

Recommendation	Price Target	PT End Date	Price	Upside/Downside to PT
Overweight	\$400.00	31-Dec-26	\$324.63	23.22%

Broadcom Inc. designs, develops, and markets digital and analog semiconductors. The Company offers wireless RF components, storage adapters, controllers, networking processors, switches, fiber optic modules, motion control encoders, and optical sensors. Broadcom markets its products worldwide.



Note: All analysts forecasts are as of last note published on 16-Sep-2025

The Upside/Downside to PT is calculated based on the previous day's closing price which is quoted above.

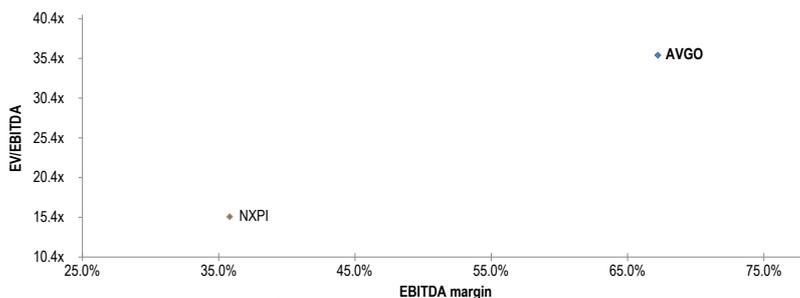
Source: Bloomberg Finance L.P., World Trade estimates.

Key Financials (\$mn, year end Oct)	FY23	FY24	FY25E	FY26E	FY27E
Revenue	35,819	51,574	63,272	90,719	n/a
EBITDA	23,789	35,076	42,533	54,215	n/a
EBIT	22,125	30,736	41,484	61,301	n/a
Pretax Income	18,832	21,688	30,936	49,563	n/a
Net Profit	18,378	23,733	33,223	50,612	n/a
Total Assets	72,861	165,645	171,971	201,819	n/a
Shareholder Equity	23,988	67,678	80,720	117,950	n/a
Adjusted Net Debt/(Cash)	25,040	58,218	46,090	13,821	n/a
Capex	(452)	(548)	(528)	(568)	n/a
Free Cash Flow to firm	17,633	19,414	27,595	44,773	n/a
EPS (\$)	4.22	4.86	6.72	10.22	n/a
DPS (\$)	1.84	2.10	2.36	2.71	n/a

Key Ratios	FY23	FY24	FY25E	FY26E	FY27E
EBITDA Margin	66.4%	68.0%	67.2%	59.8%	n/a
EBIT Margin	61.8%	59.6%	65.6%	67.6%	n/a
Net Margin	51.3%	46.0%	52.5%	55.8%	n/a
Payout Ratio	49.4%	56.8%	45.7%	32.5%	n/a
Net Debt/Equity (excl MI)	104.4%	86.0%	57.1%	11.7%	n/a
FCF Yield	1.2%	1.2%	1.7%	2.8%	n/a
P/E	76.8x	66.8x	48.3x	31.8x	n/a
EV/EBITDA	62.7x	43.8x	35.8x	27.5x	n/a
ROE	78.7%	51.8%	44.8%	51.0%	n/a

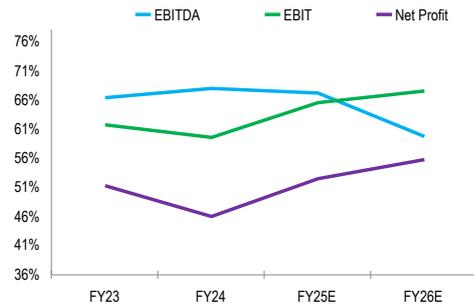
Source: Company data, Bloomberg Finance L.P., World Trade estimates.

Peer Valuation Chart FY25



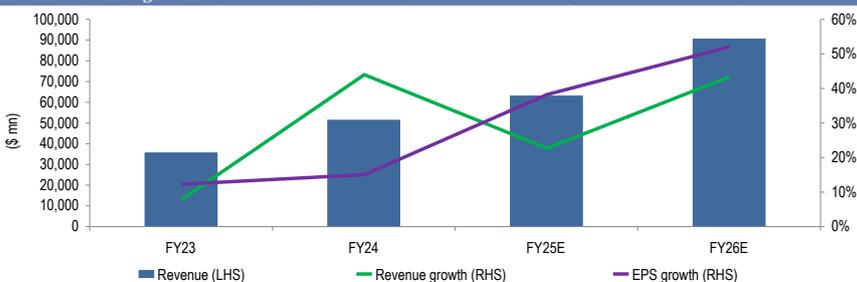
Source: Company data, Bloomberg Finance L.P., World Trade estimates.

Margin Analysis (AVGO)



Source: Company data, World Trade estimates.

Revenue and EPS growth



Source: Company data, World Trade estimates.

Company Data

Market Cap (USDmn)	1,551,731
Shares O/S (mn)	4,780
Float	98.1%
Dividend Yield	0.7%
EPS (\$)	6.72
3M - Avg daily volume (mn)	21.63
52 wk High/Low (\$)	374.23-138.10

WTS EPS Estimate		BBG EPS Estimate	
FY25E	FY26E	FY25E	FY26E
6.72	10.22	6.74	9.28

Source: Company data, Bloomberg Finance L.P., World Trade estimates.

Peer Valuation Analysis	Ticker	Fiscal Year End	Last Note Published	Rating	Price Target	Mkt Cap (\$mn)	EV/EBITDA	P/BV	P/E	ROE				
Local peers														
Marvell Technology Inc	MRVL	2025/1	25-Sep-25	OW	\$120.00	74,952	FY25E 2.7x	FY26E 4.7x	FY25E 4.7x	FY26E 30.1x	FY25E 6.5%	FY26E 11.3%		
NXP Semiconductors	NXPI	2024/12	22-Jul-25	N	\$240.00	52,704	15.5x	14.4x	4.9x	4.8x	17.9x	16.7x	29.0%	29.2%
Global peers														
NEC (6701)	6701.T	2025/3	21-Aug-25	OW	¥5,200	41,869	0.3x	NM	3.4x	3.1x	36.6x	30.8x	9.1%	10.2%
Infineon Technologies	IFXGn.DE	2024/9	04-Sep-25	N	€39.20	48,102	9.9x	8.8x	2.4x	2.3x	21.7x	18.0x	11.2%	13.0%
Fujitsu (6702)	6702.T	2025/3	21-Aug-25	OW	¥4,200	43,550	23.3x	16.8x	3.9x	3.5x	31.2x	17.0x	12.6%	21.4%
Murata Manufacturing (6981)	6981.T	2025/3	22-Jul-25	N	¥2,200	34,578	10.1x	7.7x	2.1x	2.0x	22.6x	28.3x	9.1%	7.2%
Broadcom Inc	AVGO	2024/10	16-Sep-25	OW	\$400.00	1,551,731	35.8x	27.5x	19.9x	13.6x	48.3x	31.8x	44.8%	51.0%
Median							12.8x	15.6x	3.4x	3.5x	31.2x	28.3x	11.2%	13.0%
Mean							15.8x	19.3x	5.6x	4.8x	33.3x	24.7x	17.4%	20.5%
High							35.8x	40.7x	19.9x	13.6x	54.5x	31.8x	44.8%	51.0%
Low							0.3x	7.7x	2.1x	2.0x	17.9x	16.7x	6.5%	10.2%

Source: Company data, World Trade estimates.

Investment Thesis

We see Broadcom as a leader in wireless, data center networking, AI/deep learning ASICs, storage, and infrastructure silicon, hardware, software with broad-based exposure to positive trends in these end markets. Broadcom is a technology infrastructure powerhouse with unmatched scale and technology capabilities in the industry, securing its leadership positions in a diverse set of end markets.

Valuation

Our Dec 2026 price target of \$400 assumes that AVGO trades at 30x multiple applied to our CY26E exit run-rate earnings power of ~\$13 per share. Our target multiple is broadly in-line with AI peers trading at 30-35x, given AVGO's best in class operating/free cash flow margins, diversified business, AI ASIC/networking leadership.

Risks to Rating and Price Target

Broadcom's products are sold into a wide range of end markets and are sold to thousands of customers worldwide. If the global economy or any regional end market suffers unexpected negative shocks that lead to changes in demand for Broadcom's products, we may reassess our estimates and our Overweight rating.