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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 7, 2018

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**Broadcom Inc.**

(Exact name of registrants as specified in its charter)

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**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**001-38449**  
(Commission file Number)

**35-2617337**  
(I.R.S. Employer  
Identification No.)

**1320 Ridder Park Drive  
San Jose, CA 95131-2313  
(408) 433-8000**  
(Address, including zip code, of  
principal executive offices and registrant's  
telephone number, including area code)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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**Item 7.01 Regulation FD Disclosure.**

On September 7, 2018, Broadcom Inc. made available a company overview presentation, a copy of which is attached hereto as Exhibit 99.1 and incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u>   |
|--------------------|--|
| 99.1               | <a href="#">Broadcom Inc. Company Overview, September 2018</a> |

The information contained in Item 7.01 of this report, including Exhibit 99.1, shall not be incorporated by reference into any filing of the registrant, whether made before or after the date hereof, regardless of any general incorporation language in such filing, unless expressly incorporated by specific reference to such filing. The information in this report, including the exhibit hereto, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section.

**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.

Date: September 7, 2018

**Broadcom Inc.**

By: /s/ Thomas H. Krause, Jr.

Name: Thomas H. Krause, Jr.

Title: Chief Financial Officer

# Broadcom Inc. Company Overview

**September 2018**



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# Safe Harbor Statement

This presentation contains forward-looking statements (including within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended) concerning Broadcom Inc. ("Broadcom" or the "Company"). These statements include, but are not limited to, statements that address our expected future business and financial performance, about historical results that may suggest trends for our business and financial performance, and other statements identified by words such as "will", "expect", "intends", "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 the Company'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: our proposed acquisition of CA, Inc., including (1) the acquisition may not be completed in a timely manner or at all, (2) the effect of the announcement or pendency of the proposed acquisition on our business relationships, operating results and business generally, (3) potential difficulties in employee retention, (4) risks related to diverting management's attention from ongoing business operations, and (5) the outcome of any legal proceedings related to the merger agreement or the proposed acquisition; 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; our dependency on a limited number of suppliers; any other 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; our ability to accurately estimate customers' demand and adjust our manufacturing and supply chain accordingly; our significant indebtedness, including the additional significant indebtedness that we expect to incur in connection with the proposed acquisition of CA and the need to generate sufficient cash flows to service and repay such debt; dependence on a small number of markets and the rate of growth in these markets; dependence on and risks associated with distributors of our products; dependence on senior management; quarterly and annual fluctuations in operating results; global economic conditions and concerns; the amount and frequency of our stock repurchases; cyclicalities 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; 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 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.

Our filings with the Securities and Exchange Commission ("SEC"), which you may obtain for free at the SEC's website at <http://www.sec.gov>, discuss some of the important risk factors that may affect our business, results of operations and financial condition. We undertake no intent or obligation to publicly update or revise any of these forward looking statements, whether as a result of new information, future events or otherwise, except as required by law.

## Broadcom at a Glance



FY17 net  
revenue of  
**\$17.7B\***



**20** leading  
franchises  
in their markets



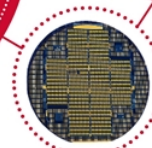
One of the  
industry's broadest  
IP portfolios with  
**~21,000**  
patents



**~75%** of all  
employees are  
world-class  
engineers



**\$3.3B**  
investment in  
R&D in FY17

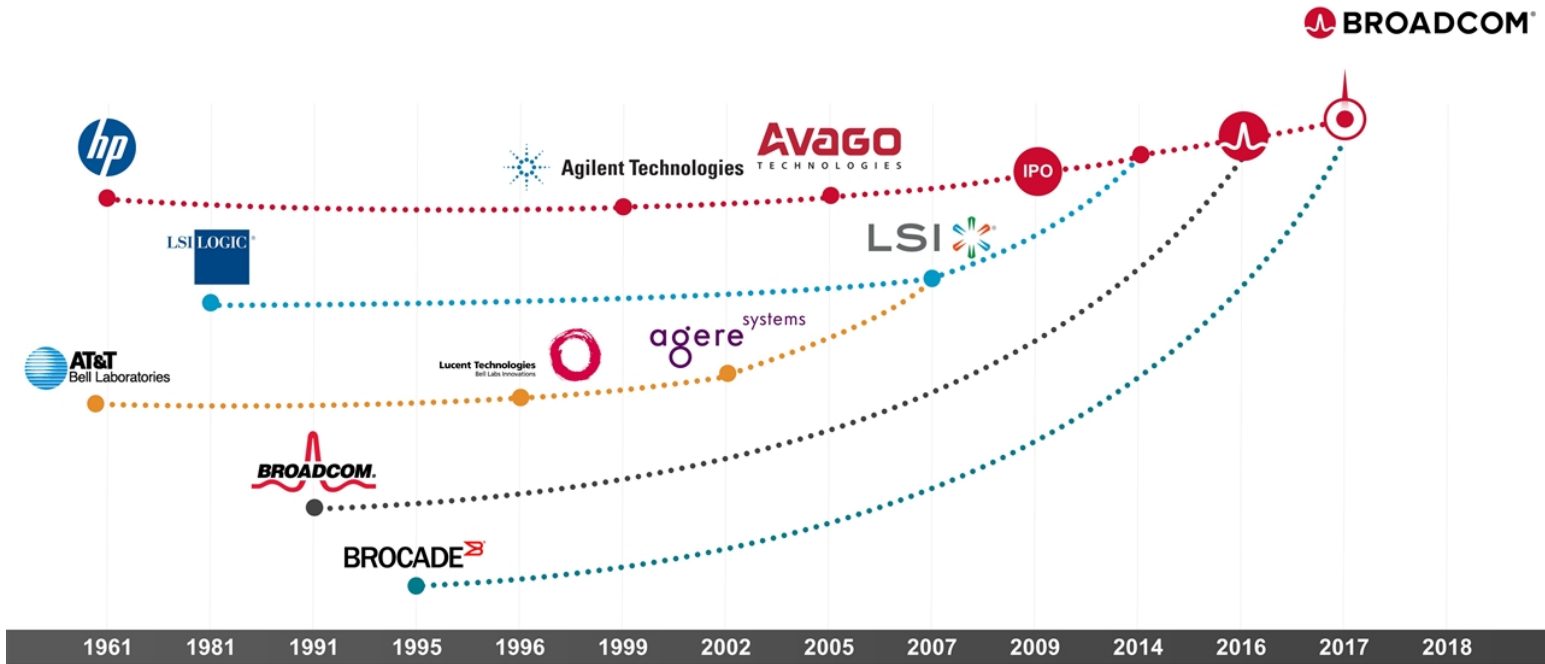


\* FY17 Non-GAAP revenue of Broadcom Limited.

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# Heritage of Technology



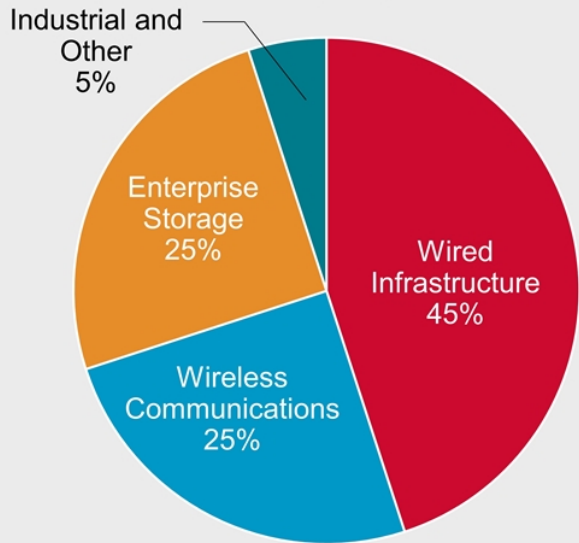
World map showing the locations of 25 research sites. The map is divided into two panels. The left panel shows North America, with sites marked by red dots (USA) and blue dots (Canada). The right panel shows Europe, Africa, and Asia, with sites marked by red dots. The map includes labels for various cities and countries, such as Richmond BC, San Jose, CA, Fort Collins, CO, Mendota Hts, MN, Andover, MA, Allentown, PA, Breinigsville, PA, Durham, NC, Charlotte, NC, Duluth, GA, Austin, TX, Chandler, AZ, San Diego, CA, Irvine, CA, Petaluma, CA, Broomfield, CO, Colorado Springs, CO, Bracknell, UK, Bristol, UK, Cambridge, UK, Bunnik, NL, Munich, DE, Plovdiv, BG, Airport City, IL, Herzliya, IL, Tel Aviv, IL, Yakum, IL, Hyderabad, IN, Bangalore, IN, Penang, MY, Singapore, SG, Beijing, CN, Seoul, KR, Tokyo, JP, Shanghai, CN, Shenzhen, CN, Taipei, TW, and Hsin-Chu, TW.

- **Design Sites (~50+ employees)**







# Diversified Revenue Model

Revenue by Segment\*



## End Markets

|   |                                |  |
|---|--------------------------------|--|
|  | <b>Wired Infrastructure</b>    | Networking and Broadband               |
|  | <b>Wireless Communications</b> | RF Front End and Wireless Connectivity |
|  | <b>Enterprise Storage</b>      | Silicon, Software and Storage          |
|  | <b>Industrial</b>              | Automation, Networking and Protection  |

\* Represents Broadcom Inc. Third Quarter Fiscal 2018 Results (Broadcom Inc. is the successor to Broadcom Limited, effective April 4, 2018)

# Data Center: Networking & Storage Connectivity



## Networking



## Server Connectivity



## Storage



Ethernet Connectivity  
(Switching, Controller, PHY)



Custom  
ASICs



Optical  
Components



NVMe/SAS/SATA/PCIe  
Connectivity

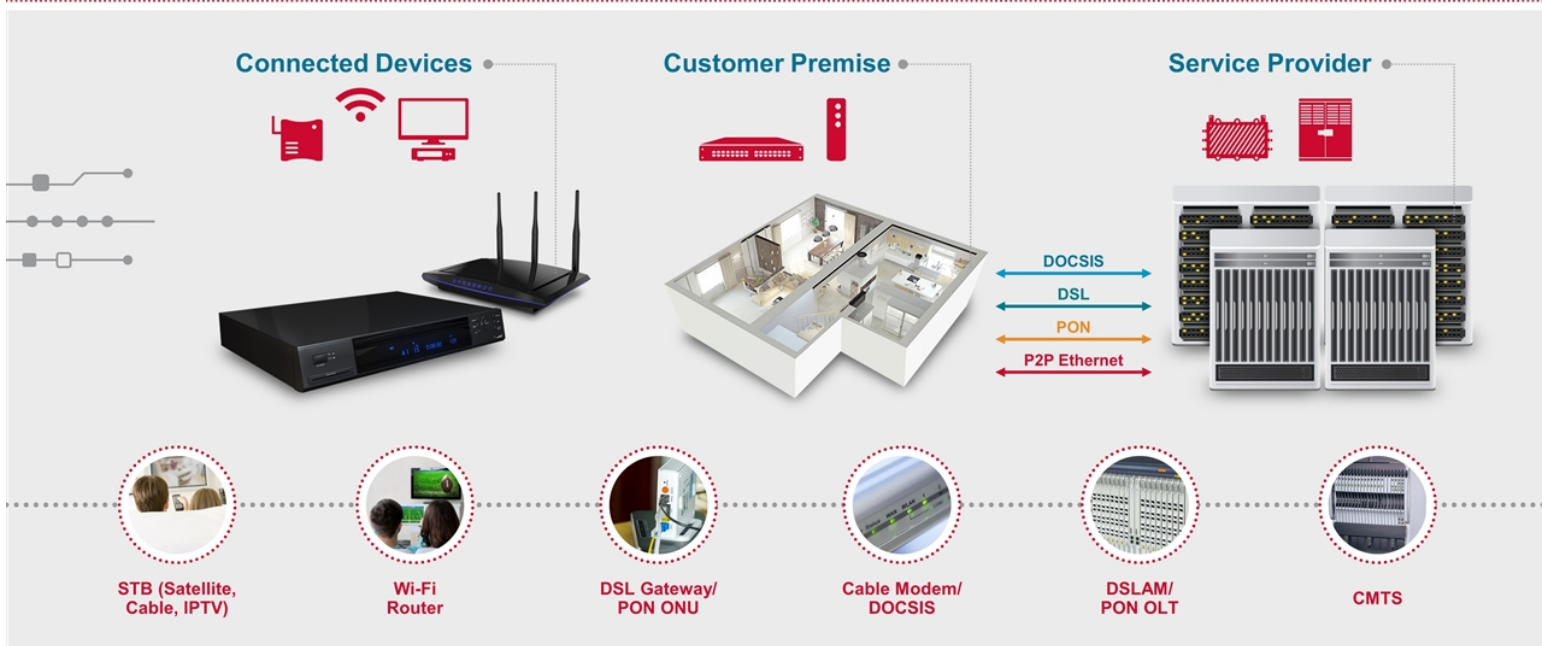


Fibre Channel SAN  
Switches & HBAs



SSD/HDD  
Controller

# Broadband: End-to-End Solutions



# Wireless: Broad Connectivity Portfolio



# Industrial: Automation & Networking



Industrial/Automotive Ethernet



Optical Sensing



Optical Isolation



Motion Control



LED Display



Fiber Optics



Industrial/Automotive Ethernet



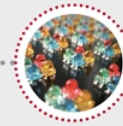
Optocouplers



Fiber Optics



Motion Control Encoders



LED Solutions



Optical Sensors

# Corporate Leadership



**Hock E. Tan**  
President & CEO



**Thomas Krause**  
CFO



**Henry Samueli, Ph.D.**  
CTO & Board Member



**Charlie Kawwas, Ph.D.**  
SVP & CSO



**B.C. Ooi**  
SVP, Global Operations



**Mark Brazeal**  
Chief Legal Officer



**Yuan Xing Lee, Ph.D.**  
VP, Central Engineering  
(R&D)



**Andy Nallappan**  
VP & CIO, Global  
Information Technology



**Ah-Chee Neo**  
VP, Worldwide Quality



**Ivy Pong**  
VP, Global Taxation




















**Kirsten Spears**  
VP, Corporate Controller &  
Principal Accounting Officer



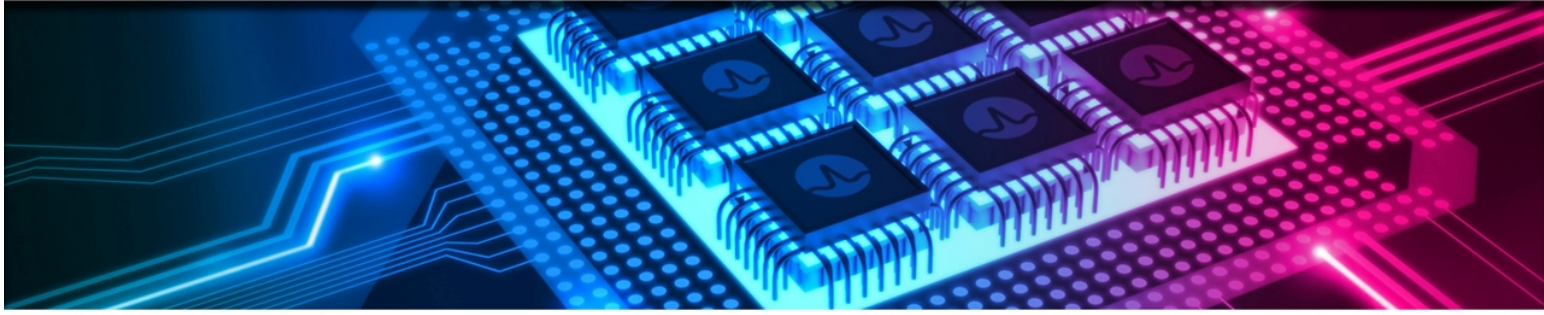
**Debbie Streeter**  
VP, Human Resources



# Division Leadership

|   |   |   |
|---|---|---|
|  <b>Greg Fischer</b><br>SVP & GM, Broadband Carrier Access Products |  <b>Mark Gonikberg</b><br>SVP & GM, Wireless Communications and Connectivity |  <b>Bryan Ingram</b><br>SVP & GM, Wireless Semiconductor                   |
|  <b>Lorenzo Longo</b><br>SVP & GM, Physical Layer Products          |  <b>Rich Nelson</b><br>SVP & GM, Set-top Box/Cable Modem Products            |  <b>Frank Ostojic</b><br>SVP & GM, ASIC Products                           |
|  <b>Ed Redmond</b><br>SVP & GM, Compute and Connectivity            |  <b>Jack Rondoni</b><br>SVP & GM, Brocade Storage Networking                 |  <b>Ram Velaga</b><br>SVP & GM, Switch Products                            |
|  <b>Sally Doherty, Ph.D.</b><br>VP & GM, PreAmp Components          |  <b>Mitchell Fields, Ph.D.</b><br>VP & GM, Fiber Optics Products             |  <b>Patrick Henderson</b><br>VP & Co-GM, Mixed Signal ASICs Products       |
|  <b>Jeff Hoogenboom</b><br>VP & GM, Emulex Connectivity             |  <b>Hassan Hussain</b><br>VP & GM, Motion Control Products                   |  <b>Jeyhan Karaoguz, Ph.D.</b><br>VP & GM, Intellectual Property           |
|  <b>Francis Khor</b><br>VP & GM, Optoelectronic Products            |  <b>Gary Tay</b><br>VP & GM, Isolation Products                              |  <b>Mark Terrano, Esq.</b><br>VP & GM, Intellectual Property and Licensing |
|  <b>Jas Tremblay</b><br>VP & GM, Data Center Solutions Group        |  <b>Myles Wakayama</b><br>VP & Co-GM, Mixed Signal ASICs Products            |  <b>Martin Weigert</b><br>VP & GM, Industrial Fiber Products               |

# Well Positioned for the Future



## Technology Leadership

Across Market Segments

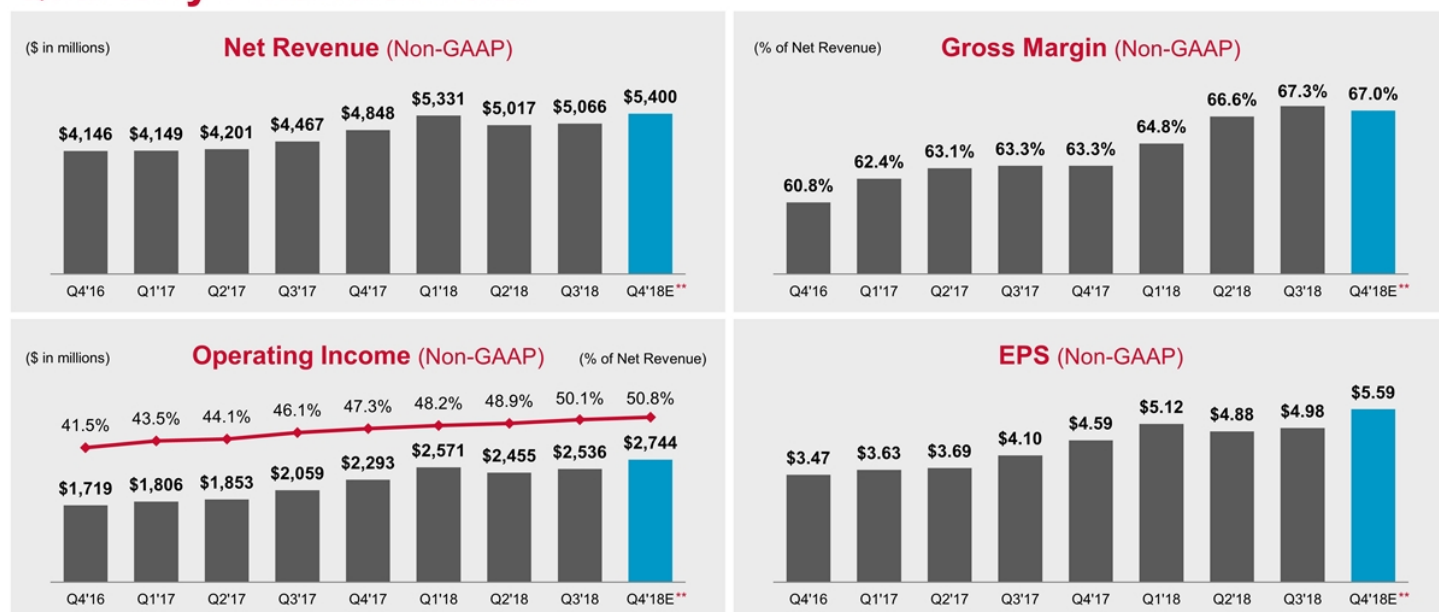
- Wired Infrastructure
- Wireless Communications
- Enterprise Storage
- Industrial

Impressive Portfolio of  
**Innovative** and  
**Differentiated** Products

Robust and **Sustainable**  
Business and Financial  
Models Driving Balanced  
and **Diversified** Revenue



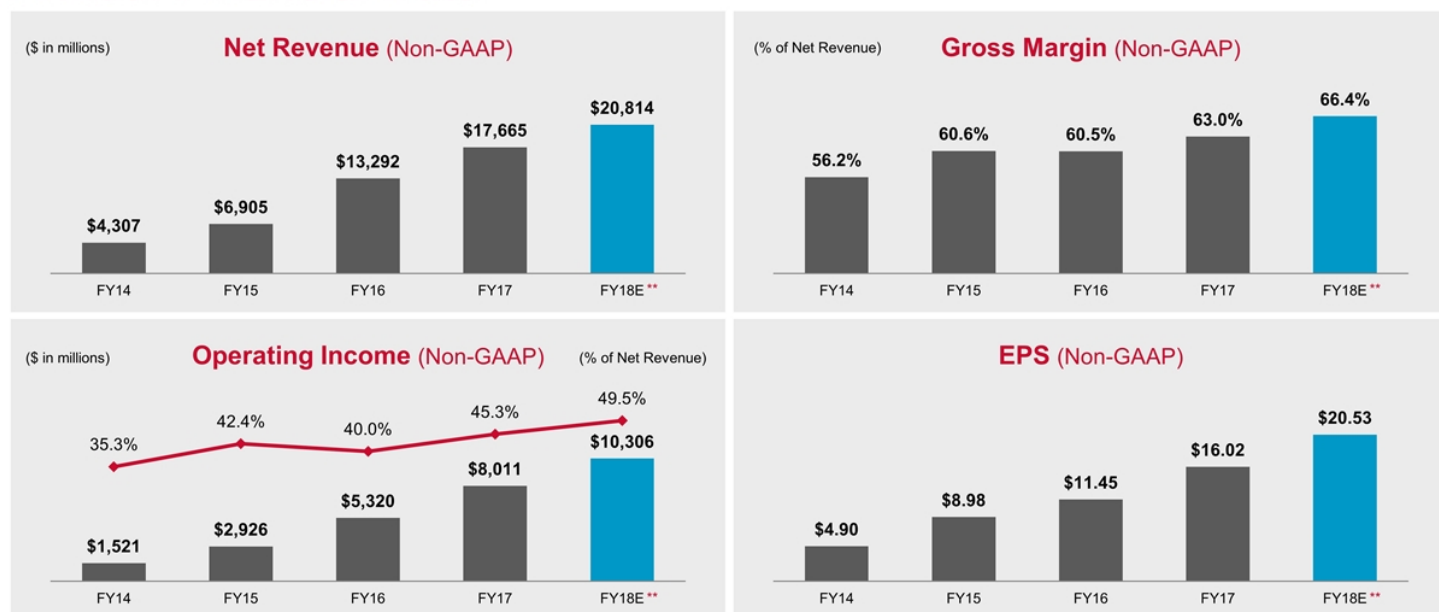
# Quarterly Financial Data\*



\* Results for the periods prior to Q2'18 represent Broadcom Limited historical results. Broadcom Inc. is the successor to Broadcom Limited effective April 4, 2018. Non-GAAP results exclude acquisition-related revenue adjustments, amortization of acquisition related intangible assets, share-based compensation expense, restructuring, impairment and disposal charges, the purchase accounting effect on inventory, acquisition-related costs including integration costs, litigation settlements, (gain) loss on extinguishment of debt, debt-related costs, (gain) loss on acquisition-related assets, other non-recurring gains, loss (income) from discontinued operations and non-GAAP tax reconciling adjustments. Non-GAAP adjustment for diluted shares excludes the impact of stock-based compensation expense expected to be incurred in future periods and not yet recognized in the financial statements, which would otherwise be assumed to be used to repurchase shares under the GAAP treasury stock method. For those periods in which the impact of outstanding exchangeable limited partnership units in Broadcom Cayman LP were antidilutive on a GAAP basis, we have included those units in the non-GAAP diluted shares and related non-GAAP adjustment. Broadcom's fiscal year ends on or about October 31.

\*\* Guidance as of September 6, 2018, midpoint. Broadcom undertakes no intent or obligation to publicly update or revise any of these projections, whether as a result of new information, future events or otherwise, except as required by law.

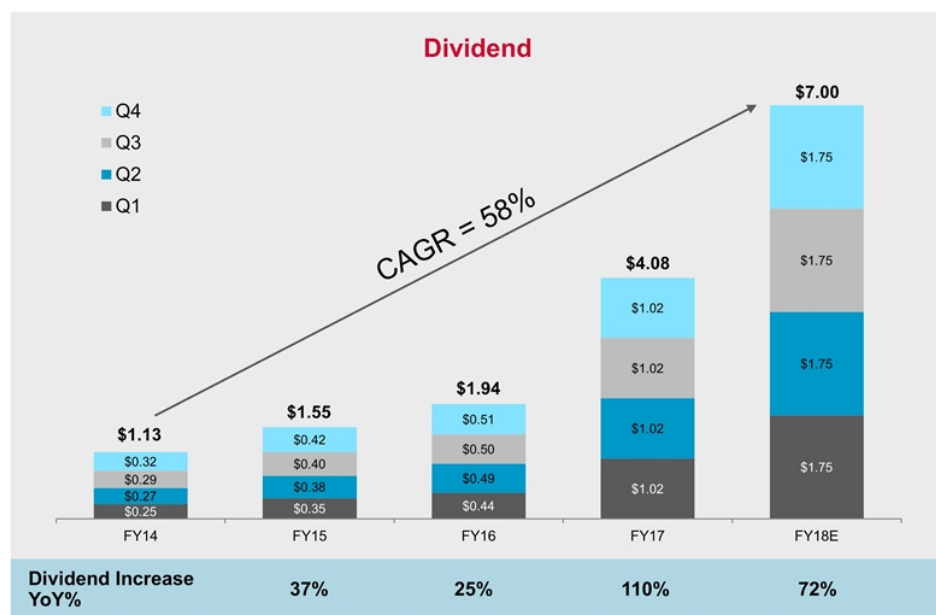
# Annual Financial Data\*



\* FY14-15 represents Avago Technologies Limited historical results. FY16 represents combined full year Avago Technologies Limited results and contributions from acquired Broadcom Corporation business with effect from February 1, 2016. FY17 represents Broadcom Limited historical results. Broadcom Inc. is the successor to Broadcom Limited effective April 4, 2018. Non-GAAP results exclude acquisition-related revenue adjustments, amortization of acquisition related intangible assets, share-based compensation expense, restructuring, impairment and disposal charges, the purchase accounting effect on inventory, acquisition-related costs including integration costs, litigation settlements, (gain) loss on extinguishment of debt, debt-related costs, (gain) loss on acquisition-related assets, other non-recurring gains, loss (income) from discontinued operations and non-GAAP tax reconciling adjustments. Non-GAAP adjustment for diluted shares excludes the impact of stock-based compensation expense expected to be incurred in future periods and not yet recognized in the financial statements, which would otherwise be assumed to be used to repurchase shares under the GAAP treasury stock method. For those periods in which the impact of outstanding exchangeable limited partnership units in Broadcom Cayman LP were antidilutive on a GAAP basis, we have included those units in the non-GAAP diluted shares and related non-GAAP adjustment. Broadcom's fiscal year ends on or about October 31.

\*\* Guidance as of September 6, 2018, midpoint. Broadcom undertakes no intent or obligation to publicly update or revise any of these projections, whether as a result of new information, future events or otherwise, except as required by law.

# Return of Capital Program\*



## Stock Buyback Highlights

- \$5.7B spent to repurchase 25.5M shares since April 2018
- Remaining \$6.3B available for repurchases during 4Q FY18 and FY19

## Capital Allocation Priorities

- Distribute 50% of prior FY FCF as cash dividends
- Flexibility to use balance of FCF to fund combination of share repurchases and future acquisitions to expand earnings capacity
- Maintain investment grade credit rating

\* FY14-15 represents Avago Technologies Limited historical results.  
 FY16 represents combined historical results for Avago Technologies Limited and Broadcom Limited.  
 FY17 and FY18 through April 4, 2018 represents Broadcom Limited historical results and the remainder of FY18 represents historical results of Broadcom Inc. as successor to Broadcom Limited.  
 Broadcom's fiscal year ends on or about October 31.

## Business Outlook

Based on business trends and conditions as of September 6, 2018, the outlook for continuing operations for the fourth quarter of fiscal year 2018, ending November 4, 2018, is expected to be as follows:

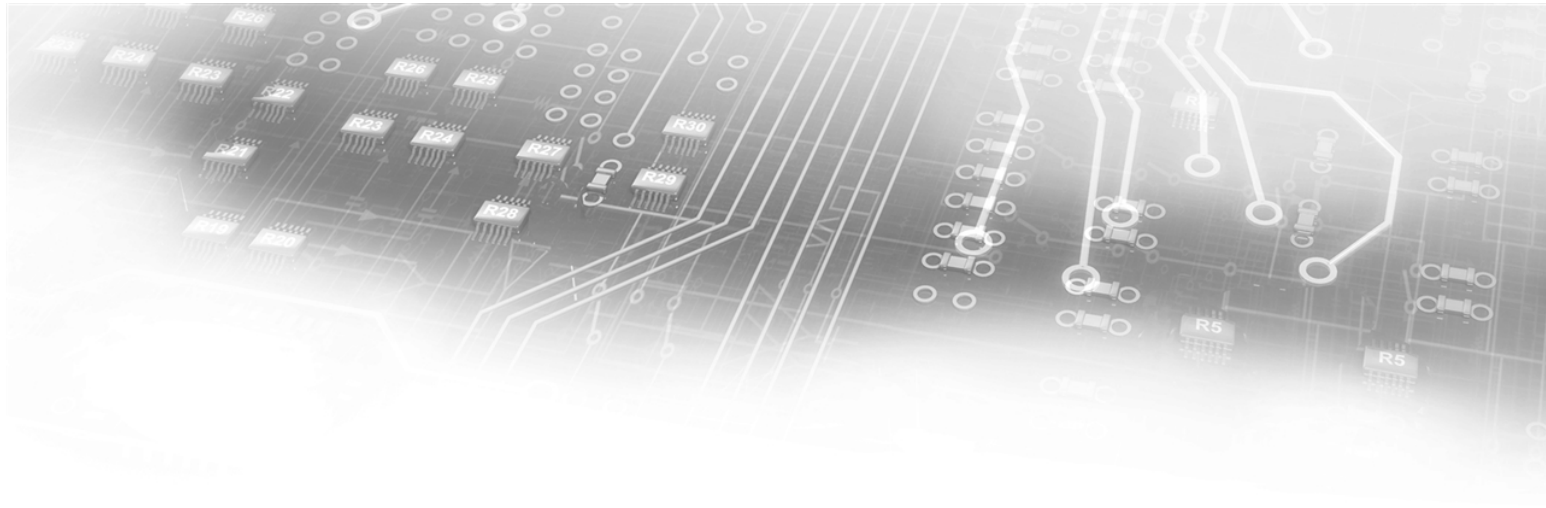
|                                   | GAAP               | Reconciling Items | Non-GAAP           |
|-----------------------------------|--------------------|-------------------|--------------------|
| <b>Net Revenue</b>                | \$5,397M +/- \$75M | \$3M              | \$5,400M +/- \$75M |
| <b>Gross Margin</b>               | 52.3% +/- 1%       | \$793M            | 67.0% +/- 1%       |
| <b>Operating Expenses</b>         | \$1,259M           | \$385M            | \$874M             |
| <b>Interest Expense and Other</b> | \$125M             | —                 | \$125M             |
| <b>Provision for Income Taxes</b> | 4%                 | 3%                | 7%                 |
| <b>Diluted Share Count</b>        | 424M               | 12M               | 436M               |

- Non-GAAP net revenue includes \$3 million of licensing revenue not included in GAAP revenue, as a result of the effects of purchase accounting for acquisitions;
- Non-GAAP gross margin includes the effects of \$3 million of licensing revenue, and excludes the effects of \$763 million of amortization of acquisition-related intangible assets, \$25 million of stock-based compensation expense, \$1 million of restructuring charges and \$1 million of acquisition-related costs;
- Non-GAAP operating expenses exclude \$298 million of stock-based compensation expense, \$67 million of amortization of acquisition-related intangible assets, \$15 million of acquisition-related costs, and \$5 million of restructuring charges;
- Non-GAAP tax provision is 3% higher than GAAP due to the tax effects of the projected reconciling items noted above;
- Non-GAAP diluted share count excludes the impact of stock-based compensation expense expected to be incurred in future periods and not yet recognized in the Company's financial statements, which would otherwise be assumed to be used to repurchase shares under the GAAP treasury stock method; and
- Diluted share count outlook does not include the impact from any stock repurchases after August 5, 2018.
- Guidance as of September 6, 2018, midpoint. Broadcom undertakes no intent or obligation to publicly update or revise any of these projections, whether as a result of new information, future events or otherwise, except as required by law.



**BROADCOM<sup>®</sup>**

connecting everything<sup>®</sup>



# Appendix



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# GAAP to Non-GAAP Reconciliation – Quarterly\*

| (\$ in millions)  | Q4'16    | Q1'17    | Q2'17    | Q3'17    | Q4'17    | Q1'18    | Q2'18    | Q3'18    |
|---|----------|----------|----------|----------|----------|----------|----------|----------|
| Net Revenue on Non-GAAP Basis                                   | \$ 4,146 | \$ 4,149 | \$ 4,201 | \$ 4,467 | \$ 4,848 | \$ 5,331 | \$ 5,017 | \$ 5,066 |
| Acquisition-related purchase accounting revenue adjustment      | 10       | 10       | 11       | 4        | 4        | 4        | 3        | 3        |
| Net Revenue on GAAP Basis                                       | \$ 4,136 | \$ 4,139 | \$ 4,190 | \$ 4,463 | \$ 4,844 | \$ 5,327 | \$ 5,014 | \$ 5,063 |
| Non-GAAP Gross Margin   | \$ 2,522 | \$ 2,590 | \$ 2,652 | \$ 2,827 | \$ 3,068 | \$ 3,454 | \$ 3,342 | \$ 3,410 |
| Acquisition-related purchase accounting revenue adjustment      | 10       | 10       | 11       | 4        | 4        | 4        | 3        | 3        |
| SBC - COGS  | 14       | 14       | 15       | 18       | 17       | 20       | 21       | 22       |
| Amortization of acquisition-related intangibles                 | 224      | 559      | 639      | 655      | 658      | 715      | 765      | 762      |
| Restructuring charges   | 16       | 6        | 10       | -        | 3        | 15       | 2        | 2        |
| Purchase accounting effect on inventory                         | 86       | -        | 1        | -        | 2        | 70       | -        | -        |
| Acquisition-related costs                                       | 1        | -        | -        | 1        | 1        | 2        | -        | 2        |
| GAAP Gross Margin   | \$ 2,171 | \$ 2,001 | \$ 1,976 | \$ 2,149 | \$ 2,383 | \$ 2,628 | \$ 2,551 | \$ 2,619 |
| Non-GAAP Operating Income                                       | \$ 1,719 | \$ 1,806 | \$ 1,853 | \$ 2,059 | \$ 2,293 | \$ 2,571 | \$ 2,455 | \$ 2,536 |
| SBC - R&D   | 136      | 141      | 150      | 174      | 171      | 203      | 205      | 222      |
| SBC - SG&A  | 58       | 46       | 51       | 59       | 64       | 76       | 70       | 71       |
| Amortization of acquisition-related intangibles                 | 356      | 440      | 442      | 441      | 441      | 339      | 67       | 68       |
| Acquisition-related costs                                       | 33       | 38       | 33       | 14       | 12       | 54       | 68       | 26       |
| Restructuring, asset impairment and disposal charges            | 404      | 46       | 27       | 33       | 55       | 130      | 53       | 19       |
| Litigation settlement   | -        | -        | -        | 12       | 110      | -        | -        | -        |
| Non-GAAP/GAAP Gross Margin Difference                           | (351)    | (589)    | (676)    | (678)    | (685)    | (826)    | (791)    | (791)    |
| GAAP Operating Income   | \$ 381   | \$ 506   | \$ 474   | \$ 648   | \$ 755   | \$ 943   | \$ 1,201 | \$ 1,339 |
| Non-GAAP Net Income   | \$ 1,549 | \$ 1,627 | \$ 1,666 | \$ 1,871 | \$ 2,091 | \$ 2,345 | \$ 2,243 | \$ 2,257 |
| Other   | -        | -        | -        | -        | -        | -        | -        | -        |
| Gain (loss) on disposition of acquisition-related assets        | -        | 23       | -        | -        | -        | -        | 4        | (1)      |
| Gain (loss) on extinguishment of debt                           | (49)     | (159)    | -        | -        | (7)      | -        | -        | -        |
| Income (loss) from discontinued operations, net of income taxes | (62)     | (5)      | (4)      | (2)      | 5        | (15)     | (3)      | (1)      |
| Non-GAAP tax reconciling adjustments                            | (768)    | 67       | 181      | 49       | 10       | 5,896    | 2,743    | 138      |
| Debt-related costs impacting interest expense                   | -        | (1)      | -        | -        | -        | (32)     | -        | -        |
| Non-GAAP/GAAP Income from Operations Difference                 | (1,338)  | (1,300)  | (1,379)  | (1,411)  | (1,538)  | (1,628)  | (1,254)  | (1,197)  |
| GAAP Net Income (Loss)  | \$ (668) | \$ 252   | \$ 464   | \$ 507   | \$ 561   | \$ 6,566 | \$ 3,733 | \$ 1,196 |
| Non-GAAP diluted shares   | 447      | 448      | 451      | 456      | 456      | 458      | 460      | 453      |
| Non-GAAP adjustment   | 26       | 9        | 9        | 11       | 32       | 32       | 12       | 12       |
| GAAP diluted shares   | 421      | 439      | 442      | 445      | 424      | 426      | 448      | 441      |

\* Results for the periods prior to Q2'18 represent Broadcom Limited historical results. Broadcom Inc. is the successor to Broadcom Limited effective April 4, 2018. Non-GAAP results exclude acquisition-related revenue adjustments, amortization of acquisition related intangible assets, share-based compensation expense, restructuring, impairment and disposal charges, the purchase accounting effect on inventory, acquisition-related costs including integration costs, litigation settlements, (gain) loss on extinguishment of debt, debt-related costs, (gain) loss on acquisition-related assets, other non-recurring gains, loss (income) from discontinued operations and non-GAAP tax reconciling adjustments. Non-GAAP adjustment for diluted shares excludes the impact of stock-based compensation expense expected to be incurred in future periods and not yet recognized in the financial statements, which would otherwise be assumed to be used to repurchase shares under the GAAP treasury stock method. For those periods in which the impact of outstanding exchangeable limited partnership units in Broadcom Cayman LP were antidilutive on a GAAP basis, we have included those units in the non-GAAP diluted shares and related non-GAAP adjustment. Broadcom's fiscal year ends on or about October 31.

# GAAP to Non-GAAP Reconciliation – Annual\*

| (\$ in millions)  | FY 2014  | FY 2015  | FY 2016    | FY 2017   |
|---|----------|----------|------------|-----------|
| <b>Net Revenue on Non-GAAP Basis</b>                            | \$ 4,307 | \$ 6,905 | \$ 13,292  | \$ 17,665 |
| Acquisition-related purchase accounting revenue adjustment      | 38       | 81       | 52         | 29        |
| <b>Net Revenue on GAAP Basis</b>                                | \$ 4,269 | \$ 6,824 | \$ 13,240  | \$ 17,636 |
| <b>Non-GAAP Gross Margin</b>                                    | \$ 2,421 | \$ 4,184 | \$ 8,046   | \$ 11,137 |
| Acquisition-related purchase accounting revenue adjustment      | 38       | 81       | 52         | 29        |
| SBC - COGS  | 18       | 26       | 48         | 64        |
| Amortization of acquisition-related intangibles                 | 249      | 484      | 763        | 2,511     |
| Restructuring charges   | 22       | 7        | 57         | 19        |
| Purchase accounting effect on inventory                         | 210      | 30       | 1,185      | 4         |
| Acquisition-related costs                                       | 7        | 3        | 1          | 1         |
| <b>GAAP Gross Margin</b>  | \$ 1,877 | \$ 3,553 | \$ 5,940   | \$ 8,509  |
| <b>Non-GAAP Operating Income</b>                                | \$ 1,521 | \$ 2,926 | \$ 5,320   | \$ 8,011  |
| SBC - R&D   | 57       | 107      | 430        | 636       |
| SBC - SG&A  | 78       | 99       | 186        | 220       |
| Amortization of acquisition-related intangibles                 | 197      | 249      | 1,873      | 1,764     |
| Acquisition-related costs                                       | 67       | 71       | 138        | 97        |
| Restructuring, asset impairment and disposal charges            | 140      | 137      | 996        | 161       |
| Litigation settlement   | -        | -        | -          | 122       |
| <b>Non-GAAP/GAAP Gross Margin Difference</b>                    | (544)    | (631)    | (2,106)    | (2,628)   |
| <b>GAAP Operating Income</b>                                    | \$ 438   | \$ 1,632 | \$ (409)   | \$ 2,383  |
| <b>Non-GAAP Net Income</b>                                      | \$ 1,343 | \$ 2,613 | \$ 4,672   | \$ 7,255  |
| Other   | -        | 2        | -          | -         |
| Gain (loss) on disposition of acquisition-related assets        | -        | -        | -          | 23        |
| Loss on extinguishment of debt                                  | -        | (10)     | (123)      | (166)     |
| Income (loss) from discontinued operations, net of income taxes | (46)     | (27)     | (112)      | (6)       |
| Non-GAAP tax reconciling adjustments                            | 49       | 80       | (420)      | 307       |
| Debt-related costs impacting interest expense                   | -        | -        | (149)      | (1)       |
| <b>Non-GAAP/GAAP Income from Operations Difference</b>          | (1,083)  | (1,294)  | (5,729)    | (5,628)   |
| <b>GAAP Net Income</b>  | \$ 263   | \$ 1,364 | \$ (1,861) | \$ 1,784  |
| <b>Non-GAAP diluted shares</b>                                  | 274      | 291      | 408        | 453       |
| Non-GAAP adjustment   | 7        | 10       | 25         | 32        |
| <b>GAAP diluted shares</b>                                      | 267      | 281      | 383        | 421       |

\* FY14-15 represents Avago Technologies Limited historical results. FY16 represents combined full year Avago Technologies Limited results and contributions from acquired Broadcom Corporation business with effect from February 1, 2016. FY17 represents Broadcom Limited historical results. Broadcom Inc. is the successor to Broadcom Limited effective April 4, 2018. Non-GAAP results exclude acquisition-related revenue adjustments, amortization of acquisition related intangible assets, share-based compensation expense, restructuring, impairment and disposal charges, the purchase accounting effect on inventory, acquisition-related costs including integration costs, litigation settlements, (gain) loss on extinguishment of debt, debt-related costs, (gain) loss on acquisition-related assets, other non-recurring gains, loss (income) from discontinued operations and non-GAAP tax reconciling adjustments. Non-GAAP adjustment for diluted shares excludes the impact of stock-based compensation expense expected to be incurred in future periods and not yet recognized in the financial statements, which would otherwise be assumed to be used to repurchase shares under the GAAP treasury stock method. For those periods in which the impact of outstanding exchangeable limited partnership units in Broadcom Cayman LP were antidilutive on a GAAP basis, we have included those units in the non-GAAP diluted shares and related non-GAAP adjustment. Broadcom's fiscal year ends on or about October 31.



# GAAP to Non-GAAP Reconciliation – Forecast\*

(\$ in millions)

|   | Q4'18E** | FY'18E**  |
|---|----------|-----------|
| Net Revenue on Non-GAAP Basis                                   | \$ 5,400 | \$ 20,814 |
| Acquisition-related purchase accounting revenue adjustment      | 3        | 13        |
| Net Revenue on GAAP Basis                                       | \$ 5,397 | \$ 20,801 |
| Non-GAAP Gross Margin   | \$ 3,618 | \$ 13,824 |
| Acquisition-related purchase accounting revenue adjustment      | 3        | 13        |
| SBC - COGS  | 25       | 88        |
| Amortization of acquisition-related intangibles                 | 763      | 3,005     |
| Restructuring charges   | 1        | 20        |
| Purchase accounting effect on inventory                         | -        | 70        |
| Acquisition-related costs                                       | 1        | 5         |
| GAAP Gross Margin   | \$ 2,825 | \$ 10,623 |
| Non-GAAP Operating Income                                       | \$ 2,744 | \$ 10,306 |
| SBC - Operating expense   | 298      | 1,145     |
| Amortization of acquisition-related intangibles                 | 67       | 541       |
| Acquisition-related costs                                       | 15       | 163       |
| Restructuring, asset impairment and disposal charges            | 5        | 207       |
| Litigation settlement   | -        | -         |
| Non-GAAP/GAAP Gross Margin Difference                           | (793)    | (3,201)   |
| GAAP Operating Income   | \$ 1,566 | \$ 5,049  |
| Non-GAAP Net Income   | \$ 2,436 | \$ 9,281  |
| Other   | -        | -         |
| Gain (loss) on disposition of acquisition-related assets        | -        | 3         |
| Gain (loss) on extinguishment of debt                           | -        | -         |
| Income (loss) from discontinued operations, net of income taxes | -        | (19)      |
| Non-GAAP tax reconciling adjustments                            | 125      | 8,902     |
| Debt-related costs impacting interest expense                   | -        | (32)      |
| Non-GAAP/GAAP Income from Operations Difference                 | (1,178)  | (5,257)   |
| GAAP Net Income   | \$ 1,383 | \$ 12,878 |
| Non-GAAP diluted shares   | 436      | 452       |
| Non-GAAP adjustment   | 12       | 21        |
| GAAP diluted shares   | 424      | 431       |

\* Non-GAAP results exclude acquisition-related revenue adjustments, amortization of acquisition related intangible assets, share-based compensation expense, restructuring, impairment and disposal charges, the purchase accounting effect on inventory, acquisition-related costs including integration costs, litigation settlements, (gain) loss on extinguishment of debt, debt-related costs, (gain) loss on acquisition-related assets, other non-recurring gains, loss (income) from discontinued operations and non-GAAP tax reconciling adjustments. Non-GAAP adjustment for diluted shares excludes the impact of stock-based compensation expense expected to be incurred in future periods and not yet recognized in the financial statements, which would otherwise be assumed to be used to repurchase shares under the GAAP treasury stock method. For those periods in which the impact of outstanding exchangeable limited partnership units in Broadcom Cayman LP were antidilutive on a GAAP basis, we have included those units in the non-GAAP diluted shares and related non-GAAP adjustment.

\*\* Guidance as of September 6, 2018, midpoint. Broadcom undertakes no intent or obligation to publicly update or revise any of these projections, whether as a result of new information, future events or otherwise, except as required by law.