



Synaptics Reports First Quarter Financial Results

October 24, 2002

Synaptics Reports First Quarter Financial Results **October 24, 2002 – San Jose, CA** – Synaptics (Nasdaq: SYNA), a leader in touch pads and other human interface solutions for mobile computing and communications devices, today reported financial results for the first quarter ended September 30, 2002.

Net revenue for the first quarter of fiscal 2003 was \$22.2 million, compared to \$23.6 million for the first quarter of the prior fiscal year. Pro forma net income for the first quarter, excluding non-cash charges related to the amortization of intangibles and deferred stock-based compensation, was \$1.3 million, or \$0.06 per basic share and \$0.05 per diluted share. This compares to pro forma net income of \$1.7 million, or \$0.26 per basic share and \$0.08 per diluted share, for the first quarter of the prior fiscal year.

Actual (GAAP) net income for the first quarter of fiscal 2003 was \$1.2 million, or \$0.05 per basic and diluted share. This compares with actual net income of \$1.6 million, or \$0.24 per basic share and \$0.08 per diluted share, for the first quarter of fiscal 2002.

"We are pleased with our first quarter performance amidst the current economic environment and backdrop of uncertainty within the PC industry," stated Francis Lee, President and Chief Executive Officer of Synaptics. "Visibility in the PC market remains limited due to continued softness in consumer and corporate spending, but we are encouraged by the number of new design wins in the notebook segment coupled with healthy design activity in adjacent markets. We expect a moderate sequential increase in revenue of up to 6% during the December quarter in what is expected to be a weaker than usual holiday season, and another sequential revenue increase in the traditionally slower March quarter as several of our earlier design wins move into production."

Recent Highlights

Synaptics recently:

- Secured two additional design wins for its integrated Fingerprint TouchPad module for notebook computers, as it continues to demonstrate its ability to bring additional value-added features and functionality to its customers. Synaptics expects these design wins will begin generating revenue within the next six months.
- Achieved 3 design wins for its capacitive TouchStyk, which it expects will result in revenue within the next 9 months.
- Shipped a TouchPad product with its proprietary QuickStroke Chinese character recognition software to its partner, CityOne, for integration into a PC peripheral product for screen navigation and character input.
- Continued to make inroads in the Japanese market with a design win for Sharp's recently announced Muramasa notebook, the world's thinnest notebook computer, which utilizes Synaptics' HyperThin TouchPad, another example of Synaptics' ability to add value through its custom engineering capabilities.
- Opened a new office in Tokyo, Japan to provide local support for its customers in the region.

About Synaptics Incorporated

Synaptics (Nasdaq: SYNA) develops advanced interface solutions for products as diverse as notebook and desktop computers, mobile computing and communications devices, automotive applications, and security solutions. Synaptics products include: TouchPad™, the industry standard notebook pointing device; ClearPad™, a capacitive touch screen solution; TouchStyk™, a modular capacitive pointing stick solution; Spiral®, an inductive, proximity sensing pen input system; cPad™, an LCD TouchPad; TouchScreen, a capacitive touch solution for large displays; and QuickStroke®, a proprietary Chinese handwriting recognition software application. More information about Synaptics can be found on the World Wide Web at www.synaptics.com

This press release contains "forward-looking" statements about Synaptics, as that term is defined under the federal securities laws. Synaptics intends such forward-looking statements to be subject to the safe-harbor created by those laws. Such forward-looking statements include, but are not limited to, statements regarding Synaptics' revenue expectations, competitive position and new market initiatives. Synaptics cautions that these statements are qualified by important factors that could cause actual results to differ materially from those reflected by the forward-looking statements contained herein. Such factors include, but are not limited to: (a) market demand for Synaptics' products (b) market demand for OEM's products using Synaptics' products, and © the failure of Synaptics' products and OEM's products to deliver commercially acceptable performance, and other risks as identified from time to time in Synaptics' SEC reports, including Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and the Company's 10-K for the fiscal year ended June 30, 2002. All forward-looking statements are based on information available to Synaptics on the date hereof, and Synaptics assumes no obligation to update such statements.

