Broadcom Q1 2012 Earnings Results Summary

May 1, 2012

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All statements included or incorporated by reference in these slides, other than statements or characterizations of historical fact, are forward-looking statements within the meaning of the federal securities laws, including the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, among others, guidance provided on future revenue, gross margin and operating expense targets for the second quarter of 2012 and any other future periods. It should be clearly understood that these forward-looking statements, and our assumptions about the factors that influence them, are based on the limited information available to us at this date. Such information is subject to change, and we may not inform you when changes occur. We undertake no obligation to revise or update publicly any forward-looking statement to reflect future events or circumstances.

Forward-looking statements are not guarantees of future results and are subject to risks, uncertainties and assumptions that are difficult to predict. Therefore, our actual results could differ materially and adversely from those described in the statements you hear today as a result of various factors. We refer you to our Form 10-K for the year ended December 31, 2011, subsequent 10-Qs and other filings with the SEC, which discuss some of the important risk factors that could contribute to such differences or otherwise affect our business, results of operations and financial condition.

For additional financial and statistical information, including the information disclosed in accordance with SEC Regulation G, please see the Investors section of our website.

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Q1 2012 Results Versus Guidance

(in millions)	Q1 2011A	Q4 2011A	Q1 2012 Guidance	Q1 2012A	Commentary
Total Revenue	$1,816	$1,820	~ $1,700 – $1,800	$1,827	Includes $33M from NetLogic Microsystems
Product gross margin (GAAP)*	49.0%	49.3%	Roughly flat from Q4 2011	48.1%	Down due to ~$45M increase in acquisition-related charges
Product gross margin (Non-GAAP)	50.5%	50.5%	Roughly flat from Q4 2011	52.0%	Driven by favorable product costs and lower E&O
Total R&D and SG&A expenses (GAAP)**	$677	$636	Up ~ $65 – $75M from Q4 2011	$725	Includes ~ $24M in stock-based compensation from NetLogic (stepped up for acquisition premium)
Total R&D and SG&A expenses (Non-GAAP)	$536	$528	Up ~ $55 – $65M from Q4 2011	$582	Lower than expected legal fees and employee costs
Broadband Communications ("Home")	$490	$510	Down from Q4 2011	$494	
Mobile & Wireless ("Hand")	$854	$875	Down from Q4 2011	$875	Upside driven by 3G baseband and Wi-Fi combos
Infrastructure & Networking ("Infrastructure")	$419	$383	Roughly flat from Q4 2011	$406	Includes $33M from NetLogic Microsystems
All Other	$53	$52		$52	

Note: Some totals or amounts may not add or conform to prior period presentations due to rounding.

* Cost of product revenue includes stock-based compensation, amortization of purchased intangible assets, amortization of acquired inventory valuation step-up and employer payroll tax expense.

** Research and development and selling, general and administrative expenses includes stock-based compensation and other expenses (see the Appendix for further details).

Please see slide 4 for the breakout of stock-based compensation.

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Stock-Based Compensation Expense

(in millions)	Q1 2011A	Q4 2011A	Q1 2012A
Cost of product revenue	$7	$5	$9
Research and development	$102	$79	$94
Selling, general and administrative	$36	$27	$47
Total	**$145**	**$111**	**$150***
% of Net Revenue			
Cost of product revenue	0.4%	0.3%	0.5%
Research and development	5.6%	4.3%	5.1%
Selling, general and administrative	2.0%	1.5%	2.6%
Total	**8.0%**	**6.1%**	**8.2%**

Note: Some totals or amounts may not add or conform to prior period presentations due to rounding.

* Includes ~ $27M in stock-based compensation from NetLogic Microsystems

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Acquisition-Related Charges

(in millions)	Q1 2011A	Q4 2011A	Q1 2012A*
Total Acquisition-Related Charges (included in COGS)**	$20	$17	$59
+ Amortization of purchased intangibles (Income Statement)	$7	$7	$17
Total	**$27**	**$24**	**$76**
GAAP Product Gross Margin Impact (bps)			
Total Acquisition-Related Charges (included in COGS)	**114 bps**	**96 bps**	**333 bps**
Diluted GAAP EPS Impact (cents)			
Total Acquisition-Related Charges (included in COGS)**	$0.04	$0.03	$0.10
+ Amortization of purchased intangibles (Income Statement)	$0.01	$0.01	$0.03
Total	**$0.05**	**$0.04**	**$0.13**

* Q1 2012 reflects partial quarter of GAAP acquisition charges related to the NetLogic transaction.

** Acquisition-related charges include but not limited to: amortization of purchased intangibles and step-up of acquired inventory

NetLogic GAAP & Non-GAAP EPS Impact	2012 Impact	Commentary
2012 Preliminary EPS Impact of NetLogic (GAAP)	**~($0.43 – $0.45)**	
2012 Preliminary EPS Impact of NetLogic (Non-GAAP)	**~$0.07 – $0.08**	**Excludes amortization of purchased intangibles, inventory step-up, stock-based compensation, restructuring charges and an acquisition-related income tax benefit**

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Revenue and Gross Profit Reconciliation

Revenue (in millions)	Q1 2011A		Q4 2011A		Q1 2012A	
Product revenue	$1,752		$1,763		$1,770	
Income from Qualcomm agreement	$52		$52		$52	
Licensing revenue	$12		$5		$5	
Total Revenue	**$1,816**		**$1,820**		**$1,827**	
Gross Profit (in millions)		**% of Revenue**		**% of Revenue**		**% of Revenue**
GAAP total gross profit	$922	50.8%	$926	50.9%	$909	49.8%
– Licensing revenue and related income	$64		$57		$57	
GAAP product gross profit	$858	49.0%	$869	49.3%	$852	48.1%
+ Stock-based compensation and related payroll taxes	$7		$5		$9	
+ Amortization of purchased intangible assets and step-up of acquired inventory	$20		$17		$59	
Non-GAAP product gross profit	**$885**	**50.5%**	**$891**	**50.5%**	**$920**	**52.0%**

Note: Some totals or amounts may not add or conform to prior period presentations due to rounding.

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Operating Profit and Share Reconciliation

Operating Income (in millions)	Q1 2011A		Q4 2011A		Q1 2012A	
		% of Revenue		% of Revenue		% of Revenue
GAAP Total Operating Income	$234	12.9%	$279	15.3%	$50	2.7%
– Licensing revenue and related income	$64		$57		$57	
GAAP Product Operating Income	$170	9.7%	$222	12.6%	($7)	(0.4)%
+ Stock-based compensation and related payroll taxes and acquisition effects	$168		$131		$211	
+ Impairments, settlements, restructuring, and charitable contributions, amortization of purchased intangible assets	$11		$11		$134	
Non-GAAP Product Operating Income	**$349**	**19.9%**	**$363**	**20.6%**	**$338**	**19.1%**

Shares (in millions)	Q1 2011A	Q4 2011A	Q1 2012A
GAAP weighted average shares outstanding (diluted)	575	561	570
Non-GAAP adjustment	23	20	24
Non-GAAP Weighted Average Shares Outstanding (Diluted)*	**598**	**581**	**594**

Note: Some totals or amounts may not add or conform to prior period presentations due to rounding.

* Please note — the calculation of non-GAAP weighted average shares outstanding (diluted) excludes the benefits of compensation costs attributable to future services and not yet recognized in the financial statements that are treated as proceeds assumed to be used to repurchase shares under the GAAP treasury stock method.

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Segment Details

($ in millions)	Reportable Segments: Broadband Communications "Home"	Mobile & Wireless "Hand"	Infrastructure & Networking "Infrastructure"	All Other	Consolidated
Three Months Ended March 31, 2012					
Net revenue	$494	$875	$406	$52	$1,827
Operating income (loss)	104	124	107	(285)	50
Three Months Ended March 31, 2011					
Net revenue	$490	$854	$419	$53	$1,816
Operating income (loss)	84	138	154	(142)	234

Included in the "All Other" category:	Three Months Ended March 31, 2012	2011
Net revenue	$52	$53
Stock-based compensation	$150	$145
Amortization of purchased intangible assets	54	22
Amortization of acquired inventory valuation step-up	22	5
Impairment of long-lived assets	28	9
Settlement costs (gains), net	86	(5)
Restructuring costs, net	3	-
Employer payroll tax on certain stock option exercises	2	3
Miscellaneous corporate allocation variances	(8)	16
Total other operating costs and expenses	$337	$195
Total operating loss for the "All Other" category	($285)	($142)

Note: Some totals or amounts may not add or conform to prior period presentations due to rounding.

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Q2 2012 Guidance

(in millions)	Q2 2011A	Q1 2012A	Q2 2012 Guidance	Commentary
Total Revenue	$1,796	$1,827	~ $1,900 – $2,000	Up ~ 4% – ~9% from Q1 2012
Product gross margin (GAAP)	49.6%	48.1%	Down from Q1 2012	Due to expected sequential increase in acquisition-related charges
Product gross margin (Non-GAAP)	51.1%	52.0%	Roughly flat from Q1 2012	
Total R&D and SG&A expenses (GAAP)	$685	$725	Up ~$30 - $45M from Q1 2012	
Total R&D and SG&A expenses (Non-GAAP)	$529	$582	Up ~$35 - $50M from Q1 2012	
Broadband Communications ("Home")	$513	$494	Up from Q1 2012	
Mobile & Wireless ("Hand")	$812	$875	Roughly flat from Q1 2012	
Infrastructure & Networking ("Infrastructure")	$420	$406	Up from Q1 2012	
All Other	$51	$52		

Note: Some totals or amounts may not add or conform to prior period presentations due to rounding.

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Appendix

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Unaudited GAAP Consolidated Statements of Income
(In millions, except per share amounts)

	Q1'10	Q2'10	Q3'10	Q4'10	Q1'11	Q2'11	Q3'11	Q4'11	Q1'12
Net revenue:									
Product revenue	$ 1,404	$ 1,548	$ 1,749	$ 1,888	$ 1,752	$ 1,742	$ 1,902	$ 1,763	$ 1,770
Income from Qualcomm Agreement	52	52	52	52	52	52	52	52	52
Licensing revenue	6	5	5	5	12	2	3	5	5
Total net revenue	1,462	1,605	1,806	1,945	1,816	1,796	1,957	1,820	1,827
Costs and expenses:									
Cost of product revenue (1)	695	762	872	955	894	878	960	894	918
Research and development (2)	421	422	447	473	498	505	501	479	546
Selling, general and administrative (3)	133	143	145	168	179	180	166	157	179
Amortization of purchased intangible assets (4)	3	5	5	15	7	9	7	7	17
Impairment of goodwill and long-lived assets (4)	-	-	2	17	9	74	9	-	28
Restructuring costs (reversals), net (4)	-	-	-	-	-	-	17	(1)	3
Settlement costs (gains), net (4)	3	1	-	49	(5)	(45)	27	5	86
Charitable contribution (4)	-	-	-	-	-	25	-	-	-
Total operating costs and expenses	1,255	1,333	1,471	1,677	1,582	1,626	1,687	1,541	1,777
Income from operations	207	272	335	268	234	170	270	279	50
Interest income (expense), net	2	3	3	1	-	-	(1)	(4)	(6)
Other income (expense), net	3	1	-	3	(1)	1	7	1	(1)
Income before income taxes	212	276	338	272	233	171	276	276	43
Provision (benefit) for income taxes	2	(2)	10	6	5	(4)	6	22	(45)
Net income	$ 210	$ 278	$ 328	$ 266	$ 228	$ 175	$ 270	$ 254	$ 88
Basic net income per share	$ 0.42	$ 0.55	$ 0.64	$ 0.50	$ 0.42	$ 0.33	$ 0.50	$ 0.47	$ 0.16
Diluted net income per share	$ 0.40	$ 0.52	$ 0.60	$ 0.47	$ 0.40	$ 0.31	$ 0.48	$ 0.45	$ 0.15
Weighted average shares - diluted	527	538	544	569	575	558	558	561	570

The following table presents details of total stock-based compensation expense *included* in each functional line item in the unaudited condensed consolidated statements of income above:

Cost of product revenue	$ 7	$ 5	$ 5	$ 6	$ 7	$ 6	$ 6	$ 5	$ 9
Research and development	89	84	80	89	102	97	85	79	94
Selling, general and administrative	31	30	28	30	36	33	30	27	47

Note: Certain prior period amounts have been reclassified to conform with the current period presentation.

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Unaudited Reconciliation of GAAP Income from Operations to Non-GAAP Product Income from Operations

(In millions)

	Q1'10	Q2'10	Q3'10	Q4'10	Q1'11	Q2'11	Q3'11	Q4'11	Q1'12
GAAP income from operations	$ 207	$ 272	$ 335	$ 268	$ 234	$ 170	$ 270	$ 279	$ 50
Less:									
Income from Qualcomm Agreement	52	52	52	52	52	52	52	52	52
Licensing revenue	6	5	5	5	12	2	3	5	5
GAAP product income from operations	$ 149	$ 215	$ 278	$ 211	$ 170	$ 116	$ 215	$ 222	$ (7)
(1) Cost of revenue:									
Stock-based compensation	7	5	5	6	7	6	6	5	9
Amortization of purchased intangible assets	7	9	7	8	15	14	13	12	37
Amortization of acquired inventory valuation step-up	4	3	-	3	5	5	9	5	22
Employer payroll tax expense on certain stock option exercises	-	-	1	(1)	-	1	(2)	-	-
(2) Research and development expense:									
Stock-based compensation	89	84	80	89	102	97	85	79	94
Employer payroll tax expense on certain stock option exercises	1	2	1	5	2	2	-	2	1
(3) Selling, general and administrative expense:									
Stock-based compensation	31	30	28	30	36	33	30	27	47
Change in contingent earn-out liability	-	-	-	-	-	-	-	(1)	-
Non recurring legal fees	-	-	-	-	-	25	-	-	-
Employer payroll tax expense on certain stock option exercises	1	-	(1)	1	1	(1)	2	1	1
(4) Other operating costs and expenses:									
Amortization of purchased intangible assets	3	5	5	15	7	9	7	7	17
Impairment of goodwill and long-lived assets	-	-	2	17	9	74	9	-	28
Restructuring costs (reversals)	-	-	-	-	-	-	17	(1)	3
Settlement costs (gains), net	3	1	-	49	(5)	(45)	27	5	86
Charitable contribution	-	-	-	-	-	25	-	-	-
Non-GAAP product income from operations	$ 295	$ 354	$ 406	$ 433	$ 349	$ 361	$ 418	$ 363	$ 338

Note: Certain prior period amounts have been reclassified to conform with the current period presentation.

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Broadcom Corporation
Unaudited GAAP Condensed Consolidated Statements of Cash Flows
(In millions)

	Q1'10	Q2'10	Q3'10	Q4'10	Q1'11	Q2'11	Q3'11	Q4'11	Q1'12
Operating activities									
Net income	$ 210	$ 278	$ 328	$ 266	$ 228	$ 175	$ 270	$ 254	$ 88
Adjustments to reconcile net income to net cash provided by operating activities:									
Depreciation and amortization	20	18	20	21	23	28	28	29	28
Stock-based compensation expense:									
Stock options and other awards	36	28	23	34	41	33	26	19	27
Restricted stock units	91	91	90	91	104	103	95	92	123
Acquisition-related items:									
Amortization of purchased intangible assets	10	14	12	23	22	23	20	19	54
Impairment of long-lived assets	-	-	2	17	9	74	9	-	28
Gain on strategic investments, net	-	-	-	(3)	-	-	-	(1)	-
Non-cash settlement gains	-	-	-	-	-	(14)	-	-	-
Change in operating assets and liabilities:									
Accounts receivable	(94)	(81)	(109)	(3)	59	93	(137)	139	(51)
Inventory	(34)	(86)	(45)	(43)	48	34	55	70	38
Prepaid expenses and other assets	13	10	12	(8)	(28)	(4)	(1)	5	(11)
Accounts payable	44	58	27	17	(70)	(71)	42	(102)	52
Deferred revenue and income	(10)	(9)	(9)	(4)	(9)	(10)	(9)	(5)	(9)
Accrued settlement costs	(1)	(162)	(3)	44	-	3	28	(10)	87
Other accrued and long-term liabilities	(17)	37	107	-	(94)	22	108	(27)	(86)
Net cash provided by operating activities	268	196	455	452	333	489	534	482	368
Investing activities									
Net purchase of property and equipment	(18)	(29)	(35)	(27)	(45)	(52)	(44)	(22)	(74)
Net cash paid for acquired companies	(102)	-	(48)	(449)	-	(344)	(3)	-	(3,393)
Sales (purchases) of strategic investments	(5)	(3)	-	4	-	-	-	(2)	-
Purchases of marketable securities	(65)	(418)	(934)	(1,517)	(654)	(770)	(1,109)	(235)	(334)
Proceeds from sales and maturities of marketable securities	189	181	353	744	795	1,065	1,196	1,087	706
Net cash provided by (used in) investing activities	(1)	(269)	(664)	(1,245)	96	(101)	40	828	(3,095)
Financing activities									
Issuance of long-term debt	-	-	-	691	-	-	-	494	-
Repurchases of Class A common stock	(154)	(121)	-	(5)	(421)	(249)	-	-	-
Proceeds from issuance of common stock	82	164	126	564	112	104	42	90	62
Dividends paid	(40)	(40)	(41)	(42)	(48)	(49)	(48)	(49)	(55)
Payments of assumed debt and assumed contingent consideration	(15)	-	-	-	-	-	-	-	(53)
Minimum tax withholding paid on behalf of employees for restricted stock units	(29)	(34)	(34)	(39)	(57)	(34)	(32)	(32)	(48)
Net cash provided by (used in) financing activities	(156)	(31)	51	1,169	(414)	(228)	(38)	503	(94)
Increase (decrease) in cash and cash equivalents	111	(104)	(158)	376	15	160	536	1,813	(2,821)
Cash and cash equivalents at beginning of period	1,397	1,508	1,404	1,246	1,622	1,637	1,797	2,333	4,146
Cash and cash equivalents at end of period	$ 1,508	$ 1,404	$ 1,246	$ 1,622	$ 1,637	$ 1,797	$ 2,333	$ 4,146	$ 1,325
Unaudited Supplemental Financial Information									
Cash and cash equivalents	$ 1,508	$ 1,404	$ 1,246	$ 1,622	$ 1,637	$ 1,797	$ 2,333	$ 4,146	$ 1,325
Short-term marketable securities	536	645	1,148	1,035	645	829	726	383	350
Long-term marketable securities	311	441	520	1,401	1,649	1,174	1,184	676	388
Total cash, cash equivalents and marketable securities	$ 2,355	$ 2,490	$ 2,914	$ 4,058	$ 3,931	$ 3,800	$ 4,243	$ 5,205	$ 2,063
Increase (decrease) from prior period	$ (13)	$ 135	$ 424	$ 1,144	$ (127)	$ (131)	$ 443	$ 962	$ (3,142)
GAAP net cash provided by operating activities	$ 268	$ 196	$ 455	$ 452	$ 333	$ 489	$ 534	$ 482	$ 368
Purchase of property and equipment, net	(18)	(29)	(35)	(27)	(45)	(52)	(44)	(22)	(74)
Free cash flow	$ 250	$ 167	$ 420	$ 425	$ 288	$ 437	$ 490	$ 460	$ 294

Note: Certain prior period amounts have been reclassified to conform with the current period presentation.

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Unaudited GAAP Condensed Consolidated Balance Sheets and Other Metrics

(In millions, except metric amounts)

	Q1'10	Q2'10	Q3'10	Q4'10	Q1'11	Q2'11	Q3'11	Q4'11	Q1'12
ASSETS									
Current assets:									
Cash and cash equivalents	$ 1,508	$ 1,404	$ 1,246	$ 1,622	$ 1,637	$ 1,797	$ 2,333	$ 4,146	$ 1,325
Short-term marketable securities	536	645	1,148	1,035	645	829	726	383	350
Accounts receivable, net	607	688	798	820	760	680	817	678	763
Inventory	403	490	535	598	550	546	491	421	475
Prepaid expenses and other current assets	108	108	106	109	117	125	125	124	141
Total current assets	3,162	3,335	3,833	4,184	3,709	3,977	4,492	5,752	3,054
Property and equipment, net	228	239	253	266	291	319	339	368	418
Long-term marketable securities	311	441	520	1,401	1,649	1,174	1,184	676	388
Goodwill	1,373	1,369	1,411	1,677	1,685	1,820	1,796	1,787	3,606
Purchased intangible assets, net	217	197	205	366	346	488	427	400	2,023
Other assets	63	55	51	50	56	57	58	57	84
Total assets	$ 5,354	$ 5,636	$ 6,273	$ 7,944	$ 7,736	$ 7,835	$ 8,296	$ 9,040	$ 9,573
LIABILITIES AND SHAREHOLDERS' EQUITY									
Current liabilities:									
Accounts payable	$ 479	$ 538	$ 568	$ 604	$ 536	$ 471	$ 510	$ 442	$ 518
Wages and related benefits	148	153	193	208	122	129	169	175	146
Deferred revenue and income	78	68	59	55	46	37	28	21	13
Accrued liabilities	468	344	405	404	416	417	524	461	511
Total current liabilities	1,173	1,103	1,225	1,271	1,120	1,054	1,231	1,099	1,188
Commitments and contingencies									
Long-term debt	-	-	-	697	697	697	698	1,196	1,196
Other long-term liabilities	87	81	86	150	151	207	202	224	308
Shareholders' equity	4,094	4,452	4,962	5,826	5,768	5,877	6,165	6,521	6,881
Total liabilities and shareholders' equity	$ 5,354	$ 5,636	$ 6,273	$ 7,944	$ 7,736	$ 7,835	$ 8,296	$ 9,040	$ 9,573
GAAP inventory turns	6.9	6.2	6.5	6.4	6.5	6.4	7.8	8.5	7.7
GAAP days in inventory	52.8	58.5	55.8	57.0	56.0	56.6	46.5	42.9	47.1

Note: Some totals or amounts may not add or conform to prior period presentations due to rounding.

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Unaudited Schedule of Selected GAAP to Non-GAAP Adjustments
(In millions)

	Q1'10	Q2'10	Q3'10	Q4'10	Q1'11	Q2'11	Q3'11	Q4'11	Q1'12
Product revenue	$ 1,404	$ 1,548	$ 1,749	$ 1,888	$ 1,752	$ 1,742	$ 1,902	$ 1,763	$ 1,770
GAAP cost of product revenue	695	762	872	955	894	878	960	894	918
GAAP product gross profit	$ 709	$ 786	$ 877	$ 933	$ 858	$ 864	$ 942	$ 869	$ 852
GAAP product gross margin	50.5%	50.8%	50.1%	49.4%	49.0%	49.6%	49.5%	49.3%	48.1%
Cost of product revenue:									
GAAP cost of product revenue	$ 695	$ 762	$ 872	$ 955	$ 894	$ 878	$ 960	$ 894	$ 918
Stock-based compensation & payroll taxes	(7)	(5)	(6)	(5)	(7)	(7)	(4)	(5)	(9)
Amortization of purchased intangible assets & step-up of acquired inventory	(11)	(12)	(7)	(11)	(20)	(19)	(22)	(17)	(59)
Non-GAAP cost of product revenue	$ 677	$ 745	$ 859	$ 939	$ 867	$ 852	$ 934	$ 872	$ 850
Product revenue	$ 1,404	$ 1,548	$ 1,749	$ 1,888	$ 1,752	$ 1,742	$ 1,902	$ 1,763	$ 1,770
Non-GAAP cost of product revenue	677	745	859	939	867	852	934	872	850
Non-GAAP product gross profit	$ 727	$ 803	$ 890	$ 949	$ 885	$ 890	$ 968	$ 891	$ 920
Non-GAAP product gross margin	51.8%	51.9%	50.9%	50.3%	50.5%	51.1%	50.9%	50.5%	52.0%
GAAP research and development and selling, general and administrative expense	$ 554	$ 565	$ 592	$ 641	$ 677	$ 685	$ 667	$ 636	$ 725
Adjustments:									
Stock-based compensation and related payroll taxes	(122)	(116)	(108)	(125)	(141)	(131)	(117)	(109)	(143)
Change in contingent earn-out liability	-	-	-	-	-	-	-	1	-
Non-recurring legal fees	-	-	-	-	-	(25)	-	-	-
Total GAAP to Non-GAAP adjustments	(122)	(116)	(108)	(125)	(141)	(156)	(117)	(108)	(143)
Non-GAAP research and development and selling, general and administrative expense	$ 432	$ 449	$ 484	$ 516	$ 536	$ 529	$ 550	$ 528	$ 582

Note: Certain prior period amounts have been reclassified to conform with the current period presentation.

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Unaudited Reconciliation of GAAP Net Income to Non-GAAP Net Income

(In millions)

	Q1'10	Q2'10	Q3'10	Q4'10	Q1'11	Q2'11	Q3'11	Q4'11	Q1'12
GAAP net income	$ 210	$ 278	$ 328	$ 266	$ 228	$ 175	$ 270	$ 254	$ 88
Adjustments:									
Stock-based compensation and related payroll taxes	129	121	114	130	148	138	121	114	152
Amortization of purchased intangible assets & step-up of acquired inventory	14	17	12	26	27	28	29	24	76
Change in contingent earn-out liability	-	-	-	-	-	-	-	(1)	-
Non-recurring legal fees	-	-	-	-	-	25	-	-	-
Impairment of goodwill and long-lived assets	-	-	2	17	9	74	9	-	28
Restructuring costs (reversals), net	-	-	-	-	-	-	17	(1)	3
Settlement costs (gains), net	3	1	-	49	(5)	(45)	27	5	86
Charitable contribution	-	-	-	-	-	25	-	-	-
Other income, net	-	-	-	(3)	-	-	-	(1)	-
Income tax benefit associated with the establishment of certain deferred tax liabilities in purchase accounting	-	-	-	-	-	-	-	-	(46)
Total GAAP to Non-GAAP adjustments	146	139	128	219	179	245	203	140	299
Non-GAAP net income	$ 356	$ 417	$ 456	$ 485	$ 407	$ 420	$ 473	$ 394	$ 387
Shares:									
Shares used in calculation - diluted (GAAP)	527	538	544	569	575	558	558	561	570
Non-GAAP adjustment	28	27	24	20	23	26	23	20	24
Shares used in calculation - diluted (Non-GAAP) (1)	555	565	568	589	598	584	581	581	594
GAAP diluted net income per share	$ 0.40	$ 0.52	$ 0.60	$ 0.47	$ 0.40	$ 0.31	$ 0.48	$ 0.45	$ 0.15
Non-GAAP diluted net income per share	$ 0.64	$ 0.74	$ 0.80	$ 0.82	$ 0.68	$ 0.72	$ 0.81	$ 0.68	$ 0.65

(1) The calculation of Non-GAAP weighted average shares outstanding (diluted) excludes the benefits of compensation costs attributable to future services and not yet recognized in the financial statements that are treated as proceeds assumed to be used to repurchase shares under the GAAP treaury stock method.

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Broadcom Corporation
Unaudited Supplementary Financial Data
(In millions)

	Q1'10	Q2'10	Q3'10	Q4'10	Q1'11	Q2'11	Q3'11	Q4'11	Q1'12
Net revenue:									
Broadband Communications	$ 464	$ 532	$ 561	$ 577	$ 490	$ 513	$ 526	$ 510	$ 494
Mobile & Wireless	554	630	798	907	854	812	942	875	875
Infrastructure and Networking	392	391	396	409	419	420	437	383	406
All Other	52	52	51	52	53	51	52	52	52
	$ 1,462	$ 1,605	$ 1,806	$ 1,945	$ 1,816	$ 1,796	$ 1,957	$ 1,820	$ 1,827
% of revenue:									
Broadband Communications	31.7%	33.1%	31.1%	29.7%	27.0%	28.6%	26.9%	28.0%	27.0%
Mobile & Wireless	37.9	39.3	44.2	46.6	47.0	45.2	48.1	48.1	48.0
Infrastructure and Networking	26.8	24.4	21.9	21.0	23.1	23.4	22.2	21.0	22.2
All Other	3.6	3.2	2.8	2.7	2.9	2.8	2.8	2.9	2.8
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Product gross margin	50.5%	50.8%	50.1%	49.4%	49.0%	49.6%	49.5%	49.3%	48.1%
Total gross margin	52.5%	52.5%	51.7%	50.9%	50.8%	51.1%	50.9%	50.9%	49.8%
Research and development:									
Salaries and benefits	$ 219	$ 228	$ 235	$ 247	$ 274	$ 271	$ 281	$ 271	$ 304
Stock-based compensation	89	84	80	89	102	97	85	79	94
Development and design costs	64	55	77	78	64	73	73	68	79
Other (1)	49	55	55	59	58	64	62	61	69
	$ 421	$ 422	$ 447	$ 473	$ 498	$ 505	$ 501	$ 479	$ 546
Selling, general and administrative:									
Salaries and benefits	$ 56	$ 58	$ 62	$ 64	$ 73	$ 72	$ 76	$ 72	$ 80
Stock-based compensation	31	30	28	30	36	33	30	27	47
Legal and accounting fees	27	31	32	50	46	49	28	26	23
Other (1)	19	24	23	24	24	26	32	32	29
	$ 133	$ 143	$ 145	$ 168	$ 179	$ 180	$ 166	$ 157	$ 179

(1) Other includes but is not limited to the following: depreciation and amortization, facilities expense and travel.

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Broadcom Corporation
Unaudited Segment Reporting
(In millions)

	Q1'10	Q2'10	Q3'10	Q4'10	Q1'11	Q2'11	Q3'11	Q4'11	Q1'12
Broadband Communications									
Net revenue	$ 464	$ 532	$ 561	$ 577	$ 490	$ 513	$ 526	$ 510	$ 494
Operating income	85	121	118	122	84	99	100	108	104
Mobile & Wireless									
Net revenue	$ 554	$ 630	$ 798	$ 907	$ 854	$ 812	$ 942	$ 875	$ 875
Operating income	61	104	165	196	138	114	171	149	124
Infrastructure and Networking									
Net revenue	$ 392	$ 391	$ 396	$ 409	$ 419	$ 420	$ 437	$ 383	$ 406
Operating income	153	142	139	145	154	142	143	105	107
All Other									
Net revenue	$ 52	$ 52	$ 51	$ 52	$ 53	$ 51	$ 52	$ 52	$ 52
Operating loss	(92)	(95)	(87)	(195)	(142)	(185)	(144)	(83)	(285)
Consolidated									
Net revenue	$ 1,462	$ 1,605	$ 1,806	$ 1,945	$ 1,816	$ 1,796	$ 1,957	$ 1,820	$ 1,827
Operating income	207	272	335	268	234	170	270	279	50
Included in the "All Other" category:									
Net revenue	$ 52	$ 52	$ 51	$ 52	$ 53	$ 51	$ 52	$ 52	$ 52
Stock-based compensation	$ 127	$ 119	$ 113	$ 125	$ 145	$ 136	$ 121	$ 111	$ 150
Amortization - purchased intangible assets	10	14	12	23	22	23	20	19	54
Amortization of acquired inventory valuation step-up	4	3	-	3	5	5	9	5	22
Impairment of goodwill and long-lived assets	-	-	2	17	9	74	9	-	28
Settlement costs (gains), net	3	1	-	49	(5)	(45)	27	5	86
Restructuring costs (reversals)	-	-	-	-	-	-	17	(1)	3
Charitable contribution	-	-	-	-	-	25	-	-	-
Change in contingent earn-out liability	-	-	-	-	-	-	-	(1)	-
Non-recurring legal fees	-	-	-	-	-	25	-	-	-
Employer payroll tax on certain stock option exercises	2	2	1	5	3	2	-	3	2
Miscellaneous corporate allocation variances	(2)	8	10	25	16	(9)	(7)	(6)	(8)
Total other operating costs and expenses	$ 144	$ 147	$ 138	$ 247	$ 195	$ 236	$ 196	$ 135	$ 337
Total operating loss for the "All Other" category	$ (92)	$ (95)	$ (87)	$ (195)	$ (142)	$ (185)	$ (144)	$ (83)	$ (285)

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Thank You

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