
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): February 10, 2004

VICOR CORPORATION
(Exact name of Registrant as specified in charter)

Delaware

0-18277

04-2742817

(State or other jurisdiction
of incorporation)

(Commission file number)

(IRS employer
identification no.)

25 Frontage Road, Andover, Massachusetts 01810

(Address of principal executive offices) (Zip Code)

(978) 470-2900

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year,
if changed since last report)

Item 7. Exhibits.

(c) Exhibits. The following exhibit is being furnished herewith:

Exhibit
Number Title

99.1 Vicor Corporation's press release dated February 10, 2004.

Item 12. Results of Operations and Financial Condition.

On February 10, 2004, Vicor Corporation issued a press release announcing its financial results for the fourth quarter of 2003. The full text of that press release is attached as Exhibit 99.1 hereto and incorporated by reference herein. The information furnished under this Item 12, including the Exhibit attached hereto, shall not be deemed "filed" for any purpose, including for purposes of Section 18 of the Securities and Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, regardless of any general incorporation language in such filing.

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SIGNATURES

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.

VICOR CORPORATION

Dated: February 10, 2004

By: /s/ Mark A. Glazer

Name: Mark A. Glazer
Title: Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Title
99.1	Vicor Corporation's press release dated February 10, 2004.

Vicor Corporation Announces Fourth Qtr Results

ANDOVER, Mass.--(BUSINESS WIRE)--Feb. 10, 2004--Vicor Corporation (NASDAQ: VICR) today announced its financial results for the quarter ended December 31, 2003. Revenues for the quarter decreased to \$39,111,000 compared with \$41,637,000 for the corresponding period a year ago. The Company reported a loss before taxes of \$4,985,000 for the quarter compared with a loss before taxes of \$5,565,000 in the corresponding period of 2002. The Company reported net income for the quarter of \$172,000 compared with a net loss of \$3,534,000 in the corresponding period of 2002, and a diluted net income per share of \$.00 compared with a diluted loss per share of \$.08 in the corresponding period of 2002. The net income in the fourth quarter of 2003 was due to a change in the estimated tax benefit for the year 2003, as discussed below.

For the year ended December 31, 2003 revenues decreased to \$151,421,000 from \$152,591,000 for the same period of 2002. The Company reported a loss before taxes of \$24,891,000 for the year compared with a loss before taxes of \$25,106,000 in 2002. The Company reported a net loss for the period of \$19,535,000 compared with a net loss of \$15,942,000 in 2002, and a diluted loss per share of \$.47 compared with a diluted loss per share of \$.38 in 2002.

The Company has recently revised its estimate of the effective tax rate for the year and determined that it should record a tax benefit for a portion of the net operating losses generated in 2003 and, accordingly, has revised its estimated effective tax rate applicable to 2003 to an estimated tax benefit of 21.5%. This estimated tax benefit of \$5,356,000 is a non-recurring non-cash item representing an increase in the benefit previously estimated by the Company based on the changes in the deductible and taxable temporary differences for 2003. The effect of the change in the estimated effective tax rate on net income was approximately \$5,107,000. The corresponding effect on the net income per share was \$.12 for the quarter and for the year ended December 31, 2003.

In the fourth quarter, revenues decreased by 6.1% from the fourth quarter of 2002, and increased by 9.0% on a sequential basis from the third quarter of 2003. The book to bill ratio for the fourth quarter was 1.09:1 as compared with 1.05:1 in the third quarter of 2003. The book to bill for the year ended December 31, 2003 was 1.03:1 compared with 0.98:1 for 2002. In light of the fact that bookings and sales can vary significantly from quarter to quarter, the Company does not believe that this increase in the book to bill ratio is indicative of a trend at this time. The Company ended 2003 with approximately \$37.0 million in backlog compared to \$31.9 million at the end of 2002.

In the fourth quarter, gross margin increased to 28.1%, compared with 26.1% in the fourth quarter of 2002 and 23.9% in the third quarter of 2003. The gross margin improvement between the third and fourth quarters of 2003 was favorably impacted by the higher level of shipments and cost reductions associated with the end of the general furlough program during the quarter. The gross margin for 2003 improved to 25.8% compared with 24.8% in 2002.

Depreciation and amortization in the quarter was \$5.6 million and capital additions were \$1.2 million. For 2003 depreciation and amortization was \$22.4 million and capital additions were \$5.8 million. Total capital additions in 2003 decreased approximately \$5.0 million from 2002.

Cash and short-term investments were \$108.8 million, an increase of \$7.9 million from the end of 2002 and a decrease of approximately \$3.7 million from the end of the third quarter of 2003. The Company did not repurchase any shares during the quarter and has \$26.0 million remaining on its authorized stock buy-back plan.

Inventories decreased by approximately \$8.2 million to \$22.1 million as compared with \$30.3 million at the end of 2002 and decreased by \$0.9 million from the end of the third quarter of 2003.

During the fourth quarter, the Company announced that its V-I Chip(TM) Bus Converter Module (BCM) had won a Product of the Year Award from Electronic Products magazine. The BCM converts a DC voltage source into a bus voltage suitable for powering electronic equipment.

In January, 2004 the Company announced the availability of the first members of its family of 48 Vin Intermediate Bus Converter Modules (IBCs). IBCs incorporate BCMs into the 1/4-brick standard as "VICs-in-a-Brick". Operating from a 38-55 Vdc input, the IBC family consists of nine fixed-ratio models with nominal outputs from 3 to 48 Vdc (3, 4, 6, 8, 9.6, 12, 16, 24, and 48 Volt) delivering up to 100 Amperes or 600 Watt. This current and power capability doubles that of competitive IBCs for Intermediate Bus Architecture applications and illustrates the flexibility and technological superiority of V-I Chips.

In February, 2004 the Company announced the introduction of the

first V-I Chip to process 300 Watt with 97% efficiency, setting a new record for power density above 1,000 Watt per cubic inch.

The Company is marketing its proprietary V-I Chips by promoting the benefits of its Factorized Power Architecture, which enable power systems with on board and remote use of V-I Chips. In addition, the Company intends to compete with industry standard solutions through the development of compatible products utilizing V-I Chips and having superior performance and cost. The Company believes that this strategy will accelerate widespread adoption of Factorized Power by demonstrating the capability of V-I Chips as constituents of standard products while enabling it to derive incremental revenues and profits from established markets for these products.

For more information on Vicor and its products, please visit the Company's website at www.vicorpower.com.

Earnings Conference Call

Vicor will be holding its investor conference call, today, Tuesday, February 10, 2004 at 5:00 p.m. (EST). Shareholders interested in participating in the call, should call 1-800-299-9086 at approximately 4:50 p.m. and use the Passcode 56733181. Internet users can listen to a real-time audio broadcast of the conference call on the Investor Relations section of Vicor's website at www.vicorpower.com/irwebcast. Please go to the website at least 15 minutes prior to the call to register, download and install any necessary software. For those who cannot participate a replay will be available, shortly after the conclusion of the call, through February 17, 2004. The replay dial-in number is 1-888-286-8010 and the Passcode is 50477270. In addition, a webcast replay of the conference call will also be available on the Investor Relations section of Vicor's website at www.vicorpower.com/irwebcast beginning shortly after the conclusion of the call.

This press release contains certain forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. You can identify these statements by our use of the words "may," "will," "would," "plans," "expects," "anticipates," "believes," "continue," "estimate," "prospective," "project," "intend," and similar expressions. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected or anticipated. These risks and uncertainties include our ability to develop and market new products and technologies cost-effectively, to leverage design wins into increased product sales, to decrease manufacturing costs, to enter into licensing agreements that amplify the market opportunity and accelerate market penetration, to achieve an increased bookings rate over a longer period, and to successfully leverage the V-I Chips in standard products to promote market acceptance of Factorized Power, as well as those risks and uncertainties identified in the Company's Annual Report on Form 10-K. The risk factors contained in the Annual Report on Form 10-K may not be exhaustive. Therefore, the information contained in that Form 10-K should be read together with other reports and documents that the Company files with the SEC from time to time, which may supplement, modify, supersede or update those risk factors.

Vicor Corporation designs, develops, manufactures and markets modular power components and complete power systems based upon a portfolio of patented technologies. Headquartered in Andover, Massachusetts, Vicor sells its products primarily to the telecommunications, electronic data processing, industrial control and military electronics markets.

VICOR CORPORATION

CONSOLIDATED STATEMENT OF OPERATIONS (Thousands except for per share amounts)

	QUARTER ENDED (Unaudited)		TWELVE MONTHS ENDED (Unaudited)	
	DEC 31, 2003	DEC 31, 2002	DEC 31, 2003	DEC 31, 2002
Net revenues	\$39,111	\$41,637	\$151,421	\$152,591
Cost of sales	28,130	30,786	112,409	114,772
Gross margin	10,981	10,851	39,012	37,819

Operating expenses:				
Sales & administration	10,322	10,805	41,270	41,838
Research & development	6,232	5,159	23,445	20,483
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Total operating expenses	16,554	15,964	64,715	62,321
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Operating loss	(5,573)	(5,113)	(25,703)	(24,502)
Other income (expense), net	588	(452)	812	(604)
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Loss before taxes	(4,985)	(5,565)	(24,891)	(25,106)
Benefit for income taxes	5,157	2,031	5,356	9,164
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Net income (loss)	\$172	(\$ 3,534)	(\$ 19,535)	(\$ 15,942)
	=====	=====	=====	=====
Net income (loss) per share:				
Basic	\$0.00	(\$ 0.08)	(\$ 0.47)	(\$ 0.38)
Diluted	\$0.00	(\$ 0.08)	(\$ 0.47)	(\$ 0.38)
Shares Outstanding:				
Basic	41,882	42,199	41,896	42,337
Diluted	42,041	42,199	41,896	42,337

VICOR CORPORATION

CONSOLIDATED BALANCE SHEET
(Thousands)

	DEC 31, 2003 (Unaudited)	DEC 31, 2002 (Unaudited)
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Assets		
Current Assets		
Cash and cash equivalents	\$68,223	\$72,120
Short-term investments	40,546	28,779
Accounts receivable	22,493	22,469
Inventories	22,080	30,325
Refundable income taxes	0	8,846
Deferred tax assets	4,682	8,126
Other current assets	4,101	2,399
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Total current assets	162,125	173,064
Property and equipment, net	82,366	98,738
Deferred tax assets - long-term	8,353	0
Other assets	8,107	6,643
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	\$260,951	\$278,445
	=====	=====
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	\$5,078	\$5,724
Accrued compensation and benefits	3,541	3,379
Other accrued liabilities	11,825	11,282
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Total current liabilities	20,444	20,385
Deferred income taxes - long-term	13,849	10,027
Stockholders' Equity		
Capital stock	147,155	146,433
Retained earnings	183,863	203,398
Treasury stock	(104,360)	(101,798)
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Total stockholders' equity	226,658	248,033
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	\$260,951	\$278,445
	=====	=====

CONTACT: Vicor Corporation
Mark A. Glazer, Chief Financial Officer
Tel: 978-470-2900
Fax: 978-749-3439