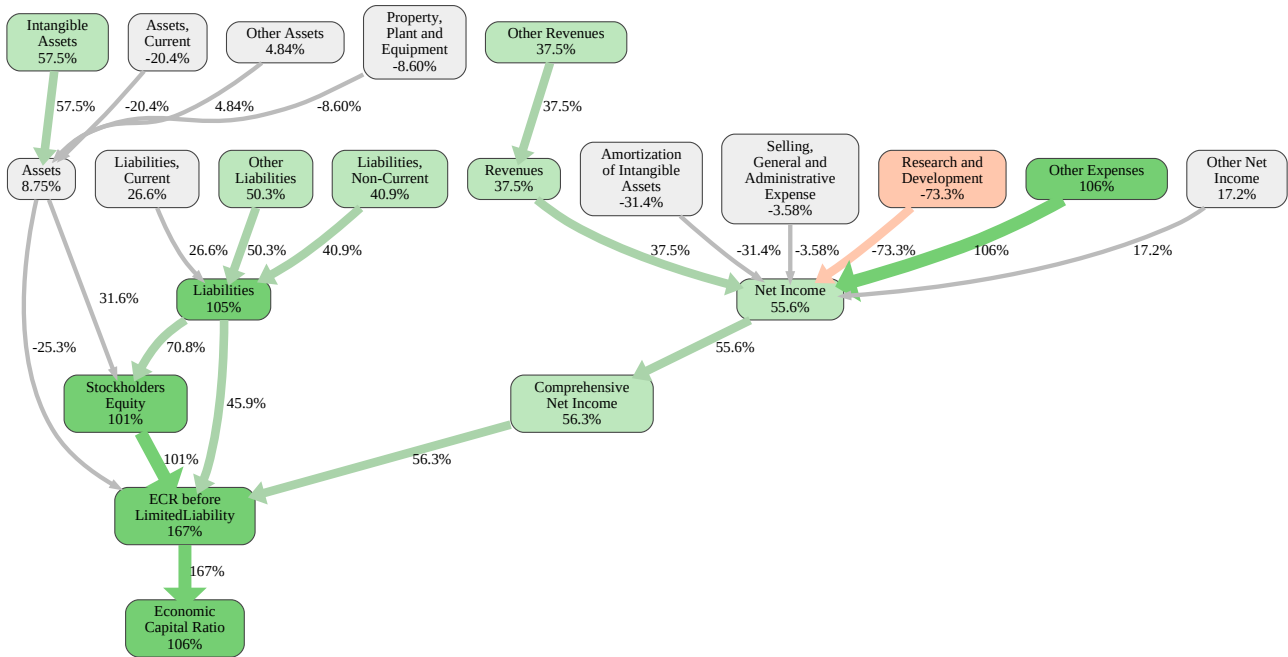




The relative strengths and weaknesses of PMC Sierra INC are analyzed with respect to the market average, including all of its competitors. We analyzed all variables having an effect on the Economic Capital Ratio.

The greatest strength of PMC Sierra INC compared to the market average is the variable Other Expenses, increasing the Economic Capital Ratio by 106% points. The greatest weakness of PMC Sierra INC is the variable Research and Development, reducing the Economic Capital Ratio by 73% points.

The company's Economic Capital Ratio, given in the ranking table, is 348%, being 106% points above the market average of 242%.

Input Variable	Value in 1000 USD
Amortization of Intangible Assets	43,219
Assets, Current	275,752
Assets, Non-Current	0
Intangible Assets	426,919
Liabilities, Current	126,807
Liabilities, Non-Current	0
Other Assets	129,103
Other Compr. Net Income	-1,829
Other Expenses	170,362
Other Liabilities	0
Other Net Income	3,986
Other Revenues	525,603
Property, Plant and Equipment	37,311
Research and Development	198,919
Selling, General and Administrative Expense	117,007

Output Variable	Value in 1000 USD
Liabilities	126,807
Assets	869,085
Expenses	529,507
Revenues	525,603
Stockholders Equity	742,278
Net Income	82
Comprehensive Net Income	-1,747
ECR before Limited Liability	347%
Economic Capital Ratio	348%