Broadcom Inc. Announces Pricing and Upsizing of Mandatory Convertible Preferred Stock Offering

September 25, 2019

SAN JOSE, Calif., Sept. 24, 2019 /PRNewswire/ -- Broadcom Inc. (Nasdaq: AVGO) ("Broadcom") announced today that it has upsized and priced a public offering of 3,250,000 shares of 8.00% Series A Mandatory Convertible Preferred Stock (the "Mandatory Convertible Preferred Stock") at a price to the public of $1,000 per share (the "Offering"). The Offering was upsized from the previously announced $3.0 billion of shares of Mandatory Convertible Preferred Stock. The underwriters have a 30-day option to purchase up to an additional 487,500 shares of Mandatory Convertible Preferred Stock solely to cover over-allotments, if any. The Offering is scheduled to be completed on September 30, 2019, subject to customary closing conditions.

The net proceeds from the Offering will be approximately $3.2 billion (or approximately $3.7 billion if the underwriters exercise their option to purchase additional shares of Mandatory Convertible Preferred Stock to cover over-allotments, if any, in full) after deducting issuance costs and discounts.

Broadcom intends to use the net proceeds from the Offering to repay a portion of the outstanding borrowings under Broadcom's existing term loan facilities on a pro rata basis.

BofA Merrill Lynch, Citigroup, J.P. Morgan and Morgan Stanley are acting as representatives of the underwriters and joint-book running managers for the Offering. Barclays, BMO Capital Markets, BNP PARIBAS, HSBC, RBC Capital Markets and Wells Fargo Securities are also serving as bookrunners for the Offering, and Academy Securities, BBVA, COMMERZBANK, Credit Suisse, Deutsche Bank Securities, Mizuho Securities, MUFG, PNC Capital Markets LLC, Scotiabank, SMBC, Standard Chartered Bank, SunTrust Robinson Humphrey and TD Securities are serving as co-managers.

Unless earlier converted, each share of Mandatory Convertible Preferred Stock will automatically convert on September 30, 2022 (subject to postponement for certain market disruption or other events) into between 3.0303 and 3.5422 shares of Broadcom's common stock, subject to certain customary anti-dilution adjustments.

Dividends on the Mandatory Convertible Preferred Stock will be payable on a cumulative basis when, as and if declared by Broadcom's board of directors at an annual rate of 8.00% on the liquidation preference of $1,000 per share. If declared, these dividends will be paid in cash or, subject to certain limitations, in shares of Broadcom's common stock or a combination of cash and shares of Broadcom's common stock, at Broadcom's election, on March 31, June 30, September 30 and December 31 of each year, commencing on December 31, 2019, and continuing to, and including, September 30, 2022.

The Offering is being made pursuant to an effective shelf registration statement on file with the U.S. Securities and Exchange Commission (the "SEC") and will be made only by means of a prospectus supplement relating to the Offering and the accompanying base prospectus. An electronic copy of the prospectus supplement, together with the accompanying prospectus, may be obtained, when available, by visiting the SEC's website at www.sec.gov. Alternatively, copies of the prospectus supplement and accompanying prospectus relating to the Offering can be obtained, when available, by contacting: BofA Securities, Inc., Attention: Prospectus Department, 200 North College Street, 3rd Floor, Charlotte, North Carolina 28255, by telephone at (800) 294-1322, or by email at dg.prospectus_requests@baml.com; Citigroup Global Markets Inc., c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, New York 11717, or by telephone at (800) 831-9146; J.P. Morgan Securities LLC, c/o Broadridge Financial Solutions, Attention: Prospectus Department, 1155 Long Island Avenue, Edgewood, New York 11717, by telephone at (866) 803-9204, or by email at prospectus-eq_fi@jpmchase.com; and Morgan Stanley & Co. LLC, Attention: Prospectus Department, 180 Varick Street, Second Floor, New York, New York 10014, or by telephone at (866) 718-1649.

This press release is neither an offer to sell nor a solicitation of an offer to buy the Mandatory Convertible Preferred Stock or any other securities, nor shall there be any offer, solicitation or sale of any security mentioned in this press release in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or jurisdiction.

Cautionary Note Regarding Forward-Looking Statements

This announcement contains forward-looking statements (including within the meaning of Section 21E of the U.S. Securities Exchange Act of 1934, as amended, and Section 27A of the U.S. Securities Act of 1933, as amended) concerning Broadcom. These statements include, but are not limited to, statements that address our expected future business and financial performance and statements about the proposed Offering and the use of proceeds therefrom and other statements identified by words such as "will", "expect", "believe", "anticipate", "estimate", "should", "intend", "plan", "potential", "predict" "project", "aim", and similar words, phrases or expressions. These forward-looking statements are based on current expectations and beliefs of the management of Broadcom, as well as assumptions made by, and information currently available to, such management, current market trends and market conditions and involve risks and uncertainties, many of which are outside Broadcom's and management's control, and which may cause actual results to differ materially from those contained in forward-looking statements. Accordingly, you should not place undue reliance on such statements.

Particular uncertainties that could materially affect future results include risks associated with: any loss of our significant customers and fluctuations in the timing and volume of significant customer demand; our dependence on contract manufacturing and outsourced supply chain; global economic conditions and concerns; any acquisitions we may make, such as delays, challenges and expenses associated with receiving governmental and regulatory approvals and satisfying other closing conditions, and with integrating acquired companies with our existing businesses and our ability to achieve the benefits, growth prospects and synergies expected by such acquisitions, including our pending Symantec Corporation transaction; government regulations and trade restrictions; our ability to accurately estimate customers' demand and adjust our manufacturing and supply chain accordingly; our significant indebtedness and the need to generate sufficient cash flows to service and repay such debt; dependence on and risks associated with distributors of our products; dependence on senior management and our ability to attract and retain qualified personnel; international political and economic conditions; involvement in legal or administrative proceedings; our dependency on a limited number of suppliers; quarterly and

annual fluctuations in operating results; cyclicality in the semiconductor industry or in our target markets; our competitive performance and ability to continue achieving design wins with our customers, as well as the timing of any design wins; prolonged disruptions of our or our contract manufacturers' manufacturing facilities or other significant operations; our ability to improve our manufacturing efficiency and quality; our dependence on outsourced service providers for certain key business services and their ability to execute to our requirements; our ability to maintain or improve gross margin; our ability to protect our intellectual property and the unpredictability of any associated litigation expenses; compatibility of our software products with operating environments, platforms or third-party products; our ability to enter into satisfactory software license agreements; sales to our government clients; availability of third party software used in our products; use of open source code sources in our products; any expenses or reputational damage associated with resolving customer product warranty and indemnification claims; our ability to sell to new types of customers and to keep pace with technological advances; market acceptance of the end products into which our products are designed; our ability to protect against a breach of security systems; changes in accounting standards; fluctuations in foreign exchange rates; the amount and frequency of our stock repurchases; our provision for income taxes and overall cash tax costs, legislation that may impact our overall cash tax costs and our ability to maintain tax concessions in certain jurisdictions; and other events and trends on a national, regional and global scale, including those of a political, economic, business, competitive and regulatory nature. All of the forward-looking statements in this press release are qualified in their entirety by reference to the factors listed above and those discussed under the heading "Risk Factors" herein and in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended November 4, 2018 and Part II, Item 1A of our Quarterly Report on Form 10-Q for the fiscal quarter ended August 4, 2019. We caution you that the foregoing list of important factors may not contain all of the material factors that are important to you. In addition, in light of these risks and uncertainties, the matters referred to in the forward-looking statements contained in this press release may not in fact occur. We undertake no intent or obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.

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