

Silicon Motion Technology Corporation
Reconciliation of Non-GAAP to GAAP Income Statement
For The Three Months Ended on Dec. 31, 2023

(\$m)

	Non-GAAP	% of Revenue	Stock-based comp.	Restructuring charges	M&A transaction expenses	Dispute related expenses	Settlement of litigation	Unrealized holding gain(loss) on investments	FX Gain / (Loss)	GAAP	% of Revenue
Revenue	202.4	100%								202.4	100%
Cost of sales	113.1	56%	0.1	0.6						113.9	56%
Gross profit	89.3	44%	(0.1)	(0.6)						88.5	44%
Research & development	51.8	26%	4.1	0.5						56.4	28%
Sales & marketing	5.7	3%	0.4	0.1						6.2	3%
General & administrative	3.9	2%	1.2	0.0	(0.3)	2.8				7.6	4%
Loss from settlement of litigation	-	0%					0.7			0.7	0%
Total operating expenses	61.4	30%	5.7	0.6	(0.3)	2.8	0.7			71.0	35%
Operating income	27.8	14%	(5.8)	(1.3)	0.3	(2.8)	(0.7)			17.6	9%
Other income / (expense)	4.2	2%						(0.1)	(1.1)	3.1	2%
Income before income taxes	32.1	16%	(5.8)	(1.3)	0.3	(2.8)	(0.7)	(0.1)	(1.1)	20.6	10%
Provision for income taxes	0.7	0%	(1.0)	(0.1)	0.0	0.0	0.0	0.0	(0.2)	(0.5)	0%
Net income	31.3	15%	(4.8)	(1.2)	0.3	(2.8)	(0.7)	(0.1)	(0.9)	21.1	10%
Earnings per ADS, diluted	0.93									0.63	
Diluted ADS	33.7									33.6	
Effective tax rate	2.3%									-2.3%	

Silicon Motion Technology Corporation
Reconciliation of Non-GAAP to GAAP Income Statement
For the Year Ended on Dec. 31, 2023

(\$m)

	Non-GAAP	% of Revenue	Stock-based comp.	Restructuring charges	M&A transaction expenses	Dispute related expenses	Settlement of litigation	Unrealized holding gain(loss) on investments	FX Gain / (Loss)	GAAP	% of Revenue
Revenue	639.1	100%								639.1	100%
Cost of sales	364.3	57%	0.4	4.0						368.8	58%
Gross profit	274.8	43%	(0.4)	(4.0)						270.4	42%
Research & development	159.3	25%	11.7	3.4						174.4	27%
Sales & marketing	23.8	4%	1.9	1.3						26.9	4%
General & administrative	15.5	2%	3.6	0.5	2.6	5.7				27.9	4%
Loss from settlement of litigation	0.0	0%					1.3			1.3	0%
Total operating expenses	198.6	31%	17.1	5.2	2.6	5.7	1.3			230.5	36%
Operating income	76.2	12%	(17.5)	(9.2)	(2.6)	(5.7)	(1.3)			39.9	6%
Other income / (expense)	12.3	2%						8.0	0.9	21.2	3%
Income before income taxes	88.5	14%	(17.5)	(9.2)	(2.6)	(5.7)	(1.3)	8.0	0.9	61.0	10%
Provision for income taxes	12.3	2%	(3.3)	(1.0)	0.0	0.0	0.0	0.0	0.1	8.2	1%
Net income	76.1	12%	(14.2)	(8.3)	(2.6)	(5.7)	(1.3)	8.0	0.8	52.9	8%
Earnings per ADS, diluted	2.27									1.58	
Diluted ADS	33.6									33.5	
Effective tax rate	14.0%									13.4%	