

ADVANCED ENERGY INDUSTRIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (continued)
(in thousands, except per share amounts)

During the first quarter of 2017, we entered into a foreign currency exchange rate forward contract at a cost of \$3.5 million, to mitigate the exchange rate risk associated with a planned offshore acquisition which was not consummated. The hedge expired upon maturity in the first quarter of 2017. The cost of the forward contract is recorded as a component of Other income (expense), net in our Consolidated Statement of Operations.

NOTE 9. ACCOUNTS AND OTHER RECEIVABLE

Accounts and other receivable are recorded at net realizable value. Components of accounts and other receivable, net of reserves, are as follows:

	December 31, 2019	December 31, 2018
Amounts billed, net	\$ 227,528	\$ 80,709
Unbilled receivables	19,036	19,733
Total receivables, net	<u>\$ 246,564</u>	<u>\$ 100,442</u>

Amounts billed, net consist of amounts that have been invoiced to our customers in accordance with terms and conditions, and are shown net of an allowance for doubtful accounts. These receivables are all short term in nature and do not include any financing components.

Unbilled receivables consist of amounts where we have satisfied our contractual obligations related to inventory stocking contracts with customers. Such amounts are typically invoiced to the customer upon their consumption of the inventory managed under the stocking contracts. We anticipate that substantially all unbilled receivables will be invoiced and collected over the next twelve months. These contracts do not include any financing components.

NOTE 10. INVENTORIES

Our inventories are valued at the lower of cost or net realizable value and computed on a first-in, first-out (FIFO) basis. Components of inventories are as follows:

	December 31, 2019	2018
Parts and raw materials	\$ 134,816	\$ 76,647
Work in process	10,269	6,644
Finished goods	84,934	14,696
Total	<u>\$ 230,019</u>	<u>\$ 97,987</u>