

**Marvell Technology Group Ltd.**  
**Unaudited GAAP Consolidated Statements of Operations**  
(In thousands, except per share amounts)

	<u>Q1'08</u>	<u>Q2'08</u>	<u>Q3'08</u>	<u>Q4'08</u>	<u>Q1'09</u>	<u>Q2'09</u>	<u>Q3'09</u>
Net revenue	\$ 635,050	\$ 656,711	\$ 758,246	\$ 844,686	\$ 804,075	\$ 842,575	\$ 791,046
Operating costs and expenses:							
Cost of goods sold	327,417	335,530	396,209	438,640	388,842	405,913	379,137
Research and development and other	234,133	236,194	252,205	266,464	238,475	249,714	234,222
Selling and marketing	50,392	53,942	46,423	60,504	46,088	41,834	41,158
General and administrative	23,988	33,775	32,537	48,340	12,951	30,989	28,869
Amortization and write-off of acquired intangible assets	37,320	37,293	37,311	43,810	35,247	34,988	34,814
Acquired in-process research and development	-	-	-	-	-	-	-
Restructuring	-	-	-	7,856	-	-	-
Total operating costs and expenses	<u>673,250</u>	<u>696,734</u>	<u>764,685</u>	<u>865,614</u>	<u>721,603</u>	<u>763,438</u>	<u>718,200</u>
Operating income (loss)	<u>(38,200)</u>	<u>(40,023)</u>	<u>(6,439)</u>	<u>(20,928)</u>	<u>82,472</u>	<u>79,137</u>	<u>72,846</u>
Interest and other income (expense), net	<u>(10,167)</u>	<u>(7,732)</u>	<u>(9,409)</u>	<u>14,910</u>	<u>(4,692)</u>	<u>(754)</u>	<u>11,543</u>
Income (loss) before income taxes	<u>(48,367)</u>	<u>(47,755)</u>	<u>(15,848)</u>	<u>(6,018)</u>	<u>77,780</u>	<u>78,383</u>	<u>84,389</u>
Provision (benefit) for income taxes	4,461	8,701	(9,412)	(7,311)	7,841	7,016	13,443
Net income (loss)	<u>\$ (52,828)</u>	<u>\$ (56,456)</u>	<u>\$ (6,436)</u>	<u>\$ 1,293</u>	<u>\$ 69,939</u>	<u>\$ 71,367</u>	<u>\$ 70,946</u>
Basic net income (loss) per share	<u>\$ (0.09)</u>	<u>\$ (0.10)</u>	<u>\$ (0.01)</u>	<u>\$ 0.00</u>	<u>\$ 0.12</u>	<u>\$ 0.12</u>	<u>\$ 0.12</u>
Diluted net income (loss) per share	<u>\$ (0.09)</u>	<u>\$ (0.10)</u>	<u>\$ (0.01)</u>	<u>\$ 0.00</u>	<u>\$ 0.11</u>	<u>\$ 0.11</u>	<u>\$ 0.11</u>
Weighted average shares — basic	<u>587,426</u>	<u>587,534</u>	<u>590,759</u>	<u>595,512</u>	<u>601,222</u>	<u>606,860</u>	<u>611,945</u>
Weighted average shares — diluted	<u>587,426</u>	<u>587,534</u>	<u>590,759</u>	<u>626,699</u>	<u>624,351</u>	<u>637,832</u>	<u>630,810</u>

**Marvell Technology Group Ltd.**  
**Unaudited Reconciliation of Non-GAAP Adjustments**  
(In thousands, except per share amounts)

	<u>13 weeks</u> <u>Q1'08</u>	<u>13 weeks</u> <u>Q2'08</u>	<u>13 weeks</u> <u>Q3'08</u>	<u>14 weeks</u> <u>Q4'08</u>	<u>13 weeks</u> <u>Q1'09</u>	<u>13 weeks</u> <u>Q2'09</u>	<u>13 weeks</u> <u>Q3'09</u>
<b>Reconciliation of GAAP net (loss) income to non-GAAP net income:</b>							
GAAP net (loss) income	\$ (52,828)	\$ (56,456)	\$ (6,436)	\$ 1,293	\$ 69,939	\$ 71,367	\$ 70,946
Stock-based compensation included in:							
Cost of goods sold	3,018	3,275	4,326	4,911	3,073	3,755	1,795
Research and development and other	32,042	34,591	39,989	45,627	29,932	32,998	30,607
Selling and marketing	7,151	10,997	6,949	13,925	7,348	6,159	6,896
General and administrative	4,557	10,033	4,092	5,497	4,873	4,715	280
Amortization and write-off of acquired intangible assets *	37,320	37,293	37,311	43,810	35,247	34,988	34,814
Restructuring	-	-	-	7,856	-	-	-
Non-GAAP net income (see note below)	<u>\$ 31,260</u>	<u>\$ 39,733</u>	<u>\$ 86,231</u>	<u>\$ 122,919</u>	<u>\$ 150,412</u>	<u>\$ 153,982</u>	<u>\$ 145,338</u>
GAAP weighted average shares - diluted	587,426	587,534	590,759	626,699	624,351	637,832	630,810
Non-GAAP adjustment (b)	46,335	42,724	39,854	542	91	2,315	1,740
Non-GAAP weighted average shares - diluted	633,761	630,258	630,613	627,241	624,442	640,147	632,550
GAAP diluted net (loss) income per share	<u>\$ (0.09)</u>	<u>\$ (0.10)</u>	<u>\$ (0.01)</u>	<u>\$ 0.00</u>	<u>\$ 0.11</u>	<u>\$ 0.11</u>	<u>\$ 0.11</u>
Non-GAAP diluted earnings per share (a)	<u>\$ 0.05</u>	<u>\$ 0.06</u>	<u>\$ 0.14</u>	<u>\$ 0.20</u>	<u>\$ 0.24</u>	<u>\$ 0.24</u>	<u>\$ 0.23</u>
GAAP gross margin	48.4%	48.9%	47.7%	48.1%	51.6%	51.8%	52.1%
Non-GAAP gross margin	48.9%	49.4%	48.3%	48.7%	52.0%	52.3%	52.3%
Headcount	5,413	5,644	5,753	5,331	5,320	5,453	5,541

\* Includes an asset impairment charge of \$7.2 million in Q4 2008

(a) Non-GAAP net income per share is calculated by dividing non-GAAP net income by non-GAAP weighted average shares - diluted.

(b) For purposes of calculating non-GAAP net income per share, the GAAP diluted weighted average shares outstanding is adjusted to exclude the benefits of SFAS 123R compensation costs attributable to future services and not yet recognized in the financial statements that are treated as proceeds assumed to be used to repurchase shares under the GAAP treasury stock method and also includes the dilutive/antidilutive effects of warrants, common stock options and restricted stock.

Note: Included in unaudited non-GAAP net income are the following items:

- (1) Employer's portion of payroll tax on certain stock option exercises included in the respective operating costs and expenses recorded in the quarter exercises occurred through Q1 2008;
- (2) Employee's Internal Revenue Code Section 409A liability on certain stock option exercises included in the respective operating costs and expenses recorded in Q4 2007 of \$24.2 million;
- (3) General and administrative expense in Q2 2008 included a gain of \$5.1 million from the sale of an asset under construction;
- (4) Income tax benefit in Q3 2008 includes an income tax benefit of \$13.0 million related to the reversal of tax reserves after the conclusion of a foreign tax audit;
- (5) General and administrative expense in Q4 2008 included a \$16.0 million expense related to anticipated payments pursuant to a tentative settlement;
- (6) Interest and penalties of \$7.2 million associated with payroll tax on certain stock option exercises were included in the respective operating costs and expenses recorded in Q4 2008;
- (7) Other income of \$22.1 million associated with a one-time adjustment to the fair market value liability under the Intel supply agreement recorded in Q4 2008; and
- (8) Income tax benefit in Q4 2008 included a benefit of \$8.3 million related to the recognition of tax net operating losses which were considered to be realizable following the planned merger of certain foreign subsidiary entities to be effected in fiscal 2009.
- (9) General and administrative expense in Q1 2009 included a \$24.5 million payment from the Company's directors and officers liability insurers in connection with pending securities litigation related to the Company's past stock option grants practices, including the tentative settlement of the shareholder derivative litigation. In addition, general and administrative expense included a \$10M settlement with the Securities and Exchange Commission ("SEC") in connection with the SEC's investigation into the Company's past stock option practices.