

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): October 17, 2000

BROADCOM CORPORATION
(Exact Name of Registrant as Specified in Charter)

California	000-23993	33-0480482
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(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

16215 Alton Parkway, Irvine, California 92618
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (949) 450-8700

Not Applicable

(Former Name or Former Address, if Changed since Last Report)

ITEM 5. OTHER EVENTS

On October 17, 2000, Broadcom Corporation issued a press release, a copy of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

On October 18, 2000, Broadcom Corporation issued a press release, a copy of which is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

ITEM 7. EXHIBITS

(a) Not Applicable.

(b) Not Applicable.

(c) Exhibits

99.1 -- Press Release dated October 17, 2000, of the Registrant.

99.2 -- Press Release dated October 18, 2000, of the Registrant.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BROADCOM CORPORATION,
a California corporation

October 19, 2000

By: /s/ WILLIAM J. RUEHLE

William J. Ruehle
Vice President and Chief
Financial Officer
(Principal Financial Officer)

By: /s/ SCOTT J. POTERACKI

Scott J. Poteracki
Corporate Controller and
Senior Director of Finance
(Principal Accounting Officer)

EXHIBIT INDEX

EXHIBIT
NUMBER
-----DESCRIPTION

99.1	Press Release dated October 17, 2000, of the Registrant.
99.2	Press Release dated October 18, 2000, of the Registrant.

NEWS RELEASE

BROADCOM BUSINESS MEDIA CONTACTS

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BROADCOM TO ACQUIRE ALLAYER COMMUNICATIONS,
LEADING DEVELOPER OF 10-GIGABIT SWITCHING TECHNOLOGY

Allayer's Technology Relieves Bandwidth Bottlenecks within the Backbone of
Enterprise and Metropolitan Area Networks with 10x Performance Improvement

IRVINE and SAN JOSE, Calif. - October 17, 2000 - Broadcom Corporation (Nasdaq: BRCM), the leading provider of integrated circuits enabling broadband communications, today announced that it has signed a definitive agreement to acquire Allayer Communications, a leading developer of high-performance enterprise and optical networking communications chips, based in San Jose. In adding Allayer's switch processor expertise to its product portfolio, Broadcom continues to build its leadership in the delivery of broadband solutions for networking services spanning local, metropolitan and wide area networks.

Broadcom's products and technology have paved the way for establishing Gigabit-per-second connections to every corporate desktop and multi-megabit-per-second connections to every residence. As end users enjoy the 10-fold increase in bandwidth available at the network edge, performance bottlenecks are now shifting to optical networks in the corporate and metropolitan backbone. Combining Allayer's 10-Gigabit-per-second (Gbps) switch processor technology with Broadcom's Ethernet and Synchronous Optical Network (SONET) physical layer and Serializer/Deserializer (SerDes) technologies enables a cost-effective solution to these bottlenecks.

Broadcom has undertaken a strategic initiative to provide end-to-end IC solutions that increase the performance, intelligence and cost-effectiveness of broadband communication networks worldwide. High-bandwidth switching technology enables the aggregation of high-speed Internet traffic from the customer premise enterprise network into the central office switching facilities in Metropolitan Area Networks (MANs) and Wide Area Networks (WANs). Allayer's technology enables this aggregation with a corresponding 10-times improvement in speed.

During the past year, Allayer has refocused its activities from the LAN switching area to WAN switching products and technology, and has achieved key design wins and strategic relationships with a number of the major enterprise and optical infrastructure suppliers, as well as with many emerging high-growth, optical networking startups. Broadcom's strategic relationships with the leading network equipment vendors will enable Allayer's product portfolio to be rapidly deployed into this marketplace.

Just as Ethernet and the Internet Protocol (IP) dominate the Local Area Network (LAN), the trend is for greater numbers of cost-effective, packet-switched IP networks to be established toward the networking core. Broadcom, the leader in supplying innovative Ethernet and IP integrated circuit (IC) solutions to the LAN, is in a unique position to leverage this packet-based expertise and provide optimum solutions for both enterprise IP networks and the MAN/WAN fiber backbone. Allayer's switch technology supports both 1 Gigabit and 10 Gigabit-per-second Ethernet speeds, and serves as the intersection between access (IP-based) networks and transport (SONET) networks.

"Broadcom is committed to solving bandwidth bottlenecks wherever they occur in the network," said Dr. Henry T. Nicholas III, President and CEO of Broadcom. "Our products are enabling broadband connections for corporate and home users worldwide, and as a result the bottlenecks are now shifting toward the network core. With the addition of Allayer's 10-Gigabit switch technology, Broadcom now provides customers a broader range of products to alleviate the congestion at the LAN and WAN edge."

"The combined capabilities and resources of Allayer and Broadcom will bring highly integrated system solutions to the optical communications marketplace," said Dr. Cheng-chung Shih, President and CEO of Allayer Communications. "Broadcom's market presence and proven ability to deliver innovative, cost-effective silicon solutions and Allayer's synergistic intellectual property and talented engineering pool together promise to speed up the timetable for delivering complete solutions for MAN and WAN networks. This acquisition opens a tremendous number of new opportunities to us and we are quite excited at the prospects for success."

In a report issued in August 2000, CIBC World Markets Inc. noted that Gigabit Ethernet would naturally migrate into the local loop, unleashing capacity and enabling broader enhanced services. According to the CIBC study, Ethernet has already exhibited exceptional price/performance characteristics in enterprise networks and is the dominant protocol there; as data-centric companies push more data traffic into the local loop, it is expected that Ethernet will follow.

With its acquisition of Allayer and the recent acquisitions of NewPort Communications (WAN physical layer/transceiver technology) and Silicon Spice (gateway and carrier access chip sets), Broadcom is rapidly widening its product portfolio for next-generation WAN systems. In addition, Allayer's intelligent switching processor technology is very complementary to the Broadcom(R) Content Aware(TM) packet classification technology deployed in LANs with Broadcom's StrataSwitch(TM) architecture. The combination of these technologies will enable the seamless delivery of high-bandwidth, Quality of Service (QoS)-sensitive network traffic between the enterprise desktop and the Internet, extending from the LAN out to the MAN and WAN.

In connection with the acquisition, Broadcom will issue in aggregate about 1.23 million shares of its Class A Common Stock in exchange for all outstanding shares of Allayer's Preferred and Common Stock and upon exercise of outstanding employee stock options and other rights of Allayer Communications. If certain performance goals are satisfied, Broadcom will issue up to an additional 300,000 shares of its Class A Common Stock to the stockholders and option holders of Allayer. The merger transaction is expected to close within 60 days and will be accounted for under the purchase method of accounting. The boards of directors of both companies have approved the merger, which awaits approval by Allayer's shareholders and the satisfaction of regulatory requirements and other customary closing conditions. Broadcom expects to record a one-time charge for purchased in-process research and development expenses related to the acquisition in its fourth fiscal quarter, ending December 31.

ABOUT ALLAYER

Allayer Communications is a leading producer of high bandwidth network ICs for the enterprise and optical network. The company develops scalable network architectures and mixed-signal switching and routing ICs for the Gigabit/Fast Ethernet and optical network markets. The corporate name -- pronounced "All-layer" -- represents the company's long-range intention to provide silicon solutions for all levels of the OSI networking model. Founded in 1997, Allayer's corporate headquarters are in San Jose. For more information please contact Allayer at 408-570-0888, or visit the corporate website at www.allayer.com.

ABOUT BROADCOM

Broadcom Corporation is the leading provider of highly integrated silicon solutions that enable broadband digital transmission of voice, video, and data. Using proprietary technologies and advanced design methodologies, the company designs, develops and supplies integrated circuits for a number of the most significant broadband communications markets, including the markets for cable set-top boxes, cable modems, high-speed local, metropolitan and wide area networks, home networking, Voice over Internet Protocol (VoIP), carrier access, residential broadband gateways, direct broadcast satellite and terrestrial digital broadcast, optical networking, digital subscriber lines (xDSL) and wireless communications. Broadcom is headquartered in Irvine, Calif., and may be contacted at 949-450-8700 or at www.broadcom.com.

SAFE HARBOR STATEMENT OF BROADCOM CORPORATION UNDER THE PRIVATE SECURITIES
LITIGATION REFORM ACT OF 1995:

This release may contain forward-looking statements based on our current expectations, estimates and projections about our industry, management's beliefs, and certain assumptions made by us. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "may," "will" and variations of these words or similar expressions are intended to identify forward-looking statements. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Therefore, our actual results could differ materially and adversely from those expressed in any forward-looking statements as a result of various factors.

Important factors that may cause such a difference for Broadcom in connection with the acquisition of Allayer Communications include, but are not limited to, the risks inherent in acquisitions of technologies and businesses, including the timing and successful completion of technology and product development through volume production, integration issues, costs and unanticipated expenditures, changing relationships with customers, suppliers and strategic partners, potential contractual, intellectual property or employment issues, accounting treatment and charges, and the risks that the acquisition cannot be completed successfully or that anticipated benefits are not realized; the rate at which present and future customers and end-users adopt Broadcom's and Allayer's technologies and products in the markets for optical communications integrated circuits; delays in the adoption and acceptance of industry standards in the foregoing markets; the timing of customer-industry qualification and certification of our products and the risks of non-qualification or non-certification; the timing, rescheduling or cancellation of significant customer orders; the loss of a key customer; the volume of our product sales and pricing concessions on volume sales; silicon wafer pricing and the availability of foundry and assembly capacity and raw materials; the qualification, availability and pricing of competing products and technologies and the resulting effects on sales and pricing of our products; intellectual property disputes and customer indemnification claims; fluctuations in the manufacturing yields of our third party semiconductor foundries and other problems or delays in the fabrication, assembly, testing or delivery of our products; our ability to specify, develop or acquire, complete, introduce, market and transition to volume production new products and technologies in a timely manner; the effects of new and emerging technologies; the effectiveness of our product cost reduction efforts; the risks of producing products with new suppliers and at new fabrication and assembly facilities; problems or delays that we may face in shifting our products to smaller geometry process technologies and in achieving higher levels of design integration; the risks and uncertainties associated with our international operations; our ability to retain and hire key executives, technical personnel and other employees in the numbers, with the capabilities, and at the compensation levels needed to implement our business and product plans; changes in our product or customer mix; the quality of our products and any remediation costs; the effects of natural disasters and other events beyond our control; the level of orders received that can be shipped in a fiscal quarter; potential business disruptions, claims, expenses and other difficulties resulting from residual "Year 2000" problems in computer-based systems used by us, our suppliers or our customers; general economic conditions and specific conditions in the markets we address; and other factors.

Our Annual Report on Form 10-K, recent and forthcoming Quarterly Reports on Form 10-Q, recent Current Reports on Forms 8-K and 8-K/A, and other Securities and Exchange Commission filings discuss some of the important risk factors that may affect our business, results of operations and financial condition. We undertake no obligation to revise or update publicly any forward-looking statements for any reason.

Broadcom(R), StrataSwitch(TM), Content Aware(TM) and the pulse logo are trademarks of Broadcom Corporation and/or its affiliates in the United States and certain other countries. Allayer Communications is a trademark of Allayer Communications in the United States and certain other countries. All other trademarks mentioned are the property of their respective owners.

NEWS RELEASE

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BROADCOM REPORTS RECORD THIRD QUARTER REVENUE AND PROFIT

IRVINE, Calif. - October 18, 2000 - Broadcom Corporation (Nasdaq: BRCM) today reported record revenue and profit for its third fiscal quarter, ended September 30, 2000.

Revenue for the third quarter was a record \$319.2 million, an increase of 128.7% over the \$139.6 million reported in the third quarter of 1999 and an increase of 30.2% over the \$245.2 million reported in the second quarter of 2000. Pro forma net income was a record \$78.7 million, or \$.30 per share (diluted). This compares with pro forma net income of \$28.7 million, or \$.12 per share (diluted), for the same quarter in 1999 and with pro forma net income of \$61.1 million, or \$.24 per share (diluted), in the second quarter of 2000. Diluted earnings per share for the quarter were based on 264.8 million weighted average shares outstanding, compared to 238.3 million weighted average shares outstanding in the third quarter of 1999 and to 253.9 million weighted average shares outstanding in the second quarter of 2000.

Pro forma net income excludes the effects of acquisition-related expenses and payroll taxes on certain stock option exercises. Including these charges, net loss for the third quarter was \$19.4 million, or \$.09 per share, compared with net income of \$24.6 million, or \$.10 per share (diluted), in the same quarter in 1999, and with net income of \$55.9 million, or \$.22 per share (diluted), in the second quarter of 2000.

During the third quarter, Broadcom announced three key acquisitions - Altima Communications, Inc., Silicon Spice Inc. and NewPort Communications, Inc. - and closed a fourth acquisition, Innovent Systems, Inc., first announced in June. The Altima transaction also closed within the quarter. All four acquisitions will be accounted for under the purchase method of accounting.

"The 30 percent sequential revenue increase we experienced this quarter was the result of continued strong momentum in the broadband markets we serve," said Dr. Henry T. Nicholas III, President and CEO of Broadcom Corporation. "We saw brisk demand across our business lines, from set-top boxes and cable modems to enterprise networking equipment."

"This across-the-board demand underscored a trend that we are helping to drive: the rapid convergence of broadband technologies and markets," Nicholas said. "A good example of this was our introduction during the quarter of a groundbreaking single-chip cable modem solution that brings together a range of capabilities, including those for set-top boxes, cable modems, home networking, Voice over Internet Protocol and Ethernet connectivity. This product, the BCM3352, allows cable operators worldwide to provide residential gateways capable of delivering four lines of primary line digital telephone, IP video, home networking and 'always on' cable modem Internet services over cable systems and home phone lines."

During the quarter, Broadcom significantly expanded its wide area networking (WAN) offerings, announcing the acquisitions of NewPort Communications and Silicon Spice. At the recent NetworkWorld+Interop industry trade show, Broadcom demonstrated NewPort's 2.5 Gigabit per second (Gbps) OC-48 and 10 Gbps OC-192 SONET transceivers. Together these products have garnered 37 design wins with leading networking OEMs. The company also demonstrated Silicon Spice's reconfigurable communications processor, showing superior Voice over IP (VoIP) capabilities when paired with both Broadcom's internally-developed technology and telephony software gained last year in the acquisition of HotHaus Technologies. The Silicon Spice and NewPort Communications acquisitions closed in early October. On October 17, Broadcom further extended its portfolio of WAN products, technologies and expertise, announcing the acquisition of Allayer Communications, a leading developer of high-performance enterprise and optical networking communications chips. Allayer's switch technology supports both 1 Gigabit and 10 Gigabit-per-second Ethernet speeds, and serves as the metropolitan area network (MAN) intersection between access (IP-based) networks and transport (SONET-based) networks.

In enterprise networking, Broadcom made a number of significant announcements during the quarter, including the introduction of its third generation Gigabit Ethernet over copper transceiver, a product which integrates two 10/100/1000 ports on a single chip. Broadcom is the dominant market leader in Gigabit Ethernet over copper, with nearly a million ports of transceivers shipped. This leadership position was further bolstered by the announcement in July that Apple Computer will use Broadcom's Gigabit Ethernet transceiver as a standard part on all of the computer maker's new dual-processor PowerMac G4 systems.

Additionally in the networking area, Broadcom demonstrated the world's fastest e-Commerce security processor, another example of fruits of an earlier acquisition (BlueSteel Networks).

To better serve the small and medium-sized business networking market, Broadcom acquired Altima Communications, which focuses on small business 10/100 Ethernet switches, repeaters and transceivers. These products are designed and optimized for the cost-sensitive, value-oriented customer, with an emphasis on low power consumption, small OEM product footprint, and low total system cost. In this market segment, Broadcom also delivered new 5-port and 8-port expandable 10/100 ROBOswitch-plus family of Ethernet Switch-on-a-Chip products.

On October 4, Broadcom announced the acquisition of Element 14, Inc., a leading developer of high port density, low power DSL chipsets. U.K.-based Element 14 is developing what is anticipated to be the industry's first 12-port, full-rate ADSL solution for the central office (CO). The acquisition is expected to close in the current quarter.

"We believe that the combination of Broadcom's existing leadership position in VDSL with Element 14's ADSL capabilities will provide our markets with the most comprehensive product portfolio available for copper twisted pair broadband delivery," Nicholas concluded.

Broadcom's restated historical consolidated financial statements for 1999, reflecting the effects of the four pooling-of-interest acquisitions completed in 2000 to date, were reported on a Form 8-K/A filed with the Securities and Exchange Commission on July 10, 2000. Broadcom's unaudited pro forma combined financial statements including the effects of the Innovent Systems acquisition were reported on a Form 8-K/A filed with the SEC on October 2, 2000.

ABOUT BROADCOM

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Important factors that may cause such a difference for Broadcom include, but are not limited to, the volume of our product sales and pricing concessions on volume sales; the timing, rescheduling or cancellation of significant customer orders; the loss of a key customer; the qualification, availability and pricing of competing products and technologies and the resulting effects on sales and pricing of our products; silicon wafer pricing and the availability of foundry and assembly capacity and raw materials; our ability to specify, develop or acquire, complete, introduce, market and transition to volume production new products and technologies in a timely manner; the timing of customer-industry qualification and certification of our products and the risks of non-qualification or non-certification; the rate at which our present and future customers and end-users adopt Broadcom's technologies and products in the markets for cable set-top boxes, cable modems, high-speed local, metropolitan and wide area networks, home networking, VoIP, carrier access, residential broadband gateways, direct broadcast satellite and terrestrial digital broadcast, optical networking, xDSL and wireless communications; delays in the adoption

and acceptance of industry standards in the foregoing markets; the risks inherent in our acquisitions of technologies and businesses, including the timing and successful completion of technology and product development through volume production, integration issues, costs and unanticipated expenditures, changing relationships with customers, suppliers and strategic partners, potential contractual, intellectual property or employment issues, accounting treatment and charges, and the risks that the acquisition cannot be completed successfully or that anticipated benefits are not realized; intellectual property disputes and customer indemnification claims; fluctuations in the manufacturing yields of our third party semiconductor foundries and other problems or delays in the fabrication, assembly, testing or delivery of our products; the risks of producing products with new suppliers and at new fabrication and assembly facilities; problems or delays that we may face in shifting our products to smaller geometry process technologies and in achieving higher levels of design integration; the effectiveness of our product cost reduction efforts; the effects of new and emerging technologies; the risks and uncertainties associated with our international operations; our ability to retain and hire key executives, technical personnel and other employees in the numbers, with the capabilities, and at the compensation levels needed to implement our business and product plans; changes in our product or customer mix; the quality of our products and any remediation costs; the effects of natural disasters and other events beyond our control; the level of orders received that can be shipped in a fiscal quarter; potential business disruptions, claims, expenses and other difficulties resulting from residual "Year 2000" problems in computer-based systems used by us, our suppliers or our customers; general economic conditions and specific conditions in the markets we address; and other factors.

Our Annual Report on Form 10-K, recent and forthcoming Quarterly Reports on Form 10-Q, recent Current Reports on Forms 8-K and 8-K/A, and other Securities and Exchange Commission filings discuss some of the important risk factors that may affect our business, results of operations and financial condition. We undertake no obligation to revise or update publicly any forward-looking statements for any reason.

Broadcom(R) and the pulse logo are trademarks of Broadcom Corporation and/or its affiliates in the United States and certain other countries. All other trademarks mentioned are the property of their respective owners.

BROADCOM CORPORATION
 UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF OPERATIONS
 (IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2000	1999	2000	1999
Revenue	\$319,155	\$139,561	\$755,923	\$359,227
Cost of revenue	135,359	56,261	316,496	145,162
Gross profit	183,796	83,300	439,427	214,065
Operating expense:				
Research and development	62,502	30,234	153,990	82,560
Selling, general and administrative	27,817	14,610	67,545	42,175
Income from operations	93,477	38,456	217,892	89,330
Interest and other income, net	4,934	2,156	12,984	5,869
Income before income taxes	98,411	40,612	230,876	95,199
Provision for income taxes	19,682	11,904	46,175	27,131
Pro forma net income	\$ 78,729	\$ 28,708	\$184,701	\$ 68,068
	=====	=====	=====	=====
Pro forma basic earnings per share	\$.36	\$.14	\$.86	\$.34
	=====	=====	=====	=====
Pro forma diluted earnings per share	\$.30	\$.12	\$.72	\$.29
	=====	=====	=====	=====
Weighted average shares (basic)	220,510	203,756	215,444	199,660
	=====	=====	=====	=====
Weighted average shares (diluted)	264,812	238,333	257,111	232,469
	=====	=====	=====	=====

PRO FORMA ONLY

The above pro forma statements are based upon our unaudited consolidated statements of operations for the periods shown, with certain adjustments. The pro forma statements for the three months ended September 30, 2000 have been adjusted to eliminate \$45.7 million of in-process research and development expense; \$8.3 million of payroll tax expense on certain stock option exercises; \$27.6 million of stock-based compensation expense related to mergers and acquisitions ("M&A"); and \$24.9 million of amortization of goodwill and purchased intangibles related to M&A; and reflect a pro forma effective tax rate of 20%.

The pro forma statements for the three months ended September 30, 1999 have been adjusted to eliminate \$.7 million of payroll tax expense on certain stock option exercises; \$1.0 million of stock-based compensation expense; and \$4.1 million of merger-related expense; and reflect a pro forma effective tax rate of 29.3%.

The pro forma statements for the nine months ended September 30, 2000 have been adjusted to eliminate \$45.7 million of in-process research and development expense; \$14.8 million of payroll tax expense on certain stock option exercises; \$30.7 million of stock-based compensation expense related to M&A; \$24.9 million of amortization of goodwill and purchased intangibles related to M&A; and \$4.7 million of merger-related expense; and reflect a pro forma effective tax rate of 20%.

The pro forma statements for the nine months ended September 30, 1999 have been adjusted to eliminate \$2.9 million of payroll tax expense on certain stock option exercises; \$2.8 million of stock-based compensation expense; \$15.2 million of merger-related expense; and \$17.0 million of litigation settlement costs; and reflect a pro forma effective tax rate of 28.5%.

All historical financial information has been restated to give retroactive effect to acquisitions accounted for using the pooling-of-interests method.

BROADCOM CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2000	1999	2000	1999
Revenue	\$ 319,155	\$139,561	\$755,923	\$359,227
Cost of revenue(1)(2)	135,908	56,308	317,430	145,316
Gross profit	183,247	83,253	438,493	213,911
Operating expense:				
Research and development(1)(2)	67,945	30,635	163,350	84,295
Selling, general and administrative(1)(2)	30,148	14,869	72,097	43,211
Stock-based compensation	27,615	959	30,655	2,816
Amortization of goodwill and purchased intangible assets	24,936	--	24,936	--
In-process research and development	45,660	--	45,660	--
Merger-related costs	--	4,088	4,745	15,210
Litigation settlement costs	--	--	--	17,036
Income (loss) from operations	(13,057)	32,702	97,050	51,343
Interest and other income, net	4,934	2,156	12,984	5,869
Income (loss) before income taxes	(8,123)	34,858	110,034	57,212
Provision for income taxes	11,241	10,264	34,872	17,730
Net income (loss)	\$ (19,364)	\$ 24,594	\$ 75,162	\$ 39,482
	=====	=====	=====	=====
Basic earnings (loss) per share	\$ (.09)	\$.12	\$.35	\$.20
	=====	=====	=====	=====
Diluted earnings (loss) per share	\$ (.09)	\$.10	\$.29	\$.17
	=====	=====	=====	=====
Weighted average shares (basic)	220,510	203,756	215,444	199,660
	=====	=====	=====	=====
Weighted average shares (diluted)	220,510	238,333	257,111	232,469
	=====	=====	=====	=====

NOTES

All historical financial information has been restated to give retroactive effect to acquisitions accounted for using the pooling-of-interests method.

(1) Excludes stock-based compensation expense as follows:

Cost of revenue	\$ 615	\$ 37	\$ 690	\$ 112
Research and development	20,636	659	22,789	1,879
Selling, general and administrative	6,364	263	7,176	825
	-----	-----	-----	-----
	\$27,615	\$ 959	\$30,655	\$2,816
	=====	=====	=====	=====

(2) Includes employer payroll tax expense on stock option exercises as follows:

Cost of revenue	\$ 549	\$ 47	\$ 934	\$ 154
Research and development	5,443	401	9,360	1,735
Selling, general and administrative	2,331	259	4,552	1,036
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	\$8,323	\$ 707	\$14,846	\$2,925
	=====	=====	=====	=====

BROADCOM CORPORATION
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS)

	SEPTEMBER 30, 2000	DECEMBER 31, 1999
	-----	-----
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 377,813	\$180,816
Short-term investments	104,570	90,059
Accounts receivable, net	152,484	92,124
Inventory	44,471	19,177
Deferred taxes	8,980	8,380
Other current assets	25,807	12,950
	-----	-----
Total current assets	714,125	403,506
Property and equipment, net	85,961	51,151
Long-term investments	--	9,351
Deferred taxes	293,766	137,779
Goodwill and purchased intangible assets, net	1,354,419	--
Other assets	24,963	7,966
	-----	-----
Total assets	\$2,473,234	\$609,753
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	\$ 92,818	\$ 46,458
Accrued liabilities	68,405	41,561
Current portion of long-term debt	1,152	1,787
	-----	-----
Total current liabilities	162,375	89,806
Long-term debt, less current portion	702	3,075
Shareholders' equity	2,310,157	516,872
	-----	-----
Total liabilities and shareholders' equity	\$2,473,234	\$609,753
	=====	=====

All historical financial information has been restated to give retroactive effect to acquisitions accounted for using the pooling-of-interests method.