

Analyst Day 2008



Broadcom Corporation

Cautionary Statement:

During the course of this presentation and the question and answer session, we may make forward-looking statements regarding future events or the future performance of the Company. These forward-looking statements may include guidance we will provide on future revenue, gross margin and operating expense targets for the fourth quarter of 2008 and any other future periods, and statements about the prospects for our various businesses and the development status and planned availability of new products. In fact, all statements that we make or incorporate by reference in the presentation and Q&A session, other than statements or characterizations of historical fact, are forward-looking statements. 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, except as required by law.

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 2007 Form 10-K, subsequent and forthcoming 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.

Finally, you should note that financial information for the three months ended March 31, 2006 and all prior periods reflects the company's restated financial statements, contained in its amended Annual Report on Form 10-K/A for the year ended December 31, 2005, and an amended Quarterly Report on Form 10-Q/A for the quarter ended March 31, 2006, filed with the SEC January 23, 2007.

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Scott McGregor

*President &
Chief Executive Officer*

Broadcom is Focused on Three Key Platforms



Home



Hand



Infrastructure

Digital TV



DVD



Cordless phone & POTS



Mobile PC



PDA



Game console



PHYs & Optical transceivers



Security



Wireless base station



Desktop PC & monitor



Set-top box



Scanner



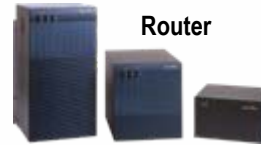
Headphone & headset



Portable media device



Router



DSLAM / CMTS



Home theater



Printer



Satellite radio



Two-way radio



MP3



Camcorder



VoIP phone



Metro / enterprise / SMB switching



Storage



Modem & router



Accessories



Cellular phone



Digital camera



Personal navigation

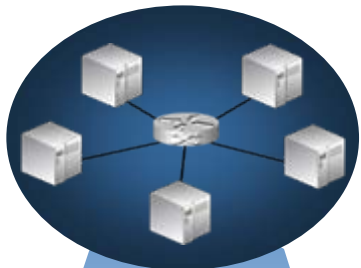


Server & storage



Broadcom Enables A Faster, More Efficient Backbone

Service Provider & Carrier Ethernet



Enterprise



Data Center



SMB & Home

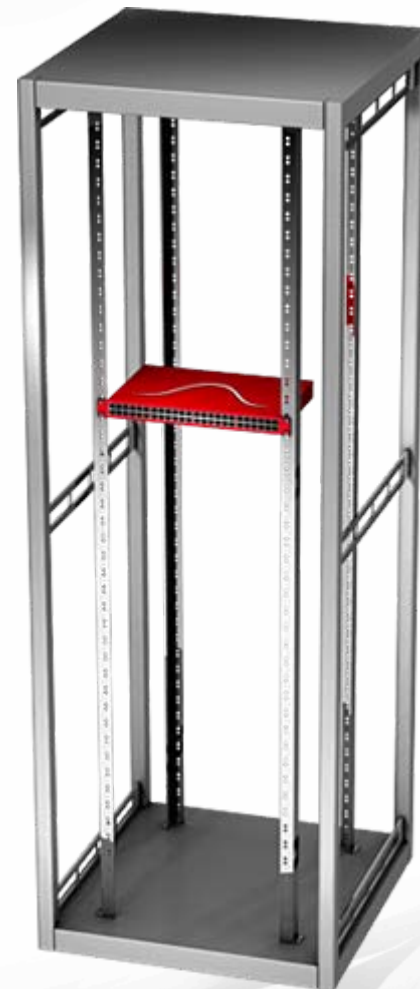


INFRASTRUCTURE

Building the Internet infrastructure

BROADCOM.
Connecting everything®

Enabling Significant Power Reduction



INFRASTRUCTURE



Reducing power and cost while increasing performance



Broadcom Enhances the User Experience

- **Streaming content seamlessly around the home**
 - Multiroom DVR
 - Photos from computer to TV
 - Bluetooth cell phone as remote control
- **Providing convenience and ease of use**



Device Convergence is Happening Now

Cellular phone



Portable media device



Mobile PC



Car key



Camcorder



HAND



Driver license credit card



Digital camera



PDA



Two-way radio



Personal navigation



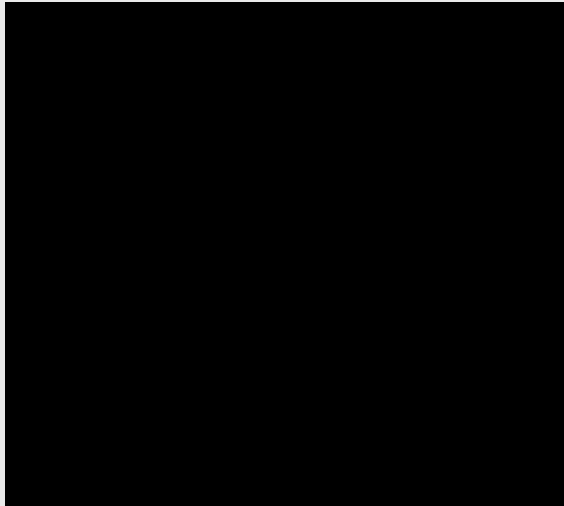
Watch



Remote control



Broadcom Combo Chip Leadership



BCM4325



HAND



802.11 a / b / g



Bluetooth 2.1
EDR



FM Rx
RDS / RBDS



40% lower
power



25% better
coverage



Co-existence



SmartRadio™
calibration



65nm
integration

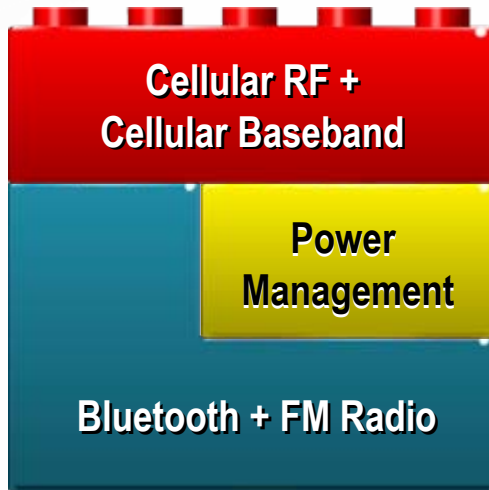


2.4
GHz
5
GHz
Integrated
power amplifiers

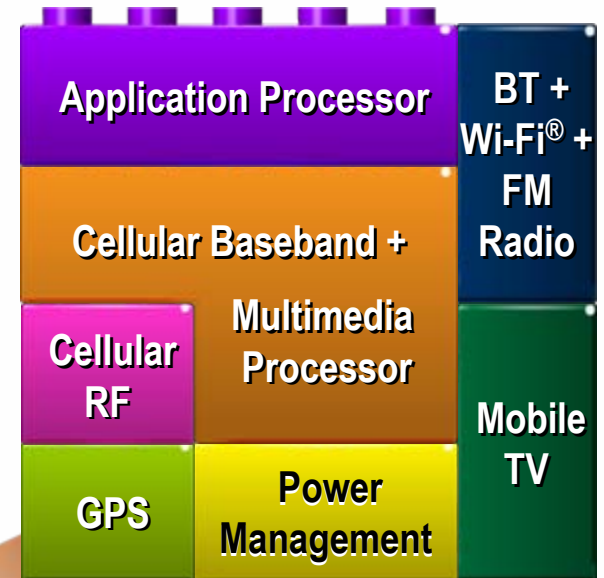
Now *shipping* in handsets, media players
and other consumer electronics

Technology Breadth Second to None

Low-End Phone



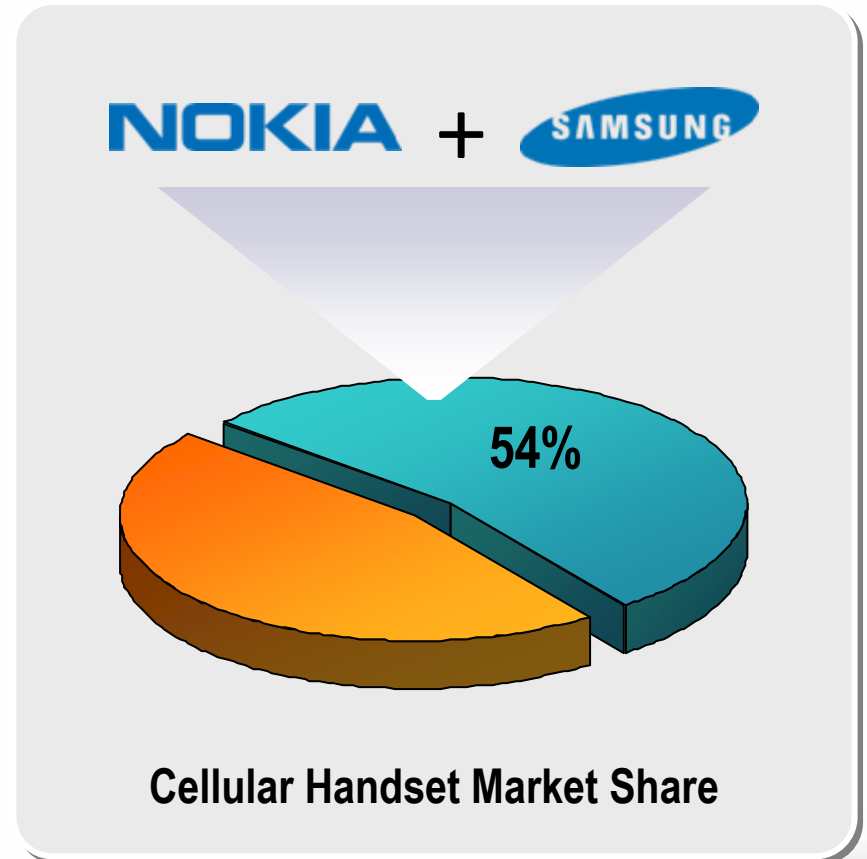
High-End Phone



HAND

Cellular Update

- **Partner with the industry leaders**
 - Top two handset suppliers account for 54% combined handset market share in Q3 2008
- **Focus on execution**
 - Team in place for success
 - Nokia – 2.5G EDGE
 - Samsung – 3G
- **On target for success**
 - Samsung shipping today
 - Nokia shipments in 2009



Source: ABI



HAND

Strategic Reasons to Enter Baseband Market Validated

1. Market for converged handheld devices will become increasingly important



2. ASIC model will transition to merchant silicon



3. Handset makers will seek diversified supply base



4. Connectivity opportunities will increasingly benefit from supplying full solutions

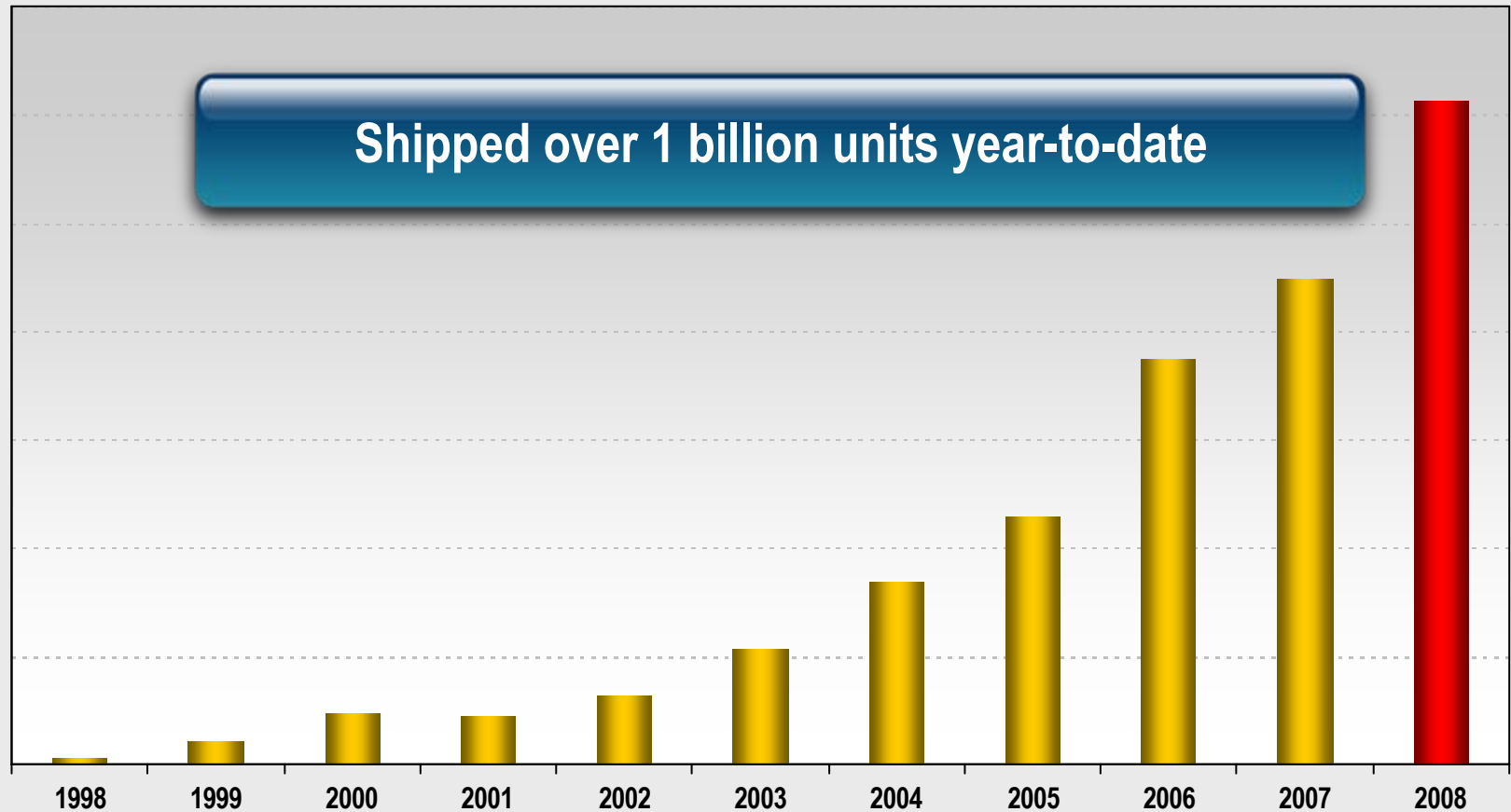


5. Industry will consolidate and economics will improve

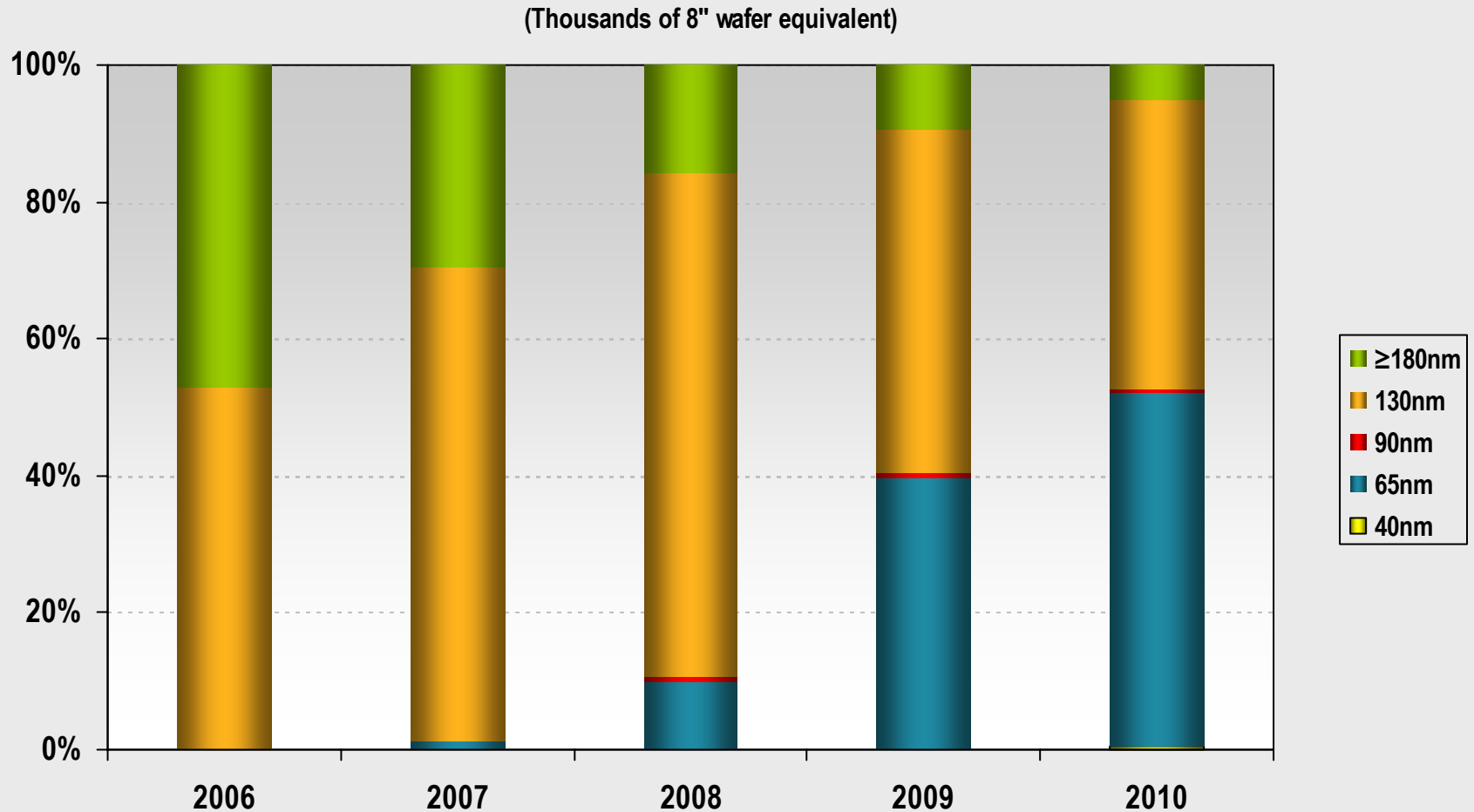


HAND

Broadcom's Unit Volume Shipment



Broadcom's Demand by Technology



Source: Company data

65nm production crossover expected in 2H 2009



Key Financial Focus Areas

Key Financial Focus Areas

Generating return on past investments



- Strong year-over-year revenue growth

Profitable growth



- Earnings growth significantly outpacing revenue growth

Strong financial position



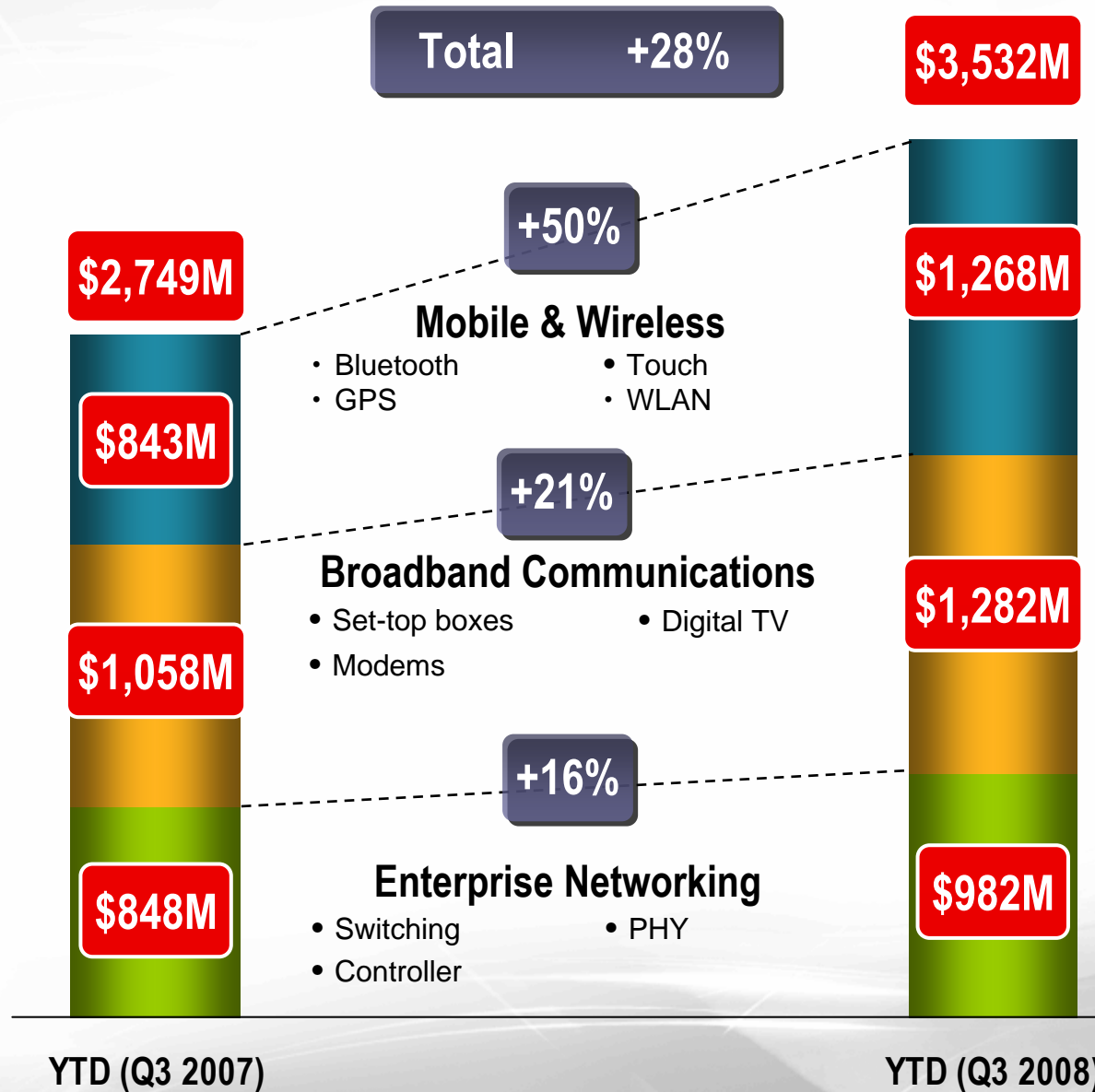
- Record revenues, earnings and cash flow
- Strong cash balance

Managing in a downturn



- Tighter financial management
- Strategic opportunities

Generating Return on Past Investments

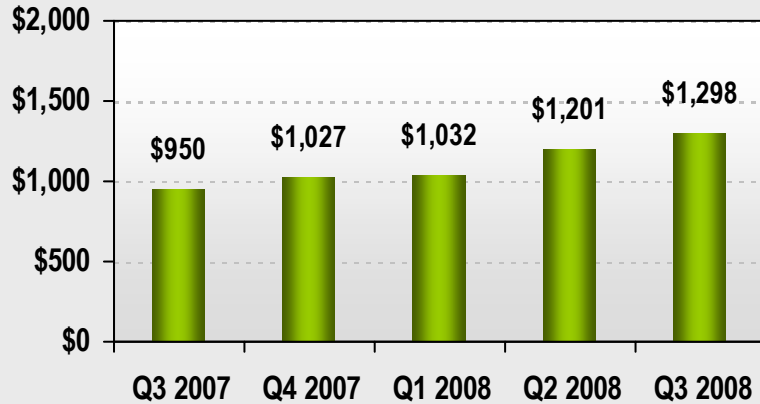


Delivering Profitable Growth

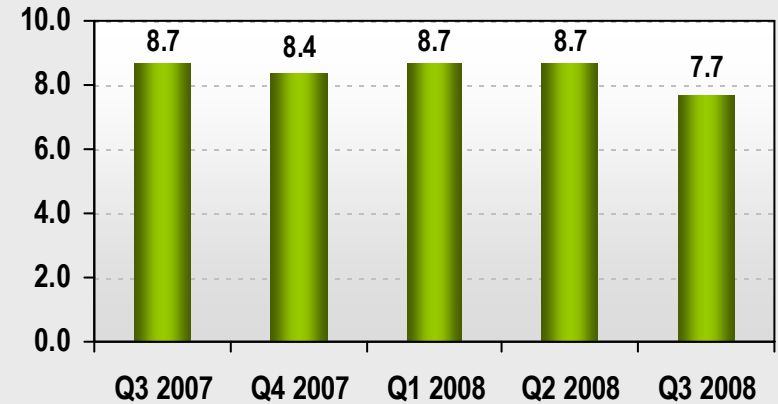


Broadcom's Strong Financial Position

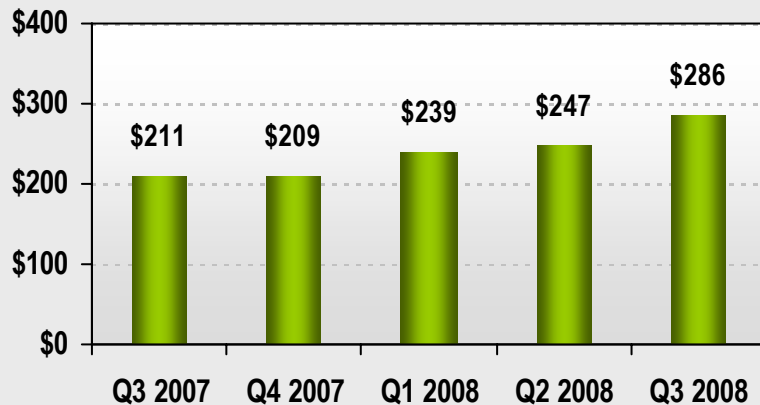
Net Revenue (\$ Mil)



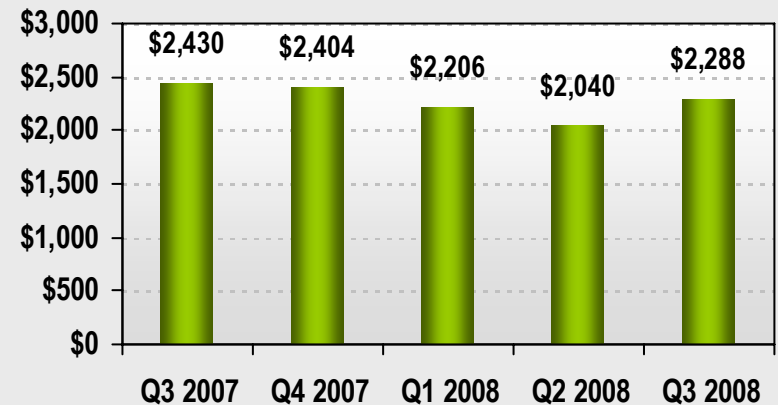
Inventory Turns



Cash Flow From Operations (\$ Mil)



Cash & Marketable Securities (\$ Mil)



Managing Through A Recessionary Environment

Broadcom is Committed to Protecting Cash Flow

**Tightly
managing costs**



**Preemptively
capped headcount**



**Will continue to adjust
expenses according to
market conditions**



Using the Downturn to Our Benefit



- **Strategic opportunities**

- Leverage R&D investments to gain market share
- Buying back meaningful amounts of stock
- Buy weaker competitors

Growth Opportunities in Spite of the Downturn

- **Power and money saving solutions**

- Tremendous interest and easy ROI

- **Share gains**

- Bluetooth headsets
- Baseband
- Combo chip solutions

- **Infrastructure**

- Universal broadband is a priority for the President elect and his administration



Why Broadcom?

- Focused on fastest-growing segments of wired and wireless markets
- World-class engineers
- Broad IP portfolio
- Leveraging convergence trends
- Superb execution resulting in consistent market share gains
- Strong financial position





Q&A



Daniel Marotta

*Senior Vice President & General Manager,
Broadband Communications Group*

Record Demand for Broadband Chipsets

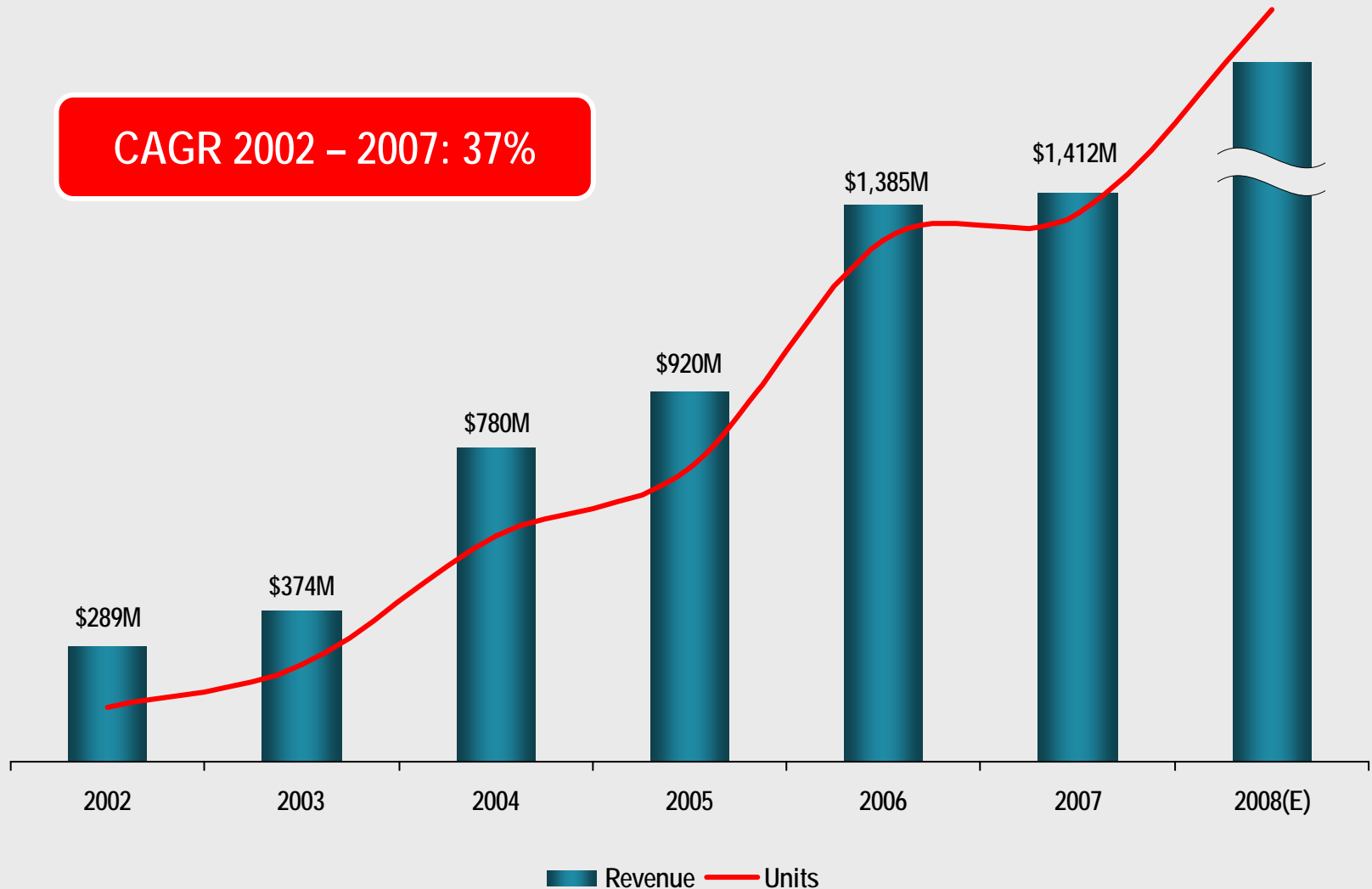
- ✓ Strong compound annual revenue growth of 37% from 2002 to 2007
- ✓ Shipped Cumulative 443 million broadband modem chipsets / ports
- ✓ Shipped Cumulative 162 million set-top box chipsets
- ✓ Shipped Cumulative 13 million digital-to-analog converter box silicon solutions
- ✓ Launched many key next generation products
 - Broadband modem: BCM6368, BCM6511, BCM6358, PacketCable 2.0, GPON and DOCSIS 3.0
 - Set-top box: BCM7400, BCM7325, BCM7335, BCM3255, BCM7405, BCM3543 and BCM3545
 - Consumer electronics: BCM3549, BCM3548, BCM3556, BCM7601 and BCM7620
- ✓ Over 130+ customer programs in development for launch in 2009



Execution and innovation

Record Revenue for 2008

CAGR 2002 – 2007: 37%



Broadband Growth Engines



Set-Top Box



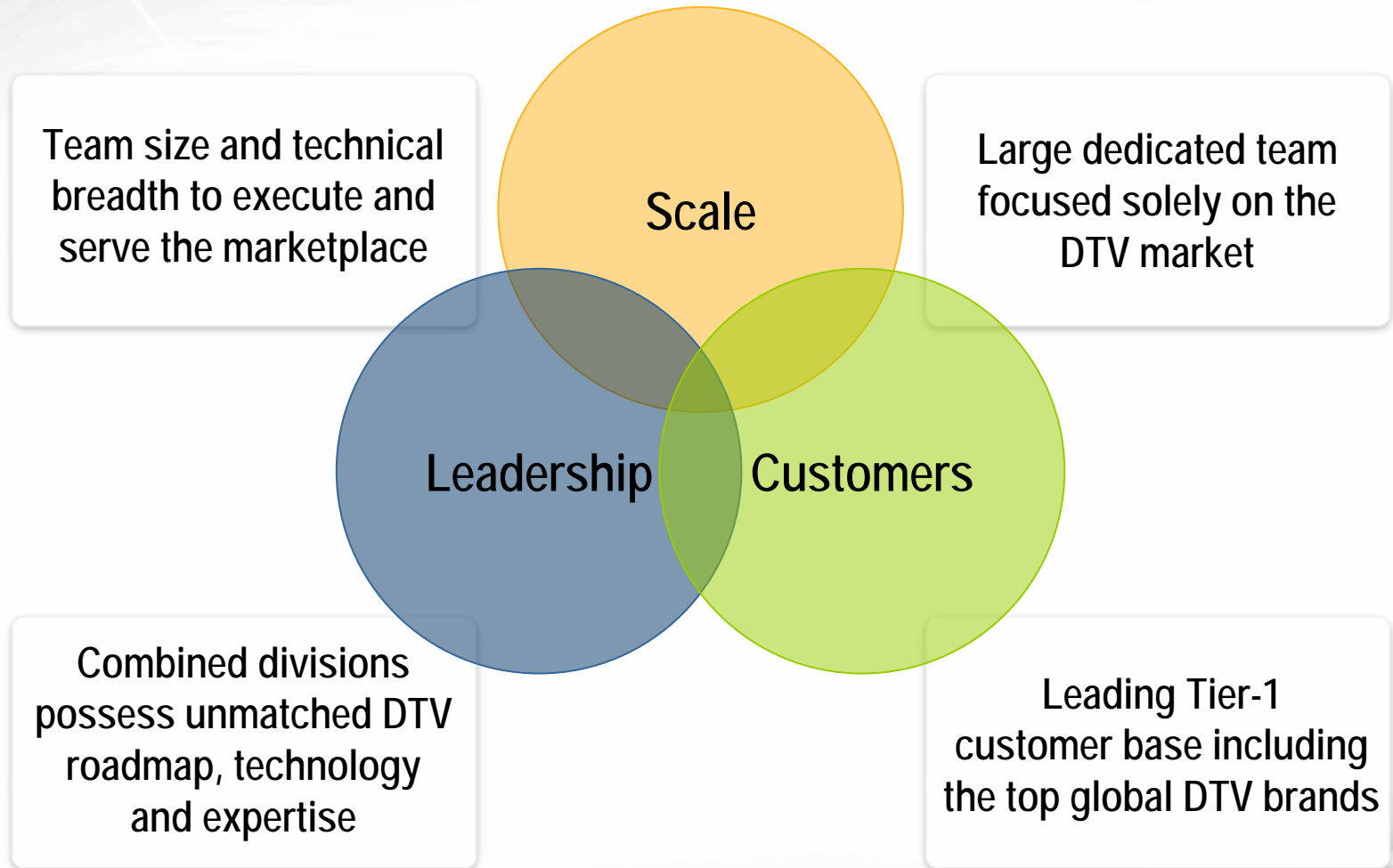
Broadband Access



Consumer Electronics

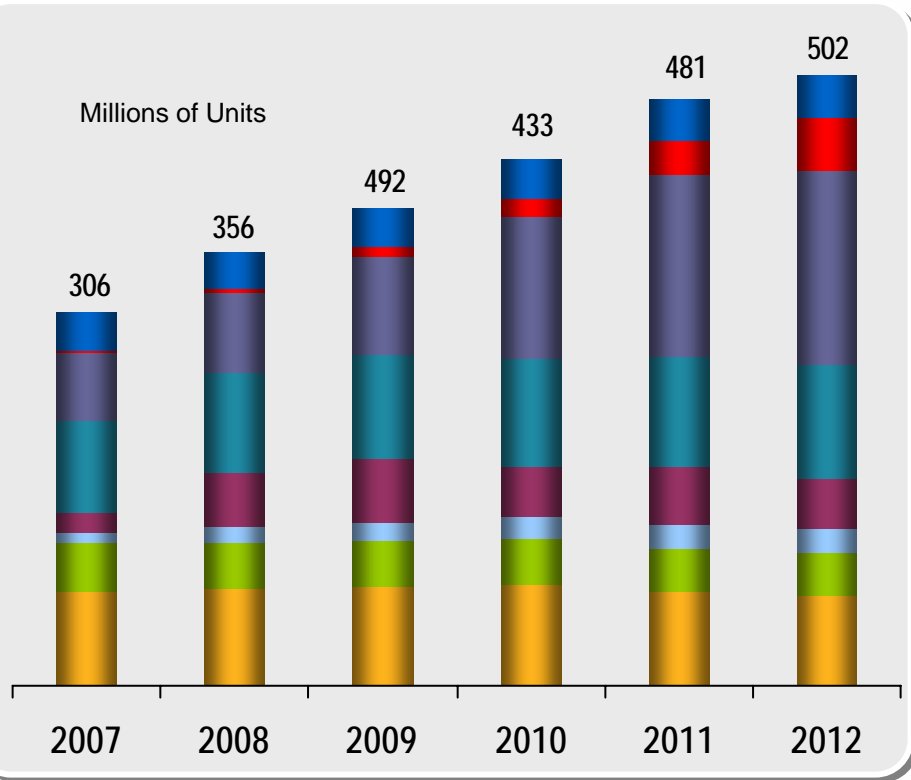
Broad exposure to the entire MPEG and broadband modem market space with a highly leveraged R&D investment

AMD DTV Acquisition












Scale accelerates attractive business model and share position

Markets Served



Source: iSuppli, In-Stat and Dell'Oro

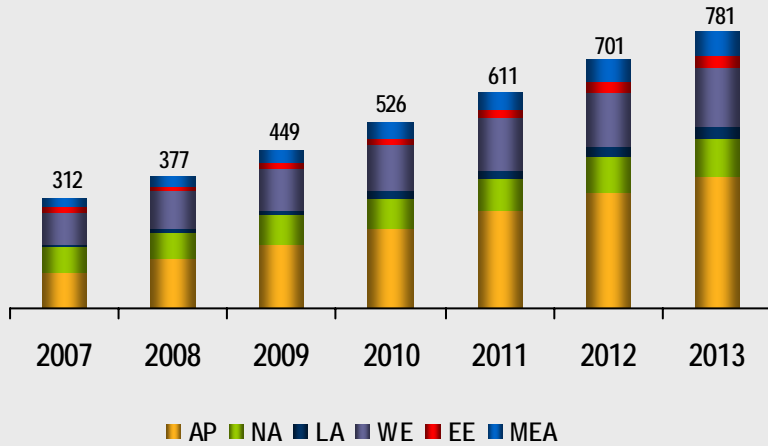
2007-2012 SAM CAGR of 10%

		2007-2012 Compound Annual Growth	 Market Position
Cable Modem		4%	Leader
Blu-ray Disc®		92%	Growth Market
Digital TV		24%	Share Growth
xDSL / PON ¹		4%	Leader
Digital ² Converter		4%	Growth Market
IP ³ STB			Share Growth
Cable STB			Leader
DBS STB			Leader

1: DSL / PON SAM based on CPE shipments only
 2: Includes terrestrial and cable digital converters
 3: Includes hybrid IP set-top box

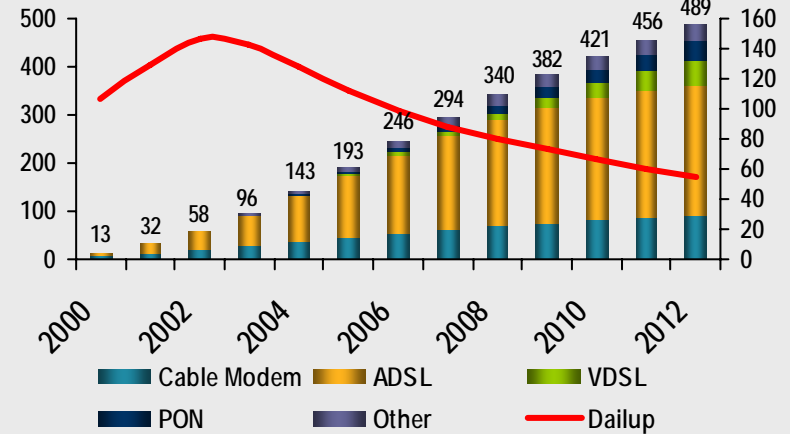
Service Provider Market Forecasts

PayTV Subscriber Forecast (M)



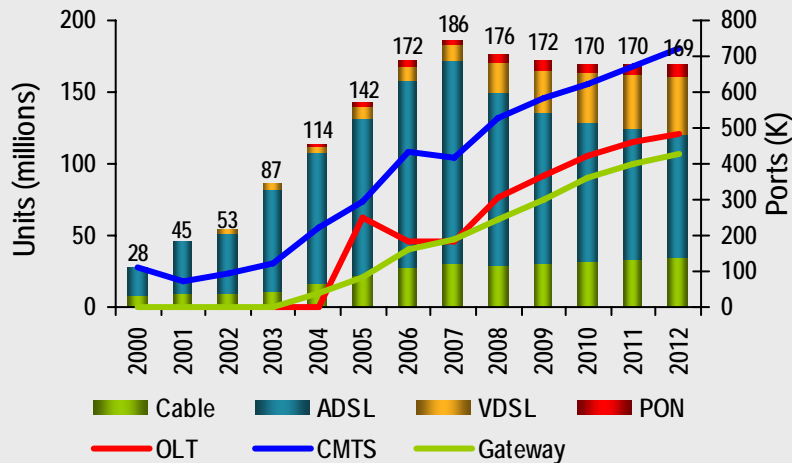
Source: ABI research

Internet Access Subscriber Forecast (M)



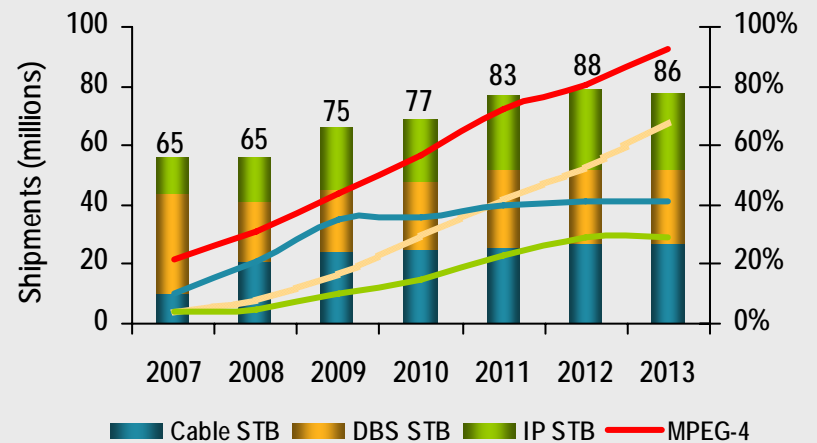
Source: Dell'Oro

Broadband Modem Forecast



Source: Dell'Oro

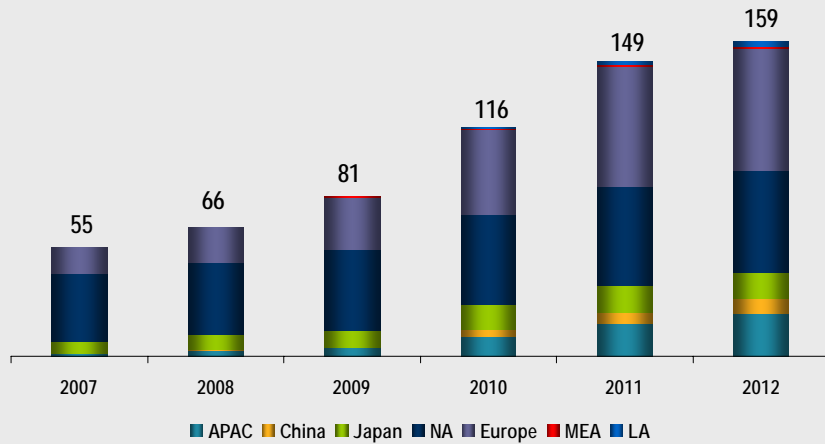
Set-Top Box Forecast



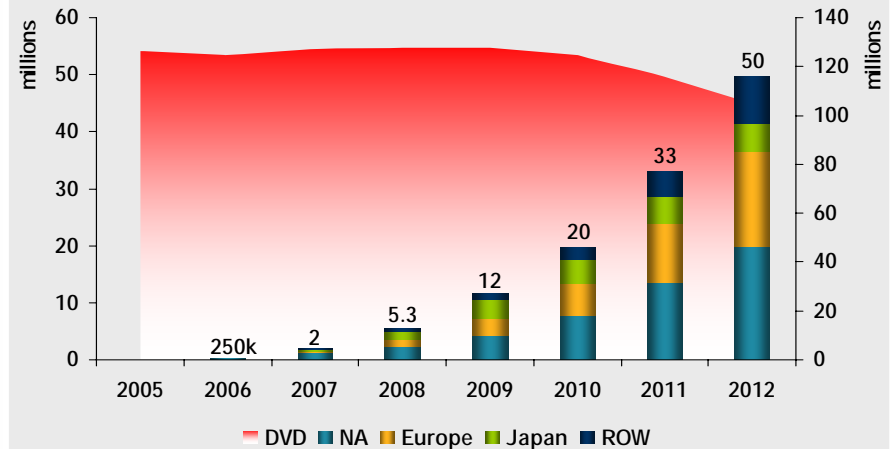
Source: ABI research

Consumer Market Forecasts

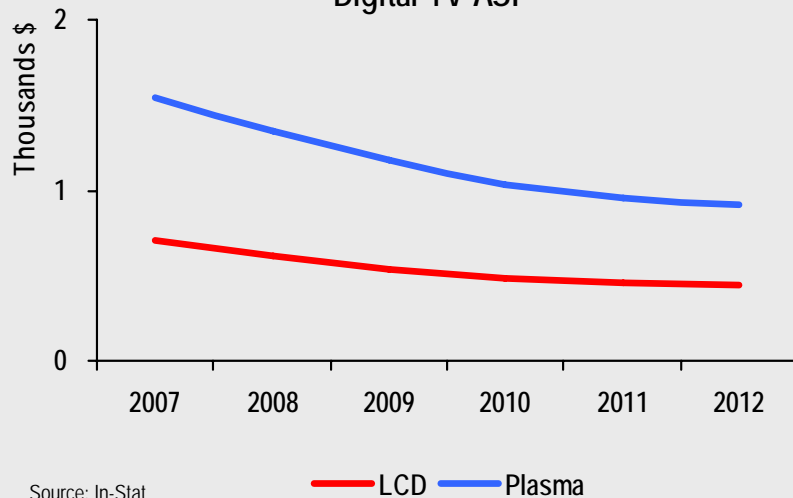
Integrated Digital TV Forecast (M)



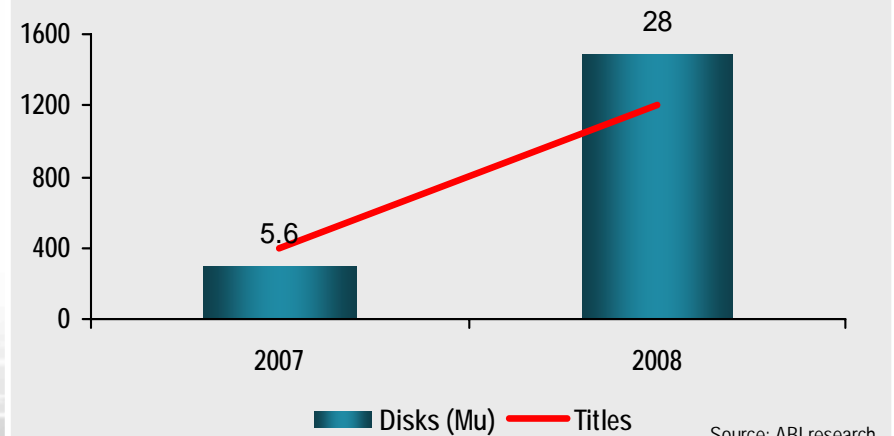
BD / DVD Forecast



Digital TV ASP

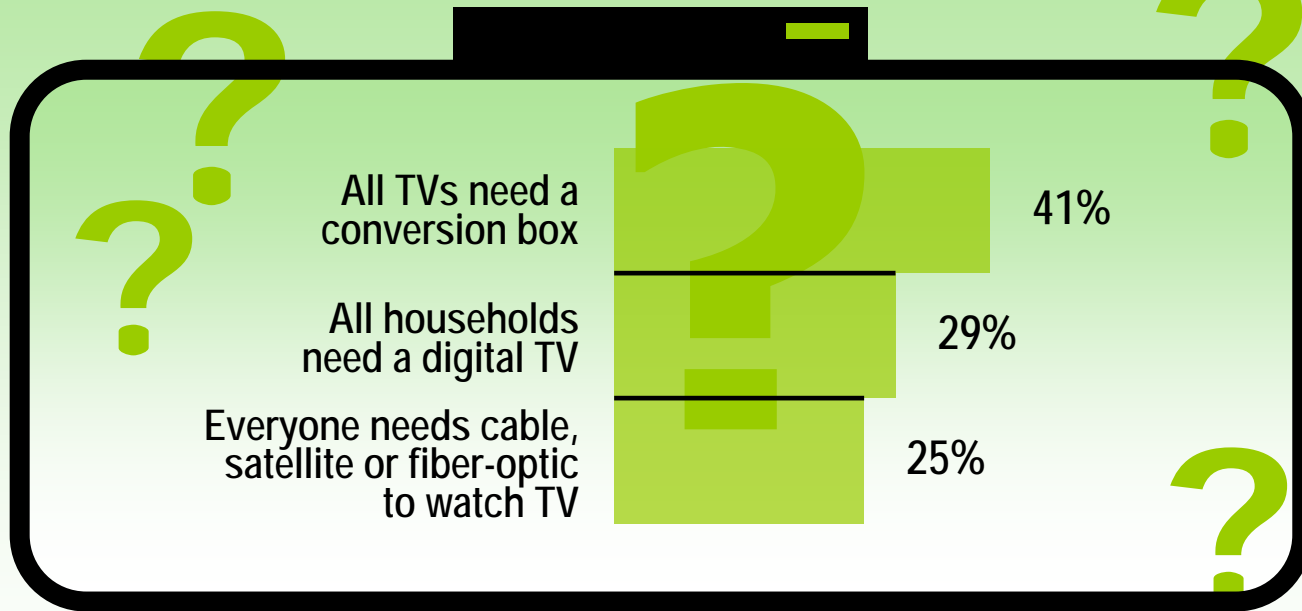


Blu-ray Disc Forecast



FCC Analog Switch-Off

Many adults who are aware of the digital TV conversion Feb. 17 misunderstand how it will affect them. Percentage mistakenly saying these statements are true:



Source: Consumer Reports Survey of 2,011 Adults Sept. 11-15, 2008

From USA Today 11/20/08

Say goodbye to analog TV on February 17, 2009

100Meg+ Broadband Modems



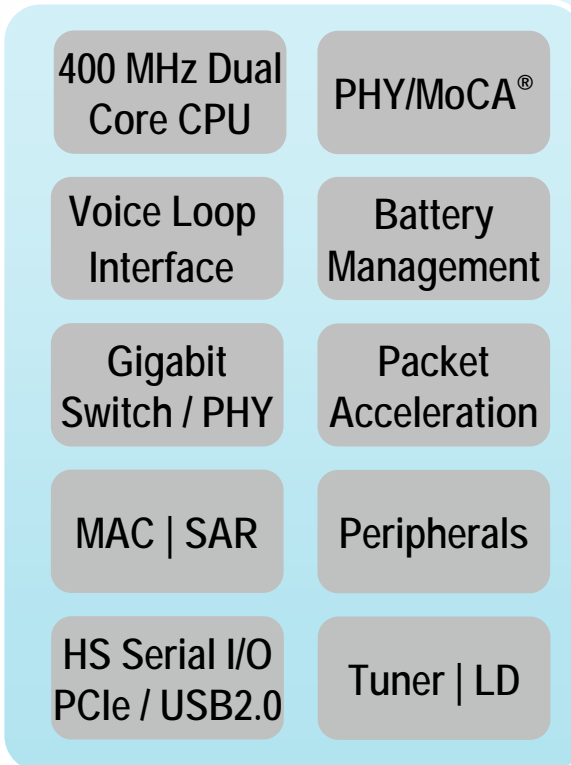
DOCSIS® 3.0



VDSL2



GPON

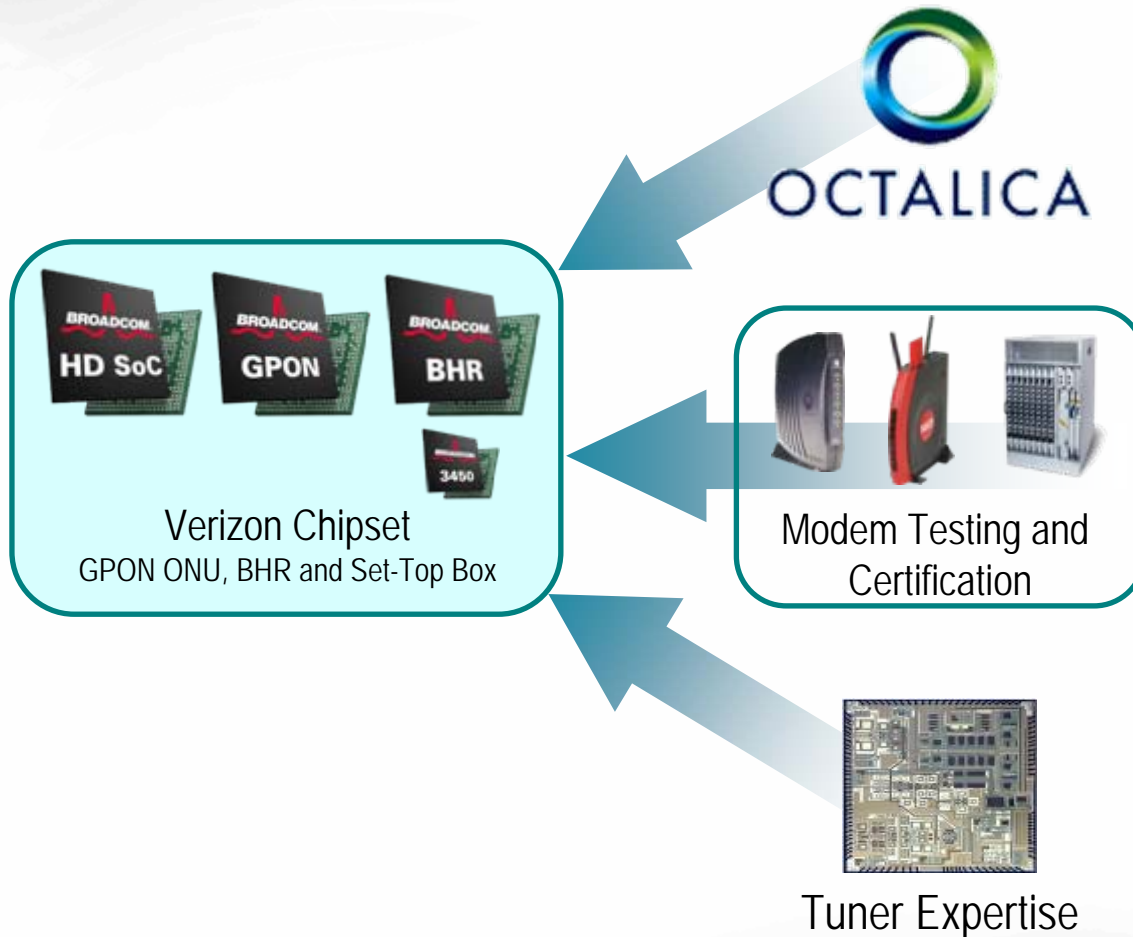


100Meg+ Modem Architecture

- 100+ Mbps data rates
- Line rate processing with hardware acceleration for IP video
- Single-chip design with RF
- Integrated Gigabit PHY and / or Switch
- Integrated MoCA® for high performance and lowest cost bill-of-materials
- Enables next generation voice, video and data services

Speed, integration and services

MoCA Technology



- Integrated MoCA solutions for Verizon home network architecture
- Leverages Broadcom RF, modem and Octalica acquisition
- Integrated RF, Analog and MAC for highest performance and lowest BOM cost
- MoCA 1.0 and 1.1 CTP certification submission to NTS during the next 90 days
- Low-RF MoCA incorporated for DIRECTV™ applications

Leadership in MoCA® solutions

It's All About HD...

100+ HD
DIRECTV

By Delivering a Superior

HOME OF FREE HD SERVICE
TIME WARNER CABLE

Channel 806 Channel 807 Channel 808 Channel 809 Channel 810 Channel 819 Channel 820 Channel 821 Channel 827 Channel 829 Channel 830 Channel 840 Channel 841 Channel 842

TV GUIDE Sky Guide 9.12pm Th 28/05

9.00pm **Bones** W.S
New. The Pain In The Heart: A game - changing finale with a cruel twist, as a member of the Jeffersonian team is revealed to be working with the crazed Gormogon Killer. Last in the series.

ALL CHANNELS	HD	ENTERTAIN	LIFESTYLE	MOVIES	SPORTS
101 BBC 1 London	The Invisibles		9.30pm	10.00pm	
102 BBC 2 London	Heroes			BBC News	
103 ITV1 London	Britain's Got Talent			The Graham Norton Show	
104 Channel 4	Gridlock and Road Rage			News At Ten and..	
105 Five	House			My Name Is Earl	
106 Sky One	Bones			Grey's Anatomy	
				Cold Case	

Press SELECT to view or **RECORD** to record

DISH NETWORK TurboHD

INTRODUCING **TURBOHD**
by DISH NETWORK

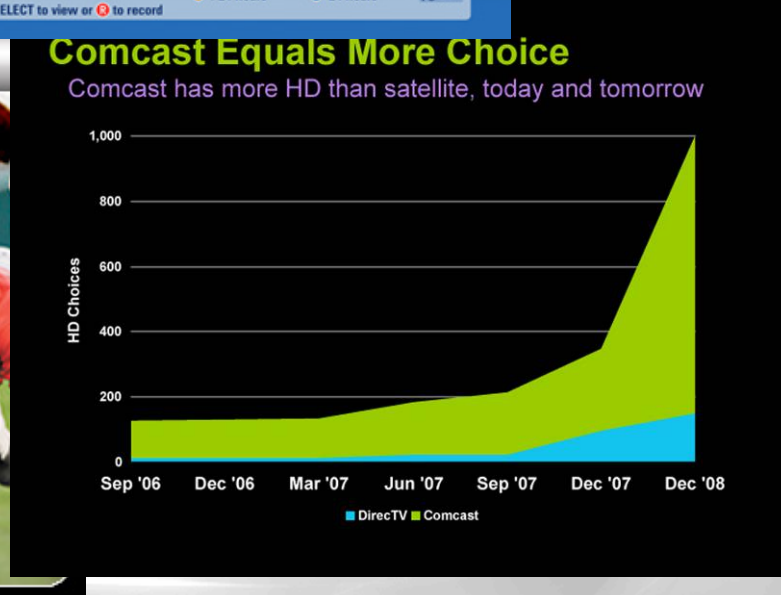
THE ONLY **100% HD SERVICE**

Packages starting at
\$24.99 mo

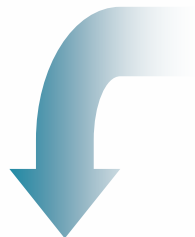
To order call
1.888.581.9799

Order Now **Learn More**

(available for new, first-time customers only)



Power Management



$$kWh_{\text{Base}} = 0.365 \times ((7 \times P_{TV}) + (10 \times P_{\text{Sleep}}) + (7 \times P_{\text{Auto PD}}))$$

- Tier 1 effective date January 1, 2009
- Tier 2 effective date January 1, 2011

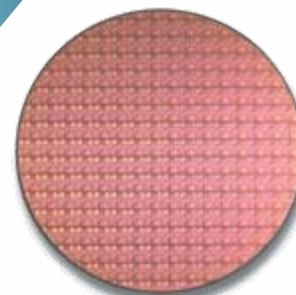


```
err = ioctl(fd,  
PPMD_IOCTL  
L_ACTIVATE  
_SLEEP,&pp  
md_ioctl_  
arg);
```

API



Requirements



65nm LP
Process



Low level
Device Control

EPA and EU driving set-top box power regulations

Networking



Connectivity enables next-generation applications

Connected Digital TV



**Movies, Music,
Photos and more...**
From your notebook,
camera, phone or the web!



True Plug & Play...
Ethernet cable provides
easy access to local
devices and the internet.

Blu-ray Disc Player

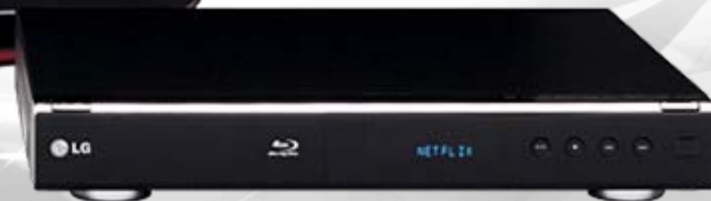


[Customers](#)

 LG Electronics

 SAMSUNG

 BEST BUY



Internet Video Content

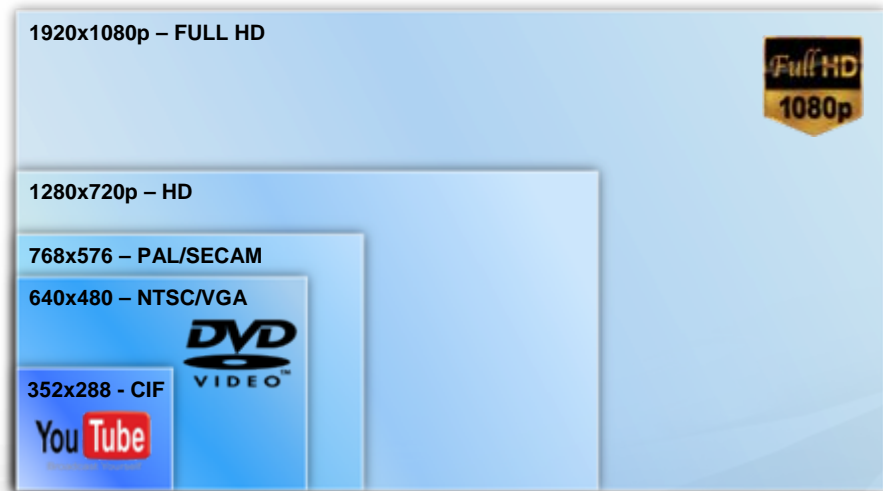
Low Resolution Source



Super Resolution Enhanced



- Full-HD 20x larger than the majority of User Generated Video (UGV) and 6x DVD
 - i.e., YouTube
- Super Resolution feature a software upgrade to existing BCM35421
- In combination with 120Hz and FRC features
- 78% of broadband users view online videos
- Demo at CES 2009



Super Resolution technology will enable the best consumer experience

Retail IP Set-Top Box



ONDEMAND
START WATCHING

Rent 25 movies for \$99,
get a MediaPoint™
FREE!

BLOCKBUSTER® ONDEMAND and MediaPoint Digital Media Player
WATCH THE MOVIES YOU WANT, WHEN YOU WANT.



>> [Download the MediaPoint manual](#)

**Order Your Prepaid Rentals
and FREE Player Today!**

The MediaPoint™ digital media player made by 2Wire is a great way to rent and enjoy movies from BLOCKBUSTER directly on your television. A broad selection of DVD-quality movies and TV series are available at the click of a remote.

Just hook the MediaPoint player up to your TV, connect it to the Internet, and you'll be watching movies in no time!

**RENT 25 MOVIES FROM BLOCKBUSTER® ONDEMAND FOR \$99,
GET A MEDIAPOINT PLAYER FREE!**

Now, when you rent 25 movies for \$99 in advance, we'll give you the MediaPoint player for free! Watch your prepaid rentals whenever you want (subject to applicable viewing period limits). Once they run out, additional rentals start at just \$1.99.

MediaPoint Player Features

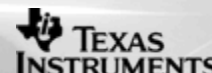
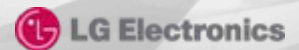
- Browse and watch movies directly on your TV
- Rentals start at just \$1.99
- DVD-quality video looks great, even on HDTVs
- Uses progressive playback, not streaming, so video quality is consistent no matter the speed of your Internet connection
- Has a wide range of outputs, including HDMI™ and component
- Unlike many video-on-demand services, new movies are usually available within 30 days of DVD release

INSTANT BLOCKBUSTER® ENTERTAINMENT STRAIGHT TO YOUR TV.



- Establish a national platform to easily deploy new interactive TV content and features
- Ensure that a programming network's interactive content will run on different cable systems
- Give content developers a standard, cost-effective way to "*write once, run anywhere*"
- Support retail market for interactive cable-ready set-top boxes, HDTVs, DVRs, portable players and other new gadgets
- Open new revenue streams for interactive advertising, subscriptions and transactions

Tru2way™ Licensees



Carrier Access

GPON



Modem and LNA

- Integrated MoCA
- GbE Switch and PHY
- Voice and battery management
- Line rate packet processor
- High performance dual-core 400 MHz MIPS® CPU



VDSL



CPE



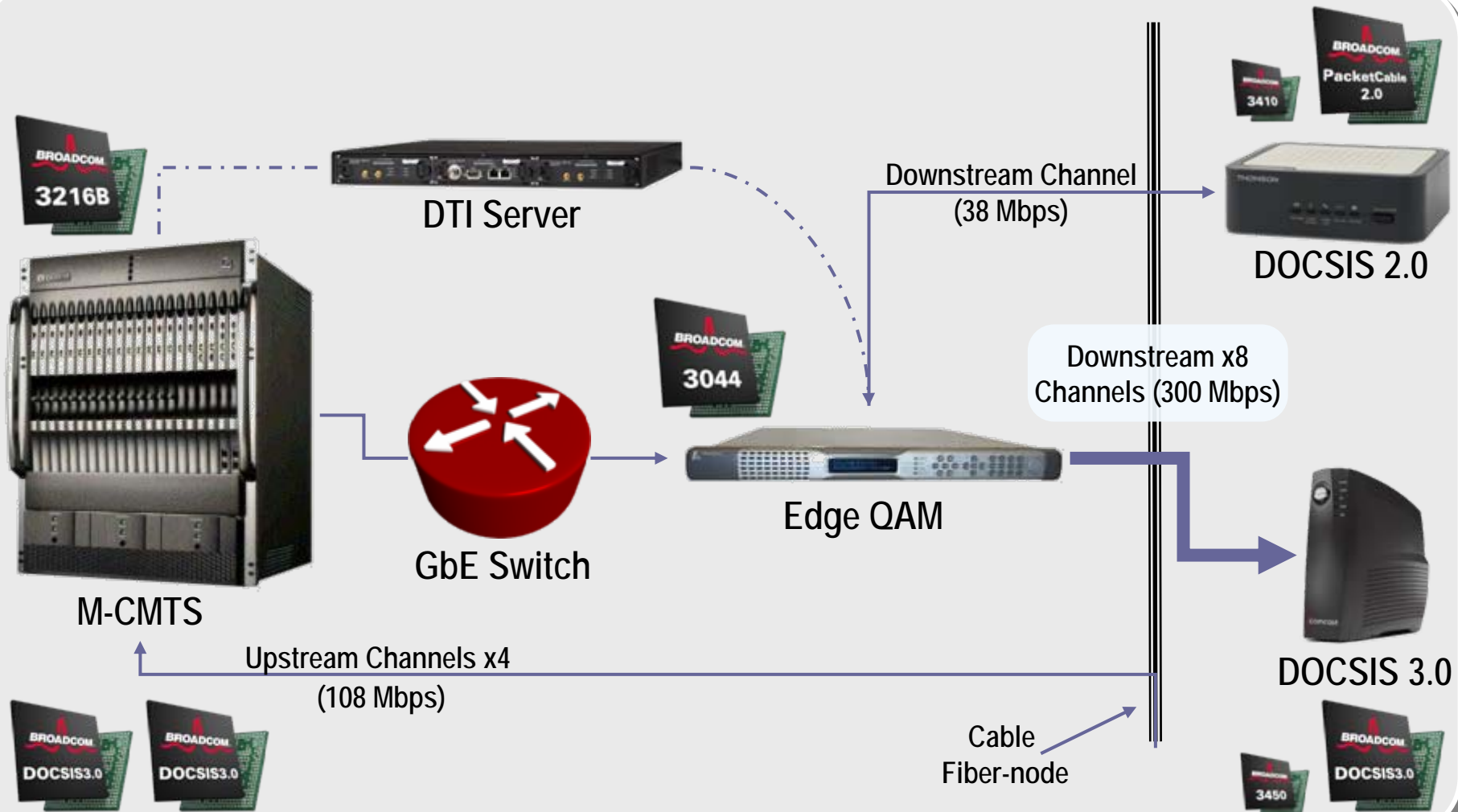
Central Office

- End-to-end VDSL2 solution
- PhyR™ retransmission
- GbE Switch
- Line rate packet processor
- High performance dual-core 400 MHz MIPS CPU



Single chip solutions for next-generation broadband

Cable Access



End-to-end DOCSIS 3.0 solution

Cable Set-Top Box



- Optimized solution for analog converter box
- BCM3409 and BCM3545
- Energy Star® compliant
- Low power (1.5W active and 0.02 W standby power)
- Integrated 256-QAM, MPEG-2, CPU, RF $\frac{3}{4}$ MOD, security and voltage regulators
- Complete software app loaded into on-chip Read-only-memory (ROM)
- Meets stringent MSO RF requirements
- Shipping today for deployment with Comcast
- Needed to reclaim bandwidth for increased HD and DOCSIS 3.0 services

Digital-to-analog converter box for Comcast

Blu-ray Disc



Blu-ray Player
Reference Design



Complete solution for Blu-ray players



- Turnkey Reference design
- BD certified
- Adopted and shipping with many Chinese ODMs
- Qualified with four OPUs



Field proven optical pickup unit (OPU) servo controller



Innovation leader in low-cost Blu-ray solutions

DBS Set-Top Box



- **Unmatched levels of integration**
 - CMOS L-band tuner
 - High performance MIPS CPU from 265 to 1100 DMIPS
 - Embedded worldwide security processor
 - 2D hardware accelerated graphics
 - All format decoder
 - Integrated peripheral support
 - S-ATA, PCI, Audio, HDMI, RF ¾ MOD
- **Complete software driver suite**
 - NDS, Echostar, DIRECTV, OpenTV
- **Reference design for immediate software development**
- **Silicon LNA (BCM3445) for low cost RF front-end implementation**



Set-Top Box Reference Design

Single-chip solutions for high volume DBS platforms

IP Set-Top Box

- Highest performance IP set-top box solution
- Leverages leading set-top technology portfolio
- Over 20 set-top box designs with a dozen telecom operators
- Microsoft® Mediaroom™-based solutions expected to deploy in 2H 2009



Operators



WIWWWIWWWIW

- What I want, where I want, when I want...
- Media distribution gaining traction
- Screen sizes vary from 2 ½ to 100"
- Secure client-based transcoding required
- Monetize content distribution beyond the traditional viewers
- Many operators executing networking and media center strategies today



Tower of Babel of screen sizes and formats...

DTV Product Portfolio



Panel Processor
120Hz and FRC



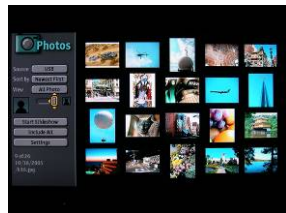
High-end
"Interactive"



Mid-range
"Quality"



Entry level
"Value"













"CARD" Turnkey
DTV Platform



Complete DTV product line from low-end to high-end

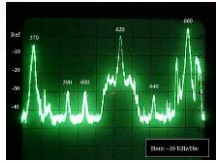
Competitive Position

	DTV	CATV STB	IP STB	DBS STB	Blu-ray Disc	xDSL	Cable Modem	Wired Networking	Wireless Networking	RF
 BROADCOM.	●	●	●	●	●	●	●	●	●	●
 CONEXANT						●		○		○
 Infineon technologies						●		●		●
 IKANOS communications						●		●		
MEDIA TEK	●				●			○	○	
 Mstar semiconductor	●									
 NXP <small>founded by Philips</small>	●	●	○	●			○	○		●
 SIGMA			●		●			○		○
 ST	●	●	●	●	○		○	○	○	○
 TEXAS INSTRUMENTS							●	●	●	●
 Trident	●									
ZORAN	●	○	○		○					

 MPEG
  MODEM
  Synergy

 Strong
  Competitive
  Nascent
  Limited to no capability

2009 and Beyond...



FCC White-Spaces

- 10 Mbytes/sec
- 50 to 100 Mbytes/sec for short range networking



Femto Cells

- A consumer broadband gateway for improved residential cellular coverage and bandwidth



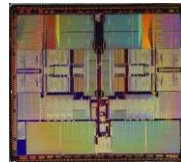
MoCA 2.0

- 400 Mbytes/sec home network utilizing your existing homes cable infrastructure



Media Centers

- Powerful set-top boxes that control thin-clients, PCs and connected DTVs



High Performance CPU and DSP

- 1 GHz multi-core CPUs for gateway applications
- 500 MHz SIMD DSP



Advanced TV

- 3D television
- Super Resolution
- Connected TV
- 3D and remote UI

Summary

- The leader in set-top box and broadband access silicon solutions
- Strong track record of revenue growth and innovation
- Ability to enter new markets using technology synergy, execution and strong customer relationships
- Dual growth vectors in consumer electronics and service provider markets





Turnkey Blu-ray Reference Design

- Showcasing our Insignia™ Blu-ray Player with BD-live functionality



DTV

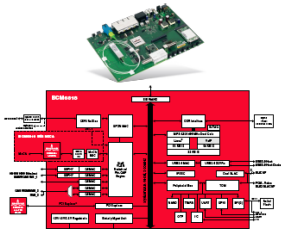
- Our latest DTV solutions with stunning picture quality



Netflix® Instant Streaming

- LG BD300 Blu-ray player with Netflix streaming

Single-Chip GPON Bridge and IAD Solution

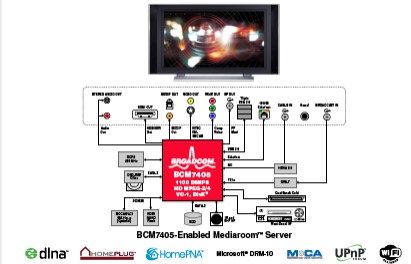


Fiber Access Modem

- Demonstration of our high performance GPON solution featuring integrated MoCA, GbE switch and PHY

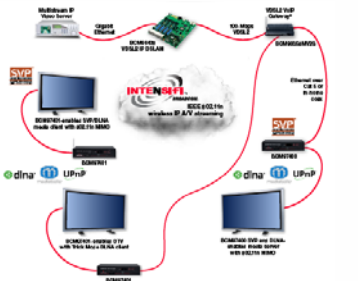
Broadband Communications Demonstrations

Powered by Broadcom



Microsoft Mediaroom™

- Demonstrating our Mediaroom set-top box using the BCM7504



DLNA Connectivity

- Digital Living Network Alliance is the glue that enables home device connectivity



Cable, DBS and Converter Set-Top Boxes

- The latest set-top box product for major operators



DOCSIS 3.0

- Showcasing our latest end-to-end DOCSIS 3.0 CMTS and CPE chipsets

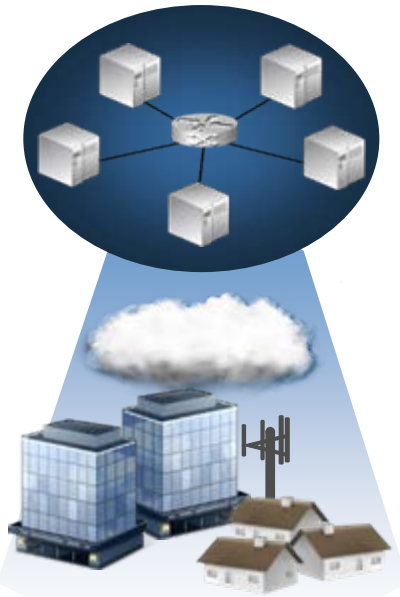


Nariman Yousefi

*Senior Vice President & General Manager,
Enterprise Networking Group*

Enterprise Networking Group Served Markets

Service Provider &
Carrier Ethernet



Enterprise



Data Center



SMB & Home



Enterprise Networking Group Key Points

Business Fundamentals

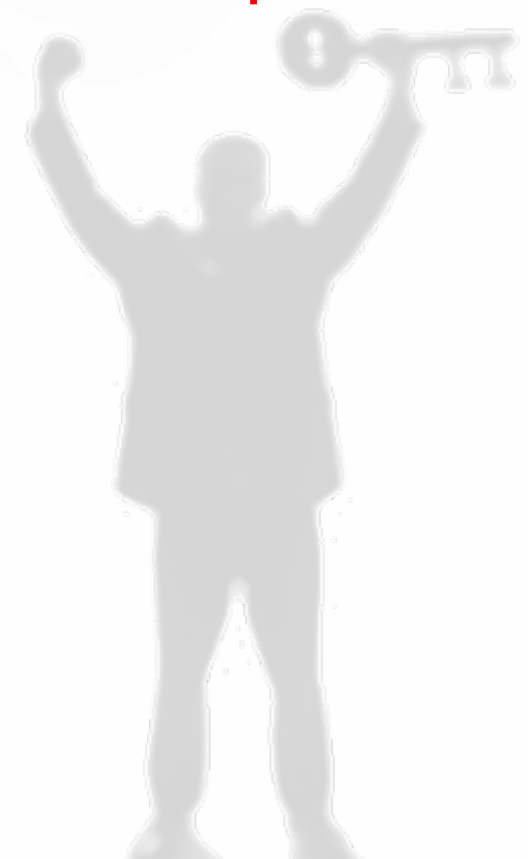
- Record revenue (through Q3 2008)
- Strong profitable growth (through Q3 2008)

ENG Key Differentiators

- Comprehensive silicon solutions with software enablement
- High levels of integration with broad IP portfolio
- Fast time to market with innovative products leveraging advanced process geometry

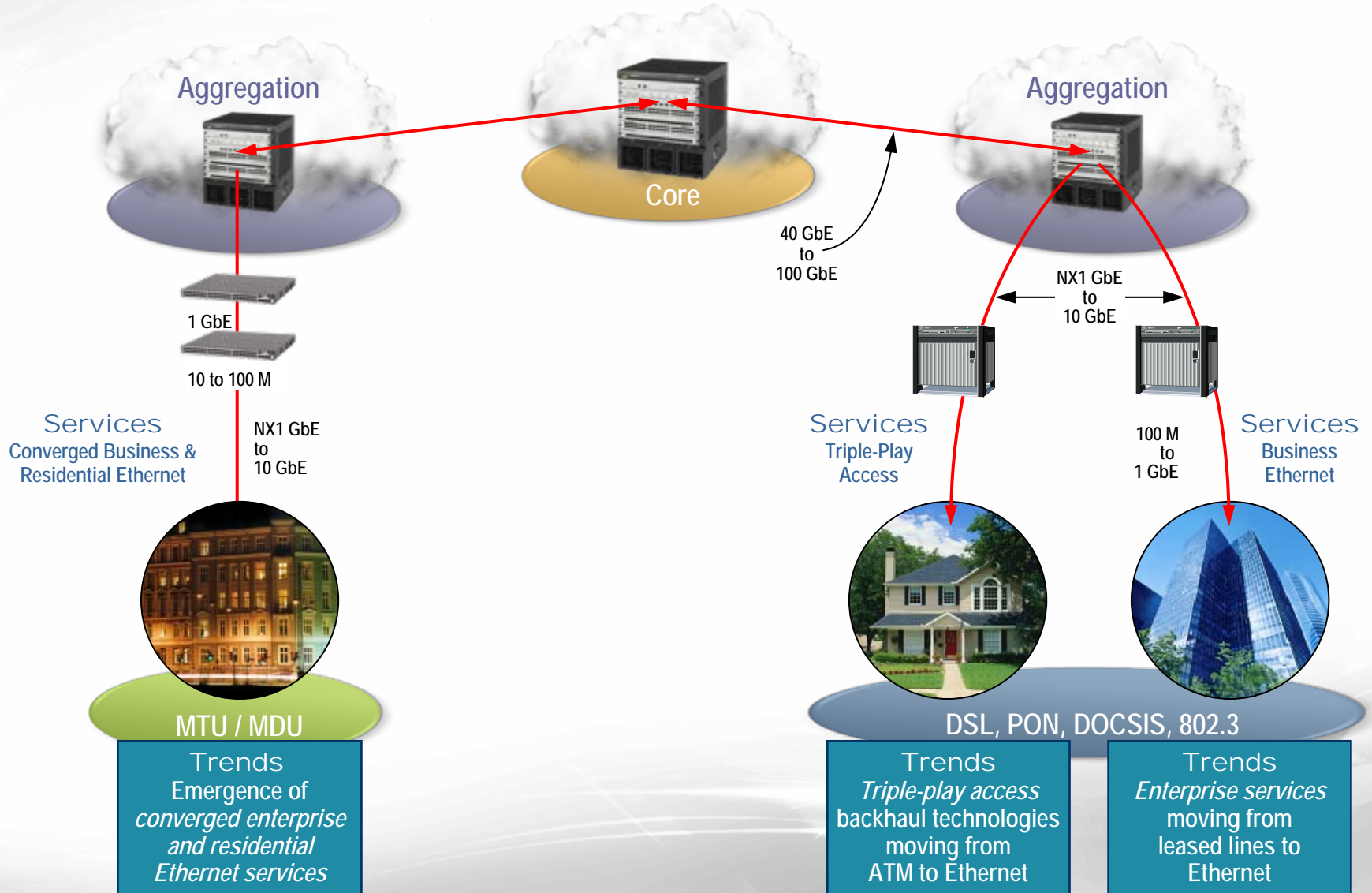
Investing in Growth Areas

- Data center upgrade to 10 GbE and build outs
- Infrastructure build out in emerging countries
- Continued migration to Ethernet / IP in service provider market



Broadband Growth Worldwide

Growth Driver for ENG Switch Platform



Growth in Wireless Network Service Provider Market

2G

User Data Rates of 10's of Kbits



Wireless Services

2.5G – 3G

User Data Rates of 100's of Kbits



10,000X Increase in Bandwidth

3.5G – 4G

User Data Rates of 10-100's of Mbits

2009+



Internet

Internet

Internet

Ongoing transition from ATM to Ethernet technologies

Internet Data Center

Demanding Higher Speed and Density and More Storage at Lower Power

The eBay logo is displayed in its characteristic multi-colored font (red, blue, yellow, green).A circular inset image showing server racks in a data center.

Trends

The iTunes logo, featuring the Apple logo and the word "iTunes" on a yellow background.

More web applications running
in data center

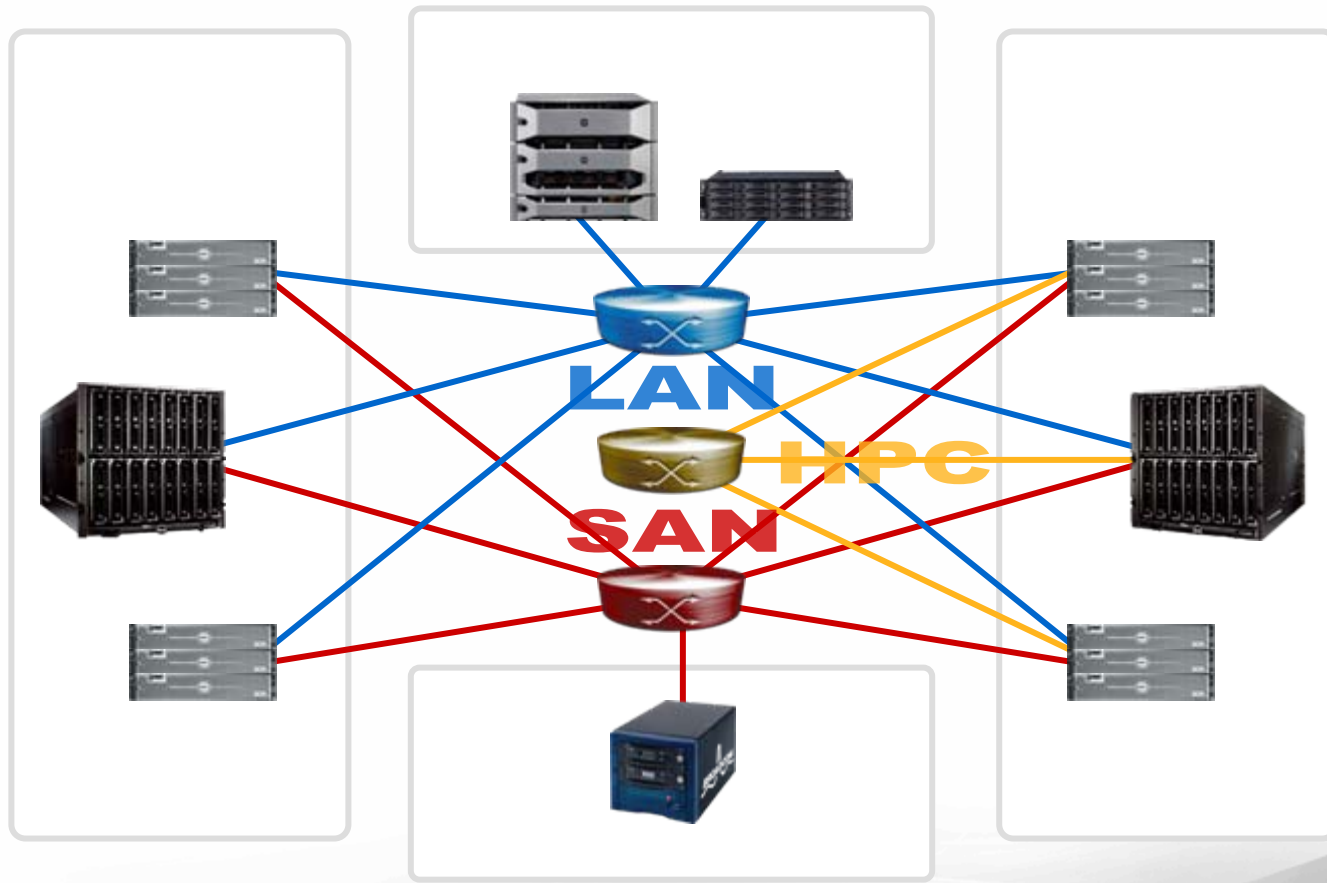
“Cloud Computing”

More user devices are browsers

The Google logo in its multi-colored font.The Amazon.com logo, with the word "Amazon.com" in black and a yellow curved line underneath.The MapQuest.com logo, with "MAPQUEST.COM" in a stylized, brown, hand-drawn font with radiating lines.

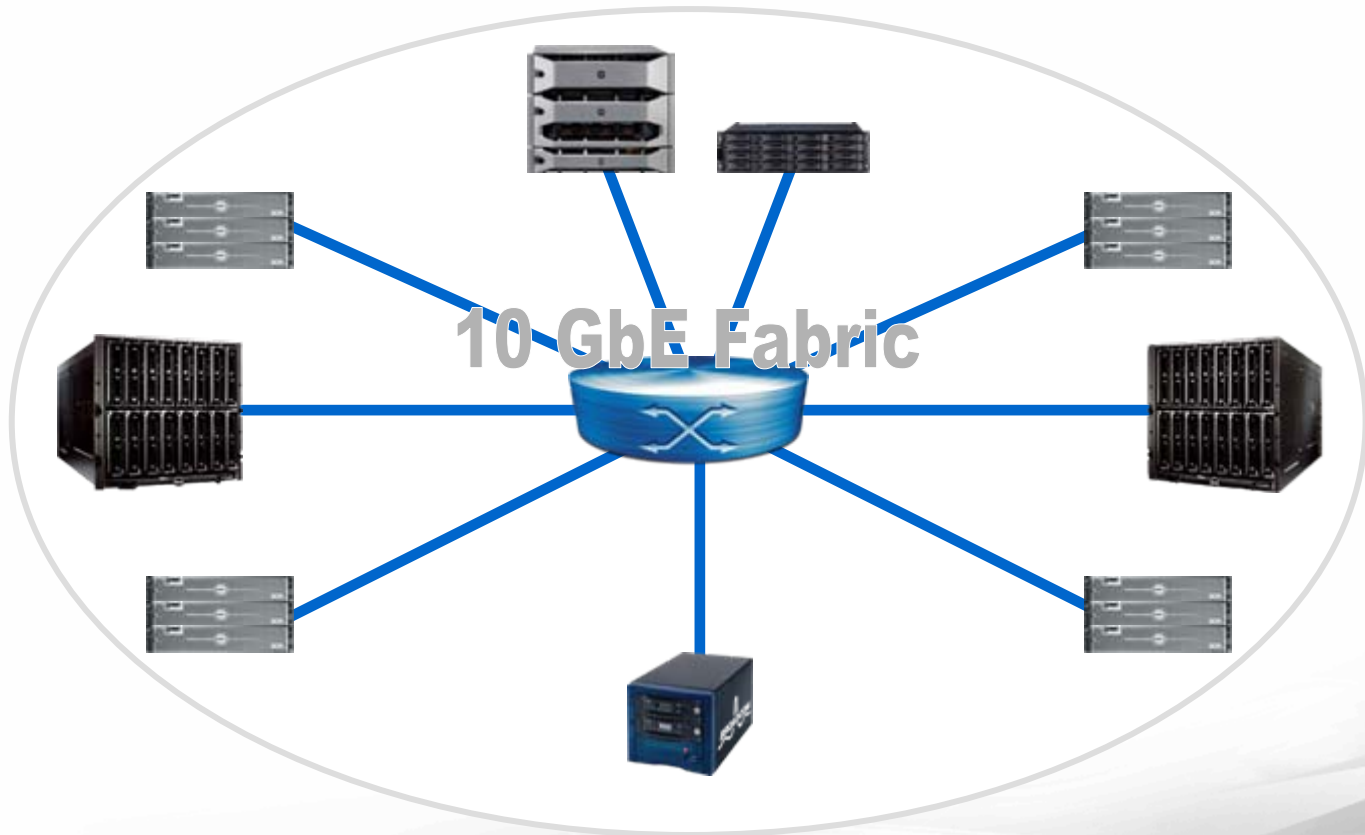
The Data Center Evolution: 10 GbE As the Unifying Fabric

Today's Data Center



The Data Center Evolution: 10 GbE As the Unifying Fabric

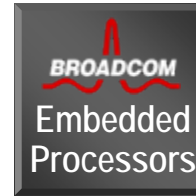
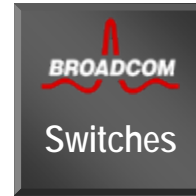
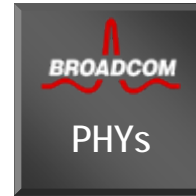
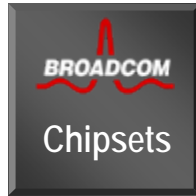
Tomorrow's Converged Network





Broadcom ENG Product Portfolio

ENG Product Segments

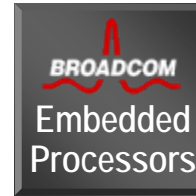
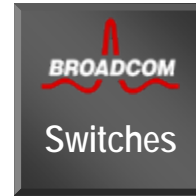
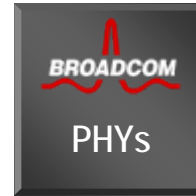


Servers

Consumer Electronics



Desktop and Notebook PCs



Enterprise and Carrier Switches

SMB Switches



Routers



Storage Sub-Systems

Enterprise Switch

6 new
top-tier
customers
to add
revenue
in 2009 /
2010



802.11n Enterprise
Access Point

- Lowest power .11n enterprise-class radio
- FASTPATH® WAP software
- FASTPATH switch software



Stackable Switches

- 48 GbE + 4 HG[16] switch
- 24x10 GbE HiGig switch
- Enhanced L3 functionality
- Integrated security
- Massive scalability (ACLs & forwarding)
- World's fastest stacking 512G HiGig



Core Switches

- 48 GbE / 4 x 10 GbE with expandable tables
- 12x10 GbE + 8 x HG[12]
- 80Gbps queuing engine
- 640G fabric element multi-terabit scalability

3 new
strategic
customers
to add
revenue
in 2009

SMB Switch

Solid Year / Year Growth

Complete product portfolio optimized for home and small-to-medium business network applications



Green Operation

- Lowest power
~30% lower power vs. competition

Port Density Breadth

- Cost effective single chip
- Port counts from 5 to 48 ports

Smart / Managed Solutions

- Full turnkey HW and SW reference designs
- 30% systems cost savings

Ease of Use and Plug-n-Play

- Easy install and configure
- Simplified network management

Carrier Ethernet



1 MTU / MDU
Access Switch

- 24 FE + 4 GbE single chip
- Fan-less implementation



Multi-Service
Access Platform

- 24x2.5 G + 4x10 GbE single chip switch
- Metro L2 / L3 VPN, MPLS / VPLS
- Integrated traffic management



Broadband & Metro
Aggregation

- 48 GbE + 4x10 GbE multi-layer switch
- MPLS / VPLS, MiM, TimeSync Ethernet
- 512 Gbps HiGig packet fabric element



Carrier Ethernet
Switch / Router

- 24 Gbps NPU
- 80 G queuing engine with deep packet buffering
- Largest multi-terabit fabric device in the world!

Comprehensive Portfolio Poised for Future Growth – Strong Y / Y Growth 2007-2008

Ethernet Controller Family



SMB / Consumer
Controller
Low power, low cost



Enterprise Client
Controller
Advanced manageability,
security, low power
in 65nm



Server Controller
Highest performance
Dual 1GbE / 10GbE
NIC iSCSI, FCoE, ToE



Ethernet Controller Family

Virtualization
to drive
replacement
of
Dual GbE
with
Quad GbE



Server Controller
Highest performance
Dual 1GbE / 10GbE
NIC iSCSI, FCoE, ToE

10 GbE LOM
... is here



NetXtreme II™

Industry Leading PHY Portfolio

Broadcom Supports All 10 Gigabit PHY Standards



10G over UTP
(10GBASE-T)

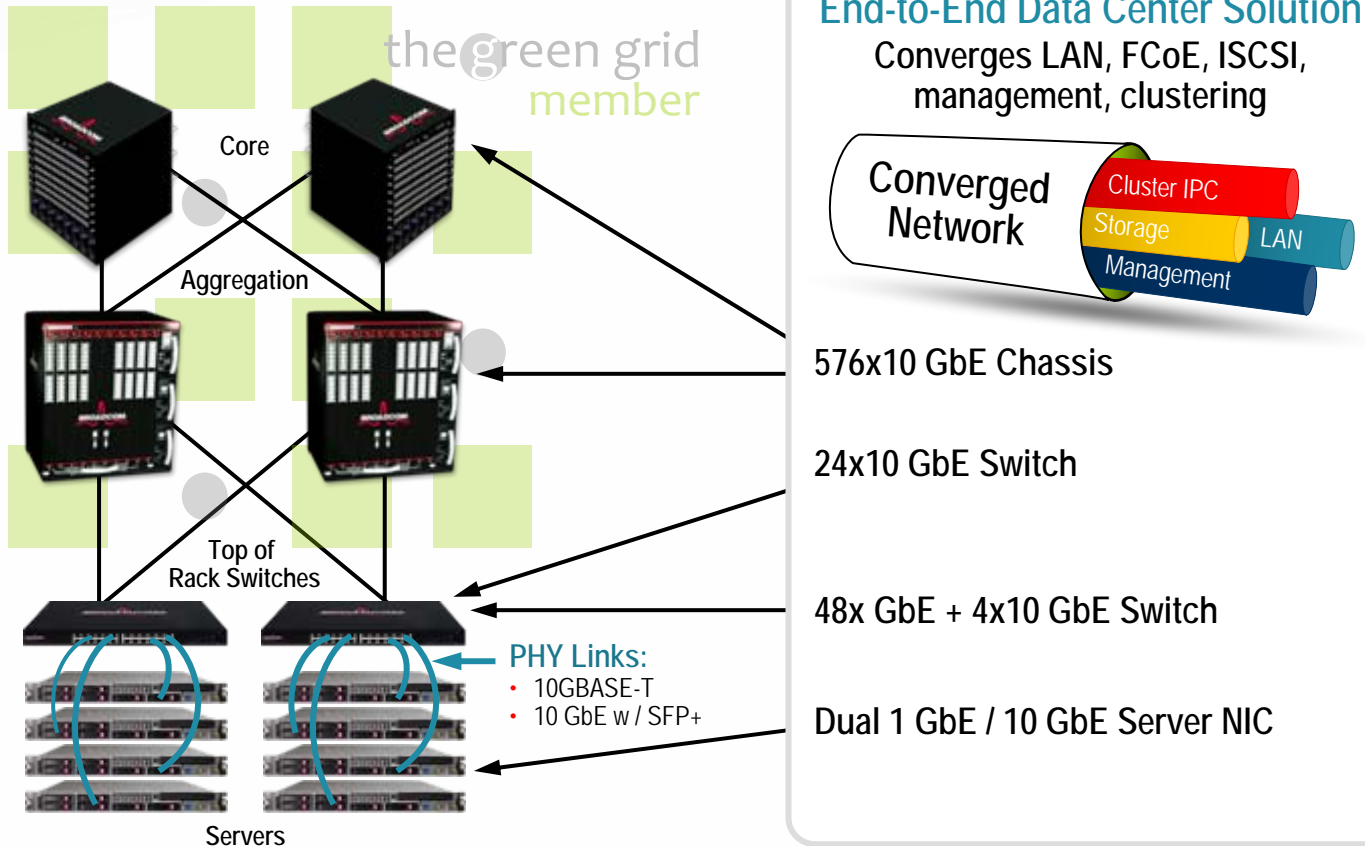


10G over Backplane
(10GBASE-KR)



10G over Optical / SFP+
(10GBASE-LRM, SR / LR, ER / ZR)

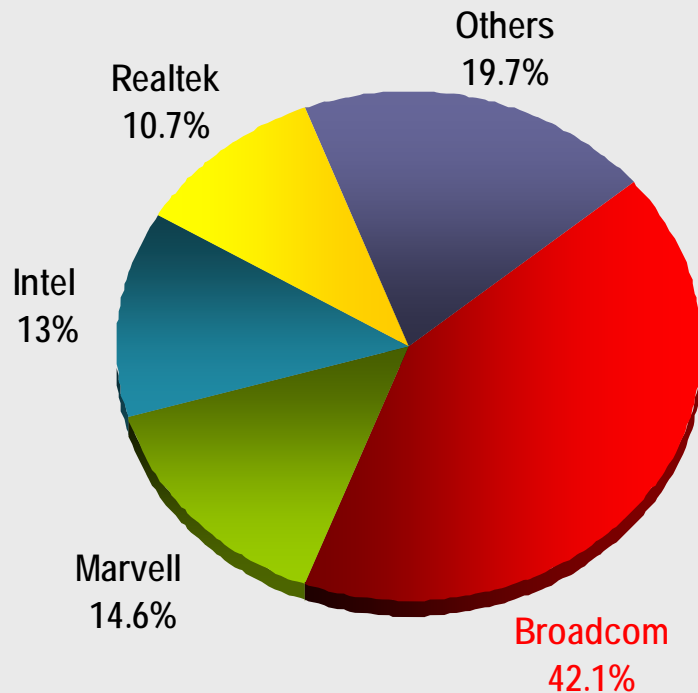
End-to-End Data Center Solution



Promoting Converged Network for Data Center

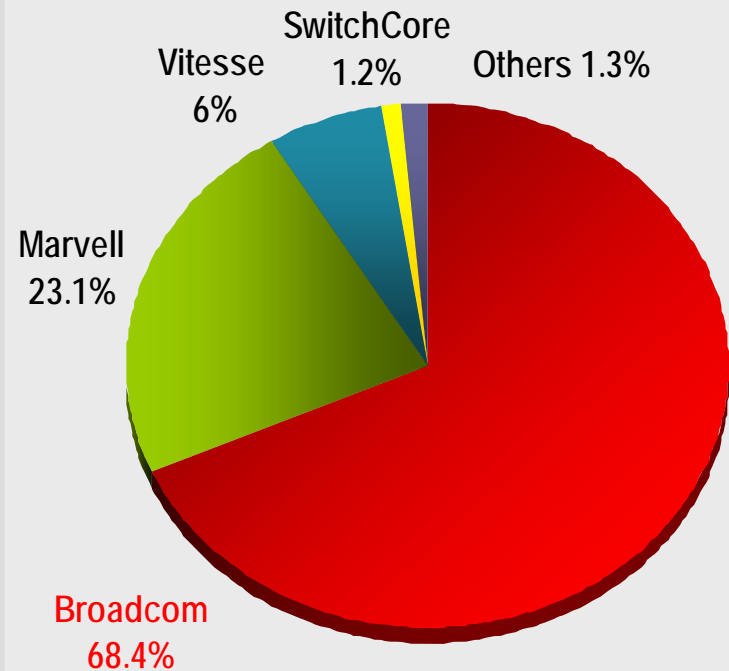
ENG is the Leader in the Worldwide Ethernet IC Market

All Ethernet ICs
2007 Revenue, Total Market: \$2,210 M



Source: The Linley Group, 2007.

Worldwide GbE Switch ICs
and Multi-port PHYs



Source: The Linley Group, 2007.

New Security Initiative

BCM5880 and BCM5892

Prevent Data Theft and Identity Fraud

Unites platform and personal authentication, plus data protection in a single chip

Credential Vault provides a secure, host-isolated boundary to protect sensitive credentials



BCM5880

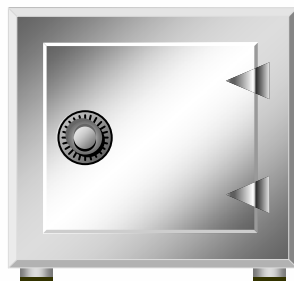


BCM5892

Combines multimedia, networking and security capabilities

Cost effective solution for PoS, mobile data storage and consumer electronics

Credential Vault



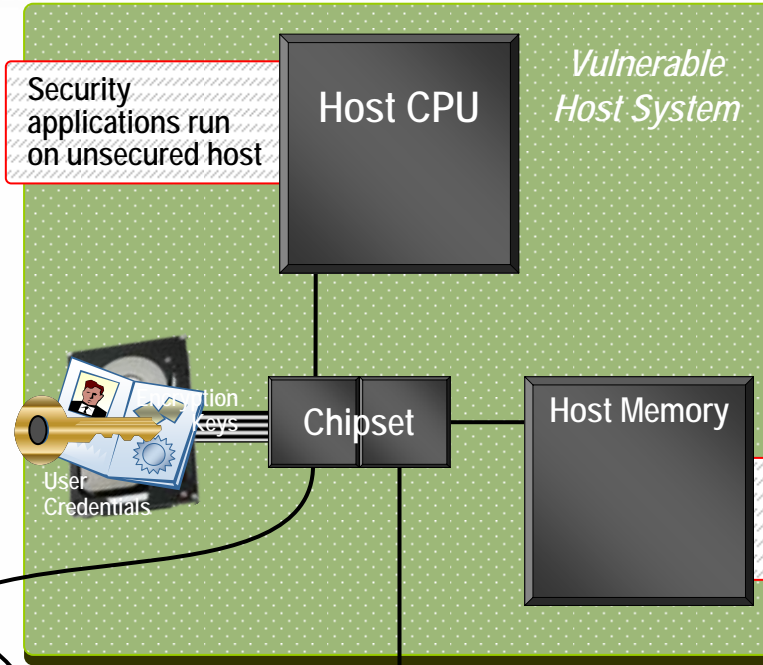
Converged Security Solution BCM5880

Today's Host / Software-Based Security

- User credentials not secured
- Sensitive information moves from hard drive to host-processor
- Leaves sensitive information exposed and vulnerable



User Input

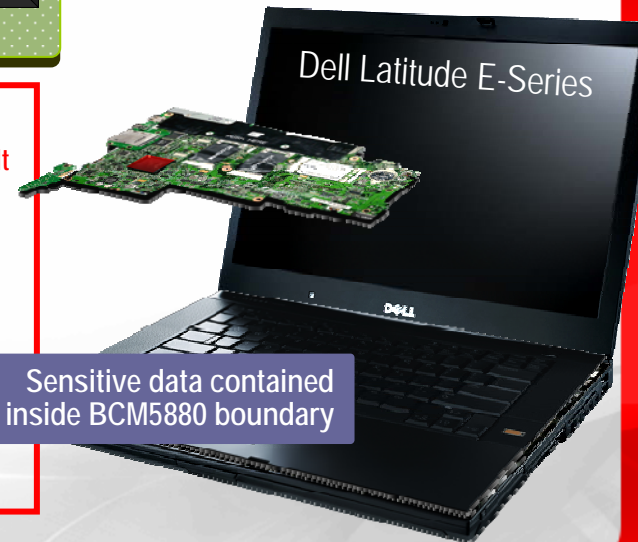
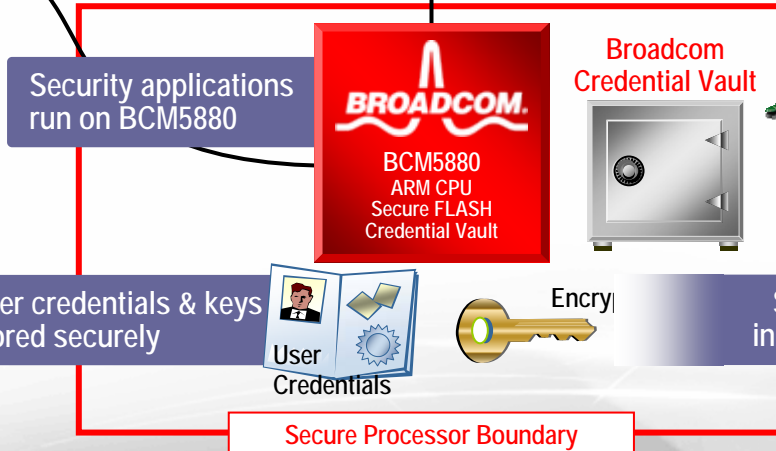


Broadcom Host-Isolated Security

- Credential vault securely stores user credentials and data
- BCM5880 provides trusted domain to run security applications
- Centralized security domain improves manageability
- End user experience improved

Host memory is vulnerable to attack

Host-Based Security is Not Sufficient



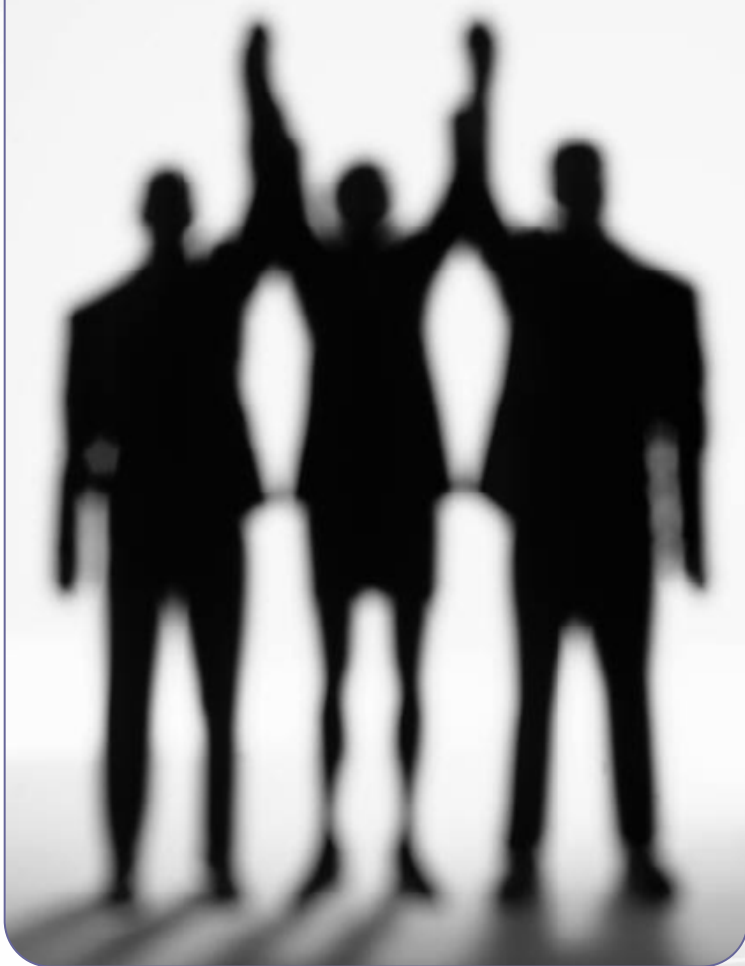
Integrated Security PoS Terminal

- **BCM5892 revolutionizing PoS**
 - Delivers single-chip PoS solution
- **Unmatched level of integration**
 - High performance processor
 - User interfaces
 - Video, audio, touch screen, keypad
 - Wired and wireless communications
 - Supports all payment types
- **On-chip PCI level security**
 - Software and data protection
 - H / W tamper detection / prevention
 - FIPS 140-2 Level 3
- **Suitable for all type of PoS Terminals**



Summary

Record Revenue for 2008



Industry's leading product portfolio

Investing in growth areas

Solid business fundamentals

Solid execution track record

ENG Demo Highlights

Service Provider Solutions



10 GbE Blade Servers



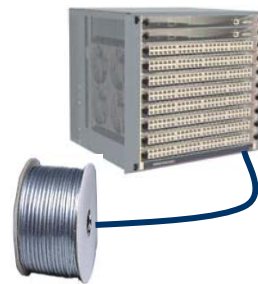
Converged Security



Enterprise WLAN



10 GbE Physical Layer



SMB Solutions





Q&A



Lunch Break – Demos Open

Please reconvene at 1:05 PM Pacific Standard Time



Robert Rango

*Senior Vice President & General Manager,
Wireless Connectivity Group*

WCG: All the Right Pieces!

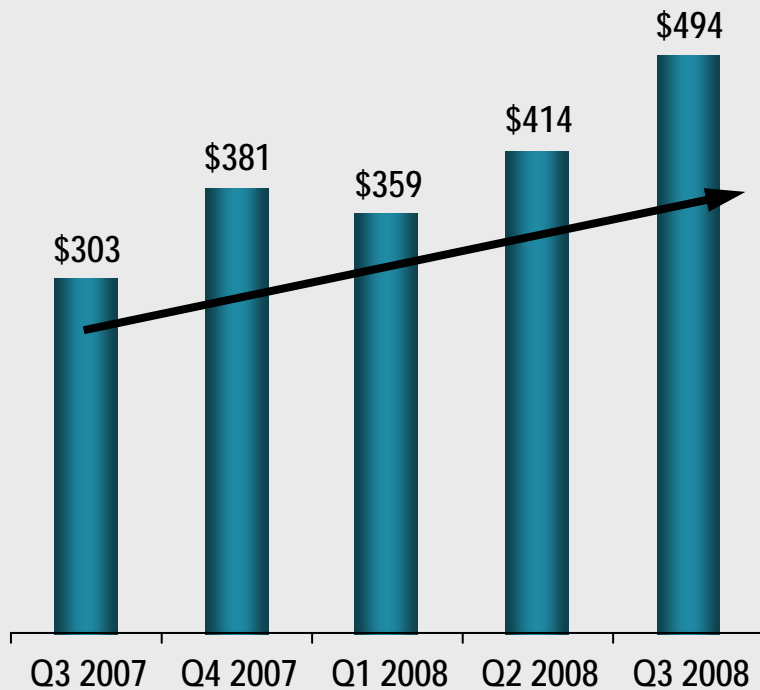
- Growing leadership in Bluetooth®, Wi-Fi®, GPS and FM
 - Broadcom # 1 in Wi-Fi *
 - Broadcom # 1 in Bluetooth *
 - Broadcom # 1 in VoIP phones *
 - ABI Research rated Broadcom GPS roadmap / offering # 1
- Ability to Invest
 - Rapidly growing wireless business fuels future investment
 - Scale: over 675 million wireless chips shipped in last twelve months
- Differentiation
 - Only wireless chip company in 65nm process node: **GREEN FRIENDLY**
 - Only wireless chip company with BT + Wi-Fi combo chips in production



Mobile & Wireless

Track Record of Growth → Invest in Future

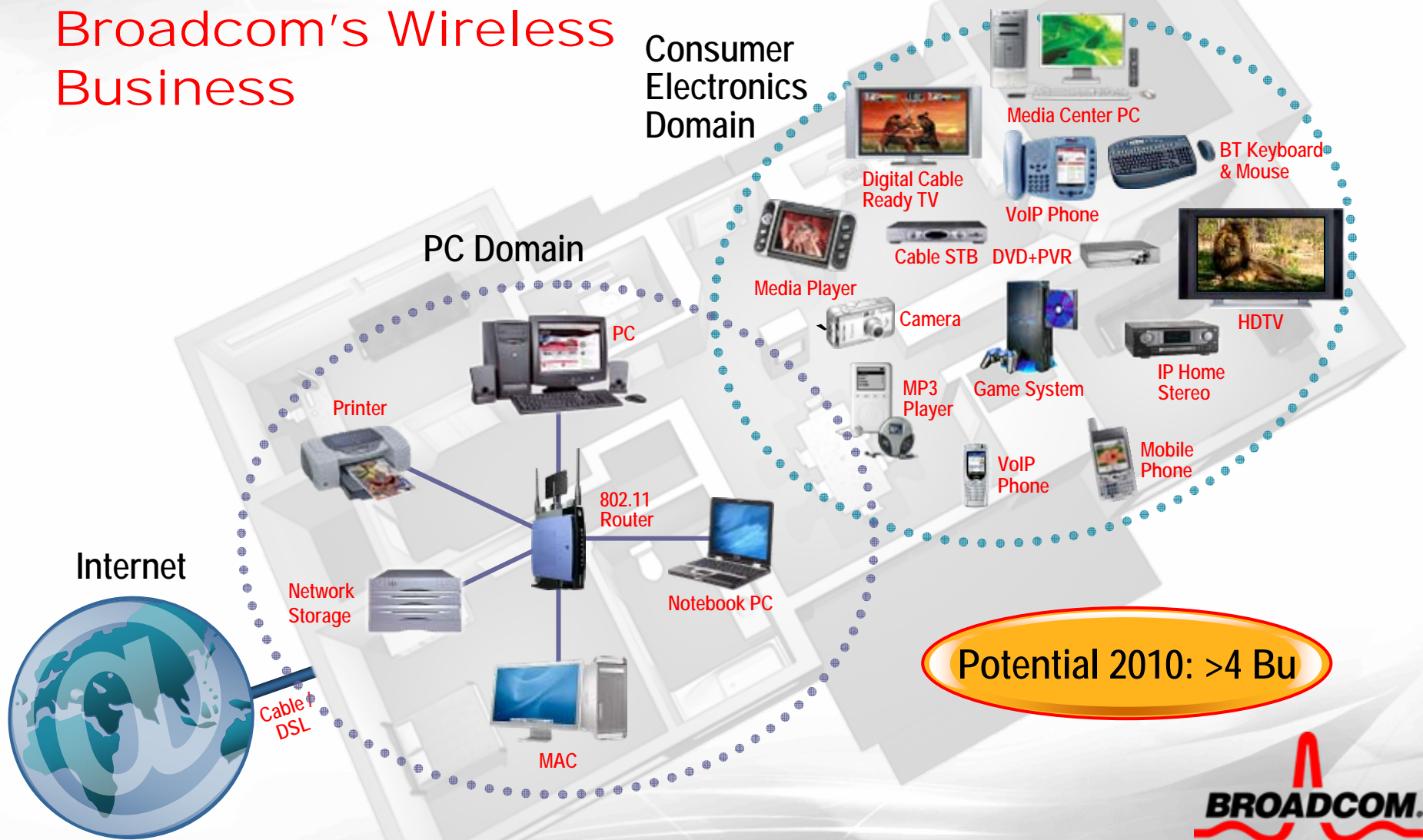
Mobile & Wireless Quarterly Revenue (\$ Mil)



Q3 2008 Revenue Results

- 19% on a sequential basis
- 63% year-over-year
- Driven by:
 - Bluetooth
 - Wi-Fi (n and g)
 - GPS

The Consumer Electronics Opportunity is Huge for Broadcom's Wireless Business



Potential 2010: >4 Bu

WCG Leads Broadcom into Cellular Handsets

5 of the Top 5 handset companies use Broadcom's wireless chips
Designed into >100 mobile devices



NOKIA
Connecting People



Sony Ericsson



Apple



MOTOROLA



SAMSUNG



Connecting
everything

Broadcom's 802.11 a/b/g/n Overall Leader*

Connectivity



Mobility



Media



* Source: ABI Research, 2Q 2008

Wireless Connectivity Group Ingredients for Future Combo Chips



- Focused on all key wireless connectivity technologies
- Leading combo single-chip integration
 - BCM2048 / 2049: BT + FM
 - BCM4325 / 4329: Wi-Fi + BT + FM
- Value add
 - Intelligent co-existence
 - RF / RBOM / PA component integration
 - Roadmap for further chip Integration
 - Driver, middleware and stack software

Wireless Connectivity Integration Building Sustainable Competitive Advantage

Bluetooth



Wi-Fi



Wireless LAN
Power Amp



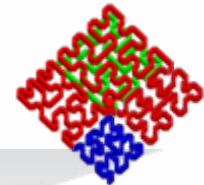
FM



GPS

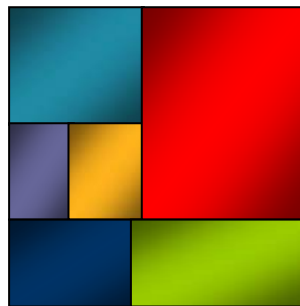


External Antenna



- Unique capability of integrating **MULTIPLE**
 - Wireless basebands and RF subsystems
 - Power amps
 - “Antenna Compensation” subsystems

Future Combo Chip



- State-of-the-art 65 nm
- Industry’s strongest combo roadmap
 - 2048 → 2049
 - 4325 → 4329

Broadcom Challenge!

"Combo Chip Every 60 Days"

Key Products



BT+Wi-Fi+FM



BT+FM



?

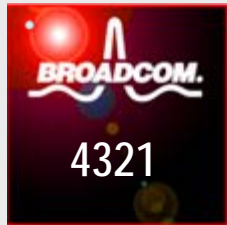
Key Features

1. BCM2049: World's first 65nm BT+FM single-chip
 - 65nm
 - Lower cost of ownership, better performance
2. BCM4329 World's first production BT+802.11n+FM single-chip
 - 65nm
 - Smaller size, lower power and lowest cost of ownership
3. NEXT COMBO CHIP TO BE ANNOUNCED AT 2009 MWC!

Why We're Winning

1. One stop shop for best in class Wi-Fi, BT, GPS, FM → Roadmap to further integration
2. Best in class co-existence (2.4G band, GPS, cellular baseband)
3. Best in class radio performance: longest range

Wi-Fi Integration Leads Industry



11n MAC/BB



11n Radio

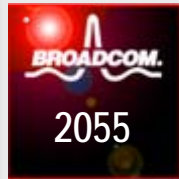


Generation 1

- 130nm 2-chip + external PA solution
- Dualband RBOM = \$6.65 (~255 components)



11n MAC/BB
+11n Radio

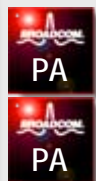


Generation 2

- 65nm single-chip + external PA solution
- Dualband RBOM = \$3.50 (~105 components) ↓



11n MAC/BB+
11n Radio+PAs



Generation 3

- 65nm single-chip + internal PA solution
- Dualband RBOM = \$1.60 (~97 components) ↓

The Result: Broadcom's Lead Customers



Trends Drive WCG Growth

Trend 1

Media transfer:

The living room and the handheld

Trend 2

Location-based services:

Are next big wave in carrier services

Trend 3

Wi-Fi in cellular:

Now there are 3 killer applications

Wi-Fi for Media Transfer: Blu-ray, Flat Panel TV and IP STB Go Wi-Fi!

Content



OEM



HD



Transport

11n 2.4 / 5Ghz USB



11n 2.4 / 5Ghz USB



11n 2.4 / 5Ghz PCIe



Devices



New Sales Channel: For video up-sell

New Sales Channel: For video and ad up-sell

New Sales Channel: For music and video

Media Transfer in Handheld: Major Driver for Wi-Fi!



Location-Based Services (LBS)

Leverage Broadcom GPS, Wi-Fi & Broadcom's Location Network Database

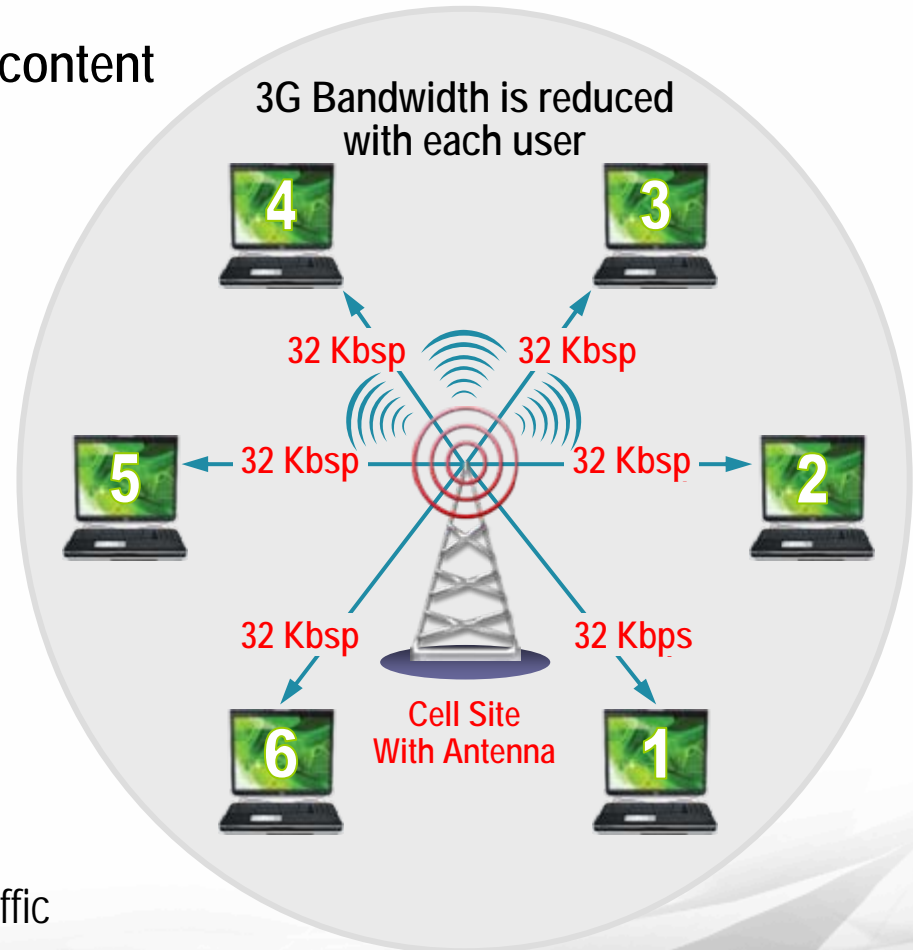


Location Network Database



3G Cellular Bandwidth is Limited, Wi-Fi Will Be Needed!

- Increased consumption of media and content via smartphones and PCs
 - Music / pictures / videos
- Fair use limitations on “unlimited bundles” for packet data
- Bandwidth at cell sites is multiplexed amongst all users
 - Non-linear degradation in bandwidth with the addition of users per site
- Apple iPhone leading the way with Wi-Fi
 - AT&T announces free Wi-Fi for iPhone users at Starbucks
 - iPhone automatically moves internet traffic to Wi-Fi



Combo (Multi-radio SOC) Devices Building Sustainable Competitive Advantage

- Customer Feedback

“Broadcom has the best wireless connectivity roadmap”

- Broadcom Roadmap

- Industry leader in Bluetooth, Wi-Fi, GPS, FM and VoIP

- BROADCOM is the Only Company

- Committed to a COMBO CHIP announcement every 60 days!

- BCM2049 (65nm Bluetooth + FM)
- BCM4329 (65nm Bluetooth + Wi-Fi + FM)
- Next?

- In production with 65nm wireless connectivity chips

- In production with combo Bluetooth + Wi-Fi + FM

- Over 55 phones models in development



Next Generation Wireless Products

Emerging Wireless Ecosystem

Seamless Usage Model: Not Visible to End User



Usage Models:

- Hands free voice
- Remote control
- Stereo music
- Music & photo file transfer
- Phone book backup
- Printing
- Internet browsing
- IP connectivity

2009 and Beyond



Dual microphone headset

- Sophisticated dual microphone cancels ambient noise



Mobile DTV

- Mobile broadcast TV service standards for Europe, China, and North America



60 GHz PAN / wireless HDMI

- Wide world wide frequency band can enable uncompressed HD video without wires



Better AGPS

- Additional forms of assistance improve accuracy and TTFF



Broadcom Wi-Fi-based advanced networked home



Bluetooth

- Non-LoS control, audio streaming to headsets from a cell phone/MP3 player, picture push, caller ID/text message display, high-end remotes



2G/3G/FM

BCM2049 – BT+FM Tx / Rx

- Enables BT audio profile on low-cost handsets by offloading audio processing and software stack
- Integrates FM transmit for music sharing to car or home stereo



Bluetooth Headsets

- Sophisticated algorithms to cancel ambient noise
- High performance, small footprint



Advanced Positioning

- Handsets and PNDs using BRCM GPS receiver
- Handset using cell tower location in lieu of GPS, with BRCM LBS network

Wireless Connectivity Demonstrations



Mobile TV – BCM2940

- Address high-growth mobile broadcast TV service standards for Europe with DVB-H & DVB-T



BCM4329 11n-SS STBC Throughput Demo

- Enabling handhelds with highest throughput and best in class coverage/range



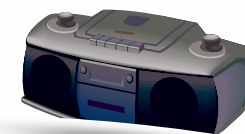
Enhanced Wi-Fi / BT Coexistence

- Real products demonstrating the most popular & challenging use cases



BCM4325 Product Displays / Demos

- Apple iPod Touch
- Slacker G2 audio player
- LG Incite and Renoir



BCM4329 FM Tx Demonstration

- Transmit your audio to existing FM enabled devices
- Provides the latest digital FM features

WCG Summary

- A leader in Wi-Fi, Bluetooth, GPS, FM and VoIP
- Consumer electronics market segment provides growing TAM
- Best positioned to offer next generation wireless "Combo Chips"





Scott Bibaud

*Senior Vice President & General Manager,
Mobile Platforms Group*

Why Mobile Platforms?

Over
2 BILLION
Mobile
Platforms

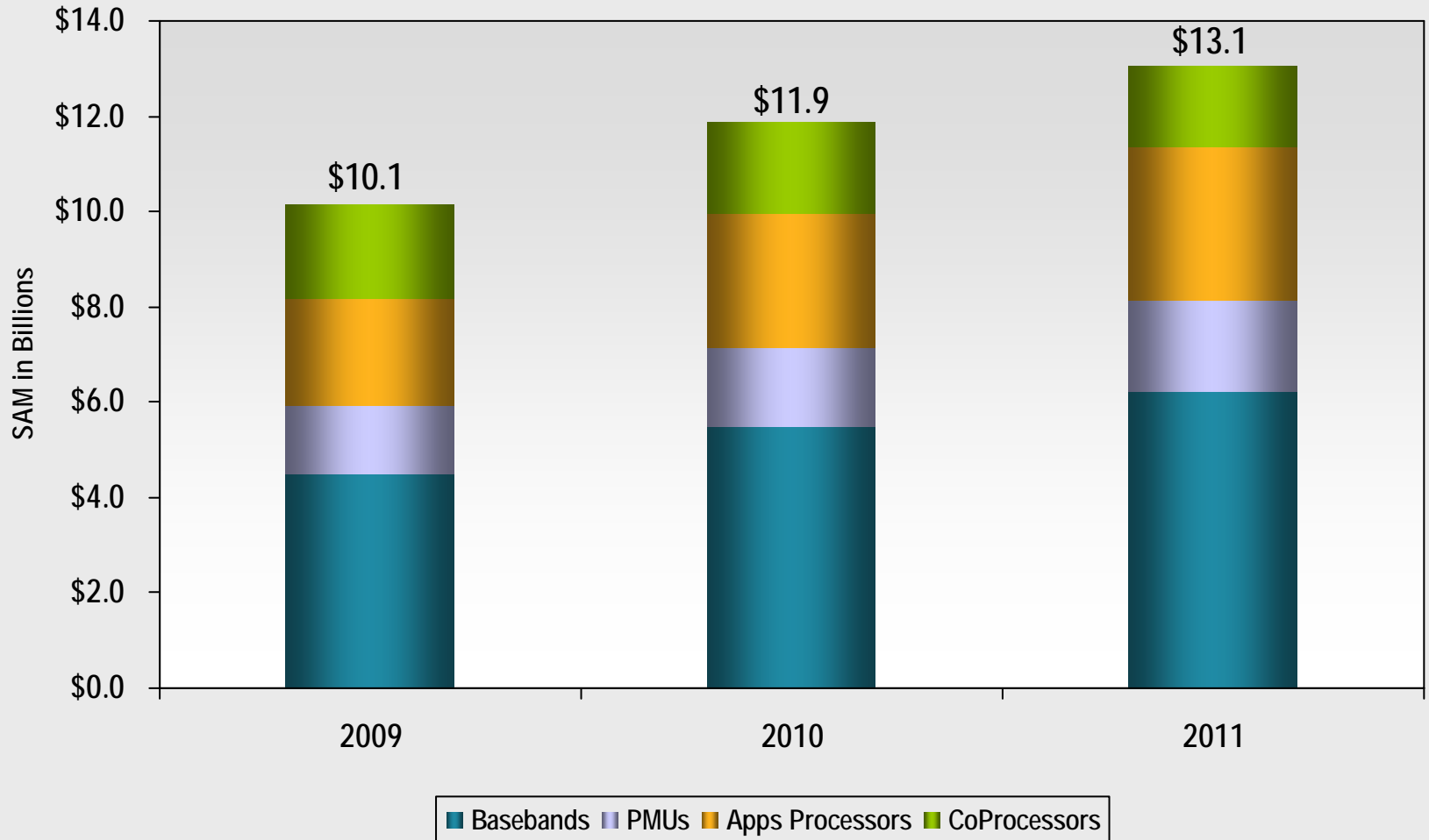
The Dominant Consumer Platforms Are Mobile

	Mu
Cell Phones	1,500
Portable Media Players	270
Mobile PCs	180
Digicams / Camcorders	100
Portable Navigation	80
Handheld Games	30

Mobility Drives Wireless Convergence

Cellular	Low Power Multimedia	PMU	Bluetooth	GPS	Wi-Fi	Mobile TV
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	

MPG Opportunity

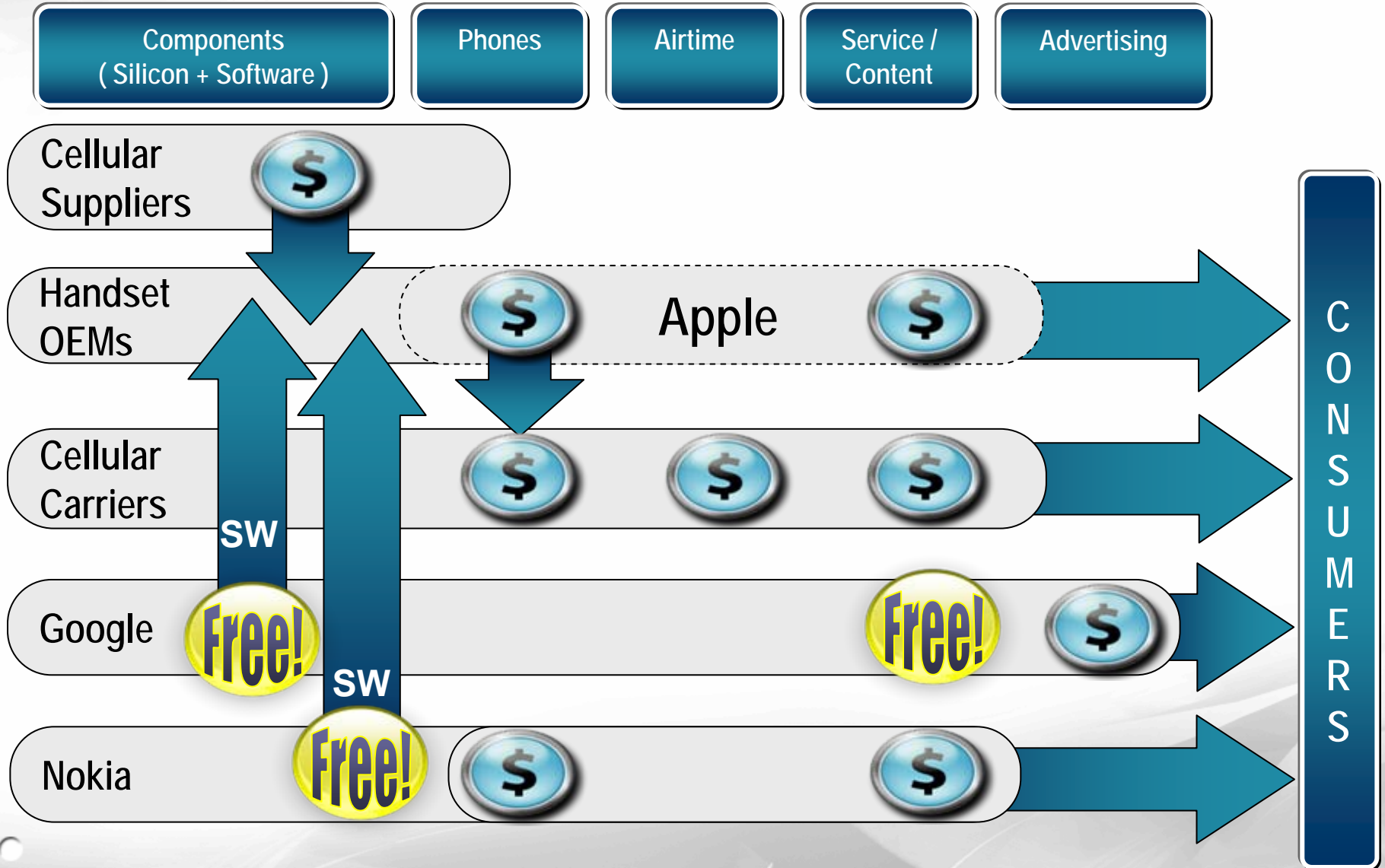


BRCM estimates, SAM = EDGE + WCDMA + HSPA handsets, all OEMs

Smartphones Have Changed the World



Smartphones Driving Industry Reconfiguration

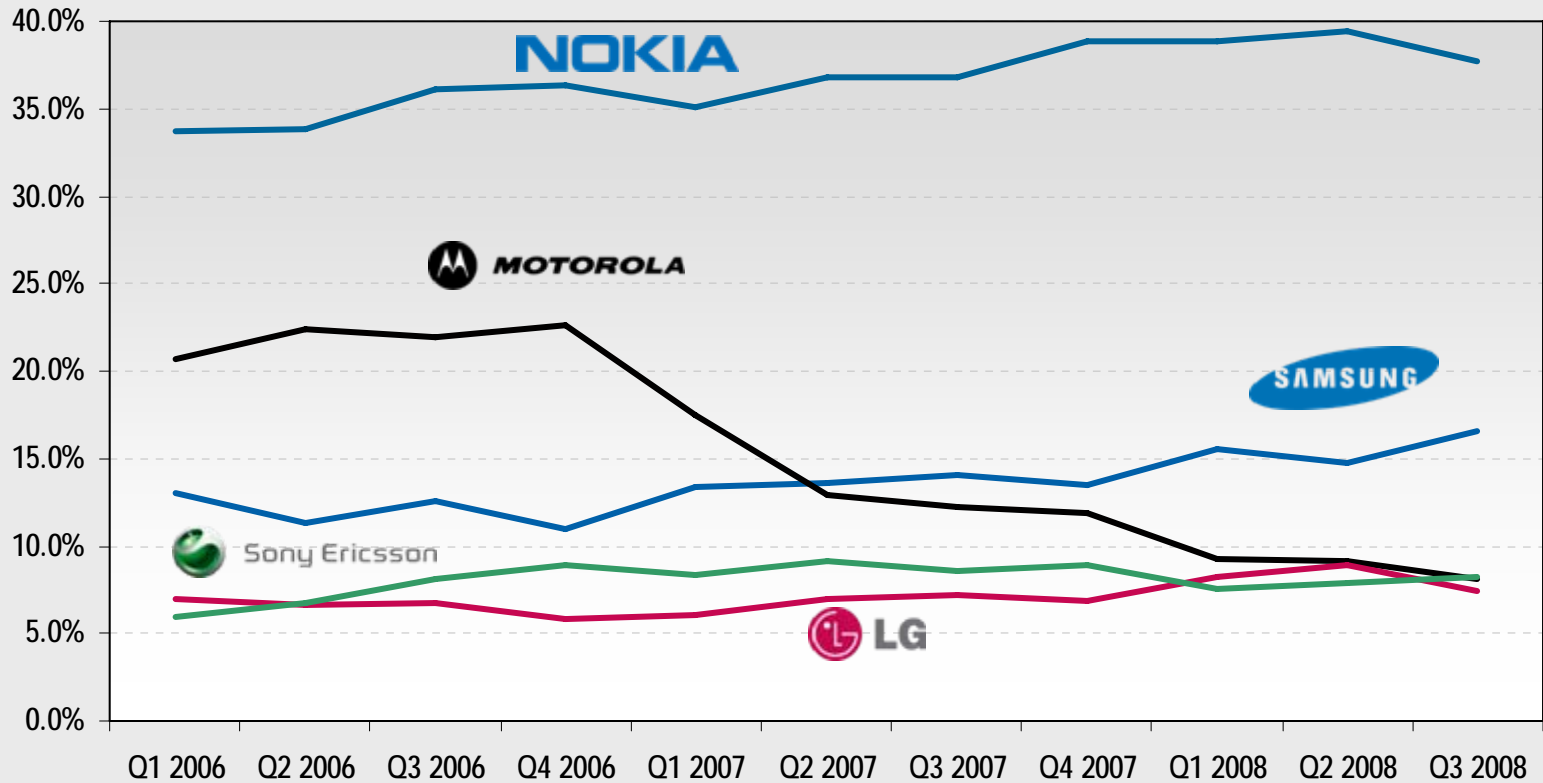


Industry Enabling Platform



Mobile Handset Market

Cell Phone Market Share



Source: iSuppli, Oct 2008

Cellular Baseband Consolidation

2006

QUALCOMM

MEDIA TEK

intel

TEXAS INSTRUMENTS

NXP
founded by Philips

ERICSSON

LSI LOGIC

BROADCOM

ANALOG DEVICES

freescale
semiconductor

SILICON LABS

ST

infineon

agere systems

Today

QUALCOMM

MEDIA TEK

MARVELL

TEXAS INSTRUMENTS

freescale
semiconductor

ST /EMP

infineon

Future

QUALCOMM

MEDIA TEK

MARVELL

?

?

ST /EMP

infineon

SOLD!

SOLD!

SOLD!

SOLD!

SOLD!

SOLD!

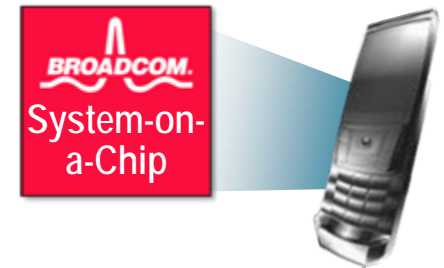
SOLD!

Mobile Platforms Group: A Focused Plan

1.5 BILLION
Phones in
2010

- Focus on industry leaders
- Execute in limited segments
 - Three key product initiatives + software
 - EDGE SoC, 3G, mobile multimedia
- Achieve profitability

Technology and Product Focus



54.3%

Customer Focus

37.7%

NOKIA

16.6%



8.2%



8.1%



7.4%



19.5%

Other

ABI, Oct 2008 report, Q308 share

67.5%

Cellular Market Focus

15%

GPRS

37.4%

EDGE

12.0%

WCDMA

18.1%














HSPA

17.3%

CDMA

Deutsche Bank, Informa, GSMA, GSA, 3GPP. Sept 2008 report. 2009 share

Key Products

Cell Phone Category	Features	Cellular SoC / Baseband	Multimedia Processor	Power Management	Software Platforms
SmartPhone 	Open operating system, advanced multimedia, 3G	 			 Windows Mobile  s ymbian  Linux
Enhanced Feature 	Advanced multimedia, EDGE + 3G	 			Customer Proprietary Platforms
Entry	Voice, messaging, basic multimedia, 2G GPRS				
Ultra – low	Voice / messaging, 2G GSM				

3G Cellular Progress

- Shipping new Samsung 3G models
- Additional 3G handsets in development
 - Advanced feature phones
 - Windows Mobile smartphones
- Next-Generation HSUPA solution making progress
 - Demonstrated 5.7Mbps uplink



Single-Chip EDGE Progress

- Continuing to meet milestones towards shipping Nokia phones
- Integrated EDGE SOC ready for volume production
 - World's only single-chip EDGE passing industry certification requirements
- EDGE supplier consolidation providing new opportunities



EDGE SoC



PMU

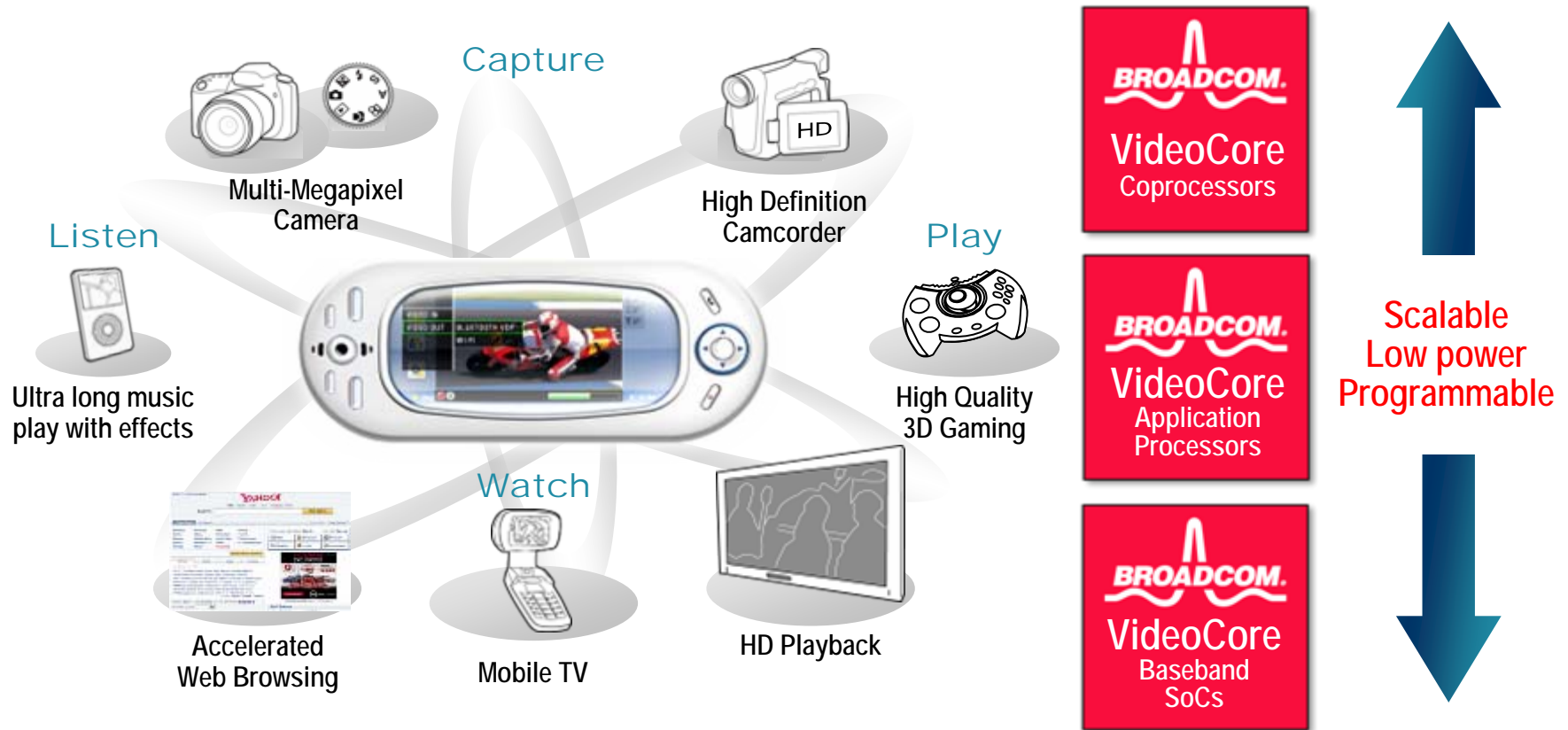


Bluetooth



GPS

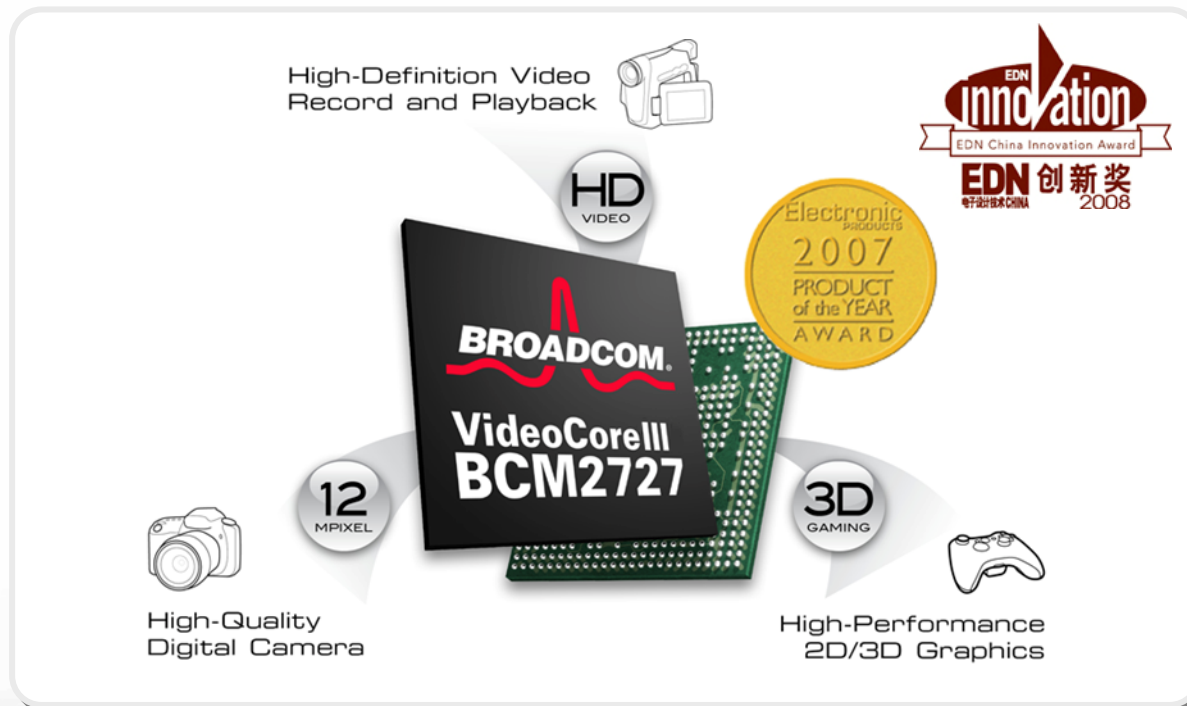
Mobile Multimedia Strategy



Deliver the ultimate mobile visual experience with world leading VideoCore® architecture


Mobile Multimedia Progress

- Highest quality, lowest power
 - EDN China “Best Consumer IC Product” out of 13 finalists
 - Electronic Products “2007 Product of the Year”
- Multiple handset design wins
- BCM2727 silicon production ready



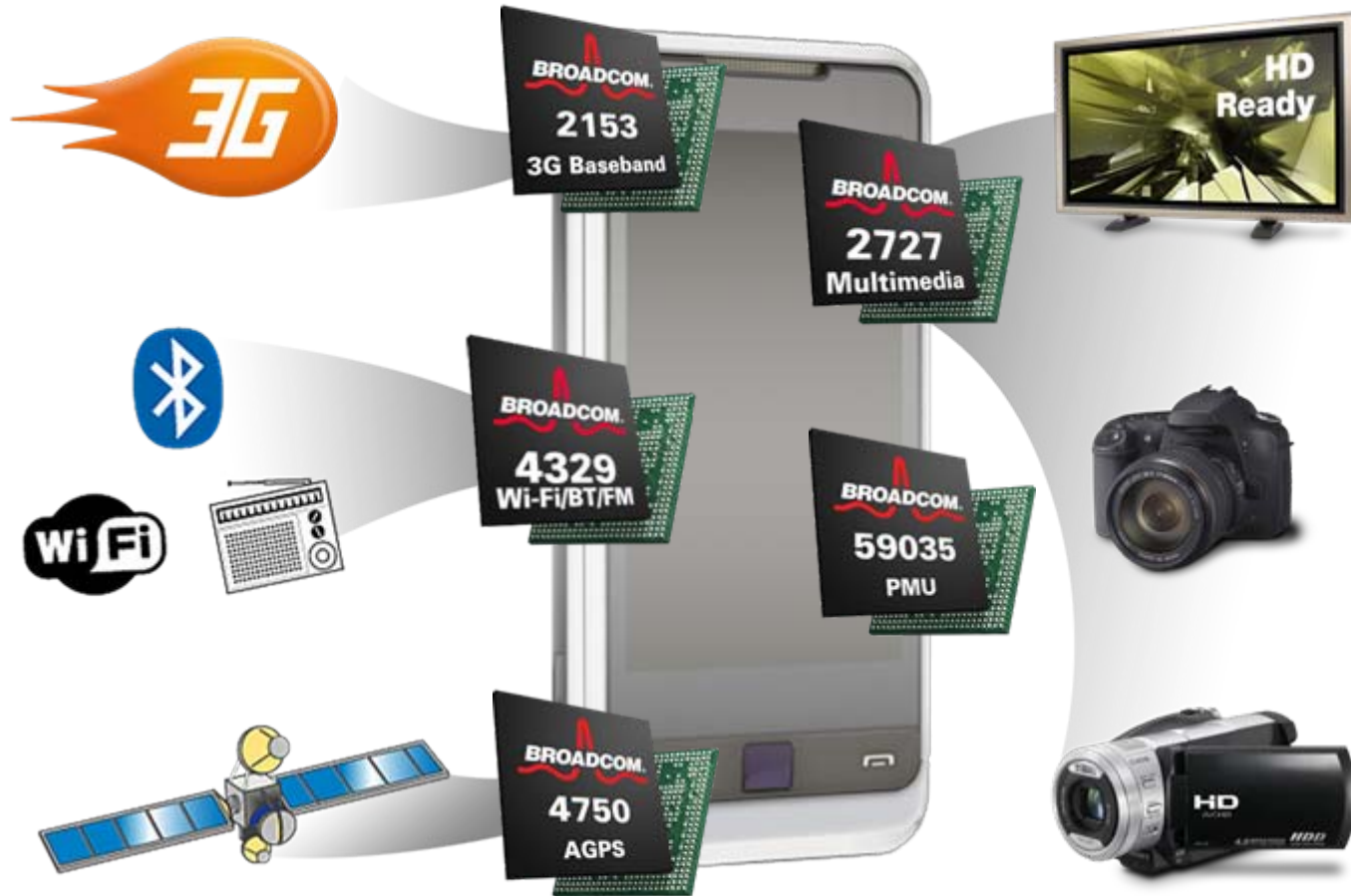
Focused Software Investment

	Nokia			Samsung		
3G High		S60	Linux Maemo	SHP	Microsoft Mobile	Linux
3G Mid						
3G Low	S40					
2G High						
2G Low		S30				

 Broadcom primary platforms

Software is a significant investment
as well as a differentiator

Delivering the Platform



MPG Growth Strategy

Product Segment

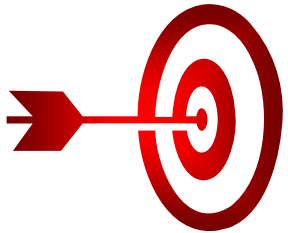
EDGE
SoC

3G
Cellular

Mobile
Multimedia

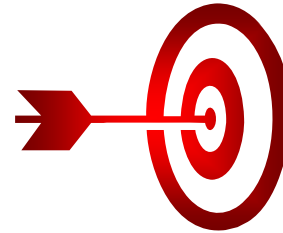
Wireless
Connectivity

Power Management



Market
Share

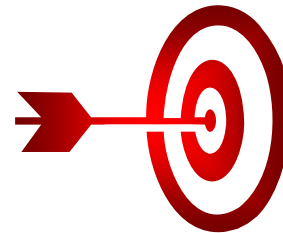
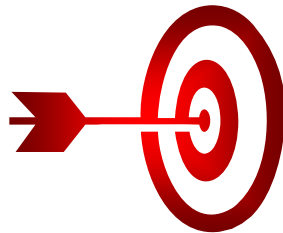
SAMSUNG



SAMSUNG

Market
Share

NOKIA



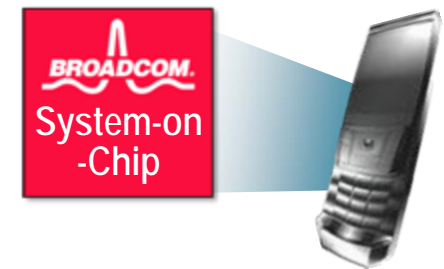
NOKIA

Other Customer Opportunities

Mobile Platforms Summary

- Focused strategy
- Execution
- Achieve profitability

Technology and Product Focus



54.3%

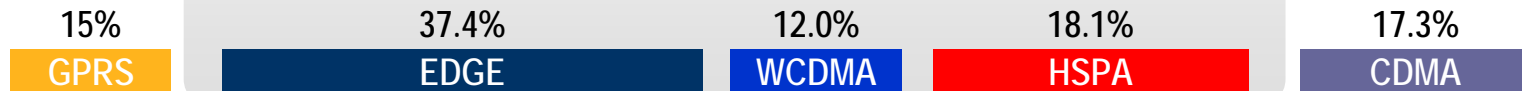
Customer Focus



ABI, Oct 2008 report, Q308 share

67.5%

Cellular Market Focus



Deutsche Bank, Informa, GSMA, GSA, 3GPP. Sept 2008 report. 2009 share



Q&A



Break – Demos Open

Please reconvene at 2:40 PM Pacific Standard Time



Henry Samueli

Co-Founder

Building World Class Engineering Excellence

PEOPLE

- Hire the world's best and brightest engineers
- Provide exciting work environment and career development opportunities
- Very low turnover is achieved

TOOLS

- Provide best-in-class tools and state-of-the-art labs
- Create seamless worldwide broadband IT infrastructure
- Proprietary design flow enables first-pass silicon success



CULTURE

- Encourage open communication and knowledge sharing
- Recognize outstanding achievement
- Promote a geographically and culturally diverse workforce

TECHNOLOGY

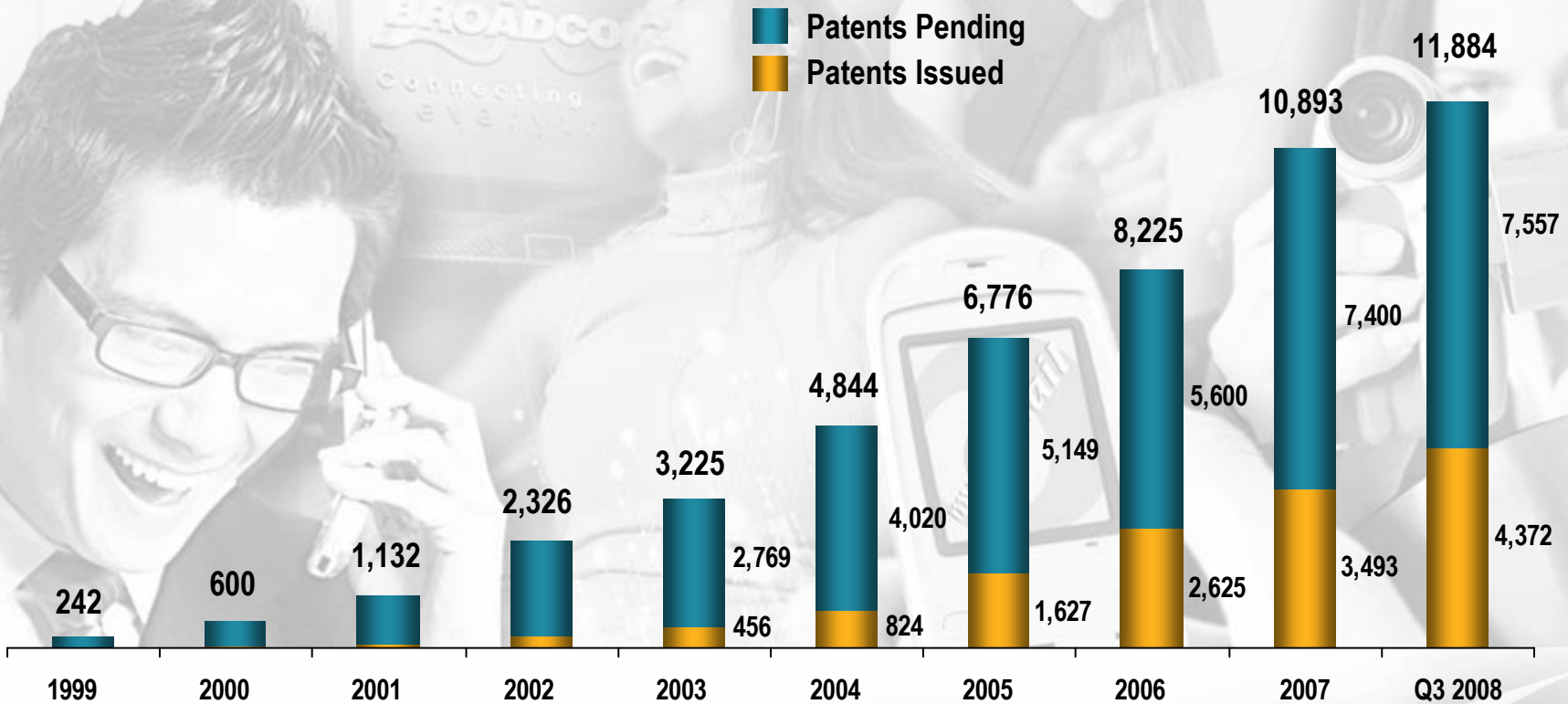
- Create a world class IP portfolio spanning all broadband markets
- Develop state-of-the-art mixed-signal, RF and SoC capabilities
- Provide complete software and systems platforms to customers

Result is superior engineering execution for our customers

Broadcom's Engineering Workforce

- **5,046 engineers out of 6,853 employees**
 - 74% of total workforce focused on R&D
 - 549 PhDs
 - Over 40 R&D sites worldwide
- **Comprehensive skill sets:**
 - Chip designers (46%)
 - Systems and hardware engineers (15%)
 - Software engineers (39%)
- **Expanding intellectual property portfolio:**
 - Over 3,000 U.S. patents issued
 - Over 1,300 foreign patents granted
 - Over 7,500 U.S. and foreign patents pending
 - > 500 patents / year filing rate

Sustained Record of Intellectual Property Innovation



Broadcom Strategic Initiatives

- Each Broadcom business group has key strategic initiatives that drive our R&D investments:
 - BCG: **Conquering the digital home**
 - ENG: **Ethernet everywhere**
 - MPG / WCG: **The handset becomes the ultimate convergence platform**
- Achieving success with these individual group initiatives will drive our overall corporate vision of **“Connecting everything”**
- Two key enablers to our business strategy are 1) achieving platform control and 2) defending it with SoC integration complexity
 - **Platform control** implies providing as complete a solution as possible for our customer’s end products
 - This requires a very broad portfolio of silicon, software and reference design solutions
 - **SoC integration** drives down cost and erects barriers to competition

Broadcom is Investing Substantial R&D Resources in Next Gen Standards

Broadcom Participates in Over 100 Standards Bodies

• CableLabs, SCTE and ITU for Cable

- DOCSIS Cable Modem
- PacketCable — VoIP
- DOCSIS Signaling Gateway
- OpenCable STB



• Cellular / Mobile

- 3GPP (WCDMA, HSPA, LTE)
- Mobile WiMAX



• Digital Home and Consumer Electronics

- Digital Living Network Alliance (DLNA)
- Universal Plug-n-Play (UPnP)



• IEEE 802.1 / 802.3 for Wired LAN

- 1G / 10G Ethernet PHY / EPON
- 40G / 100G Ethernet
- Power over Ethernet
- AV Bridging
- Congestion Management / Security



• IEEE 802.11 and Wi-Fi Alliance

- .11n MIMO
- .11s Mesh Networking



• Bluetooth PAN

- Ultra Low Power Bluetooth
- Bluetooth 802.11 AMP



• 60 GHz PAN

- WirelessHD, NGmS

• ISO / ITU for Video

- MPEG-4, H.264, VC-1



• Khronos Group for Multimedia

- OpenGL ES, OpenVG, OpenMAX

• ANSI, ITU and DSL Forum

- VDSL / VDSL2
- ADSL2 / 2+
- Passive Optical Networks (GPON)

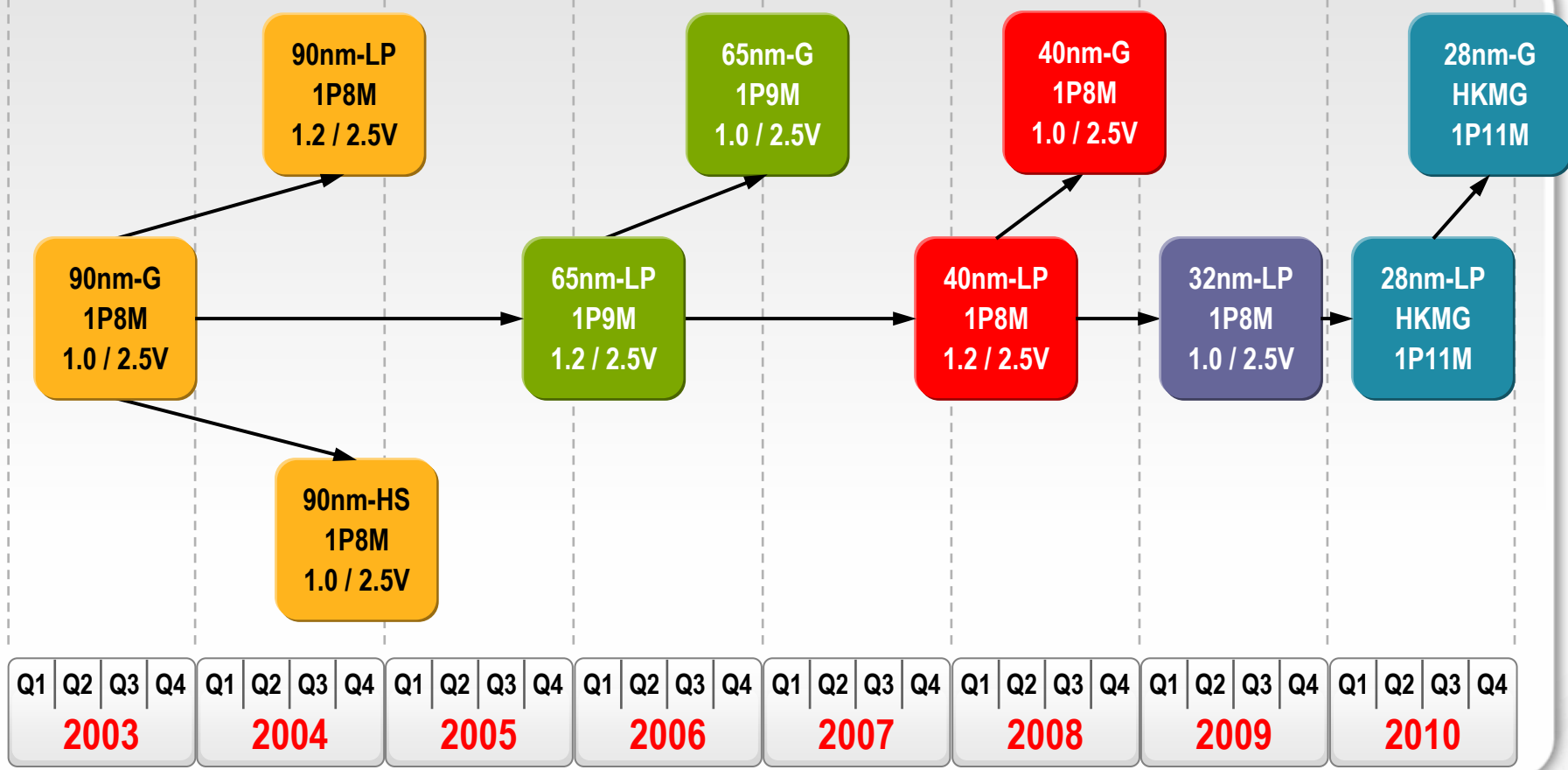
• Multimedia over Coax



Leveraging Broadcom's Scale Via a Shared Core Technology Infrastructure

- **Broadcom has 550 R&D engineers in central engineering working on core technologies that are shared among business groups**
- **All libraries, memories, I/O cells, analog and RF are developed internally**
 - Provides time-to-market advantage in latest process geometries
 - Provides libraries customized to Broadcom-specific requirements rather than one-size-fits-all approach of third party IP providers
 - Internal benchmarking has consistently shown our own analog / digital / memory libraries to be smaller and demonstrate higher performance than competitive offerings
 - Over 1,200 unique analog cores available
 - Extensive RF tuner / transceiver library spanning Satellite & Cable STB, Terrestrial DTV, DOCSIS, MoCA, 2G / 3G Cellular, Bluetooth, Wi-Fi, GPS, FM, Mobile DTV
 - All libraries designed to be compatible with multiple foundry suppliers
- **Common design flows are used to ensure that IP can be easily shared between engineering groups**
 - Centers of Excellence are distributed around the company that own IP cores for reuse between groups (USB, PCIE, Ethernet PHYs, MIPS / ARM processors, etc.)

Process Technology Roadmap



Start test vehicle

Process qualified / ready for product tape out

*Takes 1 to 2 years from design to production

Analog Scaling is Not Slowing Down in 65nm and 40nm

10-bit Digital-to-Analog Converter Example

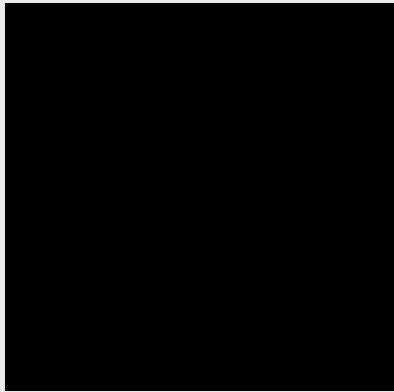


	250nm	180nm	130nm	65nm	40nm
Relative Area:	1.0	0.72	0.50	0.11	0.03
Ideal Digital Scaling:	1.0	0.50	0.25	0.06	0.03

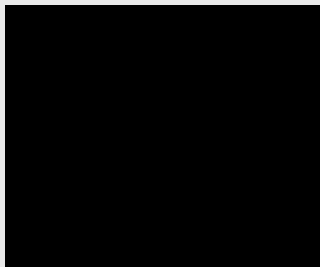
Continued analog scaling is driven by process-enabled architecture and circuit innovations and not simply transistor scaling

RF Scales as Well

Bluetooth



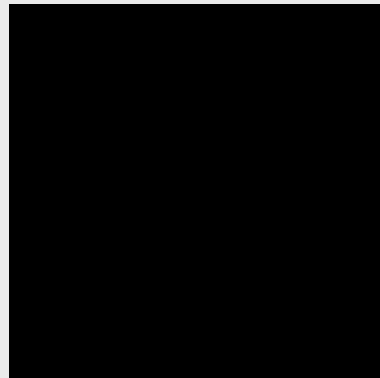
130nm



65nm

43% RF area
reduction

Dual-Band Wi-Fi



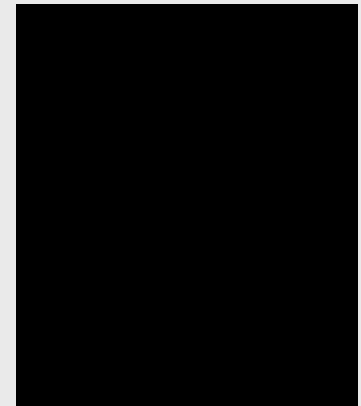
130nm (no PA's)



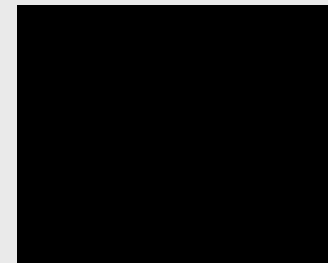
65nm (with PA's)

50% RF area
reduction

Quad-Band EDGE



130nm



65nm

44% RF area
reduction

World's Broadest Portfolio of Digital Communications IP

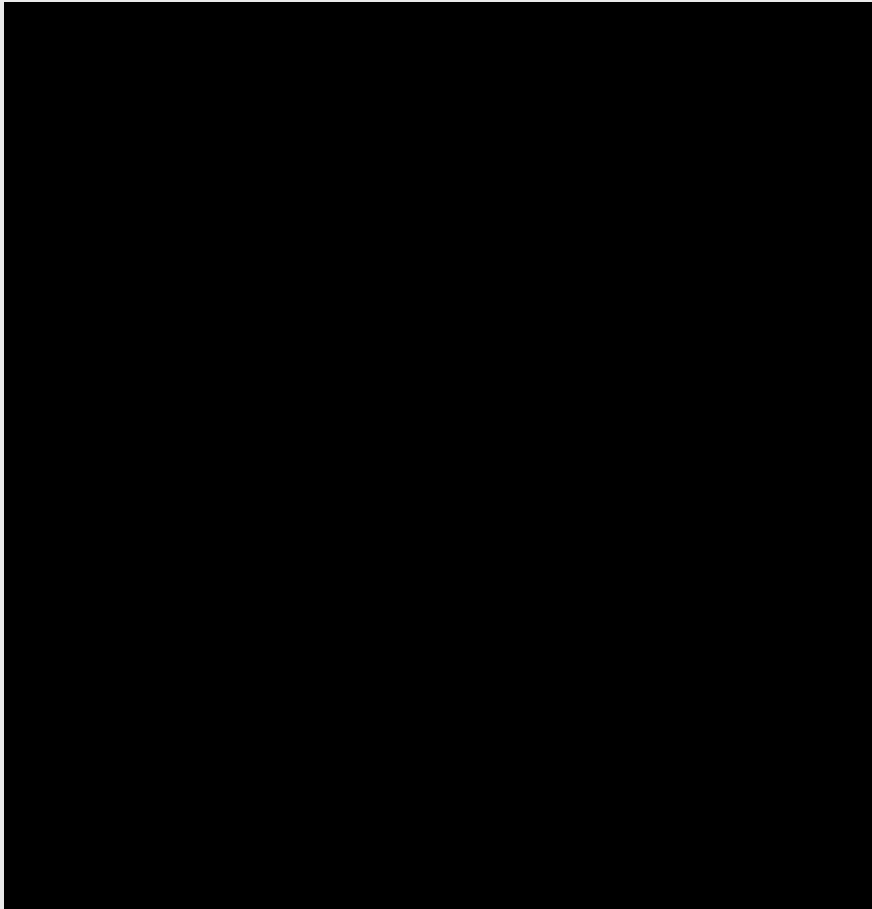
All Available Now in 65nm — Soon in 40nm

Wide Area Networking	LAN / PAN	High-Speed I/O	Processors	Multi-Media
GPRS / EDGE / WCDMA / HSPA Cellular	10 / 100 / 1G / 10G Ethernet PHY	PCI Express Hyper-Transport	MIPS32 MIPS64	MPEG / H.264 Video
DOCSIS Cable Modem	10 / 100 / 1G / 10G Ethernet Switching	USB2.0 1394 / FireWire	ARM 7 / 9 / 11 Cortex A8	MPEG / AC3 / AAC Audio
ADSL / VDSL GPON	1-10 Gbps SERDES	S-ATA Fiber Channel	ZSP DSP	HDTV Picture Processing
QPSK / 8PSK Satellite	802.11a/b/g/n Wi-Fi	DDR1 / 2 / 3	TeakLite DSP	2D / 3D Graphics
OC-48 / 192 SONET	Bluetooth	HDMI	FirePath DSP	VoIP Telephony
Terrestrial HDTV / MDTV	GPS	XAUI SGMII	VideoCore DSP	Conditional Access / DRM / Encryption

Advantages of Broadcom's Portfolio Breadth for SoC Design in 65nm and Beyond

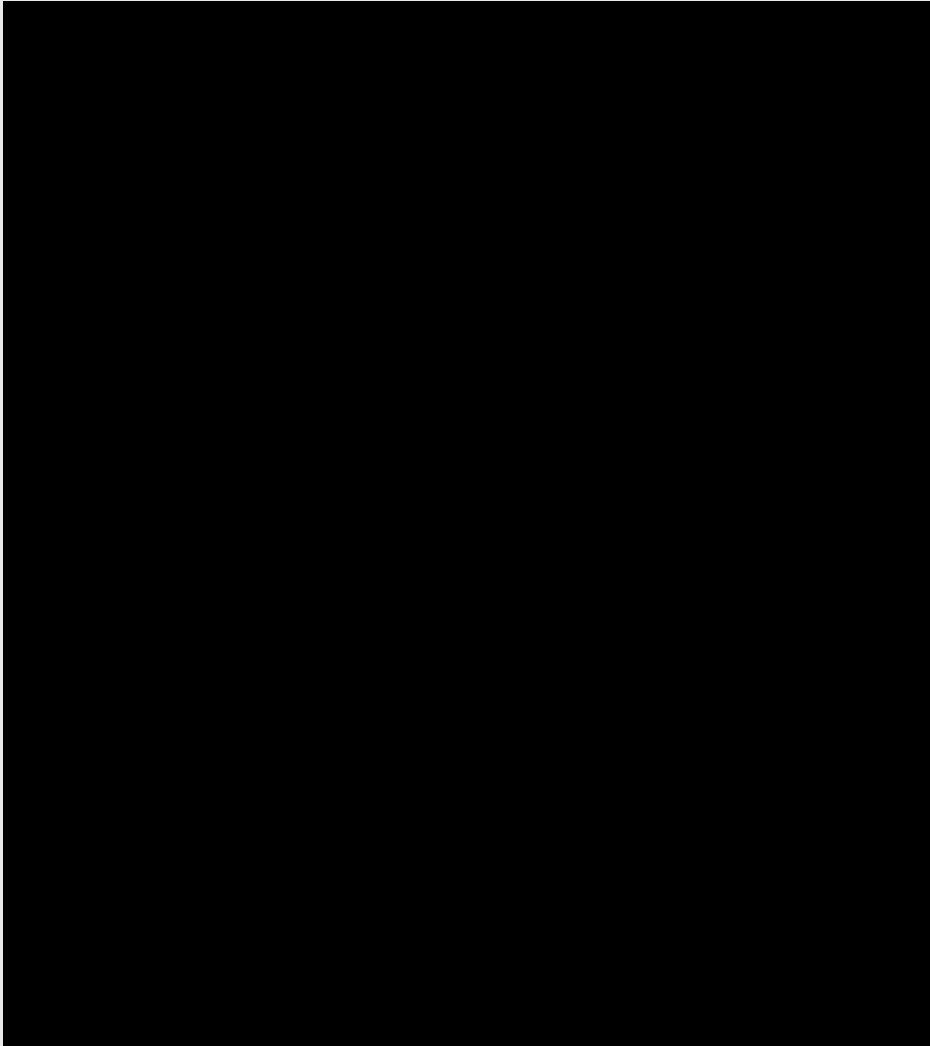
- **SoC's are now approaching billion transistor complexities incorporating a very large number of IP subsystems**
 - To be competitive at the SoC level, each IP subsystem must be best-in-class
 - For example, future mobile SoC's might incorporate 3G, HD multimedia, Bluetooth, Wi-Fi and GPS
 - An inferior subsystem might force the OEM to use an external discrete solution which will degrade the value of the SoC and will impact its cost competitiveness
 - Broadcom has a long track record of world-class communications subsystems in every major market segment
- **Mixing and matching discrete solutions from multiple vendors will result in suboptimal performance and cost**
 - RF coexistence techniques are critically important for multiple radio mobile devices with overlapping spectrums (e.g., Bluetooth-Wi-Fi coexistence at 2.4 GHz)
 - For example, the 802.11AMP standard uses a BT MAC and a .11 PHY. Tight integration is essential for achieving a robust solution

World's Most Highly Integrated Single-Chip Satellite Set-Top Box SoC in 65nm



- **Supports high definition watch and record DVR boxes**
- **Fully integrated dual RF tuner and DVB-S2 8PSK receiver front-end**
- **Key features:**
 - MPEG-2 / MPEG-4 / VC-1 / ATSC HD video decoder
 - Programmable MPEG / AC3 / AAC audio decoder
 - Embedded security processor
 - Embedded dual-threaded MIPS CPU with 1100 DMIPS performance
 - Integrated USB2.0, 10 / 100 Ethernet, and SATA-II controllers
 - HDMI, analog video, or Ch. 3 / 4 RF output
- **IP complexity**
 - 17 unique analog blocks
 - 39 major digital subsystems
 - 709 memory instances
 - 985 I/O pads
 - 200 million transistors

World's Most Highly Integrated Scalable Gigabit Ethernet Switch in 65nm



- **48GE ports + 4x10G / 16G ports**
 - 112 Gbps switching bandwidth
 - 334 Gbps I/O bandwidth
 - 167M packets/sec throughput
 - Integrated XAUI, SERDES, PCIE I/O
- **Multiple Target Markets**
 - Enterprise LAN, metro/carrier Ethernet, data center
- **Wire-Speed Packet Processing**
- **Specifications**
 - 92Mbits on-chip memory (845 instances)
 - 1932 I/O pads
 - 770 million transistors

Broadcom's Plan for 40nm and 32nm / 28nm

40nm

- **Numerous different test chips have already been taped-out and sampled**
 - Various IP blocks, analog, RF, memory, etc
- **First product is scheduled to tape-out in 1H 2009**



32nm / 28nm

- **Start evaluation with 32nm-LP node**
 - First generation test chip in Q4 2008
- **Develop libraries and test lines / test chip for 28nm-LP**
- **Qualify the process in 2010**
- **First product tape-out in 2011**



Conclusions

- **Platform control and SoC integration complexity are two key enablers for a communications semiconductor company to be successful delivering into next generation converged devices**
- **To achieve platform control one must provide best-in-class subsystems for all key portions of the customer platforms**
 - Broadcom has achieved this in virtually all of our lines of business
- **To be successful at SoC integration one must develop an extraordinarily deep and broad portfolio of building blocks and a finely tuned SoC design and validation methodology**
 - With over 5,000 R&D engineers, Broadcom has the scale and execution history to address the challenges of billion transistor mixed-signal SoC designs

Broadcom is the most well-positioned semiconductor company in the world to deliver the SoC devices and platforms required in next generation communications products



Eric Brandt

*Senior Vice President &
Chief Financial Officer*

Technology and Execution Leadership



Best positioned to deliver in a converged world

Becoming More Shareholder "Friendly"



Tightened Financial Management

Sharper planning processes

Profitable growth



Increased Transparency

Transition to GAAP

Enhanced visibility into business economics



Adapting Equity Management

Share repurchase

Stock-based compensation

2008

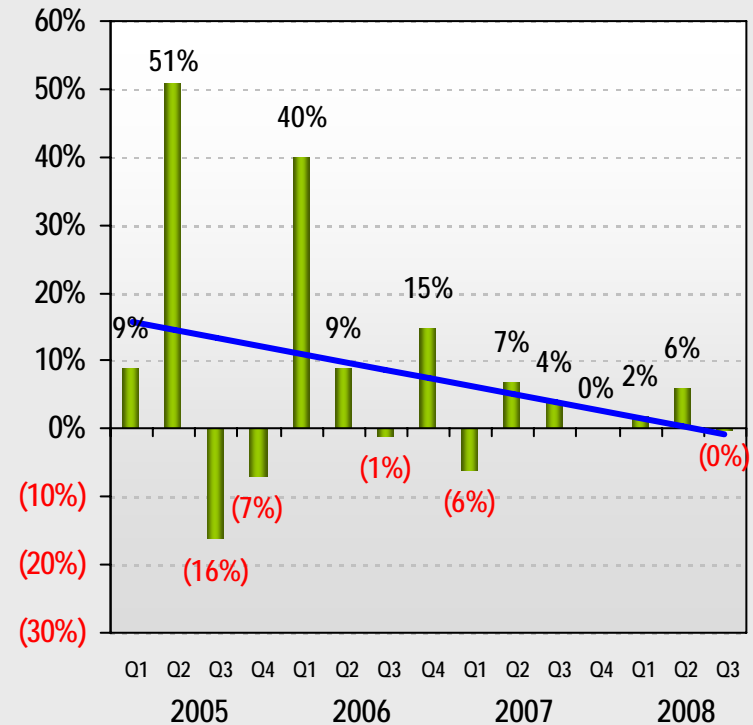
2009

Tightening Financial Controls And ...

Sharper Planning Processes

- Transitioned from headcount based planning to profit based planning
- Shifted performance responsibility to business groups
 - Spending and operating income targets
 - More scalable
- Rigorous portfolio management process
 - Differential investment profile across businesses
 - Drives action
- Implemented risk-based planning methodology

Sequential Operating Expense Growth



2008

Tightened
Financial Management

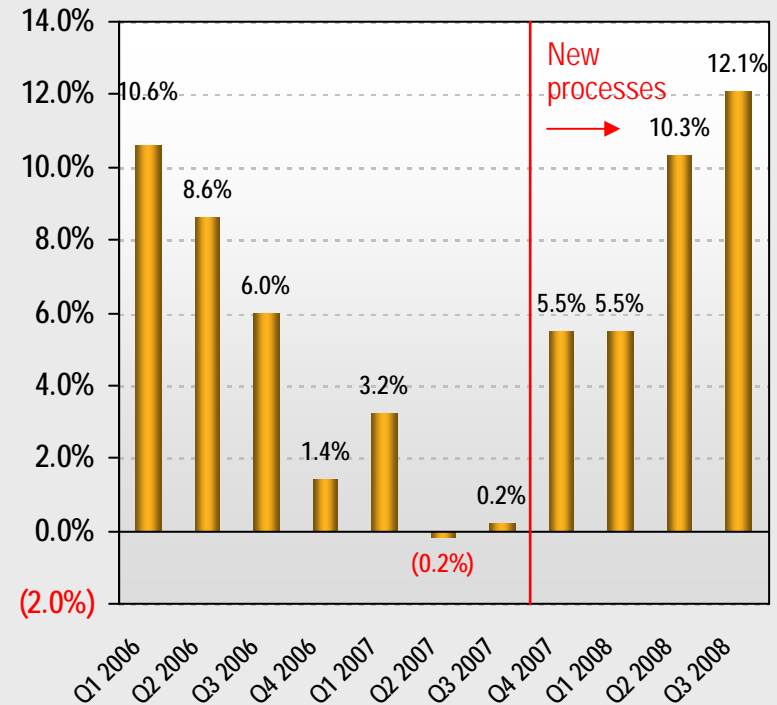
... Changing Management Focus

Revenue Growth → Profitable Growth

Evolving Culture

- Evolving company culture to profit orientation
 - Education of what drives value
 - Correlation of profit growth to market value
- Increased internal transparency on costs, profits and economics

Operating Margin (%)



2008

Tightened
Financial Management

Transition to GAAP

GAAP Transition Rational

- Behaving as a leader
 - 13 out of top 15 semiconductor companies report GAAP financials
- Investors moving to GAAP valuation across the industry
- Commitment to move stock-based compensation to more normative levels

Broadcom Reports Third Quarter 2008 Results

BROADCOM CORPORATION
 Unaudited Condensed Consolidated Statements of Income
 (In thousands, except per share amounts)

	Three Months Ended		Nine Months Ended	
	September 30, 2008	September 30, 2007	September 30, 2008	September 30, 2007
Net revenue	\$ 1,298,475	\$ 949,959	\$ 3,531,616	\$ 2,749,300
Cost of revenue	619,459	465,970	1,655,218	1,343,956
Gross profit	679,016	483,989	1,876,398	1,405,404
Operating expense				
Research and development	379,279	352,283	1,115,602	985,223
Selling, general and administrative	141,941	124,007	395,904	373,413
Amortization of purchased intangible assets	183	314	550	843
In-process research and development	—	4,970	10,900	15,470
Impairment of other intangible assets	250	—	2,150	1,500
Settlement costs	—	—	15,810	—
Restructuring costs (reversal)	—	—	(1,000)	—
Income from operations	157,305	1,515	337,682	28,955
Interest income, net	12,451	31,443	44,983	101,555
Other expense, net	(3,720)	(1,670)	(2,587)	(2,437)
Income before income taxes	166,036	31,288	379,078	127,873
Provision for income taxes	1,188	3,578	5,622	4,866
Net income	\$ 164,848	\$ 27,710	\$ 373,456	\$ 123,007
Net income per share (basic)	\$.12	\$.05	\$.31	\$.11
Net income per share (diluted)	\$.11	\$.05	\$.30	\$.11
Weighted average shares (basic)	509,041	539,031	517,418	542,881
Weighted average shares (diluted)	523,720	577,583	531,187	579,472

(a) Includes royalties in the amount of \$38.0 million and \$109.2 million in the three and nine months ended September 30, 2008, respectively, received pursuant to a patent license agreement entered into in July 2007.

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:

	Three Months Ended		Nine Months Ended	
	September 30, 2008	September 30, 2007	September 30, 2008	September 30, 2007
Cost of revenue	\$ 6,632	\$ 7,214	\$ 18,354	\$ 19,889
Research and development	93,334	94,619	262,043	263,882
Selling, general and administrative	33,328	37,023	93,661	106,256



2008

Increased Transparency



GAAP

Provided Greater Visibility Into Business Economics

Q1 2006 Q2 2006 Q3 2006 Q4 2006 Q1 2007 Q2 2007 Q3 2007 Q4 2007 Q1 2008 Q2 2008 Q3 2008

Research & Development

Salaries and benefits	\$105.63	\$116.33	\$118.93	\$146.72	\$133.37	\$145.37	\$151.88	\$164.36	\$163.38	\$180.41	\$180.06
Stock-based compensation	\$70.01	\$86.42	\$78.19	\$72.48	\$78.43	\$90.83	\$94.62	\$89.77	\$78.71	\$90.00	\$93.33
Development and design	\$42.31	\$40.85	\$37.88	\$50.48	\$43.67	\$49.69	\$57.75	\$58.87	\$60.45	\$54.43	\$50.20
Other	<u>\$33.75</u>	<u>\$36.42</u>	<u>\$37.56</u>	<u>\$43.06</u>	<u>\$45.34</u>	<u>\$46.24</u>	<u>\$48.04</u>	<u>\$50.28</u>	<u>\$53.15</u>	<u>\$55.19</u>	<u>\$55.69</u>
Total	\$251.69	\$280.02	\$272.57	\$312.73	\$300.81	\$332.13	\$352.28	\$363.29	\$355.69	\$380.04	\$379.28

Selling, General and Administrative

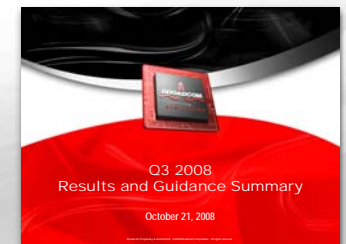
Salaries and benefits	\$38.15	\$36.50	\$37.46	\$61.46	\$42.96	\$41.32	\$44.55	\$47.32	\$51.20	\$54.04	\$54.74
Stock-based compensation	\$31.70	\$38.94	\$37.60	\$28.45	\$32.63	\$36.61	\$37.02	\$33.28	\$29.07	\$31.27	\$33.33
Legal and accounting fees	\$26.25	\$29.59	\$33.21	\$35.85	\$34.34	\$22.93	\$23.64	\$19.36	\$16.05	\$40.18	\$37.54
Other	<u>\$16.80</u>	<u>\$16.96</u>	<u>\$17.03</u>	<u>\$18.09</u>	<u>\$18.72</u>	<u>\$19.00</u>	<u>\$19.70</u>	<u>\$19.37</u>	<u>\$15.63</u>	<u>\$16.53</u>	<u>\$16.33</u>
Total	\$112.90	\$121.98	\$125.28	\$143.85	\$128.65	\$119.86	\$124.91	\$119.32	\$111.95	\$142.02	\$141.94



2008

Increased
Transparency

**Core driver of fixed expense
— manageable and predictable**



Provided Greater Visibility Into Business Economics

	Q1 2006	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007	Q3 2007	Q4 2007	Q1 2008	Q2 2008	Q3 2008
Research & Development											
Salaries and benefits	\$105.63	\$116.33	\$118.93	\$146.72	\$133.37	\$145.37	\$151.88	\$164.36	\$163.38	\$180.41	\$180.06
Stock-based compensation	\$70.01	\$86.42	\$78.19	\$72.48	\$78.43	\$90.83	\$94.62	\$89.77	\$78.71	\$90.00	\$93.33
Development and design	\$42.31	\$40.85	\$37.88	\$50.48	\$43.67	\$49.69	\$57.75	\$58.87	\$60.45	\$54.43	\$50.20
Other	\$33.75	\$36.42	\$37.56	\$43.06	\$45.34	\$46.24	\$48.04	\$50.28	\$53.15	\$55.19	\$55.69
Total	\$251.69	\$280.02	\$272.57	\$312.73	\$300.81	\$332.13	\$352.28	\$363.29	\$355.69	\$380.04	\$379.28

Selling, General and Administrative

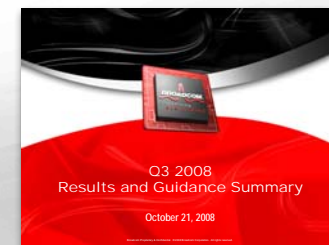
Salaries and benefits	\$38.15	\$36.50	\$37.46	\$61.46	\$42.96	\$41.32	\$44.55	\$47.32	\$51.20	\$54.04	\$54.74
Stock-based compensation	\$31.70	\$38.94	\$37.60	\$28.45	\$32.63	\$36.61	\$37.02	\$33.28	\$29.07	\$31.27	\$33.33
Legal and accounting fees	\$26.25	\$29.59	\$33.21	\$35.85	\$34.34	\$22.93	\$23.64	\$19.36	\$16.05	\$40.18	\$37.54
Other	\$16.80	\$16.96	\$17.03	\$18.09	\$18.72	\$19.00	\$19.70	\$19.37	\$15.63	\$16.53	\$16.33
Total	\$112.90	\$121.98	\$125.28	\$143.85	\$128.65	\$119.86	\$124.91	\$119.32	\$111.95	\$142.02	\$141.94



2008

Increased
Transparency

More variable



Significant Progress Lessening Share Dilution

(in 000's)	<u>FY2000</u>	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>YTD Q3 2008</u>
GAAP diluted weighted avg. shares, beginning	367,798	351,110	389,207	411,748	456,991	530,467	581,575	584,927	572,289
Shares issued and assumed for acquisitions	39,439	30,221	13,175	4,430	12,447	284	107	94	-
Share awards granted, net	36,494	40,671	41,596	30,182	13,055	34,009	19,885	29,335	20,330
% of beginning diluted shares	9.9%	11.6%	10.7%	7.3%	2.9%	6.4%	3.4%	5.0%	3.6%
Subtotal of shares issued, assumed and awarded	75,933	70,892	54,771	34,612	25,502	34,293	19,992	29,429	20,330
% of beginning diluted shares	20.6%	20.2%	14.1%	8.4%	5.6%	6.5%	3.4%	5.0%	3.6%
Shares repurchased	-	-	-	-	-	(5,484)	(7,348)	(35,789)	(37,809)
% of beginning diluted shares	0.0%	0.0%	0.0%	0.0%	0.0%	(1.0)%	(1.3)%	(6.1)%	(6.6)%



2008

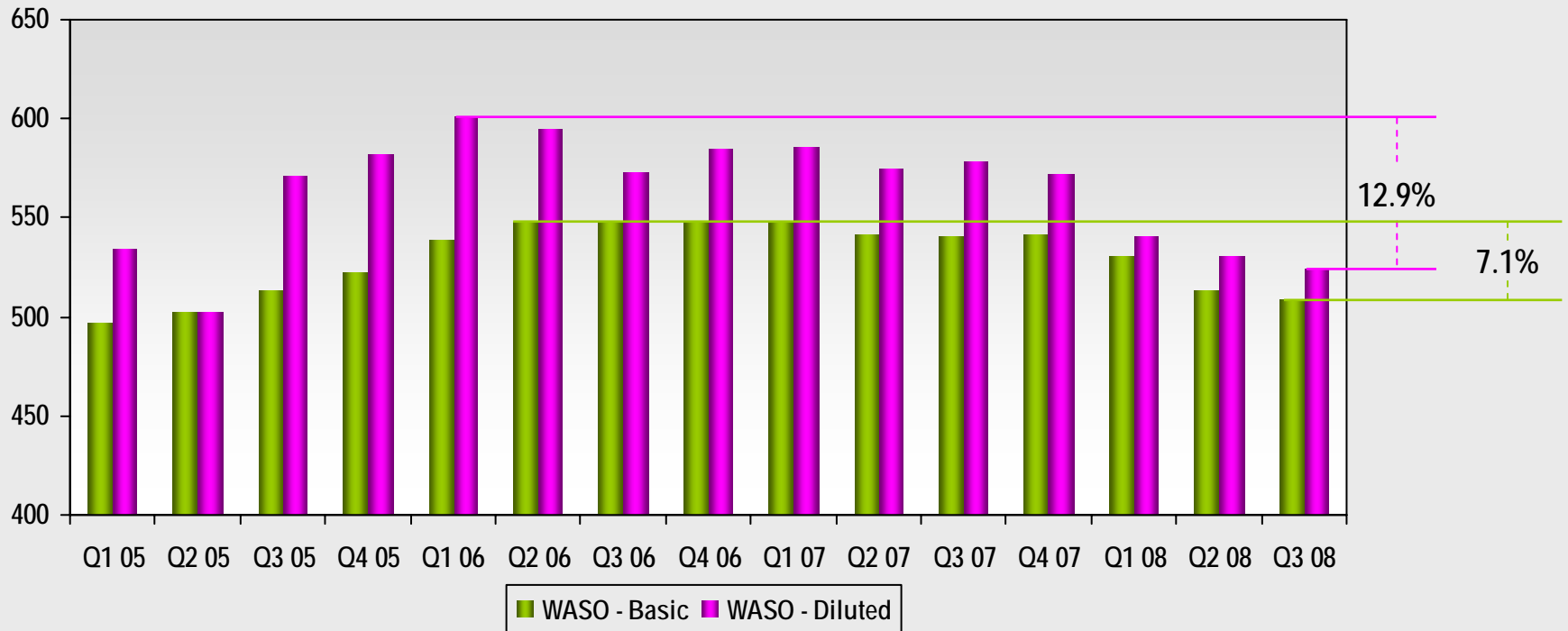
Adapting Equity
Management

Note: All share and per share amounts have been adjusted to reflect the three-for-two stock split effective February 2006



Significant Progress Lessening Share Dilution

GAAP Weighted Average Shares Outstanding



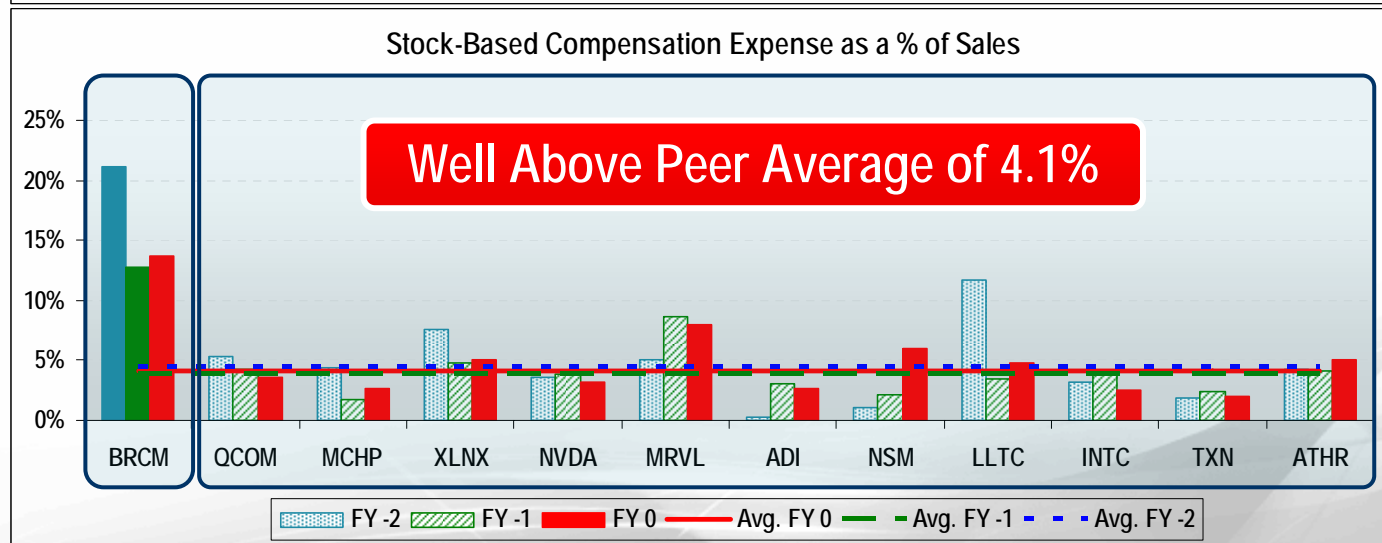
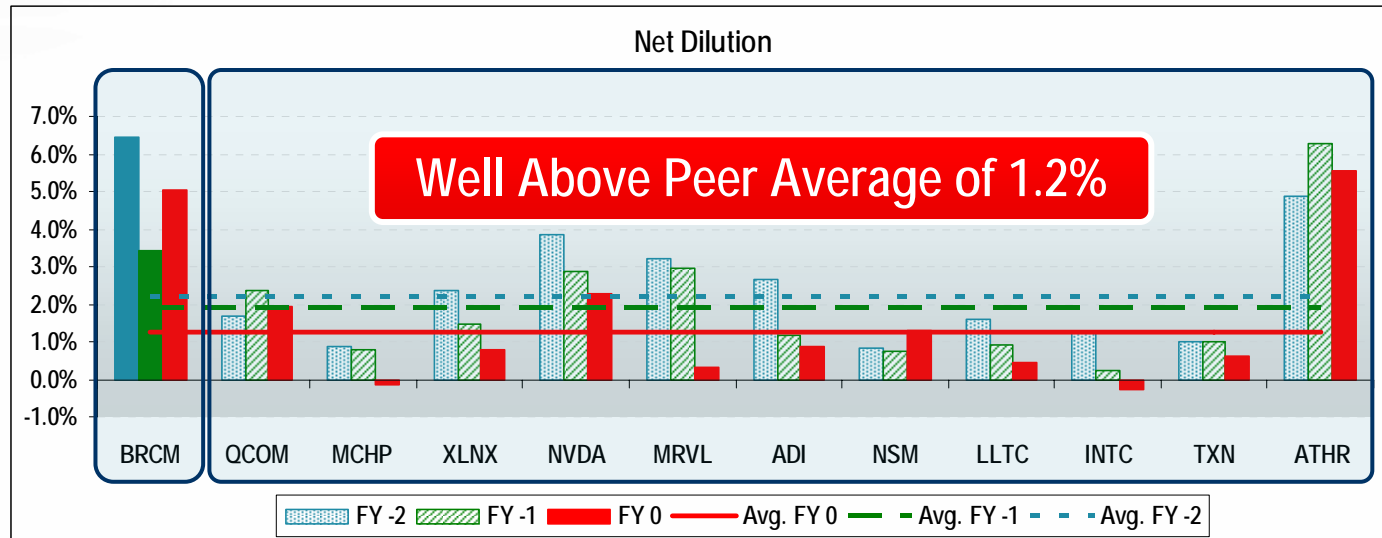
2008

Adapting Equity
Management

Note: All share and per share amounts have been adjusted to reflect the three-for-two stock split effective February 2006



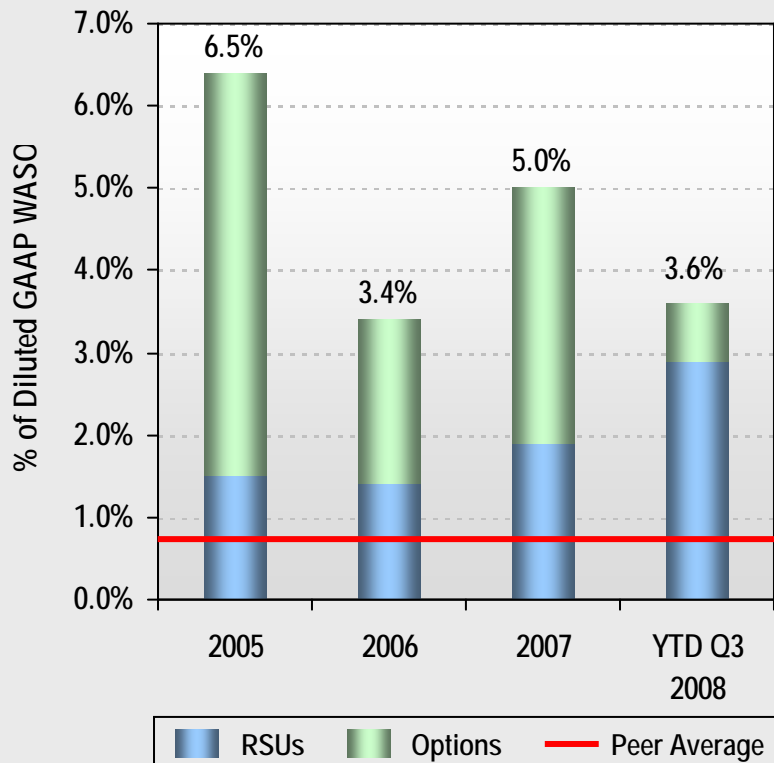
Focus on Normalizing Stock-Based Compensation



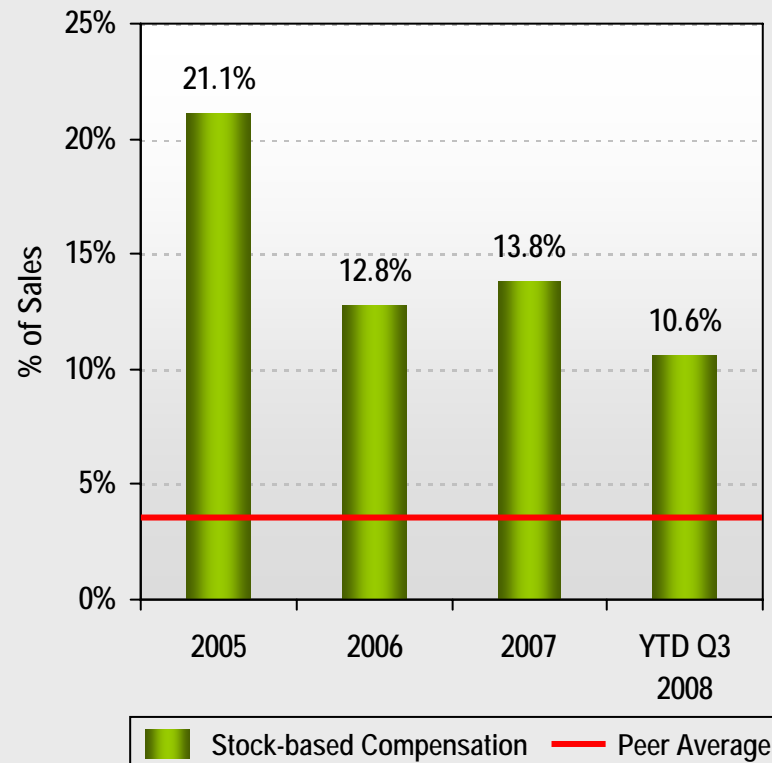
2009

Focus on Normalizing Stock-Based Compensation

Broadcom Net Grant Dilution %



Broadcom Stock-Based Compensation Expense %



Note: Assumes adoption of 123R in 2005



2009

Focus on further reducing share dilution and decreasing stock-based compensation expense

Reducing Stock-Based Compensation



- **Significant progress in moving cash compensation to the median**
 - Increased base salaries over the last several years
 - Introduced bonus program
 - Bigger component in future – more closely aligns current year performance with investor interests
- **RSU and option mix**
 - Shift mix toward RSUs
- **Drive equity over time to normative levels**
 - Use market value transfer as the guide post (compensates for share buybacks)



2009

Goals for Stock-Based Compensation

4 Perspectives on Stock-Based Compensation

	2005	2006	2007	YTD Q3 2008	3 Year Goals
Market Value Transfer % (Total grant value / market cap)	2.9%	2.9%	3.4%	4.7%	<2%
Equity Dilution % (Net grants and assumed shares / GAAP diluted weighted average shares)	6.5%	3.4%	5.0%	3.6%	~2%
Option Equivalent Dilution % (Net option equivalents / GAAP diluted weighted average shares)	9.7%	6.6%	8.9%	7.9%	~4.5%
% of Sales (Stock-based compensation / sales)	21.1%	12.8%	13.8%	10.6%	~5%*

*Due to 4 year amortization will take longer



Anticipated 2009 impact:
Equity grant reduction of ~20%
MVT reduction of ~40%





Managing Through the Current Recessionary Environment

Managing in Good Times and Bad Times

Managing in Today's Economic Environment

Profitable growth vs. cash flow



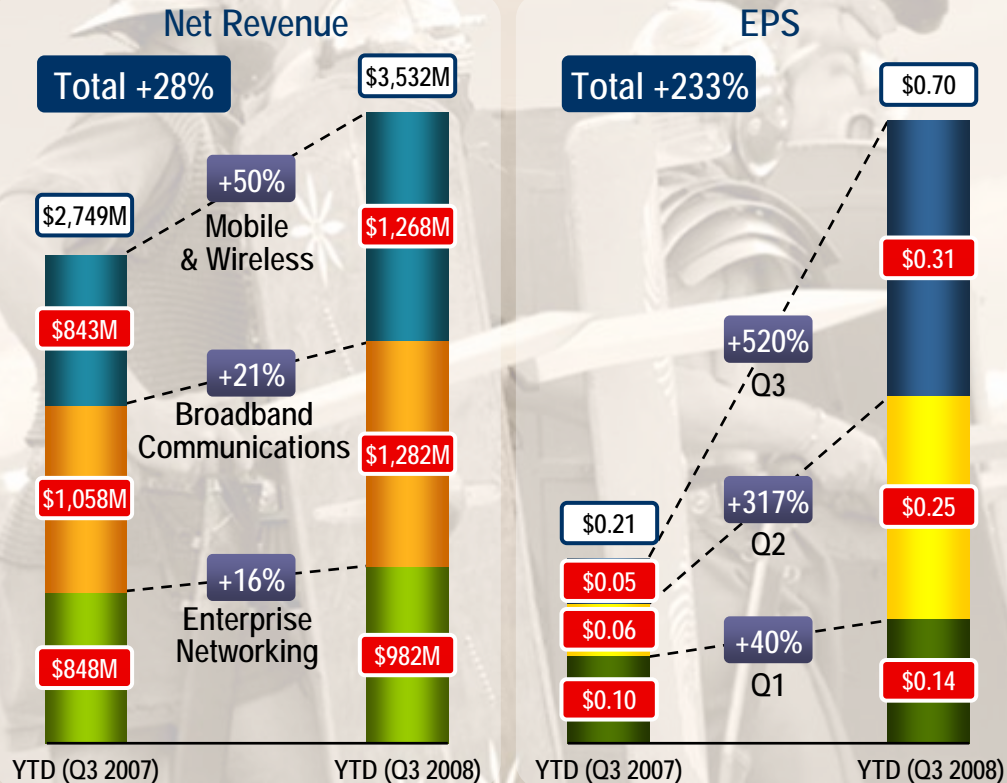
Strategic advantage



Strategic Focus Changes Depending on the Economic Environment

Upturns

2008: Focus on profitable growth

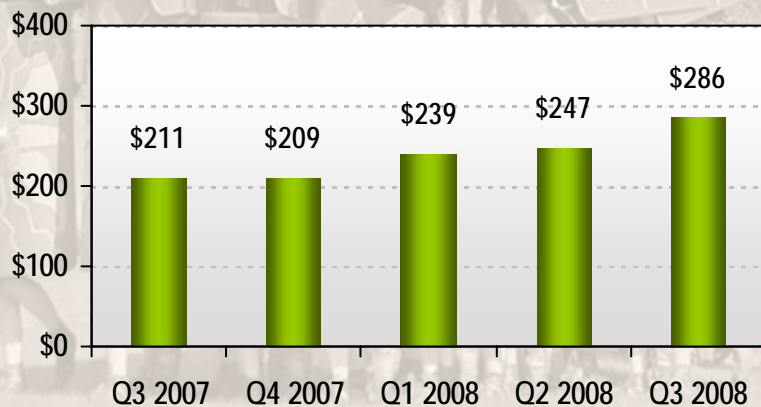


Strategic Focus Changes Depending on the Economic Environment

Downturns

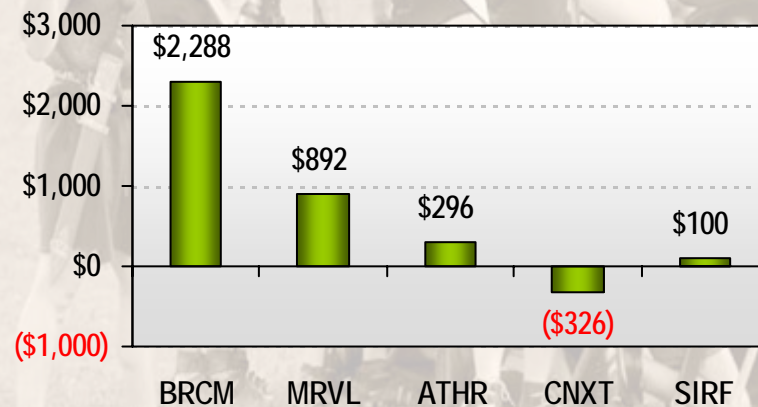
Focus on protecting cash flow

Cash Flow From Operations (\$ Mil)



Leverage cash to enhance strategic position

Q3 2008 Net Cash (\$ Mil)



Protecting Cash Flow

Current Targets for 2009

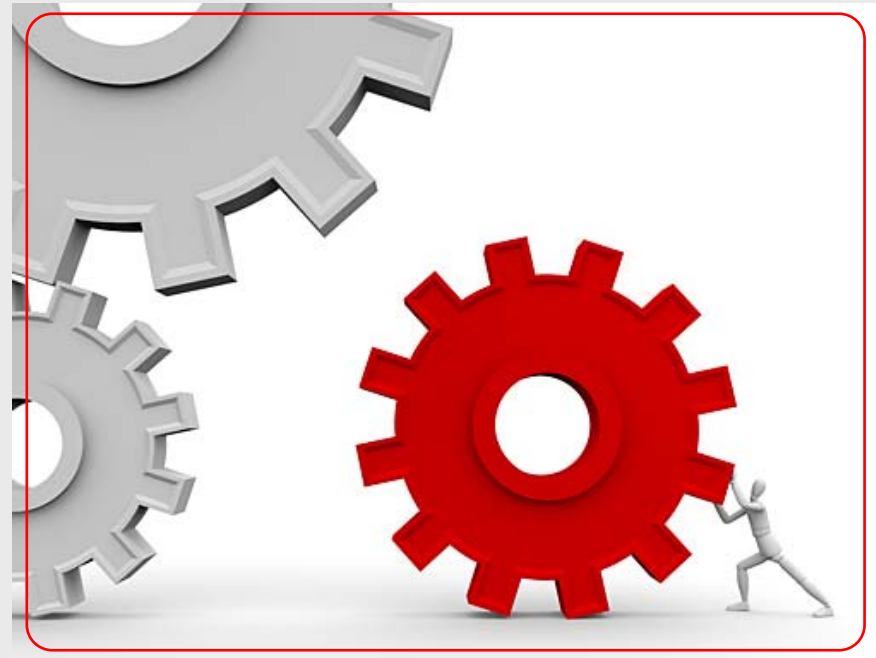
- Flatten at Q4 OpEx run rate:
 - Headcount
 - Salaries and benefits
 - Stock-based compensation
- Tape out cost: no change
- Legal expenses / receipts: ?
- If conditions worsen and cash flow materially deteriorates management *will* take action



Corporate Acquisition Strategy Unchanged

Broadcom's Philosophy

1. "Broadcom quality" team
2. Accelerate our time-to-market or enhance our technology roadmap
3. Enhance our competitive or market positioning
4. Accretive to revenue growth and / or gross margin which ultimately leads to EPS accretion over time



Unique opportunity as compared to high ROI of purchasing stock

Final Thoughts



2008

A year of significant progress

- New / tighter financial controls and processes
- Transparency and GAAP
- Maturing corporate image and increasing shareholder friendliness

2008

A year of fantastic results

- Net revenue growth of 28% (YTD Q3 2008)
- EPS growth of 233% (YTD Q3 2008)

2009

A year to grow market share with tight fiscal management

- Focused on operating cash flow
- Leveraging R&D to gain market share
- Meaningful reduction in stock-based compensation

Believe Broadcom will emerge stronger post recession

Q4 2008 Guidance Update

(in millions)	*Previous Q4 2008 Guidance (Excluding AMD DTV acquisition)	Current Q4 2008 Guidance
Net Revenue	\$1,170 to \$1,235	\$1,050 to \$1,100 – Including AMD DTV revenue
Gross margin	Down 50 to 75 basis points sequentially	Down 105 to 130 basis points sequentially
<i>AMD DTV gross margin impact</i>	<i>Not in prior guidance</i>	<i>Negative ~20 basis points</i>
Net gross margin guidance		Down 125 to 150 basis points sequentially
Total operating expense (including stock-based compensation)	Up \$12 to \$17 sequentially	Roughly flat sequentially
<i>AMD DTV operating expense impact</i>	<i>Not in prior guidance</i>	<i>~\$15</i>
Net operating expense guidance		Up ~\$15 sequentially
Inventory turns	Approaching 8x	Approximately 5x
Share repurchase	In the market	~27 million shares

*Guidance given on Q3 2008 earnings conference call (October 21, 2008)
 Note: All guidance excludes one-time and acquisition related charges



Q&A



Demos Open