UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-Q

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

For the quarterly period ended September 30, 2005

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

For the transition period from ______________________________

Commission File Number 0-18277

VICOR CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	04-2742817
(State of Incorporation)	(IRS Employer Identification Number)

25 Frontage Road, Andover, Massachusetts 01810
(Address of registrant's principal executive office)

(978) 470-2900
(Registrant's telephone number)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 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. Yes ☑ No o

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes ☑ No o

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of September 30, 2005.

Common Stock, $.01 par value	30,072,521
Class B Common Stock, $.01 par value	11,866,952

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VICOR CORPORATION

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Item 1 — Financial Statements

VICOR CORPORATION

Condensed Consolidated Balance Sheets
(In thousands)
(Unaudited)

	September 30, 2005	December 31, 2004
Assets		
Current assets:		
Cash and cash equivalents	$ 46,088	$ 36,277
Short-term investments	73,980	77,371
Accounts receivable, less allowance of $585 in 2005 and $468 in 2004	27,314	23,359
Inventories, net	18,234	26,229
Deferred tax assets	2,497	2,497
Other current assets	2,478	2,245
Total current assets	170,591	167,978
Property, plant and equipment, net	61,046	67,001
Other assets	10,040	9,903
	$ 241,677	$ 244,882
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 7,438	$ 5,806
Accrued compensation and benefits	3,938	4,265
Accrued expenses	2,977	2,815
Income taxes payable	5,953	6,367
Deferred revenue	282	306
Total current liabilities	20,588	19,559
Deferred income taxes	3,111	3,173
Minority interests	2,186	1,527
Stockholders' equity:		
Preferred Stock	—	—
Class B Common Stock	119	119
Common Stock	375	373
Additional paid-in capital	150,543	148,821
Retained earnings	173,580	176,769
Accumulated other comprehensive loss	(100)	(11)
Treasury stock, at cost	(108,725)	(105,448)
Total stockholders' equity	215,792	220,623
	$ 241,677	$ 244,882

See accompanying notes.

VICOR CORPORATION

Condensed Consolidated Statements of Operations
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
Net revenues:				
Product	$ 45,298	$ 43,048	$ 133,057	$ 130,568
License	—	—	—	375
	45,298	43,048	133,057	130,943
Cost of revenues	26,284	26,817	81,419	82,332
Gross margin	19,014	16,231	51,638	48,611
Operating expenses:				
Selling, general and administrative	10,144	10,141	30,385	30,926
Research and development	7,590	6,706	22,066	19,154
Gain from litigation-related settlement, net	—	—	(2,250)	—
Total operating expenses	17,734	16,847	50,201	50,080
Income (loss) from operations	1,280	(616)	1,437	(1,469)
Other income (expense), net	261	544	938	853
Income (loss) before income taxes	1,541	(72)	2,375	(616)
(Benefit) provision for income taxes	(167)	500	539	1,085
Net income (loss)	$ 1,708	$ (572)	$ 1,836	$ (1,701)
Net income (loss) per common share:				
Basic	$ 0.04	$ (0.01)	$ 0.04	$ (0.04)
Diluted	$ 0.04	$ (0.01)	$ 0.04	$ (0.04)
Shares used to compute net income (loss) per share:				
Basic	41,912	42,098	41,896	42,021
Diluted	42,093	42,098	42,049	42,021
Cash dividends per share	$ 0.12	$ 0.08	$ 0.12	$ 0.08

See accompanying notes.

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VICOR CORPORATION

Condensed Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

	Nine Months Ended September 30, 2005	Nine Months Ended September 30, 2004
Operating activities:		
Net income (loss)	$ 1,836	$ (1,701)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	12,794	15,878
Amortization of bond premium	462	783
Minority interest in net income of subsidiaries	659	437
Other than temporary decline in investment	—	70
Loss on disposal of equipment	10	47
Change in current assets and liabilities, net	4,542	(1,587)
Net cash provided by operating activities	20,303	13,927
Investing activities:		
Purchases of short-term investments	(70,682)	(60,582)
Sales and maturities of short-term investments	73,596	50,449
Additions to property, plant and equipment	(6,571)	(3,283)
Increase in other assets	(442)	(2,309)
Net cash used in investing activities	(4,099)	(15,725)
Financing activities:		
Proceeds from issuance of Common Stock	1,724	2,327
Common Stock dividends	(5,025)	(3,371)
Acquisitions of treasury stock	(3,277)	(606)
Net cash used in financing activities	(6,578)	(1,650)
Effect of foreign exchange rates on cash	185	50
Net increase (decrease) in cash and cash equivalents	9,811	(3,398)
Cash and cash equivalents at beginning of period	36,277	41,723
Cash and cash equivalents at end of period	$ 46,088	$ 38,325

See accompanying notes.

VICOR CORPORATION

Notes to Condensed Consolidated Financial Statements
September 30, 2005
(Unaudited)

1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and pursuant to the rules and regulations of the Securities and Exchange Commission. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. Operating results for the three and nine months ended September 30, 2005 are not necessarily indicative of the results that may be expected for any other interim period or the year ending December 31, 2005. The balance sheet at December 31, 2004 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. For further information, refer to the consolidated financial statements and notes thereto included in the Company's audited financial statements for the year ended December 31, 2004, contained in the Company's annual report filed on Form 10-K (File No. 0-18277) with the Securities and Exchange Commission.

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VICOR CORPORATION

Notes to Condensed Consolidated Financial Statements (Continued)
September 30, 2005
(Unaudited)

2. Stock-Based Compensation

The Company uses the intrinsic value method in accounting for its employee stock options in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" (APB 25) and related interpretations, as permitted under FASB Statement No. 123, "Accounting for Stock-Based Compensation" (FAS 123) and FASB Statement No. 148, "Accounting for Stock-Based Compensation — Transition and Disclosure" (FAS 148). Under APB 25, because the exercise price of the Company's employee stock options equals the market price of the underlying stock on the date of grant, no compensation expense is recognized. For purposes of pro forma disclosures, the estimated fair value of the options is amortized over the options' vesting period. Had expense been recognized using the fair value method described in FAS 123, using the Black-Scholes option pricing model, the following pro forma results of operations would have been reported (in thousands except for per share information):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
Net income (loss) as reported	$ 1,708	$ (572)	$ 1,836	$ (1,701)
Stock-based employee compensation cost, net of related tax effects	(171)	(338)	(598)	(1,232)
Pro forma net income (loss)	$ 1,537	$ (910)	$ 1,238	$ (2,933)
Net income (loss) per share, as reported:				
Basic	$ 0.04	$ (0.01)	$ 0.04	$ (0.04)
Diluted	$ 0.04	$ (0.01)	$ 0.04	$ (0.04)
Pro forma net income (loss) per share:				
Basic	$ 0.04	$ (0.02)	$ 0.03	$ (0.07)
Diluted	$ 0.04	$ (0.02)	$ 0.03	$ (0.07)

VICOR CORPORATION

Notes to Condensed Consolidated Financial Statements (Continued)
September 30, 2005
(Unaudited)

2. Stock-Based Compensation (Continued)

Pro forma information regarding net income (loss) and net income (loss) per share is required by FAS 123, which also requires that the information be determined as if the Company had accounted for its employee stock options granted subsequent to December 31, 1994 under the fair value method described in FAS 123. The fair value for these options was estimated at the date of grant using a Black-Scholes option pricing model with the following weighted-average assumptions:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
Risk-free interest rate	3.9%	3.5%	3.9%	3.4%
Expected dividend yield	.9%	—	.2%	—
Expected volatility	.64	.67	.65	.68
Expected lives	4.5 years	4.5 years	3.9 years	3.9 years

The Black-Scholes option valuation model was developed for use in estimating the fair value of traded options which have no vesting restrictions and are fully transferable. In addition, option valuation models require the input of subjective assumptions including the expected stock price volatility. Because the Company’s employee stock options have characteristics different from those of traded options, and because changes in the subjective input assumptions can materially affect the fair value estimate, in management’s opinion, the existing models do not necessarily provide a reliable single measure of the fair values of its employee stock options.

VICOR CORPORATION

Notes to Condensed Consolidated Financial Statements (Continued)
September 30, 2005
(Unaudited)

3. Net Income (Loss) per Share

The following table sets forth the computation of basic and diluted income (loss) per share for the three and nine months ended September 30 (in thousands, except per share amounts):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
Numerator:				
Net income (loss)	$ 1,708	$ (572)	$ 1,836	$ (1,701)
Denominator:				
Denominator for basic income (loss) per share-weighted average shares	41,912	42,098	41,896	42,021
Effect of dilutive securities:				
Employee stock options	181	—	153	—
Denominator for diluted income (loss) per share — adjusted weighted-average shares and assumed conversions	42,093	42,098	42,049	42,021
Basic income (loss) per share	$ 0.04	$ (0.01)	$ 0.04	$ (0.04)
Diluted income (loss) per share	$ 0.04	$ (0.01)	$ 0.04	$ (0.04)

The effect of outstanding stock options has been excluded from the calculation of diluted income (loss) per share for the three and nine months ended September 30, 2004, as the effect would be anti-dilutive.

Options to purchase 1,364,518 shares of Common Stock were outstanding for the three and nine months ended September 30, 2005 and 2,635,273 shares of Common Stock and 1,711,010 shares of Common Stock were outstanding for the three and nine months ended September 30, 2004, respectively. These shares were not included in the computation of diluted income per share because the options' exercise prices were greater than the average market price of the Common Stock and, therefore, the effect would have been antidilutive.

4. Inventories

Inventories are valued at the lower of cost (determined using the first-in, first-out method) or market. The Company provides reserves for inventories estimated to be excess, obsolete or unmarketable. The Company's estimation process for such reserves is based upon its known backlog, projected future demand and expected market conditions. If sales for the Company's products were to decline, the Company's estimation process may cause larger inventory reserves to be recorded, resulting in larger

VICOR CORPORATION

Notes to Condensed Consolidated Financial Statements (Continued)
September 30, 2005
(Unaudited)

4. Inventories (Continued)

charges to cost of revenues. Inventories were as follows as of September 30, 2005 and December 31, 2004 (in thousands):

	September 30, 2005	December 31, 2004
Raw materials	$ 22,559	$ 27,212
Work-in-process	2,242	2,568
Finished goods	4,293	4,293
	29,094	34,073
Inventory reserves	(10,860)	(7,844)
Net balance	$ 18,234	$ 26,229

During the second quarter of 2005, the Company provided additional reserves of approximately $1,600,000 for potential obsolete inventory arising primarily from the European Union Restriction of Hazardous Substances ("RoHS") initiative and the conversion of second-generation products to the FasTrak platform. In addition, the Company identified other slow-moving and potential obsolete inventory of approximately $1,200,000, of which $300,000 related to raw material inventories in support of pilot production of V Ÿ I Chips.

5. Product Warranties

The Company generally offers a two-year warranty for all of its products. The Company provides for the estimated cost of product warranties at the time product revenue is recognized. Factors that affect the Company's warranty reserves include the number of units sold, historical and anticipated rates of warranty returns and the cost per return. The Company periodically assesses the adequacy of the warranty reserves and adjusts the amounts as necessary. Warranty obligations are included in accrued expenses in the accompanying condensed consolidated balance sheets.

Product warranty activity for the nine months ended September 30, 2005 was as follows (in thousands):

Balance as of December 31, 2004	$ 1,042
Accruals for warranties for products sold in the period	138
Fulfillment of warranty obligations	(137)
Revisions of estimated obligations	(220)
Balance as of September 30, 2005	$ 823

6. Income Taxes

Tax provisions in 2005 and 2004 have been provided for estimated income taxes due in various state and international taxing jurisdictions for which losses incurred by the Company cannot be offset, for federal and state taxes for certain minority-owned subsidiaries that are not part of the Company's consolidated income tax returns, and for the Federal alternative minimum tax. In the third quarter of 2005, the Company reduced its tax reserves by $770,000 due to closing tax periods in certain jurisdictions. In the

VICOR CORPORATION

Notes to Condensed Consolidated Financial Statements (Continued)
September 30, 2005
(Unaudited)

6. Income Taxes (Continued)

third quarter of 2004, the Company provided additional tax expense for potential liabilities related to certain jurisdictions under examination aggregating $950,000, partially offset by a reduction in the tax reserves for certain jurisdictions due to tax periods closing aggregating $650,000.

The Company operates in numerous taxing jurisdictions and is, therefore, subject to a variety of income and related taxes. The Company has provided for potential tax liabilities due in various jurisdictions which it judges to be probable and reasonably estimable in accordance with Statement of Financial Accounting Standards No. 5 "Accounting for Contingencies." Judgment is required in determining the income tax expense and related tax liabilities. In the ordinary course of business, there are transactions and calculations where the ultimate tax outcome is uncertain. The Company believes it has reasonably estimated its accrued taxes for all jurisdictions for all open tax periods. The Company assesses the adequacy of its tax and related accruals on a quarterly basis and adjusts appropriately as events warrant and open tax periods close. It is possible that the final tax outcome of these matters will be different from management's estimate reflected in the income tax provisions and accrued taxes. Such differences could have a material impact on the Company's income tax provision and operating results in the period in which such determination is made.

7. Comprehensive Income (Loss)

The following table sets forth the computation of comprehensive income (loss) for the three and nine months ended September 30 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
Net income (loss)	$ 1,708	$ (572)	$ 1,836	$ (1,701)
Foreign currency translation income (loss)	(12)	8	(81)	(3)
Unrealized gains (losses) on available for sale securities	9	98	(8)	(171)
Comprehensive income (loss)	$ 1,705	$ (466)	$ 1,747	$ (1,875)

8. Legal Proceedings

Vicor and VLT, Inc. ("VLT"), a wholly owned subsidiary of the Company, are pursuing Reset Patent infringement claims directly against Artesyn Technologies, Lucent Technologies and Tyco Electronics Power Systems, Inc. in the United States District Court in Boston, Massachusetts. The lawsuit against Lucent was filed in May 2000 and in April 2001, the Company added Tyco Electronics as a defendant in that lawsuit. The lawsuit against Artesyn was filed in February 2001. In January 2003, the District Court issued a pre-trial decision in each of these patent infringement lawsuits relating to claim construction of the Reset Patent. The District Court's decisions rejected assertions that the Reset Patent claims are

VICOR CORPORATION

Notes to Condensed Consolidated Financial Statements (Continued)
September 30, 2005
(Unaudited)

8. Legal Proceedings (Continued)

invalid for indefiniteness; and affirmed Vicor's interpretation of several terms used in the Reset Patent claims. However, the District Court adopted interpretations of certain terms of the Reset Patent claims that are contrary to Vicor's position. On May 24, 2004, the United States Court of Appeals for the Federal Circuit affirmed the decisions issued in January 2003 by the District Court. Vicor believes that the District Court's decisions, and the affirmation of these decisions by the Federal Circuit, strengthens its position regarding validity of the patent, but reduces the cumulative amount of infringing power supplies and the corresponding amount of potential damages. The Federal Circuit has referred the proceedings back to the District Court for trials on validity of the Reset Patent and infringement and damages by Lucent, Tyco and Artesyn.

In the second quarter of 2005, the Company entered into a settlement agreement with Lambda Americas, Inc., successor to Lambda Electronics, Inc., under which the Company received a payment of $2,500,000 in full settlement of the Company's Reset Patent claims against Lambda and which settled the lawsuit that the Company had filed against Lambda in June 2001. The full amount of the payment, net of a $250,000 contingency fee paid by the Company to its litigation counsel, has been included in gain from litigation-related settlement, net in the accompanying condensed consolidated statement of operations. The District Court has not yet set dates for the remaining trials. There can be no assurance that Vicor and VLT will ultimately prevail with respect to any of these claims or, if they prevail, as to the amount of damages that would be awarded.

In May 2004, Ericsson Wireless Communications, Inc. v. Vicor Corporation was filed in Superior Court of the State of California, County of San Diego. The plaintiff has brought an action against the Company claiming unspecified damages for failure of out-of warranty products previously purchased by it from the Company. In November 2004, Ericsson filed a First Amended Complaint adding claims against Exar Corporation, a former vendor of the Company. The Company filed cross-claims against Exar, and third-party claims against Rohm Device USA, LLC and Rohm Co., Ltd., the original manufacturer(s) of the component which Exar sold to the Company. The Company has denied the claims made against it.

On March 4, 2005, Exar filed a declaratory judgment action against Vicor in the Superior Court of the State of California, County of Santa Clara, in which Exar seeks a declaration by the Court that Exar is not obligated to reimburse or indemnify Vicor for any claims brought against Vicor for alleged damages incurred as a result of the use of Exar components in Vicor products. The Company has brought cross-claims against Exar, and third-party claims against Rohm Device USA, LLC and Rohm Co., Ltd., for declaratory judgment. The Company has denied the claims made against it.

In addition, the Company is involved in certain other litigation incidental to the conduct of its business. While the outcome of lawsuits and claims against the Company cannot be predicted with certainty, management does not expect any current litigation or claims to have a material adverse impact on the Company's financial position or results of operations.

VICOR CORPORATION

Notes to Condensed Consolidated Financial Statements (Continued)
September 30, 2005
(Unaudited)

9. Impact of Recently Issued Accounting Standards

In November 2004, the FASB issued Statement of Financial Accounting Standards No. 151, “Inventory Costs, an amendment of Accounting Research Bulletin (ARB) No. 43, Chapter 4” (“FAS 151”). FAS 151 amends the guidance in ARB No 43, Chapter 4, “Inventory Pricing” to clarify that abnormal amounts of idle facility expense, freight, handling costs, and wasted material (spoilage) should be recognized as current-period charges. In addition, FAS 151 requires that allocation of fixed production overhead to the costs of conversion be based on the normal capacity of the production facilities. The provisions of FAS 151 are effective for fiscal years beginning after June 15, 2005. The Company is currently evaluating the provisions of FAS 151 and does not believe that its adoption will have a material impact on the Company’s financial position or results of operations.

In December 2004, the FASB issued Statement of Financial Accounting Standards No. 123 (revised 2004), “Share-Based Payment” (FAS 123R), which is a revision of FAS No. 123, “Accounting for Stock-Based Compensation”. FAS 123(R) supersedes APB Opinion No. 25, “Accounting for Stock Issued to Employees”, and amends SFAS No. 95, “Statement of Cash Flows”. Generally, the approach in FAS 123(R) is similar to the approach described in FAS 123. However, FAS 123(R) requires all share-based payments to employees, including grants of employee stock options, to be recognized in the income statement based on their fair values at the date of grant. Pro forma disclosure is no longer an alternative.

FAS 123(R) permits public companies to adopt its requirements using one of two methods. A “modified prospective” method in which compensation cost is recognized beginning with the effective date (a) based on the requirements of FAS 123(R) for all share-based payments granted after the effective date and (b) based on the requirements of FAS 123 for all awards granted to employees prior to the effective date of FAS 123(R) that remain unvested on the effective date. A “modified retrospective” method which includes the requirements of the modified prospective method described above, but also permits entities to restate based on the amounts previously recognized under FAS 123 for purposes of pro forma disclosures either (a) all prior periods presented or (b) prior interim periods of the year of adoption. The Company has yet to determine which method to use in adopting FAS 123(R).

As permitted by FAS 123, the Company currently accounts for share-based payments to employees using APB Opinion No. 25’s intrinsic value method and, as such, generally recognizes no compensation cost for employee stock options. Accordingly, the adoption of FAS 123(R)’s fair value method will have a significant impact on the Company’s results of operations, although it will have no impact on the Company’s overall financial position. The Company is evaluating FAS 123(R) and has not yet determined the amount of stock option expense which will be incurred in future periods.

The Company will be required to adopt FAS 123(R) on January 1, 2006, the commencement of its first quarter of fiscal 2006.

VICOR CORPORATION

Notes to Condensed Consolidated Financial Statements (Continued)
September 30, 2005
(Unaudited)

10. Reclassification

Certain amounts in the 2004 financial statements were reclassified to conform to the 2005 presentation.

11. Dividend

On June 24, 2005, the Company's Board of Directors approved an annual cash dividend for 2005 of $.12 per share of the Company's stock. The total dividend of approximately $5,025,000 was paid on August 31, 2005 to shareholders of record at the close of business on August 11, 2005.

Dividends are declared at the discretion of the Company's Board of Directors and depend on actual cash from operations, the Company's financial condition and capital requirements and any other factors the Company's Board of Directors may consider relevant.

VICOR CORPORATION

Management's Discussion and Analysis of
Financial Condition and Results of Operations
September 30, 2005

Item 2 — Management's Discussion and Analysis of Financial Condition and Results of Operations

Except for historical information contained herein, some matters discussed in this report constitute 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. The words "believes," "expects," "anticipates," "intend," "estimate," "plans," "assumes," "may," "will," "would," "should," "continue," "prospective," "project," and other similar expressions identify forward-looking statements. These statements are based upon the Company's current expectations and estimates as to the prospective events and circumstances which may or may not be within the Company's control and as to which there can be no assurance. Actual results could differ materially from those projected in the forward-looking statements as a result of various factors, including 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 realize significant royalties under the license agreements, to achieve a sustainable increased bookings rate over a longer period, to hire key personnel and build our business units, and to successfully leverage the V Ÿ I Chips in standard products to promote market acceptance of Factorized Power, factors impacting the Company's various end markets, including Consumer Electronics, Communications, Information Technology and Automotive, as well as those factors described in the risk factors set forth in this report and in the Company's Annual Report on Form 10-K for the year ended December 31, 2004. Reference is made in particular to the discussions set forth below in this report under "Management's Discussion and Analysis of Financial Condition and Results of Operations," and set forth in the Annual Report on Form 10-K under Part I, Item 1 — "Business — Second-Generation Automated Manufacturing Line," "—Competition," "—Patents," "—Licensing," and "—Risk Factors," under Part I, Item 3 — "Legal Proceedings," and under Part II, Item 7 — "Management's Discussion and Analysis of Financial Condition and Results of Operations." 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 Securities and Exchange Commission from time to time, including Forms 10-Q, 8-K and 10-K, which may supplement, modify, supersede or update those risk factors. The Company does not undertake any obligation to update any forward-looking statements as a result of future events or developments.

Critical Accounting Policies and Estimates

Please refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2004 for a complete summary of the critical accounting policies and estimates.

Inventories

Inventories are valued at the lower of cost (first-in, first-out method) or market. The Company employs a variety of methodologies to determine the amount of inventory reserve. Historically, the Company estimated reserves for its inventory at all significant locations based upon its known backlog and historical usage, and assumptions about future demand and market conditions. In the second quarter of 2005, the Company revised its method for estimating inventory reserves at the Andover location, its principal manufacturing location. The revised model is based upon a comparison of on-hand quantities to projected demand, without reference to historical usage, such

VICOR CORPORATION

Management's Discussion and Analysis of
Financial Condition and Results of Operations
September 30, 2005
(Continued)

that amounts on-hand in excess of three-year projected usage are fully reserved. While we have used our best efforts and believe we have used the best available information to estimate future demand, due to uncertainty in the economy and our business and the inherent difficulty in predicting future demand, it is possible that actual demand for our products will differ materially from our estimates. If actual future demand or market conditions are less favorable than those projected by management, additional inventory reserves for existing inventories may need to be recorded in future periods.

Results of Operations

Three months ended September 30, 2005 compared to three months ended September 30, 2004

Net revenues for the third quarter of 2005 were $45,298,000, an increase of $2,250,000, or 5.2%, as compared to $43,048,000 for the same period a year ago, and an increase of 1.6% on a sequential basis from the second quarter of 2005. The increase in net revenues from the prior year resulted from an increase in shipments of standard and custom products. The book-to-bill ratio for the third quarter of 2005 was 1.03:1 as compared to 0.94:1 for the third quarter of 2004 and 0.99:1 in the second quarter of 2005.

Gross margin for the third quarter of 2005 increased $2,783,000, or 17.1%, to $19,014,000 from $16,231,000 for the third quarter of 2004, and increased to 42.0% from 37.7% as a percentage of net revenues. The primary components of the increase in gross margin dollars and percentage were due to the increase in net revenues and an increase in manufacturing efficiencies resulting in lower average unit costs.

Selling, general and administrative expenses were $10,144,000 for the period, an increase of $3,000, or 0.0%, from the same period in 2004. As a percentage of net revenues, selling, general and administrative expenses decreased to 22.4% from 23.6%. The principal components of the $3,000 increase were $126,000, or 18.8%, of increased costs associated with the Vicor Integration Architects ("VIAs") and $100,000 of increased bad debt expense. The principal components partially offsetting the above increases were $108,000, or 18.6%, in decreased depreciation expense, due to certain computer hardware and software becoming fully depreciated in 2004 and $99,000, or 2.2%, in decreased compensation expense.

Research and development expenses increased $884,000, or 13.2%, to $7,590,000, and increased as a percentage of net revenues to 16.8% from 15.6%. The principal components of the $884,000 increase were $487,000, or 12.0%, in increased compensation expense, $232,000, or 25.8%, in increased project material costs, $68,000, or 19.9%, in increased facilities costs and $56,000, or 96.4%, in increased personnel expense, primarily due to employment recruiting and relocation costs. The increases in compensation expense, project materials and personnel expenses were principally due to the development efforts associated with the Company's new Factorized Power Architecture ("FPA") products. The Company has a long-term commitment to investing in new product design and development in order to maintain and improve its competitive position.

VICOR CORPORATION

Management's Discussion and Analysis of
Financial Condition and Results of Operations
September 30, 2005
(Continued)

The major changes in the components of the other income (expense), net were as follows (in thousands):

	2005	2004	Increase (decrease)
Interest income	$ 809	$ 461	$ 348
Foreign currency losses	(91)	(19)	(72)
Minority interest in net income of subsidiaries	(338)	(41)	(297)
Adjustments to VAT refunds	—	220	(220)
Other than temporary decline in Scipher plc investment	—	(43)	43
Other	(119)	(34)	(85)
	$ 261	$ 544	$ (283)

The increase in interest income is due to higher interest rates and higher average balances on the Company's cash equivalents and short-term investments. The increase in foreign currency losses is due to the unfavorable exchange rates in 2005 as compared to 2004.

Income before income taxes was $1,541,000 for the third quarter of 2005 compared to a loss of $72,000 for the same period in 2004.

Tax provisions in 2005 and 2004 have been provided for estimated income taxes due in various state and international taxing jurisdictions for which losses incurred by the Company cannot be offset, for federal and state taxes for certain minority-owned subsidiaries that are not part of the Company's consolidated income tax returns, and for the Federal alternative minimum tax. In the third quarter of 2005, the Company reduced its tax reserves by $770,000 due to closing tax periods in certain jurisdictions. In the third quarter of 2004, the Company provided additional tax expense for potential liabilities related to certain jurisdictions under examination aggregating $950,000, partially offset by a reduction in the tax reserves for certain jurisdictions due to tax periods closing aggregating $650,000.

Diluted income per share was $0.04 for the third quarter of 2005 compared to a diluted loss per share of $(0.01) for the third quarter of 2004.

Nine months ended September 30, 2005 compared to nine months ended September 30, 2004

Net revenues for the first nine months of 2005 were $133,057,000, an increase of $2,114,000, or 1.6%, as compared to $130,943,000 for the same period a year ago. The increase in net revenues resulted from an increase in shipments of standard and custom products. Orders during the first nine months of 2005 increased by 12.3%

compared with the last nine months of 2004. The book-to-bill ratio was 1.04:1 for the first nine months of 2005 compared to 1.01:1 for the same period a year ago, and 0.95:1 for the last nine months of 2004.

Gross margin for the first nine months of 2005 increased $3,027,000, or 6.2%, to $51,638,000 from $48,611,000, and increased to 38.8% from 37.1% as a percentage of net revenues. The primary components of the increase in gross margin dollars and percentage were due to the increase in net revenues and an increase in manufacturing efficiencies resulting in lower average unit costs. These increases were partially offset by an increase in inventory reserve expense of approximately $3,100,000 compared with the first nine months of 2004. During the second quarter of 2005, the Company provided reserves of approximately $1,600,000 for potential obsolete inventory arising primarily from the European Union Restriction of Hazardous Substances ("RoHS") initiative and the conversion of second-generation products to the FasTrak platform. In addition, the Company identified other slow-moving and potential obsolete inventory of approximately $1,200,000, of which $300,000 related to raw material inventories in support of pilot production of V Ÿ I Chips.

Selling, general and administrative expenses were $30,385,000 for the period, a decrease of $541,000, or 1.7%, over the same period in 2004. As a percentage of net revenues, selling, general and administrative expenses decreased to 22.8% from 23.6% primarily due to the increase in net revenues. The principal components of the $541,000 decrease were $1,080,000, or 60.4%, of decreased legal fees and $372,000, or 20.5%, of decreased depreciation expense, primarily due to certain computer hardware and software becoming fully depreciated in 2004. The overall decrease in legal expense was primarily due to litigation with Exar Corporation that was settled in July 2004. The principal components partially offsetting the above decreases were $337,000, or 8.0%, in increased costs associated with Vicor Japan Co., Ltd. and the VIAs, $173,000, or 23.6%, in increased audit and tax fees due to the requirements of complying with the Sarbanes-Oxley Act of 2002 and $157,000, or 10.6%, in increased advertising expenses.

Research and development expenses increased $2,912,000, or 15.2%, to $22,066,000 and increased as a percentage of net revenues to 16.6% from 14.6%. The principal components of the $2,912,000 increase were $1,678,000, or 14.4%, of increased compensation expense, principally due to increased headcount, $697,000, or 28.5%, of increased project material costs, $141,000, or 88.9%, in increased supplies and $140,000, or 13.2%, of increased facilities costs. The increases in compensation expense, project material costs and supplies were principally due to the development efforts associated with the Company's new FPA products.

In the second quarter of 2005, the Company entered into a settlement agreement with Lambda Americas, Inc., successor to Lambda Electronics, Inc., under which the Company received a payment of $2,500,000 in full settlement of the Company's Reset Patent claims against Lambda and which settled the lawsuit that the Company had filed against Lambda in June 2001. The full amount of the payment, net of a $250,000 contingency fee paid by the Company to its litigation counsel, has been included in gain from litigation-related settlement, net in the accompanying condensed consolidated statement of operations.

VICOR CORPORATION

Management's Discussion and Analysis of
Financial Condition and Results of Operations
September 30, 2005
(Continued)

The major changes in the components of the other income (expense), net were as follows (in thousands):

	2005	2004	Increase (decrease)
Interest income	$ 2,150	$ 1,214	$ 936
Minority interest in net income of subsidiaries	(659)	(437)	(222)
Foreign currency losses	(525)	(72)	(453)
Adjustments to VAT refunds	—	220	(220)
Other than temporary decline in Scipher plc investment	—	(70)	70
Other	(28)	(2)	(26)
	$ 938	$ 853	$ 85

The increase in interest income is due to higher interest rates and higher average balances on the Company's cash equivalents and short-term investments. The increase in foreign currency losses is due to the unfavorable exchange rates in 2005 as compared to 2004.

Income before income taxes was $2,375,000 compared to a loss before income taxes of $616,000 for the same period in 2004.

Tax provisions in 2005 and 2004 have been provided for estimated income taxes due in various state and international taxing jurisdictions for which losses incurred by the Company cannot be offset, for federal and state taxes for certain minority-owned subsidiaries that are not part of the Company's consolidated income tax returns, and for the Federal alternative minimum tax. In the third quarter of 2005, the Company reduced its tax reserves by $770,000 due to closing tax periods in certain jurisdictions. In the third quarter of 2004, the Company provided additional tax expense for potential liabilities related to certain jurisdictions under examination aggregating $950,000, partially offset by a reduction in the tax reserves for certain jurisdictions due to tax periods closing aggregating $650,000.

Diluted income per share was $0.04 for the first nine months of 2005, compared to diluted loss per share of $(0.04) for the first nine months of 2004.

VICOR CORPORATION

Management's Discussion and Analysis of
Financial Condition and Results of Operations
September 30, 2005
(Continued)

Liquidity and Capital Resources

At September 30, 2005 the Company had $46,088,000 in cash and cash equivalents. The ratio of current assets to current liabilities was 8.3:1 at September 30, 2005 compared to 8.6:1 at December 31, 2004. Working capital increased $1,584,000, from $148,419,000 at December 31, 2004 to $150,003,000 at September 30, 2005. The primary factors affecting the working capital increase were an increase in cash and cash equivalents of $9,811,000 and accounts receivable of $3,955,000. These increases were partially offset by a decrease in inventory of $7,995,000 and short-term investments of $3,391,000, and an increase in current liabilities of $1,029,000. The primary sources of cash for the nine months ended September 30, 2005 were $20,303,000 from operating activities, $2,914,000 of net sales of short-term investments and $1,724,000 in net proceeds from the issuance of Common Stock upon the exercise of stock options. The primary uses of cash for the nine months ended September 30, 2005 were for the acquisition of equipment of approximately $6,571,000, the payment of a Common Stock dividend of $5,025,000 and the acquisition of treasury stock for $3,277,000.

The Company's primary liquidity needs are for making continuing investments in manufacturing equipment, much of which is built internally, particularly equipment for the Company's new FPA products. The internal construction of manufacturing machinery, in order to provide for additional manufacturing capacity, is a practice which the Company expects to continue in the future. The Company expects capital spending to increase in 2005 as compared to 2004. In April 2005, management authorized the purchase of approximately $4,000,000 of FPA equipment during the remainder of the year. As of September 30, 2005, the Company has spent approximately $2,500,000 and is on target to spend the balance by year-end.

In November 2000, the Board of Directors of the Company authorized the repurchase of up to $30,000,000 of the Company's Common Stock (the "November 2000 Plan"). The November 2000 Plan authorizes the Company to make such repurchases from time to time in the open market or through privately negotiated transactions. The timing and amounts of stock repurchases are at the discretion of management based on its view of economic and financial market conditions. The Company spent approximately $3,277,000 for the repurchase of 312,700 shares of Common Stock during the nine months ended September 30, 2005. As of September 30, 2005, the Company had approximately $21,643,000 remaining under the plan.

On June 24, 2005, the Company's Board of Directors approved an annual cash dividend for 2005 of $.12 per share of the Company's stock. The total dividend of approximately $5,025,000 was paid on August 31, 2005 to shareholders of record at the close of business on August 11, 2005.

The Company believes that cash generated from operations and the total of its cash and cash equivalents, together with other sources of liquidity, will be sufficient to fund planned operations and capital equipment purchases for the foreseeable future. At September 30, 2005, the Company had approximately $1,568,000 of capital expenditure commitments.

The Company does not consider the impact of inflation and changing prices on its business activities or fluctuations in the exchange rates for foreign currency transactions to have been significant during the last three fiscal years.

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VICOR CORPORATION

September 30, 2005

Item 3 — Quantitative and Qualitative Disclosures About Market Risk

The Company is exposed to a variety of market risks, including changes in interest rates affecting the return on its cash and cash equivalents and short-term investments and fluctuations in foreign currency exchange rates. As the Company's cash and cash equivalents consist principally of money market securities, which are short-term in nature, the Company's exposure to market risk on interest rate fluctuations for these investments is not significant. The Company's short-term investments consist mainly of corporate debt securities. These debt securities are all highly rated investments, in which a significant portion have interest rates reset at auction at regular intervals. As a result, the Company believes there is minimal market risk to these investments.

The Company's exposure to market risk for fluctuations in foreign currency exchange rates relates primarily to the operations of Vicor Japan Company, Ltd. ("VJCL") and changes in the dollar/yen exchange rate. The Company believes that this market risk is currently not material due to the relatively small size of VJCL's operations. In addition, the functional currency of the Company's subsidiaries in Europe and Hong Kong is the U.S. Dollar. Therefore, the Company believes that market risk is mitigated since these operations are not exposed to foreign exchange fluctuations.

Item 4 — Controls and Procedures

(a) Disclosure controls and procedures.

As required by Rule 13a-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Company's management conducted an evaluation with the participation of the Company's Chief Executive Officer and Chief Financial Officer, regarding the effectiveness of the Company's disclosure controls and procedures, as of the end of the last fiscal quarter. In designing and evaluating the Company's disclosure controls and procedures, the Company and its management recognize that any controls and procedures, no matter how well designed and operated, can provide only a reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in evaluating and implementing possible controls and procedures. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that they believe the Company's disclosure controls and procedures are reasonably effective to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. We intend to continue to review and document our disclosure controls and procedures, including our internal controls and procedures for financial reporting, and we may from time to time make changes to the disclosure controls and procedures to enhance their effectiveness and to ensure that our systems evolve with our business.

The Company's management, including the CEO and CFO, does not expect that our disclosure controls or our internal control over financial reporting will prevent or detect all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of controls effectiveness to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

(b) Changes in internal control over financial reporting.

There were no changes in the Company's internal control over financial reporting identified in connection with the Company's evaluation of internal control over financial reporting that occurred during the Company's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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VICOR CORPORATION

Part II — Other Information
September 30, 2005

Item 1 — Legal Proceedings

Not applicable.

Item 2 — Unregistered Sales of Equity Securities and Use of Proceeds

Not applicable.

Item 3 — Defaults Upon Senior Securities

Not applicable.

Item 4 — Submission of Matters to a Vote of Security Holders

Not applicable.

Item 5 — Other Information

Not applicable.

Item 6 – Exhibits

Exhibit Number	Description
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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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 thereunto duly authorized.

VICOR CORPORATION

Date: November 4, 2005	By: /s/ Patrizio Vinciarelli Patrizio Vinciarelli President, Chief Executive Officer and Chairman of the Board (Principal Executive Officer)
Date: November 4, 2005	By: /s/ Mark A. Glazer Mark A. Glazer Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

Exhibit 31.1

CERTIFICATIONS

I, Patrizio Vinciarelli, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Vicor Corporation;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 4, 2005

/s/ Patrizio Vinciarelli

Patrizio Vinciarelli
Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Mark A. Glazer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Vicor Corporation;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 4, 2005

/s/ Mark A. Glazer

Mark A. Glazer

Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Vicor Corporation (the "Company") on Form 10-Q for the period ending September 30, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Patrizio Vinciarelli, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Patrizio Vinciarelli
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Patrizio Vinciarelli
President, Chairman of the Board and
Chief Executive Officer

November 4, 2005

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Vicor Corporation (the "Company") on Form 10-Q for the period ending September 30, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark A. Glazer, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Mark A. Glazer
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Mark A. Glazer
Chief Financial Officer

November 4, 2005

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.