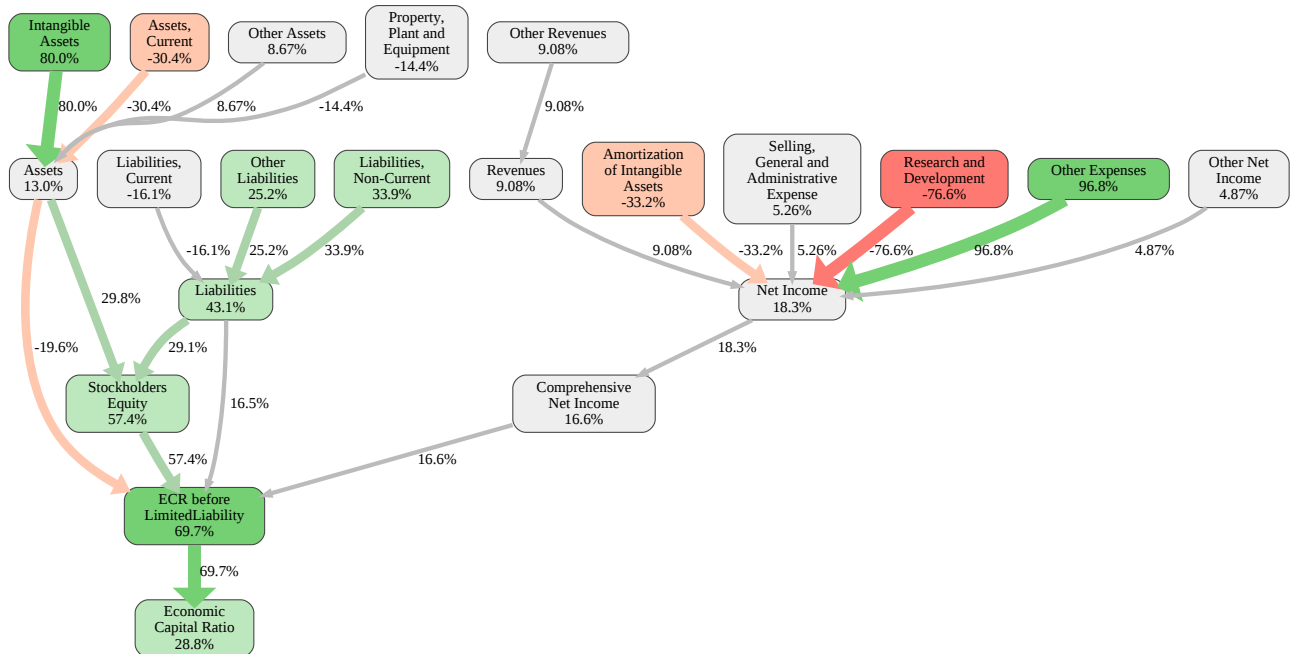




The relative strengths and weaknesses of PMC Sierra INC are analyzed with respect to the market average, including all of its competitors. We analyzed all variables having an effect on the Economic Capital Ratio.

The greatest strength of PMC Sierra INC compared to the market average is the variable Other Expenses, increasing the Economic Capital Ratio by 97% points. The greatest weakness of PMC Sierra INC is the variable Research and Development, reducing the Economic Capital Ratio by 77% points.

The company's Economic Capital Ratio, given in the ranking table, is 281%, being 29% points above the market average of 253%.

Input Variable	Value in 1000 USD
Amortization of Intangible Assets	48,245
Assets, Current	269,439
Assets, Non-Current	0
Intangible Assets	425,823
Liabilities, Current	179,741
Liabilities, Non-Current	0
Other Assets	115,540
Other Compr. Net Income	-1,142
Other Expenses	175,049
Other Liabilities	0
Other Net Income	6,829
Other Revenues	508,028
Property, Plant and Equipment	39,149
Research and Development	211,047
Selling, General and Administrative Expense	112,770

Output Variable	Value in 1000 USD
Liabilities	179,741
Assets	849,951
Expenses	547,111
Revenues	508,028
Stockholders Equity	670,210
Net Income	-32,254
Comprehensive Net Income	-33,396
ECR before Limited Liability	280%
Economic Capital Ratio	281%