

Silicon Motion Technology Corporation
Reconciliation of Non-GAAP to GAAP Income Statement
For The Three Months Ended on Sep. 30, 2017
(in \$m except % amounts & per ADS amounts, unaudited)

(\$m)

	Non-GAAP	% of Revenue	Stock-Based Comp.	Amortization of intangible assets	Litigat. Exp.	FX Gain / (Loss)	GAAP	% of Revenue
Revenue	127.2	100%					127.2	100%
Cost of sales	68.7	54%	0.1				68.7	54%
Gross profit	58.5	46%	(0.1)				58.5	46%
Research & development	23.3	18%	2.0				25.3	20%
Sales & marketing	6.4	5%	0.8				7.2	6%
General & administrative	3.4	3%	0.5				3.9	3%
Amortization of intangible assets				0.5			0.5	0%
Total operating expenses	33.1	26%	3.3	0.5			36.9	29%
Operating income	25.4	20%	(3.3)	(0.5)			21.6	17%
Other income / (expense)	1.0	1%				0.7	1.7	1%
Income before income taxes	26.5	21%	(3.3)	(0.5)		0.7	23.3	18%
Provision for income taxes	6.1	5%	(0.5)	0.0		0.1	5.7	4%
Net income	20.4	16%	(2.9)	(0.5)		0.6	17.6	14%
Earnings per ADS, diluted	0.57						0.49	
Diluted ADS	36.0						35.8	
Effective tax rate	23%						25%	

Silicon Motion Technology Corporation
Reconciliation of Non-GAAP to GAAP Income Statement
For the Nine Months Ended on Sep 30, 2017
(in \$m except % amounts & per ADS amounts, unaudited)

(\$m)

	Non-GAAP	% of Revenue	Stock-Based Comp.	Amortization of intangible assets	Litigat. Exp.	FX Gain / (Loss)	GAAP	% of Revenue
Revenue	387.2	100%					387.2	100%
Cost of sales	199.2	51%	0.1				199.3	51%
Gross profit	188.0	49%	(0.1)				187.9	49%
Research & development	70.0	18%	4.1				74.1	19%
Sales & marketing	16.5	4%	2.0				18.5	5%
General & administrative	10.7	3%	1.2		0.0		11.9	3%
Amortization of intangible assets	0.0			1.6			1.6	0%
Total operating expenses	97.2	25%	7.3	1.6	0.0		106.1	27%
Operating income	90.8	23%	(7.4)	(1.6)	(0.0)		81.8	21%
Other income / (expense)	2.7	1%				0.3	3.0	1%
Income before income taxes	93.6	24%	(7.4)	(1.6)	(0.0)	0.3	84.8	22%
Provision for income taxes	20.7	5%	(1.0)		0.0	(0.0)	19.7	5%
Net income	72.9	19%	(6.5)	(1.6)	(0.0)	0.3	65.1	17%
Earnings per ADS, diluted	2.03						1.82	
Diluted ADS	36.0						35.9	
Effective tax rate	22%						23%	