SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2000

|_| 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 |X| No |_|

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of June 30, 2000.

Common Stock, $.01 par value	30,187,279
Class B Common Stock, $.01 par value	11,993,348

VICOR CORPORATION

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VICOR CORPORATION

Condensed Consolidated Balance Sheet
(In thousands)
(Unaudited)

Assets	June 30, 2000	December 31, 1999
Current assets:		
Cash and cash equivalents	$ 71,295	$ 69,109
Accounts receivable, net	39,865	32,465
Inventories, net	38,768	33,360
Other current assets	6,566	6,940
Total current assets	156,494	141,874
Property, plant and equipment, net	109,157	109,079
Notes receivable	8,674	8,698
Other assets	8,112	9,254
	$ 282,437	$ 268,905
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 10,941	$ 10,317
Accrued compensation and benefits	4,450	3,553
Accrued liabilities	8,201	4,987
Total current liabilities	23,592	18,857
Deferred income taxes	5,515	5,515
Stockholders' equity:		
Preferred Stock	--	--
Class B Common Stock	120	121
Common Stock	360	356
Additional paid-in capital	130,341	124,451
Retained earnings	201,310	185,979
Accumulated other comprehensive income	637	889
Treasury stock, at cost	(79,438)	(67,263)
Total stockholders' equity	253,330	244,533
	$ 282,437	$ 268,905

Note: The balance sheet at December 31, 1999 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.

See accompanying notes.

VICOR CORPORATION

Condensed Consolidated Statement of Income
(In thousands except per share data)
(Unaudited)

	Three Months Ended June 30, 2000	Three Months Ended June 30, 1999	Six Months Ended June 30, 2000	Six Months Ended June 30, 1999
Net revenues:				
Product	$ 59,985	$ 42,446	$115,171	$ 76,842
License	2,793	2,362	5,393	9,930
	62,778	44,808	120,564	86,772
Costs and expenses:				
Cost of revenue	35,622	26,007	68,641	49,283
Selling, general and administrative	10,607	8,554	20,880	17,443
Research and development	5,348	4,869	10,619	10,020
	51,577	39,430	100,140	76,746
Income from operations	11,201	5,378	20,424	10,026
Other income	791	752	1,955	1,494
Income before income taxes	11,992	6,130	22,379	11,520
Provision for income taxes	3,777	1,962	7,048	3,687
Net income	$ 8,215	$ 4,168	$ 15,331	$ 7,833
Net income per common share:				
Basic	$ 0.19	$ 0.10	$ 0.36	$ 0.19
Diluted	$ 0.19	$ 0.10	$ 0.35	$ 0.19
Shares used to compute net income per share:				
Basic	42,155	41,328	42,319	41,429
Diluted	43,125	42,155	43,233	42,040

See accompanying notes.

VICOR CORPORATION

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

	Six Months Ended	
	June 30, 2000	June 30, 1999
Operating activities:		
Net income	$ 15,331	$ 7,833
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	9,068	7,594
Loss on disposal of equipment	166	75
Change in current assets and liabilities, net	(7,838)	(12,320)
Net cash provided by operating activities	16,727	3,182
Investing activities:		
Additions to property, plant and equipment	(8,721)	(7,346)
Proceeds from sale of equipment	2	17
Decrease (increase) in notes receivable	24	(78)
Decrease (increase) in other assets	537	(814)
Net cash used in investing activities	(8,158)	(8,221)
Financing activities:		
Tax benefit relating to stock option plans	1,991	211
Proceeds from issuance of Common Stock	3,902	696
Acquisitions of treasury stock	(12,175)	(5,475)
Net cash used in financing activities	(6,282)	(4,568)
Effect of foreign exchange rates on cash	(101)	(297)
Net increase (decrease) in cash and cash equivalents	2,186	(9,904)
Cash and cash equivalents at beginning of period	69,109	58,897
Cash and cash equivalents at end of period	$ 71,295	$ 48,993

See accompanying notes.

VICOR CORPORATION

Notes to Condensed Consolidated Financial Statements
June 30, 2000
(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 only normal recurring adjustments) considered necessary for a fair presentation have been included. Operating results for the three- and six-month periods ended June 30, 2000 are not necessarily indicative of the results that may be expected for the year ended December 31, 2000. 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, 1999, contained in the Company's annual report filed on Form 10-K (File No. 0-18277) with the Securities and Exchange Commission.

2. Net Income per Share

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2000	1999	2000	1999
Numerator:				
Net Income	$ 8,215	$ 4,168	$15,331	$ 7,833
Denominator:				
Denominator for basic income per share-weighted average shares	42,155	41,328	42,319	41,429
Effect of dilutive securities:				
Employee stock options	970	827	914	611
Denominator for diluted income per share-adjusted weighted-average shares and assumed conversions	43,125	42,155	43,233	42,040
Basic income per share	$ 0.19	$ 0.10	$ 0.36	$ 0.19
Diluted income per share	$ 0.19	$ 0.10	$ 0.35	$ 0.19

VICOR CORPORATION

Notes to Condensed Consolidated Financial Statements
June 30, 2000
(Continued)

3. Inventories

Inventories are valued at the lower of cost (determined using the first-in, first-out method) or market. Inventories were as follows as of June 30, 2000 and December 31, 1999 (in thousands):

	June 30, 2000	December 31, 1999
Raw materials	$25,600	$22,924
Work-in-process	7,047	4,957
Finished goods	6,121	5,479
	$38,768	$33,360

4. Comprehensive Income

Total comprehensive income was $7,990,000 and $15,079,000 for the three and six months ended June 30, 2000, respectively, and $3,892,000 and $7,323,000 for the three and six months ended June 30, 1999, respectively. Other comprehensive income consisted of adjustments for foreign currency translation losses in the amounts of $225,000 and $252,000 for the three and six months ended June 30, 2000, respectively.

VICOR CORPORATION

Management's Discussion and Analysis of
Financial Condition and Results of Operations
June 30, 2000

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," "plan," "assumes," and other similar expressions identify forward-looking statements. Actual results could differ materially from those projected in the forward-looking statements as a result of 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, 1999. 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 Item 1 -- "Business -- Second-Generation Automated Manufacturing Line," "--Competition," "--Patents," "--Licensing," and "--Risk Factors," and under 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.

Results of Operations

Three months ended June 30, 2000 compared to three months ended June 30, 1999

Net revenues for the second quarter of 2000 were $62,778,000, an increase of $17,970,000 (40.1%) as compared to $44,808,000 for the same period a year ago. The growth in net revenues resulted primarily from a net increase in unit shipments of standard and custom products of approximately $17,539,000.

Gross margin increased $8,355,000 (44.4%) to $27,156,000 from $18,801,000, and increased as a percentage of net revenues from 42.0% to 43.3%. The primary component of the increase in gross margin dollars and percentage was the increase in net revenues.

Selling, general and administrative expenses were $10,607,000 for the period, an increase of $2,053,000 (24.0%) over the same period in 1999. As a percentage of net revenues, selling, general and administrative expenses decreased to 16.9% from 19.1%. The principal components of the $2,053,000 increase were $442,000 (38.5%) of increased sales commission expense, $426,000 (80.4%) of increased advertising costs, $418,000 (393.1%) of increased legal expenses and $227,000 (7.0%) of increased compensation expense.

Research and development expenses increased $479,000 (9.8%) to $5,348,000 and decreased as a percentage of net revenues to 8.5% from 10.9%. The principal component of the $479,000 increase was $544,000 (22.8%) of increased compensation expense.

VICOR CORPORATION

Management's Discussion and Analysis of
Financial Condition and Results of Operations
June 30, 2000
(continued)

Other income increased $39,000 (5.2%) from the same period a year ago, to $791,000. Other income is primarily comprised of interest income derived from invested cash and cash equivalents, as well as from a note receivable associated with the Company's real estate transaction. Interest income increased primarily due to an increase in cash and cash equivalent balances and an increase in average interest rates.

Income before income taxes was $11,992,000, an increase of $5,862,000 (95.6%) compared to the same period in 1999. As a percentage of net revenues, income before income taxes increased from 13.7% to 19.1% primarily due to the gross margin increase generated by the increased net revenues coupled with a decrease in operating expenses as a percentage of net revenues.

The effective tax rate for the second quarter of 2000 was 31.5%, compared to 32.0% for the same period in 1999.

Net income per share (diluted) was $.19 for the second quarter of 2000, compared to $.10 for the second quarter of 1999, an increase of $.09.

Six months ended June 30, 2000 compared to six months ended June 30, 1999

Net revenues for the first six months of 2000 were $120,564,000, an increase of $33,792,000 (38.9%) as compared to $86,772,000 for the same period a year ago. The growth in net revenues resulted primarily from an increase in unit shipments of standard and custom products of $38,329,000 offset by a decrease in license revenue of $4,537,000. The decrease in license revenue was primarily due to a non-recurring payment from a licensee for past use of Vicor's intellectual property in the first quarter of 1999.

Gross margin increased $14,434,000 (38.5%) to $51,923,000 from $37,489,000, and decreased as a percentage of net revenues from 43.2% to 43.1%. The primary component of the increase in gross margin dollars was the increase in net revenues. The primary component of the decrease in gross margin percentage was due to changes in revenue mix, partially offset by the increase in net revenues.

Selling, general and administrative expenses were $20,880,000 for the period, an increase of $3,437,000 (19.7%) over the same period in 1999. As a percentage of net revenues, selling, general and administrative expenses decreased to 17.3% from 20.1%. The principal components of the $3,437,000 increase were $1,029,000 (49.4%) of increased sales commission expense, $681,000 (71.5%) of increased advertising expenses, $542,000 (8.6%) of increased compensation expense, $363,000 (31.0%) of increased depreciation and amortization expense, and $334,000 of payroll tax expense associated with the exercise of stock options.

Research and development expenses increased $599,000 (6.0%) to $10,619,000 and decreased as a percentage of net revenues to 8.8% from 11.5%. The principal components of the $599,000 increase were $1,417,000 (32.1%) of increased compensation expense offset by a decrease of $684,000 (31.7%) in project material costs and $126,000 (23.1%) of decreased facilities costs.

VICOR CORPORATION

Management's Discussion and Analysis of
Financial Condition and Results of Operations
June 30, 2000
(continued)

Other income increased $461,000 (30.9%) from the same period a year ago, to $1,955,000. Other income is primarily comprised of interest income derived from invested cash and cash equivalents, as well as from a note receivable associated with the Company's real estate transaction. Interest income increased primarily due to an increase in cash and cash equivalent balances and an increase in average interest rates.

Income before income taxes was $22,379,000, an increase of $10,859,000 (94.3%) compared to the same period in 1999. As a percentage of net revenues, income before income taxes increased from 13.3% to 18.6% primarily due to the gross margin increase generated by the increased net revenues.

The effective tax rate for the six months ended June 30, 2000 was 31.5%, compared to 32.0% for the same period in 1999.

Net income per share (diluted) was $.35 for the six months ended June 30, 2000, compared to $.19 for the same period in 1999, an increase of $.16.

Liquidity and Capital Resources

At June 30, 2000 the Company had $71,295,000 in cash and cash equivalents. The ratio of current assets to current liabilities was 6.6:1 compared to 7.5:1 at December 31, 1999. Working capital increased $9,885,000, from $123,017,000 at December 31, 1999 to $132,902,000 at June 30, 2000. The primary factors affecting the working capital increase were an increase in cash, accounts receivable and inventories of $14,994,000, offset by an increase in current liabilities of $4,735,000. The primary uses of cash for the first six months of 2000 were for additions to property and equipment of $8,721,000 and the acquisition of treasury stock of $12,175,000.

The Company plans to make continuing investments in manufacturing equipment, much of which is built internally. The internal construction of manufacturing machinery, in order to provide for additional manufacturing capacity, is a practice which the Company expects to continue over the next several years.

In February 2000, the Board of Directors of the Company authorized the repurchase of up to $30,000,000 of the Company's Common Stock, of which approximately $21,000,000 remains available as of June 30, 2000. The plan authorizes the Company to make such repurchases from time to time in the open market or through privately negotiated transactions. The timing of this program and the amount of the stock that may be repurchased is at the discretion of management based on its view of economic and financial market conditions. During the six month period ended June 30, 2000, the Company spent $12,175,000 for the repurchase of its Common Stock under the current and a prior plan.

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 June 30, 2000, the Company had approximately $1,000,000 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.

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 fluctuations in foreign currency exchange rates. The Company's exposure to market risk for a change in interest rates relates primarily to the Company's cash and cash equivalents.

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 is not significant. 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"). The Company believes that this market risk is currently not material due to the relatively small size of VJCL's operations.

VICOR CORPORATION

Part II - Other Information
June 30, 2000

Item 1 - Legal Proceedings

The Company is involved in certain litigation incidental to the conduct of its business. While the outcome of lawsuits against the Company cannot be predicted with certainty, management does not expect any current litigation to have a material adverse impact on the Company.

Item 2 - Changes in Securities

Not applicable.

Item 3 - Defaults Upon Senior Securities

Not applicable.

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

The 2000 Annual Meeting of Stockholders of the Company was held on June 29, 2000. All nominees of the Board of Directors of the Company were re-elected for a one year term. Votes were cast in the election of the directors as follows:

Nominee	Votes For	Votes Withheld
Patrizio Vinciarelli	143,156,335	574,746
Estia J. Eichten	143,160,835	570,246
Barry Kelleher	143,069,679	661,402
Jay M. Prager	143,069,679	661,402
David T. Riddiford	143,451,573	279,508
M. Michael Ansour	143,449,673	281,408

There were 0 broker non-votes and 0 abstentions on this proposal.

A proposal to approve and ratify the Company's 2000 Stock Option and Incentive Plan was approved by the Company's stockholders. Votes were cast for the proposal as follows:

Votes For	Votes Against	Abstained
134,413,541	3,318,527	138,739

There were 5,860,274 broker non-votes on this proposal.

Item 5 - Other Information

Not applicable.

Item 6 - Exhibits and Reports on Form 8-K

a. Exhibits - 27.1 Financial Data Schedule
b. Reports on Form 8-K - none.

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: August 8, 2000 By: /s/ Patrizio Vinciarelli

Patrizio Vinciarelli
President and Chairman
of the Board

Date: August 8, 2000 By: /s/ Mark A. Glazer

Mark A. Glazer
Chief Financial Officer

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JAN-01-2000
JUN-30-2000
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