

Broadcom to Acquire LVL7 Systems, Inc., a Developer of Networking Software

Networking Software Portfolio Enables Broadcom Customers to Offer Comprehensive Hardware/Software Platforms for Small-to-Medium Businesses

IRVINE, Calif. and RESEARCH TRIANGLE PARK, N.C., Nov 29, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- Broadcom Corporation (Nasdaq: BRCM), a global leader in semiconductors for wired and wireless communications, today announced that it has signed a definitive agreement to acquire LVL7 Systems, Inc., a privately-held developer of production-ready networking software that enables networking original equipment manufacturers (OEMs) and original design manufacturers (ODMs) to reduce development expenses and compress development timelines.

"By combining LVL7's software expertise with Broadcom® networking products, we are addressing our customers' growing demand for integrated hardware and software solutions," said Ford Tamer, Senior Vice President and General Manager of Broadcom's Enterprise Networking Group. "Additionally, the software offerings will enable Broadcom customers to address new and emerging markets -- such as wireless LAN switching or voice over IP -- more quickly, increasing the value of their current platforms."

LVL7's FASTPATH® family of software will enable Broadcom to enhance its existing product offering in the small-to-medium-sized business (SMB) market segment. OEMs targeting the SMB market will benefit from the additional software capability that Broadcom is adding to its existing platforms because a complete software solution enables those customers to get new systems to market quickly and cost effectively.

"Broadcom has been a premier partner of LVL7 for several years, and the company's established presence in the network silicon market makes a long-term partnership ideal," said Erik Dixon, CEO of LVL7 Systems. "Our software integrated with Broadcom's industry-leading Ethernet silicon will enable customers to accelerate time to market and reduce system cost."

At closing of the acquisition, Broadcom expects to pay approximately \$62 million in cash to acquire outstanding shares of capital stock and vested stock options of LVL7 and liquidate outstanding LVL7 debt. A portion of the cash consideration payable to the stockholders will be placed into escrow pursuant to the terms of the acquisition agreement. The boards of directors of the two companies and the stockholders of LVL7 have approved the merger. The closing, which is expected to occur during Broadcom's fourth quarter ending December 31, remains subject to customary closing conditions. Broadcom may record a one-time charge for purchased in-process research and development expenses related to the acquisition in its fourth quarter. The amount of that charge, if any, has not yet been determined.

About LVL7 Systems

LVL7 creates production-ready networking software that enables communication system manufacturers to reduce development costs and deliver IP/Ethernet products to market faster. Integrated with the industry's leading silicon and embedded operating systems, the company's FASTPATH® software portfolio spans the small-medium-sized business, enterprise, wireless LAN, and telecom access marketplaces. LVL7 is a privately-held company located near Research Triangle Park, North Carolina. For more information, visit www.LVL7.com.

About Broadcom

Broadcom Corporation is a global leader in semiconductors for wired and wireless communications. Our products enable the delivery of voice, video, data and multimedia to and throughout the home, the office and the mobile environment. Broadcom provides the industry's broadest portfolio of state-of-the-art system-on-a-chip and software solutions to manufacturers of computing and networking equipment, digital entertainment and broadband access products, and mobile devices. These solutions support our core mission: Connecting everything®.

Broadcom, one of the world's largest fabless semiconductor companies with 2005 revenue of \$2.67 billion, is headquartered in Irvine, Calif., and has offices and research facilities in North America, Asia and Europe. Broadcom may be contacted at 1-949-926-5000 or at www.broadcom.com.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995:

All statements included or incorporated by reference in this release, other than statements or characterizations of historical fact, are forward-looking statements. These forward-looking statements are based on our current expectations, estimates and projections about our industry and business, management's beliefs, and certain assumptions made by us, all of which are subject to change. Forward-looking statements can often be identified by words such as "anticipates," "expects," "intends," "plans," "predicts," "believes," "seeks," "estimates," "may," "will," "should," "would," "could," "potential," "continue," "ongoing," similar expressions, and variations or negatives of these words. These forward-looking statements are not guarantees of future results and are subject to risks, uncertainties and assumptions that could cause our actual results to differ materially and adversely from those expressed in any forward-looking statement.

Important factors that may cause such a difference for Broadcom in connection with the acquisition of LVL7 Systems, Inc. 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 risk that anticipated benefits of the acquisition may not be realized; general economic and political conditions and specific conditions in the markets we address, including the volatility in the technology sector and semiconductor industry, trends in the broadband communications markets in various geographic regions, including seasonality in sales of consumer products into which our products are incorporated, and possible disruption in commercial activities related to terrorist activity or armed conflict in the United States and other locations; uncertainties as a result of the company's previously-disclosed ongoing review of its practices in respect of options/equity grants to employees, and the publicized more general review of option grant practices throughout the technology and other industries by public regulatory bodies, and potential changes in accounting and other practices resulting therefrom; the rate at which our present and future customers and end-users adopt Broadcom's technologies and products in the markets for networking applications; delays in the adoption and acceptance of industry standards in those markets; the timing, rescheduling or cancellation of significant customer orders and our ability, as well as the ability of our customers, to manage inventory; the gain or loss of a key customer, design win or order; our ability to scale our operations in response to changes in demand for our existing products and services or demand for new products requested by our customers; intellectual property disputes and customer indemnification claims and other types of litigation risk; our ability to specify, develop or acquire, complete, introduce, market and transition to volume production new products and technologies in a cost-effective and timely manner; our ability to retain, recruit and hire key executives, technical personnel and other employees in the positions and numbers, with the experience and capabilities, and at the compensation levels needed to implement our business and product plans; problems or delays that we may face in shifting our products to smaller geometry process technologies and in achieving higher levels of design integration; competitive pressures and other factors such as the qualification, availability and pricing of competing products and technologies and the resulting effects on sales and pricing of our products; the timing of customer-industry qualification and certification of our products and the risks of non-qualification or non-certification; our ability to timely and accurately predict market requirements and evolving industry standards and to identify opportunities in new markets; changes in our product or customer mix; the volume of our product sales and pricing concessions on volume sales; the availability and pricing of third party semiconductor foundry, assembly and test capacity and raw materials; 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; the quality of our products and any remediation costs; the effectiveness of our expense and product cost control and reduction efforts; the risks and uncertainties associated with our international operations, particularly in light of recent events; the effects of natural disasters, public health emergencies, international conflicts and other events beyond our control; the level of orders received that can be shipped in a fiscal quarter; and other factors.

Our Annual Report on Form 10-K, subsequent Quarterly Reports on Form 10-Q, recent Current Reports on Form 8-K, and other Securities and Exchange Commission filings discuss the foregoing risks as well as other important risk factors that could contribute to such differences or otherwise affect our business, results of operations and financial condition. The forward-looking statements in this release speak only as of this date. We undertake no obligation to revise or update publicly any forward-looking statement for any reason.

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