

SILICON LABORATORIES INC
 Form 4
 May 11, 2006

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
IVESTER JONATHAN D

2. Issuer Name and Ticker or Trading Symbol
**SILICON LABORATORIES INC
 [SLAB]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 4635 BOSTON LANE
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 05/09/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 VP of Worldwide Operations

AUSTIN, TX 78735
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|----------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Price | | |
| Common Stock, \$0.0001 par value | 05/09/2006 | | M | 4,500 (1) | A \$ 15.44 | 169,185 | D |
| Common Stock, \$0.0001 par value | 05/09/2006 | | S | 4,500 (2) | D \$ 43.37 | 164,685 | D |
| Common Stock, \$0.0001 par value | 05/11/2006 | | M | 900 | A \$ 0.25 | 165,585 (3) | D |

| | | | | | | | | |
|---|------------|---|--------------|---|-------------|--------|---|--------------------------------|
| Common Stock, \$0.0001 par value | 05/09/2006 | S | 1,000 (2) | D | \$ 43.37 | 98,750 | I | Ivester Family Trust (4) |
|---|------------|---|--------------|---|-------------|--------|---|--------------------------------|

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| Incentive Stock Option (right to buy) | \$ 0.25 | 05/11/2006 | | M | 900 | 06/23/1998 ⁽⁵⁾ 06/23/2008 | Common Stock, \$0.0001 par value |
| Non-Qualified Stock Option (right to buy) | \$ 15.44 | 05/09/2006 | | M | 4,500 ⁽¹⁾ | 03/16/2001 ⁽⁷⁾ 03/16/2011 | Common Stock, \$0.0001 par value |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| IVESTER JONATHAN D 4635 BOSTON LANE AUSTIN, TX 78735 | | | VP of Worldwide Operations | |

Signatures

| | |
|------------------------|------------|
| Jonathan D. Ivester | 05/11/2006 |
| | Date |

Signature of
Reporting Person

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Stock option exercise pursuant to reporting person's 10(b)5-1 plan.
- (2) Shares sold pursuant to reporting person's 10(b)5-1 plan.
- (3) Includes 200 shares acquired under the Silicon Laboratories Inc. employee stock purchase plan on April 28, 2006.
- (4) These shares are held in a trust for the benefit of the reporting person's children. The reporting person is co-trustee of the trust.
- (5) This option is immediately exercisable and vests in a series of thirty-six (36) successive equal monthly installments beginning September 15, 2002
- (6) Not applicable per instruction 4(c)(iii).
- (7) This option becomes exercisable as it vests in a series of sixty (60) successive equal monthly installments beginning March 16, 2001.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.