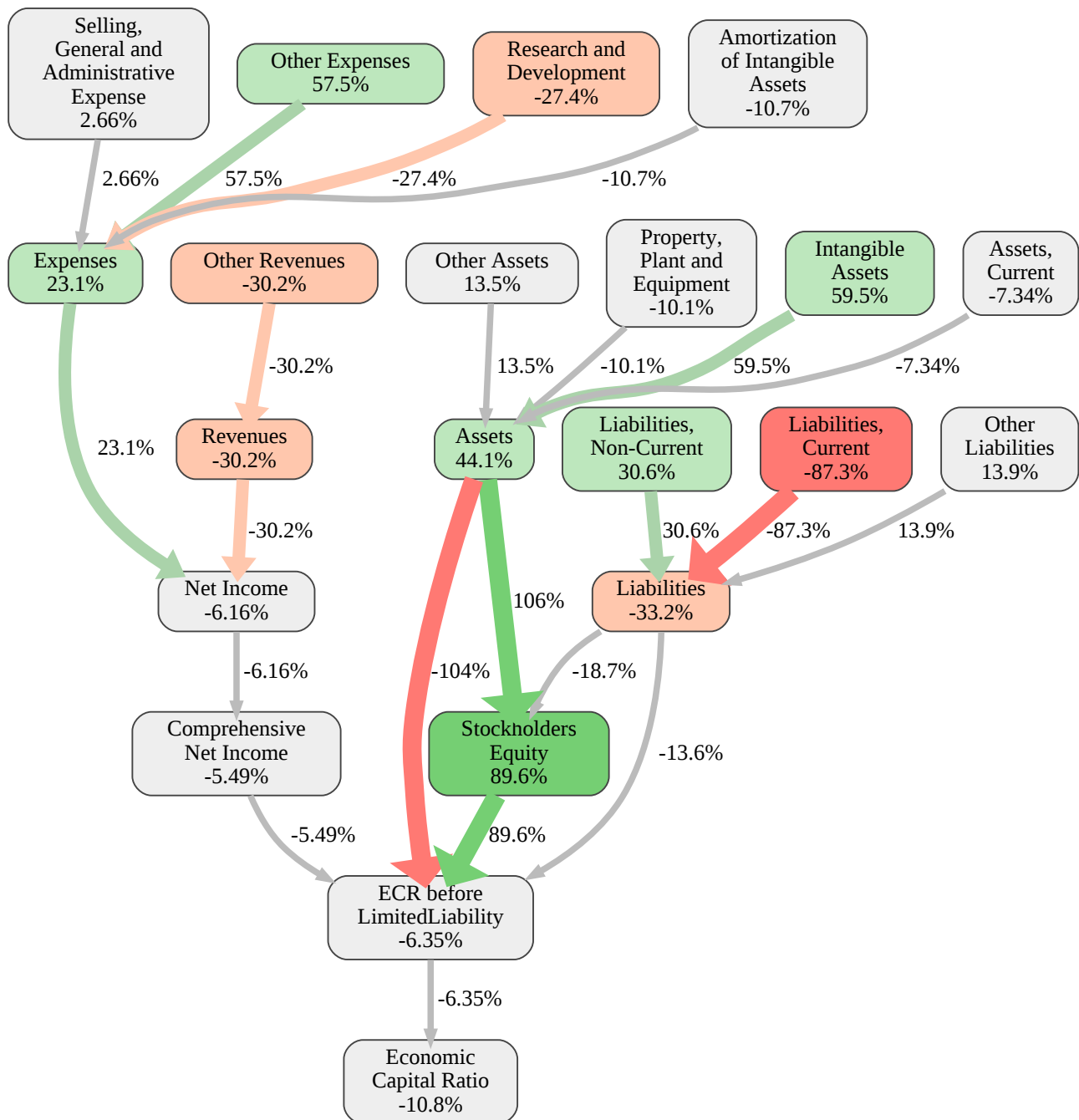




The relative strengths and weaknesses of PMC Sierra INC are analyzed with respect to the market average, including all of its competitors. We analyzed all variables having an effect on the Economic Capital Ratio.

The greatest strength of PMC Sierra INC compared to the market average is the variable Stockholders Equity, increasing the Economic Capital Ratio by 90% points. The greatest weakness of PMC Sierra INC is the variable Liabilities, Current, reducing the Economic Capital Ratio by 87% points.

The company's Economic Capital Ratio, given in the ranking table, is 327%, being 11% points below the market average of 338%.

Input Variable	Value in 1000 USD
Amortization of Intangible Assets	29,932
Assets, Current	506,827
Assets, Non-Current	0
Intangible Assets	725,977
Liabilities, Current	352,563
Liabilities, Non-Current	0
Other Assets	275,375
Other Compr. Net Income	0
Other Expenses	235,283
Other Liabilities	0
Other Net Income	4,879
Other Revenues	635,082
Property, Plant and Equipment	18,367
Research and Development	187,467
Selling, General and Administrative Expense	104,117

Output Variable	Value in 1000 USD
Liabilities	352,563
Assets	1,526,546
Expenses	556,799
Revenues	635,082
Stockholders Equity	1,173,983
Net Income	83,162
Comprehensive Net Income	83,162
ECR before Limited Liability	326%
Economic Capital Ratio	327%