



PMC is the Semiconductor Innovator
Transforming Networks that
Connect, Move and Store Big Data

SAFE HARBOR STATEMENT

During the course of this presentation, we will be making forward looking statements which are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements, including but not limited to risks described in PMC-Sierra's SEC filings. PMC-Sierra undertakes no obligation to update any forward looking statements. This presentation also includes certain non-GAAP financial measures, which are reconciled to the most directly comparable GAAP financial measures in the financial news releases posted on our website, www.pmcs.com.



OPTIMIZING BIG DATA TO DRIVE SHAREHOLDER VALUE 2012 PMC ANALYST DAY

Greg Lang, President and Chief Executive Officer



**BIG
DATA**

**BIG
CHALLENGES**

PMC

**BIG
OPPORTUNITIES**



**BIG
DATA**

PMC

**BIG
CHALLENGES**

**BIG
OPPORTUNITIES**

BIG DATA

DIGITIZATION
OF EVERYTHING



PMC

DEVICE
PROLIFERATION



CLOUD SERVICES





1 million
NASDAQ
messages every
second

...and
4 billion
transactions
every day



A top 5
global bank has
50PB
of data

...and
it's growing
30-40%
every year





1 m
NAS
messag
sec



A top 5
global bank has

50PB

864,000,000

30-40%
every year





**Passenger
names and
profiles**

Fuel data

**Flight crew
information**

**Safety
data**

**Catering
details**

**Mechanical
data**

1 TB

Fuel data

Passenger names and profiles

599 airports
28,537 flights

X 1TB

Flight crew
performance data

Catering details

Mechanical data

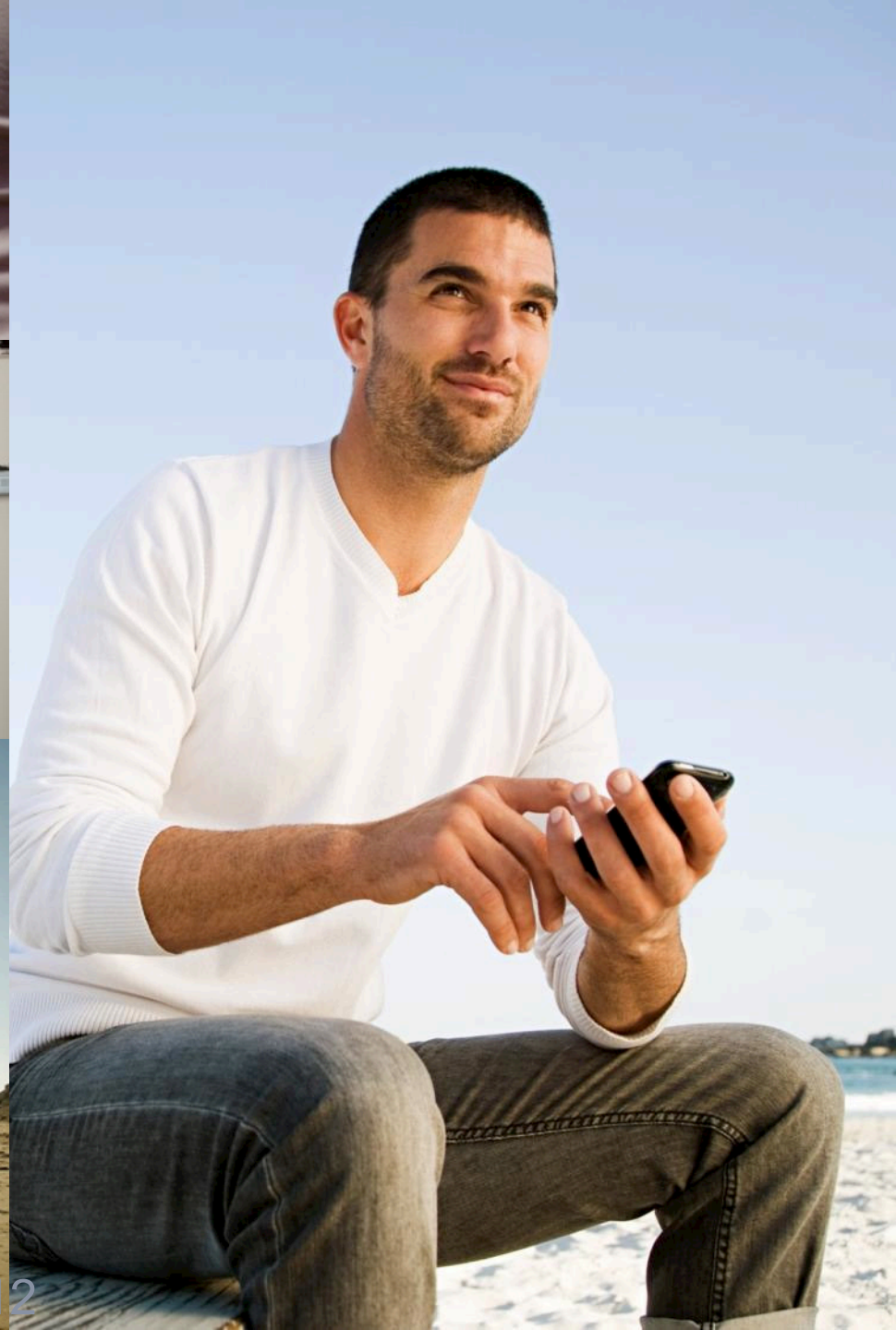
Fuel data

Passenger
names and
profiles

599 airports
28,537 flights
17,094 TB
Petabytes

Catering
details

Mechanical
data





NETFLIX

>30%
of peak traffic

5-10GB

250
million photos
uploaded daily

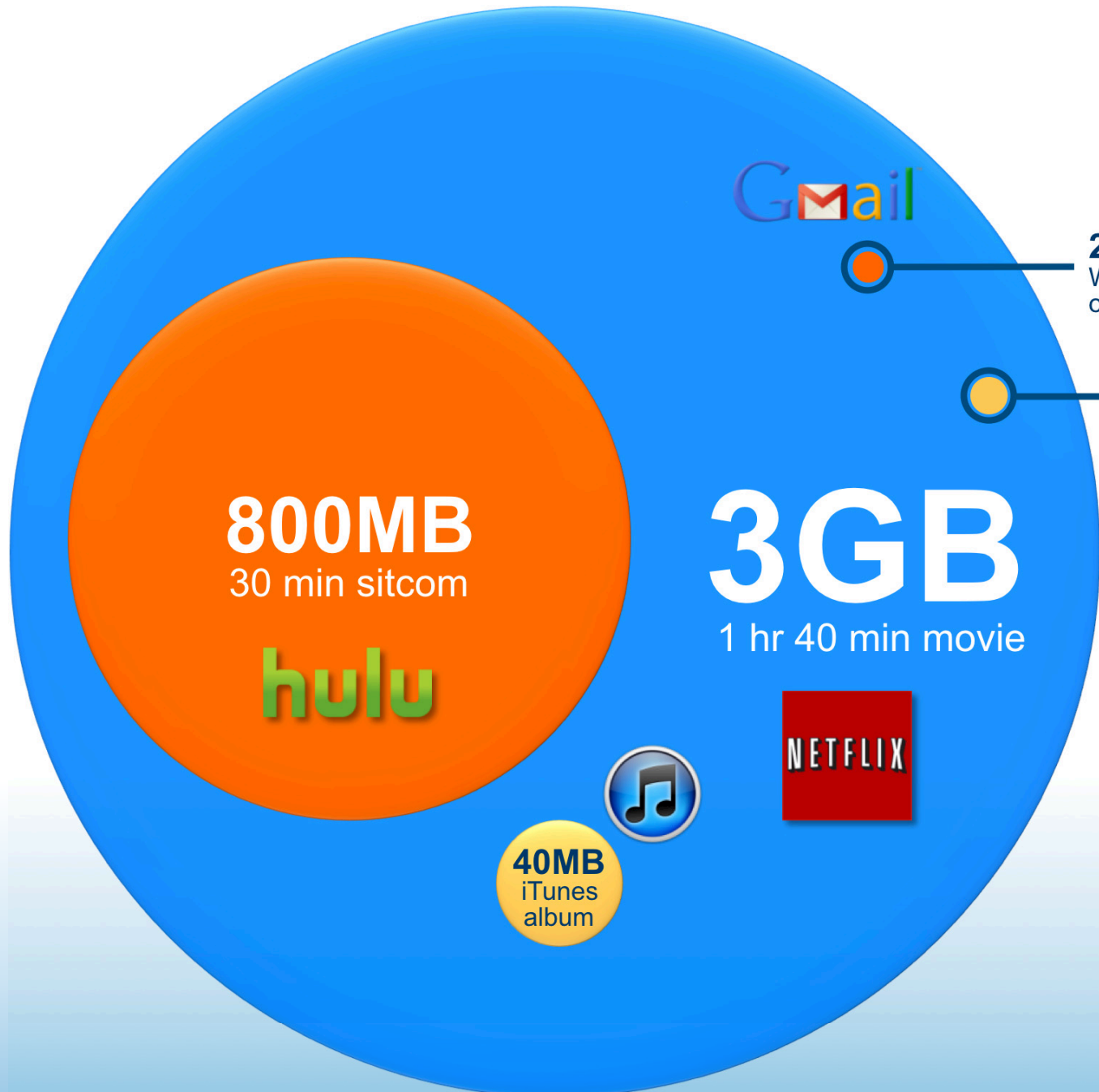


Metadata is
growing 2X
as fast as
the digital
universe

Google







Gmail

2.5MB
Week's worth of basic email

10MB
Single photo from 10M pixel camera

800MB
30 min sitcom

hulu

3GB
1 hr 40 min movie

NETFLIX

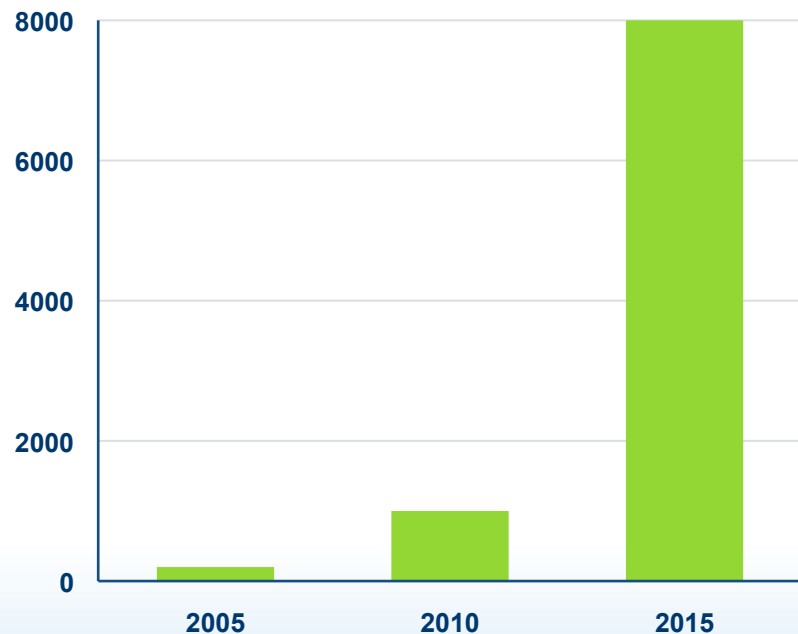
40MB
iTunes album



***“90% of the
(digital) data
in the world has
been created
in the last
two years.”***

–IBM

A DECADE OF DIGITAL UNIVERSE GROWTH STORAGE IN EXABYTES



Source: IDC's Digital Universe Study,
Sponsored by EMC, June 2011



Brian Gallagher

President

Enterprise Storage Division

EMC Corporation

EMC²



PMC is the Semiconductor Innovator
Transforming Networks that
Connect, Move and Store Big Data

BIG CHALLENGES: NETWORK



STORAGE



STORAGE

OPTICAL



STORAGE

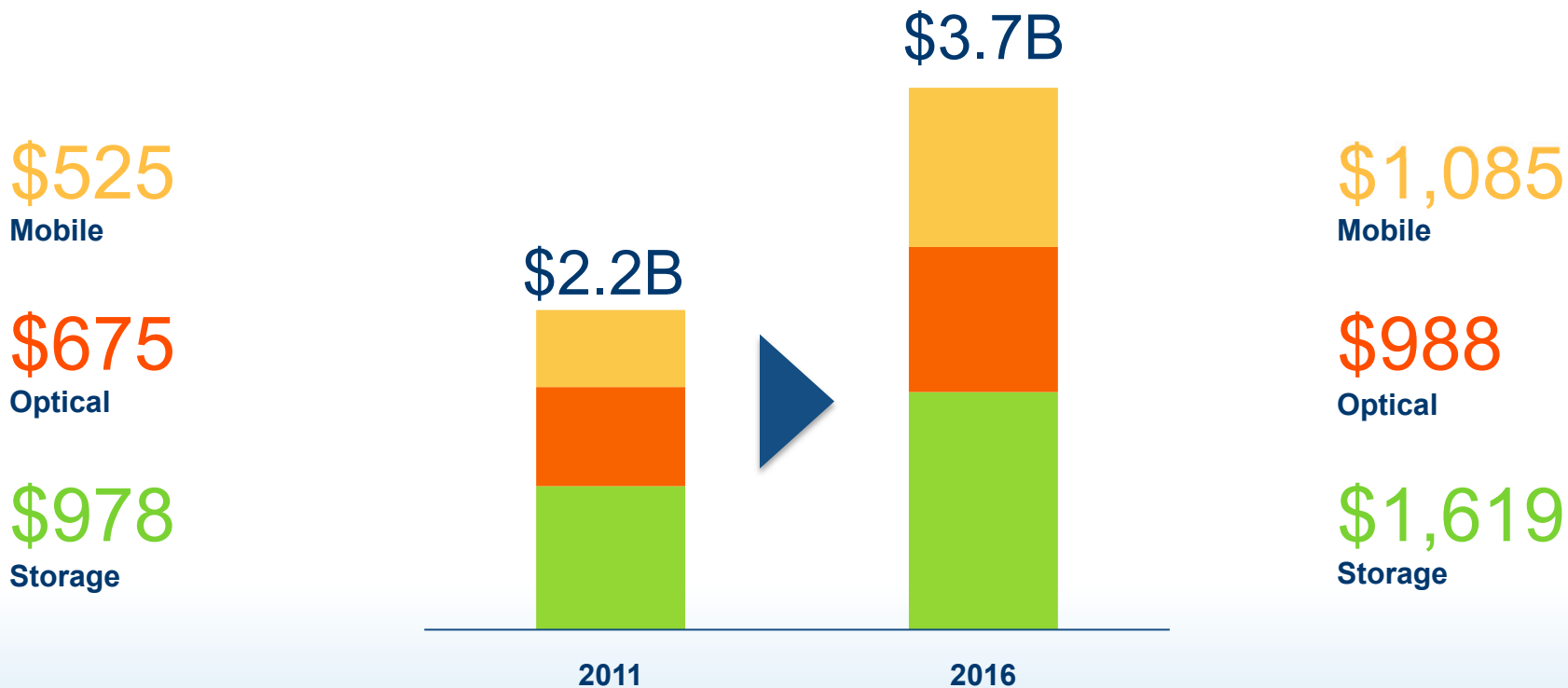
OPTICAL

MOBILE



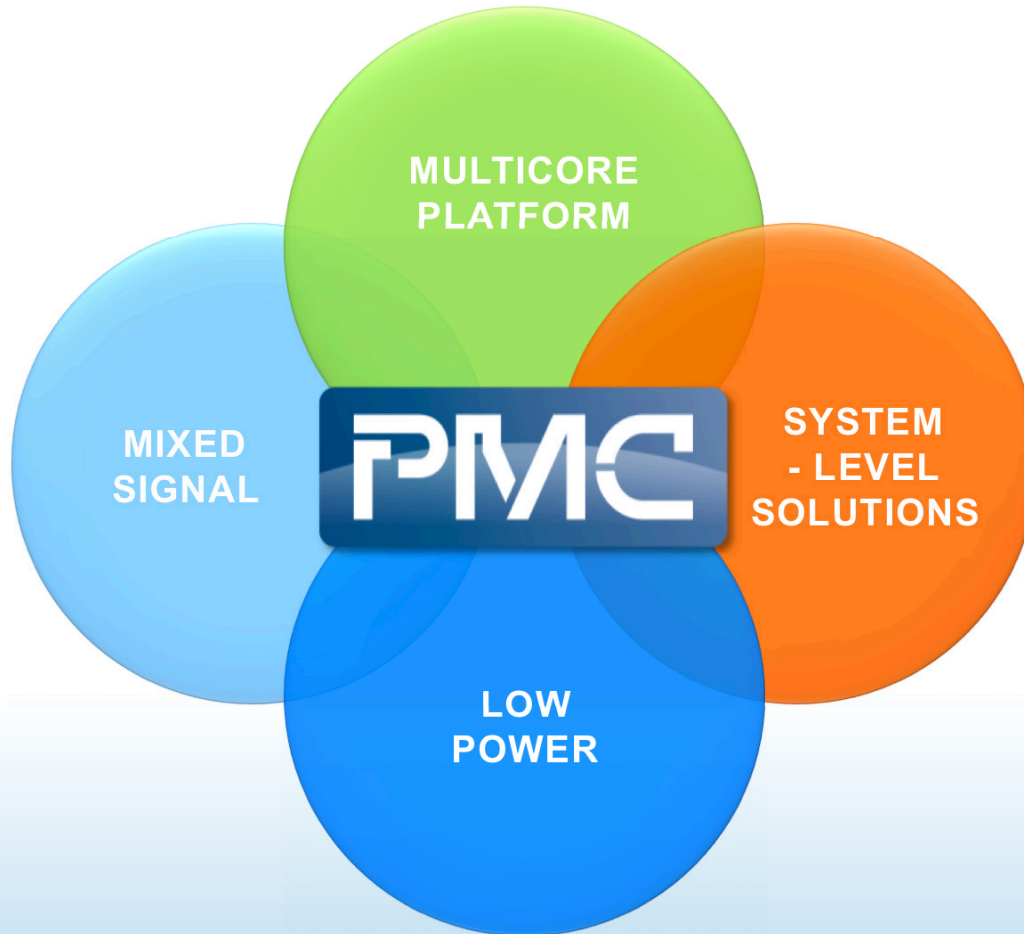
BIG OPPORTUNITIES

PMC SAM, \$ in Millions



* Note – all numbers are based on data from IDC, Gartner and PMC estimates

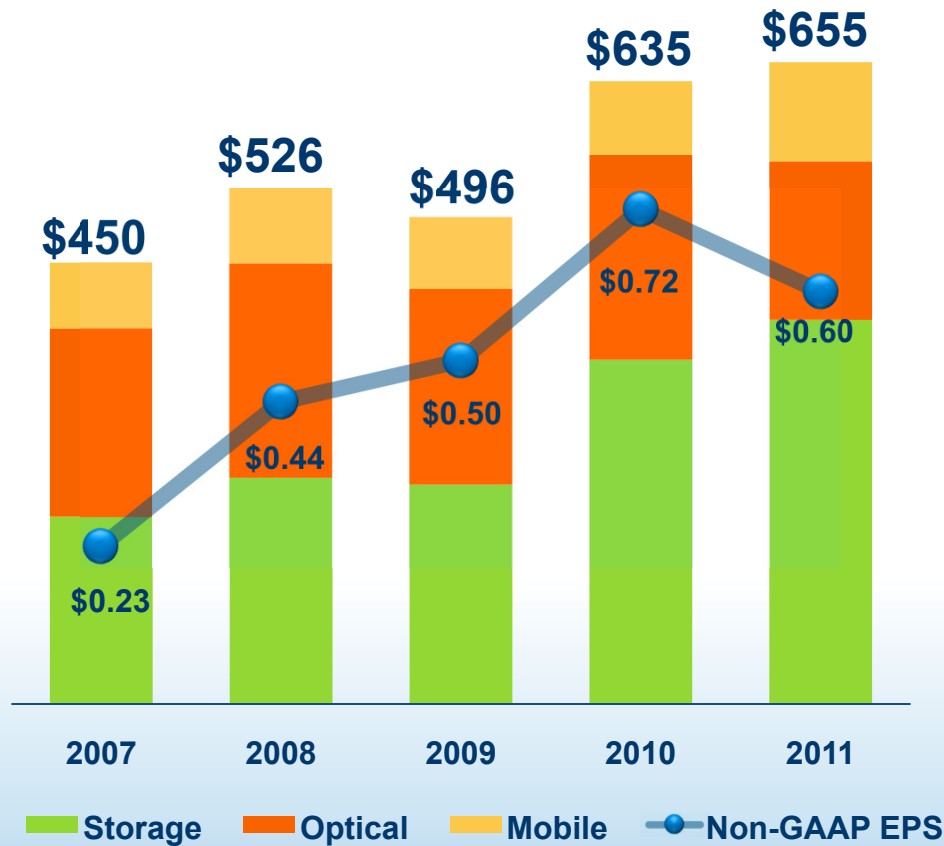
WE DO THE HARD STUFF REALLY WELL



POSITIONED FOR THE NEXT CYCLE OF GROWTH

\$ in Millions

REVENUE



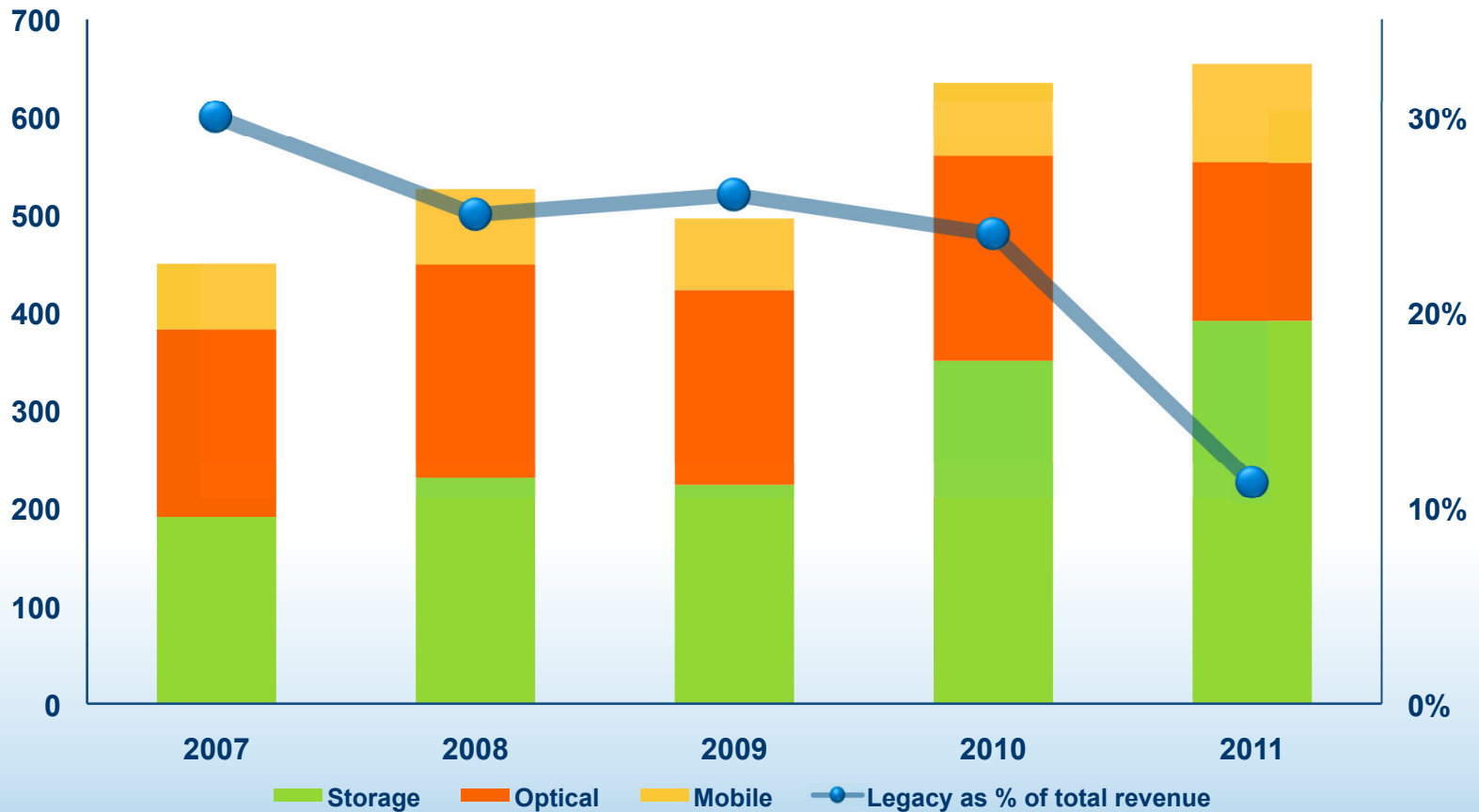
REVENUE
~46%
>2.5x Semi Industry Growth

>2x

Non-GAAP EPS Growth

TRANSFORMED REVENUE PROFILE

\$M USD, except Legacy %



Note: Legacy includes SONET, ATM and MIPS Processors

* Fiscal year-end results for 2007 - 2011



PMC Poised to Win!

AGENDA

8:30am	Welcome	Greg Lang, <i>President and Chief Executive Officer</i>
8:55am	Storage	Travis Karr, <i>VP and General Manager, Enterprise Storage Division</i>
9:45am	Optical	Daryn Lau, <i>VP and General Manager, Communications Products Division</i>
10:10am	BREAK	
10:20am	Mobile	Kobi Ben-Zvi, <i>VP and General Manager, Mobile & Broadband Division</i>
10:40am	Mobile RF	Tom Sun, <i>VP and General Manager, Broadband Wireless Division</i>
11:00am	Operations	Colin Harris, <i>VP and Chief Operating Officer</i>
11:20am	Financial	Mike Zellner, <i>VP and Chief Financial Officer</i>
11:35am	Q&A	
12:15pm	WRAP-UP	
12:20pm	LUNCH/RECEPTION	



2012 ANALYST DAY

Travis Karr, Vice President and General Manager
Enterprise Storage Division



AGENDA

PMC in Storage

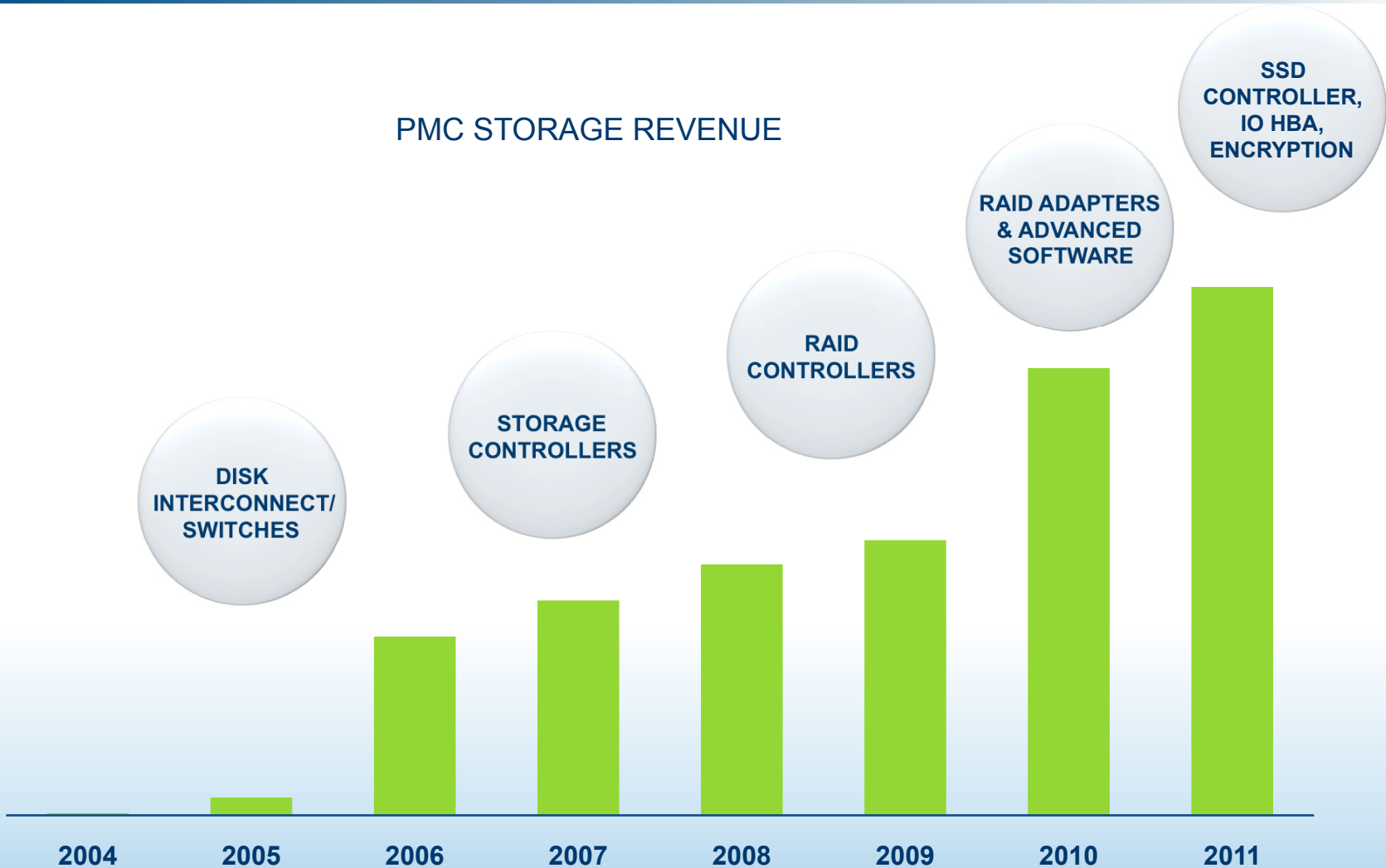
Big Data Challenges, Big PMC Opportunity

Growth Strategies

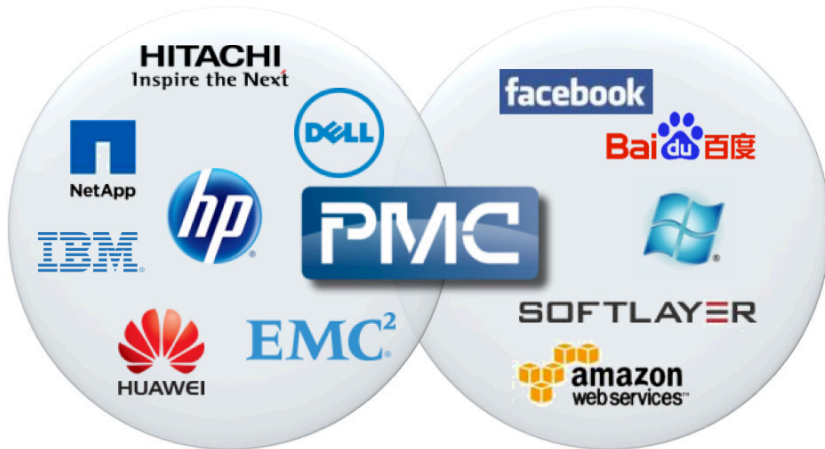
- Storage Systems
- Servers
- SSDs

PMC STORAGE REVENUE

DRIVING GROWTH THROUGH INNOVATION

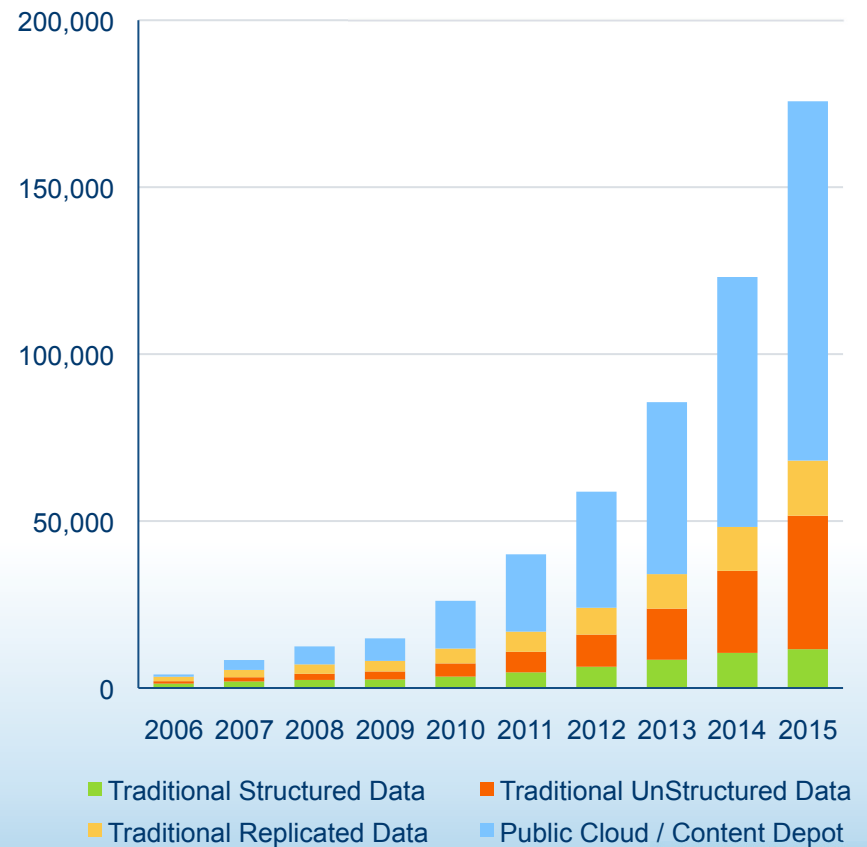


BIG DATA POWERING PMC'S STORAGE GROWTH



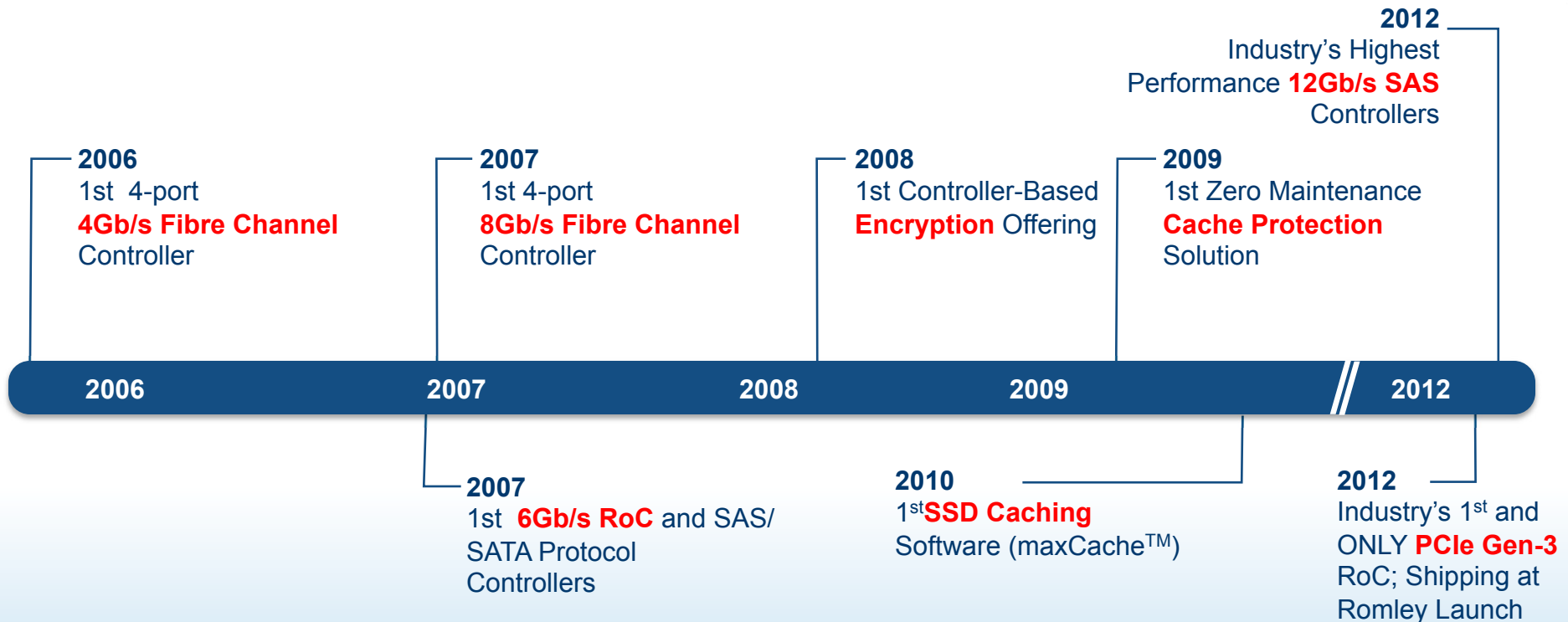
**World's Leading Storage Solutions
Powered by PMC**

WORLDWIDE STORAGE CAPACITY SHIPPED (PB)*



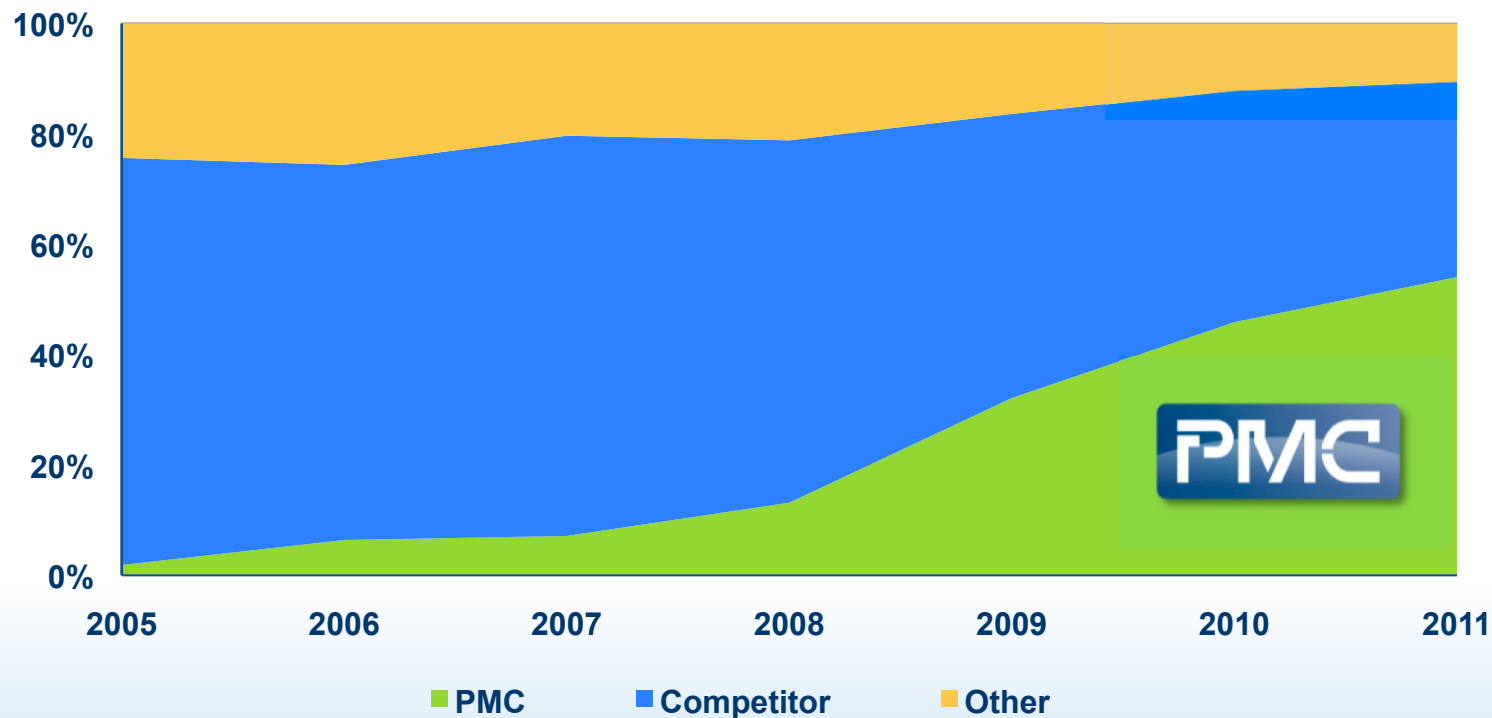
ENTERPRISE STORAGE DIVISION

A HISTORY OF INDUSTRY LEADERSHIP



PMC LEADERSHIP IN SAS

% OF TOTAL SYSTEM PORTS SHIPPED



PMC grew from 0% to > 50% share of SAS System* ports shipped in 6 years

Source: IDC and Gartner Forecasts, PMC estimates

* Includes 3G and 6G SAS/SATA ports shipped in servers and storage annually. Systems; does not include drive controllers.

BIG DATA CHALLENGES & OPPORTUNITIES

1

Proliferation of SSDs
applies pressure
on system
architectures

2

Security becomes
critical as Cloud
computing
accelerates

3

Hyperscale requires
dramatic power
reduction and
density increases

SOLID STATE DRIVES

INDUSTRY DISRUPTION UNDERWAY

Impact of Latency on Datacenters

- Amazon: every 100ms in latency **costs 1% in sales**
- Google: an extra 500ms in page generation (latency) **reduces traffic by 20%**



Drive	Latency
15K HDD	5.5ms
SSD	0.06ms

Drive	IOPs
15K 2.5" HDD	190
SSD	40,000+

Solid state drives deliver > 100x performance and 1/100th the latency of hard drives

ENABLING SSD ADOPTION IN THE ENTERPRISE

SUNNYVALE, Calif., June 15, 2011

PMC Enables Wide-Spread Enterprise SSD Deployment with Industry's Highest-Performance SAS Controllers

SUNNYVALE, Calif., January 31, 2012

PMC's 12Gb/s SAS Controllers and Expanders Set Performance and Density Records for Cloud and Tiered Storage



12Gb/s SAS



Support for 12Gb/s SAS relieves bottleneck created when SSDs are directly attached



Up to 16 direct attached drives to a single controller

OPTIMIZED FOR BIG DATA

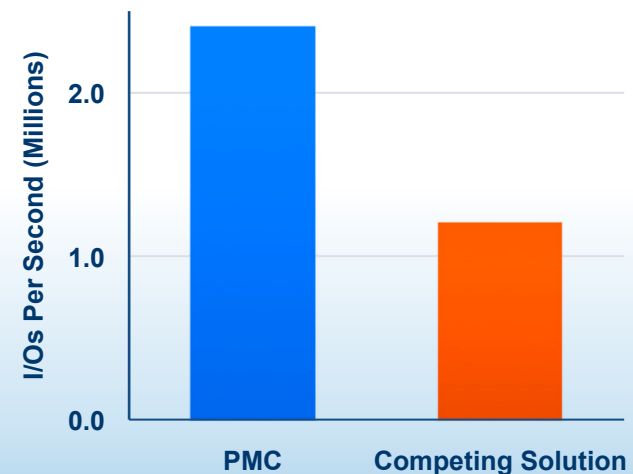
INDUSTRY LEADERSHIP IN EVERY PRODUCT SEGMENT

Product Leadership Across the 12Gb/s SAS Portfolio

- 2x the performance of closest competitor
- 2x the port density of closest competitor
- 4x the storage capacity supported of closest competitor
- 40% more drive attach in a single-chip JBOD design
- ONLY controller based encryption solution in the industry

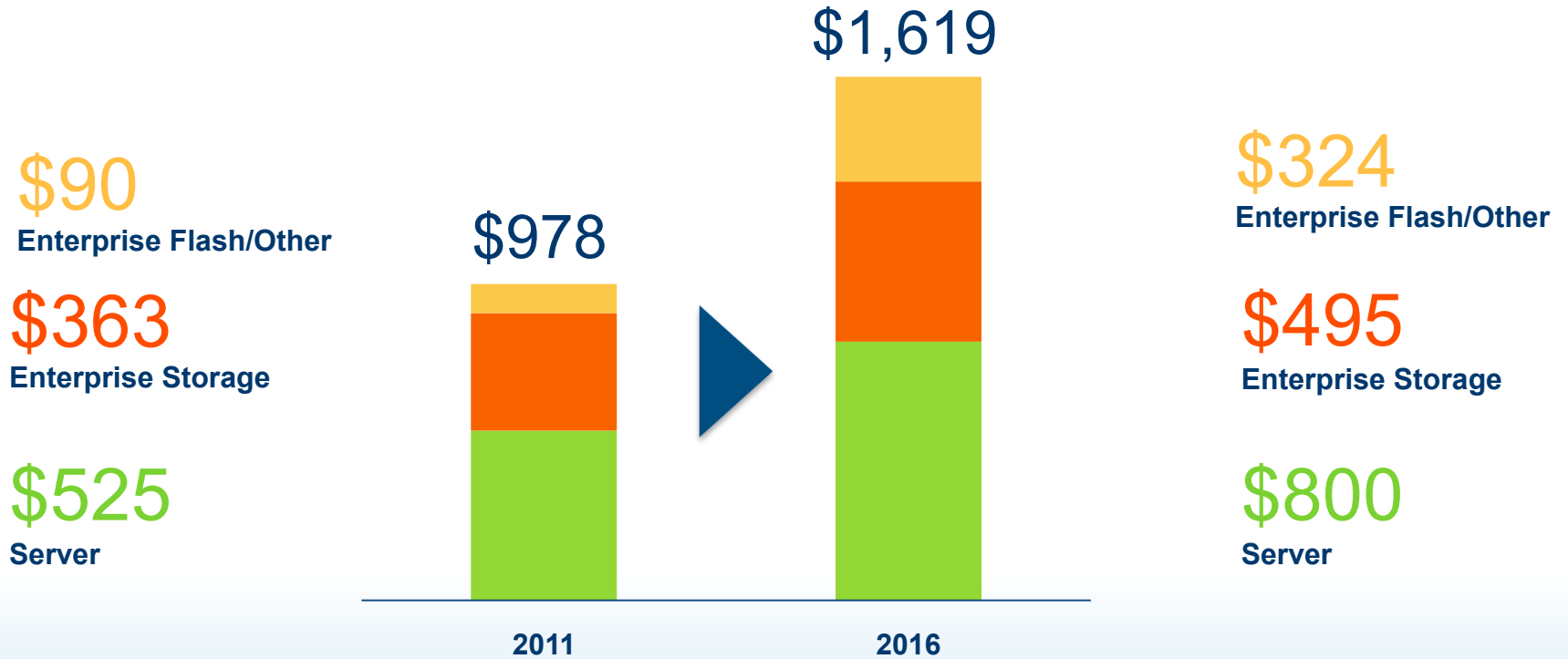


12GB/S CONTROLLER IOPS PERFORMANCE
(SEQUENTIAL SMALL BLOCK TRANSACTIONS)



THE STORAGE OPPORTUNITY

PMC SAM, \$ in Millions



PMC poised to significantly grow storage share from 2011 to 2016

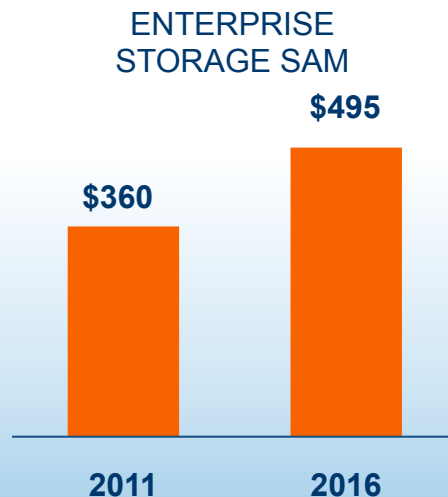


STORAGE SYSTEMS OPPORTUNITY



Target Opportunities

- Cloud Storage
- Scale-Out NAS
- Enterprise SAN
- Big Data Analytics



Growth Engines

- Growing Content at 12Gb/s SAS Transition
- Adoption of Controller-Based Encryption
- Share Gains in New and Emerging Market Segments
- New Customers in Cloud Storage and Scale-Out NAS

EMC²



HUAWEI

ORACLE®



HITACHI
Inspire the Next

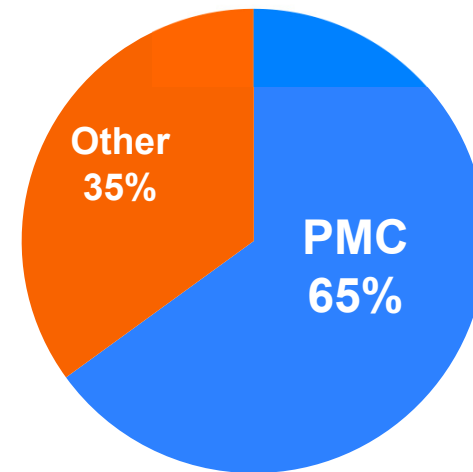


IBM®

PMC IS *THE* LEADER IN ENTERPRISE SAS

SAS 6G MARKET SEGMENT SHARE
IN EXTERNAL STORAGE

	In Production	Not YET in production
OEM #1	3	1
OEM #2	5	4
OEM #3	4	1
OEM #4	2	3
OEM #5	3	3
OEM #6	1	1
OEM #7	1	2
Total	19	15



Source: IDC Forecasts, PMC estimates

7 OF THE TOP 7 OEMS SELECTED PMC 6G SAS

EMC²



ORACLE®



HITACHI
Inspire the Next



IBM

PMC ENCRYPTION INNOVATION



Drivers for Encryption

- Costly information lifecycle management
- User data protection in Cloud infrastructure
- Government/Industry regulations
- Rapid growth of sensitive data

PMC StorClad™ Encryption

- Supports mixed media (HDDs/SDDs)
- Support for multiple drive vendors
- Line rate performance
- Central management of keys
- System-level savings over alternatives

PMC leads the Industry with the **ONLY** controller-based Encryption Solutions

SERVER OPPORTUNITY



Applications Served

- Cloud Computing
- Blade Servers
- Tower & Rackmount Servers
- Micro Servers

SERVER OPPORTUNITY



Growth Engines

- Growing Content at 12Gb/s SAS Transition
- Increased Share in SAS Expanders
- RAID Controller Share Gain
- I/O Adapters
- Datacenter Opportunities

OEMs



Channel /
Datacenter



HP SERVERS & PMC

DRIVING INDUSTRY LEADERSHIP



G6 & G7 SERVERS

01/27/09

PMC-Sierra's 6Gb/s SAS RAID-on-Chip
Shipping on New HP Smart Array Platform

03/31/09

PMC-Sierra's End-to-End 6Gb/s SAS Chipset
Enables New Levels of RAID Performance
Across HP ProLiant G6 Servers

GEN8 SERVERS

03/07/12

PMC Supplies RAID-on-Chip Controllers for
HP ProLiant Gen8 Servers and Smart Array
Adapters



Partnership for Generations

Watch video here

<http://youtu.be/WrYiXBhaaF4>

STRENGTHENING OUR POSITION IN SERVER STORAGE

Feb. 29, 2012

PMC-Sierra Acquires the Server Storage 12Gb/s
Expander Product Line from Maxim

1

Design footprint
with leading
Server OEMs

2

SAS Expander
Server firmware
and custom
features

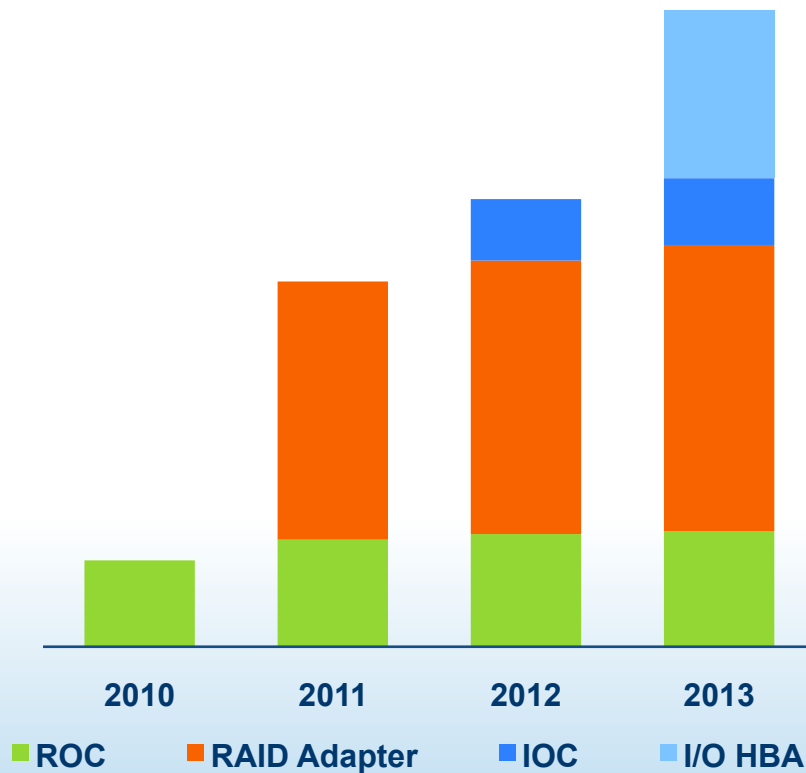
>\$25M
per year of
new design wins

Since the acquisition, PMC has won **ALL** 12Gb/s SAS
Expander opportunities at the top 2 Server OEMs

PMC IN SERVERS

EXPANDING OUR OPPORTUNITY

PMC SERVER OPPORTUNITY



>30%

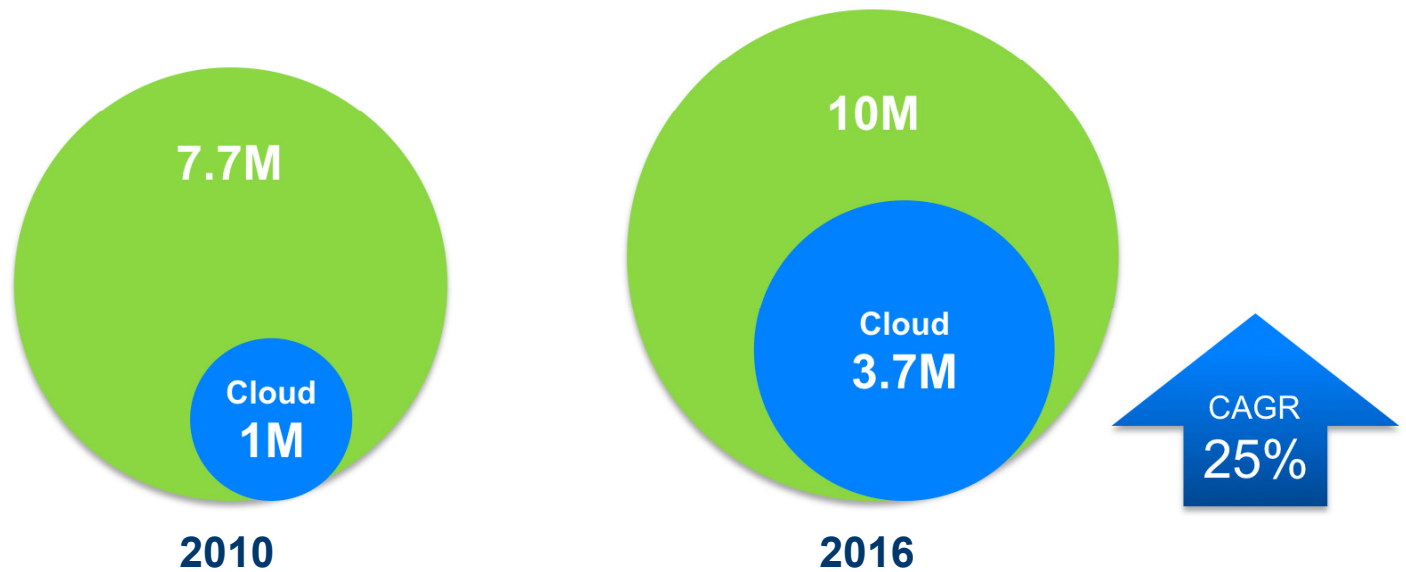
growth in adapter revenue
(Q3'10 through Q3'11)



GROWTH OPPORTUNITY

HYPERSCALE DATACENTERS

SERVER UNITS (M)



Tencent



@mail.ru

SOFTLAYER



amazon

Microsoft

Baidu 百度

GROWTH OPPORTUNITY

HYPERSCALE DATACENTERS

“*PMC has successfully partnered with Dell Data Center Solutions division to customize streamlined storage solutions that help optimize and accelerate large scale datacenter Cloud applications.*”

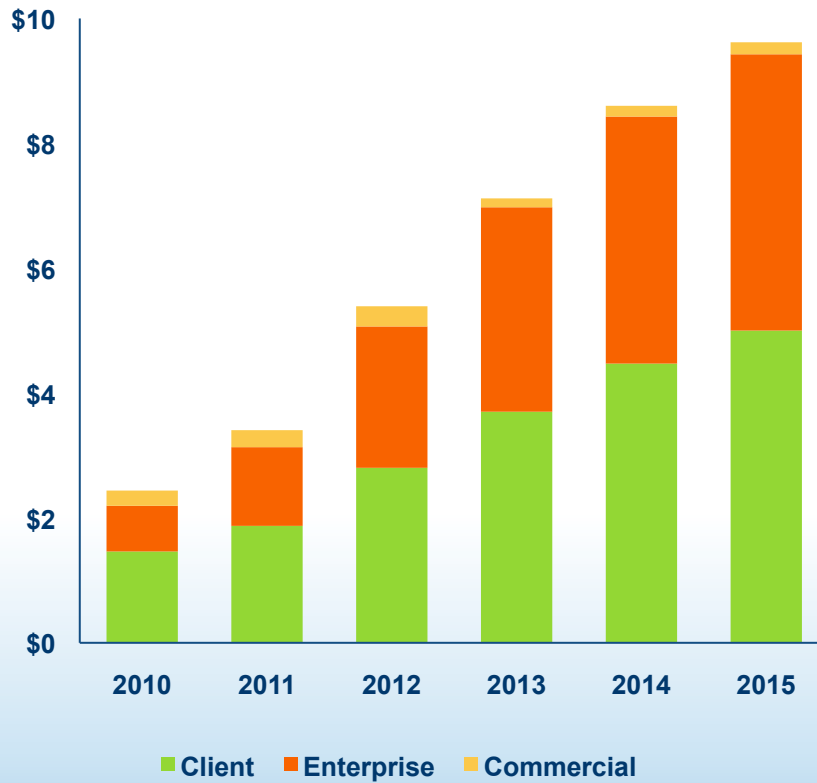
– Steve Cumings, Executive Director, Dell DCS



ENTERPRISE SSD CONTROLLERS

IMMEDIATE, ADJACENT OPPORTUNITY FOR PMC

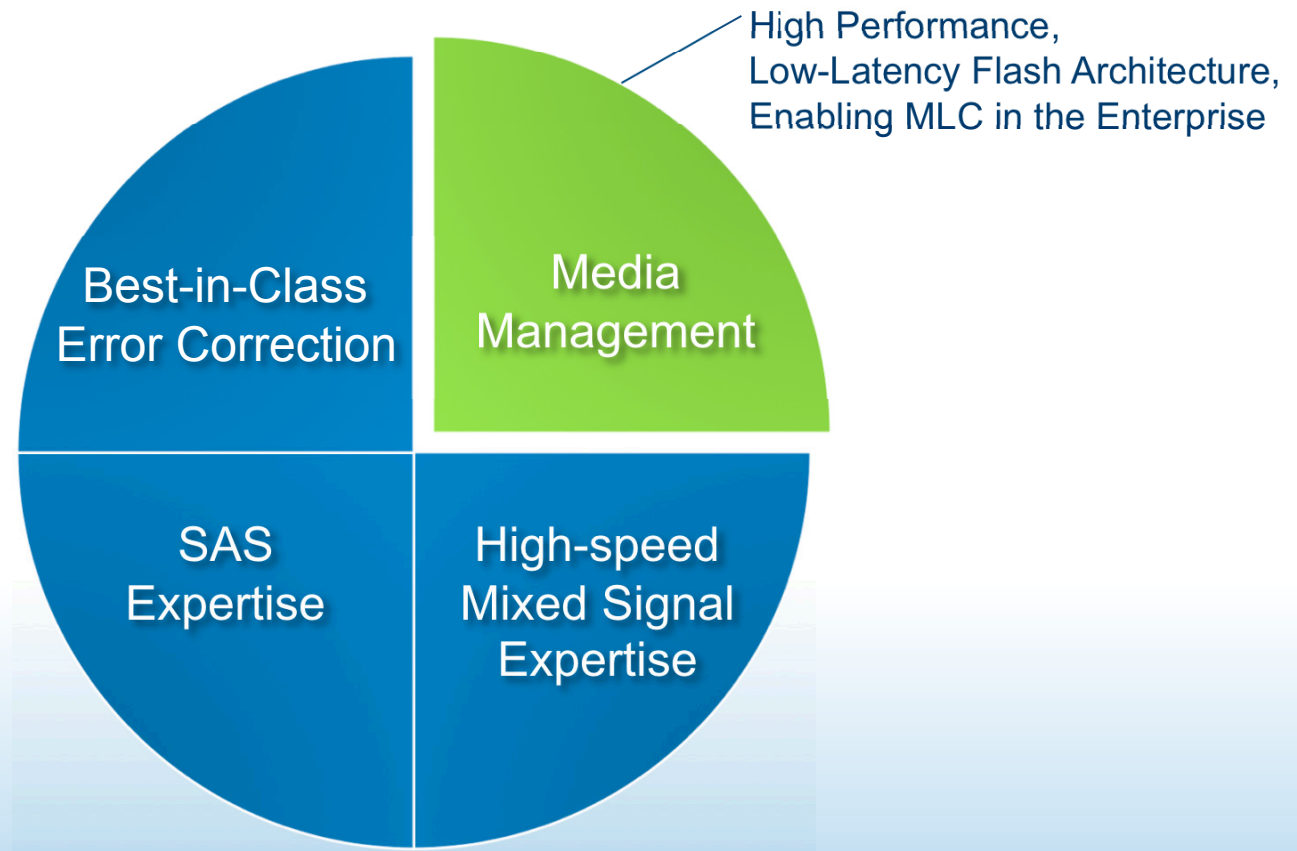
WORLDWIDE SSD REVENUE (\$B)



ENTERPRISE SSD CONTROLLER SAM (\$M USD)



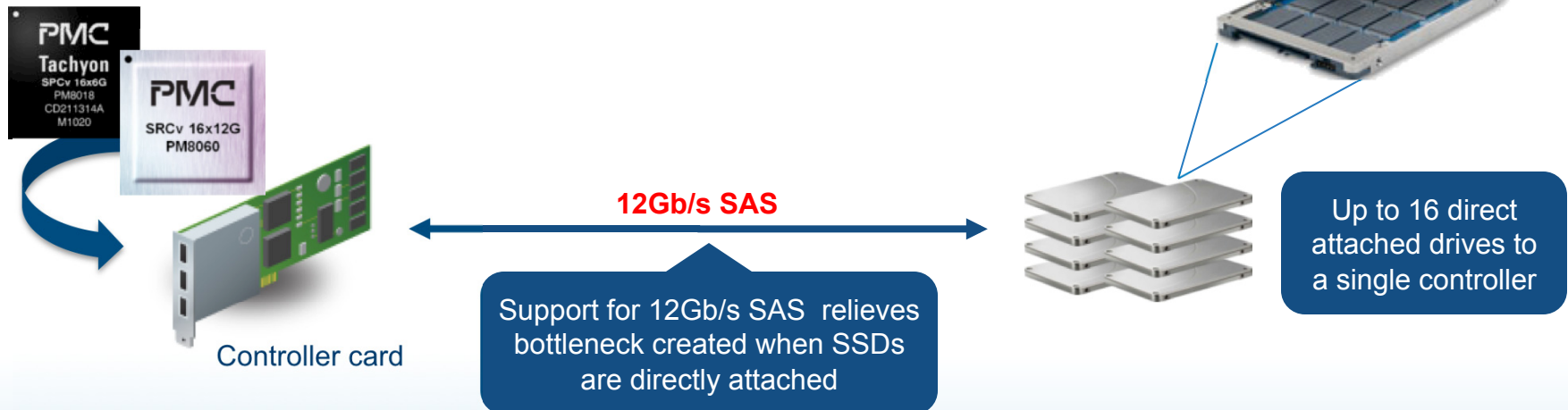
EXPANDING SAS LEADERSHIP INTO ENTERPRISE SSDs



ENTERING THE SSD CONTROLLER MARKET

SUNNYVALE, Calif., June 5, 2012

PMC Delivers Industry's First End-to-End 12Gb/s Enterprise SAS Solution with SSD Controller



- Industry's 1st 12Gb/s SAS SSD controller for merchant market
- Industry-leading SAS SSD performance, optimized for 2.5" form factors
- Industry-leading ECC technology, enabling MLC NAND in the Enterprise

IN CONCLUSION...

Big Data Revolution Driving Strong Storage
End Markets

Driving Industry Leadership Across Segments

Gaining Share Through Innovation and Execution

Driving New Growth with Encryption,
RAID and I/O HBAs

Disrupting Enterprise SSD Segment



A background image showing a dense network of optical fibers with glowing ends, set against a dark blue gradient with abstract curved lines.

OPTICAL NETWORKS FOR BIG DATA

Daryn Lau, Vice President and General Manager,
Communications Products Division



AGENDA

OTN and Big Data

PMC's Metro OTN Solution

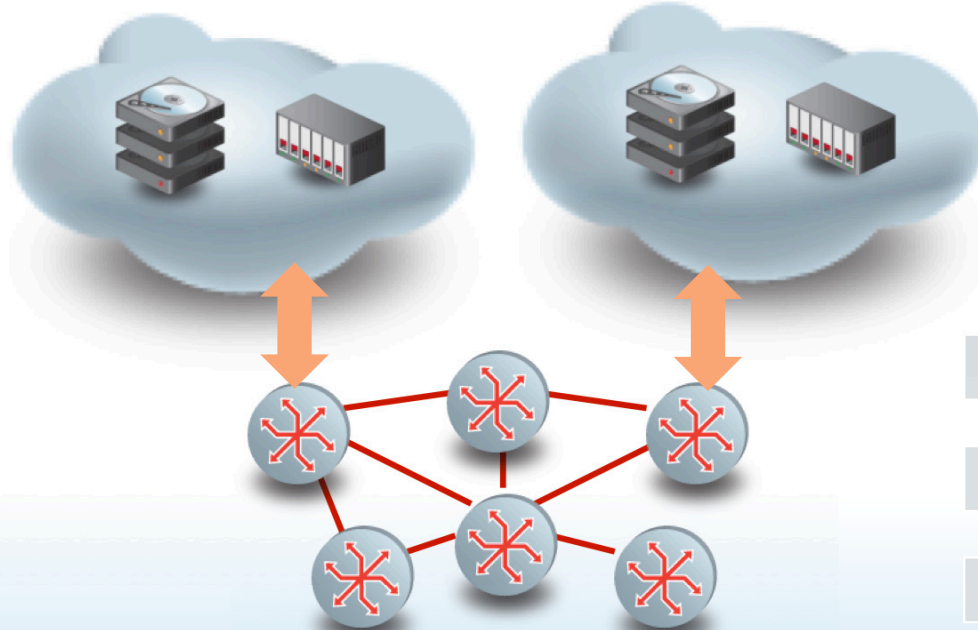
Deployment Trend

Revenue Growth Opportunity

OTN: FOUNDATION FOR BUILDING AN INTELLIGENT CLOUD NETWORK

Compute and Store

Compute and Store



High Bandwidth

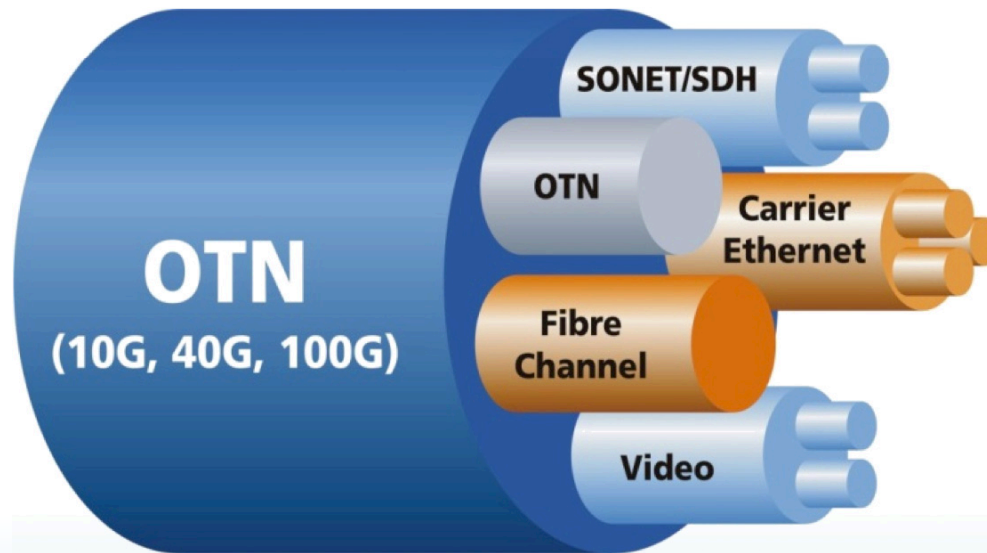
Low Latency

Resilient

Packet Friendly

Connect

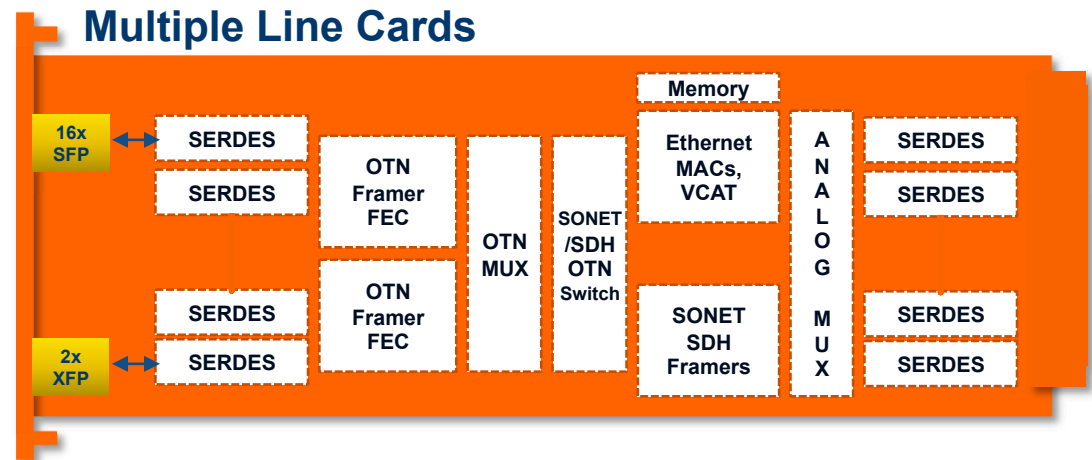
OTN IS THE NEW TRANSPORT LAYER IN THE WAN



SINGLE CHIP SILICON INNOVATION IN OTN PROCESSING

Today's solution

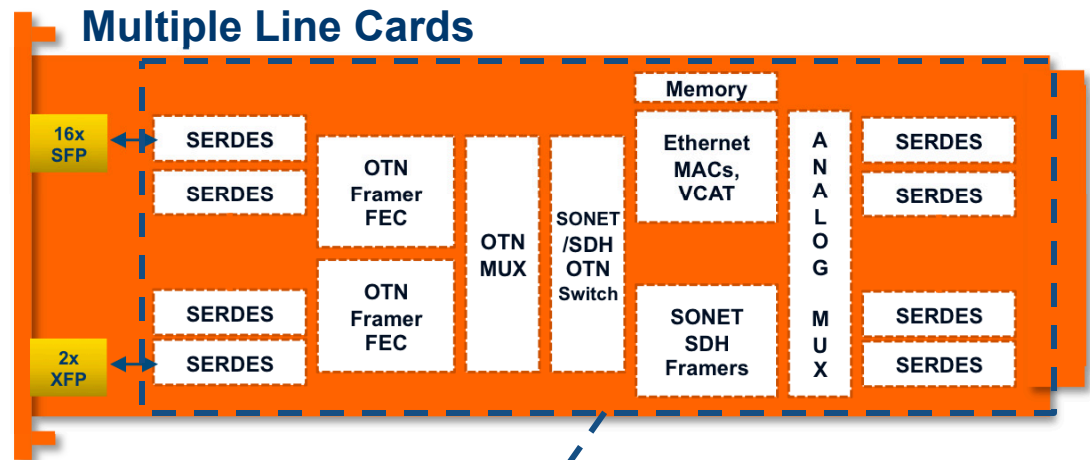
- Many parts
- High power and expensive
- Typically single application



SINGLE CHIP SILICON INNOVATION IN OTN PROCESSING

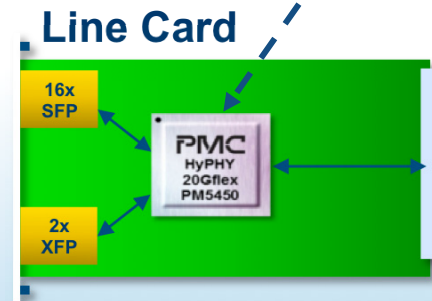
Today's solution

- Many parts
- High power and expensive
- Typically single application













PMC Metro OTN™ Innovation



















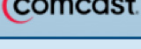

- Single chip SoC
 - Significant BOM reduction
 - Power reduction by 50%
 - Reduces line card variants by 75%
- Universal applications
 - WDM, ROADM, MPLS, OTN Switching



CARRIERS COMMITTED TO DEPLOYING OTN SWITCHING

CARRIER	CAPEX (\$B)	EMERGING MODEL	PMC CONTENT
 中国移动通信 CHINA MOBILE	\$18.9	OTN Switch	
 at&t	\$16.7	OTN Switch	
 China unicom 中国联通	\$16.5	OTN Switch	
 verizon	\$16.0	OTN Switch	
 中国电信 CHINA TELECOM	\$13.4	OTN Switch	
 vodafone	\$9.6	OTN Switch	
 ..T..	\$9.3	OTN Switch	
 FT orange	\$7.4	OTN p-t-p	
 Telefonica	\$5.3	OTN Switch	
 Comcast	\$5.0	OTN p-t-p	

CARRIERS COMMITTED TO DEPLOYING OTN SWITCHING

CARRIER	CAPEX (\$B)	EMERGING MODEL	PMC CONTENT
 中国移动通信 CHINA MOBILE	\$18.9	OTN Switch	
	\$16.7	OTN Switch	
 China unicom 中国联通	\$16.5	OTN Switch	
	\$16.0	OTN Switch	
 中国电信 China Telecom	\$13.4	OTN Switch	
	\$9.6	OTN Switch	
	\$9.3	OTN Switch	
	\$7.4	OTN p-t-p	
	\$5.3	OTN Switch	
	\$5.0	OTN p-t-p	

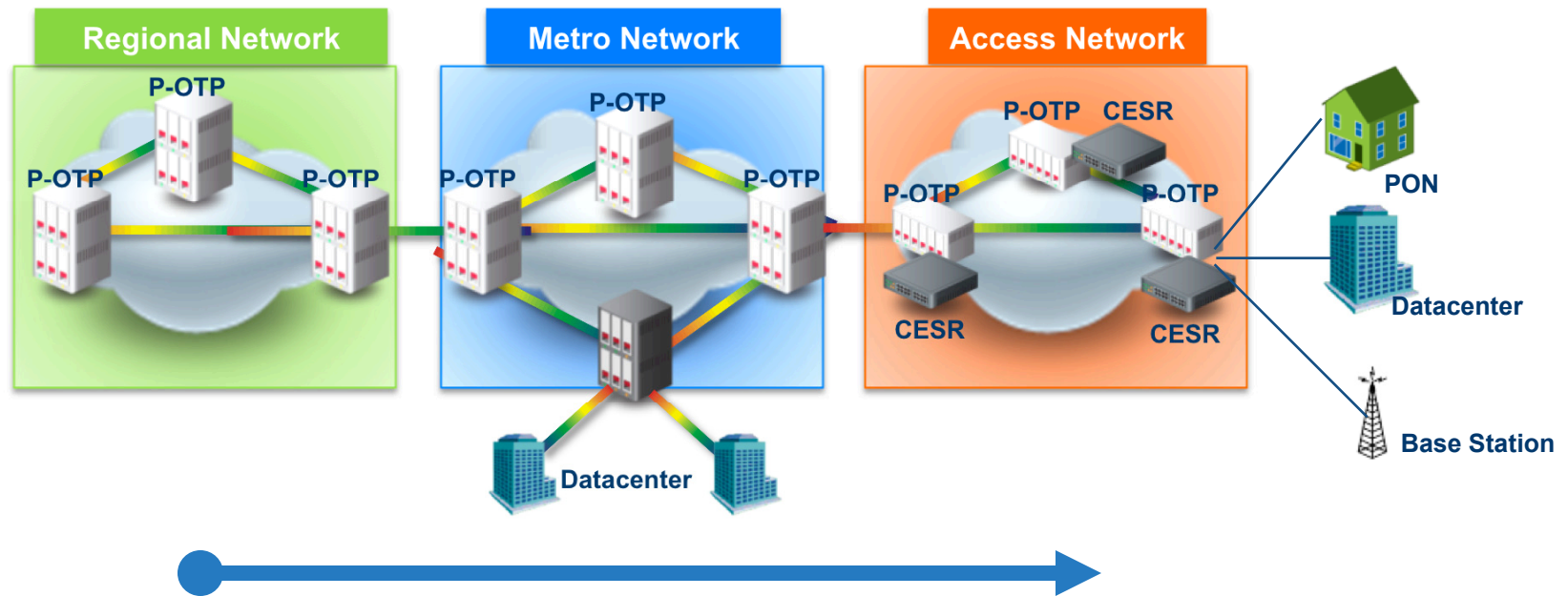
**INFONETICS
RESEARCH**

**OTN Deployment
Strategies:
Global Service
Provider Survey**
April 18, 2012

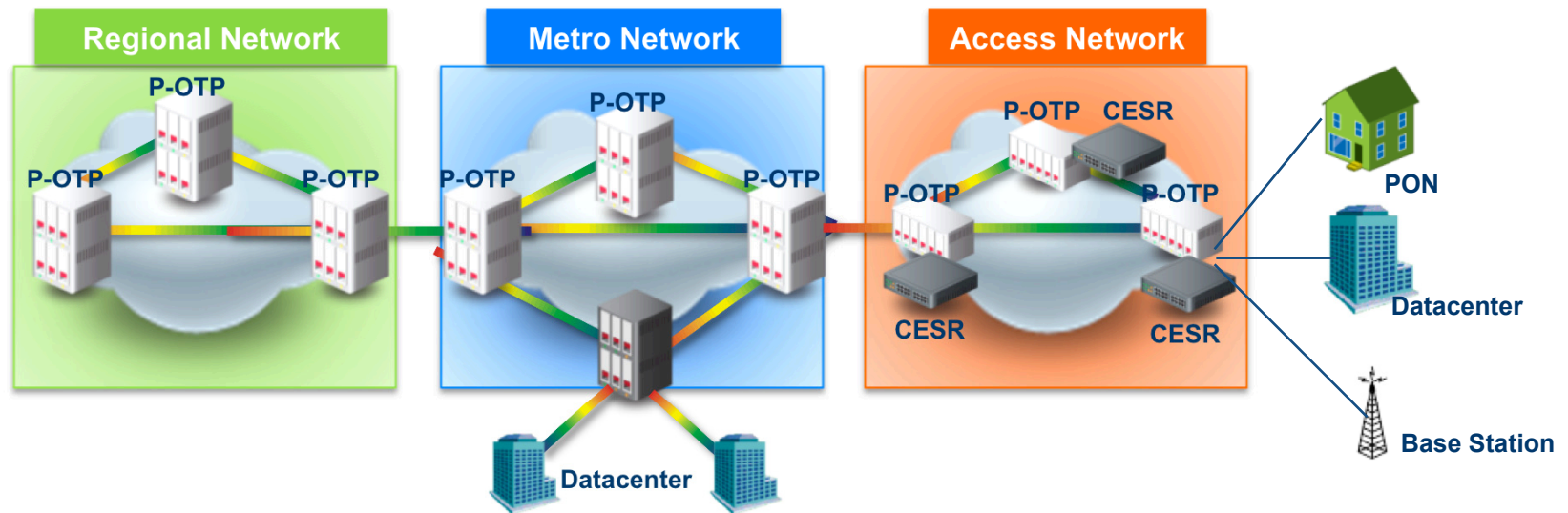
TOP TAKEAWAYS

76% of service provider respondents plan to **deploy OTN switching**. Respondents to this survey tend to be larger carriers, and together they represent **90%** of respondent **capex**.

OTN SWITCHING MIGRATING TO METROAND ACCESS



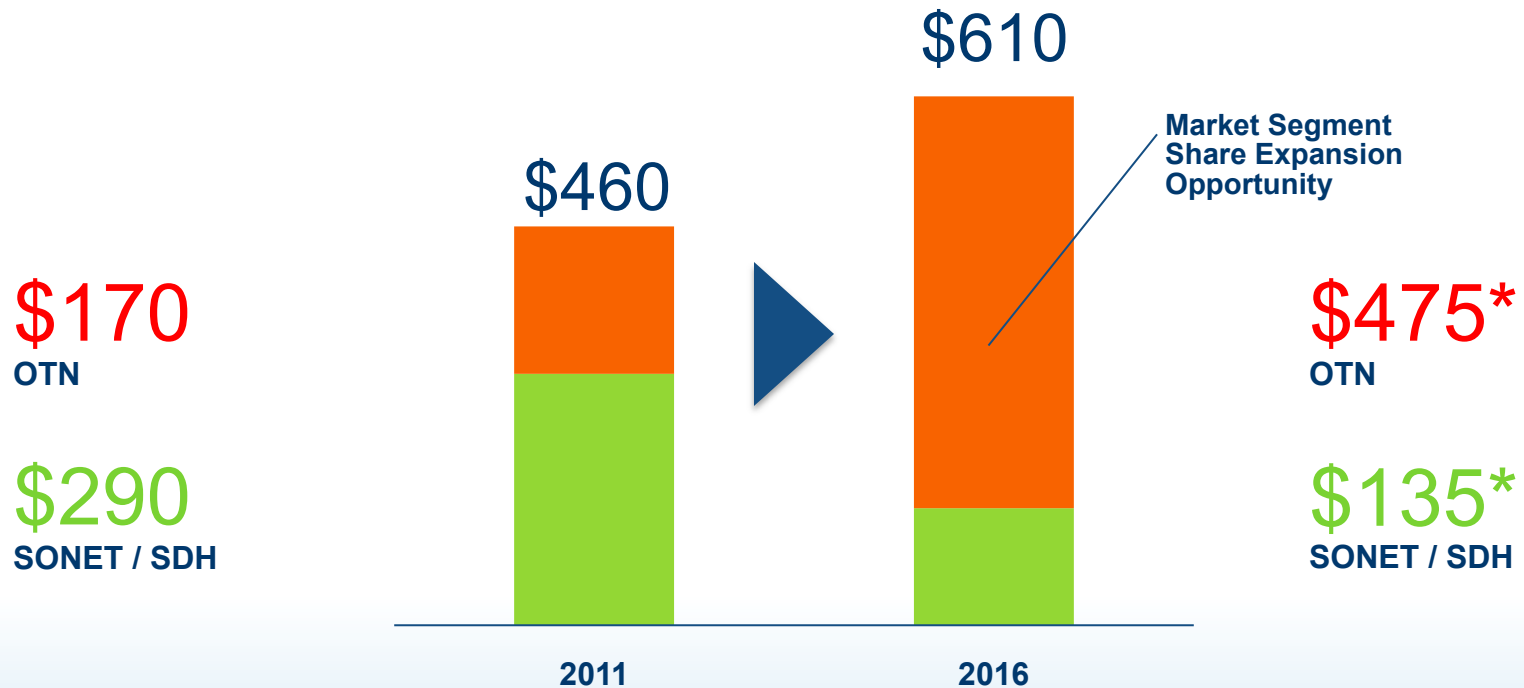
OTN SWITCHING MIGRATING TO METRO AND ACCESS



Transport Model	OTN Switching	OTN Switching	OTN Switching and Carrier Ethernet
Drivers	Router Bypass	Multiservice Transport Efficient fiber utilization	Multiservice Transport Service aggregation

SIGNIFICANT SILICON SAM OPPORTUNITY

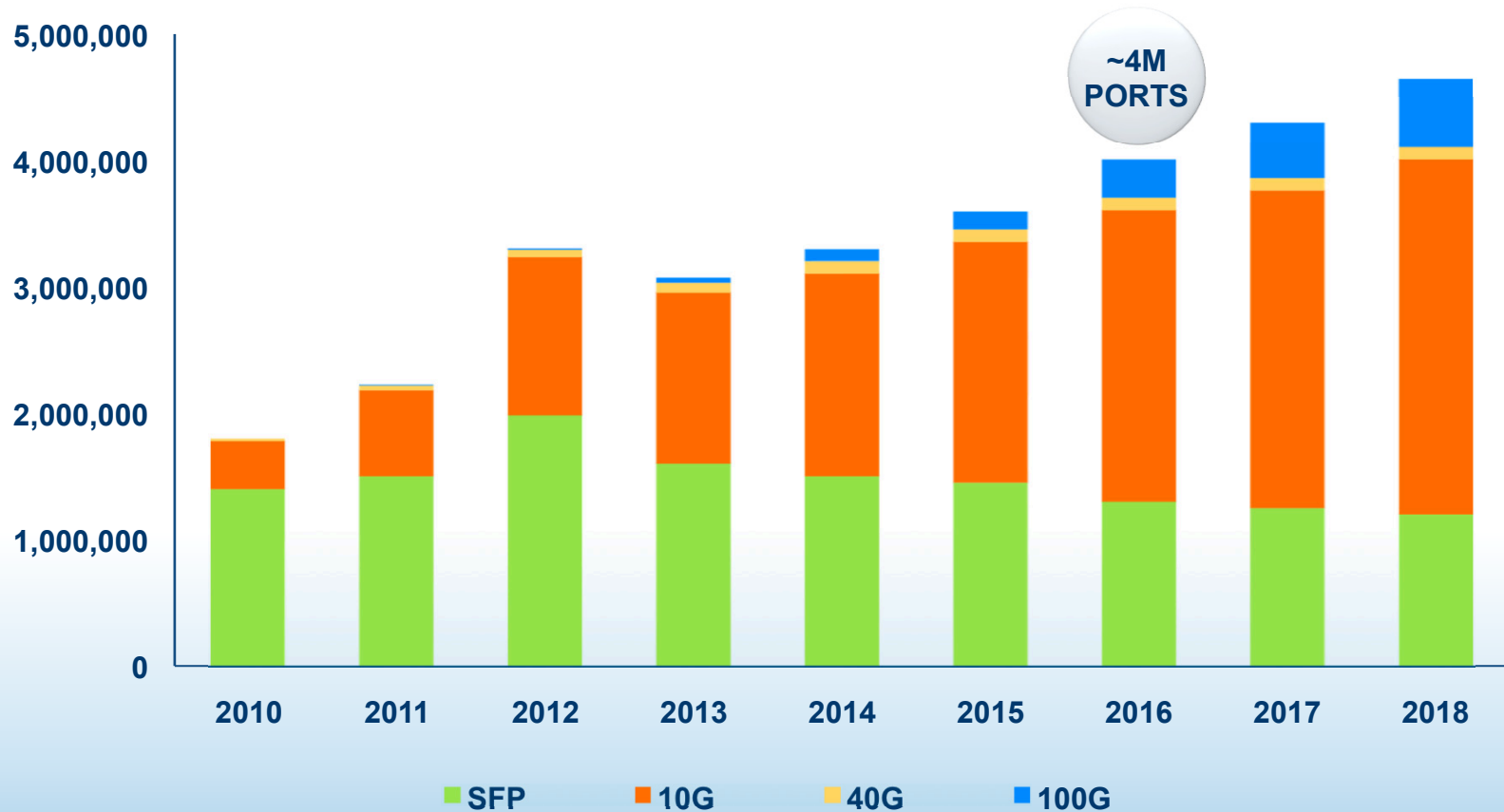
PMC SAM, \$ in Millions



*Source: IDC, Oppenheimer, Infonetics & PMC Estimates
PMC SDH Market Segment Share: 17%

POISED TO WIN HIGH VOLUME OPPORTUNITIES IN ACCESS AND METRO

OPTICAL NETWORK HARDWARE OTN PORT FORECAST



PMC METRO OTN™ PROCESSOR PORTFOLIO

Gen 1:

Transition from **SDH to OTN** in Access and Metro



10G-40G Line Card
Multi-service SFP/10G

IN PRODUCTION

Gen 2:

Optimization of Transport Network for **Packet**



10G-40G Line Card
Multi-service SFP/10G
with ODU0/flex

SAMPLING

Gen 3:

Packet Optimized high density **100G** Line Cards



100/200G Line Card
Multi-service 10/40/100G
with ODU0/flex

IN DEVELOPMENT

ON TRACK TO WIN THE TOP 10 OEMS

TOP 10 OEMS	GEN 1, GEN 2 DESIGN WINS	GEN 3 DESIGN WINS
OEM 1	Multiple cards	Multiple platforms
OEM 2	Multiple cards	Multiple platforms
OEM 3		Multiple cards
OEM 4	Multiple cards	Multiple platforms
OEM 5	Multiple cards	Multiple cards
OEM 6	Multiple cards	POR
OEM 7	Multiple cards	Multiple cards
OEM 8	Multiple cards	POR
OEM 9	Multiple platforms	POR
OEM 10	Multiple cards	POR

OTN REVENUE RAMP TIMELINE



SUMMARY

OTN is the foundation for building an Intelligent Cloud Network

PMC Metro OTN™ Innovations

- Single chip SoC -> reduced cost, 50% lower power
- Universal applications -> 75% less line card variants



Carriers are committed to OTN Switching

Significant SAM: \$475M in 2016

- Increase share from <10% in 2011 to 41%+ in 2016

The market is counting on PMC

- On track to win top 10 OEMs



10-MINUTE BREAK



PMC is the Semiconductor Innovator
Transforming Networks that
Connect, Move and Store Big Data



BIG DATA REQUIRES MOBILE ACCESS – BOTH WIRELINE AND WIRELESS

Kobi Ben-Zvi, Vice President and General Manager,
Mobile and Broadband Division



AGENDA

Access Networks Enable Big Data

- **Passive Optical Networking**
 - Market Trends
 - Position and Opportunity

- **Mobile Backhaul Networking**
 - Market Trends
 - Position and Opportunity





PASSIVE OPTICAL NETWORKING



BIG DATA TRENDS DRIVING GROWTH

BIG DATA

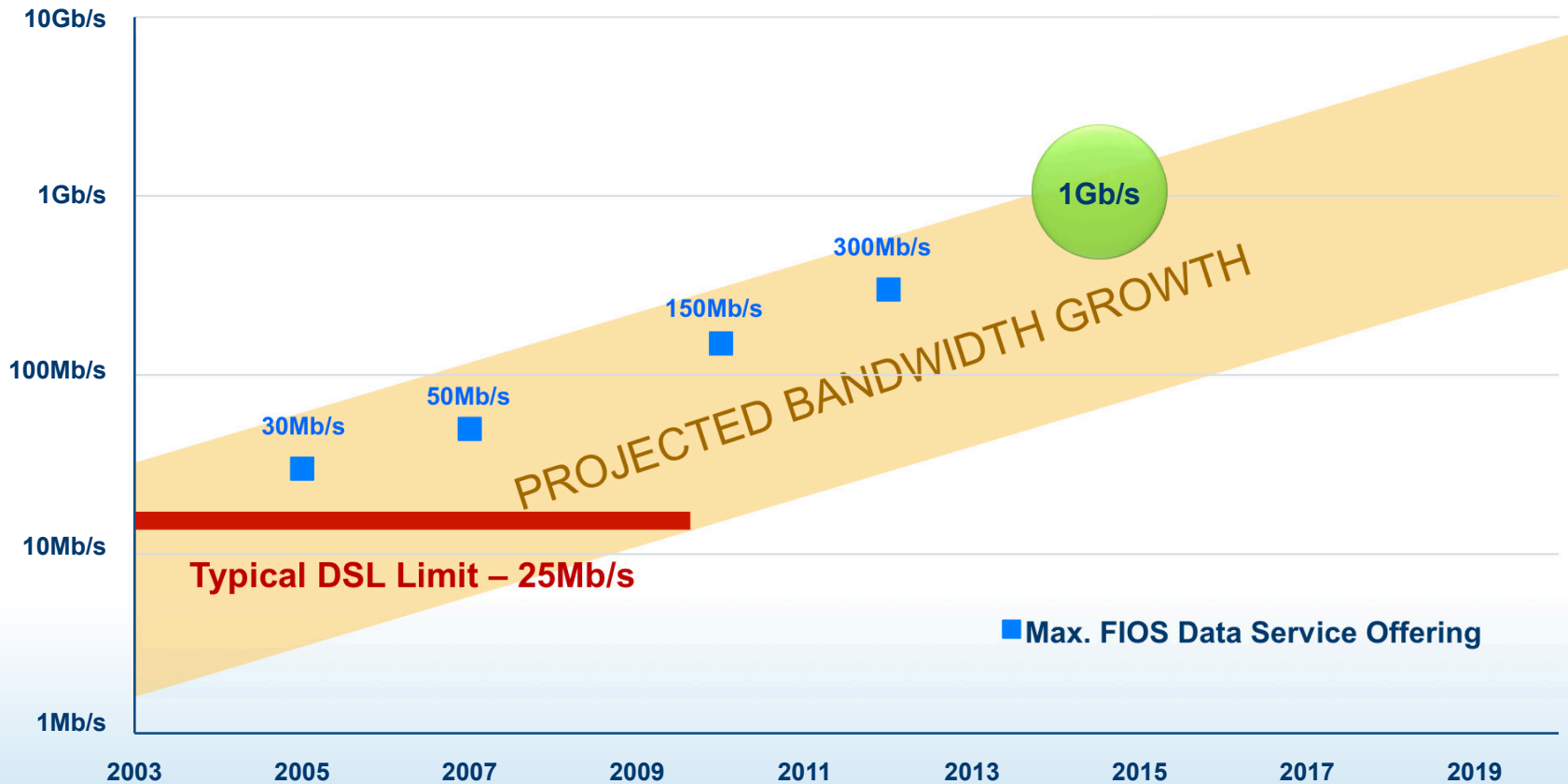
DIGITIZATION
OF CONTENT

MOBILE
PROLIFERATION

DISTRIBUTION
SERVICES

CLOUD
SERVICES

PON: THE OBVIOUS CHOICE FOR INCREASING RESIDENTIAL BANDWIDTH

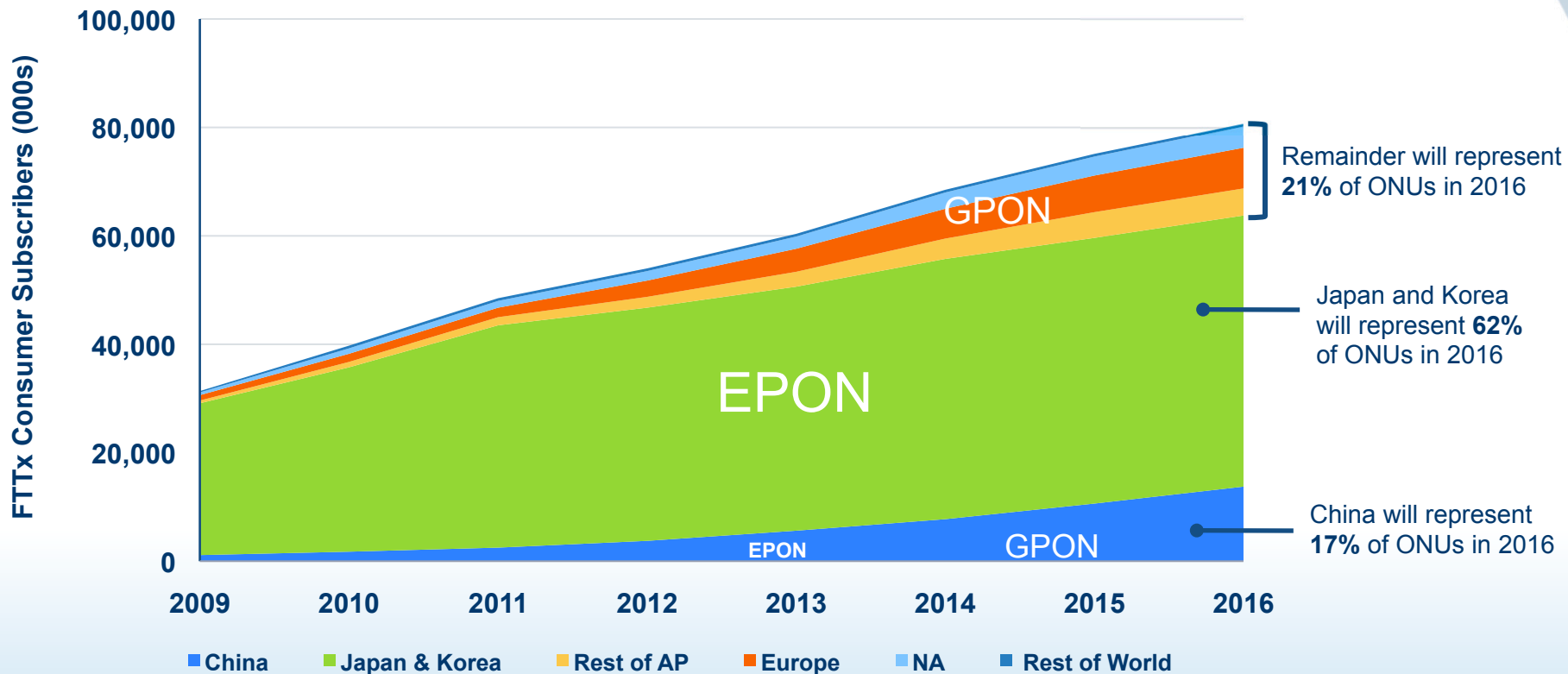


PON delivers increases in residential bandwidth well beyond DSL's limitations



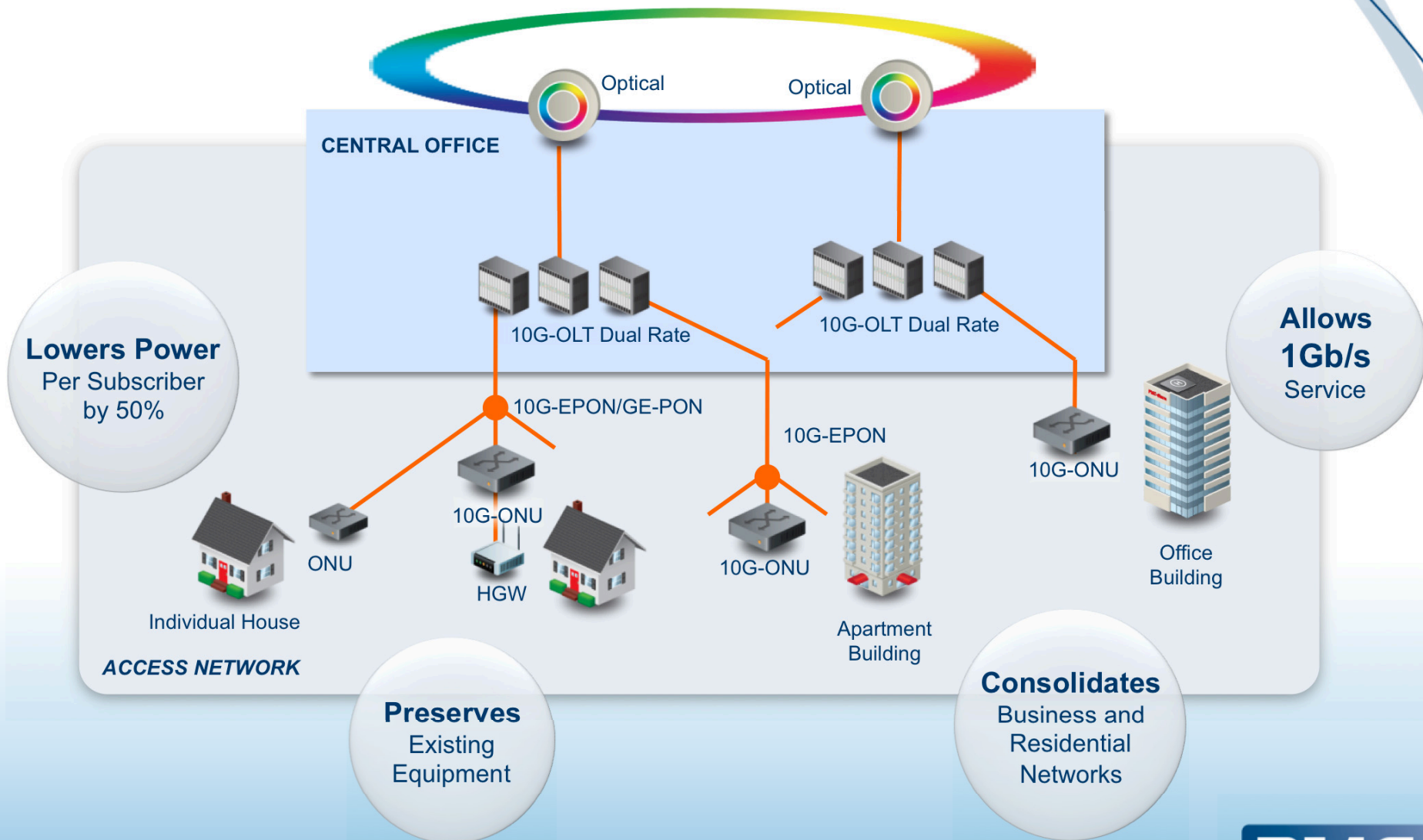
A LEADING PON SILICON SUPPLIER

ONU SHIPMENTS BY COUNTRY OR REGION



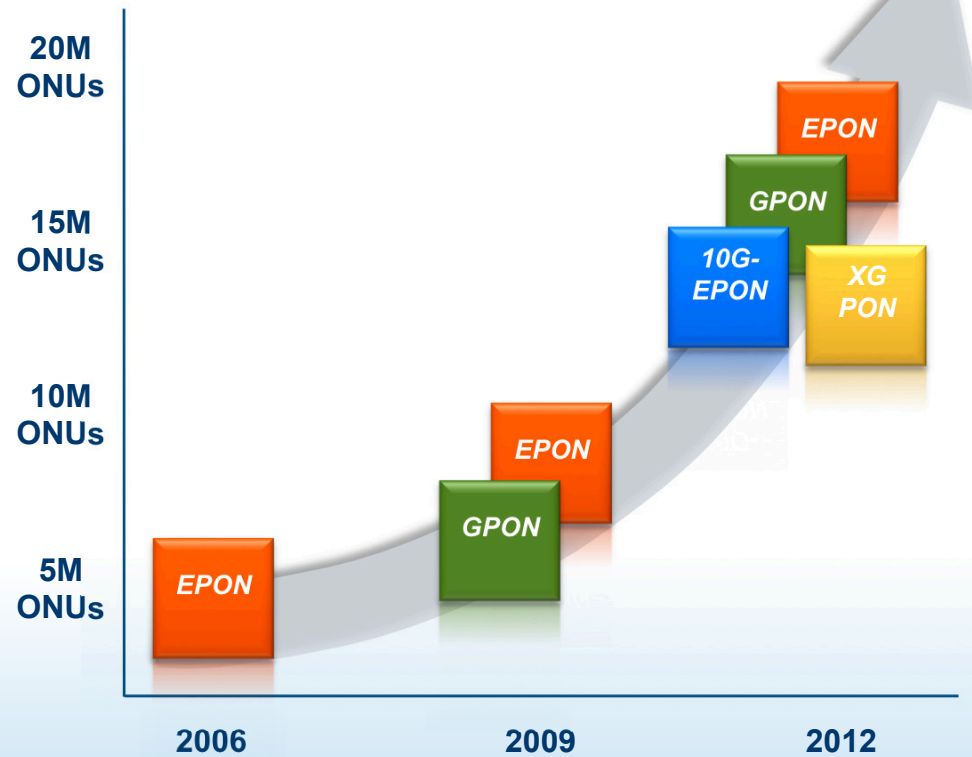
Japan and Korea deploy more FTTH, China more FTTB

10G-EPON IS THE FUTURE



PMC'S CONTINUOUS PON LEADERSHIP

- First to 20M ONUs
- First to cut PON energy consumption by 50%
- First to provide symmetric end-to-end chips in all markets
- First with a 10G-EPON MDU with WinPath™ network processor



PASSIVE OPTICAL NETWORK SUMMARY

PON is critical to drive residential access data rates past DSL speeds

PMC leads worldwide EPON shipments

GPON growth in China is a new opportunity for PMC

PMC's leadership in PON will grow with 10G-EPON

MDU with WinPath network processors will increase PMC's footprint in 10G networks

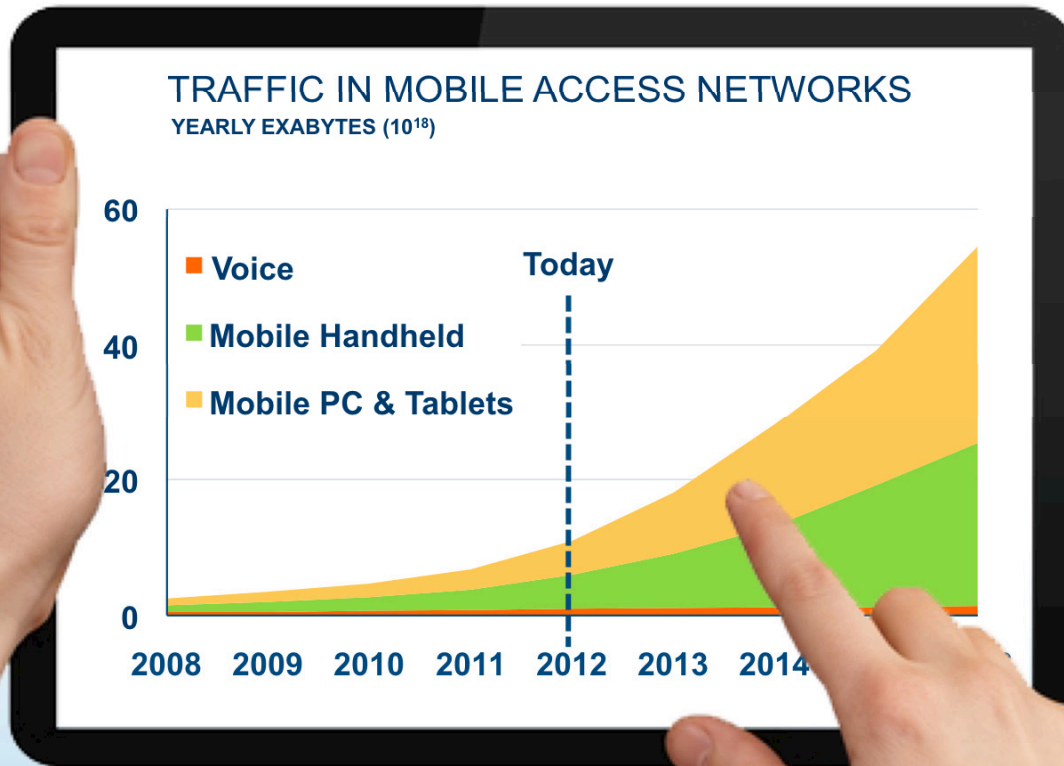




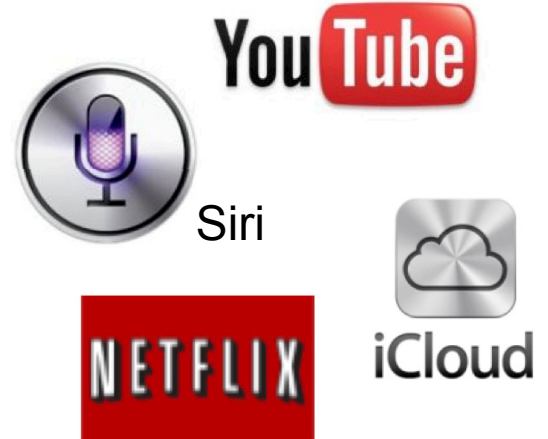
MOBILE BACKHAUL NETWORKING

PMC

EXPLOSIVE GROWTH OF MOBILE DATA



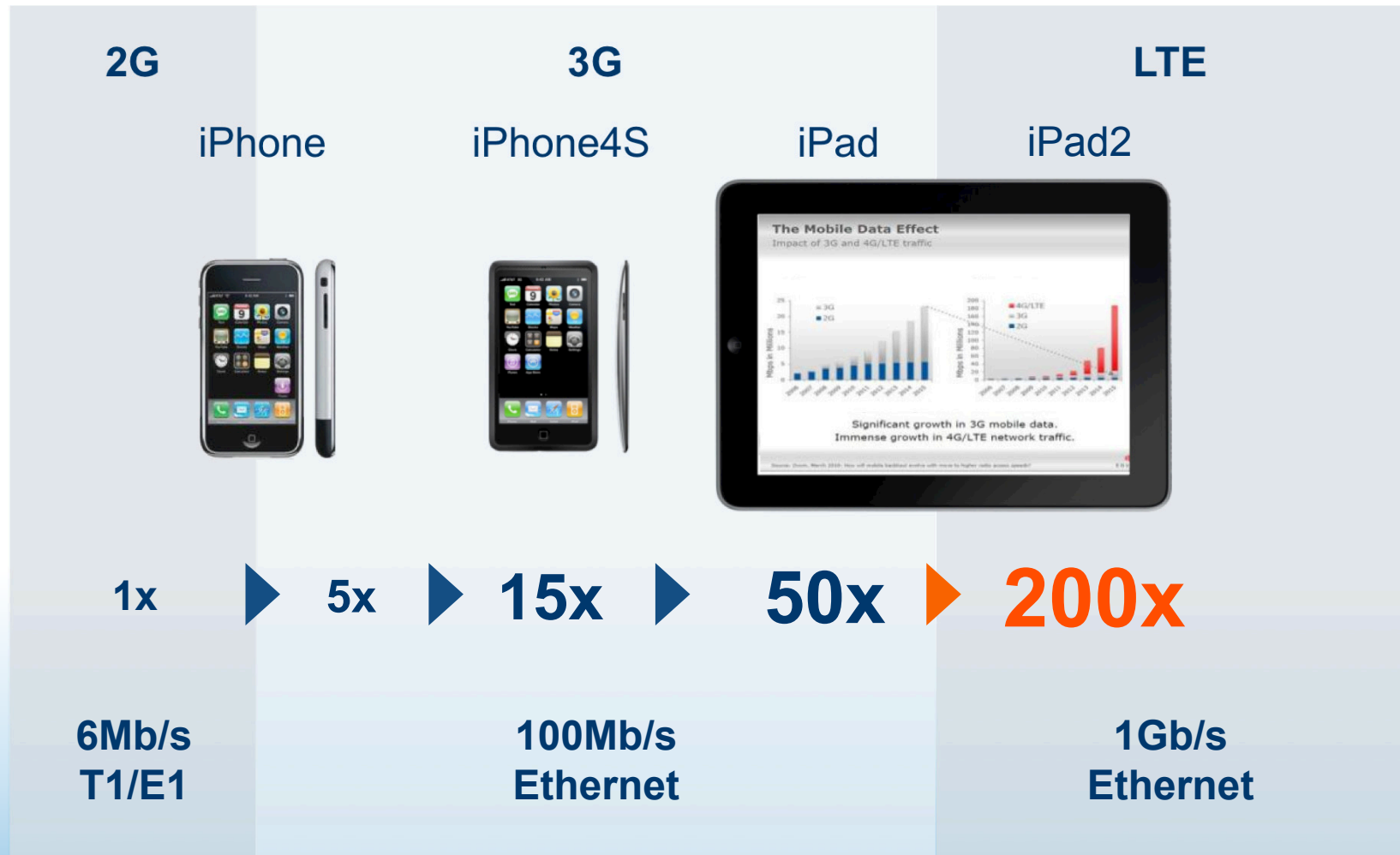
Source: Ericsson



2011 TO 2016

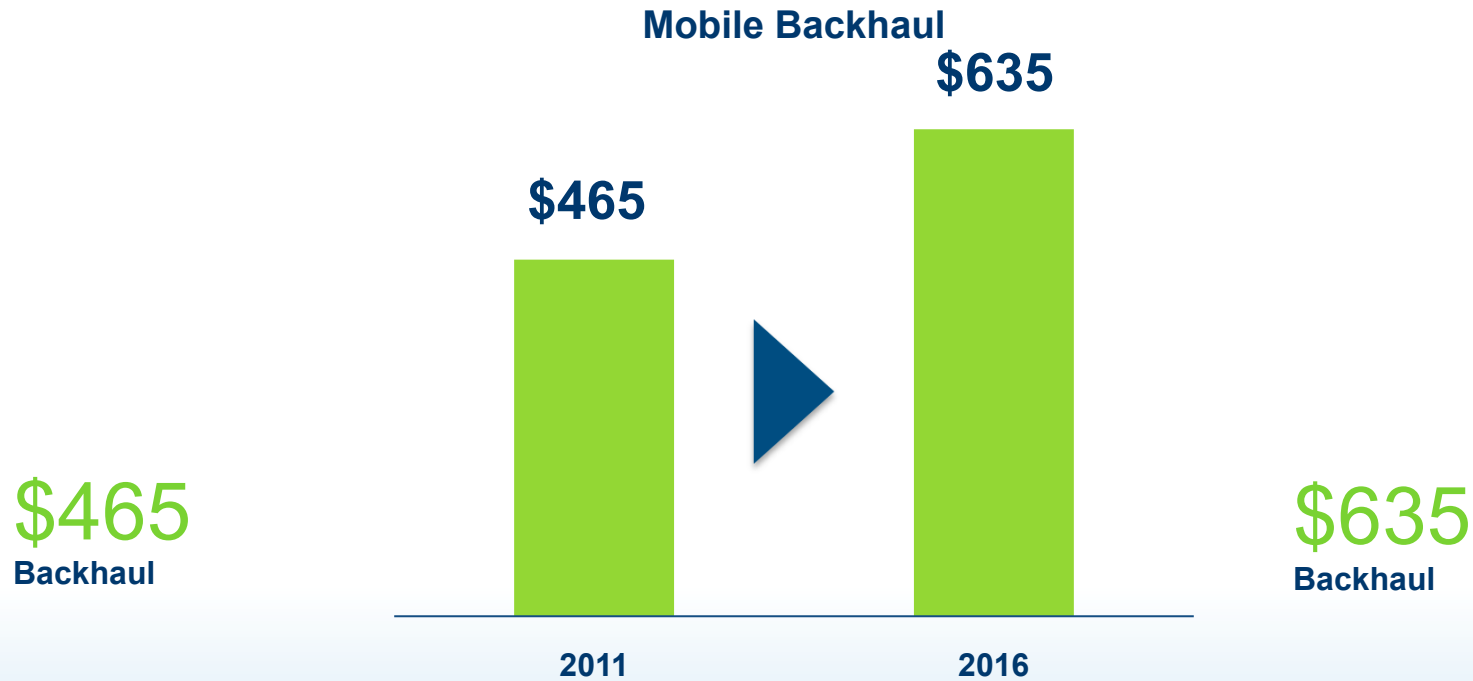
DEVICES AND TECHNOLOGY

STRESS MOBILE BACKHAUL BANDWIDTH



THE MOBILE OPPORTUNITY

PMC SAM, \$ in Millions



Carrier Ethernet growth is the single biggest driver of the SAM growth

WinPath3: STRONG MOMENTUM

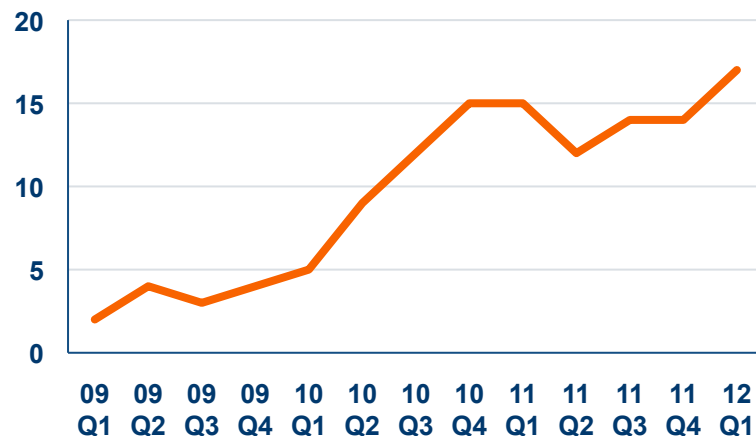
Market segment leader in IP/Ethernet backhaul with WinPath2 network processors

- New WinPath3 supports emerging 5-10 Gigabit Ethernet products for LTE
- New WinPath3-SuperLite for 1-2 Gigabit base stations and microwave backhaul

Carrier Ethernet software allows convergence of 2G, 3G, 3G HSPA and LTE all on a single IP/Ethernet network

100+ design wins to date

WINPATH3 FAMILY DESIGN WINS



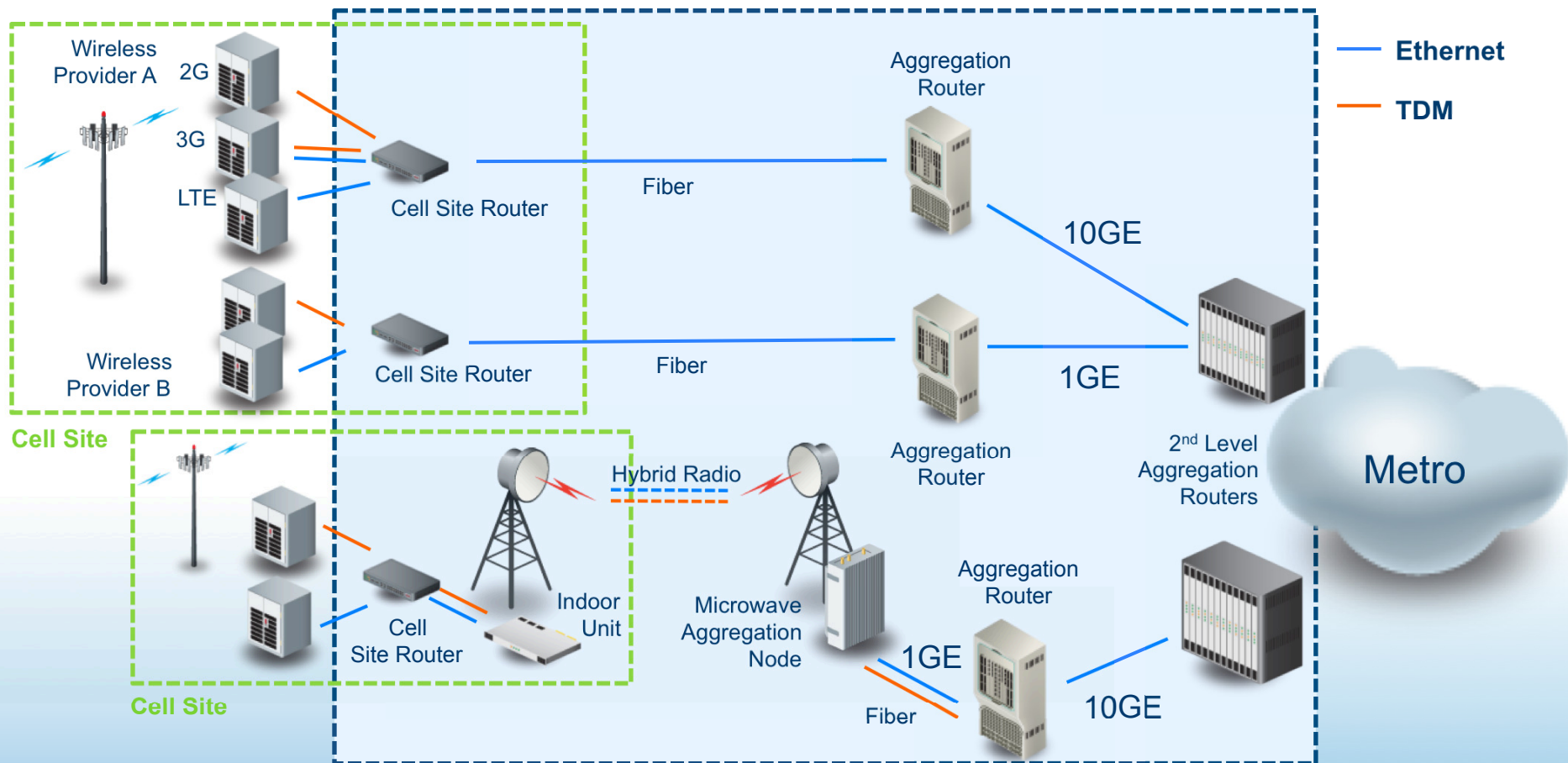
3 Qtr Rolling Avg by Qtr

WINPATH3 NETWORK PROCESSORS



DESIGN WINS IN ALL CLASSES OF MOBILE BACKHAUL EQUIPMENT

PMC'S MOBILE BACKHAUL FOCUS

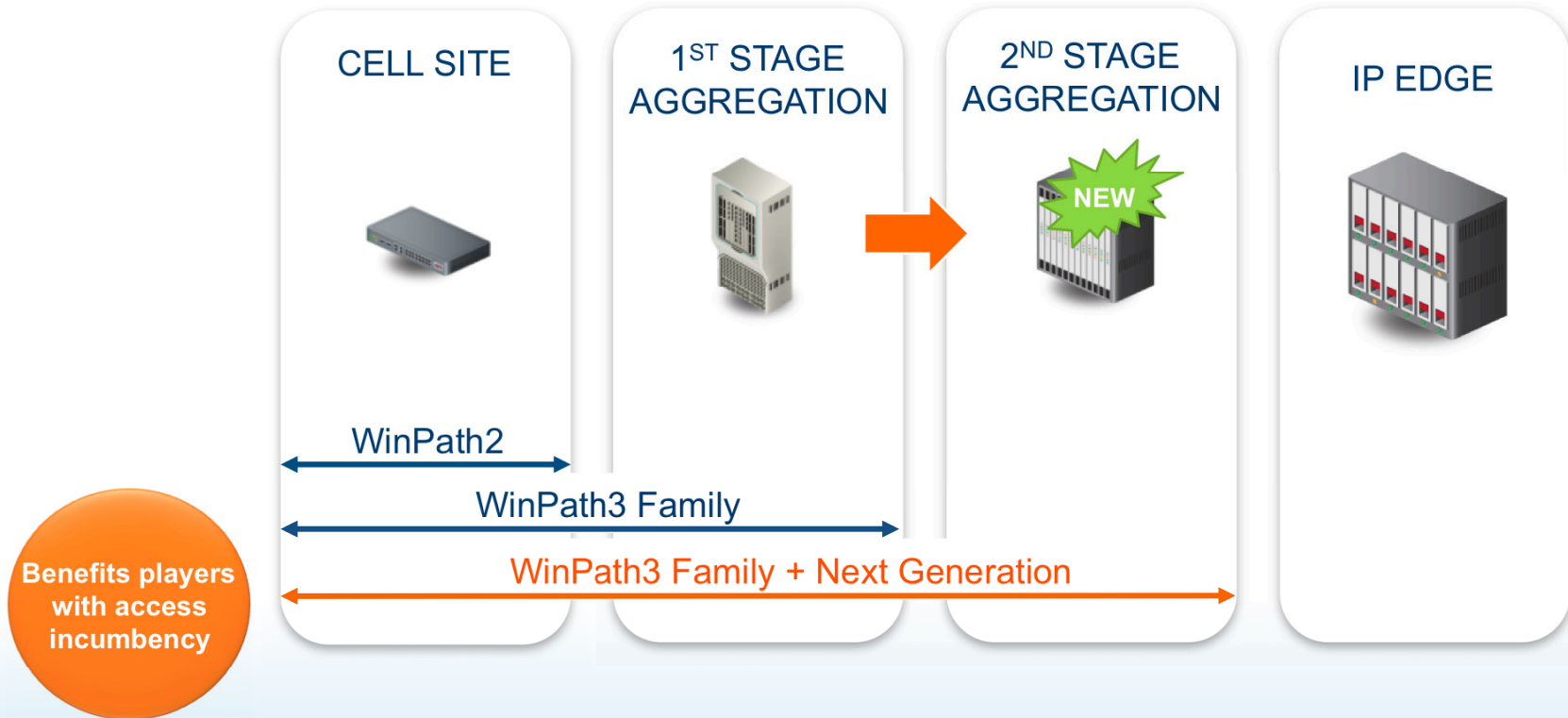


WinPath3 WINS 4 OF TOP 5 FIBER OEMs AND 6 OF TOP 9 MICROWAVE OEMs

FIBER OEM	SHARE	DESIGN WIN STATUS
Alcatel-Lucent	23%	YES
ZTE	15%	YES
Huawei	14%	Switch + FPGA
Cisco	13%	YES
Tellabs	11%	YES
Ciena	5%	Switch + FPGA
Juniper	4%	YES
Adtran	2%	FPGA
Ericsson	2%	YES
Others	11%	

MICROWAVE OEM	SHARE	DESIGN WIN STATUS
Ericsson	22%	Switch + FPGA
NEC	18%	YES
Huawei	17%	Switch + FPGA
Alcatel-Lucent	12%	YES
Dragon/Wave Nokia-Siemens	9%	Various
Ceragon	8%	YES
Aviat	5%	YES
ZTE	5%	YES
Intracom	2%	YES
Others	2%	

ACCESS EQUIPMENT EXPANDING



2nd stage aggregation used to be solved by IP edge routers, but Access Equipment is expanding to take that role

MOBILE BACKHAUL SUMMARY

Capitalizing on strong 3G and LTE mobile data growth

Leader in next-generation mobile backhaul

Accelerating design wins at top tier customers

Expanding SAM into microwave and 2nd stage aggregation



GROWTH IN MOBILE RADIO HEAD

Tom Sun, Vice President and General Manager,
Broadband Wireless Division

PMC

AGENDA

PMC's mobile RF business opportunity tackles key network challenges

Today announced lowest power chipset solution to address paradigm shift

Building momentum for growth in new technology



CHALLENGES IN SUPPLYING MOBILE NETWORK CAPACITY



THE WALL STREET JOURNAL | TECHNOLOGY

Wringing Out More Capacity

Wireless Carriers Use Tricks to Ease Data-Traffic Jams, Including Multiple Antennas, Remote Controls

American telecoms

A breath of fresh airwaves

The scramble for spectrum could reshape America's telecoms industry

CHALLENGES IN SUPPLYING MOBILE NETWORK CAPACITY

In keeping up with the demand for mobile traffic, wireless operators are using three key ways to increase network capacity:

1

Improve spectral efficiency

2

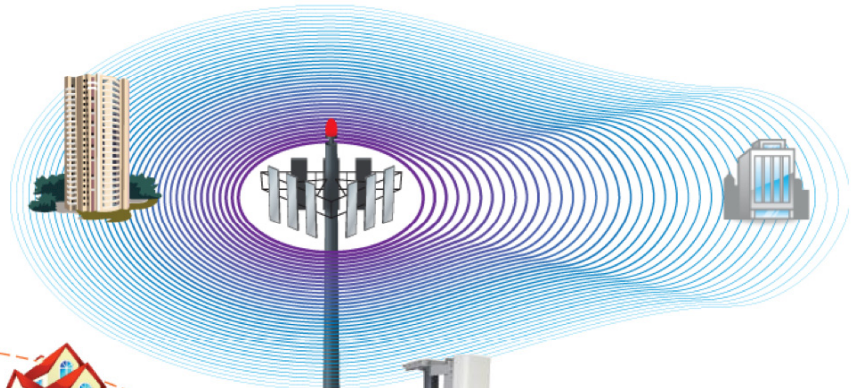
Acquire more spectrum

3

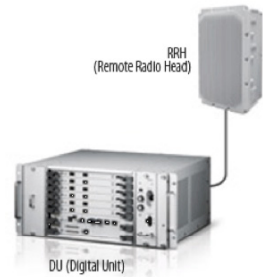
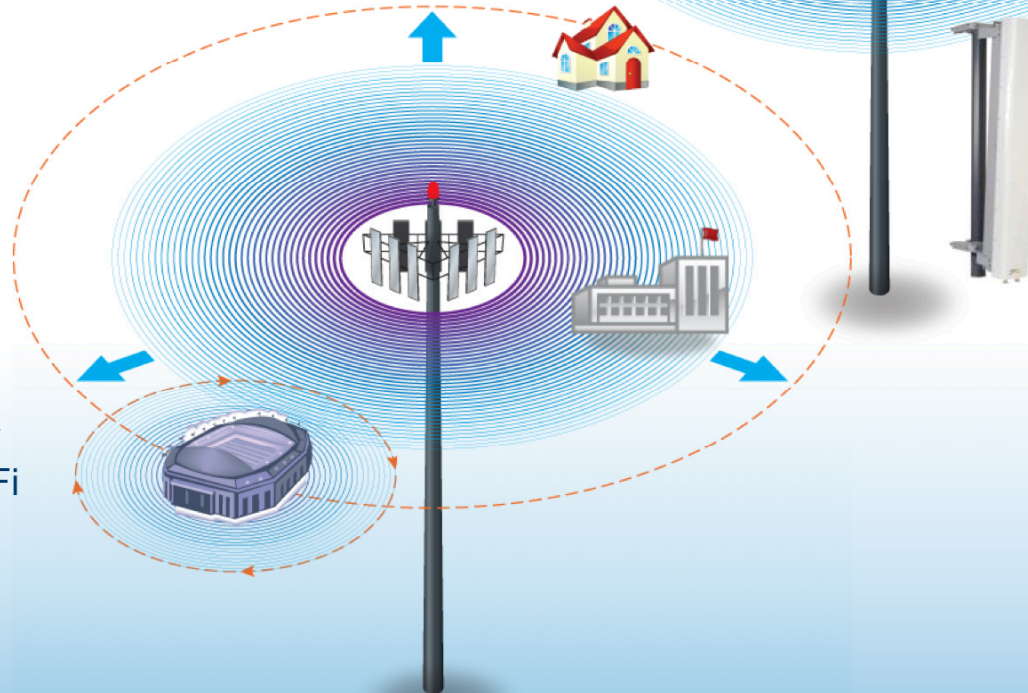
Deploy more radios

INCREASING NETWORK CAPACITY WITH LTE

Deploy high power “Super Macro” BTS with MIMO to increase coverage at cell edge



Use Active Antenna Systems to beam signals where they are needed



RRH
(Remote Radio Head)

DU (Digital Unit)

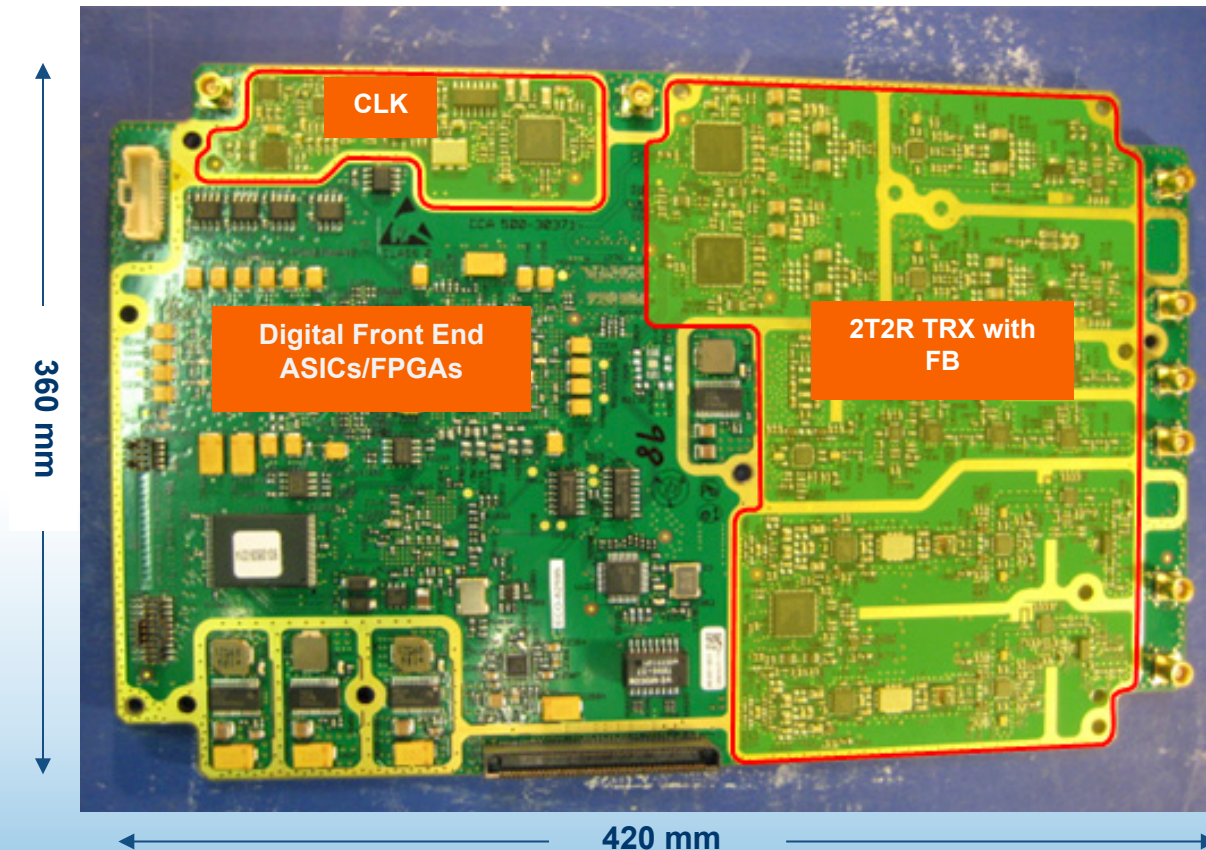


Infill cells with low power BTS or WiFi to offload mobile traffic at hot spots

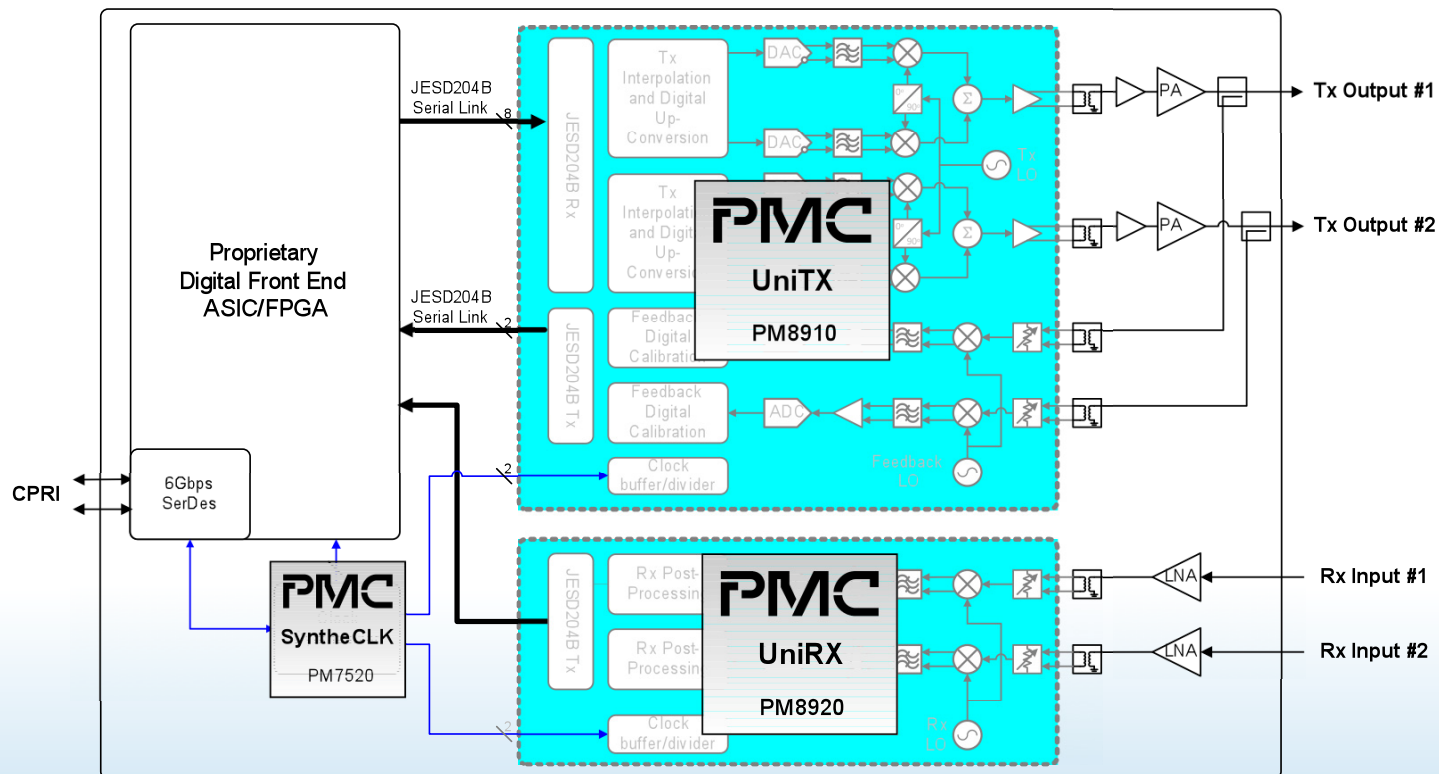
DISCRETE DESIGN APPROACH IS POWER HUNGRY AND NOT SCALABLE

Existing macro-class RRH designs use high precision and high power discrete components for the clock and radio functions

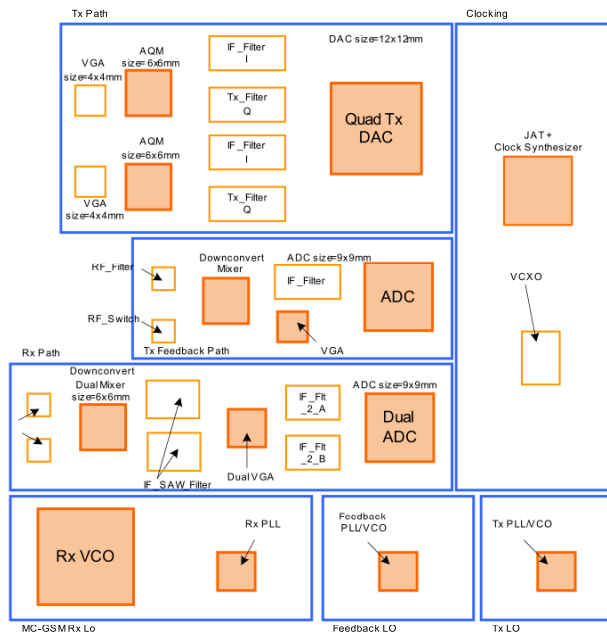
It is very challenging to support more radios in the same footprint and power budget



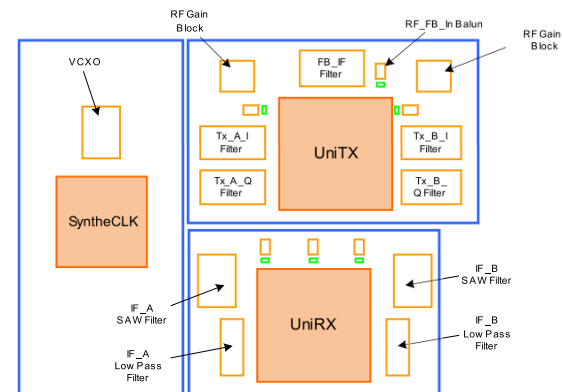
PMC'S WIRELESS RF STRATEGY



BENEFITS OF INTEGRATION WITH CMOS

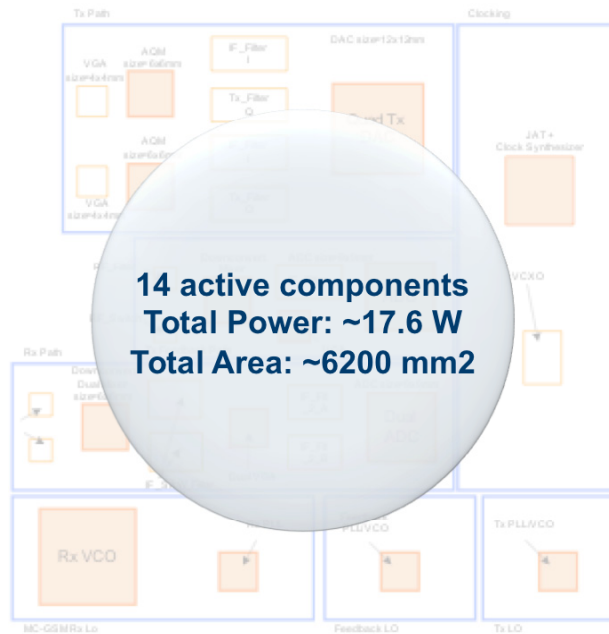


NEXT GENERATION DISCRETE IMPLEMENTATION (2T2R)

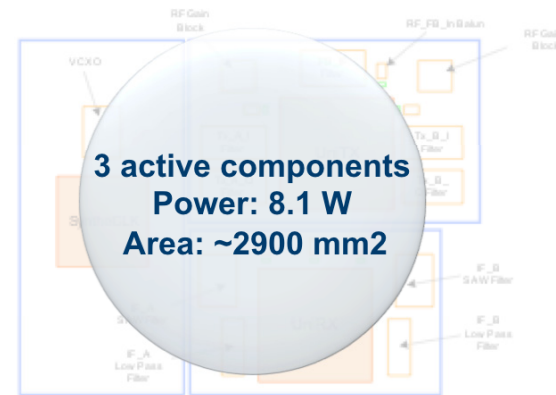


UNITRX CHIPSET

BENEFITS OF INTEGRATION WITH CMOS



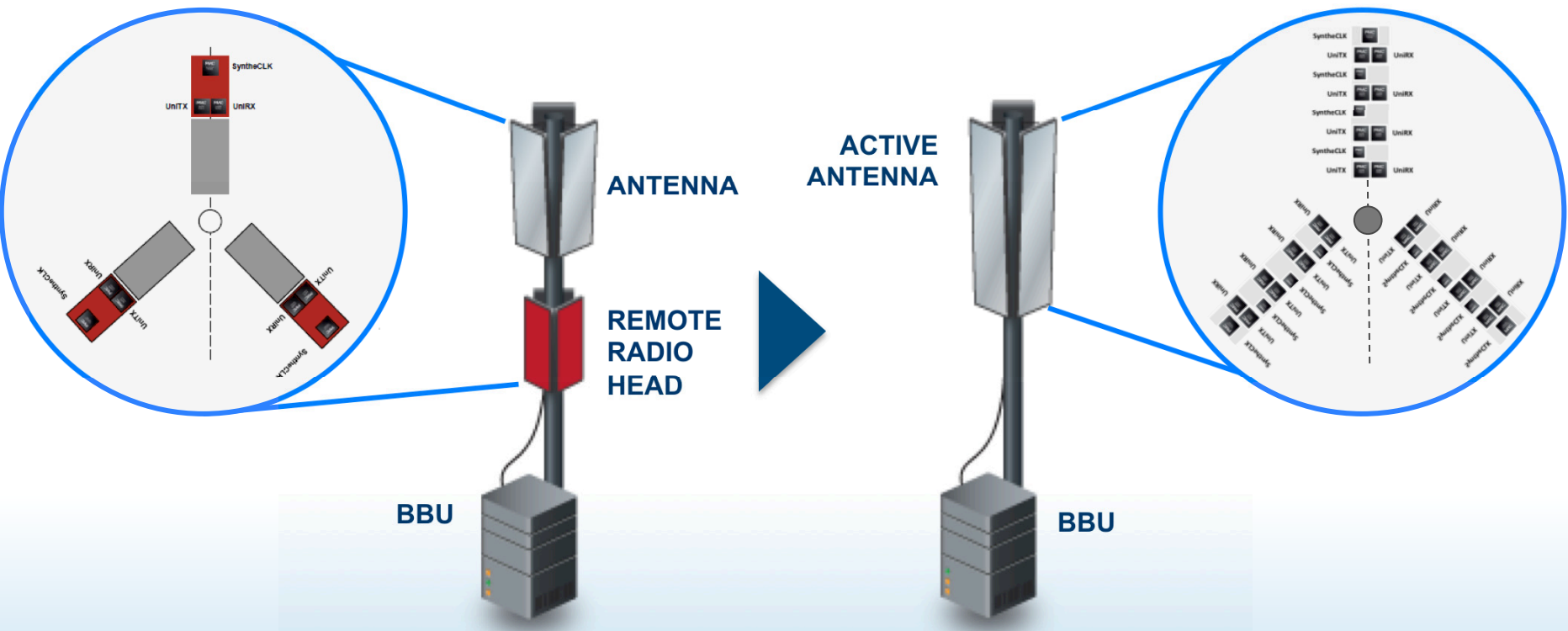
NEXT GENERATION DISCRETE IMPLEMENTATION (2T2R)



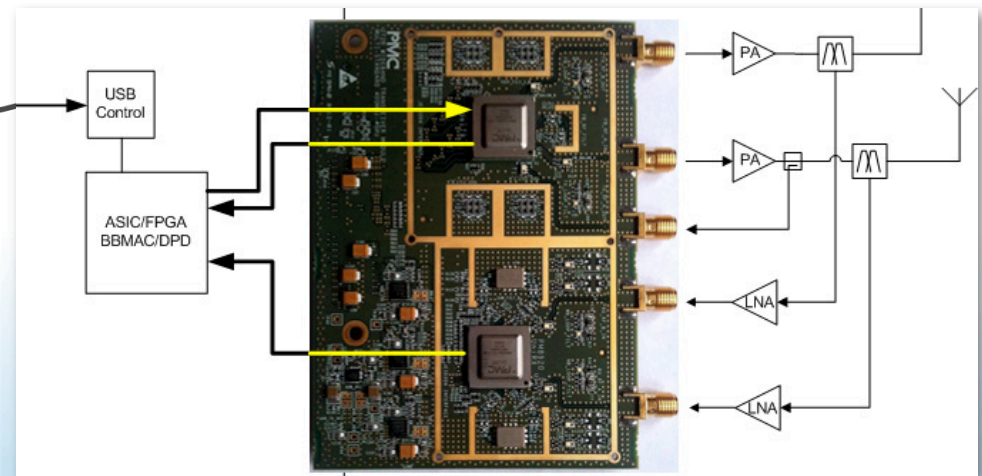
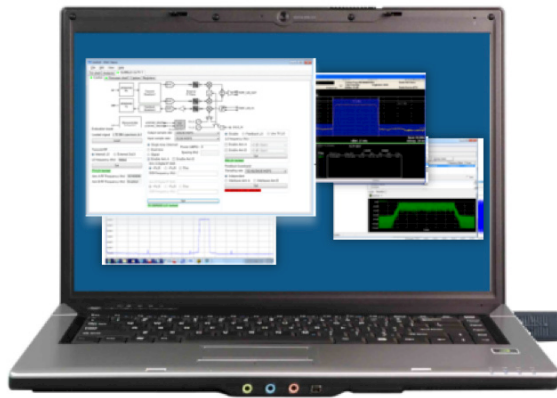
UNITRX CHIPSET

Replaces up to 14 discrete components
Reduces board footprint by up to 53%
Lowers power by up to 54%

APPLICATION OF UniTRX™ CHIPSET IN MACRO AND ACTIVE ANTENNA DESIGNS

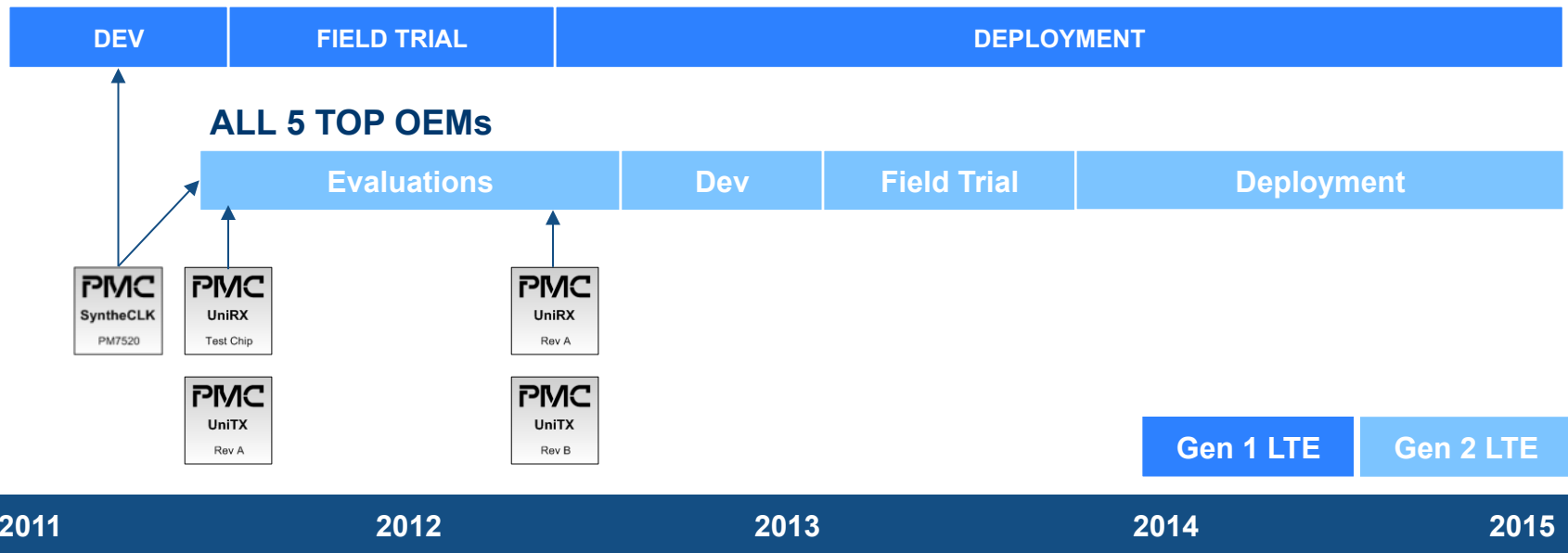


COMPLETE EVALUATION SYSTEM REDUCES DEVELOPMENT TIME



BUILDING MOMENTUM FOR NEW GROWTH

>10 DESIGN WINS



UniRX™ test chip and UniTX™ Rev A chip sampled in Q4 2011 for leading OEMs to evaluate and provide feedback on required improvements and architectural fit

UniTX Rev B and UniRX Rev A will sample to target OEMs in Q4 2012 to start evaluation and development

THE MOBILE OPPORTUNITY

PMC SAM, \$ in Millions

\$60

Remote Radio Head
Mixed Signal

\$465

Backhaul

\$525

\$1,085

\$450

Remote Radio Head
Mixed Signal

\$635

Backhaul

2011

2016

SUMMARY

Time for integration is now

Lowest power chipset is here

New growth opportunity in mobile RF





BEST-IN-CLASS MARGINS FROM BIG DATA

Colin Harris, Vice President and Chief Operating Officer

PMC

AGENDA

PMC is a pioneer of the fabless model

PMC delivers complex designs effectively

PMC has the right technology for Big Data

PIONEER OF THE FABLESS MODEL

Manufacturing Objectives



- Use standard multi-sourced technology
- Provide near state of the art processes



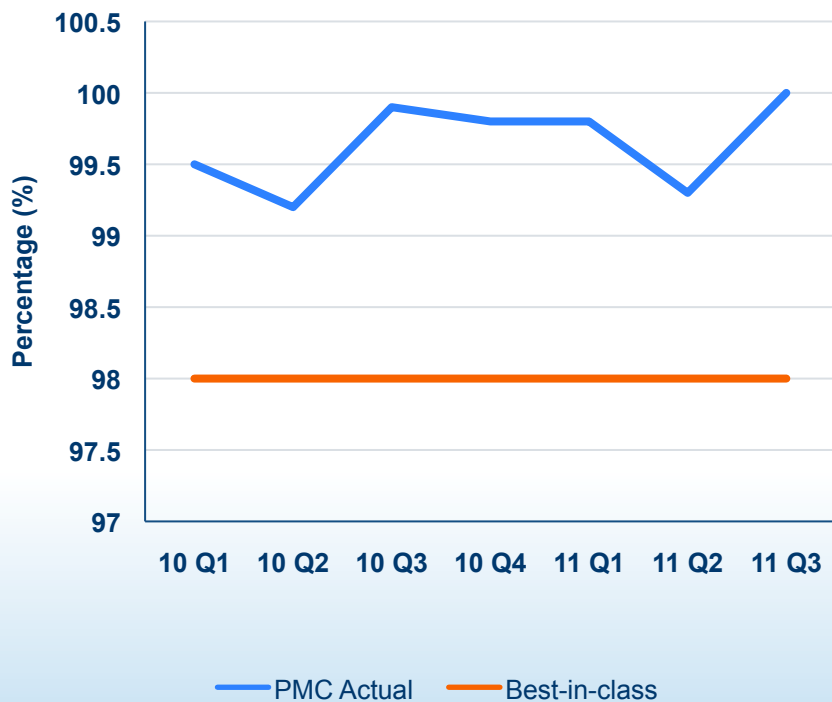
- Secure capacity through supply agreements
- Maintain two active sources for major technologies



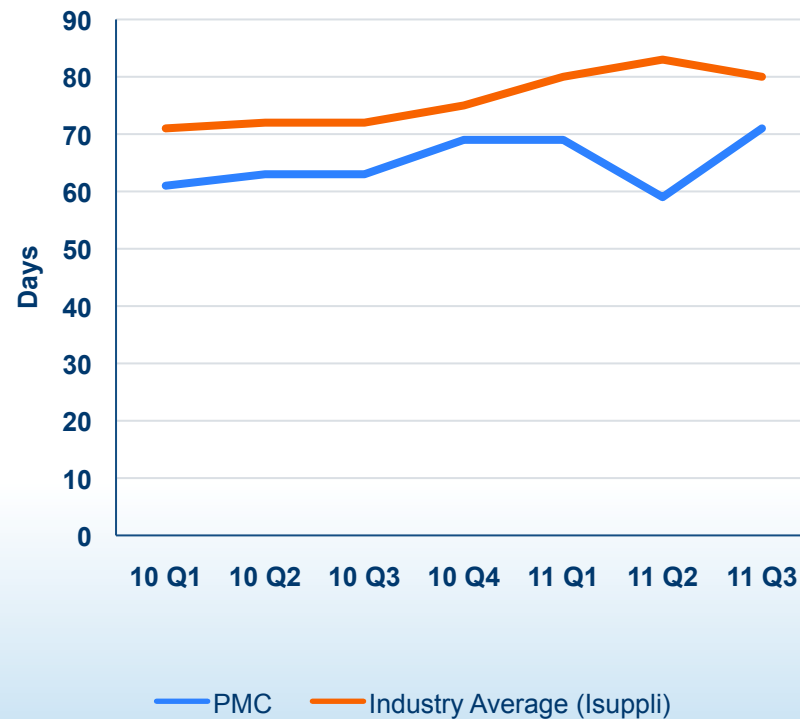
- Wafers are built to forecast
 - Wafer cycle time is 8-12 weeks
- Chips are assembled to backlog
 - Assembly and test turnaround in less than 14 days

BEST-IN-CLASS METRICS

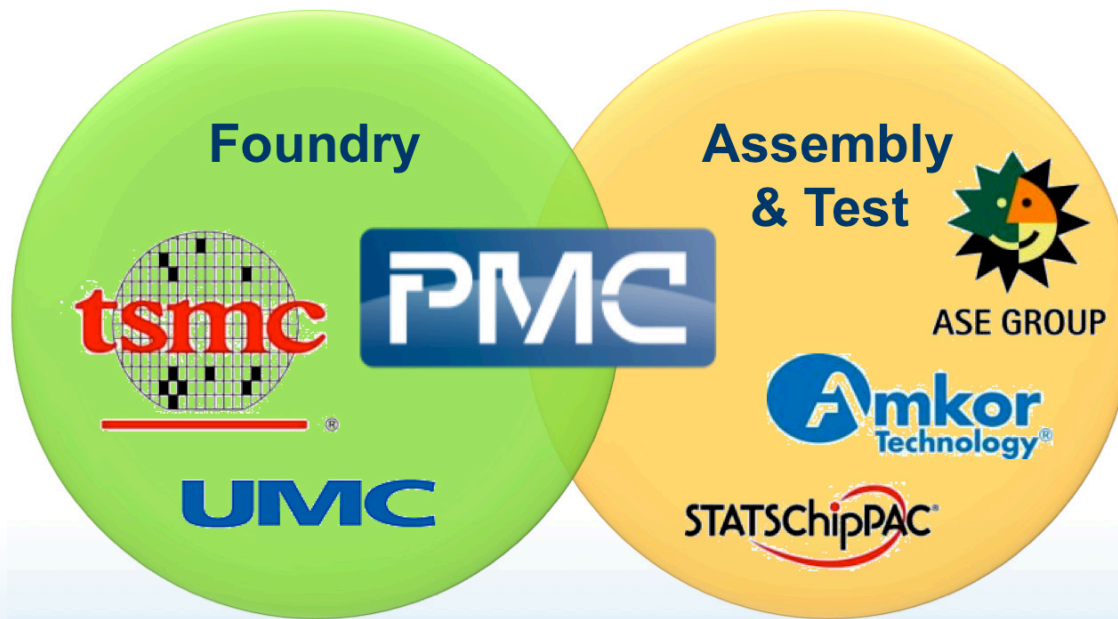
ON-TIME DELIVERY



INVENTORY DAYS-ON-HAND



KEY MANUFACTURING PARTNERS



EFFICIENTLY DEVELOP CHIPS TO STORE AND TRANSPORT BIG DATA

TECHNIQUE	PMC DIFFERENTIATORS
Common IP Development	Central SERDES and Interface Development
Reduce Revisions	Advanced Verification
Use a Platform	Storage and Communications Platforms
Lower Cost Labor	Design Centers in Bangalore and Shanghai
Outsource What's Not Core	Purchase all Commodity IP
Managing Large Projects	Rigorous Project Estimation and Management
SOC / Firmware for Customizations	All are Processor-Based Chips

LEVERAGED IP DEVELOPMENT LOWERS DEVELOPMENT COST AND RISK

SERDES LEVERAGE

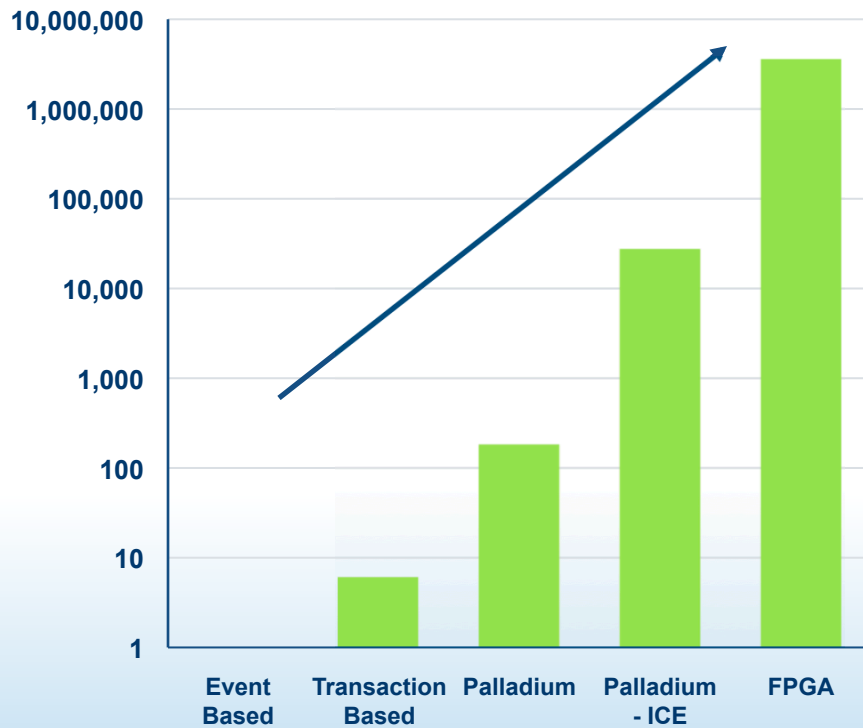
	Optical	Storage	Mobile
1.25			
2.5, 3			
5			
6			
8			
10-16			
25, 28			

INTERFACE AND IP LEVERAGE

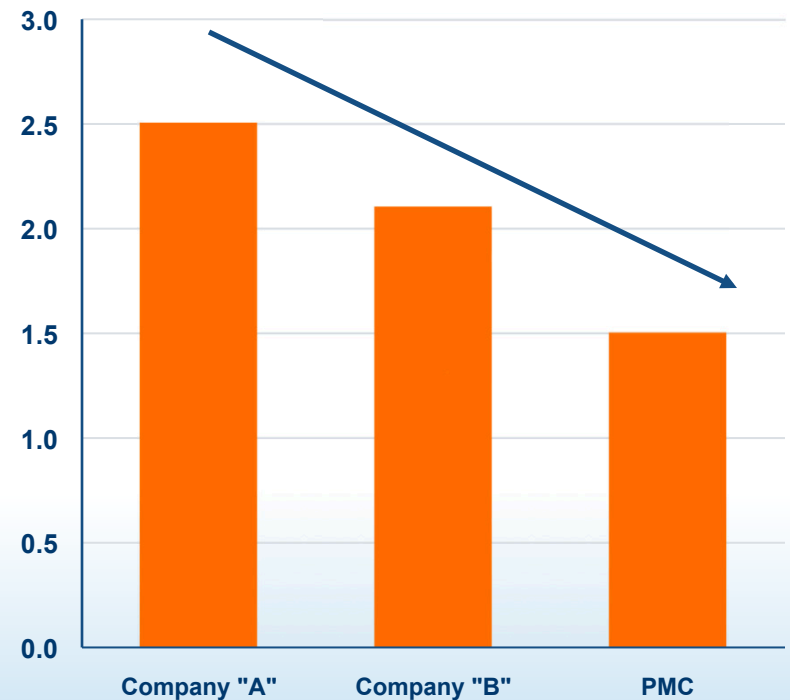
	Intellectual Property	Optical	Storage	Mobile
DDR Memory Interface				
PCIe Bus				
Internal Chip Bus				
Forward Error Correction				
Technology Cell Libraries				
Embedded Chip Memories				

ADVANCED VERIFICATION REDUCES REVISIONS AND DEVELOPMENT COST

SIMULATION SPEED VERSUS APPROACH

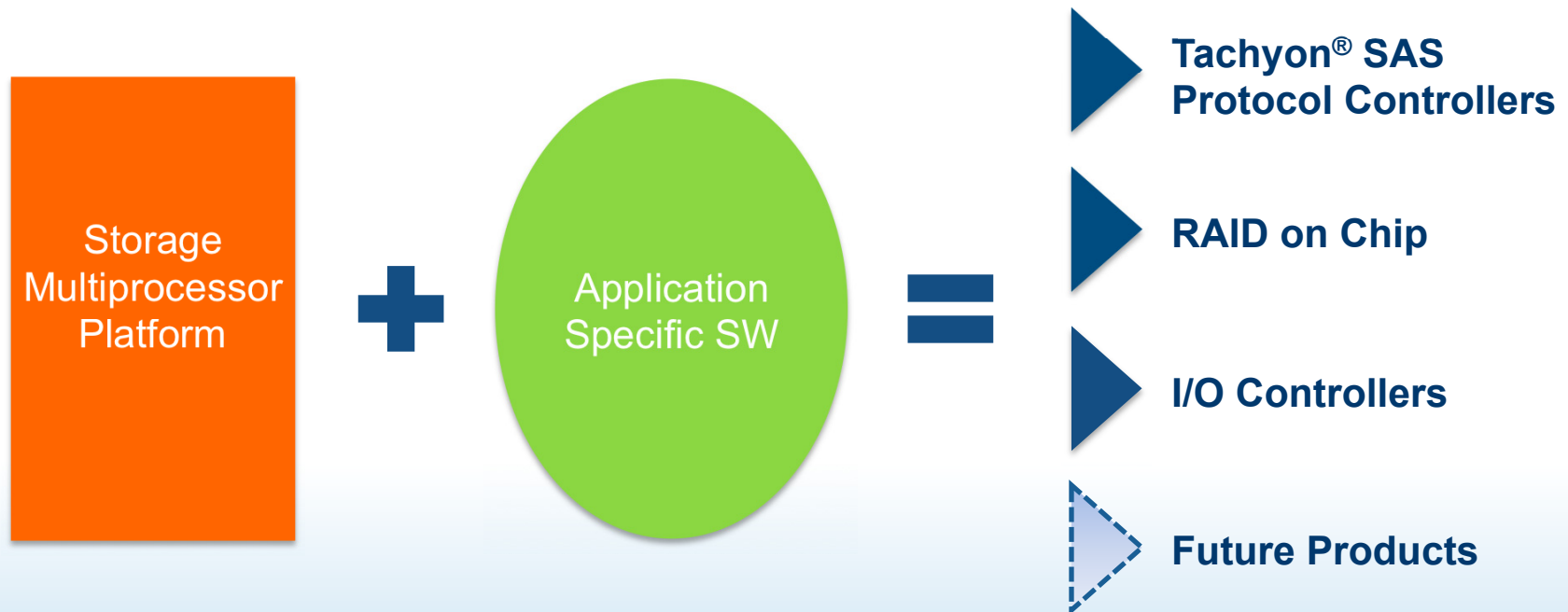


REVISION RATE COMPARISON



PMC'S STORAGE PLATFORM

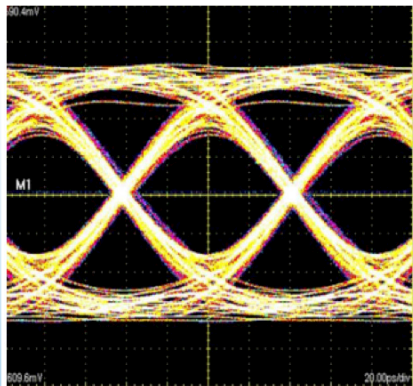
ENABLES FAST ENTRY INTO MULTIPLE MARKET SEGMENTS



INNOVATIVE MIXED SIGNAL

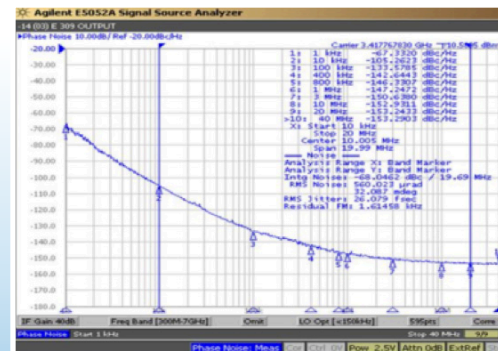
13 Generations of SERDES

- Every major standard from T1/E1 to 12.5Gb/s
 - OTN, SDH, Ethernet, SAN, SATA/SAS, PCIe, XFI, CEI
- Analog and DSP-based clock recovery and receive equalization
- CMOS, LVDS, and CML-based transmitters



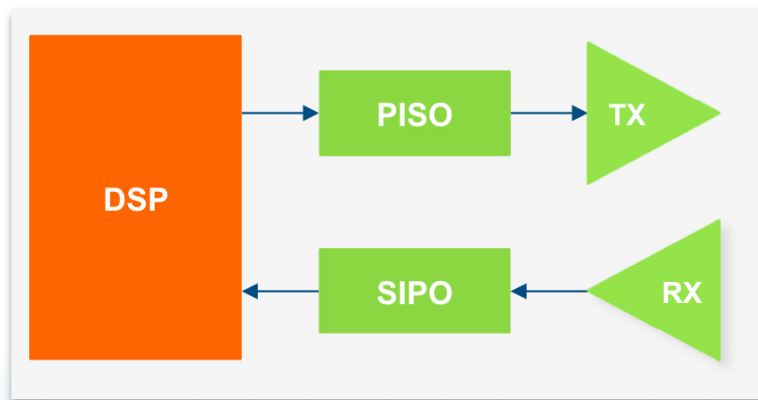
12 Generations of Clocking

- Telecom (narrowband), Datacom (broadband), Mobile (high-performance broadband)
- Low jitter LC & Ring Oscillator-based PLL's
- Integer & Fractional-N Multiplication, SSC Generation
- On-chip distribution & regeneration



SERDES PLATFORM FOR BIG DATA TRANSMISSION

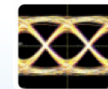
14th Generation **Speed Agile PHY** with **Reduced Energy** (**Saphyre**)



PCI 
EXPRESS[®]

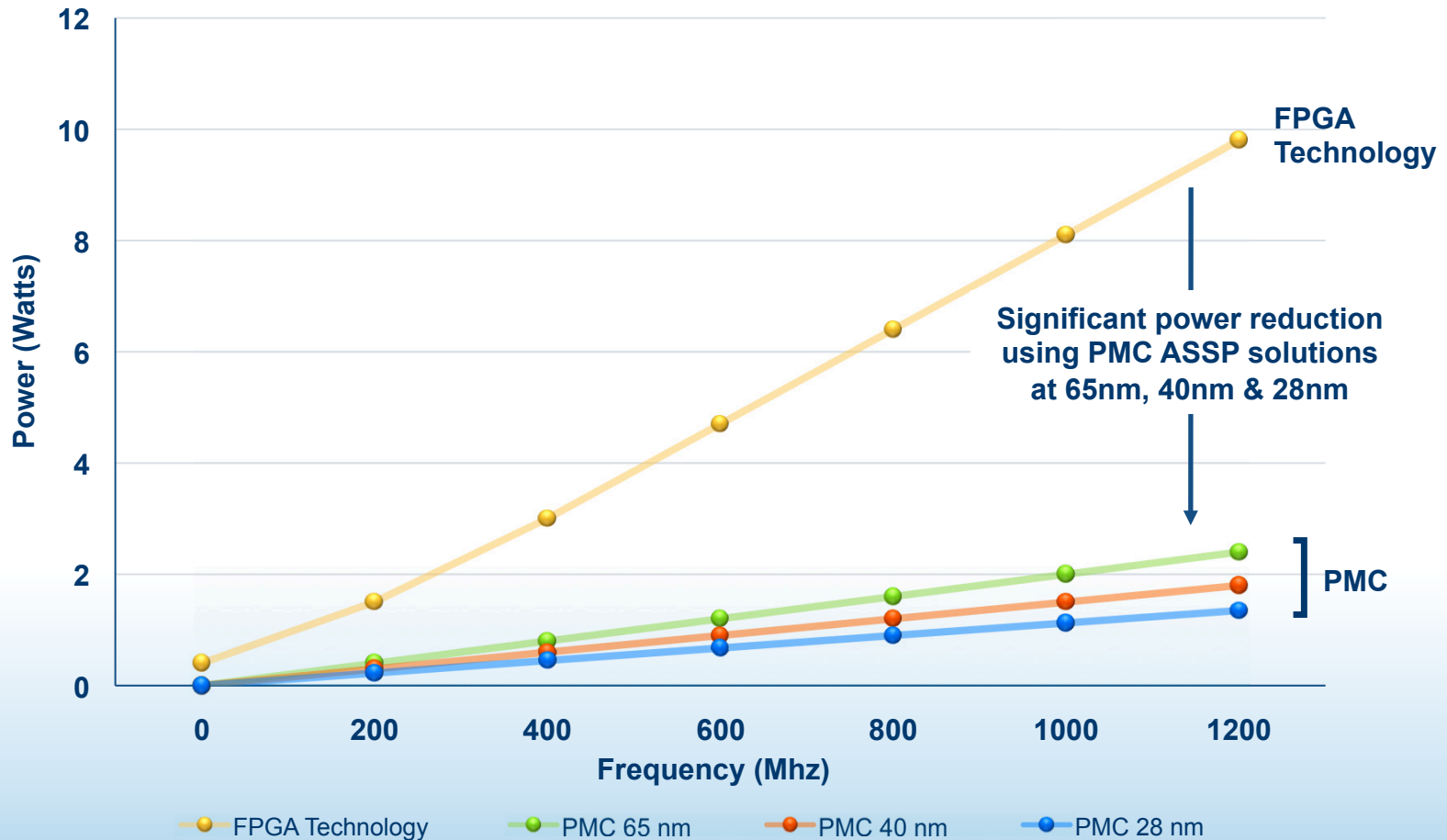


12Gb/s  **Serial Attached SCSI**



LR SERDES

SOLVING THE POWER CHALLENGE



THE RIGHT TECHNOLOGY FOR BIG DATA

Best-in-Class Operations

High Quality, Efficient Development

Innovative Mixed Signal Expertise

Lowest Power Solutions



OPTIMIZING BIG DATA TO DRIVE SHAREHOLDER VALUE

Mike Zellner, Vice President and Chief Financial Officer

PMC

AGENDA

**PMC is committed to driving
shareholder value by focusing on:**

Profitable Growth

Investing in HighGrowth Markets

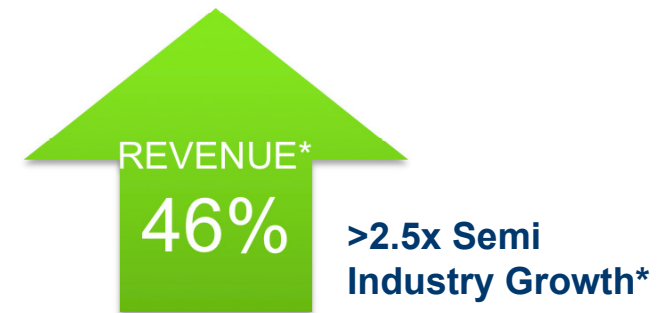
Efficient and Effective Capital Allocation

FINANCIAL MODEL PERFORMANCE

(NON-GAAP)

	2010	2011	FINANCIAL MODEL
Gross Margin %	68%	69%	68-70%
R&D %	27%	32%	27-30%
SG&A %	13%	15%	13-14%
Operating Income %	27%	22%	25-30%

STRONG FINANCIAL PERFORMANCE: POSITIONED FOR NEXT CYCLE OF GROWTH



>2.5x

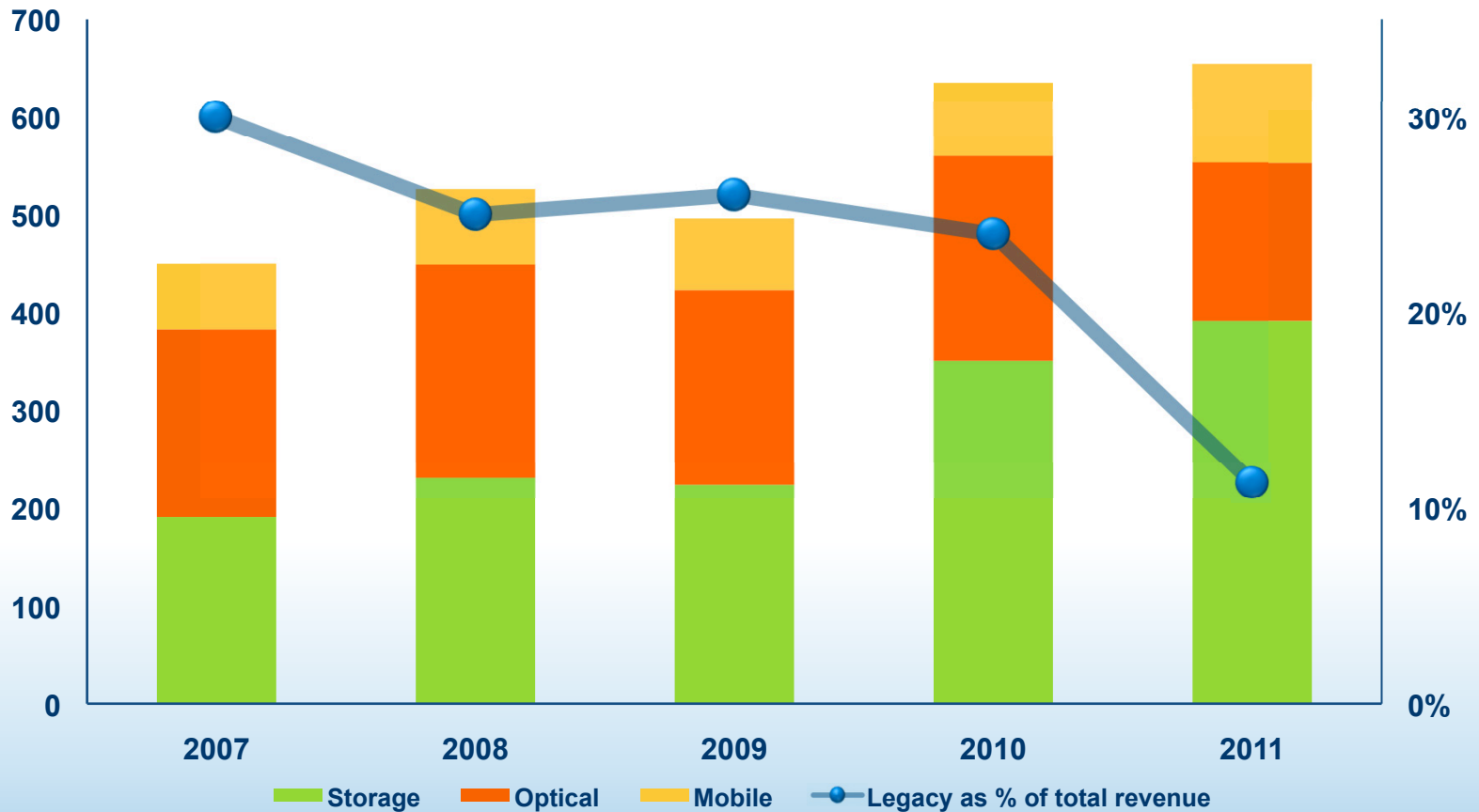
Non-GAAP EPS Growth**

* Source – SIA data

**Fiscal year-end results for 2007 - 2011

TRANSFORMED REVENUE PROFILE

\$M USD, except Legacy %



Note: Legacy includes SONET, ATM and MIPS Processors

* Fiscal year-end results for 2007 - 2011

2012 NON-GAAP OUTLOOK

Non-GAAP; \$M USD Except EPS



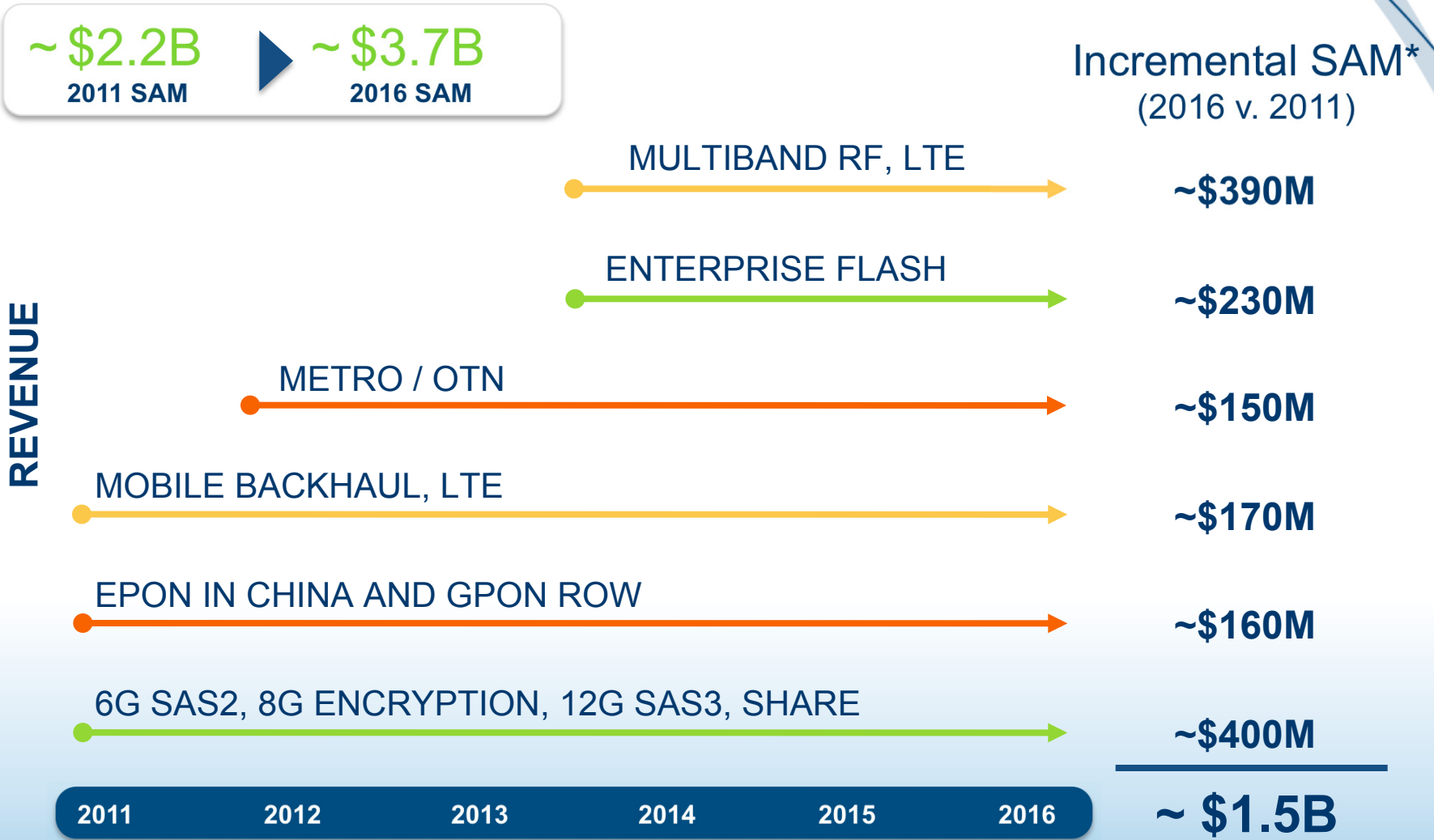
Revenue Estimate EPS

Q2'12 and Q4'12 EPS are estimates, based on mid-point of the outlook range, and after taking into consideration expected impact of share buyback

BUYBACK ENHANCES SHAREHOLDER VALUE

- March 2012: announced incremental \$275M stock repurchase authorization for total repurchase program of \$315M
- Total repurchase program representing ~ 19% of outstanding shares
- May 2012: announced \$160M Accelerated Stock Buyback (ASB); (to be completed no later than January 2013).
 - Estimate PMC will repurchase between **9.5% and 11.5%** of outstanding shares under the ASB agreement.
 - Share count estimated to be **213 to 216 million** in Q3'12

RECAPPING PMC GROWTH DRIVERS



* Net Incremental SAM

SUMMARY

Positioned to exit 2012 within target model of 25-30% operating profit

Successfully transformed revenue profile

Healthy balance sheet with ~\$280M free cash (net of note and ASB)

SAM poised to increase 65%+ by 2016 to \$3.7B

Management team focused on driving shareholder value

EXECUTIVE Q&A SESSION



Greg Lang
*President
&CEO*



Travis Karr
*VP and GM,
Enterprise
Storage
Division*



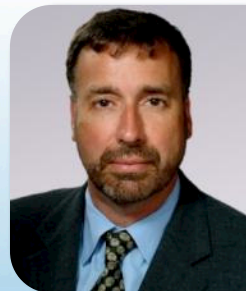
Daryn Lau
*VP and GM,
Communications
Products Division*



Kobi Ben-Zvi
*VP and GM,
Mobile &
Broadband
Division*



Tom Sun
*VP and GM,
Broadband
Wireless
Division*



Colin Harris
*VP and Chief
Operating Officer*



Mike Zellner
*VP and Chief
Financial
Officer*



PMC is the Semiconductor Innovator
Transforming Networks that
Connect, Move and Store Big Data