**UNITED STATES**

**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**

Date of Report (Date of earliest event reported): June 9, 2009

**MARVELL TECHNOLOGY GROUP LTD.**

**(Exact name of registrant as specified in its charter)**

**Bermuda**

**0-30877**

**77-0481679**

**(State or other jurisdiction**

**of incorporation)**

**(Commission**

**File Number)**

**(I.R.S. Employer**

**Identification No.)**

**Canon’s Court**

**22 Victoria Street**

**Hamilton HM 12**

**Bermuda**

**(Address of principal executive offices)**

**(441) 296-6395**

**(Registrant’s telephone number, including area code)**

**N/A**

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions (see General Instruction A.2. below):

* Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
* Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
* Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
* Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))



**Item 2.02** **Results of Operations and Financial Condition.**

The information in this Item 2.02 of this Current Report, including the accompanying exhibit, is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of Section 18. The information in this Item 2.02 of this Current Report shall not be incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language contained in such filing.

Marvell issued a press release on June 9, 2009, which is furnished herewith as Exhibit 99.1 and is incorporated by reference herein. As noted below, Marvell Technology Group Ltd. (“Marvell”) entered into an agreement to resolve a shareholder class action lawsuit filed on August 16, 2007 against Marvell and certain of its former and current officers and directors relating to Marvell’s historic stock option granting practices. The settlement provides for a payment by Marvell to the class of $72 million. As stated below, the settlement is subject to Court approval.

The agreement was entered into after the first quarter of fiscal 2010, ended May 2, 2009. However, since the litigation existed during the first quarter of fiscal 2010, results for the first quarter have been updated from what was previously reported on May 28, 2009 to adjust for this settlement. The impact of the settlement, recorded as general and administrative expense, changes the GAAP net loss to $111.5 million, or $0.18 per share (diluted), which is a decrease of $0.12 per share (diluted) compared to what was previously reported. Marvell does not typically include one-time litigation settlements when it reports its non-GAAP results, and as a result this expense will not impact Marvell’s non-GAAP results of operations previously reported.

**Item 8.01** **Other Events.**

On June 9, 2009, Marvell entered into an agreement to resolve a shareholder class action lawsuit filed on August 16, 2007 against Marvell and certain of its former and current officers and directors relating to Marvell’s historic stock option granting practices. The settlement provides for a payment by Marvell to the class of $72 million. This class action settlement is subject to preliminary and then, following notice to class members, final approval by the United States District Court for the Northern District of California. Final approval of this settlement and the settlement of the shareholder derivative lawsuit announced previously would mark the end of all shareholder litigation involving Marvell related to its historic stock option granting practices.

**Item 9.01** **Financial Statements and Exhibits.**

1. Exhibits.

99.1 Press Release dated June 9, 2009.

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**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.

Dated: June 9, 2009

MARVELL TECHNOLOGY GROUP LTD.

By: /s/ Clyde R. Hosein



Clyde R. Hosein

*Chief Financial Officer, Interim Chief Operating Officer*

*and Secretary*

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**EXHIBIT INDEX**

|  |  |  |
| --- | --- | --- |
| **Exhibit No.** |  | **Description** |
| 99.1 |  | Press Release dated June 9, 2009. |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  | **Exhibit 99.1** |
| **For further information, contact:** | |  |  |  |
| Jeff Palmer | |  | Tom Hayes | |
| Investor Relations | |  | Corporate Communications | |
| 408-222-8373 |  | 408-222-2815 | |  |
| jpalmer@marvell.com | |  | tom@marvell.com | |
|  |  | **Marvell Technology Reaches Settlement** |  |  |
|  |  | **in Shareholder Class Action Lawsuit** | | |

**Santa Clara, California (June 9, 2009)** — Marvell Technology Group Ltd. (NASDAQ: MRVL), a world leader in storage, communications and consumersilicon solutions, today announced that it had entered into an agreement to resolve a shareholder class action lawsuit filed on August 16, 2007 against Marvell and certain of its former and current officers and directors relating to Marvell’s historic stock option granting practices. The settlement provides for a payment by Marvell to the class of $72 million.

The agreement was entered into after the end of the first quarter of fiscal 2010, ended May 2, 2009. However, since the litigation existed during the first quarter of fiscal 2010, results for the first quarter have been updated from what was previously reported on May 28, 2009 to adjust for this settlement. The impact of the settlement, recorded as general and administrative expense changes the GAAP net loss to $111.5 million, or $0.18 per share (diluted), which is a decrease of $0.12 per share (diluted) compared to what was previously reported. Marvell does not typically include one-time litigation settlements when it reports its non-GAAP results, and as a result this expense will not impact Marvell’s non-GAAP results of operations previously reported. Included with this release are updated financial tables.

This class action settlement is subject to preliminary and then, following notice to class members, final approval by the United States District Court for the Northern District of California. Final approval of this settlement and the settlement of the shareholder derivative lawsuit announced previously would mark the end of all shareholder litigation involving Marvell related to its historic stock option granting practices.

**About Marvell**

Marvell Technology (NASDAQ: MRVL) is a global leader in the development of storage, communications and consumer silicon solutions. Marvell’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 term “Marvell” refers to Marvell Technology Group Ltd. and its subsidiaries. For more information visit www.marvell.com

**Marvell Technology Group Ltd.**

**Condensed Consolidated Statements of Operations**

**(Unaudited)**

**(In thousands, except per share amounts)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | **Three Months Ended** | | | | |  |  |  |  |
|  |  |  |  | **May 2,** | | **January 31,** | | |  | **May 3,** |  |  |
|  |  |  |  | **2009** |  |  | **2009** |  |  | **2008** |  |  |
|  | Net revenue | $ | | 521,434 | | $ | 512,867 | | $ | 804,075 |  |  |
|  | Cost of goods sold |  |  | 257,630 | |  | 252,732 | |  | 388,842 |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Gross profit |  |  | 263,804 | |  | 260,135 | |  | 415,233 |  |  |
|  | Operating expenses: |  |  |  |  |  |  |  |  |  |  |  |
|  | Research and development |  |  | 200,249 | |  | 207,579 | |  | 238,475 |  |  |
|  | Selling and marketing |  |  | 32,646 | |  | 31,893 | |  | 46,088 |  |  |
|  | General and administrative |  |  | 101,496 | |  | 31,979 | |  | 12,951 |  |  |
|  | Amortization and write-off of acquired intangible assets |  |  | 30,356 | |  | 48,274 | |  | 35,247 |  |  |
|  | Restructuring |  |  | 8,336 | |  | 9,689 | |  | — | |  |
|  | Total operating expenses |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 373,083 | |  | 329,414 | |  | 332,761 |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Operating income (loss) |  |  | (109,279) | |  | (69,279) | |  | 82,472 |  |  |
|  | Interest and other income (expense), net |  |  | (160) | |  | (440) | |  | (4,692) | |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Income (loss) before income taxes |  |  | (109,439) | |  | (69,719) | |  | 77,780 |  |  |
|  | Provision (benefit) for income taxes |  |  | 2,018 | |  | (4,709) | |  | 7,841 |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net income (loss) | $ | | (111,457) | | $ | (65,010) | | $ | 69,939 |  |  |
| Basic net income (loss) per share | |  |  |  |  |  |  |  |  |  |  |  |
| $ | | (0.18) | | $ | (0.11) | | $ | 0.12 |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Diluted net income (loss) per share | $ | | (0.18) | | $ | (0.11) | | $ | 0.11 |  |  |
| Shares used in computing basic earnings per share | |  |  |  |  |  |  |  |  |  |  |  |
|  |  | 618,677 | |  | 614,960 | |  | 601,222 |  |  |
|  | Shares used in computing diluted earnings per share |  |  | 618,677 | |  | 614,960 | |  | 624,351 |  |  |
|  |  | 2 |  |  |  |  |  |  |  |  |  |  |

**Marvell Technology Group Ltd.**

**Condensed Consolidated Balance Sheets**

**(Unaudited)**

**(In thousands)**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | **May 2,** | |  | **January 31,** | | |  |
|  |  |  | **2009** |  |  |  | **2009** |  |  |
| **Assets** |  |  |  |  |  |  |  |  |  |
| Current assets: |  |  |  |  |  |  |  |  |  |
| Cash, cash equivalents, and short-term investments | $ | | 1,083,705 |  | $ | | 951,909 |  |  |
| Accounts receivable, net |  |  | 285,367 |  |  |  | 222,101 |  |  |
| Inventories |  |  | 203,590 |  |  |  | 310,654 |  |  |
| Prepaid expenses, deferred income taxes and other current assets |  |  | 67,038 |  |  |  | 75,651 |  |  |
| Total current assets |  |  | 1,639,700 |  |  |  | 1,560,315 |  |  |
| Property and equipment, net |  |  | 371,229 |  |  |  | 390,853 |  |  |
| Long-term investments |  |  | 39,655 |  |  |  | 40,541 |  |  |
| Goodwill and acquired intangible assets, net |  |  | 2,253,854 |  |  |  | 2,284,164 |  |  |
| Other non-current assets |  |  | 136,773 |  |  |  | 138,327 |  |  |
| Total assets | $ | | 4,441,211 |  | $ | | 4,414,200 |  |  |
|  |  |  |  |  |  |  |  |  |  |
| **Liabilities and Shareholders’ Equity** |  |  |  |  |  |  |  |  |  |
| Current liabilities: |  |  |  |  |  |  |  |  |  |
| Accounts payable | $ | | 166,988 |  | $ | | 139,028 |  |  |
| Accrued liabilities |  |  | 268,326 |  |  |  | 175,135 |  |  |
| Income taxes payable |  |  | 47,257 |  |  |  | 35,803 |  |  |
| Deferred income |  |  | 47,800 |  |  |  | 57,895 |  |  |
| Current portion of capital lease obligations |  |  | 1,824 |  |  |  | 1,787 |  |  |
| Total current liabilities |  |  | 532,195 |  |  |  | 409,648 |  |  |
| Capital lease obligations, net of current portion |  |  | 1,981 |  |  |  | 2,451 |  |  |
| Other long-term liabilities |  |  | 161,480 |  |  |  | 173,034 |  |  |
| Total liabilities |  |  | 695,656 |  |  |  | 585,133 |  |  |
| Shareholders’ equity: |  |  |  |  |  |  |  |  |  |
| Common stock |  |  | 1,238 |  |  |  | 1,233 |  |  |
| Additional paid-in capital |  |  | 4,402,167 |  |  |  | 4,372,265 |  |  |
| Accumulated other comprehensive income (loss) |  |  | (2,680) | |  |  | (718) | |  |
| Accumulated deficit |  |  | (655,170) | |  |  | (543,713) | |  |
| Total shareholders’ equity |  |  | 3,745,555 |  |  |  | 3,829,067 |  |  |
| Total liabilities and shareholders’ equity | $ | | 4,441,211 |  | $ | | 4,414,200 |  |  |
|  | 3 |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |

**Marvell Technology Group Ltd.**

**Condensed Consolidated Statements of Cash Flows**

**(Unaudited)**

**(in thousands)**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | **Three Months Ended** | | | |  |  |  |  |
|  |  |  | **May 2,** | | **January 31,** | | |  | **May 3,** |  |  |
|  |  |  | **2009** |  |  | **2009** |  |  | **2008** |  |  |
|  | Cash flows from operating activities: |  |  |  |  |  |  |  |  |  |  |
|  | Net income (loss) | $ | (111,457) | | $ | (65,010) | | $ | 69,939 |  |  |
|  | Adjustments to reconcile net income (loss) to net cash provided by operating activities: |  |  |  |  |  |  |  |  |  |  |
|  | Depreciation and amortization |  | 25,375 | |  | 27,038 | |  | 28,618 |  |  |
|  | Stock-based compensation |  | 31,648 | |  | 44,701 | |  | 45,226 |  |  |
|  | Amortization and write-off of acquired intangible assets |  | 30,356 | |  | 48,274 | |  | 35,247 |  |  |
|  | Fair market value adjustment to Intel inventory sold |  | (1,343) | |  | (1,196) | |  | (6,383) | |  |
|  | Unrealized loss on derivative contract |  | 475 | |  | — | |  | — | |  |
|  | Deferred tax (provision) benefit |  | — | |  | (17,467) | |  | — | |  |
|  | Excess tax benefits from stock-based compensation |  | (29) | |  | (9) | |  | (169) | |  |
|  | Changes in assets and liabilities, net of assets acquired and liabilities assumed in acquisitions: |  |  |  |  |  |  |  |  |  |  |
|  | Restricted cash |  | — | |  | — | |  | (24,500) | |  |
|  | Accounts receivable |  | (63,266) | |  | 175,735 | |  | (38,152) | |  |
|  | Inventories |  | 106,281 | |  | 31,088 | |  | 55,918 |  |  |
|  | Prepaid expenses and other assets |  | 14,330 | |  | 1,629 | |  | 32,466 |  |  |
|  | Accounts payable |  | 30,738 | |  | (82,791) | |  | (63,076) | |  |
|  | Accrued liabilities and other |  | 62,980 | |  | (13,016) | |  | (18,807) | |  |
|  | Accrued employee compensation |  | 13,033 | |  | (44,615) | |  | 16,963 |  |  |
|  | Income taxes payable |  | 1,343 | |  | 11,607 | |  | 6,656 |  |  |
|  | Deferred income |  | 4,065 |  |  | (6,825) | |  | (9,753) | |  |
|  | Net cash provided by operating activities |  | 144,529 |  |  | 109,143 |  |  | 130,193 |  |  |
|  | Cash flows from investing activities: |  |  |  |  |  |  |  |  |  |  |
|  | Cash paid in acquisitions, net |  | — | |  | (5,287) | |  | — | |  |
|  | Purchases of investments |  | — | |  | — | |  | (10,126) | |  |
|  | Sales and maturities of short-term and long-term investments |  | — | |  | — | |  | 23,793 |  |  |
|  | Purchases of technology licenses |  | (9,300) | |  | (2,550) | |  | — | |  |
|  | Purchases of property and equipment |  | (3,414) | |  | (13,931) | |  | (30,522) | |  |
|  | Net cash used in investing activities |  |  |  |  |  |  |  |  |  |  |
|  |  | (12,714) | |  | (21,768) | |  | (16,855) | |  |
|  | Cash flows from financing activities: |  |  |  |  |  |  |  |  |  |  |
|  | Proceeds from the issuance of common shares |  | 385 | |  | 12,192 | |  | 17,054 |  |  |
|  | Principal payments on capital lease and debt obligations |  | (433) | |  | (192,174) | |  | (2,125) | |  |
|  | Excess tax benefits from stock-based compensation |  | 29 |  |  | 9 |  |  | 169 |  |  |
|  | Net cash provided by (used in) financing activities |  | (19) | |  | (179,973) | |  | 15,098 |  |  |
| Net increase (decrease) in cash and cash equivalents | |  |  |  |  |  |  |  |  |  |  |
|  | 131,796 |  |  | (92,598) | |  | 128,436 |  |  |
|  | Cash and cash equivalents at beginning of period |  | 927,409 |  |  | 1,020,007 |  |  | 615,648 |  |  |
| Cash and cash equivalents at end of period | | $ | 1,059,205 | | $ | 927,409 | | $ | 744,084 |  |  |
| 4 | |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |