

Avago Technologies Limited
Condensed Consolidated Statement of Operations
(In millions)
(Unaudited)

	Three Months Ended April 30, 2006	Pro Forma Combined¹ Three Months Ended January 31, 2006
Net revenue	\$ 380	\$ 396
Costs and expenses:		
Cost of products:		
Cost of products sold	240	299
Cost of products - amortization of intangible assets	18	10
Total cost of products	<u>258</u>	<u>309</u>
Research and development	53	59
Selling, general and administrative	67	81
Amortization of intangible assets	22	17
Acquired in-process research and development	-	2
Total costs and expenses	<u>400</u>	<u>468</u>
Loss from operations	(20)	(72)
Interest expense	40	40
Other income (expense), net	<u>2</u>	<u>1</u>
Loss from continuing operations before taxes	(58)	(111)
Provision for taxes	<u>-</u>	<u>7</u>
Loss from continuing operations	(58)	(118)
Income from discontinued operations, net of income taxes	<u>5</u>	<u>7</u>
Net loss	<u>\$ (53)</u>	<u>\$ (111)</u>

Note: The above condensed consolidated statement of operations excludes revenues and expenses from our recently divested Storage and Printer ASICs businesses for both the first and second quarters of fiscal 2006. The Storage and Printer ASICs results are included in Income from Discontinued Operations.

¹Represents two months Successor and one month Predecessor. While generally accepted accounting principles do not permit the addition of Successor and Predecessor results, we have provided this comparison to assist the users of our financial information.

Avago Technologies Limited
Condensed Consolidated Balance Sheet
(In millions)
(Unaudited)

	April 30, 2006	January 31, 2006
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 210	\$ 169
Trade accounts receivable, net	217	274
Inventory	173	174
Assets of discontinued operations	174	591
Other current assets	67	51
Total current assets	841	1,259
Property, plant and equipment, net	421	423
Goodwill	148	148
Other purchased intangible assets, net	1,027	1,067
Other long-term assets	70	72
Total assets	\$ 2,507	\$ 2,969
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 192	\$ 186
Accrued interest	39	24
Employee compensation and benefits	55	34
Income taxes and other taxes payable	6	5
Liabilities of discontinued operations	2	4
Other accrued liabilities	32	23
Current portion of long-term debt	249	724
Total current liabilities	575	1,000
Long-term liabilities:		
Long-term debt, less current portion	1,000	1,000
Other long-term liabilities	5	4
Total liabilities	1,580	2,004
Commitments and contingencies		
Stockholders' Equity:		
Preferred stock	-	-
Common stock	127	125
Additional paid-in capital	939	927
Accumulated deficit	(140)	(87)
Accumulated other comprehensive income	1	-
Total stockholders' equity	927	965
Total liabilities and stockholders' equity	\$ 2,507	\$ 2,969

Avago Technologies Limited
Condensed Consolidated Statement of Cash Flows
(In millions)
(Unaudited)

	Successor
	Five Months
	Ended
	April 30, 2006
Cash flow from operating activities:	
Net loss	\$ (140)
Adjustments to reconcile net loss to net cash provided by operating activities:	
Depreciation	32
Amortization of intangible assets	73
Acquired in-process research and development	2
Amortization of debt issuance costs	22
Loss on retirement of equipment	1
Net cash flows from discontinued operations	(11)
Changes in assets and liabilities:	
Trade accounts receivable, net	32
Inventory	30
Other current assets	(39)
Other assets	10
Accounts payable	60
Accrued interest	39
Other accrued liabilities	23
Income taxes payable	6
Employee compensation and benefits	40
Other long-term liabilities	1
Net cash provided by operating activities	181
Cash flows from investing activities:	
Acquisition of business from Agilent, net of cash acquired	(2,627)
Purchase of property and equipment	(19)
Proceeds from sale of business	426
Net cash used in investing activities	(2,220)
Cash flows from financing activities:	
Issuance of common stock, net of issuance costs	1,062
Issuance of preferred stock, net of issuance costs	250
Redemption of preferred stock	(249)
Dividend paid on preferred stock	(1)
Proceeds from borrowings, net of debt issuance costs	1,658
Debt repayments	(476)
Conversion of Agilent options into common stock	4
Net cash provided by financing activities	2,248
Effect of exchange rate changes on cash and cash equivalents	1
Net increase in cash and cash equivalents	210
Cash and cash equivalents at beginning of period	-
Cash and cash equivalents at end of period	\$ 210

Avago Technologies Limited
Adjusted EBITDA
(In millions)
(Unaudited)

	Three Months Ended April 30, 2006	Three Months ¹ Ended January 31, 2006
U.S. GAAP net loss	\$ (53)	\$ (111)
Adjustments related to non-cash expenses:		
Depreciation	19	18
Amortization of IP COS	18	14
Amortization of IP Operating Expenses	22	19
Amortization related to purchase price accounting and divestitures	3	44
Agilent allocated costs	-	31
Subtotal of non-cash expense adjustments	<u>62</u>	<u>126</u>
Adjustments related to cash expenses:		
Income tax expense	1	6
Interest expense	40	40
Set-up and separation costs including consulting and legal fees	15	53
Transition service agreement payments	14	12
Stand-alone infrastructure costs, net of incurred costs	<u>(6)</u>	<u>(24)</u>
Subtotal of cash expense adjustments	<u>64</u>	<u>87</u>
Adjusted EBITDA (including discontinued operations)	73	102
Less EBITDA - discontinued operations - Storage Business	<u>3</u>	<u>7</u>
Adjusted EBITDA (excluding Storage Business)	70	95
Less EBITDA - discontinued operations - Printer ASICs	<u>2</u>	<u>4</u>
Adjusted EBITDA (excluding Storage Business and Printer ASICs)	<u>\$ 68</u>	<u>\$ 91</u>

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