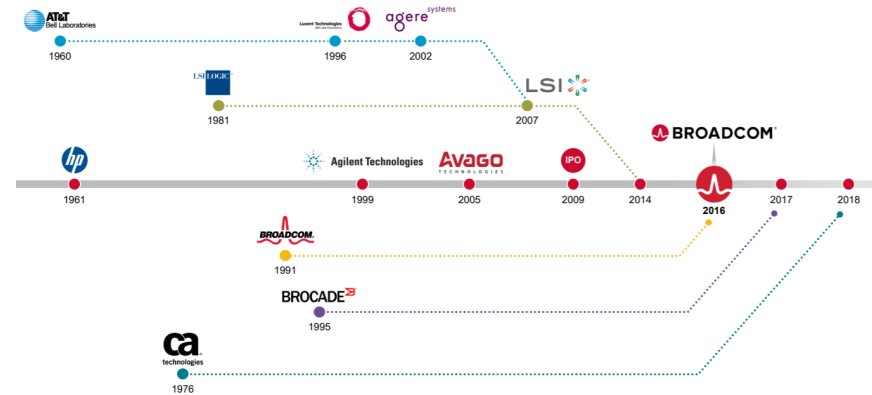


Broadcom Acquires VMware: A Strategic Move to Dominate Enterprise Infrastructure

A \$61B acquisition to expand Broadcom's footprint beyond semiconductors into enterprise software.

- Announced May 2022, Broadcom acquired VMware for ~\$61 billion.
- Broadcom aims to become a full-stack tech infrastructure provider, blending its hardware roots with VMware's virtualization and hybrid cloud solutions.
- This move reflects a broader industry shift toward software-defined enterprise solutions.



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November 4, 2022

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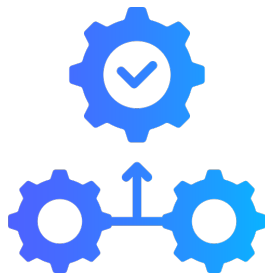
A \$61B acquisition to expand Broadcom's footprint beyond semiconductors into enterprise software.

Category	Synergy Summary
Cross-Selling	Leverage client bases to offer bundled solutions
Operational Efficiency	Cut costs via SG&A and delivery integration
Product Integration	Combine software stacks for deeper value
Global Reach	Expand VMware into more international markets

Synergy Categories Overview

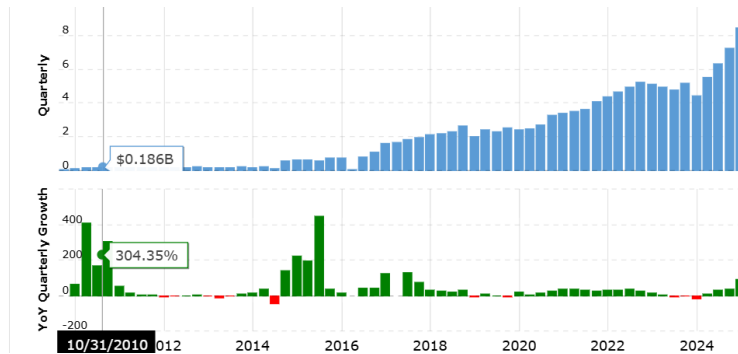
Synergy 1: Cross-Selling to Enterprise Clients:
Unified enterprise offering for large-scale clients

- Broadcom gains access to VMware's strong presence in cloud virtualization.
- Potential to bundle Broadcom software with VMware's IT infrastructure solutions.
- "We see meaningful cross-sell opportunity in our 600 enterprise accounts." – Hock Tan, Broadcom CEO



Synergy 2: Operational Efficiency: Improving profitability by streamlining operations

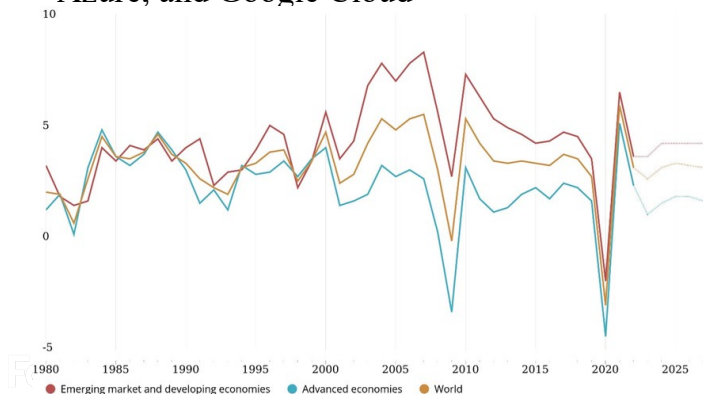
- Broadcom has a track record of cost discipline in software M&A (e.g., Symantec).
- VMware's current structure has overlapping functions in sales and support.
- Cost synergies expected from consolidating IT systems, HR, and legal.



Synergy Categories Overview

Synergy 3: Product Integration : Building a vertically integrated software stack

- Combining Broadcom's infrastructure stack with VMware's virtualization layer (ESXi, vSphere, NSX)
- Enables simplified deployment for hybrid cloud environments
- Strengthens competitiveness vs. AWS, Microsoft Azure, and Google Cloud



Synergy 4: Global Expansion : Accelerating VMware's presence in global markets

- Broadcom's distribution and partner networks offer scale in Asia and EMEA
- VMware's cloud services can be rolled out more efficiently via Broadcom's sales channels
- International recurring revenue growth expected

