term investments	32,776	41,216
Accounts receivable, net of allowance for doubtful accounts of \$923 at September 27, 2003 and \$945 at December 28, 2002	49,100	27,501
Inventories	18,572	13,319
Deferred income taxes	4,921	4,921
Prepaid expenses and other	3,846	1,841
Total current assets	219,598	162,748
Property, equipment and software, net	35,568	29,781
Goodwill and other intangible assets, net	1,969	450
Other assets, net	8,085	4,086
Total assets	\$265,220	\$197,065
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$32,297	\$13,272
Accrued expenses	10,971	8,505
Deferred income on shipments to distributors	5,389	10,147
Income taxes payable	11,590	8,470
Total current liabilities	60,247	40,394
Other long-term obligations	5,589	949
Total liabilities	65,836	41,343
Commitments and contingencies		
Stockholders' equity:		
Common stock--\$.0001 par value; 250,000 shares authorized; 49,743 and 48,904 shares issued and outstanding at September 27, 2003 and December 28, 2002, respectively	5	5
Additional paid-in capital	189,576	174,088
Stockholder notes receivable	--	(228)
Deferred stock compensation	(8,939)	(13,092)
Retained earnings (deficit)	18,742	(5,051)
Total stockholders' equity	199,384	155,722
Total liabilities and stockholders' equity	\$265,220	\$197,065

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