

Silicon Image, Inc.
Financial Metrics
Unaudited
December 31, 2009
(\$ in thousands except share and per share data)

	Q1 2008	Q2 2008	Q3 2008	Q4 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009
Supplemental analysis of operations								
Revenue								
Product:								
Consumer electronics	42,452	44,613	46,157	34,377	27,576	25,686	25,588	23,541
% of product revenue	74.2%	72.1%	71.0%	69.9%	79.7%	87.3%	83.3%	84.3%
Personal computer	10,007	10,970	9,704	9,460	3,468	1,700	1,800	1,937
% of product revenue	17.5%	17.7%	14.9%	19.2%	10.0%	5.8%	5.9%	6.9%
Storage	4,728	6,253	9,113	5,367	3,551	2,050	3,328	2,443
% of product revenue	8.3%	10.1%	14.0%	10.9%	10.3%	7.0%	10.8%	8.7%
Total product revenue	57,187	61,836	64,974	49,204	34,595	29,436	30,716	27,921
% of total revenue	85.2%	88.2%	83.5%	82.8%	85.4%	78.8%	82.7%	78.5%
Non GAAP Product revenue	57,187	61,836	64,974	49,204	34,595	29,436	30,716	27,921
Licensing:								
Consumer electronics	7,083	5,697	9,725	9,486	5,901	7,575	6,102	7,210
% of licensing revenue	71.4%	69.1%	76.0%	92.6%	99.7%	95.9%	94.8%	94.1%
Personal computer	1,162	788	2,010	211	(261)	85	128	101
% of licensing revenue	11.7%	9.6%	15.7%	2.1%	-4.4%	1.1%	2.0%	1.3%
Storage	1,681	1,762	1,067	542	277	240	210	353
% of licensing revenue	16.9%	21.4%	8.3%	5.3%	4.7%	3.0%	3.3%	4.6%
Total licensing revenue	9,926	8,247	12,802	10,239	5,917	7,900	6,440	7,664
% of total revenue	14.8%	11.8%	16.5%	17.2%	14.6%	21.2%	17.3%	21.5%
Non GAAP Licensing revenue	9,926	8,247	12,802	10,239	5,917	7,900	6,440	7,664
Non GAAP total revenue	67,113	70,083	77,776	59,443	40,512	37,336	37,156	35,585
Total revenue	67,113	70,083	77,776	59,443	40,512	37,336	37,156	35,585

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 2009 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

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	Q1 2008	Q2 2008	Q3 2008	Q4 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009
Supplemental analysis of operations								
Cost of revenue								
Product cost of revenue	27,438	28,184	31,167	24,305	18,020	17,020	16,438	16,110
% Non GAAP Product revenue	48.0%	45.6%	48.0%	49.4%	52.1%	57.8%	53.5%	57.7%
Licensing cost of revenues	349	492	223	123	196	274	156	586
% Non GAAP licensing revenues	3.5%	6.0%	1.7%	1.2%	3.3%	3.5%	2.4%	7.6%
Stock based compensation	350	431	351	313	199	244	363	180
Non GAAP cost of revenue	27,787	28,676	31,390	24,428	18,216	17,294	16,594	16,696
% Non GAAP revenue	41.4%	40.9%	40.4%	41.1%	45.0%	46.3%	44.7%	46.9%
Total cost of revenue	28,137	29,107	31,741	24,741	18,415	17,538	16,957	16,876
% of total revenue	41.9%	41.5%	40.8%	41.6%	45.5%	47.0%	45.6%	47.4%
Non GAAP Product Gross Margins	29,749	33,652	33,807	24,899	16,575	12,416	14,278	11,811
% Non GAAP product revenue	52.0%	54.4%	52.0%	50.6%	47.9%	42.2%	46.5%	42.3%
Product Gross Margins	29,399	33,221	33,456	24,586	16,376	12,172	13,915	11,631
% of total product revenue	51.4%	53.7%	51.5%	50.0%	47.3%	41.4%	45.3%	41.7%
Non GAAP Licensing Gross Margins	9,577	7,755	12,579	10,116	5,721	7,626	6,284	7,078
% of Non GAAP licensing revenues	96.5%	94.0%	98.3%	98.8%	96.7%	96.5%	97.6%	92.4%
Licensing Gross Margins	9,577	7,755	12,579	10,116	5,721	7,626	6,284	7,078
% of total licensing revenues	96.5%	94.0%	98.3%	98.8%	96.7%	96.5%	97.6%	92.4%
Non GAAP Gross margin	39,326	41,407	46,386	35,015	22,296	20,042	20,562	18,889
% of Non GAAP revenue	58.6%	59.1%	59.6%	58.9%	55.0%	53.7%	55.3%	53.1%
Gross Margin	38,976	40,976	46,035	34,702	22,097	19,798	20,199	18,709
% of total revenue	58.1%	58.5%	59.2%	58.4%	54.5%	53.0%	54.4%	52.6%
Operating expenses								
Research and development	20,308	20,085	18,961	18,331	16,360	16,002	15,433	14,182
% of Non GAAP revenue	30.3%	28.7%	24.4%	30.8%	40.4%	42.9%	41.5%	39.9%
Selling and marketing	8,114	8,463	8,310	7,867	6,669	6,533	5,381	5,178
% of Non GAAP revenue	12.1%	12.1%	10.7%	13.2%	16.5%	17.5%	14.5%	14.6%
General and administrative	7,765	6,990	7,154	6,163	5,054	3,793	4,915	4,599
% of Non GAAP revenue	11.6%	10.0%	9.2%	10.4%	12.5%	10.2%	13.2%	12.9%
Stock based compensation	3,673	5,827	3,757	4,784	3,366	3,969	7,285	2,495
% of total revenue	5.5%	8.3%	4.8%	8.0%	8.3%	10.6%	19.6%	7.0%
Amortization of intangible assets	1,587	1,587	1,587	1,587	1,473	1,473	1,473	59
% of total revenue	2.4%	2.3%	2.0%	2.7%	3.6%	3.9%	4.0%	0.2%
Restructuring expense	-	-	1,876	3,968	759	7,098	348	14,702
% of total revenue	0.0%	0.0%	2.4%	6.7%	1.9%	19.0%	0.9%	41.3%
Impairment of goodwill	-	-	-	-	19,210	-	-	-
% of total revenue	0.0%	0.0%	0.0%	0.0%	47.4%	0.0%	0.0%	0.0%
Impairment of intangible assets	-	-	-	-	-	-	-	28,296
% of total revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	80%
Professional fees	-	-	-	-	-	-	2,015	-
% of total revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.4%	0.0%
Non GAAP operating expenses	36,187	35,538	34,425	32,361	28,083	26,328	25,729	23,959
% of Non GAAP revenue	53.9%	50.7%	44.3%	54.4%	69.3%	70.5%	69.2%	67.3%
Operating expenses	41,447	42,952	41,645	42,700	52,891	38,868	36,850	69,511
% of total revenue	61.8%	61.3%	53.5%	71.8%	130.6%	104.1%	99.2%	195.3%
Non GAAP Operating profit (loss)	3,139	5,869	11,961	2,654	(5,787)	(6,286)	(5,167)	(5,070)
% of Non GAAP revenue	4.7%	8.4%	15.4%	4.5%	-14.3%	-16.8%	-13.9%	-14.2%
Operating profit (loss)	(2,471)	(1,976)	4,390	(7,998)	(30,794)	(19,070)	(16,651)	(50,802)
% of total revenue	-3.7%	-2.8%	5.6%	-13.5%	-76.0%	-51.1%	-44.8%	-142.8%
Other income/(expense)	1,916	1,380	1,798	1,151	939	598	696	772
Income (loss) before provision for income taxes	(555)	(596)	6,188	(6,847)	(29,855)	(18,472)	(15,955)	(50,030)
Provision (benefit) for income taxes	7	(134)	114	(11,860)	3,474	(5,143)	(444)	14,593
% of income before provision for income taxes	-1.3%	22.5%	1.8%	173.2%	-11.6%	27.8%	2.8%	-29.2%
Net income (loss)	(562)	(462)	6,074	5,013	(33,329)	(13,329)	(15,511)	(64,623)
% of total revenue	-0.8%	-0.7%	7.8%	8.4%	-82.3%	-35.7%	-41.7%	-181.6%
Diluted shares outstanding	80,987	73,399	75,334	74,940	74,421	74,806	75,053	75,355
Diluted net income (loss) per share	\$ (0.01)	\$ (0.01)	\$ 0.08	\$ 0.07	\$ (0.45)	\$ (0.18)	\$ (0.21)	\$ (0.85)

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	Q1 2008	Q2 2008	Q3 2008	Q4 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009
Supplemental analysis of operations								
Non-GAAP (\$ in thousands except share and per share data)								
Net income (loss)	(562)	(462)	6,074	5,013	(33,329)	(13,329)	(15,511)	(64,623)
Increase/(decrease):								
Stock based compensation	4,023	6,258	4,108	5,097	3,565	4,213	7,648	2,675
Amortization of intangible assets	1,587	1,587	1,587	1,587	1,473	1,473	1,473	59
Restructuring expense	-	-	1,876	3,968	759	7,098	348	14,702
Professional fees	-	-	-	-	-	-	2,015	-
Tax adjustment	(1,683)	(2,354)	4,037	-	4,686	(3,721)	674	13,882
Impairment of goodwill	-	-	-	-	19,210	-	-	-
Impairment of intangible assets	-	-	-	-	-	-	-	28,296
Non-GAAP net income (loss)	3,365	5,029	17,682	15,665	(3,636)	(4,266)	(3,353)	(5,009)
% of Non GAAP revenue	5.0%	7.2%	22.7%	26.4%	-9.0%	-11.4%	-9.0%	-14.1%
Diluted shares outstanding	81,574	74,815	75,334	74,940	74,421	74,806	75,053	75,355
Diluted net income per share	\$ 0.04	\$ 0.07	\$ 0.23	\$ 0.21	\$ (0.05)	\$ (0.06)	\$ (0.04)	\$ (0.07)

Revenue by geography (\$ in thousands)								
Taiwan	12,147	13,690	13,878	14,719	10,718	9,501	9,063	8,754
% of total revenue	18.1%	19.5%	17.8%	24.8%	26.5%	25.4%	24.4%	24.6%
Japan	19,286	20,895	12,516	13,127	10,111	9,714	11,957	9,060
% of total revenue	28.7%	29.8%	16.1%	22.1%	25.0%	26.0%	32.2%	25.5%
United States	13,311	11,671	13,461	7,036	7,188	9,074	6,392	8,354
% of total revenue	19.8%	16.7%	17.3%	11.8%	17.7%	24.3%	17.2%	23.5%
Hong Kong	5,467	7,509	12,364	6,660	3,245	1,672	2,391	1,700
% of total revenue	8.1%	10.7%	15.9%	11.2%	8.0%	4.5%	6.4%	4.8%
Korea	3,869	3,138	3,300	1,551	227	1,899	1,566	1,096
% of total revenue	5.8%	4.5%	4.2%	2.6%	0.6%	5.1%	4.2%	3.1%
Other	13,033	13,180	22,257	16,350	9,023	5,476	5,787	6,621
% of total revenue	19.4%	18.8%	28.6%	27.5%	22.3%	14.7%	15.6%	18.6%
Total	67,113	70,083	77,776	59,443	40,512	37,336	37,156	35,585

Revenue by channel (\$ in thousands)								
Distributor	34,745	37,353	36,880	33,926	20,978	8,659	8,376	6,477
% of total revenue	51.8%	53.3%	47.4%	57.1%	51.8%	23.2%	22.5%	18.2%
Direct	22,442	24,483	28,094	15,278	13,617	20,777	22,340	21,444
% of total revenue	33.4%	34.9%	36.1%	25.7%	33.6%	55.6%	60.1%	60.3%
Licensing Revenue	9,926	8,247	12,802	10,239	5,917	7,900	6,440	7,664
% of total revenue	14.8%	11.8%	16.5%	17.2%	14.6%	21.2%	17.3%	21.5%
Total	67,113	70,083	77,776	59,443	40,512	37,336	37,156	35,585

Select balance sheet items (\$ in thousands)								
Cash and short-term investments	194,414	185,456	200,538	185,005	169,007	162,953	153,218	150,622
Accounts receivable, net	27,011	28,636	23,603	5,922	17,505	19,059	24,454	21,664
Days sales outstanding [(Net AR/Total revenue)*90]	36.2	36.8	27.3	9.0	38.9	45.9	59.2	54.8
Non GAAP Days sales outstanding [(Net AR/Total revenue)*90]	36.2	36.8	27.3	9.0	38.9	45.9	59.2	54.8
Inventories, net	14,116	17,686	16,503	12,775	12,249	9,169	12,538	7,746
Annualized inventory turns [(Product cost of revenue/Inventory)*4]	7.9	6.5	7.6	7.7	5.9	7.5	5.4	8.4
Non GAAP Annualized inventory turns [(Non GAAP Product cost of revenue/Inventory)*4]	7.8	6.4	7.6	7.6	5.9	7.4	5.2	8.3
Depreciation and amortization	4,309	4,122	4,224	4,042	3,754	3,784	3,695	2,205

Staff (Full time employees)								
Functional:								
Total	642	643	635	610	597	574	560	526

As of December 31, 2008, there were 74,070,293 shares outstanding. As of December 31, 2009, there were 75,419,173 shares. The increase relates to option exercises 295,370 shares, shares issued under the employee stock purchase plan 887,045 shares and vesting of restricted stock units (net) 166,465 shares.

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