

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

	<u>Three Months Ended</u> <u>November 30,</u>		<u>Nine Months Ended</u> <u>November 30,</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Sales and revenues	\$ 104,678	\$ 98,064	\$ 283,747	\$ 280,872
Costs and expenses:				
Costs of goods sold	49,441	51,953	136,171	149,226
Research and development	18,570	17,565	54,751	49,875
Amortization of intangible assets	1,694	1,592	4,987	4,752
Selling, general and administrative	<u>20,737</u>	<u>20,919</u>	<u>62,600</u>	<u>53,131</u>
Income from operations	14,236	6,035	25,238	23,888
Interest income	2,039	1,162	5,105	3,481
Interest expense	(98)	(54)	(272)	(198)
Other expense, net	<u>(1,563)</u>	<u>(236)</u>	<u>(1,279)</u>	<u>(40)</u>
Income before provision for income taxes	14,614	6,907	28,792	27,131
Provision for income taxes	<u>5,906</u>	<u>2,088</u>	<u>7,601</u>	<u>7,952</u>
Net income	<u>\$ 8,708</u>	<u>\$ 4,819</u>	<u>\$ 21,191</u>	<u>\$ 19,179</u>
Basic net income per share:	<u>\$ 0.38</u>	<u>\$ 0.22</u>	<u>\$ 0.92</u>	<u>\$ 0.87</u>
Diluted net income per share:	<u>\$ 0.36</u>	<u>\$ 0.21</u>	<u>\$ 0.88</u>	<u>\$ 0.83</u>
Weighted average common shares outstanding:				
Basic	23,041	22,133	22,959	21,966
Diluted	24,131	23,368	24,038	23,153