DECLARATION OF CATHLEEN DONOHOE IN SUPPORT OF DEFENDANTS' REPLY MEMORANDUM IN SUPPORT OF MOTION TO DISMISS Plaintiffs' Second Consolidated Amended Complaint ("SECOND DONOHOE DECLARATION")

Date: June 9, 2006
Time: 9:00 a.m.
Dept: Courtroom 7, 19th Floor
Judge: The Hon. Maxine M. Chesney
I, Cathleen Donohoe, declare as follows:

1. I am an attorney admitted to practice before this Court. I am an associate with the law firm of Fenwick & West LLP, counsel of record for defendants Silicon Image, Inc. ("Silicon Image"), Steve Tirado, and David Lee (collectively, "defendants") in this action. I have personal knowledge of the matters set forth herein and, if called upon, could testify competently thereto.

2. Attached hereto as Exhibit A is a true and correct copy of Silicon Image's June 24, 2004 press release entitled Silicon Image To Separate CEO and Chairman Role.¹

3. Attached hereto as Exhibit B is a true and correct copy of select pages from Silicon Image's Form 10-K for the period ending December 31, 2003 as filed with the Securities and Exchange Commission on or about March 15, 2004.

4. Attached hereto as Exhibit C is a true and correct copy of a June 22, 2005 announcement regarding Mr. Gargus' new position at Open-Silicon Inc., available at:

http://www.eetimes.com/showArticle.jhtml;jsessionid=TYLUIC2FL2UAQSNDBCCKHSCJUMEKJVN?articleID=164902066

5. Attached hereto as Exhibit D is a true and correct copy of Silicon Image's Form 8-K filed with the Securities and Exchange Commission on or about January 28, 2005.

6. Attached hereto as Exhibit E is a true and correct copy of select pages from Silicon Image's Form 10-K for the period ending December 31, 2004 as filed with the Securities and Exchange Commission on or about March 16, 2005.


8. Attached hereto as Exhibit G is a true and correct copy of a spreadsheet summarizing Dr. David Lee's Silicon Image share ownership and trading history relevant to the Class Period, which is based on Silicon Image Proxy Statements and Dr. Lee's Form 4 filings with the Securities & Exchange Commission as specified therein.

¹ The Company issued two press releases on June 24, 2004 and the incorrect release was inadvertently attached to defendants' Motion as Donohoe Decl. Ex. F. The correct June 24, 2004 press release is filed herewith as Second Donohoe Decl. Ex. A.
9. Attached hereto as Exhibit H is a true and correct copy of a spreadsheet summarizing Mr. Steve Tirado’s Silicon Image share ownership and trading history relevant to the Class Period, which is based on Silicon Image Proxy Statements and Mr. Tirado’s Form 4 filings with the Securities & Exchange Commission as specified therein.

10. Attached hereto as Exhibit I is a true and correct copy of a spreadsheet summarizing Mr. Steve Tirado’s Silicon Image share ownership and trading history relevant to the one-year period prior to the Class Period, which is based on Silicon Image Proxy Statements and Mr. Tirado’s Form 4 filings with the Securities & Exchange Commission as specified therein.

11. Attached hereto as Exhibit J is a true and correct copy of select pages from Silicon Image’s Schedule 14A (Proxy Statement) filed with the Securities and Exchange Commission on or about April 15, 2002.

12. Attached hereto as Exhibit K is a true and correct copy of select pages from Silicon Image’s Schedule 14A (Proxy Statement) filed with the Securities and Exchange Commission on or about April 11, 2003.

13. Attached hereto as Exhibit L is a true and correct copy of select pages from Silicon Image’s Schedule 14A (Proxy Statement) filed with the Securities and Exchange Commission on or about April 19, 2004.

14. Attached hereto as Exhibit M is a true and correct copy of select pages from Silicon Image’s Schedule 14A (Proxy Statement) filed with the Securities and Exchange Commission on or about April 29, 2005.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 19th day of May, 2006, at Mountain View, California.

/s/
Cathleen Donohoe
Exhibit A
Press Releases

Silicon Image To Separate CEO and Chairman Role

Search For New CEO Initiated

SUNNYVALE, Calif.--June 24, 2004--Silicon Image, Inc. (Nasdaq: SIMG), a leader in multi-gigabit semiconductor solutions for the secure transmission and storage of rich digital media, today announced that Chairman, Founder and CEO, Dr. David Lee, is leading a search committee effort to identify and appoint a successor as CEO. Dr. Lee will maintain an active role in the company as full-time chairman of the board, focusing on the development and delivery of the company's long-term vision and strategy.

"My decision to relinquish the CEO role is driven by two primary factors. First I and the rest of the board of directors believe that Silicon Image's leadership in standards-based, high-bandwidth ICs and IP for the consumer electronics, storage and PC display market, place it in an excellent position to benefit from explosive demand for secure digital content distribution solutions. We are confident that the magnitude and nature of this opportunity will enable us to recruit a world-class executive who will partner with me to build Silicon Image to greater heights," said Dr. Lee. "And second, the board and I are committed to exemplifying excellence in corporate governance, and therefore believe it is important to separate the roles of the CEO and chairman."

To underscore this commitment to excellence in corporate governance, Andy Rappaport-partner of August Capital and Silicon Image board member since 1997-has been named as the company's lead independent director. "The Board of Directors wholeheartedly supports David's commitment to achieve world-class excellence in governance as we face the challenges of a growing public company," said Mr. Rappaport. "We are committed to working with him to accomplish the goals he has laid out."

"After nearly a decade as CEO," continued Lee, "I look forward to being able to focus my energy on strategic opportunities as we prepare for the continued challenges associated with growing into a larger and more complex global organization. Just as we have excelled at developing and driving innovative industry standards, products and business models, we must now focus on applying these core competencies to elevating strategy, management and corporate governance to new levels."

Silicon Image has engaged an executive search firm to commence the search for a new CEO. The Company will not be commenting on the status of the search until concluded. In the interim Dr. Lee will remain as CEO until a successor is named.

About Silicon Image

Headquartered in Sunnyvale, Calif., Silicon Image, Inc. designs, develops and markets multi-gigabit semiconductor and system solutions for a variety of communications applications demanding high-bandwidth capability. With its proprietary Multi-layer Serial Link (MSL™) architecture, Silicon Image is well positioned for leadership in multiple mass markets including PCs, consumer electronics and storage. Currently, Silicon Image leads the global PC/display arena with its innovative digital interconnect technology, and has emerged as a leading player in the consumer electronics and storage markets-offering robust, high-bandwidth semiconductors. For more information on Silicon Image, visit www.siliconimage.com

This news release contains forward-looking information within the meaning of federal securities regulations. These forward-looking statements include statements related to future product demand, timing of hiring a new CEO and future corporate performance. These forward-looking statements involve risks and uncertainties, including those described from time to time in Silicon Image's filings with the Securities and Exchange Commission (SEC), that could cause the actual results to differ materially from those anticipated by these forward-looking statements. In particular, actual future product demand, timing of hiring a new CEO and future corporate performance may not conform to current expectations. Also see "Management's Discussion and Analysis of Financial Condition and Results of Operations-Factors Affecting Future Results" in the most recent Annual Report, Form 10-K or 10-Q filed by Silicon Image with the SEC. Silicon Image assumes no obligation to update this forward-looking information.

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MEDIA CONTACTS:

Kristen Fuller
Sr. Director Corporate Marketing
Silicon Image, Inc.
Phone: 408/616-4192
kristen@siliconimage.com
Exhibit B
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K
Annual report pursuant to section 13 or 15(d) of the
Securities Exchange Act of 1934
For the fiscal year ended December 31, 2003
Commission file number 000-26887

Silicon Image, Inc.
(Exact name of registrant as specified in its charter)
Delaware 77-0396307
(State of incorporation) (IRS employer identification number)

1060 East Arques Avenue
Sunnyvale, CA 94085
(Address of principal executive offices and zip code)
(408) 616-4000
(Registrant’s telephone number, including area code)

Securities registered pursuant to section 12(g) of the Act:
Common Stock, $0.001 par value

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K ☐

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 under the Securities Exchange Act of 1934). Yes ☒ No ☐

The aggregate market value of voting and non-voting common equity held by non-affiliates at June 30, 2003 was approximately $359,084,000, based on the last reported sale price of our common shares on the NASDAQ Stock Market on that date of $5.50 per share. We had 65,288,000 common shares outstanding at June 30, 2003.

Part III incorporates by reference information from our proxy statement for our annual meeting of stockholders to be held on May 25, 2004.

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This report contains forward-looking statements within the meaning of Section 21E of the Securities and Exchange Act of 1934 and Section 27A of the Securities Act of 1933. These forward-looking statements involve a number of risks and uncertainties, including those identified in the section of this Form 10-K entitled “Factors Affecting Future Results,” that may cause actual results to differ materially from those discussed in, or implied by, such forward-looking statements. Forward-looking statements within this Form 10-K are identified by words such as “believes,” “anticipates,” “expects,” “intends,” “may,” “will” and other similar expressions. However, these words are not the only means of identifying such statements. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. We undertake no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances occurring subsequent to the filing of this Form 10-K with the SEC. Our actual results could differ materially from those anticipated in, or implied by, forward-looking statements as a result of various factors, including the risks outlined elsewhere in this report. Readers are urged to carefully review and consider the various disclosures made by Silicon Image, Inc. in this report and in our other reports filed with the SEC that attempt to advise interested parties of the risks and factors that may affect our business.

PART I

Item 1. Business

Silicon Image is a leader in multi-gigabit semiconductor solutions for the secure transmission, storage and display of rich digital media. The company’s mission is to be the leader in defining the architectures, intellectual property (IP) and semiconductor technology required to build secure digital content delivery systems. To ensure that rich digital content is always available on any device, consumer electronics (“CE”), personal computers (“PC”) and storage devices must be architected for content compatibility and interoperability.

Silicon Image’s strategy entails establishing industry-standard, high-speed digital interfaces and building market momentum and leadership through its first-to-market, standards-based IC products. Further leveraging its strong IP portfolio, the company broadens market adoption of the Digital Visual Interface (DVI), High-Definition Multimedia Interface (HDMI) and Serial ATA (SATA) interfaces by licensing its proven IP cores to companies providing advanced system-on-a-chip solutions incorporating these interfaces. Licensing, in addition to creating revenue and return on engineering investment in market segments we choose not to address, creates products complementary to our own that expand the markets for our products and help to improve industry wide interoperability.

Silicon Image is a leader in the global PC/display arena with its innovative PanelLink® digital interconnect technology, which enables an all-digital connection between PC host systems and digital displays such as LCD monitors, plasma displays and projectors. PanelLink technology is the basis for the DVI industry standard the company pioneered and remains the most popular DVI implementation with more than 40 million units shipped to date.
In 2000, in order to decrease our absolute dependence on the PC business, we embarked upon a plan to diversify into the CE and storage markets. Products sold into the PC market have been declining as a percentage of our total revenues and generated 32% of our revenue in 2003, 58% of our revenue in 2002, and 70% of our revenue in 2001.

Leveraging our core technology and standards-setting expertise, Silicon Image is driving HDMI, the new digital interface standard for the consumer electronics market. Introduced by founders Hitachi, Matsushita (Panasonic), Philips, Silicon Image, Sony, Thomson and Toshiba, HDMI enables the distribution of uncompressed, high-definition video and multi-channel audio in a single, all-digital interface that dramatically simplifies cabling. Silicon Image’s HDMI technology is marketed under the PanelLink Cinema™ brand and includes High-bandwidth Digital Content Protection (HDCP), which is supported by certain Hollywood studios as the technology of choice for the secure distribution of premium
Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Audit Committee Examination

In November 2003, the Company announced that it would delay the filing of its quarterly report on Form 10-Q because an examination had been commenced by its Audit Committee. The Company's Audit Committee, with the assistance of independent outside counsel and independent outside consultants, was examining certain matters, principally the Company's recognition of revenue associated with its licensing transactions in 2002 and 2003.

In February 2004, the Company’s Audit Committee completed its examination. During the course of the examination, the Audit Committee and its outside advisors conducted a thorough review of the Company's licensing transactions in 2002 and 2003, as well as a review of certain other matters. As a result of its examination, the Audit Committee concluded that no changes were required to the results previously announced for the quarter ended September 30, 2003, or any prior reporting period. In its review, the Audit Committee concluded that there were no accounting irregularities and that no member of the Company’s management engaged in misconduct in connection with the matters under examination.

During the course of its examination, the Audit Committee identified certain areas in which the Company’s control environment should be improved. As a result, the Company, under the direction of the Audit Committee and the Board of Directors, is taking steps to strengthen the Company’s controls. In connection with these steps, the Company is adopting a policy requiring additional documentation of items necessary for licensing revenue recognition decisions; increasing the standardization of licensing deliverables and post-contract customer support for revenue recognition purposes; and formalizing its licensing deal review process. The Company only began to report revenues from licensing transactions in 2002. These enhancements to the Company’s controls are in part designed to help the Company adapt to the growing complexity and importance of this additional component of its business strategy.

The Company is also in the process of adopting and implementing internal measures designed to enhance the Company’s overall internal control environment and to increase the level of communication within the management team and between the management team and the Board of Directors, including the Audit Committee. These measures include restructuring some reporting relationships among management and evaluating and redefining management roles and responsibilities. The Company may receive and consider additional recommendations designed to enhance its overall internal control environment. The Company believes that the steps it has taken and its continued monitoring and improvement of its internal controls are and will remain sufficient to ensure continued compliance with law.

Overview

Silicon Image is a leader in multi-gigabit semiconductor solutions for the secure transmission, storage and display of rich digital media. The company’s mission is to be the leader in defining the architectures, intellectual property (IP) and semiconductor technology required to build secure digital content delivery systems. To ensure that rich digital content is always available on any device, consumer electronics, PC and storage devices must be architected for content compatibility and interoperability.

Silicon Image’s strategy entails establishing industry-standard, high-speed digital interfaces and building market momentum and leadership through its first-to-market, standards-based IC products. Further leveraging its strong IP portfolio, the company broadens market adoption of the Digital Visual Interface (DVI), High-Definition Multimedia Interface (HDMI) and Serial ATA (SATA) interfaces by licensing its proven IP cores to companies providing advanced system-on-a-chip solutions incorporating these interfaces. Licensing, in addition to creating revenue and return on engineering investment in market
signed our first license contract in December 2001, and have signed others since then. There can be no assurance that additional companies will be interested in licensing our technology on commercially favorable terms or at all. We also cannot ensure that companies who license our technology will introduce and sell products incorporating our technology, will accurately report royalties owed to us, will pay agreed upon royalties, will honor agreed upon market restrictions, will not infringe upon or misappropriate our intellectual property and will maintain the confidentiality of our proprietary information. Licensing contracts are complex and depend upon many factors including completion of milestones, allocation of values to delivered items, and customer acceptances. Many of these factors require significant judgments. Licensing revenues could fluctuate significantly from period to period because it is heavily dependent on a few key deals being completed in a particular period, the timing of which is difficult to predict. Because of their high margin content, licensing revenues can have a disproportionate impact on gross margins and profitability. Also, generating revenue from licensing arrangements is a lengthy and complex process that may last beyond the period in which efforts begin, and once an agreement is in place, the timing of revenue recognition may be dependent on customer acceptance of deliverables, achievement of milestones, our ability to track and report progress on contracts, customer commercialization of the licensed technology, and other factors. In addition, in any period, our expectation of licensing revenue is or may be dependent on one or a few licenses being completed. Licensing that occurs in the course of actual or contemplated litigation is subject to risk that the adversarial nature of the transaction will induce non-compliance or non-payment. The accounting rules associated with recognizing revenue from licensing transactions are increasingly complex and subject to interpretation. Due to these factors, the amount of license revenue recognized in any period may differ significantly from our expectations.

We face additional risks and costs as a result of the delayed filing of our quarterly report on Form 10-Q for the quarter ended September 30, 2003 and our recent Audit Committee examination.

As a result of the delayed filing of our Form 10-Q for the quarter ended September 30, 2003, and the Audit Committee’s examination, we have experienced additional risks and costs. The Audit Committee’s examination has been time-consuming, required us to incur additional expenses and has affected management’s attention and resources. Further, the measures to strengthen internal controls being implemented may require greater management time and company resources to implement and monitor. We incurred approximately $1.1 million of costs associated with the Audit Committee examination in the fourth quarter of 2003 and will incur additional costs associated with this examination in the first quarter of 2004. We estimate that the costs associated with conduct of the Audit Committee examination to be approximately $0.8 million during the first quarter of 2004. Pending litigation costs associated with the examination cannot be accurately projected for the following quarters and could be significant. In addition, measures being implemented as a result of this examination, which are described under “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Audit Committee Examination,” may adversely affect our operations.

Further, certain of our officers and directors have been named as defendants in shareholder derivative litigation, which alleges, among other matters, that as a result of the examination, we will be required to restate our financial results for 2002 and 2003 and that such a restatement would be due to breaches by the individual defendants of the fiduciary duties to us. In addition, we and certain of our officers and directors have been named as defendants in securities class-action litigation, which alleges that we had materially overstated our licensing revenue, net income and financial results during the time period from April 15, 2002 to November 15, 2003. Although the Audit Committee has completed its examination and concluded that no changes to our financial statements or the results previously announced for the quarter ended September 30, 2003, are required, these lawsuits may be amended or continued, or new suits may be brought in connection with the delayed filing of the Form 10-Q or the Audit Committee’s examination. Such litigations could be time-consuming, require us to incur significant expenses and could divert our
management's attention and resources. In addition, any unfavorable outcome of any of such litigation could adversely impact our business, financial condition and results of operations.

In addition, we have been informed by the NASDAQ staff that the continued listing of our common stock is conditioned on our timely filing of all periodic reports under the Securities Exchange Act of 1934, such as our annual report on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K, for all reporting periods ending on or before December 31, 2004. Should we fail to timely make any such filing, NASDAQ has informed us that we will not be entitled to a new hearing with the NASDAQ staff and our common stock may be transferred to the NASDAQ SmallCap Market, provided we could demonstrate compliance with applicable maintenance criteria for such market and an ability to sustain long-term compliance, or immediately delisted from the NASDAQ National Market. The NASDAQ staff has reserved the right to reconsider the terms of the foregoing exception permitting continued listing of our common stock upon a review of our publicly filed financial statements or if any event, condition or circumstance that exists or develops that would, in the opinion of the staff, make continued listing of our stock inadvisable or unwarranted.

Finally, as a result of our delayed filing of our Form 10-Q, we will be ineligible to register our securities on Form S-3 for sale by us or resale by others until we have timely filed all periodic reports under the Securities Exchange Act of 1934 for one year. The Company may use Form S-1 to raise capital or complete acquisitions, which could increase transaction costs and adversely affect our ability to raise capital or complete acquisitions of other companies during this period.

We face intense competition in our markets, which may lead to reduced revenue from sales of our products and increased losses.

The PC, CE and storage markets in which we operate are intensely competitive. These markets are characterized by rapid technological change, evolving standards, short product life cycles and declining selling prices. Our display products face competition from a number of sources, including analog solutions, DVI-based solutions, dual (analog and DVI-based) solutions and other digital interface solutions. We expect competition in the display market to increase. For example, Analog Devices, ATI, Broadcom, Chrontel, Genesis Microchip, Matrox, National Semiconductor, Novatek, nVidia, Philips, Pixelworks, SIS, Smart ASIC, ST Microelectronics, Sunplus, Texas Instruments, Thine, and Weltrend, are shipping products or have announced intentions to introduce products and/or other digital interface solutions that we expect will compete with our PanelLink products. Other companies have announced DVI-based solutions and we expect that additional companies are likely to enter the market. Current or potential customers, including our own licensees, may also develop solutions that could compete with us, directly or indirectly, such as the integration of a DVI transmitter into a graphics processing unit or integration of a DVI receiver into a monitor controller.

In the CE market, our digital interface products are used to connect cable set-top boxes, satellite set-top boxes and DVD players to digital televisions. These products incorporate DVI and High-bandwidth Digital Content Protection ("HDCP"), or HDMI with or without HDCP support. Companies that have announced or are shipping DVI-HDCP solutions include Texas Instruments ("TI"), Thine, Broadcom and Genesis Microchip ("Genesis"). In addition, our video processing products face competition from products sold by AV Science, Broadcom, Focus Enhancements, Genesis, Mediaworks, Micronas Semiconductor, Oplus, Philips, Pixelworks and Trident. We also compete, in some instances, against in-house processing solutions designed by large original equipment manufacturers. We expect competition for HDMI products from the other HDMI founders and adopters, including Hitachi, Matsushita, Philips, Sony, Thomson and Toshiba.

In the storage market, our fibre channel products face competition from companies selling similar discrete products, including Agilent, PMC Sierra and Vitesse, from other fibre channel Serializer-
We must attract and retain qualified personnel to be successful, and competition for qualified personnel is increasing in our market.

Our success depends to a significant extent upon the continued contributions of our key management, technical and sales personnel, many of who would be difficult to replace. The loss of one or more of these employees could harm our business. Although we have entered into a limited number of employment contracts with certain executive officers, we generally do not have employment contracts with our key employees. We do not have key person life insurance for any of our key personnel. Our success also depends on our ability to identify, attract and retain qualified technical, sales, marketing, finance and managerial personnel. Competition for qualified personnel is particularly intense in our industry and in our location. This makes it difficult to retain our key personnel and to recruit highly qualified personnel. We have experienced, and may continue to experience, difficulty in hiring and retaining candidates with appropriate qualifications. To be successful, we need to hire candidates with appropriate qualifications and retain our key executives and employees.

The volatility of our stock price has had an impact on our ability to offer competitive equity-based incentives to current and prospective employees, thereby affecting our ability to attract and retain highly qualified technical personnel. If these adverse conditions continue, we may not be able to hire or retain highly qualified employees in the future and this could harm our business. In addition, new regulations proposed by The NASDAQ National Market requiring shareholder approval for all stock option plans, as well as new regulations proposed by the New York Stock Exchange prohibiting NYSE member organizations from giving a proxy to vote on equity compensation plans unless the beneficial owner of the shares has given voting instructions, could make it more difficult for us to grant options to employees in the future. There have been several proposals on whether and/or how to account for stock options. To the extent that new regulations make it more difficult or expensive to grant options to employees, we may incur increased cash compensation costs or find it difficult to attract, retain and motivate employees, either of which could harm our business.

We use contractors to provide services to the company, which often involves contractual complexity, tax and employment law compliance, and being subject to audits and other governmental actions. We have been audited for our contracting policies in the past, and may be in the future. Burdening our ability to freely use contractors to provide services to the company may increase the expense of obtaining such services, and/or require us to discontinue using contractors and attempt to find, interview, and hire employees to provide similar services. Such potential employees may not be available in a reasonable time, or at all, or may not be hired without undue cost.

In the past, we implemented mandatory unpaid company-wide shutdowns as a cost reduction measure, but we may not continue to implement these programs.

In the last two fiscal years and in each of the four quarters of 2003, we implemented mandatory company-wide shutdowns. Although these shutdown periods represent a cost savings to us, they may be perceived negatively by our customers, vendors and employees. We currently intend to implement a company-wide shutdown during the fourth quarter of 2004. In addition, we may continue to implement company-wide shutdowns in future periods, which may negatively impact employee morale or the perception of our company by our customers and vendors. If we elect not to implement these shutdowns, our operating expenses will increase.

Our workforce reductions may seriously harm our business.

In connection with the restructuring program we began in the third quarter of 2001 to focus our business on products and technology in which we have, or believe we can achieve, a leadership position, and the reorganization of the company in the first quarter of 2003 into lines of business, we have
implemented four workforce reductions, eliminating a total of 136 positions. As a result of the elimination of these positions, our marketing, sales and customer support capabilities could be reduced, our ability to respond to unexpected challenges may be impaired, we may become dependent on a few key employees, and we may be unable to take advantage of new opportunities. These workforce reductions, or future workforce reductions, if any, may reduce employee morale and create concern among existing employees about job security, which could lead to increased turnover. Workforce reductions may also raise concerns among customers, suppliers and other corporate partners regarding our continued viability. Further, these workforce reductions may subject us to the risk of litigation, which could be costly to defend, divert the attention of management and subject us to possible liability for damages.

Industry cycles may strain our management and resources.

Cycles of growth and contraction in our industry may strain our management and resources. To manage these industry cycles effectively, we must:

- improve operational and financial systems;
- train and manage our employee base;
- successfully integrate operations and employees of businesses we acquire or have acquired;
- attract, develop, motivate and retain qualified personnel with relevant experience; and
- adjust spending levels according to prevailing market conditions.

If we cannot manage industry cycles effectively, our business could be seriously harmed.

Our operations and the operations of our significant customers, third-party wafer foundries and third-party assembly and test subcontractors are located in areas susceptible to natural disasters.

Our operations are headquartered in the San Francisco Bay Area, which is susceptible to earthquakes, and the operations of CMD, which we acquired, are based in the Los Angeles area, which is also susceptible to earthquakes. TSMC and UMC, the outside foundries that produce the majority of our semiconductor products, are located in Taiwan. Advanced Semiconductor Engineering, or ASE, one of the subcontractors that assembles and tests our semiconductor products, is also located in Taiwan. For the year ended December 31, 2003, customers and distributors located in Taiwan generated 34% of our revenue and customers and distributors located in Japan generated 15% of our revenue. For the year ended December 31, 2002, customers and distributors located in Taiwan generated 34% of our revenue and customers and distributors located in Japan generated 12% of our revenue. Both Taiwan and Japan are susceptible to earthquakes, typhoons and other natural disasters.

Our business would be negatively affected if any of the following occurred:

- an earthquake or other disaster in the San Francisco Bay Area or the Los Angeles area damaged our facilities or disrupted the supply of water or electricity to our headquarters or our Irvine facility;
- an earthquake, typhoon or other disaster in Taiwan or Japan resulted in shortages of water, electricity or transportation, limiting the production capacity of our outside foundries or the ability of ASE to provide assembly and test services;
- an earthquake, typhoon or other disaster in Taiwan or Japan damaged the facilities or equipment of our customers and distributors, resulting in reduced purchases of our products; or
- an earthquake, typhoon or other disaster in Taiwan or Japan disrupted the operations of suppliers to our Taiwanese or Japanese customers, outside foundries or ASE, which in turn disrupted the
operations of these customers, foundries or ASE and resulted in reduced purchases of our products or shortages in our product supply.

**Changes in environmental rules and regulations could increase our costs and reduce our revenue.**

Several jurisdictions are considering whether to implement rules that would require that certain products, including semiconductors, be made lead-free. We anticipate that some jurisdictions may finalize and enact such requirements. Some jurisdictions are also considering whether to require abatement or disposal obligations for products made prior to the enactment of any such rules. Although several of our products are available to customers in a lead-free condition, most of our products are not lead-free. Any requirement that would prevent or burden the development, manufacture or sales of lead-containing semiconductors would likely reduce our revenue for such products and would require us to incur costs to develop substitute lead-free replacement products, which may take time and may not always be economically or technically feasible, and may require disposal of non-compliant inventory. In addition, any requirement to dispose or abate previously sold products would require us to incur the costs of setting up and implementing such a program.

**Provisions of our charter documents and Delaware law could prevent or delay a change in control, and may reduce the market price of our common stock.**

Provisions of our certificate of incorporation and bylaws may discourage, delay or prevent a merger or acquisition that a stockholder may consider favorable. These provisions include:

- authorizing the issuance of preferred stock without stockholder approval;
- providing for a classified board of directors with staggered, three-year terms;
- prohibiting cumulative voting in the election of directors;
- requiring super-majority voting to amend some provisions of our certificate of incorporation and bylaws;
- limiting the persons who may call special meetings of stockholders; and
- prohibiting stockholder actions by written consent.

Provisions of Delaware law also may discourage, delay or prevent someone from acquiring or merging with us.

**The price of our stock fluctuates substantially and may continue to do so.**

The stock market has experienced extreme price and volume fluctuations that have affected the market valuation of many technology companies, including Silicon Image. These factors, as well as general economic and political conditions, may materially and adversely affect the market price of our common stock in the future. The market price of our common stock has fluctuated significantly and may continue to fluctuate in response to a number of factors, including, but not limited to:

- actual or anticipated changes in our operating results;
- changes in expectations of our future financial performance;
- changes in market valuations of comparable companies in our markets;
- changes in market valuations or expectations of future financial performance of our vendors or customers;
- changes in our key executives and technical personnel; and

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Exhibit C
SAN FRANCISCO — Fabless ASIC company Open-Silicon Inc. Wednesday (June 22) named industry veteran Robert Gargus chief financial officer.

Gargus has held executive management positions with several semiconductor companies. Most recently he was CFO at Silicon Image, a semiconductor company specializing in high-speed serial communications technology. Prior to that, Gargus was president and CEO of TelCom Semiconductor Inc., which specializes in thermal management, mixed-signal and power-management circuits. Gargus previously held a number of executive positions at Tandem Computers.

"I believe Open-Silicon's business and their ability to deliver unprecedented choice in the ASIC design and supply chain gives customers maximum schedule predictability and chip reliability with minimum risk," Gargus said in a statement. "The Open-Silicon team is very progressive and has developed a viable, low-cost outsourcing alternative that is truly compelling."
Exhibit D
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K
CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 25, 2005

SILICON IMAGE, INC.
(Exact name of Registrant as specified in its charter)
Delaware
(State or other jurisdiction of incorporation)

000-26887
(Commission
File Number)

77-0396307
(IRS Employer
Identification No.)

1060 East Arques Ave., Sunnyvale,
CA
(Address of principal executive offices)

94085
(Zip Code)

(408) 616-4000
(Registrant’s telephone number)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

http://www.sec.gov/Archives/edgar/data/1003214/000110465905003152/a05-2492_18k.htm 5/15/2006
ITEM 8.01. OTHER EVENTS

On the evening of January 25, 2005, the Company’s management received a copy of a written order of the Securities and Exchange Commission indicating that the Staff of the SEC’s Division of Enforcement is conducting an investigation into trading of the Company’s securities by unidentified persons. The order does not identify either the Company or any Company personnel as subjects of the investigation. The Company intends to cooperate with the investigation, and does not believe that the investigation is related to the Company’s recent changes in its management and board of directors.
SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 28, 2005

SILICON IMAGE, INC.

By:/s/ Patrick Reutens
Patrick Reutens
Chief Legal Officer
Exhibit E
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K
ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2004
Commission file number 000-26887

Silicon Image, Inc.
(Exact name of registrant as specified in its charter)
Delaware 77-0396307
(State of incorporation) (IRS employer identification number)

1060 East Arques Avenue
Sunnyvale, CA 94085
(Address of principal executive offices and zip code)

(408) 616-4000
(Registrant's telephone number, including area code)

Securities registered pursuant to section 12(g) of the Act:
Common Stock, $0.001 par value

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant’s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K ☐

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 under the Securities Exchange Act of 1934). Yes ☑ No ☐

The aggregate market value of voting and non-voting common equity held by non-affiliates at June 30, 2004 was approximately $793,090,145, based on the last reported sale price of common stock on the NASDAQ Stock Market on that date of $13.11 per share. For purposes of this disclosure, shares of common stock held by persons who hold more than 5% of the outstanding shares of common stock (based on Schedule 13G reports filed by such persons in February 2004) and shares held by officers and directors of the Registrant as of June 30, 2004 have been excluded because such persons may be deemed to be affiliates. The number of shares of the Registrant’s common stock outstanding as of December 31, 2004 was 78,132,000. Portions of the Proxy Statement for the 2005 Annual Meeting of stockholders to be held on May 24, 2005, are incorporated by reference in Part III of this Form 10-K.

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EXHIBIT 23.01
EXHIBIT 31.01
EXHIBIT 31.02
EXHIBIT 32.01
EXHIBIT 32.02
On January 14, 2005 the Company received a notification that the Securities & Exchange Commission had commenced a formal, private investigation involving trading in the Company’s securities. Neither the Company nor any Company personnel are currently identified as subjects of the investigation. The Company is cooperating with the investigation.

In addition, we have been named as defendants in a number of judicial and administrative proceedings incidental to our business and may be named again from time to time. We intend to defend such matters vigorously, and although adverse decisions or settlements may occur in one or more of such cases, the final resolution of these matters, individually or in the aggregate, is not expected to have a material adverse effect on our results of operations or financial position.

The amount of legal fees we incur with respect to the litigation matters described above will depend on the duration of our litigation matters, as well as the nature and extent of the litigation activities. We are not able to accurately estimate the amount of legal fees we will incur in 2005 with respect to the litigation matters described above; however, we do expect to incur substantial amounts until the matters are resolved.

Item 4. Submission of Matters to a Vote of Securities Holders

None

PART II

Item 5. Market for the Registrant’s Common Stock and Related Stockholder Matters

Our common shares have been traded on the NASDAQ Stock Market since our initial public offering on October 6, 1999. Our common shares traded under the symbol "SIMG". Our shares are not listed on any other markets or exchanges. The following table shows the high and low closing prices for our common shares as reported by the NASDAQ Stock Market:

<table>
<thead>
<tr>
<th>Year</th>
<th>High</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fourth Quarter</td>
<td>$17.86</td>
<td>$12.00</td>
</tr>
<tr>
<td>Third Quarter</td>
<td>13.10</td>
<td>10.14</td>
</tr>
<tr>
<td>Second Quarter</td>
<td>14.00</td>
<td>9.44</td>
</tr>
<tr>
<td>First Quarter</td>
<td>12.45</td>
<td>7.51</td>
</tr>
<tr>
<td>2003</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fourth Quarter</td>
<td>$9.05</td>
<td>$4.28</td>
</tr>
<tr>
<td>Third Quarter</td>
<td>6.65</td>
<td>4.50</td>
</tr>
<tr>
<td>Second Quarter</td>
<td>6.18</td>
<td>4.17</td>
</tr>
<tr>
<td>First Quarter</td>
<td>7.65</td>
<td>3.98</td>
</tr>
</tbody>
</table>

As February 28, 2005, we had approximately 165 holders of record of our common stock. Because many of such shares are held by brokers and other institutions on behalf of stockholders, we are unable to estimate the total number of stockholders represented by these record holders.

We have never declared or paid cash dividends on shares of our capital stock. We intend to retain any future earnings to finance growth and do not anticipate paying cash dividends.

In connection with our acquisition of Zillion Technologies, LLC, we were obligated under an exchange agreement to periodically issue to the two founders of Zillion shares of our common stock as consideration for their membership interests in Zillion which we acquired and services provided pursuant to their employment agreements with us. The Zillion founders were granted registration rights with respect to the shares to be issued under this exchange agreement. These issuances of shares were made in reliance on an exemption from registration under Section 4(2) of the Securities Act. On March 31, 2004, we issued 9,375 shares of our common stock to one Zillion founder pursuant to the exchange agreement. The issuance of shares was made without general solicitation or advertising and was only made to one individual.
Exhibit F
U.S. SECURITIES AND EXCHANGE COMMISSION

Litigation Release No. 19531 / January 18, 2006

Securities and Exchange Commission v. Deog Kyoon Jeong, Civil Action No. CV 06-0256 DSF (C.D. Cal.)

SEC Charges Co-Founder of Silicon Image with Insider Trading

Today the Securities and Exchange Commission announced that it filed an insider trading complaint in the United States District Court for the Central District of California against Deog Kyoon Jeong, a co-founder and paid consultant to Silicon Image, Inc. Silicon Image is a Sunnyvale, California-based semiconductor company with securities trading on the NASDAQ.

The Commission's complaint alleges that on November 7, 2003, Jeong was informed by Silicon Image's Chief Executive Officer that the audit committee of the company's board of directors had launched an internal investigation into revenue recognition issues at the company. The complaint further alleges that within hours of learning this material, non-public information, Jeong sold 40,000 shares of Silicon Image at a price of $7.80 per share, in breach of the duty of trust and confidence he owed Silicon Image as a corporate insider.

As the complaint alleges, a week later, after the close of the market on November 14, 2003, Silicon Image publicly announced that it would not timely file its Form 10-Q for the third quarter of 2003, because of the audit committee’s recently launched internal investigation. After the announcement, the price of Silicon Image stock fell sharply the next trading day to close at $6.40 per share - a 28% decline from the prior trading day's closing price. The complaint alleges that by unlawfully selling his shares of Silicon Image in advance of the announcement, Jeong avoided losses of $56,000.

Without admitting or denying the allegations in the complaint, Jeong consented to the entry of a final judgment that permanently enjoins him from future violations of Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. The final judgment also requires Jeong to pay a $56,000 civil penalty and to disgorge $56,000 in illegal trading profits and $6,363.10 in prejudgment interest thereon.

➤ SEC Complaint in this matter

http://www.sec.gov/litigation/litreleases/lr19531.htm
Exhibit G
David Lee Share Ownership
Class Period: 6/25/04 - 10/13/05

<table>
<thead>
<tr>
<th>Share Ownership and Transactions</th>
<th># of shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common stock shares held directly - 2/29/04 (1)</td>
<td>1,000</td>
</tr>
<tr>
<td>Common stock shares held in family trust - 2/29/04 (1)</td>
<td>1,689,100</td>
</tr>
<tr>
<td>Shares held subject to options vested and exercisable - 4/29/04 (1)</td>
<td>1,103,210</td>
</tr>
<tr>
<td>Shares Beneficially Owned as of 2/29/04 (including options as of 4/29/04) (1)</td>
<td>2,793,310</td>
</tr>
<tr>
<td>Number of shares sold/otherwise disposed of between 3/1/04 - 6/24/04</td>
<td>-</td>
</tr>
<tr>
<td>Additional option grants vesting between 4/30/04 and 6/24/04 (2)</td>
<td>39,891</td>
</tr>
<tr>
<td>Number of shares beneficially owned on first day of Class Period: (Shares owned as of 2/29 plus additional vested options between 4/30/04 and 6/24/04 minus shares sold between 3/1/04 and 6/24/04)</td>
<td>2,833,201</td>
</tr>
<tr>
<td>Additional option grants vesting during Class Period (3)</td>
<td>428,513</td>
</tr>
<tr>
<td>Shares purchased during Class Period (4)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Number of Shares Available for Disposition During Class Period</strong> (Shares beneficially owned on first day of Class Period plus additional option grants that became vested during Class Period plus shares purchased during Class Period)</td>
<td>3,261,713</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Shares sold or gifted during Class Period (5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thurs. 8/29/05 (gifted)</td>
</tr>
<tr>
<td>Thurs. 9/15/05</td>
</tr>
<tr>
<td>Thurs. 9/22/05</td>
</tr>
<tr>
<td>Thurs. 9/29/05</td>
</tr>
<tr>
<td>Thurs. 10/6/05</td>
</tr>
<tr>
<td>Thurs. 10/13/05</td>
</tr>
<tr>
<td><strong>Total number of shares sold during Class Period</strong></td>
</tr>
<tr>
<td><strong>Total number of shares sold or gifted during Class Period</strong></td>
</tr>
</tbody>
</table>

Percent of shares beneficially owned available for disposition that were **sold** during Class Period | 0.36% |
Percent of shares beneficially owned available for disposition that were **gifted or sold** during Class Period | 3.76% |

Notes
(4) Donohoe Decl. Exs. O and P.
Exhibit H
Steve Tirado Share Ownership
Class Period: 6/25/04 - 10/13/05

<table>
<thead>
<tr>
<th>Share Ownership and Trades</th>
<th># of shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common stock shares held directly - 2/29/04 (1)</td>
<td>585,437</td>
</tr>
<tr>
<td>Common stock shares held in family trust - 2/29/04 (1)</td>
<td>900</td>
</tr>
<tr>
<td>Shares held subject to options vested and exercisable - 4/29/04 (1)</td>
<td>401,781</td>
</tr>
<tr>
<td>Shares Beneficially Owned as of 2/29/04 (including options as of 4/29/04) (1)</td>
<td>988,098</td>
</tr>
<tr>
<td>Number of shares sold/otherwise disposed of between 3/1/04 - 6/24/04 (2)</td>
<td>(288,000)</td>
</tr>
<tr>
<td>Additional option grants vesting between 4/30/04 and 6/24/04 (3)</td>
<td>34,635</td>
</tr>
<tr>
<td>Number of shares beneficially owned on first day of Class Period (6/25/04): (Shares owned as of 2/29/04 plus additional options vesting through 6/24/04, less shares sold between 3/1/04 and 6/24/04)</td>
<td>734,733</td>
</tr>
<tr>
<td>Additional option grants vesting during Class Period (3)</td>
<td>339,020</td>
</tr>
<tr>
<td>Shares purchased during Class Period (4)</td>
<td>100,000</td>
</tr>
<tr>
<td><strong>Total Number of Shares Beneficially Owned Available for Disposition During Class Period</strong> (Shares beneficially owned on first day of Class Period plus additional option grants that became vested during Class Period plus shares purchased during Class Period)</td>
<td>1,173,753</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Shares sold during Class Period (5)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>7,000 shrs./wk every Thursday 6/30/04 - 8/4/04</td>
<td>42,000</td>
</tr>
<tr>
<td>33,000 shrs./wk every Thursday 8/11/04 - 12/22/04 (but 32,000 on 12/15)</td>
<td>659,000</td>
</tr>
<tr>
<td>31,992 shrs. on Thurs. 12/29/04</td>
<td>31,992</td>
</tr>
<tr>
<td><strong>Total number of shares sold during Class Period</strong></td>
<td>732,992</td>
</tr>
</tbody>
</table>

| Percent of shares beneficially owned available for disposition that were sold during Class Period | 62%         |

**Notes**
(2) Donohoe Decl., Exs. C and Q.
Exhibit I
## Share Ownership and Trades

<table>
<thead>
<tr>
<th>Description</th>
<th># of shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common stock shares held directly - 2/28/03 (1)</td>
<td>693,887</td>
</tr>
<tr>
<td>Common stock shares held in family trust - 2/28/03 (1)</td>
<td>900</td>
</tr>
<tr>
<td>Shares held subject to options vested and exercisable as of 4/28/03 (1)</td>
<td>226,008</td>
</tr>
<tr>
<td><strong>Shares beneficially owned as of 2/28/03 (including options as of 4/28/03)</strong></td>
<td>920,795</td>
</tr>
<tr>
<td>Shares sold/otherwise disposed of between 3/1/03 and 6/24/03 (2)</td>
<td>-</td>
</tr>
<tr>
<td>Additional vested option grants between 4/29/03 and 6/24/03 (3)</td>
<td>27,135</td>
</tr>
<tr>
<td><strong>Shares beneficially owned on 6/25/03</strong></td>
<td>947,930</td>
</tr>
<tr>
<td>Additional option grants vesting 6/25/03 - 6/24/04 (3)</td>
<td>185,310</td>
</tr>
<tr>
<td>Shares purchased during 6/25/03 - 6/24/04</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total shares available for disposition during period from 6/25/03 - 6/24/04</strong></td>
<td>1,133,240</td>
</tr>
<tr>
<td>Total shares sold during one-year period preceding Class Period (2)</td>
<td>407,000</td>
</tr>
</tbody>
</table>

### Percent of shares beneficially owned that were sold during one-year period preceding Class Period

36%

### Notes

2. Donohoe Decl., Exs. C and Q.
Exhibit J
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

Filed by the Registrant /x/
Filed by a Party other than the Registrant / /

Check the appropriate box:

/x/ Preliminary Proxy Statement
/x/ Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
/x/ Definitive Proxy Statement
/x/ Definitive Additional Materials
/x/ Soliciting Material Pursuant to Rule 14a-11(c) or Rule 14a-12

SILICON IMAGE, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

/x/ No fee required.
/x/ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
    (1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11
    (Set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

/x/ Fee paid previously with preliminary materials.
/x/ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for
    which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the
    form or schedule and the date of its filing.

To Our Stockholders:

You are cordially invited to attend the 2002 Annual Meeting of Stockholders of Silicon Image, Inc. to be held at our headquarters located at 1060 East Arques Ave., Sunnyvale, California, on Tuesday, May 21, 2002, at 2:00 p.m., local time.

The matters expected to be acted upon at the meeting are described in detail in the accompanying Notice of Annual Meeting of Stockholders and Proxy Statement.

It is important that you use this opportunity to take part in the affairs of Silicon Image by voting on the business to come before this meeting. Whether or not you expect to attend the meeting, please complete, date, sign and promptly return the accompanying proxy in the enclosed postage-paid envelope so that your shares may be represented at the meeting. Returning the proxy does not deprive you of your right to attend the meeting and to vote your shares in person.

We look forward to seeing you at the meeting.

Sincerely,

David D. Lee
President and Chief Executive Officer

SILICON IMAGE, INC.
1060 East Arques Ave.
Sunnyvale, California 94086

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Our Stockholders:

NOTICE IS HEREBY GIVEN that the 2002 Annual Meeting of Stockholders of Silicon Image, Inc. will be held at our headquarters located at 1060 East Arques Ave., Sunnyvale, California, on Tuesday, May 21, 2002, at 2:00 p.m., local time for the following purposes:

1. To elect two Class III directors of Silicon Image, each to serve until the 2005 annual meeting of stockholders and until his successor has been elected and qualified, or until his earlier death, resignation or removal. Silicon Image's Board of Directors intends to present the following nominees for election as Class III directors:

   David D. Lee
   Andrew S. Rappaport

2. To ratify the appointment of PricewaterhouseCoopers LLP as independent accountants of Silicon Image for the fiscal year ending December 31, 2002.

3. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

The foregoing items of business are more fully described in the Proxy Statement accompanying this Notice.

Only stockholders of record at the close of business on March 25, 2002 are entitled to notice of, and to vote at, the meeting or any adjournment or postponement thereof.

By Order of the Board of Directors

David D. Lee
President and Chief Executive Officer

Sunnyvale, California
April 11, 2002

Whether or not you expect to attend the meeting, please complete, date, sign and promptly return the accompanying proxy in the enclosed postage-paid envelope so that your shares may be represented at the meeting.
Option Grants in Last Fiscal Year

The following table shows information about each stock option granted during 2001 to each of the Named Executive Officers, including options granted under our option repricing program for executives in exchange for cancellation of options for a like amount of shares. Cancellations of options are not reflected in the table.

In accordance with the rules of the Securities and Exchange Commission, the table sets forth the hypothetical gains or "option spreads" that would exist for the options at the end of their respective ten-year terms. These gains are based on assumed rates of annual compound stock price appreciation of 5% and 10% from the closing price on the date an option was granted until the end of the option term. Where no gain is indicated, the foregoing formula yields a negative number due to the exercise price of the option exceeding the closing price on the date of grant. The 5% and 10% assumed annual rates of stock price appreciation are mandated by the rules of the Securities and Exchange Commission and do not represent our estimate or projection of future common stock prices.

All options included in the following table are nonqualified stock options. Unless noted otherwise, the options were granted under our 1999 Equity Incentive Plan and the exercise price of each option granted equaled the closing price per share of our common stock on the Nasdaq National Market on the date of grant. Unless noted otherwise, the options expire on the earlier of ten years from the date of grant or three months after termination of employment. The percentage numbers are based on an aggregate of 10,171,929 options granted to our employees during fiscal 2001.

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of Securities Underlying Options Granted (#)</th>
<th>Percentage of Total Options Granted to Employees in 2001</th>
<th>Exercise Price Per Share ($)</th>
<th>Expiration Date</th>
<th>Potential Realizable Value at Assumed Annual Rates of Stock Price Appreciation for Option Term</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5%</td>
</tr>
<tr>
<td>David D. Lee</td>
<td>37,931 (1)</td>
<td>0.4% $ 5.4375</td>
<td>1/2/11</td>
<td>$172,187</td>
<td>$396,348</td>
</tr>
<tr>
<td></td>
<td>30,345 (2)</td>
<td>0.3 $ 5.4375</td>
<td>1/2/11</td>
<td>137,751</td>
<td>317,800</td>
</tr>
<tr>
<td></td>
<td>431,724 (3)</td>
<td>4.2 $ 5.6250</td>
<td>4/4/07</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steve Tirado</td>
<td>31,391 (4)</td>
<td>0.3 $ 5.4375</td>
<td>1/2/11</td>
<td>142,499</td>
<td>328,010</td>
</tr>
<tr>
<td></td>
<td>15,068 (5)</td>
<td>0.1 $ 5.4375</td>
<td>1/2/11</td>
<td>68,401</td>
<td>157,448</td>
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<tr>
<td></td>
<td>250,000 (6)</td>
<td>2.5 $ 5.6250</td>
<td>4/4/07</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>120,000 (7)</td>
<td>1.2 $ 5.6250</td>
<td>4/4/07</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Badar Baqai</td>
<td>22,989 (8)</td>
<td>0.2 $ 5.4375</td>
<td>1/2/11</td>
<td>104,358</td>
<td>240,216</td>
</tr>
<tr>
<td></td>
<td>9,195 (9)</td>
<td>0.1 $ 5.4375</td>
<td>1/2/11</td>
<td>41,741</td>
<td>96,080</td>
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<td></td>
<td>350,000 (10)</td>
<td>3.4 $ 5.6250</td>
<td>4/4/07</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>180,000 (11)</td>
<td>1.8 $ 1.1400</td>
<td>10/30/11</td>
<td>129,049</td>
<td>327,036</td>
</tr>
<tr>
<td>Parviz Khodi</td>
<td>23,868 (12)</td>
<td>0.2 $ 5.4375</td>
<td>1/2/11</td>
<td>108,348</td>
<td>249,401</td>
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<tr>
<td></td>
<td>9,547 (13)</td>
<td>0.1 $ 5.4375</td>
<td>1/2/11</td>
<td>43,338</td>
<td>99,758</td>
</tr>
<tr>
<td></td>
<td>60,000 (14)</td>
<td>0.6 $ 5.6250</td>
<td>4/4/07</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>125,000 (15)</td>
<td>1.2 $ 1.1400</td>
<td>10/30/11</td>
<td>89,617</td>
<td>227,108</td>
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<tr>
<td>Michael Kelley</td>
<td>17,011 (16)</td>
<td>0.2 $ 5.4375</td>
<td>1/2/11</td>
<td>77,221</td>
<td>177,751</td>
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<tr>
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<td>13,609 (17)</td>
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<td>1/2/11</td>
<td>61,778</td>
<td>142,203</td>
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<td>50,000 (18)</td>
<td>0.5 $ 3.3125</td>
<td>3/29/11</td>
<td>104,161</td>
<td>263,964</td>
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<tr>
<td></td>
<td>40,000 (19)</td>
<td>0.4 $ 5.6250</td>
<td>4/4/07</td>
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<tr>
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<td>20,000 (20)</td>
<td>0.2 $ 5.6250</td>
<td>4/4/07</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>25,000 (21)</td>
<td>0.2 $ 4.9000</td>
<td>6/6/11</td>
<td>77,040</td>
<td>195,233</td>
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<tr>
<td></td>
<td>50,000 (22)</td>
<td>0.5 $ 4.9000</td>
<td>6/6/11</td>
<td>154,079</td>
<td>390,467</td>
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<tr>
<td></td>
<td>160,000 (23)</td>
<td>1.6 $ 1.1400</td>
<td>10/30/11</td>
<td>114,710</td>
<td>290,699</td>
</tr>
</tbody>
</table>

(1) This option becomes vested and exercisable with respect to 16% of the shares on January 2, 2003, an additional 1.417% of the shares each of the 24 months thereafter, and an additional 4.167% of the shares each of the 12 months thereafter. The exercise price for this option represents the opening price of our common stock on the date of grant. The closing price of our common stock on the date of grant was $6.125.

(2) This option becomes vested and exercisable with respect to 8.333% of the shares on January 31, 2001 and an additional 8.333% of the shares at the end of each month thereafter. The exercise price for this option represents the opening price of our common stock on the date of grant. The closing price of our common stock on the date of grant was $6.125.

(3) This option was issued pursuant to our option repricing program for executives in exchange for cancellation of a previously granted option for a like amount of shares. This option becomes vested and exercisable with respect to 12.5% of the shares on October 4, 2001 and an additional 2.083% of the shares each of the 42 months thereafter. The exercise price for this option represents the opening price of our common stock on the date of grant. The closing price of our common stock on the date of grant was $3.0625.

(4) This option becomes vested and exercisable with respect to 16% of the shares on January 2, 2003, an additional 1.417% of the shares each of the 24 months thereafter, and an additional 4.167% of the shares each of the 12 months thereafter. The exercise price for this option represents the opening price of our common stock on the date of grant. The closing price of our common stock on the date of grant was $6.125.

(5) This option becomes vested and exercisable with respect to 8.333% of the shares on January 31, 2001 and an additional 8.333% of the shares at the end of each month thereafter. The exercise price for this option represents the opening price of our common stock on the date of grant. The closing price of our common stock on the date of grant was $6.125.

(6) This option was issued pursuant to our option repricing program for executives in exchange for cancellation of a previously granted option for a like amount of shares. This option becomes vested and exercisable with respect to 12.5% of the shares on October 4, 2001 and an additional 2.083% of the shares each of the 42 months thereafter. The closing price of our common stock on the date of grant of this option was $3.0625.

(7) This option was issued pursuant to our option repricing program for executives in exchange for cancellation of a previously granted option for a like amount of shares. This option becomes vested and exercisable with respect to 12.5% of the shares on October 4, 2001 and an additional 2.083% of the shares each of the 42 months thereafter. The closing price of our common stock on the date of grant of this option was $3.0625.

(8) This option becomes vested and exercisable with respect to 16% of the shares on January 2, 2003, an additional 1.417% of the shares each of the 24 months thereafter, and an additional 4.167% of the shares each of the 12 months thereafter. The exercise price for this option represents the opening price of our common stock on the date of grant. The closing price of our common stock on the date of grant was $6.125.

(9) This option becomes vested and exercisable with respect to 8.333% of the shares on January 31, 2001 and an additional 8.333% of the shares at the end of each month thereafter. The exercise price for this option represents the opening price of our common stock on the date of grant. The closing price of our common stock on the date of grant was $6.125.

(10) This option was issued pursuant to our option repricing program for executives in exchange for cancellation of a previously granted option for a like amount of shares. This option becomes vested and exercisable with respect to 12.5% of the shares on October 4, 2001 and an additional 2.083% of the shares each of the 42 months thereafter. The closing price of our common stock on the date of grant of this option was $3.0625.

(11) This option becomes vested and exercisable with respect to 1.157% of the shares on November 30, 2001 and an additional 1.157% of the shares each of the 11 months thereafter, 1.389% of the shares on November 30, 2002 and an additional 1.389% of the shares each of the 11 months thereafter, 1.62% of the shares on November 30, 2003 and an additional 1.62% of the shares each of the 11 months thereafter, 1.852% of the shares on November 30, 2004 and an additional 1.852% of the shares each of the 11 months thereafter, and 2.315% of the shares on November 30, 2005 and an additional 2.315% of the shares each of the 11 months thereafter.

(12) This option becomes vested and exercisable with respect to 16% of the shares on January 2, 2003, an additional 1.417% of the shares each of the 24 months thereafter, and an additional 4.167% of the shares each of the 12 months thereafter. The exercise price for this option represents the opening price of our common stock on the date of grant. The closing price of our common stock on the date of grant was $6.125.
This option becomes vested and exercisable with respect to 8.333% of the shares on January 31, 2001 and an additional 8.333% of the shares at the end of each month thereafter. The exercise price for this option represents the opening price of our common stock on the date of grant. The closing price of our common stock on the date of grant was $6.125.

This option was issued pursuant to our option repricing program for executives in exchange for cancellation of a previously granted option for a like amount of shares. This option becomes vested and exercisable with respect to 12.5% of the shares on October 4, 2001 and an additional 2.083% of the shares each of the 42 months thereafter. The closing price of our common stock on the date of grant of this option was $3.0625.

This option becomes vested and exercisable with respect to 2.333% of the shares on November 30, 2003 and an additional 2.333% of the shares each of the 23 months thereafter and 3.667% of the shares on November 30, 2005 and an additional 3.667% of the shares each of the 11 months thereafter.

This option becomes vested and exercisable with respect to 16% of the shares on January 2, 2003, an additional 1.417% of the shares each of the 24 months thereafter, and an additional 4.167% of the shares each of the 12 months thereafter. The exercise price for this option represents the opening price of our common stock on the date of grant. The closing price of our common stock on the date of grant was $6.125.

This option becomes vested and exercisable with respect to 8.333% of the shares on January 31, 2001 and an additional 8.333% of the shares at the end of each month thereafter. The exercise price for this option represents the opening price of our common stock on the date of grant. The closing price of our common stock on the date of grant was $6.125.

This option becomes vested and exercisable with respect to 2.083% of the shares on April 29, 2001 and an additional 2.083% of the shares each of the 47 months thereafter.

This option was issued pursuant to our option repricing program for executives in exchange for cancellation of a previously granted option for a like amount of shares. This option becomes vested and exercisable with respect to 12.5% of the shares on October 4, 2001 and an additional 2.083% of the shares each of the 42 months thereafter. The closing price of our common stock on the date of grant of this option was $3.0625.

This option was issued pursuant to our option repricing program for executives in exchange for cancellation of a previously granted option for a like amount of shares. This option becomes vested and exercisable with respect to 12.5% of the shares on October 4, 2001 and an additional 2.083% of the shares each of the 42 months thereafter. The closing price of our common stock on the date of grant of this option was $3.0625.

This option becomes vested and exercisable with respect to 2.083% of the shares on July 6, 2001 and an additional 2.083% of the shares each of the 47 months thereafter.

This option becomes vested and exercisable with respect to 16% of the shares on June 6, 2003, an additional 1.417% of the shares each of the 24 months thereafter, and an additional 4.167% of the shares each of the 12 months thereafter.

This option becomes vested and exercisable with respect to 1.563% of the shares on November 30, 2003 and an additional 1.563% of the shares each of the 11 months thereafter, 2.604% of the shares on November 30, 2004 and an additional 2.604% of the shares each of the 11 months thereafter, and 4.167% of the shares on November 30, 2005 and an additional 4.167% of the shares each of the 11 months thereafter.
Exhibit K
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant /x/
Filed by a Party other than the Registrant //

Check the appropriate box:
// Preliminary Proxy Statement
// Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
/x/ Definitive Proxy Statement
// Definitive Additional Materials
// Soliciting Material Pursuant to Rule 14a-11(c) or Rule 14a-12

SILICON IMAGE, INC.

(Name of Registrant as Specified In Its Charter)

(NAME of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

/x/ No fee required.
// Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11
(Set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

/x/ Fee paid previously with preliminary materials.
// Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.
To Our Stockholders:

You are cordially invited to attend the 2003 Annual Meeting of Stockholders of Silicon Image, Inc. to be held at our headquarters located at 1060 East Arques Ave., Sunnyvale, California, on Tuesday, May 20, 2003, at 2:00 p.m., local time.

The matters expected to be acted upon at the meeting are described in detail in the accompanying Notice of Annual Meeting of Stockholders and Proxy Statement.

It is important that you use this opportunity to take part in the affairs of Silicon Image by voting on the business to come before this meeting. Whether or not you expect to attend the meeting, please complete, date, sign and promptly return the accompanying proxy in the enclosed postage-paid envelope so that your shares may be represented at the meeting. Returning the proxy does not deprive you of your right to attend the meeting and to vote your shares in person.

We look forward to seeing you at the meeting.

Sincerely,

David Lee
Chief Executive Officer

SILICON IMAGE, INC.
1060 East Arques Ave.
Sunnyvale, California 94086

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Our Stockholders:

NOTICE IS HEREBY GIVEN that the 2003 Annual Meeting of Stockholders of Silicon Image, Inc. will be held at our headquarters located at 1060 East Arques Ave., Sunnyvale, California, on Tuesday, May 20, 2003, at 2:00 p.m., local time for the following purposes:

1. To elect two Class I directors of Silicon Image, each to serve until the 2006 annual meeting of stockholders and until his successor has been elected and qualified, or until his earlier death, resignation or removal. Silicon Image's Board of Directors intends to present the following nominees for election as Class I directors:
   
   Keith McAuliffe  
   Douglas Spreng

2. To approve amendments to the 1999 Equity Incentive Plan to:
   
   • increase the size of the automatic annual option grant to directors for board of directors service from 20,000 to 30,000 shares, beginning with grants made immediately after this Annual Meeting; and
   
   • extend the automatic annual option grant to directors for committee service from only the audit and compensation committees to any standing committee of the board, including the nominating committee.

3. To ratify the appointment of PricewaterhouseCoopers LLP as independent accountants of Silicon Image for the fiscal year ending December 31, 2003.

4. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

The foregoing items of business are more fully described in the Proxy Statement accompanying this Notice.

Only stockholders of record at the close of business on March 24, 2003 are entitled to notice of, and to vote at, the meeting or any adjournment or postponement thereof.

By Order of the Board of Directors

David Lee
Chief Executive Officer

Sunnyvale, California
April 11, 2003

Whether or not you expect to attend the meeting, please complete, date, sign and promptly return the accompanying proxy in the enclosed postage-paid envelope so that your shares may be represented at the meeting.
**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table presents information as to the beneficial ownership of our common stock as of February 28, 2003 by:

- each stockholder known by us to be the beneficial owner of more than 5% of our common stock;
- each of our directors;
- our Chief Executive Officer, the four other most highly compensated executive officers who were executive officers as of December 31, 2002 and earned more than $100,000 in 2002 and one additional individual who was an executive officer in 2002 and earned more than $100,000 in 2002; and
- all current directors and executive officers as a group.

The percentage ownership is based on 67,395,728 shares of common stock outstanding as of February 28, 2003. Shares of common stock that are subject to options or other convertible securities currently exercisable or exercisable within 60 days of February 28, 2003, are deemed outstanding for the purposes of computing the percentage ownership of the person holding these options or convertible securities, but are not deemed outstanding for computing the percentage ownership of any other person. Beneficial ownership is determined under the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. To our knowledge, unless otherwise indicated below, the persons and entities named in the table have sole voting and sole investment power with respect to all shares beneficially owned, subject to community property laws where applicable. The table does not include executive officers or directors who were not serving in those capacities as of February 28, 2003. Unless otherwise indicated, the address for each listed stockholder is c/o Silicon Image, Inc., 1060 East Arques Ave., Sunnyvale, California 94085.

<table>
<thead>
<tr>
<th>Name of Beneficial Owner</th>
<th>Shares Beneficially Owned</th>
<th>Percent of Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sang-Chul Han (1)</td>
<td>3,794,650</td>
<td>5.6%</td>
</tr>
<tr>
<td>FMR Corp. (2)</td>
<td>3,530,000</td>
<td>5.2</td>
</tr>
<tr>
<td>David Lee (3)</td>
<td>3,109,557</td>
<td>4.6</td>
</tr>
<tr>
<td>Steve Tirado (4)</td>
<td>920,795</td>
<td>1.4</td>
</tr>
<tr>
<td>Jaime Garcia-Meza (5)</td>
<td>523,167</td>
<td>*</td>
</tr>
<tr>
<td>Jalil Shaikh (6)</td>
<td>445,592</td>
<td>*</td>
</tr>
<tr>
<td>Andrew Rappaport (7)</td>
<td>442,018</td>
<td>*</td>
</tr>
<tr>
<td>Parviz Khodi (8)</td>
<td>372,764</td>
<td>*</td>
</tr>
<tr>
<td>Ronald Schmidt (9)</td>
<td>314,636</td>
<td>*</td>
</tr>
<tr>
<td>Badar Baqai (10)</td>
<td>312,015</td>
<td>*</td>
</tr>
<tr>
<td>David Hodges (11)</td>
<td>176,100</td>
<td>*</td>
</tr>
<tr>
<td>Keith McAvuliffe (12)</td>
<td>49,917</td>
<td>*</td>
</tr>
<tr>
<td>Douglas Spreng (13)</td>
<td>35,417</td>
<td>*</td>
</tr>
<tr>
<td>All current executive officers and directors as a group (14 persons) (14)</td>
<td>6,730,925</td>
<td>9.6</td>
</tr>
</tbody>
</table>

* Less than 1%.

(1) Based upon a Schedule 13G/A filed with the Securities and Exchange Commission on February 11, 2003 which indicates sole voting and investment power over all of these shares. Mr. Han's address is c/o Kang Nam Cable, Ryukyung Building 239-1, Bonhyun-dong, Kangnam-ku, Seoul, Korea 135-010.

(2) Based upon a Schedule 13G filed with the Securities and Exchange Commission on February 14, 2003 which...
indicates sole voting power over 50,000 of these shares and sole investment power over all of these shares. FMR Corp.'s address is 82 Devonshire Street, Boston, Massachusetts 02109.

(3) Includes 2,327,600 shares held by Dr. Lee and Joanne W. Lee, trustees of the David D. Lee and Joanne W. Lee Trust Agreement dated March 15, 2000. Includes 780,957 shares subject to options held by Dr. Lee that are exercisable within 60 days of February 28, 2003.

(4) Includes 900 shares held by the Tirado Family Trust, of which Mr. Tirado is a trustee. Includes 226,008 shares subject to options held by Mr. Tirado that are exercisable within 60 days of February 28, 2003. Includes 78,362 shares held by Mr. Tirado subject to our right of repurchase as of February 28, 2003.

(5) Includes 504,167 shares subject to options held by Mr. Garcia-Meza that are exercisable within 60 days of February 28, 2003, of which 250,000 shares would be subject to our right of repurchase as of April 29, 2003.

(6) Includes 105,373 shares subject to options held by Mr. Shaikh that are exercisable within 60 days of February 28, 2003. Includes 7,500 shares held by Mr. Shaikh subject to our right of repurchase as of February 28, 2003. Mr. Shaikh resigned from Silicon Image effective November 25, 2002.

(7) Includes 8,000 shares held by a trust of which Mr. Rappaport is a trustee and 30,000 shares held in Mr. Rappaport's retirement plan account. Includes 56,666 shares subject to options held by Mr. Rappaport that are exercisable within 60 days of February 28, 2003. Mr. Rappaport's address is c/o August Capital, L.P., 2480 Sand Hill Road, Suite 101, Menlo Park, CA 94025.

(8) Includes 102,500 shares held by the Khodi Family Trust U/A/D 2/19/00. Includes 94,380 shares subject to options held by Mr. Khodi that are exercisable within 60 days of February 28, 2003. Includes 7,500 shares held by Mr. Khodi subject to our right of repurchase as of February 28, 2003.

(9) Includes 202,500 shares subject to options held by Dr. Schmidt that are exercisable within 60 days of February 28, 2003.

(10) Includes 306,975 shares subject to options held by Mr. Baqai that are exercisable within 60 days of February 28, 2003.

(11) Includes 133,600 shares held by the Hodges Family Trust 5/16/90, of which Dr. Hodges and Susan A. Hodges are trustees. Includes 42,500 shares subject to options held by Dr. Hodges that are exercisable within 60 days of February 28, 2003.

(12) Includes 37,917 shares subject to options held by Mr. McAuliffe that are exercisable within 60 days of February 28, 2003.

(13) Includes 35,417 shares subject to options held by Mr. Spreng that are exercisable within 60 days of February 28, 2003.

(14) Includes 2,519,741 shares subject to options that are exercisable within 60 days of February 28, 2003, of which 250,000 shares would be subject to our right of repurchase as of April 29, 2003. Includes 93,362 shares subject to our right of repurchase as of February 28, 2003.
Of the stock options to purchase 218,415 shares of common stock granted to Mr. Khodi in 2001, an option for 60,000 shares was received pursuant to our option repricing program for executives in exchange for cancellation of an option for 60,000 shares granted to Mr. Khodi in 2000.

Salary figures include a severance payment of $16,911 in 2002. Mr. Shaikh resigned from Silicon Image effective November 25, 2002.

Of the stock options to purchase 166,274 shares of common stock granted to Mr. Shaikh in 2001, an option for 80,000 shares and an option for 60,000 shares were received pursuant to our option repricing program for executives in exchange for cancellation of an option for 80,000 shares and an option for 60,000 shares granted to Mr. Shaikh in 2000, respectively.

Option Grants in Last Fiscal Year

The following table shows information about each stock option granted during 2002 to each of the Named Executive Officers. In accordance with the rules of the Securities and Exchange Commission, the table sets forth the hypothetical gains or "option spreads" that would exist for the options at the end of their respective ten-year terms. These gains are based on assumed rates of annual compound stock price appreciation of 5% and 10% from the closing price on the date an option was granted until the end of the option term. The 5% and 10% assumed annual rates of stock price appreciation are mandated by the rules of the Securities and Exchange Commission and do not represent our estimate or projection of future common stock prices.

All options included in the following table are nonqualified stock options. Unless noted otherwise, the options were granted under our 1999 Equity Incentive Plan and the exercise price of each option granted equaled the closing price per share of our common stock on the NASDAQ National Market on the date of grant. Unless noted otherwise, the options expire on the earlier of ten years from the date of grant or three months after termination of employment. The percentage numbers are based on an aggregate of 3,268,151 options granted to our employees during fiscal 2002.

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of Securities Underlying Options Granted (**)</th>
<th>Percentage of Total Options Granted to Employees in 2001</th>
<th>Exercise Price Per Share ($)</th>
<th>Expiration Date</th>
<th>5% Potential Realizable Value</th>
<th>10% Potential Realizable Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>David Lee</td>
<td>1,617,649</td>
<td>1,617,649</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Steve Tirado</td>
<td>353,811</td>
<td>353,811</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Badar Baqai</td>
<td>638,328</td>
<td>638,328</td>
<td></td>
<td></td>
<td>$1,617,649</td>
<td></td>
</tr>
<tr>
<td>Jaime Garcia-Meza</td>
<td>139,615</td>
<td>139,615</td>
<td></td>
<td></td>
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<td>353,811</td>
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<tr>
<td>Parviz Khodi</td>
<td>353,811</td>
<td>353,811</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jalil Shaikh</td>
<td>353,811</td>
<td>353,811</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) This option becomes vested and exercisable with respect to 0.833% of the shares on January 2, 2003 and each of the 11 months thereafter, 1.667% of the shares on January 2, 2004 and each of the 11 months thereafter, 2.5% of the shares on January 2, 2005 and each of the 11 months thereafter, and 3.333% of the shares on January 2, 2006 and each of the 11 months thereafter.

(2) This option becomes vested and exercisable with respect to 0.833% of the shares on September 10, 2004 and each of the 11 months thereafter, 1.667% of the shares on September 10, 2005 and each of the 11 months thereafter, 2.5% of the shares on September 10, 2006 and each of the 11 months thereafter, and 3.333% of the shares on September 10, 2007 and each of the 11 months thereafter.
Exhibit L
SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

FILED BY THE REGISTRANT /x/
FILED BY A PARTY OTHER THAN THE REGISTRANT //

CHECK THE APPROPRIATE BOX:
// Preliminary Proxy Statement
// Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
/x/ Definitive Proxy Statement
// Definitive Additional Materials
// Soliciting Material Pursuant to Rule 14a-11(c) or Rule 14a-12

SILICON IMAGE, INC.
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

PAYMENT OF FILING FEE (CHECK THE APPROPRIATE BOX):

/x/ No fee required.
// Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11
   (Set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

To Our Stockholders:

You are cordially invited to attend the 2004 Annual Meeting of Stockholders of Silicon Image, Inc. to be held at our headquarters located at 1060 East Arques Ave., Sunnyvale, California, on Tuesday, May 25, 2004, at 2:00 p.m., local time.

The matters expected to be acted upon at the meeting are described in detail in the accompanying Notice of Annual Meeting of Stockholders and Proxy Statement.

It is important that you use this opportunity to take part in the affairs of Silicon Image by voting on the business to come before this meeting. **Whether or not you expect to attend the meeting, please complete, date, sign and promptly return the accompanying proxy in the enclosed postage-paid envelope so that your shares may be represented at the meeting. Returning the proxy does not deprive you of your right to attend the meeting and to vote your shares in person.**

We look forward to seeing you at the meeting.

Sincerely,

David D. Lee  
Chief Executive Officer

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Our Stockholders:

NOTICE IS HEREBY GIVEN that the 2004 Annual Meeting of Stockholders of Silicon Image, Inc. will be held at our headquarters located at 1060 East Arques Ave., Sunnyvale, California 94085, on Tuesday, May 25, 2004, at 2:00 p.m., Pacific Time, for the following purposes:

1. To elect two Class II directors of Silicon Image, each to serve until the 2007 annual meeting of stockholders and until his successor has been elected and qualified, or until his earlier death, resignation or removal. Silicon Image's Board of Directors intends to present the following nominees for election as Class II directors:
   
   David Hodges
   Christopher Paisley

2. To ratify the appointment of PricewaterhouseCoopers LLP as independent accountants of Silicon Image for the fiscal year ending December 31, 2004.

3. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

The foregoing items of business are more fully described in the Proxy Statement accompanying this Notice.

Only stockholders of record at the close of business on March 29, 2004 are entitled to notice of, and to vote at, the meeting or any adjournment or postponement thereof.

By Order of the Board of Directors

[Signature]
David D. Lee
Chief Executive Officer

Sunnyvale, California
April 19, 2004

Whether or not you expect to attend the meeting, please complete, date, sign and promptly return the accompanying proxy in the enclosed postage-paid envelope so that your shares may be represented at the meeting.

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   Board of Directors Meetings and Committees
   Director Compensation

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table presents information as to the beneficial ownership of our common stock as of February 29, 2004 by:

- each stockholder known by us to be the beneficial owner of more than 5% of our common stock;
- each of our directors;
- our Chief Executive Officer, the four other most highly compensated executive officers who were executive officers as of December 31, 2003 and earned more than $100,000 in 2003; and
- all current directors and executive officers as a group.

The percentage ownership is based on 73,303,994 shares of common stock outstanding as of February 29, 2004. Shares of common stock that are subject to options or other convertible securities currently exercisable or exercisable within 60 days of February 29, 2004, are deemed outstanding for the purposes of computing the percentage ownership of the person holding these options or convertible securities, but are not deemed outstanding for computing the percentage ownership of any other person. Beneficial ownership is determined under the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. To our knowledge, unless otherwise indicated below, the persons and entities named in the table have sole voting and sole investment power with respect to all shares beneficially owned, subject to community property laws where applicable. The table does not include executive officers or directors who were not serving in those capacities as of February 29, 2004. Unless otherwise indicated, the address for each listed stockholder is c/o Silicon Image, Inc., 1060 East Arques Ave., Sunnyvale, California 94085.

<table>
<thead>
<tr>
<th>Name of Beneficial Owner</th>
<th>Number of Shares</th>
<th>Percent of Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>FMR Corp. (1)</td>
<td>10,496,839</td>
<td>14.3%</td>
</tr>
<tr>
<td>Sang-Chul Han (2)</td>
<td>3,684,650</td>
<td>5.0</td>
</tr>
<tr>
<td>David Lee (3)</td>
<td>2,793,310</td>
<td>3.8</td>
</tr>
<tr>
<td>Steve Tirado (4)</td>
<td>988,098</td>
<td>1.3</td>
</tr>
<tr>
<td>Andrew Rappaport (5)</td>
<td>486,601</td>
<td>*</td>
</tr>
<tr>
<td>Parviz Khodi (6)</td>
<td>371,930</td>
<td>*</td>
</tr>
<tr>
<td>David Hodges (7)</td>
<td>168,350</td>
<td>*</td>
</tr>
<tr>
<td>John LeMoncheck (8)</td>
<td>103,553</td>
<td>*</td>
</tr>
<tr>
<td>Keith McAuliffe (9)</td>
<td>93,250</td>
<td>*</td>
</tr>
<tr>
<td>Douglas Spreng (10)</td>
<td>78,750</td>
<td>*</td>
</tr>
<tr>
<td>David Courtney (11)</td>
<td>16,250</td>
<td>*</td>
</tr>
<tr>
<td>Christopher Paisley</td>
<td>0</td>
<td>*</td>
</tr>
<tr>
<td>All current executive officers and directors as a group (14 persons) (12)</td>
<td>5,531,558</td>
<td>7.3</td>
</tr>
</tbody>
</table>

* Less than 1%.

(1) Based upon a Schedule 13G/A filed with the Securities and Exchange Commission on February 17, 2004 which indicates sole voting power over 286,700 of these shares and sole investment power over all of these shares. FMR Corp.'s address is 82 Devonshire Street, Boston, Massachusetts 02109.

(2) Based upon a Schedule 13G/A filed with the Securities and Exchange Commission on February 13, 2004 which indicates sole voting and investment power over all of these shares. Mr. Han's address:

is c/o Kang Nam Cable, Ryukyung Building 239-1, Bonhyun-dong, Kangnam-ku, Seoul, Korea 135-010.

(3) Includes 1,689,100 shares held by Dr. Lee and Joanne W. Lee, trustees of the David D. Lee and Joanne W. Lee Trust Agreement dated March 15, 2000. Includes 1,103,210 shares subject to options held by Dr. Lee that are exercisable within 60 days of February 29, 2004.

(4) Includes 900 shares held by the Tirado Family Trust, of which Mr. Tirado is a trustee. Includes 401,761 shares subject to options held by Mr. Tirado that are exercisable within 60 days of February 29, 2004.

(5) Includes 8,000 shares held by a trust of which Mr. Rappaport is a trustee and 30,000 shares held in Mr. Rappaport's retirement plan account. Includes 101,249 shares subject to options held by Mr. Rappaport that are exercisable within 60 days of February 29, 2004. Mr. Rappaport's address is c/o August Capital, L.P., 2480 Sand Hill Road, Suite 101, Menlo Park, CA 94025.

(6) Includes 199,036 shares held by the Khodi Family Trust U/A/D 2/19/00. Includes 140,521 shares subject to options held by Mr. Khodi that are exercisable within 60 days of February 29, 2004.

(7) Includes 123,600 shares held by the Hodges Family Trust 5/16/90, of which Dr. Hodges and Susan A. Hodges are trustees. Includes 44,750 shares subject to options held by Dr. Hodges that are exercisable within 60 days of February 29, 2004.

(8) Includes 103,230 shares subject to options held by Mr. LeMoncheck that are exercisable within 60 days of February 29, 2004.

(9) Includes 81,250 shares subject to options held by Mr. McAuliffe that are exercisable within 60 days of February 29, 2004.

(10) Includes 78,750 shares subject to options held by Mr. Spreng that are exercisable within 60 days of February 29, 2004.

(11) Includes 16,250 shares subject to options held by Mr. Courtney that are exercisable within 60 days of February 29, 2004.

(12) Includes 2,484,259 shares subject to options that are exercisable within 60 days of February 29, 2004.

Equity Compensation Plans

As of December 31, 2003, we maintained our 1999 Equity Incentive Plan and 1999 Employee Stock Purchase Plan, both of which were approved by our stockholders. Our 1995 Equity Incentive Plan that was terminated in connection with our initial public offering but had options outstanding under it as of December 31, 2003, was also approved by our stockholders. As of December 31, 2003, we also maintained the CMD Technology Inc. 1999 Stock Incentive Plan, Silicon Communication Lab, Inc. 1999 Stock Option Plan and TransWarp Networks, Inc. 2002 Stock Option/Stock Issuance Plan, which we assumed in connection with our acquisition of those companies, as well as non-plan stock options.
Option Grants in Last Fiscal Year

The following table shows information about each stock option granted during 2003 to each of the Named Executive Officers. In accordance with the rules of the Securities and Exchange Commission, the table sets forth the hypothetical gains or "option spreads" that would exist for the options at the end of their respective ten-year terms. These gains are based on assumed rates of annual compound stock price appreciation of 5% and 10% from the closing price on the date an option was granted until the end of the option term. The 5% and 10% assumed annual rates of stock price appreciation are mandated by the rules of the Securities and Exchange Commission and do not represent our estimate or projection of future common stock prices.

All options included in the following table are nonqualified stock options. Unless noted otherwise, the options were granted under our 1999 Equity Incentive Plan and the exercise price of each option granted equaled the closing price per share of our common stock on the NASDAQ National Market on the date of grant. Unless noted otherwise, the options expire on the earlier of ten years from the date of grant or three months after termination of employment. The percentage numbers are based on an aggregate of 4,534,585 options granted to our employees during fiscal 2003.

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of Securities Underlying Options Granted (a)</th>
<th>Percentage of Total Options Granted to Employees in 2003</th>
<th>Exercise Price Per Share ($)</th>
<th>Expiration Date</th>
<th>Potential Realizable Value of Stock Price Appreciation for Option Term at Assumed Annual Rates of Stock Price Appreciation (5% and 10%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>David Lee</td>
<td>500,000 (1)</td>
<td>11.0%</td>
<td>6.16</td>
<td>1/2/13</td>
<td>$1,936,995 $4,908,727</td>
</tr>
<tr>
<td>Steve Tirado</td>
<td>200,000(2)</td>
<td>4.4</td>
<td>6.16</td>
<td>1/2/13</td>
<td>774,798 1,963,491</td>
</tr>
<tr>
<td>Jaime Garcia-Meza</td>
<td>150,000(4)</td>
<td>3.3</td>
<td>6.16</td>
<td>1/2/13</td>
<td>581,099 1,472,618</td>
</tr>
<tr>
<td>Parviz Khodi</td>
<td>25,000 (5)</td>
<td>0.6</td>
<td>6.16</td>
<td>1/2/13</td>
<td>96,850 245,436</td>
</tr>
<tr>
<td>John LeMoncheck</td>
<td>325,000 (6)</td>
<td>7.2</td>
<td>6.35</td>
<td>1/6/13</td>
<td>1,297,881 3,289,086</td>
</tr>
</tbody>
</table>

(1) This option becomes vested and exercisable with respect to 2.083% of the shares on January 2, 2003 and each of the 47 months thereafter.

(2) This option becomes vested and exercisable with respect to 0.833% of the shares on January 2, 2004 and each of the 11 months thereafter, 1.25% of the shares on January 2, 2005 and each of the 11 months thereafter, 2.083% of the shares on January 2, 2006 and each of the 11 months thereafter, and 4.167% of the shares on January 2, 2007 and each of the 11 months thereafter.

(3) This option becomes vested and exercisable with respect to 1.667% of the shares on January 2, 2003 and each of the 59 months thereafter.

(4) This option becomes vested and exercisable with respect to 1.667% of the shares on January 2, 2005 and each of the 11 months thereafter, 2.777% of the shares on January 2, 2006 and each of the 11 months thereafter, and 3.888% of the shares on January 2, 2007 and each of the 11 months thereafter.

(5) This option becomes vested and exercisable with respect to 100% of the shares on January 2, 2008.

(6) This option becomes vested and exercisable with respect to 25% of the shares on January 6, 2004 and 2.083% of the shares each of the 36 months thereafter.
Exhibit M
SCHEDULE 14A
(RULE 14a-101)

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant ☑
Filed by a Party other than the Registrant ☐

Check the appropriate box:
☐ Preliminary Proxy Statement
☑ Definitive Proxy Statement
☐ Definitive Additional Materials
☐ Soliciting Material Pursuant to Rule 14a-11(c) or Rule 14a-12

☐ Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

SILICON IMAGE, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

☑ No fee required.

☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

☐ Fee paid previously with preliminary materials.
☐ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:
To Our Stockholders:

You are cordially invited to attend the 2005 Annual Meeting of Stockholders of Silicon Image, Inc. to be held at our headquarters located at 1060 East Arques Ave., Sunnyvale California, 94085, on Wednesday, June 15, 2005, at 2:00 p.m., local time.

The matters expected to be acted upon at the meeting are described in detail in the accompanying Notice of Annual Meeting of Stockholders and Proxy Statement.

It is important that you use this opportunity to take part in the affairs of Silicon Image by voting on the business to come before this meeting. Whether or not you expect to attend the meeting, please complete, date, sign and promptly return the accompanying proxy in the enclosed postage-paid envelope so that your shares may be represented at the meeting. Returning the proxy does not deprive you of your right to attend the meeting and to vote your shares in person.

We look forward to seeing you at the meeting.

Sincerely,

Steve Tirado
President and Chief Executive Officer
NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Our Stockholders:

NOTICE IS HEREBY GIVEN that the 2005 Annual Meeting of Stockholders of Silicon Image, Inc. will be held at our headquarters located at 1060 East Arques Ave., Sunnyvale, California 94085, on Wednesday, June 15, 2005, at 2:00 p.m., Pacific Time, for the following purposes:

1. To elect one Class III director of Silicon Image, Inc. Silicon Image’s Board of Directors intends to present the following nominee for election as Class III director:
   Steve Tirado

2. To ratify the appointment of PricewaterhouseCoopers LLP as the independent registered public accounting firm of Silicon Image, Inc. for the fiscal year ending December 31, 2005.

3. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

The foregoing items of business are more fully described in the Proxy Statement accompanying this Notice.

Only stockholders of record at the close of business on April 25, 2005 are entitled to notice of, and to vote at, the meeting or any adjournment or postponement thereof.

By Order of the Board of Directors

[Signature]

Steve Tirado
President and Chief Executive Officer

Sunnyvale, California
May 16, 2005

Whether or not you expect to attend the meeting, please complete, date, sign and promptly return the accompanying proxy in the enclosed postage-paid envelope so that your shares may be represented at the meeting.

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</tr>
</tbody>
</table>
(4) Other annual compensation represents payments of an aggregate of $89,576 to cover Mr. Valiton's relocation and other moving expenses in connection with his promotion to Vice President, Worldwide Sales.

(5) Salary figures include sales commissions of $109,337 in 2004, $113,302 in 2003 and $144,678 in 2002. In February 2005, Mr. Garcia-Meza's position changed from Vice President of Sales and Marketing, Storage Systems to Vice President of Storage Products. Prior to serving as Vice President of Sales and Marketing, Storage Systems, Mr. Garcia-Meza held the position of Vice President of Worldwide Sales until April 2004.

(6) Includes six months salary continuance of $129,782 paid to Mr. Khodi's estate after his death in September 2004.

(7) This amount was paid to Mr. Khodi's estate after his death in September 2004 and represents the amount that Mr. Khodi would have been expected to earn under Silicon Image's executive bonus plan for 2004.

(8) These amounts represent life insurance premiums paid by Silicon Image for the benefit of the applicable executive.

(9) This amount includes life insurance premiums in the amount of $495 paid by Silicon Image for the benefit of Mr. Khodi and six months of COBRA coverage in the amount of $4,493 paid to Mr. Khodi's estate after his death in September 2004.

Option Grants in Last Fiscal Year

The following table shows information about each stock option granted during 2004 to each of the Named Executive Officers. In accordance with the rules of the Securities and Exchange Commission, the table sets forth the hypothetical gains or "option spreads" that would exist for the options at the end of their respective ten-year terms. These gains are based on assumed rates of annual compound stock price appreciation of 5% and 10% from the closing price on the date an option was granted until the end of the option term. The 5% and 10% assumed annual rates of stock price appreciation are mandated by the rules of the Securities and Exchange Commission and do not represent our estimate or projection of future common stock prices.

All options included in the following table are nonqualified stock options. Unless noted otherwise, the options were granted under our 1999 Equity Incentive Plan and the exercise price of each option granted equaled the closing price per share of our common stock on the NASDAQ National Market on the date of grant. Unless noted otherwise, the options expire on the earlier of ten years from the date of grant or three months after termination of employment. The percentage numbers are based on an aggregate of 6,848,100 options granted to our employees during fiscal 2004.

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of Securities Underlying Options Granted (#)</th>
<th>Percentage of Total Options Granted to Employees in 2004</th>
<th>Exercise Price Per Share ($)</th>
<th>Expiration Date</th>
<th>Potential Realizable Value at Assumed Annual Rates of Stock Price Appreciation for Option Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steve Tirado</td>
<td>--</td>
<td>--</td>
<td>$</td>
<td>--</td>
<td>5%</td>
</tr>
<tr>
<td>Steve Laub</td>
<td>1,500,000(1)</td>
<td>21.9%</td>
<td>15.20</td>
<td>11/11/14(1)</td>
<td>$</td>
</tr>
<tr>
<td>David Lee</td>
<td>250,000(2)</td>
<td>3.7</td>
<td>9.15</td>
<td>3/16/14</td>
<td>1,438,596</td>
</tr>
<tr>
<td>Rob Valiton</td>
<td>300,000(3)</td>
<td>4.4</td>
<td>12.86</td>
<td>4/17/14</td>
<td>2,426,275</td>
</tr>
<tr>
<td>Jimmy Garcia-Meza</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Robert Gargus</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>J. Duane Northcutt</td>
<td>80,000(4)</td>
<td>1.2</td>
<td>9.55</td>
<td>2/5/14</td>
<td>480,475</td>
</tr>
<tr>
<td>Parviz Khodi</td>
<td>80,000(5)</td>
<td>1.2</td>
<td>9.55</td>
<td>2/5/14(5)</td>
<td>104,101(5)</td>
</tr>
</tbody>
</table>

(1) This option was canceled on January 20, 2005 in connection with Mr. Laub's resignation. Prior to cancellation, this option was a non-plan option and became vested and exercisable with respect to 25% of the shares on November 11, 2005 and 2.083% of the shares each of the 36 months thereafter.
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(2) This option becomes vested and exercisable with respect to 20% of the shares on March 16, 2004, 40% of the shares on March 16, 2005 and 40% of the shares on March 16, 2006.

(3) This option becomes vested and exercisable with respect to 2.083% of the shares on April 17, 2004 and each of the 47 months thereafter.

(4) This option becomes vested and exercisable with respect to 1.042% of the shares on March 5, 2004 and each of the 23 months thereafter and 2.083% of the shares on March 5, 2006 and each of the 35 months thereafter.

(5) At the time of grant, the vesting schedule of this option provided that the option becomes vested and exercisable with respect to 1.563% of the shares on March 5, 2004 and each of the 47 succeeding months thereafter and 2.083% of the shares on March 5, 2008 and each of the 11 months thereafter. At the time of Mr. Khodi’s death, 8,750 shares subject to this option were vested and exercisable. In connection with his death, 62,677 shares subject to this option were cancelled on September 23, 2004 and Silicon Image amended the stock option to provide for vesting of an additional 8,583 shares subject to this option effective September 27, 2004, such that an aggregate of 17,333 shares were vested and exercisable as of December 31, 2004, which shares are exercisable until September 23, 2005.

Aggregated Option Exercises in 2004 and Year End Option Values

The following table sets forth the number of shares acquired upon the exercise of stock options during 2004 and the number of shares covered by both exercisable and unexercisable stock options held by each of the Named Executive Officers at December 31, 2004. Also reported are values of unexercised “in-the-money” options, which represent the positive spread between the respective exercise prices of outstanding stock options and $16.46, the closing price per share of our common stock on December 31, 2004 on the NASDAQ National Market.

<table>
<thead>
<tr>
<th>Name</th>
<th>Shares Acquired on Exercise (#)</th>
<th>Value Realized ($)</th>
<th>Number of Securities Underlying Unexercised Options at Fiscal Year End (#)</th>
<th>Value of Unexercised In-the-Money Options at Fiscal Year End ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steve Tirado</td>
<td>453,719</td>
<td>$3,823,476</td>
<td>86,599</td>
<td>526,141</td>
</tr>
<tr>
<td>Steve Laub</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>David Lee</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rob Valiton</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jimmy Garcia-Meza</td>
<td>122,750</td>
<td>$1,453,690</td>
<td>365,584(1)</td>
<td></td>
</tr>
<tr>
<td>Robert Gargus</td>
<td>45,000</td>
<td>507,313</td>
<td>208,667</td>
<td></td>
</tr>
<tr>
<td>J. Duane Northcutt</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parviz Khodi</td>
<td>143,333</td>
<td>1,529,896</td>
<td>116,353</td>
<td></td>
</tr>
</tbody>
</table>

(1) 323,917 of the shares issuable upon exercise of these options were vested as of December 31, 2004.

Employment Contracts and Change of Control Arrangements

Silicon Image entered into an employment offer letter agreement with Steve Tirado on January 24, 2005 for the position of Chief Executive Officer and President. This agreement superseded and replaced Mr. Tirado’s existing employment offer letter agreement with Silicon Image dated April 1, 2004. The new agreement sets forth Mr. Tirado’s title and the terms of his employment with Silicon Image, including an annual base salary of $475,000, a potential bonus for the 2005 fiscal year equal to 70% of his annual base salary and participation in Silicon Image’s employee benefit plans and executive compensation programs. Pursuant to the agreement, Mr. Tirado received an option grant to purchase 380,000 shares of Silicon Image’s common stock at an exercise price of $14.14 per share and will receive an option grant to purchase 500,000 shares of the Silicon Image’s common stock on the first business day of 2006 which option will have an exercise price equal to the closing price of the common stock on the date of grant. The agreement also provides that in the event