

**INTEGRATED DEVICE TECHNOLOGY, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)

(In thousands, except per share data)

	Three Months Ended			Twelve Months Ended	
	Mar. 30, 2014	Dec. 29, 2013	Mar. 31, 2013	Mar. 30, 2014	Mar. 31, 2013
Revenues	\$ 118,640	\$ 124,628	\$ 107,779	\$ 484,779	\$ 484,452
Cost of revenues	57,509	49,689	48,256	211,826	214,728
Gross profit	61,131	74,939	59,523	272,953	269,724
Operating expenses:					
Research and development	32,656	31,063	42,096	140,595	159,471
Selling, general and administrative	23,213	23,687	27,784	101,039	117,648
Total operating expenses	55,869	54,750	69,880	241,634	277,119
Operating income (loss)	5,262	20,189	(10,357)	31,319	(7,395)
Gain (loss) from divestiture	(302)	(3,415)	7,986	78,632	7,986
Other-than-temporary impairment loss on investments	-	-	(1,708)	-	(1,708)
Other income (expense), net	786	1,108	258	2,707	1,708
Income (loss) from continuing operations before income taxes	5,746	17,882	(3,821)	112,658	591
Provision (benefit) for income taxes	320	543	1,648	981	(2,120)
Net income (loss) from continuing operations	5,426	17,339	(5,469)	111,677	2,711
Discontinued operations:					
Gain from divestiture	-	-	-	-	886
Loss from discontinued operations	(5,016)	(10,123)	(4,995)	(22,938)	(23,653)
Provision (benefit) for income taxes	17	268	163	11	116
Net income (loss) from discontinued operations	(5,033)	(10,391)	(5,158)	(22,949)	(22,883)
Net income (loss)	<u>\$ 393</u>	<u>\$ 6,948</u>	<u>\$ (10,627)</u>	<u>\$ 88,728</u>	<u>\$ (20,172)</u>
Basic net income (loss) per share continuing operations	\$ 0.04	\$ 0.11	\$ (0.04)	\$ 0.75	\$ 0.02
Basic net income (loss) per share discontinued operations	(0.04)	(0.06)	(0.03)	(0.16)	(0.16)
Basic net income (loss) per share	<u>\$ -</u>	<u>\$ 0.05</u>	<u>\$ (0.07)</u>	<u>\$ 0.59</u>	<u>\$ (0.14)</u>
Diluted net income (loss) per share continuing operations	\$ 0.04	\$ 0.11	\$ (0.04)	\$ 0.73	\$ 0.02
Diluted net income (loss) per share discontinued operations	(0.04)	(0.07)	(0.03)	(0.15)	(0.16)
Diluted net income (loss) per share	<u>\$ -</u>	<u>\$ 0.04</u>	<u>\$ (0.07)</u>	<u>\$ 0.58</u>	<u>\$ (0.14)</u>
Weighted average shares:					
Basic	150,033	151,018	145,626	149,480	144,014
Diluted	154,390	155,035	145,626	153,369	145,678

**INTEGRATED DEVICE TECHNOLOGY, INC.**  
**RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES (a)**  
(Unaudited)

(In thousands, except per share data)

	Three Months Ended			Twelve Months Ended	
	Mar. 30, 2014	Dec. 29, 2013	Mar. 31, 2013	Mar. 30, 2014	Mar. 31, 2013
<b>GAAP net income (loss) from continuing operations</b>	<b>\$ 5,426</b>	<b>\$ 17,339</b>	<b>\$ (5,469)</b>	<b>\$ 111,677</b>	<b>\$ 2,711</b>
<b>GAAP diluted net income (loss) per share continuing operations</b>	<b>\$ 0.04</b>	<b>\$ 0.11</b>	<b>\$ (0.04)</b>	<b>\$ 0.73</b>	<b>\$ 0.02</b>
Acquisition related:					
Amortization of acquisition related intangibles	11,999	3,322	4,097	21,964	16,339
Impairment of acquired in-process R&D	2,433	-	-	2,433	-
Acquisition related legal and consulting fees	73	21	1,009	802	11,238
Fair market value adjustment to acquired inventory sold	-	-	-	-	358
Restructuring related:					
Severance and retention costs	383	400	1,662	6,456	5,522
Facility closure costs	107	6	2	134	62
Gain on divestiture	302	3,415	(7,986)	(78,632)	(7,986)
Assets impairment and other	334	(265)	5,687	4,113	6,096
Other:					
Other-than-temporary impairment loss on investments	-	-	1,708	-	1,708
Stock-based compensation expense	2,368	3,169	3,813	12,677	13,054
Expenses related to stockholder activities	-	-	(1,000)	-	1,614
Compensation expense (benefit)—deferred compensation plan	185	557	704	1,265	1,135
Loss (gain) on deferred compensation plan securities	(171)	(627)	(696)	(1,316)	(941)
Life insurance proceeds received	-	-	-	-	(2,313)
Tax effects of Non-GAAP adjustments	(1,331)	(1,402)	1,381	(4,389)	(7,910)
<b>Non-GAAP net income from continuing operations</b>	<b>\$ 22,108</b>	<b>\$ 25,935</b>	<b>\$ 4,912</b>	<b>\$ 77,184</b>	<b>\$ 40,687</b>
GAAP weighted average shares - diluted	154,390	155,035	145,626	153,369	145,678
Non-GAAP adjustment	1,492	2,099	5,026	1,981	1,934
Non-GAAP weighted average shares - diluted	155,882	157,134	150,652	155,350	147,612
<b>Non-GAAP diluted net income per share continuing operations</b>	<b>\$ 0.14</b>	<b>\$ 0.17</b>	<b>\$ 0.03</b>	<b>\$ 0.50</b>	<b>\$ 0.28</b>
<b>GAAP gross profit</b>	<b>61,131</b>	<b>74,939</b>	<b>59,523</b>	<b>272,953</b>	<b>269,724</b>
Acquisition and divestiture related:					
Amortization of acquisition related intangibles	11,016	2,435	2,740	18,321	12,413
Fair market value adjustment to acquired inventory sold	-	-	-	-	358
Restructuring related:					
Severance and retention costs	117	-	-	204	607
Facility closure costs	-	2	(9)	8	4
Assets impairment and other	105	(142)	(37)	(111)	372
Other:					
Compensation expense (benefit)—deferred compensation plan	55	172	217	388	324
Stock-based compensation expense	61	403	263	1,189	1,113
<b>Non-GAAP gross profit</b>	<b>72,485</b>	<b>77,809</b>	<b>62,697</b>	<b>292,952</b>	<b>284,915</b>
<b>GAAP R&amp;D expenses:</b>	<b>32,656</b>	<b>31,063</b>	<b>42,096</b>	<b>140,595</b>	<b>159,471</b>
Acquisition and divestiture related:					
Amortization of acquisition related intangibles	(2,433)	-	-	(2,433)	-
Restructuring related:					
Severance and retention costs	(264)	(86)	(1,560)	(4,193)	(3,882)
Facility closure costs	-	(2)	(6)	(9)	(43)
Assets impairment and other	(63)	123	(3,203)	(4,058)	(3,203)
Other:					
Compensation expense (benefit)—deferred compensation plan	(90)	(289)	(365)	(650)	(626)
Stock-based compensation expense	(1,389)	(1,514)	(2,001)	(5,601)	(6,691)
<b>Non-GAAP R&amp;D expenses</b>	<b>28,417</b>	<b>29,295</b>	<b>34,961</b>	<b>123,651</b>	<b>145,026</b>
<b>GAAP SG&amp;A expenses:</b>	<b>23,213</b>	<b>23,687</b>	<b>27,784</b>	<b>101,039</b>	<b>117,648</b>
Acquisition and divestiture related:					
Amortization of acquisition related intangibles	(983)	(887)	(1,357)	(3,643)	(3,926)
Acquisition related legal and consulting fees	(73)	(21)	(1,009)	(802)	(11,238)
Restructuring related:					
Severance and retention costs	(2)	(314)	(102)	(2,059)	(1,033)
Facility closure costs	(107)	(2)	(5)	(117)	(15)
Assets impairment and other	(166)	-	(2,521)	(166)	(2,521)
Other:					
Compensation expense (benefit)—deferred compensation plan	(40)	(96)	(122)	(227)	(185)
Stock-based compensation expense	(918)	(1,252)	(1,549)	(5,887)	(5,250)
Expenses related to stockholder activities	-	-	1,000	-	(1,614)
<b>Non-GAAP SG&amp;A expenses</b>	<b>20,924</b>	<b>21,115</b>	<b>22,119</b>	<b>88,138</b>	<b>91,866</b>
<b>GAAP interest income and other, net</b>	<b>786</b>	<b>1,108</b>	<b>258</b>	<b>2,707</b>	<b>1,708</b>
Loss (gain) on deferred compensation plan securities	(171)	(627)	(696)	(1,316)	(941)
Life insurance proceeds received	-	-	-	-	(2,313)
<b>Non-GAAP interest income and other, net</b>	<b>615</b>	<b>481</b>	<b>(438)</b>	<b>1,391</b>	<b>(1,546)</b>
<b>GAAP provision (benefit) for income taxes continuing operations</b>	<b>320</b>	<b>543</b>	<b>1,648</b>	<b>981</b>	<b>(2,120)</b>
Tax effects of Non-GAAP adjustments (7)	1,331	1,402	(1,381)	4,389	7,910
<b>Non-GAAP provision for income taxes continuing operations</b>	<b>1,651</b>	<b>1,945</b>	<b>267</b>	<b>5,370</b>	<b>5,790</b>

(a) Refer to the accompanying "Notes to Non-GAAP Financial Measures" for a detailed discussion of management's use of non-GAAP financial measures.

**INTEGRATED DEVICE TECHNOLOGY, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited)

<i>(In thousands)</i>	<b>Mar. 30, 2014</b>	<b>March 31, 2013</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 91,211	\$ 130,837
Short-term investments	362,604	166,333
Accounts receivable, net	68,904	62,083
Inventories	49,622	56,555
Prepaid and other current assets	13,034	24,697
Total current assets	<u>585,375</u>	<u>440,505</u>
Property, plant and equipment, net	69,827	74,988
Goodwill	135,644	144,924
Acquisition-related intangibles	18,741	48,602
Other assets	21,373	19,560
<b>TOTAL ASSETS</b>	<u><u>\$ 830,960</u></u>	<u><u>\$ 728,579</u></u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 25,442	\$ 23,244
Accrued compensation and related expenses	24,343	21,090
Deferred income on shipments to distributors	14,006	14,539
Deferred taxes liabilities	1,346	1,000
Other accrued liabilities	11,160	14,652
Total current liabilities	<u>76,297</u>	<u>74,525</u>
Deferred tax liabilities	1,494	1,552
Long term income taxes payable	266	454
Other long term obligations	18,683	22,022
Total liabilities	<u>96,740</u>	<u>98,553</u>
Stockholders' equity	<u>734,220</u>	<u>630,026</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u><u>\$ 830,960</u></u>	<u><u>\$ 728,579</u></u>