

Silicon Motion Technology Corporation
Reconciliation of Non-GAAP to GAAP Income Statement
For the Nine Months Ended on Sep. 30, 2020

(\$m)

	Non-GAAP	% of Revenue	Stock-Based Comp.	FX Gain / (Loss)	GAAP	% of Revenue
Revenue	395.6	100%			395.6	100%
Cost of sales	201.4	51%	0.1		201.5	51%
Gross profit	194.2	49%	(0.1)		194.1	49%
Research & development	80.7	20%	3.9		84.6	21%
Sales & marketing	17.6	4%	0.8		18.4	5%
General & administrative	10.0	3%	1.0		11.0	3%
Total operating expenses	108.3	27%	5.8		114.0	29%
Operating income	85.9	22%	(5.9)		80.1	20%
Other income / (expense)	3.9	1%		(0.1)	3.8	1%
Income before income taxes	89.8	23%	(5.9)	(0.1)	83.9	21%
Provision for income taxes	6.2	2%	(0.6)	(0.0)	5.5	1%
Net income	83.6	21%	(5.2)	(0.0)	78.4	20%
Earnings per ADS, diluted	2.38				2.24	
Diluted ADS	35.1				35.1	
Effective tax rate	7%				7%	

Silicon Motion Technology Corporation
Reconciliation of Non-GAAP to GAAP Income Statement
For The Three Months Ended on Sep. 30, 2020

(\$m)

	Non-GAAP	% of Revenue	Stock-Based Comp.	FX Gain / (Loss)	GAAP	% of Revenue
Revenue	126.0	100%			126.0	100%
Cost of sales	64.2	51%	0.1		64.2	51%
Gross profit	61.9	49%	(0.1)		61.8	49%
Research & development	24.2	19%	2.2		26.4	21%
Sales & marketing	5.7	5%	0.4		6.1	5%
General & administrative	3.0	2%	0.5		3.5	3%
Total operating expenses	32.9	26%	3.1		36.0	29%
Operating income	29.0	23%	(3.1)		25.8	21%
Other income / (expense)	0.8	1%		0.6	1.4	1%
Income before income taxes	29.8	24%	(3.1)	0.6	27.2	22%
Provision for income taxes	3.1	2%	(0.2)	0.0	3.0	2%
Net income	26.7	21%	(2.9)	0.5	24.3	19%
Earnings per ADS, diluted	0.76				0.70	
Diluted ADS	35.1				34.9	
Effective tax rate	11%				11%	