

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): July 21, 2003

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

Delaware	000-29823	74-2793174
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

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 July 21, 2003 entitled "Silicon Laboratories Reports Record Financial Results." Also see Item 12 below.

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On July 21, 2003, Silicon Laboratories Inc. issued a press release describing its results of operations for its fiscal quarter ended June 28, 2003. A copy of the press release is furnished 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: July 21, 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 July 21, 2003 of the Registrant

Silicon Laboratories Reports Record Financial Results --
Company Announces CEO Succession Plan

AUSTIN, Texas--(BUSINESS WIRE)--July 21, 2003--Silicon Laboratories Inc. (Nasdaq:SLAB), a leader in high-performance, analog-intensive, mixed-signal ICs, today reported second quarter results for the period ended June 28, 2003. The company delivered record revenue and earnings during the quarter.

Financial Results

Revenues for the second quarter of 2003 increased eight percent sequentially to \$69.1 million from \$63.8 million in the first quarter of 2003. This represents a 68 percent increase over revenues of \$41.2 million during the second quarter of 2002.

Under generally accepted accounting principles (GAAP), net income for the second quarter of 2003 was \$10.9 million, resulting in diluted net income per share of \$0.21, compared to second quarter 2002 net income of \$2.7 million, which resulted in diluted net income per share of \$0.05. Excluding non-cash charges for amortization of deferred stock compensation, adjusted net income for the second quarter of 2003 was \$12.1 million, representing 18 percent of revenues. Adjusted diluted net income per share in the second quarter of 2003 was \$0.24. The reconciling charges are set forth in the reconciliation of GAAP to non-GAAP financial measures tables included below.

As of June 28, 2003, cash and short-term investments totaled \$131 million, essentially even with the cash balance at the end of the first quarter of 2003. The company had 412 employees at the end of the second quarter, compared to 383 at the end of the first quarter.

Business Summary

"We are pleased to report another quarter of solid sequential growth," said Nav Sooch, chairman and chief executive officer of Silicon Laboratories. "We believe that the compelling nature of our products and our increasingly diversified product portfolio will continue to drive revenue growth."

This quarter marks the ninth consecutive quarter of sequential revenue growth and the fourth consecutive quarter the company achieved its target operating goal. The strong performance during the quarter was driven primarily by the silicon DAA, ISModem(tm) and Aero(tm) product families. Rapid acceptance of next generation products and the addition of new customers were primary factors behind the revenue growth.

"We are making strong progress on our new product pipeline and investing in world-class design engineering talent to ensure our continued technology leadership," said Dan Artusi, president and chief operating officer of Silicon Laboratories. "We believe our ability to execute on new product development while expanding the applications and markets for our existing products positions us strongly to gain market share and establish the company as a long-term market leader in mixed-signal ICs."

Business Outlook

For the third quarter of 2003, the company currently anticipates revenues in the range of \$71 to \$74 million, and Q3 diluted net income per share on a GAAP basis is expected to be \$0.18 to \$0.21. Q3 adjusted diluted net income per share, which excludes a non-cash charge of approximately \$1.2 million for amortization of deferred stock compensation, is expected to be \$0.21 to \$0.24.

The company also announced that Dan Artusi will assume the role of CEO at the end of fiscal 2003 and Nav Sooch will continue in his role as chairman of the board of directors, focusing on technology and product selection strategy. Mr. Artusi has 25 years of industry experience and a track record of successfully building and managing major business operations. Since Mr. Artusi joined Silicon Laboratories, the company has achieved record revenues, expanded globally and exceeded financial targets.

"Dan has been successfully directing day-to-day operations since he joined Silicon Labs nearly two years ago and this transition is a natural extension of his role," said Mr. Sooch. "I will continue to play an active role in the company, working closely with the management team on corporate strategy."

Conference Call Today

A conference call discussing the second 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 <http://www.silabs.com>. A replay will be available after the call at the website listed above or by calling 800-879-6480 (U.S.) or 402-220-4749 (international). These replays will be available through August 21, 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; 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 July 21, 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 Q2 2003 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.

Unaudited Condensed Consolidated Statements of Income
(in thousands, except per share data)

	THREE MONTHS ENDED		SIX MONTHS ENDED	
	JUNE 28, 2003	JUNE 29, 2002	JUNE 28, 2003	JUNE 29, 2002
Revenues	\$69,086	\$41,185	\$132,839	\$70,034
Cost of revenues	30,267	19,304	73,845(a)	31,398
Gross profit	38,819	21,881	58,994	38,636
Operating expenses:				
Research and development	11,635	8,211	21,165	16,258
Selling, general and administrative	9,539	8,299	19,537	14,975
Amortization of deferred stock compensation	1,223	1,308	2,489	2,613
Operating expenses	22,397	17,818	43,191	33,846
Operating income	16,422	4,063	15,803	4,790
Other income (expense):				
Interest income	308	367	653	826
Interest expense	--	(148)	--	(299)
Other income (expense), net	(119)	(9)	(783)	(10)
Income before income taxes	16,611	4,273	15,673	5,307
Provision for income taxes	5,707	1,618	5,812	2,297
Net income	\$10,904	\$2,655	\$9,861	\$3,010
Net income per share:				
Basic	\$0.22	\$0.06	\$0.20	\$0.06
Diluted	\$0.21	\$0.05	\$0.19	\$0.06
Weighted-average common shares outstanding:				
Basic	48,480	47,482	48,291	47,158
Diluted	51,392	50,901	51,173	50,982

(a) Includes \$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	\$10,904	\$2,655	\$9,861	\$3,010
Tax-effected adjustments:				
Settlement of patent infringement lawsuit	--	--	10,377	--
Amortization of deferred stock compensation	1,223	1,308	2,489	2,613
Adjusted net income	\$12,127	\$3,963	\$22,727	\$5,623
GAAP diluted shares outstanding	51,392	50,901	51,173	50,982
Adjusted diluted net income per share	\$0.24	\$0.08	\$0.44	\$0.11

	THREE MONTHS ENDED			
	JUNE 28, 2003	MARCH 29, 2003	DECEMBER 28, 2002	SEPTEMBER 28, 2002
GAAP revenues	\$69,086	\$63,753	\$60,196	\$51,786
GAAP operating income	16,422	(619)	14,485	11,714
GAAP operating income %	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	1,223	1,266	1,267	1,293
Adjusted operating income	\$17,645	\$15,907	\$15,789	\$13,007
Adjusted operating income %	25.5%	25.0%	26.2%	25.1%

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

	JUNE 28, 2003	DECEMBER 28, 2002
ASSETS (UNAUDITED)		
Current assets:		
Cash and cash equivalents	\$78,325	\$73,950
Short-term investments	52,924	41,216
Accounts receivable, net of allowance for doubtful accounts of \$923 at June 28, 2003 and \$945 at December 28, 2002	32,268	27,501
Inventories	13,575	13,319
Deferred income taxes	4,921	4,921
Prepaid expenses and other	2,367	1,841
Total current assets	184,380	162,748
Property, equipment and software, net	31,933	29,781
Goodwill and other intangible assets	2,056	450
Other assets	6,938	4,086
Total assets	\$225,307	\$197,065
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$26,210	\$13,272
Accrued expenses	8,234	8,505
Deferred income on shipments to distributors	5,901	10,147
Income taxes payable	9,180	8,470
Total current liabilities	49,525	40,394
Other long-term obligations	2,249	949
Total liabilities	51,774	41,343
Commitments and contingencies		
Stockholders' equity:		
Common stock--\$.0001 par value; 250,000 shares authorized; 49,252 and 48,904 shares issued and outstanding at June 28, 2003 and December 28, 2002, respectively	5	5
Additional paid-in capital	178,936	174,088
Stockholder notes receivable	(31)	(228)
Deferred stock compensation	(10,188)	(13,092)
Retained earnings (deficit)	4,811	(5,051)
Total stockholders' equity	173,533	155,722
Total liabilities and stockholders' equity	\$225,307	\$197,065

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