



Silicon Motion Announces Closing of its Acquisition of FCI, Inc.

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Portfolio of Solutions for Mobile Devices Expanded

TAIPEI, Taiwan, April 30, 2007 /Xinhua-PRNewswire-FirstCall via COMTEX News Network/ -- Silicon Motion Technology Corporation (Nasdaq: SIMO), a leading fabless semiconductor company that designs, develops, and markets universally compatible, high-performance, low-power semiconductor solutions for the multimedia consumer electronics market, announced today that it has completed its previously announced acquisition of Future Communications IC, Inc., ("FCI") a leading designer of radio frequency integrated circuits (RF ICs) for mobile television and wireless communications based in Seoul, South Korea.

The final purchase price for the transaction was approximately US\$50 in cash and US\$40 million in Silicon Motion ordinary shares and options to purchase Silicon Motion ordinary shares. Silicon Motion has agreed to pay FCI shareholders up to an additional \$12 million in cash under certain circumstances. The first condition is that FCI achieves, for its fiscal year 2007 ending December 31, 2007, a \$33 million revenue target and a 53% product margin target. The second condition relates to the performance of Silicon Motion's stock. If both the FCI revenue and product margin targets are reached, Silicon Motion has agreed to pay to FCI shareholders in cash the difference between \$12 million and 90% of the appreciation of Silicon Motion's ADSs over an agreed period of time in the stock portion of the consideration received as part of this transaction. Before the inclusion of FCI acquisition-related charges, management expects that the transaction will be slightly accretive to earnings in 2007 and meaningfully accretive in 2008 and beyond.

About Silicon Motion:

Silicon Motion Technology Corporation is a leading fabless semiconductor company that designs, develops, and markets universally compatible, high-performance, low-power semiconductor solutions for the multimedia consumer electronics market. Our semiconductor solutions include controllers used in mobile storage media, such as flash memory cards and USB flash drives, and multimedia systems on a chip, or SoCs, used in digital media devices such as MP3 players, PC cameras, PC servers, multifunctional printers, POS (Point-of-Sales) devices, and broadband multimedia phones.

About FCI:

Privately-held Future Communications IC Inc. is a leading fabless RF IC designer of low power, low cost semiconductor solutions for mobile TV, car television systems, ETCS, DAB and CDMA markets. The company's key products that it has been shipping in volume include mobile TV tuners, ETC transceivers, car television systems, as well as CDMA transceivers and other front-end ICs. FCI is based in Seoul, South Korea.

Forward-Looking Statements:

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements include, without limitation, statements regarding trends in the multimedia consumer electronics market and our future results of operations, financial condition and business prospects. Although such statements are based on our own information and information from other sources we believe to be reliable, you should not place undue reliance on them. These statements involve risks and uncertainties, and actual market trends or our actual results of operations, financial condition or business prospects may differ materially from those expressed or implied in these forward looking statements for a variety of reasons. Potential risks and uncertainties include, but are not limited to, unpredictable volume and timing of customer orders, which are not fixed by contract but vary on a purchase order basis; the loss of one or more key customers or the significant reduction, postponement, rescheduling or cancellation of orders from these customers; integration of our proposed acquisition of Future Communications IC, Inc.; general economic conditions or conditions in the semiconductor or multimedia consumer electronics markets; decreases in the overall average selling prices of our products; changes in the relative sales mix of our products; changes in our cost of finished goods; the availability, pricing, and timeliness of delivery of other components and raw materials used in our customers' products; our customers' sales outlook, purchasing patterns, and inventory adjustments based on consumer demands and general economic conditions; our ability to successfully develop, introduce, and sell new or enhanced products in a timely manner; and the timing of new product announcements or introductions by us or by our competitors. For additional discussion of these risks and uncertainties and other factors, please see the documents we file from time to time with the Securities and Exchange Commission, including, but not limited to, our Annual Report on Form 20-F filed on June 30, 2006. We assume no obligation to update any forward-looking statements, which apply only as of the date of this press release.

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