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**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(d) OF**

**THE SECURITIES EXCHANGE ACT OF 1934**

**February 27, 2003**

**Date of report (Date of earliest event reported)**

**MARVELL TECHNOLOGY GROUP LTD.**

|  |  |  |
| --- | --- | --- |
|  | **(Exact name of registrant as specified in its charter)** |  |
| **Bermuda** | **0-30877** | **77-0481679** |
| **(State or other jurisdiction of** | **(Commission** | **(I.R.S. Employer** |
| **incorporation or organization)** | **File Number)** | **Identification No.)** |
|  | **4th Floor** |  |
|  | **Windsor Place** |  |
|  | **22 Queen Street** |  |
|  | **P.O. Box HM 1179** |  |
|  | **Hamilton HM EX** |  |
|  | **Bermuda** |  |
|  | **(Address of principal** |  |
|  | **executive offices)** | **(Zip Code)** |

**Registrant’s telephone number, including area code: (441) 296-6395**

**N/A**

**(Former name and former address, if changed since last report)**



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EXHIBIT 99.1



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INFORMATION TO BE INCLUDED IN THE REPORT

**Item 7. Financial Statements and Exhibits.**

|  |  |  |
| --- | --- | --- |
| **Exhibit** |  | **Description** |
|  |  |  |
| 99.1 | Press Release dated February 27, 2003. | |

**Item 9. Regulation FD Disclosure.**

On February 27, 2003, the Registrant issued a press release announcing its financial results for the fourth fiscal quarter and the fiscal year ended February 1, 2003. Attached hereto as Exhibit 99.1 and incorporated by reference herein is a copy of the February 27, 2003 press release.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 28, 2003

**MARVELL TECHNOLOGY GROUP LTD.**

By: /S/ George A. Hervey



George A. Hervey

Vice President of Finance and

Chief Financial Officer



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|  |  |  |
| --- | --- | --- |
|  |  | EXHIBIT INDEX |
| **Exhibit No.** |  | **Document** |
|  |  |  |
| Exhibit 99.1 | Press Release issued February 27, 2003. | |

Exhibit 99.1

NEWS RELEASE

Marvell(R) Technology Group Ltd. Reports

Record Fourth Quarter Fiscal 2003 Results

Sunnyvale, CA. (February 27, 2003) - Marvell(R) Technology Group Ltd. (NASDAQ: MRVL), the technology leader in the development of extreme broadband communications and storage solutions, today reported financial results for its fourth fiscal quarter and year ended February 1, 2003.

Net revenue for the fourth quarter of fiscal 2003 was a record $150.8 million, an increase of 82% over net revenue of $82.8 million for the fourth quarter of fiscal 2002 and a 11% sequential increase from net revenue of $135.9 million for the third quarter of fiscal 2003. Net loss under generally accepted accounting principles (GAAP), which includes the effect of acquisition-related expenses, amortization of stock-based compensation and a charge related to the write-off of a trade name was $24.2 million, or $0.20 per share (diluted), for the fourth quarter of fiscal 2003, compared with net loss under GAAP of $99.9 million, or $0.86 per share (diluted), for the fourth quarter of fiscal 2002.

Net revenue for the year ended February 1, 2003 was $505.3 million, an increase of 75% over net revenue of $288.8 million for the year ended February 2, 2002. Net loss under GAAP was $72.2 million, or $0.61 per share (diluted), for the year ended February 1, 2003, compared with net loss under GAAP of $415.2 million, or $3.63 per share (diluted), for the year ended February 2, 2002.

Pro forma net income, where applicable, excludes the effect of acquisition-related expenses, amortization of stock-based compensation, a special charge related to facilities consolidation and a charge related to the write-off of a trade name in fiscal 2003. Pro forma net income was $20.3 million, or $0.16 per share (diluted), for the fourth quarter of fiscal 2003, compared with pro forma net income of $7.4 million, or $0.06 per share (diluted), for the fourth quarter of fiscal 2002. Pro forma net income was $62.5 million, or $0.48 per share (diluted), for the year ended February 1, 2003, compared with pro forma net income of $18.7 million, or $0.15 per share (diluted), for the year ended February 2, 2002.

"Fiscal 2003 was another strong year for Marvell. In a very challenging economic climate, we increased our revenues by 75% from the prior year and significantly improved our profitability," stated Dr. Sehat Sutardja, Marvell's President and CEO. "As we enter fiscal 2004, we are excited about the strength of our technology and product

leadership in both our data communications and storage businesses. By successfully executing our strategies, we have increased our market share in wireless LAN, enterprise and desktop switching as well as Gigabit Ethernet, including transceivers, NIC and LOM solutions. In our storage business, we have gained a leadership position in both the enterprise and mobile markets with our advanced read channel and integrated System-on-Chip solutions, and continue to capture increased market share in the desktop segment."

Added Dr. Sutardja, "The continued growth of our communications and storage businesses will afford us the opportunity to aggressively invest in many new, exciting products and technologies, which will allow us to further expand our markets and increase our revenues in the coming fiscal year."

Marvell will be conducting a conference call today at 1:45 p.m. PST to discuss its fourth quarter and fiscal 2003 financial results. To listen to the conference call, investors can dial (706) 679-0800 approximately fifteen minutes prior to the initiation of the teleconference and refer to conference code 8086952. Replay of the conference call will be available until March 6, 2003 at midnight by calling (706) 645-9291. The conference call will also be available via the web at www.marvell.com until March 27, 2003.

ABOUT MARVELL

Marvell (NASDAQ: MRVL) is the leading global semiconductor provider of complete broadband communications and storage solutions. The Company's diverse product portfolio includes switching, transceiver, communications controller, wireless, and storage solutions that power the entire communications infrastructure, including enterprise, metro, home, and storage networking. As used in this release, the terms "Company" and "Marvell" refer to Marvell Technology Group Ltd. and its subsidiaries, including Marvell Semiconductor, Inc. (MSI), Marvell Asia Pte Ltd (MAPL), Marvell Japan K.K., Marvell Taiwan Ltd., Marvell International Ltd. (MIL), Marvell Semiconductor Israel Ltd. (MSIL), and SysKonnect GmbH. MSI is headquartered in Sunnyvale, Calif., and designs, develops and markets products on behalf of MIL and MAPL. MSI may be contacted at (408) 222-2500 or at www.marvell.com.

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: This release contains forward-looking statements based on projections and assumptions about our products and our markets. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "may," "will," "should," and their variations identify forward-looking statements. Statements that refer to, or are based on projections, uncertain events or assumptions also identify forward-looking statements. All such statements are not guarantees of results and are subject to risks and uncertainties. Some risks and uncertainties that may adversely impact the statements in this release include, but are not limited to, the timing, cost and successful completion of development and volume production, end-customer qualification and adoption, and the timing, pricing, rescheduling, or cancellation of orders. For other factors that could cause Marvell's results to vary from expectations, please see the sections titled "Additional Factors That May Affect Future Results" in Marvell's annual report on Form 10-K for the year ended February 2, 2002 and Marvell's subsequent reports on Form 10-Q. We undertake no obligation to revise or update publicly any forward-looking statements.

Marvell(R) and the Marvell logo are trademarks of Marvell. All other trademarks are the property of their respective owners.

MARVELL TECHNOLOGY GROUP LTD.

CONSOLIDATED STATEMENTS OF OPERATIONS

(UNAUDITED)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| (IN THOUSANDS, EXCEPT PER SHARE AMOUNTS) | |  |  |  |  |  |
|  | THREE MONTHS ENDED | | |  | YEAR ENDED |  |
|  | ----------------------------- | | | ----------------------------- | | |
|  | FEBRUARY 1, | FEBRUARY 2, | | FEBRUARY 1, | | FEBRUARY 2, |
|  | 2003 |  | 2002 |  | 2003 | 2002 |
|  | --------- | --------- | | --------- | | --------- |
| Net revenue | $ 150,847 | $ | 82,816 | $ 505,285 | | $ 288,795 |
| Cost of goods sold | 70,301 |  | 35,736 |  | 233,039 | 130,807 |
|  | --------- | --------- | | --------- | | --------- |
| Gross profit | 80,546 |  | 47,080 |  | 272,246 | 157,988 |
| Operating expenses: |  |  |  |  |  |  |
| Research and development | 42,697 |  | 27,441 |  | 145,722 | 93,422 |
| Selling and marketing | 12,860 |  | 10,542 |  | 48,491 | 40,170 |
| General and administrative | 3,556 |  | 3,143 |  | 14,303 | 13,191 |
| Amortization of stock-based compensation | 830 |  | 2,763 |  | 7,491 | 15,022 |
| Amortization and write-off of goodwill and |  |  |  |  |  |  |
| acquired intangible assets | 43,676 |  | 104,508 |  | 107,645 | 418,032 |
| Facilities consolidation charge | -- |  | -- |  | 19,562 | -- |
|  | --------- | --------- | | --------- | | --------- |
| Total operating expenses | 103,619 |  | 148,397 |  | 343,214 | 579,837 |
|  | --------- | --------- | | --------- | | --------- |
| Operating loss | (23,073) |  | (101,317) |  | (70,968) | (421,849) |
| Interest and other income, net | 1,603 |  | 2,751 |  | 7,318 | 9,994 |
|  | --------- | --------- | | --------- | | --------- |
| Loss before income taxes | (21,470) |  | (98,566) |  | (63,650) | (411,855) |
| Provision for income taxes | 2,764 |  | 1,304 |  | 8,524 | 3,299 |
|  | --------- | --------- | | --------- | | --------- |
| Net loss | $ (24,234) | $ (99,870) | | $ (72,174) | | $(415,154) |
|  | ========= | ========= | | ========= | | ========= |
| Basic and diluted net loss per share | $ (0.20) | $ | (0.86) | $ | (0.61) | $ (3.63) |
|  | ========= | ========= | | ========= | | ========= |
| Weighted average shares -- basic and diluted | 120,410 |  | 116,395 |  | 119,240 | 114,353 |
|  | --------- | --------- | | --------- | | --------- |

MARVELL TECHNOLOGY GROUP LTD.

PRO FORMA CONSOLIDATED STATEMENTS OF OPERATIONS

(UNAUDITED)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| (IN THOUSANDS, EXCEPT PER SHARE AMOUNTS) | | |  |  |  |  |  |  |
|  |  | THREE MONTHS ENDED | | |  | YEAR ENDED |  |  |
|  | ----------------------------- | | | | ----------------------------- | | | |
|  | FEBRUARY 1, | | FEBRUARY 2, | | FEBRUARY 1, | | FEBRUARY 2, | |
|  |  | 2003 |  | 2002 |  | 2003 |  | 2002 |
|  | --------- | | --------- | | --------- | | --------- | |
| Net revenue | $ 150,847 | | $ | 82,816 | $ 505,285 | | $ 288,795 | |
| Cost of goods sold |  | 70,301 |  | 35,736 |  | 233,039 |  | 130,011 |
|  | --------- | | --------- | | --------- | | --------- | |
| Gross profit |  | 80,546 |  | 47,080 |  | 272,246 |  | 158,784 |
| Operating expenses: |  |  |  |  |  |  |  |  |
| Research and development |  | 42,697 |  | 27,441 |  | 145,722 |  | 93,422 |
| Selling and marketing |  | 12,860 |  | 10,542 |  | 48,491 |  | 40,170 |
| General and administrative |  | 3,556 |  | 3,143 |  | 14,303 |  | 13,191 |
|  | --------- | | --------- | | --------- | | --------- | |
| Total operating expenses |  | 59,113 |  | 41,126 |  | 208,516 |  | 146,783 |
|  | --------- | | --------- | | --------- | | --------- | |
| Operating income |  | 21,433 |  | 5,954 |  | 63,730 |  | 12,001 |
| Interest and other income, net |  | 1,603 |  | 2,751 |  | 7,318 |  | 9,994 |
|  | --------- | | --------- | | --------- | | --------- | |
| Income before income taxes |  | 23,036 |  | 8,705 |  | 71,048 |  | 21,995 |
| Provision for income taxes |  | 2,764 |  | 1,304 |  | 8,524 |  | 3,299 |
|  | --------- | | --------- | | --------- | | --------- | |
| Pro forma net income | $ | 20,272 | $ | 7,401 | $ | 62,524 | $ | 18,696 |
|  | ========= | | ========= | | ========= | | ========= | |
| Basic pro forma net income per share | $ | 0.17 | $ | 0.06 | $ | 0.52 | $ | 0.16 |
|  | ========= | | ========= | | ========= | | ========= | |
| Diluted pro forma net income per share | $ | 0.16 | $ | 0.06 | $ | 0.48 | $ | 0.15 |
|  | ========= | | ========= | | ========= | | ========= | |
| Weighted average shares -- basic |  | 120,410 |  | 116,395 |  | 119,240 |  | 114,353 |
|  | --------- | | --------- | | --------- | | --------- | |
| Weighted average shares -- diluted |  | 129,327 |  | 131,265 |  | 129,750 |  | 127,779 |
|  | --------- | | --------- | | --------- | | --------- | |
| RECONCILIATION TO GAAP NET LOSS: |  |  |  |  |  |  |  |  |
| Pro forma net income | $ | 20,272 | $ | 7,401 | $ | 62,524 | $ | 18,696 |
| Amortization of stock-based compensation |  | (830) |  | (2,763) |  | (7,491) |  | (15,022) |
| Amortization and write-off of goodwill and |  |  |  |  |  |  |  |  |
| acquired intangible assets |  | (43,676) |  | (104,508) |  | (107,645) |  | (418,032) |
| Facilities consolidation charge |  | -- |  | -- |  | (19,562) |  | -- |
| Amortization of inventory fair value adjustment |  | -- |  | -- |  | -- |  | (796) |
|  | --------- | | --------- | | --------- | | --------- | |
| GAAP net loss | $ (24,234) | | $ (99,870) | | $ (72,174) | | $(415,154) | |
|  | ========= | | ========= | | ========= | | ========= | |

The above pro forma statements of operations are for informational purposes only and are provided for understanding our operating results. The pro forma statements of operations have not been prepared in accordance with GAAP, should not be considered a substitute for our historical financial information prepared in accordance with GAAP and may be different from pro forma measures used by other companies. The pro forma income has been derived by adjusting the net loss under generally accepted accounting principles with the impact of non cash stock-based compensation charges, charges associated with purchase accounting, charges for facilities consolidation and the write-off of a trade name.

MARVELL TECHNOLOGY GROUP LTD.

CONSOLIDATED BALANCE SHEETS

(UNAUDITED)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| (IN THOUSANDS) |  |  |  |  |
|  | FEBRUARY 1, | |  | FEBRUARY 2, |
| ASSETS |  | 2003 |  | 2002 |
|  | ------------ | | ------------ | |
| Current assets: |  |  |  |  |
| Cash and cash equivalents | $ | 125,316 | $ | 114,483 |
| Short-term investments |  | 139,912 |  | 135,761 |
| Accounts receivable, net |  | 86,175 |  | 42,150 |
| Inventory, net |  | 39,712 |  | 23,600 |
| Prepaid expenses and other current assets |  | 19,979 |  | 23,422 |
|  | ------------ | | ------------ | |
| Total current assets |  | 411,094 |  | 339,416 |
| Property and equipment, net |  | 69,246 |  | 52,924 |
| Goodwill and acquired intangible assets |  | 1,570,643 |  | 1,680,740 |
| Other noncurrent assets |  | 49,313 |  | 17,975 |
|  | ------------ | | ------------ | |
| Total assets | $ | 2,100,296 | $ | 2,091,055 |
|  | ============ | | ============ | |
| LIABILITIES AND SHAREHOLDERS' EQUITY |  |  |  |  |
| Current liabilities: |  |  |  |  |
| Accounts payable | $ | 47,672 | $ | 30,990 |
| Accrued liabilities |  | 26,955 |  | 25,838 |
| Income taxes payable |  | 2,247 |  | 17,744 |
| Deferred revenue |  | 12,481 |  | 8,907 |
| Current portion of capital lease obligations |  | 5,019 |  | 1,039 |
|  | ------------ | | ------------ | |
| Total current liabilities |  | 94,374 |  | 84,518 |
| Capital lease obligations |  | 13,755 |  | 10,017 |
| Other long-term liabilities |  | 42,029 |  | 6,793 |
|  | ------------ | | ------------ | |
| Total liabilities |  | 150,158 |  | 101,328 |
|  | ------------ | | ------------ | |
| Shareholders' equity: |  |  |  |  |
| Common stock |  | 243 |  | 238 |
| Additional paid-in capital |  | 2,674,095 |  | 2,646,757 |
| Deferred stock-based compensation |  | (5,899) |  | (10,099) |
| Accumulated other comprehensive income |  |  |  |  |
|  |  | 1,988 |  | 946 |
| Accumulated deficit |  | (720,289) |  | (648,115) |
|  | ------------ | | ------------ | |
| Total shareholders' equity |  | 1,950,138 |  | 1,989,727 |
|  | ------------ | | ------------ | |
| Total liabilities and shareholders' equity | $ | 2,100,296 | $ | 2,091,055 |
|  | ============ | | ============ | |