



Maria Quillard  
Xilinx, Inc.  
(408) 879-4988

## **XILINX REPORTS RECORD REVENUES AND PROFITS**

SAN JOSE, CA, JANUARY 11, 1996—Xilinx, Inc. (NASDAQ:XLNX) today reported sequential revenue and earnings growth for the third quarter ended December 30, 1995.

Revenues rose to \$144.1 million, up 58% from the \$91.3 million reported during the third quarter of fiscal 1995 and up 2% from the \$141.2 million in the immediately preceding quarter. Operating income totaled \$49.3 million, up 102% from the \$24.4 million reported in the same period last year and up 8% from the \$45.7 million reported in the September 1995 quarter. Net income rose 107% to \$32.2 million compared to last year's \$15.6 million and 8% above last quarter's \$29.8 million. Earnings per share were \$0.41, up from \$0.21 per share in the prior year's third quarter and up from \$0.37 per share in the immediately preceding quarter.

For the first nine months ended December 30, 1995, revenues increased 67% to \$411.1 million from \$245.9 million reported in last year's comparable period. Net income for the first nine months of fiscal 1996 rose 72% to \$67.6 million, or \$0.86 per share, as compared with \$39.4 million, or \$0.54 per share,

for the first nine months of fiscal 1995. Excluding the impact of non-recurring charges, operating income, net income, and earnings per share increased by 108%, 112%, and 98%, respectively.

From a profitability standpoint, this quarter set record levels. Gross margins increased to 64.1% of revenues from 63.4% last quarter due to continued improvement in manufacturing yields, the strength of the dollar and a changing product mix. Operationally, selling, general and administrative expenses as a percentage of revenues declined for the fourth consecutive quarter, as did research and development spending. These two factors combined to expand operating margins to a record level of 34.2%, up from last quarter's 32.3%.

While revenues increased sequentially, this quarter's performance was impacted by a slowdown in bookings, particularly in the early portion of the quarter. Highlights for this quarter included the growth of the XC5200 family, which is a cost-effective, high volume alternative to gate arrays. This family contributed \$2.8 million, or 2% of revenue, making it the fastest ramp of any new product family in the company's history. Proprietary products accounted for 85% of total revenues.

Inventory levels, which were at a low of 42 day's sales in the March quarter, rose this quarter to 47 days, although this continues to be below the corporate goal of 70 days. Xilinx's cash position increased significantly this

quarter due primarily to the completion of the \$250 million convertible debt offering in early November.

Looking ahead to the next quarter, Mr. Bernard V. Vonderschmitt, chief executive officer, stated, "We are encouraged by recent indications of a return to more normal bookings. Customer inventory corrections that we witnessed this past quarter appear to be mostly completed. Most importantly, we are encouraged by the new products that we have recently introduced which will begin to contribute meaningful revenues in calendar 1996."

Founded in 1984, Xilinx is the world's largest supplier of programmable logic solutions comprising industry leading device architectures and world class design software. Headquartered in San Jose, Calif., the company pioneered the market for field programmable gate array (FPGA) semiconductor devices that provide high integration and quick time-to-market for electronic equipment manufacturers in the computer, peripherals, telecommunications, networking, industrial control, instrumentation, and high-reliability/military markets.

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Note to editors: For more information on Xilinx, access our World Wide Web site at "<http://www.xilinx.com>". Xilinx is a registered trademark of Xilinx, Inc. All XC-prefix products referenced above are trademarks of Xilinx, Inc. Other brand or product names are trademarks or registered trademarks of their respective owners.

# XILINX, INC.

## Summary Consolidated Financial Statements (Thousands except per share amounts)

(Unaudited)	Three months ended			Nine months ended	
	Dec. 30, 1995	Dec. 31, 1994	Sep. 30, 1995	Dec. 30, 1995	Dec. 31, 1994
<b>CONSOLIDATED STATEMENT OF INCOME</b>					
<b>Revenues</b>	<b>\$ 144,123</b>	<b>\$ 91,283</b>	<b>\$ 141,212</b>	<b>\$ 411,095</b>	<b>\$ 245,940</b>
Cost of revenues	51,672	35,681	51,614	151,792	95,531
Research and development	16,228	11,015	16,652	47,733	32,580
Marketing, general and administrative	26,905	20,210	27,271	79,142	54,092
Operating income before non-recurring charges	49,318	24,377	45,675	132,428	63,737
Non-recurring charges (1)	-	-	-	19,366	2,500
<b>Operating income</b>	<b>49,318</b>	<b>24,377</b>	<b>45,675</b>	<b>113,062</b>	<b>61,237</b>
Interest income, net	1,375	540	1,295	4,470	1,811
<b>Income before taxes (1)</b>	<b>50,693</b>	<b>24,917</b>	<b>46,970</b>	<b>117,532</b>	<b>63,048</b>
Provision for income taxes	18,503	9,344	17,144	49,968	23,643
<b>Net income (1)</b>	<b>\$ 32,190</b>	<b>\$ 15,573</b>	<b>\$ 29,826</b>	<b>\$ 67,564</b>	<b>\$ 39,405</b>
<b>Net income per share (1),(2)</b>	<b>\$ .41</b>	<b>\$ .21</b>	<b>\$ .37</b>	<b>\$ .86</b>	<b>\$ .54</b>
Weighted average common and common equivalent shares outstanding (2)	79,106	74,777	79,601	78,732	73,548

(1) The results for the nine month period ended December 30, 1995 include a \$19.4 million write-off of in-process technology of NeoCAD, Inc. Excluding the impact of the write-off of in-process technology, income before taxes, net income and earnings per share were \$136.9 million, \$86.9 million and \$.10 respectively for the nine month period ended December 30, 1995.

(2) Shares and per share amounts have been restated for all periods presented to reflect the 3-for-1 stock split which was effective for the nine months ended September 30, 1995.

	Dec. 30, 1995	Apr. 1, 1995
<b>CONSOLIDATED BALANCE SHEET</b>		
<b>Current assets</b>		
Cash, cash equivalents and short term investments	\$ 385,739	\$ 122,884
Accounts receivable	70,927	43,901
Inventories	28,660	25,586
Advances for wafer purchases	18,780	42,000
Deferred income taxes and other current assets	28,579	21,795
<b>Total current assets</b>	<b>532,685</b>	<b>256,166</b>
<b>Property, plant and equipment, net</b>	<b>70,352</b>	<b>39,240</b>
<b>Restricted investments</b>	<b>36,170</b>	<b>12,625</b>
<b>Developed technology and other assets</b>	<b>31,832</b>	<b>12,909</b>
<b>Total assets</b>	<b>\$ 671,039</b>	<b>\$ 320,940</b>
<b>Current liabilities</b>		
Accounts payable, accrued liabilities and deferred income	\$ 91,015	\$ 74,778
Current obligations under capital leases	1,017	1,324
<b>Total current liabilities</b>	<b>92,032</b>	<b>76,102</b>
<b>Long-term debt</b>	<b>250,190</b>	<b>867</b>
<b>Stockholders' equity</b>		
Common stock and additional paid-in capital	95,202	77,920
Retained earnings	233,615	166,051
<b>Total stockholders' equity</b>	<b>328,817</b>	<b>243,971</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 671,039</b>	<b>\$ 320,940</b>