

AVAGO TECHNOLOGIES LIMITED
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS - UNAUDITED
(IN MILLIONS)

	<u>Quarter Ended</u>		<u>Two Quarters Ended</u>
	<u>February 1, 2009</u>	<u>May 3, 2009</u>	<u>May 3, 2009</u>
Net revenue	\$ 368	\$ 325	\$ 693
Costs and expenses:			
Cost of products sold:			
Cost of products sold	204	210	414
Amortization of intangible assets	15	14	29
Restructuring charges	6	3	9
Total cost of products sold	<u>225</u>	<u>227</u>	<u>452</u>
Research and development	62	59	121
Selling, general and administrative	40	42	82
Amortization of intangible assets	6	5	11
Restructuring charges	5	3	8
Total costs and expenses	<u>338</u>	<u>336</u>	<u>674</u>
Income (loss) from operations	30	(11)	19
Interest expense	(18)	(20)	(38)
Gain on extinguishment of debt	1	-	1
Other income (expense), net	(2)	(2)	(4)
Income (loss) from continuing operations before income taxes	<u>11</u>	<u>(33)</u>	<u>(22)</u>
Provision for (benefit from) income taxes	5	(2)	3
Income (loss) from continuing operations	<u>6</u>	<u>(31)</u>	<u>(25)</u>
Income from and gain on discontinued operations, net of income taxes	-	-	-
Net income (loss)	<u>\$ 6</u>	<u>\$ (31)</u>	<u>\$ (25)</u>

AVAGO TECHNOLOGIES LIMITED
FINANCIAL SUMMARY (NON-GAAP) - UNAUDITED
(IN MILLIONS, except percentages)

	Quarter Ended		Two Quarters Ended
	February 1, 2009	May 3, 2009	May 3, 2009
Net revenue	\$ 368	\$ 325	\$ 693
Gross margin	164	115	279
% of net revenue	45%	35%	40%
Research and development	\$ 61	\$ 58	\$ 119
Selling, general and administrative	\$ 41	\$ 39	\$ 80
Total operating expenses	\$ 102	\$ 97	\$ 199
% of net revenue	28%	30%	29%
Income from operations	\$ 62	\$ 18	\$ 80
Interest expense	\$ (18)	\$ (20)	\$ (38)
Net income (loss)	\$ 37	\$ (2)	\$ 35

The financial summary excludes amortization of acquisition-related intangibles, share-based compensation, restructuring and asset impairment charges, gain (loss) on extinguishment of debt, and income (loss) from and gain (loss) on discontinued operations.

AVAGO TECHNOLOGIES LIMITED
FINANCIAL BRIDGE: GAAP TO NON-GAAP - UNAUDITED
(IN MILLIONS)

	<u>Quarter Ended</u>		<u>Two Quarters Ended</u>
	<u>February 1, 2009</u>	<u>May 3, 2009</u>	<u>May 3, 2009</u>
Net income (loss) on GAAP basis	\$ 6	\$ (31)	\$ (25)
Amortization of acquisition-related intangibles			
Cost of products sold	15	14	29
Operating expenses	6	5	11
	21	19	40
Share-based compensation expense			
Cost of products sold	-	-	-
Operating expenses	-	4	4
	-	4	4
Restructuring charges			
Cost of products sold	6	3	9
Operating expenses	5	3	8
	11	6	17
Gain on extinguishment of debt	(1)	-	(1)
Net income (loss) on Non-GAAP basis	<u>\$ 37</u>	<u>\$ (2)</u>	<u>\$ 35</u>

To supplement our unaudited condensed consolidated financial statements presented in accordance with GAAP, we have shown above a non-GAAP presentation of the Company's net income (loss), which is adjusted to reflect the GAAP results excluding amortization of acquisition-related intangibles, share-based compensation, restructuring charges, gain on extinguishment of debt, and income (loss) from and gain (loss) on discontinued operations, net of income taxes. This non-GAAP presentation is provided to enhance the reader's overall understanding of the comparability of the Company's financial performance among periods.

AVAGO TECHNOLOGIES LIMITED
CONDENSED CONSOLIDATED BALANCE SHEETS - UNAUDITED
(IN MILLIONS)

	<u>February 1, 2009</u>	<u>May 3, 2009</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 195	\$ 241
Trade accounts receivable, net	184	185
Inventory	178	151
Other current assets	43	38
Total current assets	<u>600</u>	<u>615</u>
Property, plant and equipment, net	291	276
Goodwill	170	171
Intangible assets, net	700	685
Other long-term assets	63	58
Total assets	<u>\$ 1,824</u>	<u>\$ 1,805</u>
 LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 169	\$ 167
Employee compensation and benefits	43	40
Accrued interest	13	30
Capital lease obligations - current	2	2
Other current liabilities	51	43
Total current liabilities	<u>278</u>	<u>282</u>
Long-term liabilities:		
Long-term debt	700	700
Capital lease obligations - non-current	4	4
Other long-term liabilities	55	61
Total liabilities	<u>1,037</u>	<u>1,047</u>
Shareholders' equity:		
Ordinary shares, no par value	1,084	1,086
Accumulated deficit	(306)	(337)
Accumulated other comprehensive income	9	9
Total shareholders' equity	<u>787</u>	<u>758</u>
Total liabilities and shareholders' equity	<u>\$ 1,824</u>	<u>\$ 1,805</u>

AVAGO TECHNOLOGIES LIMITED
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS - UNAUDITED
(IN MILLIONS)

	<u>Quarter Ended</u>		<u>Two Quarters Ended</u>
	<u>February 1, 2009</u>	<u>May 3, 2009</u>	<u>May 3, 2009</u>
Cash flows from operating activities:			
Net income (loss)	\$ 6	\$ (31)	\$ (25)
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities:			
Depreciation and amortization	41	39	80
Amortization of debt issuance costs	1	1	2
Non-cash portion of restructuring charges	-	1	1
Impairment of investment	-	2	2
Gain on extinguishment of debt	(1)	-	(1)
Share-based compensation	-	4	4
Changes in assets and liabilities, net of acquisitions and dispositions:			
Trade accounts receivable	-	1	1
Inventory	10	28	38
Accounts payable	(5)	1	(4)
Employee compensation and benefits	(31)	(3)	(34)
Other current assets and current liabilities	(24)	15	(9)
Other long-term assets and long-term liabilities	(1)	8	7
Net cash (used in) provided by operating activities	<u>(4)</u>	<u>66</u>	<u>62</u>
Cash flows from investing activities:			
Purchase of property, plant and equipment	(12)	(13)	(25)
Acquisitions and investment, net of cash acquired	-	(7)	(7)
Proceeds from sale of discontinued operations	-	2	2
Net cash used in investing activities	<u>(12)</u>	<u>(18)</u>	<u>(30)</u>
Cash flows from financing activities:			
Debt repayments	(2)	-	(2)
Repurchase of ordinary shares	-	(1)	(1)
Cash settlement of equity awards	-	(1)	(1)
Net cash used in financing activities	<u>(2)</u>	<u>(2)</u>	<u>(4)</u>
Net increase (decrease) in cash and cash equivalents	(18)	46	28
Cash and cash equivalents at the beginning of period	213	195	213
Cash and cash equivalents at end of period	<u>\$ 195</u>	<u>\$ 241</u>	<u>\$ 241</u>