

## Power Integrations Reports Third-Quarter Financial Results

*Revenues increased two percent sequentially to \$125.5 million; GAAP earnings were \$0.34 per diluted share; non-GAAP earnings were \$0.46 per diluted share*

*Quarterly dividend rises by five percent to \$0.20 per share*

**SAN JOSE, CALIF. – November 7, 2023** – Power Integrations (NASDAQ: [POWI](#)) today announced financial results for the quarter ended September 30, 2023. Net revenues for the third quarter were \$125.5 million, up two percent compared to the prior quarter and down 22 percent from the third quarter of 2022. Net income for the third quarter was \$19.8 million or \$0.34 per diluted share compared to \$0.26 per diluted share in the prior quarter and \$0.80 per diluted share in the third quarter of 2022. Cash flow from operations for the third quarter was \$26.7 million.

In addition to its GAAP results, the company provided non-GAAP measures that for the third quarter of 2023 exclude stock-based compensation, amortization of acquisition-related intangible assets and the related tax effects. Non-GAAP net income for the third quarter of 2023 was \$26.6 million or \$0.46 per diluted share compared to \$0.36 per diluted share in the prior quarter and \$0.84 per diluted share in the third quarter of 2022. A reconciliation of GAAP to non-GAAP financial results is included with the tables accompanying this press release.

Commented Balu Balakrishnan, chairman and CEO of Power Integrations: "Our results and forecast reflect the broad-based demand weakness and elevated supply-chain inventories cited by many of our peers this quarter. Notwithstanding the uncertain short-term outlook, our products are winning in the market, design activity remains healthy, and we are making excellent progress on growth initiatives such as EVs, efficient drivers for brushless DC motors, and our proprietary GaN technology.

"We took the next step on our GaN roadmap last month with the introduction of InnoSwitch™ ICs incorporating a 1250-volt PowiGaN™ switch. This breakthrough not only extends the efficiency benefits of GaN to a wider range of applications but also demonstrates that GaN will be a more cost-effective alternative to silicon carbide in the years ahead."

Power Integrations paid a dividend of \$0.19 per share on September 29, 2023, and will pay a dividend of \$0.20 per share on December 29, 2023, to stockholders of record as of November 30, 2023. During the third quarter the company repurchased approximately 24,000 shares of its common stock for \$1.8 million. The company had \$73.4 million remaining on its repurchase authorization as of September 30, 2023.

### **Financial Outlook**

The company issued the following forecast for the fourth quarter of 2023:

- Revenues are expected to be \$90 million plus or minus \$5 million.
- Gross margins are expected to be similar to the third-quarter levels.
- GAAP operating expenses are expected to be approximately \$50 million; non-GAAP operating expenses are expected to be approximately \$42.5 million. Non-GAAP expenses are expected to exclude about \$7.5 million of stock-based compensation.

### **Conference Call Today at 1:30 p.m. Pacific Time**

Power Integrations management will hold a conference call today at 1:30 p.m. Pacific time. Members of the investment community can register for the call by visiting the following link: <https://conferencingportals.com/event/YTVcHvJE>. A live webcast of the call will also be available on the investor section of the company's website, <http://investors.power.com>.

### **About Power Integrations**

[Power Integrations, Inc.](#) is a leading innovator in semiconductor technologies for high-voltage power conversion. The company's products are key building blocks in the clean-power ecosystem, enabling the generation of renewable energy as well as the efficient transmission and consumption of power in applications ranging from milliwatts to megawatts. For more information, please visit [www.power.com](http://www.power.com).

### **Note Regarding Use of Non-GAAP Financial Measures**

In addition to the company's consolidated financial statements, which are presented according to GAAP, the company provides certain non-GAAP financial information that excludes stock-based compensation expenses recorded under ASC 718-10, amortization of acquisition-related intangible assets, net other operating expenses of \$1.1 million in the second quarter of 2022 stemming from a patent-litigation settlement and an offsetting recovery from the liquidation of SemiSouth Laboratories, and the tax effects of these items. The company uses these measures in its financial and operational decision-making and, with respect to one measure, in setting performance targets for compensation purposes. The company believes that these non-GAAP measures offer important analytical tools to help investors understand its operating results, and to facilitate comparability with the results of companies that provide similar measures. Non-GAAP measures have limitations as analytical tools and are not meant to be considered in isolation or as a substitute for GAAP financial information. For example, stock-based compensation is an important component of the company's compensation mix and will continue to result in significant expenses in the company's GAAP results for the foreseeable future but is not reflected in the non-GAAP measures. Also, other companies, including companies in Power Integrations' industry, may calculate non-GAAP measures differently, limiting their usefulness as comparative measures. Reconciliations of non-GAAP measures to GAAP measures are attached to this press release.

**Note Regarding Forward-Looking Statements**

The above statements regarding the company's forecast for its fourth-quarter financial performance and that GaN will be a more cost-effective alternative to silicon carbide are forward-looking statements reflecting management's current expectations and beliefs. These statements are based on current information that is, by its nature, subject to rapid and even abrupt change. Due to risks and uncertainties associated with the company's business, actual results could differ materially from those projected or implied by these statements. These risks and uncertainties include, but are not limited to: the company's ability to supply products and its ability to conduct other aspects of its business such as competing for new design wins; changes in global economic and geopolitical conditions, including such factors as inflation, armed conflicts and trade negotiations, which may impact the level of demand for the company's products; potential changes and shifts in customer demand away from end products that utilize the company's integrated circuits to end products that do not incorporate the company's products; the effects of competition, which may cause the company's revenues to decrease or cause the company to decrease its selling prices for its products; unforeseen costs and expenses; and unfavorable fluctuations in component costs or operating expenses resulting from changes in commodity prices and/or exchange rates. In addition, new product introductions and design wins are subject to the risks and uncertainties that typically accompany development and delivery of complex technologies to the marketplace, including product development delays and defects and market acceptance of the new products. These and other risk factors that may cause actual results to differ are more fully explained under the caption "Risk Factors" in the company's most recent Annual Report on Form 10-K, filed with the Securities and Exchange Commission on February 7, 2023. The company is under no obligation (and expressly disclaims any obligation) to update or alter its forward-looking statements, whether because of new information, future events or otherwise, except as otherwise required by law.

*Power Integrations, InnoSwitch, PowiGaN and the Power Integrations logo are trademarks or registered trademarks of Power Integrations, Inc. All other trademarks are property of their respective owners.*

**Contact:**

Joe Shiffler  
Power Integrations, Inc.  
(408) 414-8528  
[joe@power.com](mailto:joe@power.com)

**POWER INTEGRATIONS, INC.**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(in thousands, except per-share amounts)

|                                                       | <u>September 30, 2023</u> | <u>Three Months Ended<br/>June 30, 2023</u> | <u>September 30, 2022</u> | <u>Nine Months Ended</u>  |                           |
|-------------------------------------------------------|---------------------------|---------------------------------------------|---------------------------|---------------------------|---------------------------|
|                                                       | <u>\$</u>                 | <u>\$</u>                                   | <u>\$</u>                 | <u>September 30, 2023</u> | <u>September 30, 2022</u> |
| NET REVENUES                                          | 125,511                   | 123,223                                     | 160,233                   | \$ 355,031                | \$ 526,368                |
| COST OF REVENUES                                      | 59,566                    | 60,377                                      | 68,198                    | 172,283                   | 226,815                   |
| GROSS PROFIT                                          | 65,945                    | 62,846                                      | 92,035                    | 182,748                   | 299,553                   |
| OPERATING EXPENSES:                                   |                           |                                             |                           |                           |                           |
| Research and development                              | 24,064                    | 24,517                                      | 23,205                    | 72,562                    | 70,390                    |
| Sales and marketing                                   | 16,224                    | 17,017                                      | 14,700                    | 49,126                    | 46,840                    |
| General and administrative                            | 7,945                     | 8,671                                       | 5,759                     | 24,950                    | 21,432                    |
| Amortization of acquisition-related intangible assets | -                         | -                                           | -                         | -                         | 241                       |
| Other operating expenses, net                         | -                         | -                                           | -                         | -                         | 1,130                     |
| Total operating expenses                              | 48,233                    | 50,205                                      | 43,664                    | 146,638                   | 140,033                   |
| INCOME FROM OPERATIONS                                | 17,712                    | 12,641                                      | 48,371                    | 36,110                    | 159,520                   |
| OTHER INCOME                                          | 3,138                     | 2,714                                       | 1,001                     | 7,566                     | 2,229                     |
| INCOME BEFORE INCOME TAXES                            | 20,850                    | 15,355                                      | 49,372                    | 43,676                    | 161,749                   |
| PROVISION FOR INCOME TAXES                            | 1,054                     | 562                                         | 3,408                     | 2,212                     | 13,713                    |
| NET INCOME                                            | \$ 19,796                 | \$ 14,793                                   | \$ 45,964                 | \$ 41,464                 | \$ 148,036                |
| EARNINGS PER SHARE:                                   |                           |                                             |                           |                           |                           |
| Basic                                                 | \$ 0.34                   | \$ 0.26                                     | \$ 0.80                   | \$ 0.72                   | \$ 2.55                   |
| Diluted                                               | \$ 0.34                   | \$ 0.26                                     | \$ 0.80                   | \$ 0.72                   | \$ 2.52                   |
| SHARES USED IN PER-SHARE CALCULATION:                 |                           |                                             |                           |                           |                           |
| Basic                                                 | 57,383                    | 57,355                                      | 57,172                    | 57,282                    | 58,039                    |
| Diluted                                               | 57,741                    | 57,669                                      | 57,603                    | 57,711                    | 58,635                    |
| SUPPLEMENTAL INFORMATION:                             |                           |                                             |                           |                           |                           |
|                                                       | <u>September 30, 2023</u> | <u>Three Months Ended<br/>June 30, 2023</u> | <u>September 30, 2022</u> | <u>Nine Months Ended</u>  |                           |
|                                                       |                           |                                             |                           | <u>September 30, 2023</u> | <u>September 30, 2022</u> |
| Stock-based compensation expenses included in:        |                           |                                             |                           |                           |                           |
| Cost of revenues                                      | \$ 446                    | \$ 446                                      | \$ 172                    | \$ 1,193                  | \$ 727                    |
| Research and development                              | 2,895                     | 2,429                                       | 2,334                     | 7,992                     | 7,712                     |
| Sales and marketing                                   | 1,787                     | 1,621                                       | 1,267                     | 5,061                     | 4,392                     |
| General and administrative                            | 1,777                     | 2,256                                       | (755)                     | 6,779                     | 2,879                     |
| Total stock-based compensation expense                | \$ 6,905                  | \$ 6,752                                    | \$ 3,018                  | \$ 21,025                 | \$ 15,710                 |
| Cost of revenues includes:                            |                           |                                             |                           |                           |                           |
| Amortization of acquisition-related intangible assets | \$ 482                    | \$ 482                                      | \$ 482                    | \$ 1,446                  | \$ 1,446                  |
| REVENUE MIX BY END MARKET                             |                           |                                             |                           |                           |                           |
|                                                       | <u>September 30, 2023</u> | <u>Three Months Ended<br/>June 30, 2023</u> | <u>September 30, 2022</u> | <u>Nine Months Ended</u>  |                           |
|                                                       |                           |                                             |                           | <u>September 30, 2023</u> | <u>September 30, 2022</u> |
| Communications                                        | 32%                       | 28%                                         | 16%                       | 30%                       | 20%                       |
| Computer                                              | 10%                       | 14%                                         | 11%                       | 12%                       | 10%                       |
| Consumer                                              | 26%                       | 29%                                         | 32%                       | 26%                       | 35%                       |
| Industrial                                            | 32%                       | 29%                                         | 41%                       | 32%                       | 35%                       |

**POWER INTEGRATIONS, INC.**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO GAAP RESULTS**  
(in thousands, except per-share amounts)

|                                                                                       | Three Months Ended        |                      |                           | Nine Months Ended         |                           |
|---------------------------------------------------------------------------------------|---------------------------|----------------------|---------------------------|---------------------------|---------------------------|
|                                                                                       | <u>September 30, 2023</u> | <u>June 30, 2023</u> | <u>September 30, 2022</u> | <u>September 30, 2023</u> | <u>September 30, 2022</u> |
| <b>RECONCILIATION OF GROSS PROFIT</b>                                                 |                           |                      |                           |                           |                           |
| GAAP gross profit                                                                     | \$ 65,945                 | \$ 62,846            | \$ 92,035                 | \$ 182,748                | \$ 299,553                |
| GAAP gross margin                                                                     | 52.5%                     | 51.0%                | 57.4%                     | 51.5%                     | 56.9%                     |
| Stock-based compensation included in cost of revenues                                 | 446                       | 446                  | 172                       | 1,193                     | 727                       |
| Amortization of acquisition-related intangible assets                                 | 482                       | 482                  | 482                       | 1,446                     | 1,446                     |
| Non-GAAP gross profit                                                                 | \$ 66,873                 | \$ 63,774            | \$ 92,689                 | \$ 185,387                | \$ 301,726                |
| Non-GAAP gross margin                                                                 | 53.3%                     | 51.8%                | 57.8%                     | 52.2%                     | 57.3%                     |
| <b>RECONCILIATION OF OPERATING EXPENSES</b>                                           |                           |                      |                           |                           |                           |
| GAAP operating expenses                                                               | \$ 48,233                 | \$ 50,205            | \$ 43,664                 | \$ 146,638                | \$ 140,033                |
| Less: Stock-based compensation expense included in operating expenses                 |                           |                      |                           |                           |                           |
| Research and development                                                              | 2,895                     | 2,429                | 2,334                     | 7,992                     | 7,712                     |
| Sales and marketing                                                                   | 1,787                     | 1,621                | 1,267                     | 5,061                     | 4,392                     |
| General and administrative                                                            | 1,777                     | 2,256                | (755)                     | 6,779                     | 2,879                     |
| Total                                                                                 | 6,459                     | 6,306                | 2,846                     | 19,832                    | 14,983                    |
| Amortization of acquisition-related intangible assets                                 | -                         | -                    | -                         | -                         | 241                       |
| Other operating expenses, net                                                         | -                         | -                    | -                         | -                         | 1,130                     |
| Non-GAAP operating expenses                                                           | \$ 41,774                 | \$ 43,899            | \$ 40,818                 | \$ 126,806                | \$ 123,679                |
| <b>RECONCILIATION OF INCOME FROM OPERATIONS</b>                                       |                           |                      |                           |                           |                           |
| GAAP income from operations                                                           | \$ 17,712                 | \$ 12,641            | \$ 48,371                 | \$ 36,110                 | \$ 159,520                |
| GAAP operating margin                                                                 | 14.1%                     | 10.3%                | 30.2%                     | 10.2%                     | 30.3%                     |
| Add: Total stock-based compensation                                                   | 6,905                     | 6,752                | 3,018                     | 21,025                    | 15,710                    |
| Amortization of acquisition-related intangible assets                                 | 482                       | 482                  | 482                       | 1,446                     | 1,687                     |
| Other operating expenses, net                                                         | -                         | -                    | -                         | -                         | 1,130                     |
| Non-GAAP income from operations                                                       | \$ 25,099                 | \$ 19,875            | \$ 51,871                 | \$ 58,581                 | \$ 178,047                |
| Non-GAAP operating margin                                                             | 20.0%                     | 16.1%                | 32.4%                     | 16.5%                     | 33.8%                     |
| <b>RECONCILIATION OF PROVISION FOR INCOME TAXES</b>                                   |                           |                      |                           |                           |                           |
| GAAP provision for income taxes                                                       | \$ 1,054                  | \$ 562               | \$ 3,408                  | \$ 2,212                  | \$ 13,713                 |
| GAAP effective tax rate                                                               | 5.1%                      | 3.7%                 | 6.9%                      | 5.1%                      | 8.5%                      |
| Tax effect of adjustments to GAAP results                                             | (580)                     | (1,016)              | (1,116)                   | (2,097)                   | (2,497)                   |
| Non-GAAP provision for income taxes                                                   | \$ 1,634                  | \$ 1,578             | \$ 4,524                  | \$ 4,309                  | \$ 16,210                 |
| Non-GAAP effective tax rate                                                           | 5.8%                      | 7.0%                 | 8.6%                      | 6.5%                      | 9.0%                      |
| <b>RECONCILIATION OF NET INCOME PER SHARE (DILUTED)</b>                               |                           |                      |                           |                           |                           |
| GAAP net income                                                                       | \$ 19,796                 | \$ 14,793            | \$ 45,964                 | \$ 41,464                 | \$ 148,036                |
| Adjustments to GAAP net income                                                        |                           |                      |                           |                           |                           |
| Stock-based compensation                                                              | 6,905                     | 6,752                | 3,018                     | 21,025                    | 15,710                    |
| Amortization of acquisition-related intangible assets                                 | 482                       | 482                  | 482                       | 1,446                     | 1,687                     |
| Other operating expenses, net                                                         | -                         | -                    | -                         | -                         | 1,130                     |
| Tax effect of items excluded from non-GAAP results                                    | (580)                     | (1,016)              | (1,116)                   | (2,097)                   | (2,497)                   |
| Non-GAAP net income                                                                   | \$ 26,603                 | \$ 21,011            | \$ 48,348                 | \$ 61,838                 | \$ 164,066                |
| Average shares outstanding for calculation of non-GAAP net income per share (diluted) | 57,741                    | 57,669               | 57,603                    | 57,711                    | 58,635                    |
| Non-GAAP net income per share (diluted)                                               | \$ 0.46                   | \$ 0.36              | \$ 0.84                   | \$ 1.07                   | \$ 2.80                   |
| GAAP net income per share (diluted)                                                   | \$ 0.34                   | \$ 0.26              | \$ 0.80                   | \$ 0.72                   | \$ 2.52                   |

**POWER INTEGRATIONS, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
(in thousands)

|                                             | <u>September 30, 2023</u> | <u>June 30, 2023</u> | <u>December 31, 2022</u> |
|---------------------------------------------|---------------------------|----------------------|--------------------------|
| <b>ASSETS</b>                               |                           |                      |                          |
| CURRENT ASSETS:                             |                           |                      |                          |
| Cash and cash equivalents                   | \$ 94,743                 | \$ 84,096            | \$ 105,372               |
| Short-term marketable securities            | 261,896                   | 262,219              | 248,441                  |
| Accounts receivable, net                    | 28,539                    | 32,077               | 20,836                   |
| Inventories                                 | 150,246                   | 149,741              | 135,420                  |
| Prepaid expenses and other current assets   | <u>20,692</u>             | <u>22,854</u>        | <u>15,004</u>            |
| Total current assets                        | <u>556,116</u>            | <u>550,987</u>       | <u>525,073</u>           |
| PROPERTY AND EQUIPMENT, net                 | 166,391                   | 168,066              | 176,681                  |
| INTANGIBLE ASSETS, net                      | 4,967                     | 5,511                | 6,597                    |
| GOODWILL                                    | 91,849                    | 91,849               | 91,849                   |
| DEFERRED TAX ASSETS                         | 28,943                    | 21,771               | 19,034                   |
| OTHER ASSETS                                | <u>17,224</u>             | <u>21,273</u>        | <u>20,862</u>            |
| Total assets                                | <u>\$ 865,490</u>         | <u>\$ 859,457</u>    | <u>\$ 840,096</u>        |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b> |                           |                      |                          |
| CURRENT LIABILITIES:                        |                           |                      |                          |
| Accounts payable                            | \$ 28,553                 | \$ 40,531            | \$ 30,088                |
| Accrued payroll and related expenses        | 13,778                    | 14,041               | 14,778                   |
| Taxes payable                               | 774                       | 704                  | 938                      |
| Other accrued liabilities                   | <u>10,316</u>             | <u>9,543</u>         | <u>12,572</u>            |
| Total current liabilities                   | <u>53,421</u>             | <u>64,819</u>        | <u>58,376</u>            |
| LONG-TERM LIABILITIES:                      |                           |                      |                          |
| Income taxes payable                        | 16,724                    | 16,009               | 15,757                   |
| Other liabilities                           | <u>10,288</u>             | <u>10,700</u>        | <u>10,747</u>            |
| Total liabilities                           | <u>80,433</u>             | <u>91,528</u>        | <u>84,880</u>            |
| <b>STOCKHOLDERS' EQUITY:</b>                |                           |                      |                          |
| Common stock                                | 23                        | 23                   | 24                       |
| Additional paid-in capital                  | 19,429                    | 11,220               | -                        |
| Accumulated other comprehensive loss        | (5,730)                   | (5,757)              | (7,344)                  |
| Retained earnings                           | <u>771,335</u>            | <u>762,443</u>       | <u>762,536</u>           |
| Total stockholders' equity                  | <u>785,057</u>            | <u>767,929</u>       | <u>755,216</u>           |
| Total liabilities and stockholders' equity  | <u>\$ 865,490</u>         | <u>\$ 859,457</u>    | <u>\$ 840,096</u>        |

**POWER INTEGRATIONS, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in thousands)

|                                                                              | Three Months Ended        |                      |                           | Nine Months Ended         |                           |
|------------------------------------------------------------------------------|---------------------------|----------------------|---------------------------|---------------------------|---------------------------|
|                                                                              | <u>September 30, 2023</u> | <u>June 30, 2023</u> | <u>September 30, 2022</u> | <u>September 30, 2023</u> | <u>September 30, 2022</u> |
| CASH FLOWS FROM OPERATING ACTIVITIES:                                        |                           |                      |                           |                           |                           |
| Net income                                                                   | \$ 19,796                 | \$ 14,793            | \$ 45,964                 | \$ 41,464                 | \$ 148,036                |
| Adjustments to reconcile net income to cash provided by operating activities |                           |                      |                           |                           |                           |
| Depreciation                                                                 | 8,663                     | 8,692                | 8,881                     | 26,316                    | 26,055                    |
| Amortization of intangible assets                                            | 544                       | 543                  | 543                       | 1,630                     | 1,871                     |
| Loss on disposal of property and equipment                                   | 64                        | 15                   | 128                       | 86                        | 1,162                     |
| Stock-based compensation expense                                             | 6,905                     | 6,752                | 3,018                     | 21,025                    | 15,710                    |
| Amortization of premium on marketable securities                             | (273)                     | 15                   | 771                       | 146                       | 2,638                     |
| Deferred income taxes                                                        | (7,170)                   | (2,044)              | (4,108)                   | (9,952)                   | (7,390)                   |
| Increase (decrease) in accounts receivable allowance for credit losses       | -                         | -                    | 431                       | (454)                     | 690                       |
| Change in operating assets and liabilities:                                  |                           |                      |                           |                           |                           |
| Accounts receivable                                                          | 3,538                     | (11,492)             | 11,474                    | (7,249)                   | 24,628                    |
| Inventories                                                                  | (505)                     | (7,297)              | (8,834)                   | (14,826)                  | (20,826)                  |
| Prepaid expenses and other assets                                            | 6,404                     | (4,939)              | 4,353                     | (837)                     | 8,428                     |
| Accounts payable                                                             | (11,695)                  | 5,887                | (11,451)                  | (2,882)                   | (5,874)                   |
| Taxes payable and other accrued liabilities                                  | 455                       | (4,744)              | (1,344)                   | (4,975)                   | (3,883)                   |
| Net cash provided by operating activities                                    | <u>26,726</u>             | <u>6,181</u>         | <u>49,826</u>             | <u>49,492</u>             | <u>191,245</u>            |
| CASH FLOWS FROM INVESTING ACTIVITIES:                                        |                           |                      |                           |                           |                           |
| Purchases of property and equipment                                          | (7,530)                   | (3,129)              | (5,500)                   | (14,741)                  | (33,444)                  |
| Proceeds from sale of property and equipment                                 | -                         | -                    | -                         | -                         | 1,202                     |
| Purchases of marketable securities                                           | (62,205)                  | (73,888)             | (6,534)                   | (173,015)                 | (27,244)                  |
| Proceeds from sales and maturities of marketable securities                  | <u>63,256</u>             | <u>75,948</u>        | <u>35,487</u>             | <u>161,897</u>            | <u>161,014</u>            |
| Net cash provided by (used in) investing activities                          | <u>(6,479)</u>            | <u>(1,069)</u>       | <u>23,453</u>             | <u>(25,859)</u>           | <u>101,528</u>            |
| CASH FLOWS FROM FINANCING ACTIVITIES:                                        |                           |                      |                           |                           |                           |
| Net proceeds from issuance of common stock                                   | 3,139                     | -                    | 3,105                     | 6,237                     | 6,162                     |
| Repurchase of common stock                                                   | (1,835)                   | (4,312)              | -                         | (7,834)                   | (292,349)                 |
| Payments of dividends to stockholders                                        | <u>(10,904)</u>           | <u>(10,893)</u>      | <u>(10,293)</u>           | <u>(32,665)</u>           | <u>(31,229)</u>           |
| Net cash used in financing activities                                        | <u>(9,600)</u>            | <u>(15,205)</u>      | <u>(7,188)</u>            | <u>(34,262)</u>           | <u>(317,416)</u>          |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS                         | 10,647                    | (10,093)             | 66,091                    | (10,629)                  | (24,643)                  |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD                             | <u>84,096</u>             | <u>94,189</u>        | <u>67,383</u>             | <u>105,372</u>            | <u>158,117</u>            |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD                                   | <u>\$ 94,743</u>          | <u>\$ 84,096</u>     | <u>\$ 133,474</u>         | <u>\$ 94,743</u>          | <u>\$ 133,474</u>         |