

Equity Research Report: Broadcom Inc.

Business Overview

Broadcom Inc. is a global technology leader specializing in semiconductors and infrastructure software. With over 60 years of innovation, Broadcom delivers high-performance solutions for AI, cloud, broadband, and enterprise IT. Its diverse portfolio and integration of strategic acquisitions drive technology leadership and attractive margins.

Market Position

Broadcom serves a global base, with strong revenues from North America, Asia, and EMEA. Major customers include blue-chip enterprises and hyperscale cloud providers. The top five customers account for 40% of revenue. Broadcom leads in AI networking and enterprise software with significant market shares.

Operating Results

In 2024, Broadcom reported \$40.5B revenue, up 18%. Semiconductor solutions contributed \$27.2B, and software \$13.3B, boosted by VMware. Gross margin expanded to 74%. Operating income rose 22% to \$19.1B. Net income was \$14.7B (\$33.50/share). Free cash flow was \$16.2B. \$9.5B returned to shareholders.

Financial Metrics

FY (USD mn)	2021	2022	2023	2024	2025
Revenue	27450	33203	35819	51574	63887
Revenue Growth	-17.3%	-7.3%	-30.5%	-19.3%	132.7%
Gross Revenue	16844	22095	24690	32509	43294
Gross Margin	0.61	0.67	0.69	0.63	0.68
EBITDA	14691	19155	20554	23879	34714
EBITDA Margin	0.54	0.58	0.57	0.46	0.54
FCF	13764	16736	18085	19962	27537
FCF Conversion	2.04	1.46	1.28	3.39	1.19
ROIC	12.2%	19.7%	22.5%	5.6%	16.4%
EV/EBITDA	16.65	11.48	18.23	35.08	50.62
PE Ratio	32.14	16.73	24.79	132.21	73.87
PB Ratio	8.66	8.47	14.55	11.52	21.01

FinRobot

<https://ai4finance.org/>

<https://github.com/Al4Finance-Foundation/FinRobot>

Report date: 2024-12-20

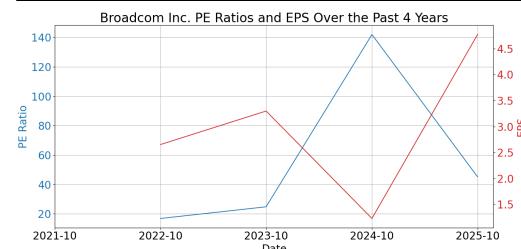
Key data

Rating	buy
Target Price	170 - 2050 (md. 500.0)
6m avg daily vol (USDmn)	29.80
Closing Price (USD)	215.79
Market Cap (USDmn)	1036609.05
52 Week Price Range (USD)	103.21 - 231.09
BVPS (USD)	14.64

Share Performance



PE & EPS



Risk Assessment

Key risks: customer concentration, supply chain disruptions, regulatory scrutiny after VMware, competition, and cybersecurity. Broadcom mitigates through diversification, long-term agreements, compliance, and R&D.;

Competitors Analysis

Broadcom's main semiconductor rivals are TXN, QCOM, AMD, and NVDA. TXN excels in analog, QCOM in mobile, AMD/NVDA in AI/data center. Broadcom's networking and software focus offers higher margins and recurring revenue. In software, Broadcom leverages VMware against IBM and Microsoft.