

Silicon Motion Technology Corporation
Reconciliation of Non-GAAP to GAAP Income Statement
For the Three Months Ended on Jun. 30, 2019

(\$m)	Non-GAAP	% of Revenue	Stock-Based Comp.	Shannon Inventory Write-Down	Amortization of Intangible Assets	M&A Transaction Exp.	Gain on Disposal of Long Investment	FX Gain / (Loss)	FCI Results	GAAP	% of Revenue
Revenue	94.3	100%							4.6	98.8	100%
Cost of sales	45.8	49%	0.0	5.0					2.0	52.7	53%
Gross profit	48.5	51%	(0.0)	(5.0)					2.6	46.1	47%
Research & development	22.4	24%	0.1						1.4	23.9	24%
Sales & marketing	5.4	6%	0.1						0.6	6.1	6%
General & administrative	3.4	4%	0.0			(0.2)			0.4	3.6	4%
Amortization of intangible assets	0.0				0.3					0.3	0%
Total operating expenses	31.1	33%	0.3	0.0	0.3	(0.2)			2.3	33.8	34%
Operating income	17.4	18%	(0.3)	(5.0)	(0.3)	0.2			0.3	12.4	13%
Other income / (expense)	1.8	2%					12.9	(0.1)	(0.0)	14.6	15%
Income before income taxes	19.2	20%	(0.3)	(5.0)	(0.3)	0.2	12.9	(0.1)	0.3	27.0	27%
Provision for income taxes	0.6	1%	(0.0)	0.0	0.0	0.0	0.0	(0.1)	0.0	0.5	1%
Net income	18.6	20%	(0.3)	(5.0)	(0.3)	0.2	12.9	0.0	0.3	26.5	27%
Earnings per ADS, diluted	0.52									0.75	
Diluted ADS	35.6									35.5	
Effective tax rate	3%									2%	

Silicon Motion Technology Corporation
Reconciliation of Non-GAAP to GAAP Income Statement
For the Six Months Ended on Jun. 30, 2018

(\$m)	Non-GAAP	% of Revenue	Stock-Based Comp.	Shannon Inventory Write-Down	Amortization of Intangible Assets	Litigat. Exp.	FX Gain / (Loss)	Gain on Disposal of Long Investment	FCI Results	GAAP	% of Revenue
Revenue	183.2	100%							10.4	193.5	100%
Cost of sales	90.0	49%	0.1	5.0					4.7	99.8	52%
Gross profit	93.2	51%	(0.1)	(5.0)					5.7	93.7	48%
Research & development	43.0	23%	2.8						6.0	51.9	27%
Sales & marketing	10.6	6%	0.7						1.8	13.0	7%
General & administrative	6.1	3%	0.9			(0.0)			0.9	7.9	4%
Amortization of intangible assets	0.0				0.5					0.5	0%
Total operating expenses	59.7	33%	4.4		0.5	(0.0)			8.7	73.3	38%
Operating income	33.4	18%	(4.5)	(5.0)	(0.5)	0.0			(3.0)	20.4	11%
Other income / (expense)	3.3	2%					0.4	12.9	0.0	16.6	9%
Income before income taxes	36.7	20%	(4.5)	(5.0)	(0.5)	0.0	0.4	12.9	(3.0)	37.1	19%
Provision for income taxes	3.1	2%	(0.7)	0.0	0.0	(0.0)	(0.0)	0.0	0.0	2.3	1%
Net income	33.6	18%	(3.7)	(5.0)	(0.5)	0.0	0.4	12.9	(3.0)	34.8	18%
Earnings per ADS, diluted	0.95									0.98	
Diluted ADS	35.6									35.5	
Effective tax rate	8%									6%	