SILICON LABORATORIES INC
Form 10-Q
July 29, 2010
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended July 3, 2010

or

¨ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number: 000-29823

SILICON LABORATORIES INC.

(Exact name of registrant as specified in its charter)

Delaware	**74-2793174**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
400 West Cesar Chavez, Austin, Texas	**78701**
(Address of principal executive offices)	(Zip Code)

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Sections 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. x Yes ¨ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). x Yes ¨ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer x	Accelerated filer ¨
Non-accelerated filer ¨	Smaller reporting company ¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ¨ Yes x No

As of July 21, 2010, 44,630,334 shares of common stock of Silicon Laboratories Inc. were outstanding.

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Cautionary Statement

Except for the historical financial information contained herein, the matters discussed in this report on Form 10-Q (as well as documents incorporated herein by reference) may be considered forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements include declarations regarding the intent, belief or current expectations of Silicon Laboratories Inc. and its management and may be signified by the words expects, anticipates, intends, believes or similar language. You are cautioned that any such forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties. Actual results could differ materially from those indicated by such forward-looking statements. Factors that could cause or contribute to such differences include those discussed under Risk Factors and elsewhere in this report. Silicon Laboratories disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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Part I. Financial Information

Item 1. Financial Statements

Silicon Laboratories Inc.

Condensed Consolidated Balance Sheets

(In thousands, except per share data)

(Unaudited)

		July 3, 2010		January 2, 2010
Assets				
Current assets:				
Cash and cash equivalents	$	80,969	$	195,737
Short-term investments		272,408		214,486
Accounts receivable, net of allowance for doubtful accounts of $771 at July 3, 2010 and $567 at January 2, 2010		76,318		56,128
Inventories		29,100		31,512
Deferred income taxes		9,068		7,620
Prepaid expenses and other current assets		20,448		18,515
Total current assets		488,311		523,998
Long-term investments		26,170		24,676
Property and equipment, net		25,365		27,785
Goodwill		109,222		105,109
Other intangible assets, net		47,965		41,886
Other assets, net		23,465		19,384
Total assets	$	720,498	$	742,838
Liabilities and Stockholders Equity				
Current liabilities:				
Accounts payable	$	29,475	$	28,759
Accrued expenses		23,531		25,399
Deferred income on shipments to distributors		28,953		28,470
Income taxes		1,230		6,011
Total current liabilities		83,189		88,639
Long-term obligations and other liabilities		23,832		24,403
Total liabilities		107,021		113,042
Commitments and contingencies				
Stockholders equity:				
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; 44,621 and 45,772 shares issued and outstanding at July 3, 2010 and January 2, 2010, respectively		4		5
Additional paid-in capital		68,660		128,262
Retained earnings		548,011		505,885
Accumulated other comprehensive loss		(3,198)		(4,356)
Total stockholders equity		613,477		629,796
Total liabilities and stockholders equity	$	720,498	$	742,838

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

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Silicon Laboratories Inc.

Condensed Consolidated Statements of Income

(In thousands, except per share data)

(Unaudited)

	Three Months Ended		Six Months Ended	
	July 3, 2010	**July 4, 2009**	**July 3, 2010**	**July 4, 2009**
Revenues	$ 134,577	$ 104,216	$ 261,296	$ 187,917
Cost of revenues	43,684	39,435	86,813	72,458
Gross margin	90,893	64,781	174,483	115,459
Operating expenses:				
Research and development	30,509	25,868	60,431	51,937
Selling, general and administrative	29,737	26,187	57,740	49,629
Operating expenses	60,246	52,055	118,171	101,566
Operating income	30,647	12,726	56,312	13,893
Other income (expense):				
Interest income	633	655	1,299	1,537
Interest expense	(22)	(51)	(45)	(103)
Other income (expense), net	(586)	342	(883)	290
Income before income taxes	30,672	13,672	56,683	15,617
Provision for income taxes	9,625	3,942	14,557	5,216
Net income	$ 21,047	$ 9,730	$ 42,126	$ 10,401
Earnings per share:				
Basic	$ 0.46	$ 0.22	$ 0.92	$ 0.23
Diluted	$ 0.44	$ 0.21	$ 0.88	$ 0.23
Weighted-average common shares outstanding:				
Basic	45,387	44,640	45,602	44,336
Diluted	47,371	45,975	47,649	45,229

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

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Silicon Laboratories Inc.

Condensed Consolidated Statements of Cash Flows

(In thousands)

(Unaudited)

	Six Months Ended	
	July 3, 2010	July 4, 2009
Operating Activities		
Net income	$ 42,126	$ 10,401
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation of property and equipment	5,821	5,963
Loss on disposal of property and equipment		32
Amortization of other intangible assets and other assets	3,651	3,950
Stock compensation expense	20,931	21,000
Income tax benefit from employee stock-based awards	2,523	293
Excess income tax benefit from employee stock-based awards	(1,784)	(273)
Deferred income taxes	(319)	1,593
Changes in operating assets and liabilities:		
Accounts receivable	(19,946)	(26,420)
Inventories	2,537	1,658
Prepaid expenses and other assets	3,208	2,829
Accounts payable	3,015	3,896
Accrued expenses	(4,445)	(4,388)
Deferred income on shipments to distributors	483	5,240
Income taxes	(5,268)	757
Net cash provided by operating activities	52,533	26,531
Investing Activities		
Purchases of available-for-sale investments	(216,385)	(45,537)
Proceeds from sales and maturities of marketable securities	158,944	62,034
Purchases of property and equipment	(3,311)	(3,974)
Purchases of other assets	(6,917)	(2,304)
Acquisitions of businesses, net of cash acquired	(18,351)	(2,800)
Net cash provided by (used in) investing activities	(86,020)	7,419
Financing Activities		
Proceeds from issuance of common stock, net of shares withheld for taxes	17,244	5,164
Excess income tax benefit from employee stock-based awards	1,784	273
Repurchases of common stock	(100,309)	(12,140)
Net cash used in financing activities	(81,281)	(6,703)
Increase (decrease) in cash and cash equivalents	(114,768)	27,247
Cash and cash equivalents at beginning of period	195,737	172,272
Cash and cash equivalents at end of period	$ 80,969	$ 199,519

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

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Silicon Laboratories Inc.

Notes to Condensed Consolidated Financial Statements

(Unaudited)

1. Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The Condensed Consolidated Financial Statements included herein are unaudited; however, they contain all normal recurring accruals and adjustments which, in the opinion of management, are necessary to present fairly the condensed consolidated financial position of Silicon Laboratories Inc. and its subsidiaries (collectively, the Company) at July 3, 2010 and January 2, 2010, the condensed consolidated results of its operations for the three and six months ended July 3, 2010 and July 4, 2009, and the Condensed Consolidated Statements of Cash Flows for the six months ended July 3, 2010 and July 4, 2009. All intercompany balances and transactions have been eliminated. The condensed consolidated results of operations for the three and six months ended July 3, 2010 are not necessarily indicative of the results to be expected for the full year.

The accompanying unaudited Condensed Consolidated Financial Statements do not include certain footnotes and financial presentations normally required under U.S. generally accepted accounting principles. Therefore, these Condensed Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements and notes thereto for the year ended January 2, 2010, included in the Company s Form 10-K filed with the Securities and Exchange Commission (SEC) on February 10, 2010.

The Company prepares financial statements on a 52-53 week year that ends on the Saturday closest to December 31. Fiscal 2010 will have 52 weeks and fiscal 2009 had 52 weeks. In a 52-week year, each fiscal quarter consists of 13 weeks.

Reclassifications

Certain reclassifications have been made to prior year financial statements to conform to current year presentation.

Revenue Recognition

Revenues are generated almost exclusively by sales of the Company s integrated circuits (ICs). The Company recognizes revenue when all of the following criteria are met: 1) there is persuasive evidence that an arrangement exists, 2) delivery of goods has occurred, 3) the sales price is fixed or determinable, and 4) collectibility is reasonably assured. Generally, revenue from product sales to direct customers and contract manufacturers is recognized upon shipment.

A portion of the Company s sales are made to distributors under agreements allowing certain rights of return and price protection related to the final selling price to the end customers. Accordingly, the Company defers revenue and cost of revenue on such sales until the distributors sell the product to the end customers. The net balance of deferred revenue less deferred cost of revenue associated with inventory shipped to a distributor but not yet sold to an end customer is recorded in the deferred income on shipments to distributors liability on the Consolidated Balance Sheet. Such net deferred income balance reflects the Company s estimate of the impact of rights of return and price protection.

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Silicon Laboratories Inc.

Notes to Condensed Consolidated Financial Statements (Continued)

(Unaudited)

Recent Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board (FASB) issued FASB Accounting Standards Update (ASU) No. 2010-06, *Fair Value Measurements and Disclosures (Topic 820) Improving Disclosures about Fair Value Measurements*. The ASU requires new disclosures about significant transfers in and out of Levels 1 and 2 fair value measurements and separate disclosures about purchases, sales, issuances and settlements relating to Level 3 fair value measurements. The ASU also clarifies existing disclosure requirements regarding inputs and valuation techniques, as well as the level of disaggregation for each class of assets and liabilities for which separate fair value measurements should be disclosed. The Company adopted ASU 2010-06 at the beginning of fiscal 2010, except for the separate disclosures about purchases, sales, issuances and settlements relating to Level 3 measurements, which is effective for the Company at the beginning of fiscal 2011. The adoption of this ASU did not have a material impact, and the deferred provisions of this ASU are not expected to have a material impact, on the Company s financial statements.

2. Earnings Per Share

The following table sets forth the computation of basic and diluted earnings per share (in thousands, except per share data):

	Three Months Ended				Six Months Ended			
	July 3, 2010		July 4, 2009		July 3, 2010		July 4, 2009	
Net income	$	21,047	$	9,730	$	42,126	$	10,401
Shares used in computing basic earnings per share		45,387		44,640		45,602		44,336
Effect of dilutive securities:								
Stock options and awards		1,984		1,335		2,047		893
Shares used in computing diluted earnings per share		47,371		45,975		47,649		45,229
Earnings per share:								
Basic	$	0.46	$	0.22	$	0.92	$	0.23
Diluted	$	0.44	$	0.21	$	0.88	$	0.23

Approximately 0.6 million, 2.6 million, 0.6 million and 4.2 million weighted-average dilutive potential shares of common stock have been excluded from the earnings per share calculation for the three months ended July 3, 2010 and July 4, 2009, and for the six months ended July 3, 2010 and July 4, 2009, respectively, as they were anti-dilutive.

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Silicon Laboratories Inc.

Notes to Condensed Consolidated Financial Statements (Continued)

(Unaudited)

3. Cash, Cash Equivalents and Investments

The Company s cash equivalents and short-term investments as of July 3, 2010 consisted primarily of money market funds, U.S. government agency bonds and discount notes, corporate bonds, municipal bonds, U.S. Treasury bills and bonds, variable-rate demand notes, commercial paper and international government bonds. The Company s long-term investments consist of auction-rate securities. Early in fiscal 2008, auctions for many of the Company s auction-rate securities failed because sell orders exceeded buy orders. As of July 3, 2010, the Company held $27.0 million par value auction-rate securities, all of which have experienced failed auctions. The underlying assets of the securities consisted of student loans and municipal bonds, of which $25.0 million were guaranteed by the U.S. government and the remaining $2.0 million were privately insured. As of July 3, 2010, $18.0 million of the auction-rate securities had credit ratings of AAA, $2.0 million had a credit rating of A and $7.0 million had a credit rating of BBB. These securities had contractual maturity dates ranging from 2029 to 2046 and with current yields of 0.4% to 3.3% per year at July 3, 2010. The Company is receiving the underlying cash flows on all of its auction-rate securities. The principal amounts associated with failed auctions are not expected to be accessible until a successful auction occurs, the issuer redeems the securities, a buyer is found outside of the auction process or the underlying securities mature. The Company is unable to predict if these funds will become available before their maturity dates.

The Company does not expect to need access to the capital represented by any of its auction-rate securities prior to their maturities. The Company does not intend to sell, and believes it is not more likely than not that it will be required to sell, its auction-rate securities before their anticipated recovery in market value or final settlement at the underlying par value. The Company believes that the credit ratings and credit support of the security issuers indicate that they have the ability to settle the securities at par value. As such, the Company has determined that no material other-than-temporary impairment losses existed as of July 3, 2010.

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Silicon Laboratories Inc.

Notes to Condensed Consolidated Financial Statements (Continued)

(Unaudited)

The Company s cash, cash equivalents and investments consist of the following (in thousands):

	July 3, 2010			
	Cost	Gross Unrealized Losses	Gross Unrealized Gains	Fair Value
Cash and Cash Equivalents:				
Cash on hand	$ 23,240			$ 23,240
Available-for-sale securities:				
Money market funds	41,230	$	$	41,230
Municipal bonds	9,000			9,000
U.S. Treasury bills	7,499			7,499
Total available-for-sale securities	57,729			57,729
Total cash and cash equivalents	$ 80,969	$	$	$ 80,969
Short-term Investments:				
Available-for-sale securities:				
Corporate bonds	$ 69,665	$ (49)	$ 283	$ 69,899
U.S. Treasury bills and bonds	63,726		8	63,734
U.S. government agency	57,250	(6)	74	57,318
Variable-rate demand notes	44,500			44,500
Municipal bonds	26,658	(3)	43	26,698
International government bonds	9,004		16	9,020
Commercial paper	1,239			1,239
Total short-term investments	$ 272,042	$ (58)	$ 424	$ 272,408
Long-term Investments:				
Available-for-sale securities:				
Auction rate securities	$ 27,000	$ (830)	$	$ 26,170
Total long-term investments	$ 27,000	$ (830)	$	$ 26,170

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Silicon Laboratories Inc.

Notes to Condensed Consolidated Financial Statements (Continued)

(Unaudited)

	January 2, 2010							
		Cost		Gross Unrealized Losses		Gross Unrealized Gains		Fair Value
Cash and Cash Equivalents:								
Cash on hand	$	21,622					$	21,622
Available-for-sale securities:								
Money market funds		167,139	$		$			167,139
U.S. Treasury bills		5,000						5,000
U.S. government agency		2,000		(24)				1,976
Total available-for-sale securities		174,139		(24)				174,115
Total cash and cash equivalents	$	195,761	$	(24)	$		$	195,737
Short-term Investments:								
Available-for-sale securities:								
Corporate bonds	$	74,431	$	(133)	$	188	$	74,486
U.S. government agency		41,790		(1)		32		41,821
Municipal bonds		37,401		(3)		132		37,530
U.S. Treasury bills		21,488				7		21,495
International government bonds		12,467		(10)		6		12,463
Commercial paper		2,699						2,699
Total available-for-sale securities	$	190,276	$	(147)	$	365		190,494
Trading securities:								
Auction rate securities and put option								23,992
Total short-term investments							$	214,486
Long-term Investments:								
Available-for-sale securities:								
Auction rate securities	$	27,325	$	(2,649)	$		$	24,676
Total long-term investments	$	27,325	$	(2,649)	$		$	24,676

The available-for-sale investments that were in a continuous unrealized loss position, aggregated by length of time that individual securities have been in a continuous loss position, were as follows (in thousands):

	Less Than 12 Months				12 Months or Greater				Total			
As of July 3, 2010		Fair Value		Gross Unrealized Losses		Fair Value		Gross Unrealized Losses		Fair Value		Gross Unrealized Losses
Corporate bonds	$	14,755	$	(49)	$		$		$	14,755	$	(49)
U.S. government agency		10,012		(6)						10,012		(6)
Municipal bonds		6,936		(3)						6,936		(3)
Auction rate securities						26,170		(830)		26,170		(830)
	$	31,703	$	(58)	$	26,170	$	(830)	$	57,873	$	(888)

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Silicon Laboratories Inc.

Notes to Condensed Consolidated Financial Statements (Continued)

(Unaudited)

As of January 2, 2010	Less Than 12 Months Fair Value	Less Than 12 Months Gross Unrealized Losses	12 Months or Greater Fair Value	12 Months or Greater Gross Unrealized Losses	Total Fair Value	Total Gross Unrealized Losses
Corporate bonds	$ 39,513	$ (133)	$	$	$ 39,513	$ (133)
Auction rate securities			24,676	(2,649)	24,676	(2,649)
International government bonds	5,213	(10)			5,213	(10)
U.S. government agency	4,978	(25)			4,978	(25)
Municipal bonds	1,643	(3)			1,643	(3)
	$ 51,347	$ (171)	$ 24,676	$ (2,649)	$ 76,023	$ (2,820)

The gross unrealized losses as of July 3, 2010 and January 2, 2010 were due primarily to the illiquidity of the Company s auction-rate securities and, to a lesser extent, to changes in market interest rates.

The following summarizes the contractual underlying maturities of the Company s available-for-sale investments at July 3, 2010 (in thousands):

	Cost	Fair Value
Due in one year or less	$ 203,260	$ 203,414
Due after one year through three years	82,011	82,223
Due after ten years	71,500	70,670
	$ 356,771	$ 356,307

In addition, the Company has made equity investments in non-publicly traded companies that it accounts for under the cost method. The Company periodically reviews these investments for other-than-temporary declines in fair value based on the specific identification method and writes down investments to their fair values when it determines that an other-than-temporary decline has occurred.

4. Derivative Financial Instruments

The Company is exposed to interest rate fluctuations in the normal course of its business, including through its corporate headquarters leases. The base rents for these leases are calculated using a variable interest rate based on the three-month LIBOR. The Company has entered into interest rate swap agreements with notional values of $44.3 million and $50.1 million and, effectively, fixed the rent payment amounts on these leases through March 2011 and March 2013, respectively. The Company s objective is to offset increases and decreases in expenses resulting from changes in interest rates with losses and gains on the derivative contracts, thereby reducing volatility of earnings. The Company does not use derivative contracts for speculative purposes.

The interest rate swap agreements are designated and qualify as cash flow hedges. The effective portion of the gain or loss on interest rate swaps is recorded in accumulated other comprehensive loss as a separate component of stockholders equity and is subsequently recognized in earnings when the hedged exposure affects earnings. Cash flows from derivatives are classified as cash flows from operating activities in the Consolidated Statement of Cash Flows.

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Silicon Laboratories Inc.

Notes to Condensed Consolidated Financial Statements (Continued)

(Unaudited)

The Company estimates the fair values of derivatives based on quoted prices and market observable data of similar instruments. If the lease agreements or the interest rate swap agreements are terminated prior to maturity, the fair value of the interest rate swaps recorded in accumulated other comprehensive loss may be recognized in the Consolidated Statement of Income based on an assessment of the agreements at the time of termination. The Company did not discontinue any cash flow hedges in any of the periods presented.

The Company measures the effectiveness of its cash flow hedges by comparing the change in fair value of the hedged item with the change in fair value of the interest rate swap. The Company recognizes ineffective portions of the hedge, as well as amounts not included in the assessment of effectiveness, in the Consolidated Statement of Income. As of July 3, 2010, no portions of the gains or losses from the hedging instruments were excluded from the assessment of effectiveness. There was no hedge ineffectiveness for any of the periods presented.

The Company s derivative financial instruments consisted of the following (in thousands):

	July 3, 2010	
	Balance Sheet Location	**Fair Value**
Interest rate swaps:	Accrued expenses	$ 968
	Long-term obligations and other liabilities	3,732
	Total	$ 4,700

The before-tax effect of derivative instruments in cash flow hedging relationships was as follows (in thousands):

	Loss Recognized in OCI on Derivatives (Effective Portion) during the: Three Months Ended		**Location of Loss Reclassified into Income**	**Loss Reclassified from Accumulated OCI into Income (Effective Portion) during the: Three Months Ended**	
	July 3, 2010	**July 4, 2009**		**July 3, 2010**	**July 4, 2009**
Interest rate swaps	$ (1,035)	$ (113)	Rent expense	$ (850)	$ (622)
	Six Months Ended			**Six Months Ended**	
	July 3, 2010	**July 4, 2009**		**July 3, 2010**	**July 4, 2009**

Interest rate swaps	$	(1,898)	$	(476)	Rent expense	$	(1,690)	$	(1,175)

The Company expects to reclassify $2.7 million of its interest rate swap losses included in accumulated other comprehensive loss as of July 3, 2010 into earnings in the next 12 months, which is offset by lower rent payments.

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Silicon Laboratories Inc.

Notes to Condensed Consolidated Financial Statements (Continued)

(Unaudited)

The Company s interest rate swap agreements contain provisions that require it to maintain unencumbered cash and highly-rated short-term investments of at least $150 million. If the Company s unencumbered cash and highly-rated short-term investments are less than $150 million, it would be required to post collateral with the counterparty in the amount of the fair value of the interest rate swap agreements in net liability positions. Both of the Company s interest rate swaps were in a net liability position at July 3, 2010. No collateral has been posted with the counterparties as of July 3, 2010.

5. Fair Value of Financial Instruments

The fair values of the Company s financial instruments are recorded using a hierarchal disclosure framework based upon the level of subjectivity of the inputs used in measuring assets and liabilities. The three levels are described below:

Level 1 - Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 - Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Inputs are unobservable for the asset or liability and are developed based on the best information available in the circumstances, which might include the Company s own data.

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Silicon Laboratories Inc.

Notes to Condensed Consolidated Financial Statements (Continued)

(Unaudited)

The following summarizes the valuation of the Company s financial instruments (in thousands). The table does not include either cash on hand or assets and liabilities that are measured at historical cost or any basis other than fair value.

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Fair Value Measurements at July 3, 2010 Using Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets:				
Cash Equivalents:				
Money market funds	$ 41,230	$	$	$ 41,230
Municipal bonds	9,000			9,000
U.S. Treasury bills	7,499			7,499
Total cash equivalents	$ 57,729	$	$	$ 57,729
Short-term Investments:				
Corporate bonds	$ 69,899	$	$	$ 69,899
U.S. Treasury bills and bonds	63,734			63,734
U.S. government agency	57,318			57,318
Variable-rate demand notes	44,500			44,500
Municipal bonds	26,698			26,698
International government bonds	9,020			9,020
Commercial paper	1,239			1,239
Total short-term investments	$ 272,408	$	$	$ 272,408
Long-term Investments:				
Auction rate securities	$	$	$ 26,170	$ 26,170
Total long-term investments	$	$	$ 26,170	$ 26,170
Total	$ 330,137	$	$ 26,170	$ 356,307
Liabilities:				
Derivative instruments	$	$ 4,700	$	$ 4,700
Total	$	$ 4,700	$	$ 4,700