

STANDARD MICROSYSTEMS CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED INCOME STATEMENTS (Unaudited)
(in thousands, except per share amounts)

	Three Months Ended		Six Months Ended	
	August 31,		August 31,	
	2007	2006	2007	2006
Sales and revenues	\$ 97,522	\$ 96,663	\$ 179,069	\$ 182,807
Costs and expenses:				
Costs of goods sold	47,879	52,359	86,730	97,273
Research and development	18,192	17,142	36,181	32,310
Amortization of intangible assets	1,652	1,591	3,293	3,160
Selling, general and administrative	21,718	18,159	41,990	31,962
Income from operations	8,081	7,412	10,875	18,102
Interest income	1,665	1,173	3,067	2,319
Interest expense	(89)	(111)	(174)	(144)
Other expense, net	52	9	410	(53)
Income before provision for income taxes	9,709	8,483	14,178	20,224
Provision for income taxes	428	2,756	1,695	5,864
Net income	\$ 9,281	\$ 5,727	\$ 12,483	\$ 14,360
Basic net income per share:	\$ 0.40	\$ 0.26	\$ 0.54	\$ 0.66
Diluted net income per share:	\$ 0.38	\$ 0.25	\$ 0.52	\$ 0.62
Weighted average common shares outstanding:				
Basic	23,097	21,904	22,939	21,864
Diluted	24,160	22,784	24,010	23,005