



Broadcom to Acquire Dune Networks

Dune Networks' Highly Scalable Switch Fabric Technology Expands Broadcom's Product Portfolio for Data Centers and Large Scale Cloud Computing

IRVINE, Calif., Nov 30, 2009 -- 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 Dune Networks, a privately-held company that develops switch fabric solutions for data center networking equipment. Data centers are scaling to provide significantly more bandwidth to meet the requirements of cloud computing, where computing resources, products and services, such as Software as a Service (SaaS), can be delivered real-time over the Internet. Dune Networks has developed a scalable chipset that supports bandwidth speeds of up to 100Gbps per port and can connect more than ten thousand servers (ports) in a single deployment.

"Dune's massively scalable interconnect fabric, combined with our Ethernet products, augments our portfolio of solutions for data center networking equipment," said Martin Lund, Vice President and General Manager, Broadcom's Network Switching line of business. "This technology is particularly well suited to meet the emerging requirements for cloud computing networks at a large scale, and will enable us to address new market applications for Ethernet in the data center."

"Dune Networks' distributed connection fabric is a complement to Broadcom's existing product suite," said Eyal Dagan, Chief Executive Officer, Dune Networks. "Our joint customers will be able to bring to market low cost, high performance data center switching that will enable end users to build next-generation cloud computing networks."

In connection with the acquisition, Broadcom expects to pay approximately \$178 million, net of cash assumed from Dune Networks, to acquire all of the outstanding shares of capital stock and other rights of Dune Networks. The purchase price will be paid in cash, except that a portion of such purchase price attributable to unvested employee stock options will be paid in Broadcom restricted stock units. A portion of the cash consideration payable to the stockholders will be placed into escrow pursuant to the terms of the acquisition agreement. Excluding any purchase accounting related adjustments and fair value measurements, Broadcom expects the acquisition of Dune Networks will be neutral to slightly accretive to earnings per share in 2010. The boards of directors of the two companies have approved the merger. The closing, which is expected to occur by the end of Broadcom's first quarter ending March 31, 2010, remains subject to customary closing conditions.

About Dune Networks

Dune Networks is a semiconductor supplier of networking devices, facilitating the build of Data Center, Enterprise and Carrier Ethernet Solutions. Dune Networks provides a switching solution that truly scales in capacity, port rate and service scheme. This extends the life cycle of packet platforms from the legacy 3 years up to 10 years and more, significantly improving the economics of packet networks. Founded in the year 2000, Dune Networks' offices are located in Sunnyvale, California and Yakum, Israel.

About Broadcom

Broadcom Corporation is a major technology innovator and global leader in semiconductors for wired and wireless communications. Broadcom® products enable the delivery of voice, video, data and multimedia to and throughout the home, the office and the mobile environment. We provide 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 is one of the world's largest fabless semiconductor companies, with 2008 revenue of \$4.66 billion, and holds over 3,650 U.S. and over 1,450 foreign patents, more than 7,750 additional pending patent applications, and one of the broadest intellectual property portfolios addressing both wired and wireless transmission of voice, video, data and multimedia.

A FORTUNE 500® company, Broadcom 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.