

**Silicon Motion Technology Corporation**  
**Reconciliation of Non-GAAP to GAAP Income Statement**  
**For The Three Months Ended on Mar. 31, 2018**  
(in \$m except % amounts & per ADS amounts, unaudited)

(\$m)

	<b>Non-GAAP</b>	<b>% of Revenue</b>	<b>Stock-Based Comp.</b>	<b>Amortization of intangible assets</b>	<b>Litigat. Exp.</b>	<b>FX Gain / (Loss)</b>	<b>GAAP</b>	<b>% of Revenue</b>
<b>Revenue</b>	<b>130.3</b>	<b>100%</b>					<b>130.3</b>	<b>100%</b>
Cost of sales	67.7	52%	0.1				67.8	52%
<b>Gross profit</b>	<b>62.6</b>	<b>48%</b>	<b>(0.1)</b>				<b>62.6</b>	<b>48%</b>
Research & development	24.0	18%	1.9				25.8	20%
Sales & marketing	6.3	5%	0.7				7.0	5%
General & administrative	3.6	3%	0.6		0.0		4.2	3%
Amortization of intangible assets				0.7			0.7	1%
Total operating expenses	33.9	26%	3.1	0.7	0.0		37.7	29%
<b>Operating income</b>	<b>28.7</b>	<b>22%</b>	<b>(3.1)</b>	<b>(0.7)</b>	<b>(0.0)</b>		<b>24.9</b>	<b>19%</b>
Other income / (expense)	1.3	1%				1.1	2.3	2%
Income before income taxes	30.0	23%	(3.1)	(0.7)	(0.0)	1.1	27.2	21%
Provision for income taxes	4.4	3%	(0.2)	0.0	0.0	0.0	4.1	3%
<b>Net income</b>	<b>25.7</b>	<b>20%</b>	<b>(2.9)</b>	<b>(0.7)</b>	<b>(0.0)</b>	<b>1.1</b>	<b>23.1</b>	<b>18%</b>
Earnings per ADS, diluted	0.71						0.64	
Diluted ADS	36.2						36.1	
Effective tax rate	15%						15%	