Silicon Image, Inc.
Financial Metrics
Unaudited
March 31, 2013
($ in thousands except share and per share data)

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
Supplemental analysis of operations									
Revenue									
Product:									
Consumer Electronics	$ 26,255	$ 19,436	$ 22,381	$ 19,850	$ 16,511	$ 15,927	$ 17,843	$ 11,955	$ 13,667
% of product revenue	69.0%	46.2%	45.6%	44.0%	38.4%	31.0%	28.7%	25.5%	27.1%
Mobile	6,171	16,960	21,516	21,142	22,256	29,871	38,712	30,097	33,603
% of product revenue	16.2%	40.4%	43.8%	47.0%	51.7%	58.0%	62.2%	64.3%	66.8%
Personal Computers	5,631	5,623	5,232	4,037	4,257	5,660	5,642	4,756	3,071
% of product revenue	14.8%	13.4%	10.6%	9.0%	9.9%	11.0%	9.1%	10.2%	6.1%
Total product revenue	38,057	42,019	49,129	45,029	43,024	51,458	62,197	46,808	50,341
% of total revenue	77.7%	78.5%	82.3%	76.7%	78.2%	80.6%	84.1%	78.5%	81.1%
Licensing:									
Consumer electronics	10,176	10,960	9,649	13,026	11,402	11,756	10,943	11,761	11,201
% of licensing revenue	93.0%	95.0%	91.1%	95.0%	95.2%	95.0%	93.4%	91.9%	95.7%
Mobile	118	307	521	367	319	463	825	957	478
% of licensing revenue	1.1%	2.7%	4.9%	2.7%	2.7%	3.7%	7.0%	7.5%	4.1%
Personal Computers	648	267	425	311	258	161	(46)	78	19
% of licensing revenue	5.9%	2.3%	4.0%	2.3%	2.1%	1.3%	-0.4%	0.6%	0.2%
Total licensing revenue	10,942	11,534	10,595	13,704	11,979	12,380	11,722	12,796	11,698
% of total revenue	22.3%	21.5%	17.7%	23.3%	21.8%	19.4%	15.9%	21.5%	18.9%
Total revenue	48,999	53,553	59,724	58,733	55,003	63,838	73,919	59,604	62,039
Cost of revenue									
Product cost of revenue	19,692	22,133	24,800	22,740	22,881	25,747	30,488	23,506	25,413
% Non GAAP Product revenue	51.7%	52.7%	50.5%	50.5%	53.2%	50.0%	49.0%	50.2%	50.5%
Licensing cost of revenues	400	100	144	150	125	182	99	220	267
% Non GAAP licensing revenues	3.7%	0.9%	1.4%	1.1%	1.0%	1.5%	0.8%	1.7%	2.3%
Stock based compensation	180	134	272	84	218	104	97	104	135
Acquired In Process R&D	-	-	-	-	-	-	175	250	250
Write-down of unsalable inventory	-	-	-	-	-	-	-	6,245	-
Total Non GAAP cost of revenue	20,092	22,233	24,944	22,890	23,006	25,929	30,587	23,726	25,680
% Non GAAP revenue	41.0%	41.5%	41.8%	39.0%	41.8%	40.6%	41.4%	39.8%	41.4%
Total GAAP cost of revenue	20,272	22,367	25,216	22,974	23,224	26,033	30,859	30,325	26,065
% of total revenue	41.4%	41.8%	42.2%	39.1%	42.2%	40.8%	41.7%	50.9%	42.0%
Non GAAP Product Gross Margins	18,365	19,886	24,329	22,289	20,143	25,711	31,709	23,302	24,928
% Non GAAP product revenue	48.3%	47.3%	49.5%	49.5%	46.8%	50.0%	51.0%	49.8%	49.5%
Product Gross Margins	18,185	19,752	24,057	22,205	19,925	25,607	31,437	16,703	24,543
% of total product revenue	47.8%	47.0%	49.0%	49.3%	46.3%	49.8%	50.5%	35.7%	48.8%
Non GAAP Licensing Gross Margins	10,542	11,434	10,451	13,554	11,854	12,198	11,623	12,576	11,431
% of Non GAAP licensing revenues	96.3%	99.1%	98.6%	98.9%	99.0%	98.5%	99.2%	98.3%	97.7%
Licensing Gross Margins	10,542	11,434	10,451	13,554	11,854	12,198	11,623	12,576	11,431
% of total licensing revenues	96.3%	99.1%	98.6%	98.9%	99.0%	98.5%	99.2%	98.3%	97.7%
Total Non GAAP Gross margin	28,907	31,320	34,780	35,843	31,997	37,909	43,332	35,878	36,359
% of Non GAAP revenue	59.0%	58.5%	58.2%	61.0%	58.2%	59.4%	58.6%	60.2%	58.6%
GAAP Gross Margin	28,727	31,186	34,508	35,759	31,779	37,805	43,060	29,279	35,974
% of total revenue	58.6%	58.2%	57.8%	60.9%	57.8%	59.2%	58.3%	49.1%	58.0%
Operating expenses									
Research and development	14,670	14,793	16,427	16,869	19,019	18,242	17,036	16,434	17,540
% of Non GAAP revenue	29.9%	27.6%	27.5%	28.7%	34.6%	28.6%	23.0%	27.6%	28.3%
Selling and marketing	7,498	7,218	7,830	8,494	8,893	8,522	8,443	7,086	9,088
% of Non GAAP revenue	15.3%	13.5%	13.1%	14.5%	16.2%	13.3%	11.4%	11.9%	14.6%
General and administrative	4,283	4,857	4,971	4,236	5,334	4,812	5,066	3,993	5,543
% of Non GAAP revenue	8.7%	9.1%	8.3%	7.2%	9.7%	7.6%	7.0%	6.8%	8.9%
Stock based compensation	1,705	1,877	3,356	1,912	3,070	1,604	1,936	2,071	2,789
% of total revenue	3.5%	3.5%	5.6%	3.3%	5.6%	2.5%	2.6%	3.5%	4.5%
Amortization of intangible assets	197	396	496	496	496	496	496	(889)	251
% of total revenue	0.4%	0.7%	0.8%	0.8%	0.9%	0.8%	0.7%	-1.5%	0.4%
Restructuring expense	365	732	360	812	5	86	73	(54)	(7)
% of total revenue	0.7%	1.4%	0.6%	1.4%	0.0%	0.1%	0.1%	-0.1%	0.0%
Impairment of assets	-	-	-	8,500	-	-	-	-	-
% of total revenue	0.0%	0.0%	0.0%	14.5%	0.0%	0.0%	0.0%	0.0%	0.0%

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
Business acquisition related expenses	138	676	-	-	1,528	1,528	201	-	-
% of total revenue	0.3%	1.3%	0.0%	0.0%	2.8%	2.4%	0.3%	0.0%	0.0%
Non GAAP operating expenses	26,451	26,868	29,228	29,599	33,246	31,576	30,545	27,513	32,171
% of Non GAAP revenue	54.0%	50.2%	48.9%	50.4%	60.4%	49.5%	41.3%	46.2%	51.9%
Operating expenses	28,856	30,549	33,440	41,319	38,345	35,290	33,251	28,641	35,204
% of total revenue	58.9%	57.0%	56.0%	70.4%	69.7%	55.3%	45.0%	48.1%	56.7%
Non GAAP Operating profit	2,456	4,452	5,552	6,244	(1,249)	6,333	12,787	8,365	4,188
% of Non GAAP revenue	5.0%	8.3%	9.3%	10.6%	-2.3%	9.9%	17.3%	14.0%	6.8%
Operating profit (loss)	(129)	637	1,068	(5,560)	(6,566)	2,515	9,809	638	770
% of total revenue	-0.3%	1.2%	1.8%	-9.5%	-11.9%	3.9%	13.3%	1.1%	1.2%
Impairment of investment in an unconsolidated affiliate	-	-	-	-	-	-	(7,467)	-	-
Other income/(expense)	509	634	523	384	538	245	323	555	391
Reversal of a subsidiary's foreign currency translation adjustment	(132)	-	-	-	-	-	-	-	-
Income (loss) before provision for income taxes	248	1,271	1,591	(5,176)	(6,028)	2,760	2,665	1,193	1,161
Provision for income taxes	1,068	2,557	911	4,047	2,948	3,109	2,464	1,458	1,742
% of income before provision for income taxes	430.6%	201.2%	57.3%	-78.2%	-48.9%	112.6%	92.5%	122.2%	150.0%
Equity in net loss of unconsolidated affiliate	-	-	-	(994)	(600)	(594)	(609)	-	-
% of income before provision for income taxes	0.0%	0.0%	0.0%	19.2%	10.0%	-21.5%	-22.9%	0.0%	0.0%
Net income (loss)	(820)	(1,286)	680	(10,217)	(9,576)	(943)	(408)	(265)	(581)
% of total revenue	-1.7%	-2.4%	1.1%	-17.4%	-17.4%	-1.5%	-0.6%	-0.4%	-0.9%
Basic shares outstanding	78,724	80,223	81,372	82,050	82,722	82,719	82,504	79,564	77,421
Diluted shares outstanding	78,724	80,223	83,432	82,050	82,722	82,719	82,504	79,564	77,421
Basic and diluted net income (loss) per share	$ (0.01)	$ (0.02)	$ 0.01	$ (0.12)	$ (0.12)	$ (0.01)	$ (0.00)	$ (0.00)	$ (0.01)

Non-GAAP ($ in thousands except share and per share data)

Net income (loss)	(820)	(1,286)	680	(10,217)	(9,576)	(943)	(408)	(265)	(581)
Increase/(decrease):									
Stock based compensation	1,885	2,011	3,628	1,996	3,288	1,708	2,033	2,175	2,924
Amortization of intangible assets	197	396	496	496	496	496	496	(889)	251
Acquired In Process R&D	-	-	-	-	-	-	175	250	250
Write-down of certain unsalable inventory	-	-	-	-	-	-	0	6,245	0
Restructuring expense	365	732	360	812	5	86	73	(54)	(7)
Impairment of assets	-	-	-	8,500	-	-	-	-	-
Equity in net loss of unconsolidated affiliate	-	-	-	232	134	134	134	-	-
Impairment of investments in an unconsolidated affiliate	-	-	-	-	-	-	7,467	-	-
Reversal of a subsidiary's accumulated foreign currency translation adjustmer	132	-	-	-	-	-	-	-	-
Business acquisition related expenses	138	676	-	-	1,528	1,528	201	-	-
Tax adjustment	534	1,642	(182)	2,992	3,301	1,274	(1,327)	(1,218)	368
Non-GAAP net income (loss)	2,431	4,171	4,982	4,811	(824)	4,283	8,844	6,244	3,205
% of Non GAAP revenue	5.0%	7.8%	8.3%	8.2%	-1.5%	6.7%	12.0%	10.5%	5.2%
Basic shares outstanding	78,724	80,223	81,372	82,050	82,722	82,719	82,504	79,564	77,421
Diluted shares outstanding	82,351	83,218	83,432	83,406	82,722	83,444	83,353	80,389	78,433
Basic net income per share	$ 0.03	$ 0.05	$ 0.06	$ 0.06	$ (0.01)	$ 0.05	$ 0.11	$ 0.08	$ 0.04
Diluted net income per share	$ 0.03	$ 0.05	$ 0.06	$ 0.06	$ (0.01)	$ 0.05	$ 0.11	$ 0.08	$ 0.04
EBITDA	$ 2,104	$ 3,274	$ 3,631	$ (4,068)	$ (4,541)	$ 4,131	$ 4,360	$ 2,275	$ 3,436
EBITDA per share	$ 0.03	$ 0.04	$ 0.04	$ (0.05)	$ (0.05)	$ 0.05	$ 0.05	$ 0.03	$ 0.04

Revenue by geography - Bill To Location ($ in thousands)

Japan	15,512	9,528	9,928	8,495	9,462	10,480	10,095	6,639	8,251
% of total revenue	31.7%	17.8%	16.6%	14.5%	17.2%	16.4%	13.7%	11.1%	13.3%
Taiwan	12,382	18,299	15,227	11,946	12,173	17,804	16,340	10,003	9,633
% of total revenue	25.3%	34.2%	25.5%	20.3%	22.1%	27.9%	22.1%	16.8%	15.5%
Korea	2,513	2,918	2,375	7,222	4,014	3,608	4,778	3,547	3,417
% of total revenue	5.1%	5.4%	4.0%	12.3%	7.3%	5.7%	6.5%	6.0%	5.5%
China	4,507	4,055	4,049	5,042	3,928	4,385	5,531	5,620	5,349
% of total revenue	9.2%	7.6%	6.8%	8.6%	7.1%	6.9%	7.5%	9.4%	8.6%
United States	10,777	14,255	23,921	22,436	21,046	23,646	33,001	28,461	29,591
% of total revenue	22.0%	26.6%	40.1%	38.2%	38.3%	37.0%	44.6%	47.8%	47.7%
Europe	2,820	4,051	3,592	3,283	3,975	3,536	3,658	4,963	5,497
% of total revenue	5.8%	7.6%	6.0%	5.6%	7.2%	5.5%	4.9%	8.3%	8.9%
Others	488	447	632	309	405	379	516	371	301
% of total revenue	1.0%	0.8%	1.1%	0.5%	0.7%	0.6%	0.7%	0.6%	0.5%
Total	48,999	53,553	59,724	58,733	55,003	63,838	73,919	59,604	62,039

Revenue by geography - Ship To Location ($ in thousands)

Japan	9,238	7,690	5,615	6,163	6,746	8,245	6,860	4,434	4,951
% of total revenue	18.9%	14.4%	9.4%	10.5%	12.3%	12.9%	9.3%	7.4%	8.0%
Taiwan	12,382	18,299	15,974	11,849	12,239	17,804	16,340	9,989	9,633

	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013
% of total revenue	25.3%	34.2%	26.7%	20.2%	22.3%	27.9%	22.1%	16.8%	15.5%
Korea	4,400	7,526	6,300	8,000	4,507	7,735	5,628	3,602	4,297
% of total revenue	9.0%	14.1%	10.5%	13.6%	8.2%	12.1%	7.6%	6.0%	6.9%
China	5,638	7,398	8,427	6,061	5,223	10,211	6,607	6,444	6,281
% of total revenue	11.5%	13.8%	14.1%	10.3%	9.5%	16.0%	8.9%	10.8%	10.1%
Singapore	6,205	1,359	10,495	12,108	17,085	10,239	26,358	21,620	23,608
% of total revenue	12.7%	2.5%	17.6%	20.6%	31.1%	16.0%	35.7%	36.3%	38.1%
United States	8,343	7,049	7,973	8,123	3,776	2,057	7,090	8,350	5,298
% of total revenue	17.0%	13.2%	13.3%	13.8%	6.9%	3.2%	9.6%	14.0%	8.5%
Europe	2,612	4,031	3,101	4,666	4,778	2,726	3,462	4,963	6,007
% of total revenue	5.3%	7.5%	5.2%	7.9%	8.7%	4.3%	4.7%	8.3%	9.7%
Others	181	201	1,839	1,763	649	4,821	1,574	202	1,964
% of total revenue	0.4%	0.4%	3.1%	3.0%	1.2%	7.6%	2.1%	0.3%	3.2%
Total	48,999	53,553	59,724	58,733	55,003	63,838	73,919	59,604	62,039
Revenue by channel ($ in thousands)									
Distributor	28,679	30,013	27,484	24,449	19,919	27,930	29,543	19,508	18,739
% of total revenue	58.5%	56.0%	46.0%	41.6%	36.2%	43.8%	40.0%	32.7%	30.2%
Direct	9,378	12,006	21,645	20,386	22,981	23,387	32,518	27,211	31,432
% of total revenue	19.1%	22.4%	36.2%	34.7%	41.8%	36.6%	44.0%	45.7%	50.7%
Licensing Revenue	10,942	11,534	10,595	13,898	12,103	12,521	11,858	12,885	11,868
% of total revenue	22.3%	21.5%	17.7%	23.7%	22.0%	19.6%	16.0%	21.6%	19.1%
Total	48,999	53,553	59,724	58,733	55,003	63,838	73,919	59,604	62,039
Select balance sheet items ($ in thousands)									
Cash and short-term investments	181,645	160,419	155,198	161,426	151,313	147,353	145,262	107,467	116,486
Free Cash Flows	(5,291)	(4,147)	1,613	7,462	(7,193)	2,465	1,090	(571)	8,195
Accounts receivable, net	26,829	29,691	34,003	27,368	37,288	37,032	41,927	37,936	40,515
GAAP Days sales outstanding [(Net AR/Total revenue)*90]	49.3	49.9	51.2	41.9	61.0	52.2	51.0	57.3	58.8
Non GAAP Days sales outstanding [(Net AR/Total revenue)*90]	49.3	49.9	51.2	41.9	61.0	52.2	51.0	57.3	58.8
Inventories, net	11,168	14,537	14,254	10,062	12,223	17,047	18,503	11,268	14,281
GAAP Annualized inventory turns [(Product cost of revenue/Inventory)*4]	7.1	6.1	7.0	9.1	7.6	6.1	6.6	8.4	7.2
Non GAAP Annualized inventory turns [(Non GAAP Product cost of revenue/Inventory)*4]	7.1	6.1	7.0	9.0	7.5	6.0	6.6	8.3	7.1
Depreciation and amortization	1,856	2,003	2,040	2,102	2,086	1,965	2,303	1,083	2,275
Staff (Full time employees)									
Functional:									
Total	442	491	503	521	599	600	609	623	643

As of December 31, 2012, there were 77,003,599 shares. As of March 31,2013, there were 77,097,490 shares. The increase relates to option exercises for 72,889 shares, shares issued under the employee stock purchase plan 566,078 shares and vesting of restricted stock units (net) 339,139 shares, offset by repurchased of common stock of 884,215 shares.

This supplemental analysis includes GAAP and Non-GAAP measures. The Non-GAAP financial information presented herein should be considered supplemental to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. A reconciliation of Non-GAAP financial information to most directly comparable GAAP information can be found in our fourth quarter 2012 financial results press release and our financial results press releases for other periods discussed in this supplemental analysis, which are available on the investor relations section of our website, www.SiliconImage.com

This supplemental analysis should be read in conjunction with the audited financial statements and notes thereto included in our Annual Report of Form 10-K and our unaudited financial statements and notes thereto included in our Quarterly Reports on Form