

**BROADCOM LIMITED**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS - UNAUDITED**  
**(IN MILLIONS, EXCEPT PER SHARE DATA)**

	Fiscal Quarter Ended		
	January 29, 2017	October 30, 2016	January 31, 2016
Net revenue	\$ 4,139	\$ 4,136	\$ 1,771
Cost of products sold:			
Cost of products sold	1,573	1,639	699
Purchase accounting effect on inventory	-	86	-
Amortization of acquisition-related intangible assets	559	224	130
Restructuring charges	6	16	1
Total cost of products sold	<u>2,138</u>	<u>1,965</u>	<u>830</u>
Gross margin	2,001	2,171	941
Research and development	808	806	267
Selling, general and administrative	201	224	114
Amortization of acquisition-related intangible assets	440	356	54
Restructuring, impairment and disposal charges	46	404	31
Total operating expenses	<u>1,495</u>	<u>1,790</u>	<u>466</u>
Operating income	506	381	475
Interest expense	(111)	(106)	(84)
Loss on debt extinguishment	(159)	(49)	-
Other income, net	31	9	3
Income from continuing operations before income taxes	267	235	394
Provision for income taxes	10	841	17
Income (loss) from continuing operations	257	(606)	377
Loss from discontinued operations, net of income taxes	(5)	(62)	-
Net income (loss)	252	(668)	377
Net income (loss) attributable to noncontrolling interest	13	(36)	-
Net income (loss) attributable to ordinary shares	<u>\$ 239</u>	<u>\$ (632)</u>	<u>\$ 377</u>
Basic income (loss) per share <sup>(1)</sup> :			
Income (loss) per share from continuing operations	\$ 0.61	\$ (1.44)	\$ 1.36
Loss per share from discontinued operations, net of income taxes	(0.01)	(0.15)	-
Net income (loss) per share	<u>\$ 0.60</u>	<u>\$ (1.59)</u>	<u>\$ 1.36</u>
Diluted income (loss) per share <sup>(2)</sup> :			
Income (loss) per share from continuing operations	\$ 0.58	\$ (1.44)	\$ 1.30
Loss per share from discontinued operations, net of income taxes	(0.01)	(0.15)	-
Net income (loss) per share	<u>\$ 0.57</u>	<u>\$ (1.59)</u>	<u>\$ 1.30</u>
Shares used in per share calculations:			
Basic	399	398	277
Diluted	439	421	289
Share-based compensation expense included in continuing operations:			
Cost of products sold	\$ 14	\$ 14	\$ 6
Research and development	141	136	28
Selling, general and administrative	46	58	23
Total share-based compensation expense	<u>\$ 201</u>	<u>\$ 208</u>	<u>\$ 57</u>

(1) For the fiscal quarters ended January 29, 2017 and October 30, 2016, basic income (loss) per share numerators are reduced by the amount of net income (loss) attributable to noncontrolling interest, which is approximately 5.4% of net income (loss) for each of the fiscal quarters ended January 29, 2017 and October 30, 2016. The noncontrolling interest is related to the restricted exchangeable partnership units of Broadcom Cayman L.P. ("Partnership REUs"), of which Broadcom Limited is the General Partner.

(2) For the fiscal quarters ended January 29, 2017 and October 30, 2016, diluted income (loss) per share numerators and denominators include the impact of the noncontrolling interest, which assumes conversion of Partnership REUs to Broadcom ordinary shares. The diluted income (loss) per share calculations include 23 million Partnership REUs for each of the fiscal quarters ended January 29, 2017 and October 30, 2016, representing an assumed conversion of 100% of the Partnership REUs under the "if converted" method.

**BROADCOM LIMITED**  
**FINANCIAL RECONCILIATION: GAAP TO NON-GAAP - UNAUDITED**  
**(IN MILLIONS, EXCEPT DAYS)**

	Fiscal Quarter Ended		
	January 29, 2017	October 30, 2016	January 31, 2016
Net revenue on GAAP basis	\$ 4,139	\$ 4,136	\$ 1,771
Acquisition-related purchase accounting revenue adjustment <sup>(1)</sup>	10	10	11
Net revenue on non-GAAP basis	<u>\$ 4,149</u>	<u>\$ 4,146</u>	<u>\$ 1,782</u>
Gross margin on GAAP basis	\$ 2,001	\$ 2,171	\$ 941
Acquisition-related purchase accounting revenue adjustment <sup>(1)</sup>	10	10	11
Purchase accounting effect on inventory	-	86	-
Amortization of acquisition-related intangible assets	559	224	130
Share-based compensation expense	14	14	6
Restructuring charges	6	16	1
Acquisition-related costs	-	1	-
Gross margin on non-GAAP basis	<u>\$ 2,590</u>	<u>\$ 2,522</u>	<u>\$ 1,089</u>
Research and development on GAAP basis	\$ 808	\$ 806	\$ 267
Share-based compensation expense	141	136	28
Acquisition-related costs	3	4	1
Research and development on non-GAAP basis	<u>\$ 664</u>	<u>\$ 666</u>	<u>\$ 238</u>
Selling, general and administrative expense on GAAP basis	\$ 201	\$ 224	\$ 114
Share-based compensation expense	46	58	23
Acquisition-related costs	35	29	23
Selling, general and administrative expense on non-GAAP basis	<u>\$ 120</u>	<u>\$ 137</u>	<u>\$ 68</u>
Total operating expenses on GAAP basis	\$ 1,495	\$ 1,790	\$ 466
Amortization of acquisition-related intangible assets	440	356	54
Share-based compensation expense	187	194	51
Restructuring, impairment and disposal charges	46	404	31
Acquisition-related costs	38	33	24
Total operating expenses on non-GAAP basis	<u>\$ 784</u>	<u>\$ 803</u>	<u>\$ 306</u>
Operating income on GAAP basis	\$ 506	\$ 381	\$ 475
Acquisition-related purchase accounting revenue adjustment <sup>(1)</sup>	10	10	11
Purchase accounting effect on inventory	-	86	-
Amortization of acquisition-related intangible assets	999	580	184
Share-based compensation expense	201	208	57
Restructuring, impairment and disposal charges	52	420	32
Acquisition-related costs	38	34	24
Operating income on non-GAAP basis	<u>\$ 1,806</u>	<u>\$ 1,719</u>	<u>\$ 783</u>
Interest expense on GAAP basis	\$ (111)	\$ (106)	\$ (84)
Debt-related costs	1	-	43
Interest expense on non-GAAP basis	<u>\$ (110)</u>	<u>\$ (106)</u>	<u>\$ (41)</u>
Other income, net on GAAP basis	\$ 31	\$ 9	\$ 3
Gain on disposition of assets	(23)	-	-
Other income, net on non-GAAP basis	<u>\$ 8</u>	<u>\$ 9</u>	<u>\$ 3</u>
Income from continuing operations before income taxes on GAAP basis	\$ 267	\$ 235	\$ 394
Acquisition-related purchase accounting revenue adjustment <sup>(1)</sup>	10	10	11

Purchase accounting effect on inventory	-	86	-
Amortization of acquisition-related intangible assets	999	580	184
Share-based compensation expense	201	208	57
Restructuring, impairment and disposal charges	52	420	32
Acquisition-related costs	38	34	24
Debt-related costs	1	-	43
Loss on debt extinguishment	159	49	-
Gain on disposition of assets	(23)	-	-
Income before income taxes on non-GAAP basis	<u>\$ 1,704</u>	<u>\$ 1,622</u>	<u>\$ 745</u>
Provision for income taxes on GAAP basis	\$ 10	\$ 841	\$ 17
Income tax effects of non-GAAP reconciling adjustments	67	(768)	18
Provision for income taxes on non-GAAP basis	<u>\$ 77</u>	<u>\$ 73</u>	<u>\$ 35</u>
Net income (loss) on GAAP basis	\$ 252	\$ (668)	\$ 377
Acquisition-related purchase accounting revenue adjustment <sup>(1)</sup>	10	10	11
Purchase accounting effect on inventory	-	86	-
Amortization of acquisition-related intangible assets	999	580	184
Share-based compensation expense	201	208	57
Restructuring, impairment and disposal charges	52	420	32
Acquisition-related costs	38	34	24
Debt-related costs	1	-	43
Loss on debt extinguishment	159	49	-
Gain on disposition of assets	(23)	-	-
Income tax effects of non-GAAP reconciling adjustments	(67)	768	(18)
Discontinued operations, net of income taxes	5	62	-
Net income on non-GAAP basis	<u>\$ 1,627</u>	<u>\$ 1,549</u>	<u>\$ 710</u>
Shares used in per share calculation - diluted on GAAP basis	439	421	289
Non-GAAP adjustment <sup>(2)</sup>	9	26	6
Shares used in per share calculation - diluted on non-GAAP basis	<u>448</u>	<u>447</u>	<u>295</u>
Days sales outstanding on GAAP basis	43	48	55
Non-GAAP adjustment <sup>(3)</sup>	-	-	(1)
Days sales outstanding on non-GAAP basis	<u>43</u>	<u>48</u>	<u>54</u>
Inventory days on hand on GAAP basis	77	74	64
Non-GAAP adjustment <sup>(4)</sup>	1	4	-
Inventory days on hand on non-GAAP basis	<u>78</u>	<u>78</u>	<u>64</u>

(1) Amounts represent licensing revenue not included in GAAP net revenue as a result of the effect of purchase accounting for acquisitions.

(2) The number of shares used in the diluted per share calculations on a non-GAAP basis excludes the impact of share-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.

(3) Days sales outstanding on a non-GAAP basis includes the impact of the acquisition-related purchase accounting revenue adjustment and excludes the impact of accounts receivable related to discontinued operations.

(4) Inventory days on hand on a non-GAAP basis excludes the impact of purchase accounting on inventory, share-based compensation expense and acquisition-related costs.

**BROADCOM LIMITED**  
**CONDENSED CONSOLIDATED BALANCE SHEETS - UNAUDITED**  
**(IN MILLIONS)**

	<u>January 29, 2017</u>	<u>October 30, 2016 (1)</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 3,536	\$ 3,097
Trade accounts receivable, net	1,947	2,181
Inventory	1,336	1,400
Other current assets	531	447
Total current assets	<u>7,350</u>	<u>7,125</u>
Long-term assets:		
Property, plant and equipment, net	2,646	2,509
Goodwill	24,700	24,732
Intangible assets, net	14,067	15,068
Other long-term assets	854	532
Total assets	<u>\$ 49,617</u>	<u>\$ 49,966</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 1,047	\$ 1,261
Employee compensation and benefits	336	517
Current portion of long-term debt	-	454
Other current liabilities	739	846
Total current liabilities	<u>2,122</u>	<u>3,078</u>
Long-term liabilities:		
Long-term debt	13,562	13,188
Pension and post-retirement benefit obligations	518	531
Other long-term liabilities	11,405	11,293
Total liabilities	<u>27,607</u>	<u>28,090</u>
Shareholders' equity:		
Ordinary shares	19,504	19,241
Accumulated deficit	(337)	(215)
Accumulated other comprehensive loss	(134)	(134)
Total Broadcom Limited shareholders' equity	<u>19,033</u>	<u>18,892</u>
Noncontrolling interest	2,977	2,984
Total shareholders' equity	<u>22,010</u>	<u>21,876</u>
Total liabilities and shareholders' equity	<u>\$ 49,617</u>	<u>\$ 49,966</u>

(1) Amounts as of October 30, 2016 have been derived from audited financial statements as of that date.

**BROADCOM LIMITED**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS - UNAUDITED**  
**(IN MILLIONS)**

	<b>Fiscal Quarter Ended</b>		
	<b>January 29, 2017</b>	<b>October 30, 2016</b>	<b>January 31, 2016</b>
<b>Cash flows from operating activities:</b>			
Net income (loss)	\$ 252	\$ (668)	\$ 377
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	1,114	700	244
Share-based compensation	202	205	57
Excess tax benefits from share-based compensation	-	(21)	(23)
Non-cash portion of debt extinguishment loss	159	49	-
Deferred taxes and other non-cash tax expense	(25)	718	(8)
Gain on disposition of assets	(23)	-	-
Non-cash restructuring, impairment and disposal charges	17	394	22
Amortization of debt issuance costs and accretion of debt discount	8	9	4
Other	5	4	4
Changes in assets and liabilities, net of acquisitions and disposals:			
Trade accounts receivable, net	234	-	(41)
Inventory	65	(92)	34
Accounts payable	(137)	94	(68)
Employee compensation and benefits	(181)	93	(149)
Other current assets and current liabilities	(237)	(60)	16
Other long-term assets and long-term liabilities	(100)	(73)	5
<b>Net cash provided by operating activities</b>	<b>1,353</b>	<b>1,352</b>	<b>474</b>
<b>Cash flows from investing activities:</b>			
Purchases of property, plant and equipment	(325)	(193)	(140)
Proceeds from sales of businesses	10	200	68
Other	(4)	19	(13)
<b>Net cash provided by (used in) investing activities</b>	<b>(319)</b>	<b>26</b>	<b>(85)</b>
<b>Cash flows from financing activities:</b>			
Proceeds from issuance of long-term debt	13,550	3,584	-
Debt repayments	(13,668)	(3,697)	(11)
Debt issuance costs	(107)	(15)	(4)
Dividend and distribution payments	(431)	(213)	(122)
Issuance of ordinary shares	61	78	72
Excess tax benefits from share-based compensation	-	21	23
<b>Net cash used in financing activities</b>	<b>(595)</b>	<b>(242)</b>	<b>(42)</b>
Net change in cash and cash equivalents	439	1,136	347
Cash and cash equivalents at the beginning of period	3,097	1,961	1,822
Cash and cash equivalents at end of period	<u>\$ 3,536</u>	<u>\$ 3,097</u>	<u>\$ 2,169</u>
<b>Supplemental disclosure of cash flow information:</b>			
Cash paid for interest	\$ 102	\$ 105	\$ 80
Net cash paid (refunds received) for income taxes	\$ 97	\$ 99	\$ (7)