

MARVELL TECHNOLOGY GROUP LTD

Form DEF 14A

May 23, 2003

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**SCHEDULE 14A
(Rule 14a-101)**

**INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Under Rule 14a-12

MARVELL TECHNOLOGY GROUP LTD.

(Name of Registrant as Specified in Its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

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(1) Amount previously paid:

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(3) Filing Party:

(4) Date Filed:

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MARVELL TECHNOLOGY GROUP LTD.

**4th Floor
Windsor Place
22 Queen Street
P.O. Box HM 1179
Hamilton HM EX
Bermuda**

May 23, 2003

Dear Shareholder:

You are cordially invited to attend the 2003 Annual General Meeting of Shareholders of Marvell Technology Group Ltd., a Bermuda corporation, scheduled to be held at the offices of the Company's subsidiary, Marvell Semiconductor, Inc., 700 First Avenue, Sunnyvale, California 94089, on Friday, June 27, 2003 at 3:00 p.m. local time.

As described in the accompanying Notice of Annual General Meeting of Shareholders and Proxy Statement, shareholders will be asked to vote on the election of Class 3 directors for the Company, to appoint PricewaterhouseCoopers LLP as the Company's independent auditors for the Company's 2004 fiscal year, to authorize the Board of Directors to fix the auditor's remuneration, to approve an amendment to the Company's 2000 Employee Stock Purchase Plan and to approve the Company's amended and restated 1995 Stock Option Plan. Directors and executive officers of the Company will be present at the Annual General Meeting to respond to any questions that our shareholders may have regarding the business to be transacted.

Your vote is very important, regardless of the number of shares you own. I urge you to vote your proxy as soon as possible. Whether or not you plan to attend the Annual General Meeting in person, I urge you to sign, date and promptly return the enclosed proxy card in the accompanying postage prepaid envelope. You may, of course, attend the Annual General Meeting and vote in person even if you have previously returned your proxy card.

On behalf of the Board of Directors and all of the employees of the Company, I wish to thank you for your continued support of the Company.

Sincerely yours,

Dr. Sehat Sutardja, Ph.D.
Co-Chairman of the Board, President and Chief Executive Officer

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MARVELL TECHNOLOGY GROUP LTD.

**4th Floor
Windsor Place
22 Queen Street
P.O. Box HM 1179
Hamilton HM EX
Bermuda**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS
To Be Held on June 27, 2003**

The 2003 Annual General Meeting of Shareholders of Marvell Technology Group Ltd., a Bermuda corporation, will be held at the offices of the Company's subsidiary, Marvell Semiconductor, Inc., 700 First Avenue, Sunnyvale, California 94089, on Friday, June 27, 2003 at 3:00 p.m. local time, subject to adjournment or postponement by the Board of Directors, for the following purposes:

1. To elect three directors constituting Class 3 of the Company's Board of Directors, each to hold office for a three-year term and until his or her successor is duly elected and qualified;
2. To re-appoint PricewaterhouseCoopers LLP as the independent auditors of the Company for the Company's 2004 fiscal year ending January 31, 2004 and to authorize the Board of Directors to fix the auditor's remuneration;
3. To approve an amendment to the Company's 2000 Employee Stock Purchase Plan;
4. To approve the Company's amended and restated 1995 Stock Option Plan; and
5. To transact such other business as may properly come before the Annual General Meeting or any or all adjournments or postponements thereof.

The Company will also lay before the meeting the financial statements of the Company for the fiscal year ended February 1, 2003 pursuant to the provisions of the Bermuda Companies Act of 1981 and the Company's Bye-Laws.

Only holders of record of common stock of the Company on May 2, 2003, will be entitled to notice of, and to vote at, the Annual General Meeting and any adjournment or postponement thereof.

In order to constitute a quorum for the conduct of business at the Annual General Meeting, it is necessary that holders of a majority of all outstanding shares of common stock be present in person or be represented by proxy. Your attention is invited to the accompanying proxy statement. To assure your representation at the Annual General Meeting, please date, sign and mail the enclosed proxy, for which a return envelope is provided. Execution of a proxy will not in any way affect a shareholder's right to attend the Annual General Meeting and vote in person, and any person giving a proxy has the right to revoke it at any time before it is exercised.

By order of the Board of Directors

WEILI DAI
Secretary

Sunnyvale, California

May 23, 2003

PLEASE SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD PROMPTLY.

NO POSTAGE IS REQUIRED IF MAILED IN THE UNITED STATES.

If you have any questions, or have any difficulty voting your shares, please contact Marvell Semiconductor, Inc.,
attention: Vice President of Business Affairs and General Counsel, at (408) 222-2500.

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MARVELL TECHNOLOGY GROUP LTD.

**4th Floor
Windsor Place
22 Queen Street
P.O. Box HM 1179
Hamilton HM EX
Bermuda**

**PROXY STATEMENT
ANNUAL GENERAL MEETING OF SHAREHOLDERS
June 27, 2003**

INTRODUCTION

This proxy statement is furnished in connection with the solicitation by the Board of Directors of Marvell Technology Group Ltd., a Bermuda corporation (Marvell or the Company), of proxies for use at the 2003 Annual General Meeting of Shareholders of the Company scheduled to be held at the offices of the Company s subsidiary, Marvell Semiconductor, Inc., 700 First Avenue, Sunnyvale, California 94089, on Friday, June 27, 2003 at 3:00 p.m. local time, and at any and all postponements and adjournments thereof.

INFORMATION REGARDING VOTING AT THE ANNUAL GENERAL MEETING

General

At the Annual General Meeting, the shareholders of the Company are being asked to consider and to vote upon (1) the election of the three directors constituting Class 3 of the Board of Directors nominated by the Company s Board of Directors to serve until the Annual General Meeting of Shareholders to be held in calendar year 2006 (see Election of Directors at page 4 of this proxy statement); (2) the appointment of PricewaterhouseCoopers LLP as the Company s independent auditors for its 2004 fiscal year and to authorize the Board of Directors to fix the auditor s remuneration (see Re-Appointment of Independent Auditors at page 8 of this proxy statement); (3) the approval of an amendment to the Company s 2000 Employee Stock Purchase Plan (see Approval of Amendment to 2000 Employee Stock Purchase Plan at page 9 of this proxy statement); and (4) the approval of the Company s amended and restated 1995 Stock Option Plan (see Approval of Amended and Restated 1995 Stock Option Plan at page 12 of this proxy statement). Shares represented by properly executed proxies received by the Company will be voted at the Annual General Meeting in the manner specified therein or, if no instructions are marked on the proxy card, FOR each of the director nominees identified on such card, FOR the appointment of PricewaterhouseCoopers LLP as the Company s independent auditors for the Company s 2004 fiscal year and to authorize the Board of Directors to fix the auditor s remuneration, FOR approval of the amendment to the Company s 2000 Employee Stock Purchase Plan and FOR approval of the Company s amended and restated 1995 Stock Option Plan. Although management does not know of any other matter to be acted upon at the Annual General Meeting, unless contrary instructions are given, shares represented by valid proxies will be voted by the persons named on the accompanying proxy card in accordance with their respective best judgment with respect to any other matters that may properly come before the Annual General Meeting.

The approximate date on which this proxy statement and the enclosed proxy card are first being sent to shareholders is May 23, 2003.

Principal Executive Office

The mailing address of the principal executive offices of the Company is 4th Floor, Windsor Place, 22 Queen Street, P.O. Box HM 1179, Hamilton HM EX, Bermuda, and our telephone number there is (441) 296-6395.

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Record Date and Voting

May 2, 2003 has been set as the record date for the Annual General Meeting. Only shareholders of record on Friday, May 2, 2003, will be entitled to notice of and to vote at the Annual General Meeting. On the record date, 122,039,100 shares of the Company's common stock, par value \$0.002 per share (the "Common Stock"), were outstanding. Each share of outstanding common stock is entitled to one vote on each matter to be voted on at the Annual General Meeting.

The presence, in person or by proxy, of the holders of at least a majority of the voting power of the stock issued and outstanding and entitled to vote is necessary to constitute a quorum at the Annual General Meeting. In the event there are not sufficient votes for a quorum at the time of the Annual General Meeting, the Annual General Meeting may be adjourned in order to permit the further solicitation of proxies.

Abstentions and broker non-votes are counted for the purpose of determining the presence or absence of a quorum for the transaction of business. With regard to the election of directors, votes may be cast in favor or withheld. Directors are elected by plurality, and therefore votes that are withheld and broker non-votes will be excluded entirely from the vote and will have no effect. Abstentions are counted in tabulations of the votes cast on proposals presented to shareholders other than the election of directors, thus having the effect of a negative vote, whereas broker non-votes are not counted for purposes of determining whether a proposal has been approved and therefore will have no effect on the outcome of such matter, subject to limited exceptions. Any shareholder proposals that properly come before the Annual General Meeting require, in general, the affirmative vote of a majority of the voting power of the shares of common stock present, in person or represented by proxy, at the Annual General Meeting and entitled to vote on the subject matter.

Shareholders should complete and return the proxy card as soon as possible. To be valid, the proxy card must be completed in accordance with the instructions on it and received at the address set forth below by 2:00 p.m., local time, on June 27, 2003:

Marvell Technology Group Ltd.
c/o Wachovia Bank
Attn: Proxy Tabulation NC-1153
P.O. Box 217950
Charlotte, NC 28254-3555
U.S.A.

No postage is required if the proxy is mailed in the enclosed envelope within the United States to the United States address set forth above.

Revocation of Proxies

Execution of a proxy will not in any way affect a shareholder's right to attend the Annual General Meeting and vote in person, and any person giving a proxy has the right to revoke it at any time before it is exercised. A proxy may be revoked by either:

delivering to the Secretary of the Company, prior to the commencement of the Annual General Meeting, either a written notice of revocation or a duly executed proxy bearing a later date at the address set forth above; or

voting in person at the Annual General Meeting.

Solicitation

The Company is making this solicitation, and the cost of preparing, assembling and mailing the Notice of Annual General Meeting of Shareholders, this Proxy Statement and the enclosed proxy card will be paid by the Company. Following the mailing of this proxy statement, directors, officers and other employees of the Company may solicit proxies by mail, telephone, e-mail or in person. These persons will receive no additional compensation for these services. Brokerage houses and other nominees, fiduciaries and custodians nominally holding shares of common stock of record will be requested to forward proxy soliciting material to the

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beneficial owners of such shares, and will be reimbursed by the Company for their reasonable charges and expenses in connection therewith.

PRESENTATION OF FINANCIAL STATEMENTS

In accordance with Section 84 of the Companies Act 1981 of Bermuda and Bye-Law 73 of the Company, the Company's audited consolidated financial statements for the fiscal year ended February 1, 2003 will be presented at the Annual General Meeting. These statements have been approved by the Company's directors. There is no requirement under Bermuda law that these statements be approved by shareholders, and no such approval will be sought at the meeting.

Table of Contents**Proposal No. 1****ELECTION OF DIRECTORS**

The number of directors of the Company is currently nine. The Board of Directors is divided into three classes with each class having three members. One class of the Board of Directors is elected each year. At the Annual General Meeting, shareholders of the Company will be asked to vote on the election of three directors as Class 3 directors. All directors elected at the Annual General Meeting will be elected to three-year terms and will serve until their successors have been duly elected and qualified.

Nominees for Election

Set forth below is the names of the persons nominated by the Company's Board of Directors for election as Class 3 directors at the Annual General Meeting. The information set forth below as to the nominees has been furnished by the nominees.

Name	Age	Class of Director	Term Expires	Background
Dr. Sehat Sutardja,				
Ph.D.(1)				
41	3	2006	Dr. Sehat Sutardja, one of our co-founders, has served as President of Marvell Technology Group, Ltd. since its inception and as our Co-Chairman of the Board and Chief Executive Officer since 1995. In addition, he has served as President, Chief Executive Officer and a director of Marvell Semiconductor, Inc. since its inception. From 1989 until 1995, Dr. Sutardja served as a manager and principal project engineer at 8x8, Inc., a designer and manufacturer of digital	

communications products. Dr. Sutardja holds Master of Science and Ph.D. degrees in Electrical Engineering and Computer Science from the University of California at Berkeley. Dr. Sutardja is the husband of Weili Dai and the brother of Dr. Pantas Sutardja. Weili Dai(1)
41 3 2006 Weili Dai, one of our co-founders, has served as Vice President, Corporate Secretary and a director of Marvell Technology Group, Ltd. since its inception in 1995. Since 1999, Ms. Dai has served as Executive Vice President and General Manager of the Communications Business Group. In this role, she is responsible for managing all of the Company's communications product lines. Ms. Dai has also served as Executive Vice President and a Director of Marvell Semiconductor, Inc. since its inception. From 1992 until 1995, Ms. Dai was involved in software development and project

management at
Canon Research
Center America,
Inc. Ms. Dai
holds a Bachelor
of Science degree
in Computer
Science from the
University of
California at
Berkeley.
Ms. Dai is the
wife of Dr. Sehat
Sutardja.

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Name	Age	Class of Director	Term Expires	Background
Dr. Pantas Sutardja,				
<p>Ph.D. 40 3 2006 Dr. Pantas Sutardja, one of our co-founders, has served as Vice President and a director of Marvell Technology Group, Ltd. since its inception in 1995, and as Vice President of Engineering for Marvell Semiconductor, Inc. from its inception until 1999, when he was appointed Chief Technology Officer. Dr. Pantas Sutardja has also been a director of Marvell Semiconductor, Inc. since its inception. Dr. Pantas Sutardja holds Bachelor of Science, Master of Science and Ph.D. degrees in Electrical Engineering and Computer Science from the University of California at Berkeley. Dr. Pantas Sutardja is the brother of Dr. Sehat Sutardja.</p>				

(1) Member of Stock Option Committee

The Company has been advised by each nominee named in this proxy statement that he or she is willing to be named as such herein and is willing to serve as a director if elected. However, if any of the nominees should be unable to serve as a director, the enclosed proxy will be voted in favor of the remainder of those nominees not opposed by the shareholder on such proxy and may be voted for a substitute nominee selected by the Board of Directors.

Board Recommendation and Required Vote

The Board of Directors recommends that you vote FOR all of the nominees for director identified above. Unless authority to do so is withheld, the proxy holders named in each proxy will vote the shares represented thereby FOR the election of all of the nominees for director named above. Assuming the presence of a quorum, directors will be elected by a plurality of the votes of the shares present and entitled to vote at the Annual General Meeting. Because directors are elected by plurality, abstentions and broker non-votes will be entirely excluded from the vote and will have no effect on the outcome.

Other Directors

The following table sets forth information with respect to the other directors of the Company. The information as to each director has been furnished by the director.

Name of Director	Age	Class of Director	Term Expires	Background
Diosdado P. Banatao(2)(3)	56	2	2005	Co-Chairman of the Board since October 1995. Mr. Banatao is currently the managing partner of Tallwood Venture Capital which he founded in June 2000. He was a venture partner in Mayfield Fund, a venture capital fund, from 1998 to until June 2000. Prior to joining Mayfield Fund, Mr. Banatao founded S3, Incorporated, a designer and manufacturer of graphics and video accelerators for personal computers and related peripheral products, where he served as President and Chief Executive Officer from 1989 until 1992 and Chairman from 1992 to 1998. Mr. Banatao holds a Bachelor of Science degree in Electrical Engineering from the Mapua Institute of Technology and a Master of Science degree in Electrical Engineering and Computer Science from Stanford University.

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Name of Director	Age	Class of Director	Term Expires	Background
Kuo Wei (Herbert)				
<p>Chang(2)(3) 41 2 2005 A director since November 1996. Since April 1996, Mr. Chang has been President of InveStar Capital, Inc., a technology venture capital management firm based in Taiwan. Since February 1998, Mr. Chang has also been the managing member of Forefront Associates LLC, which is the general partner of Forefront Venture Partners, L.P. From 1994 to 1996, Mr. Chang was Senior Vice President of WK Technology Fund, a venture capital fund. Mr. Chang serves as a director for Oplink Communications, Inc. Mr. Chang holds a Bachelor of Science degree from National Taiwan University and a Master of Business Administration degree from National Chiao-Tung University in Taiwan. Ronald D.</p>				
<p>Verdoorn(2) 52 2 2005 A director since January 1998. From January 1999 to 2002, Mr. Verdoorn served as Executive Vice President of Global Operations for Affymetrix, Inc., a company specializing in the development of technology for acquiring and</p>				

managing complex genetic information for use in biomedical research, genomics and clinical diagnostics. From 1997 to 1999, Mr. Verdoorn served as an independent consultant to the hard disk drive industry. From 1983 to 1997, Mr. Verdoorn held a number of positions with Seagate Technology, Inc., most recently as Executive Vice President and Chief Operating Officer of Storage Products. Mr. Verdoorn holds a Bachelor of Arts degree in Sociology from Linfield College.

Dr. John M. Cioffi,

Ph.D.(3)

46 1 2004 A
director since March 2000. Mr. Cioffi has been a professor of Electrical Engineering at Stanford University since 1986. In 1991, he founded Amati Communications Corporation, which designs and manufactures modems for Asymmetric Digital Subscriber Lines, and served as the Chief Technology Officer and Vice President until the company's acquisition by Texas Instruments, Inc. in 1998. Dr. Cioffi is an IEEE fellow and serves as a director for ITEX. Dr. Cioffi holds a Bachelor of Science from the University of Illinois and Master of Science and Ph.D. degrees from Stanford University.

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Name of Director	Age	Class of Director	Term Expires	Background
Dr. Paul R. Gray,	60	1 2004 A		<p>Ph.D.(3) director since March 2000. Since July 2000, Dr. Gray has served as Executive Vice Chancellor and Provost at the University of California at Berkeley. During his 28-year tenure with the University, Dr. Gray has held numerous administrative posts, including Director of the Electronics Research Laboratory, Vice Chairman of the EECS Department for Computer Resources, Dean of the College of Engineering and Chairman of the Department of Electrical Engineering and Computer Sciences. Dr. Gray holds Bachelor of Science, Master of Science and Ph.D. degrees in Electrical Engineering from the University of Arizona, Tuscon.</p> <p>Manuel Alba 47 1 2004 A director since January 2001. Mr. Alba served as Vice President of Strategy and Business</p>

Development of the Communications Business Group of Marvell Semiconductor, Inc., from January 2001 to December 2002. From April 1994 until the acquisition of Galileo Technology Ltd. by the Company in January 2001, Mr. Alba served as a director and the President of Galileo Technology Ltd. and as President of Galileo Technology, Inc. Mr. Alba holds a Bachelor of Science degree in Electrical Engineering from the National Polytechnic Institute in Mexico City, a Master of Science degree in Electrical Engineering from the University of Southern California and a Master of Business Administration degree from the University of Santa Clara.

- (1) Member of the Stock Option Committee.
- (2) Member of the Audit Committee.
- (3) Member of the Compensation Committee.

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Proposal No. 2

RE-APPOINTMENT OF INDEPENDENT AUDITORS

In accordance with Section 89 of the Companies Act 1981 of Bermuda, the Company's shareholders have the authority to appoint the Company's independent auditors and to authorize the Board of Directors to fix the auditors' remuneration. At the meeting, shareholders will be asked to re-appoint PricewaterhouseCoopers LLP as the Company's independent auditors and to authorize the Board of Directors to fix their remuneration.

Board Recommendation and Required Vote

The Board of Directors recommends that you vote FOR the re-appointment of PricewaterhouseCoopers LLP as the Company's independent auditors for the 2004 fiscal year and to authorize the Board of Directors to fix the remuneration of PricewaterhouseCoopers LLP. The affirmative vote of the holders of Common Stock representing a majority of the voting power of the outstanding Common Stock, present or represented by proxy and voting at the Annual General Meeting, is required to appoint PricewaterhouseCoopers LLP and to authorize the Board of Directors to fix their remuneration. In the event that the shareholders do not appoint independent auditors at the Annual General Meeting, the Board of Directors is required under Bermuda law to forthwith appoint independent auditors and will do so.

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Proposal No. 3

APPROVAL OF AMENDMENT TO THE 2000 EMPLOYEE STOCK PURCHASE PLAN

The Company's 2000 Employee Stock Purchase Plan (the "Purchase Plan") was adopted by the Board of Directors in June 2000 and subsequently approved by the shareholders of the Company. The Purchase Plan includes an annual increase in shares reserved for issuance equal to the lesser of (a) 500,000 shares, (b) 0.75% of the outstanding shares of capital stock of the Company on such date or (c) an amount of shares determined by the Board of Directors. On May 7, 2003, the Board of Directors approved an amendment to the Purchase Plan (the "Amended Purchase Plan") to provide that the annual increase in shares reserved for issuance be equal to the lesser of (a) 2,000,000 shares or (b) 1.5% of the outstanding shares of capital stock of the Company on such date, which amendment is subject to shareholder approval. The Board of Directors believes that the availability of an adequate number of shares in the share reserve of the Amended Purchase Plan is an important factor in attracting, motivating and retaining qualified officers and employees essential to the success of the Company.

The text of the Amended Purchase Plan was filed with the Securities and Exchange Commission as Appendix A to this Proxy Statement and a copy of the Amended Purchase Plan will be made available to any shareholder upon written request.

The following summary of the Amended Purchase Plan does not purport to be complete. It is subject to and qualified in its entirety by the specific language of the Amended Purchase Plan.

General

The total number of shares authorized for issuance as of January 31, 2003 is 2,000,000.

Eligibility

Any employee of the Company or any of its subsidiaries which has been designated by the Board as a participating employer under the Purchase Plan are eligible to participate in the Amended Purchase Plan as long as the employee is employed by the Company or the subsidiary prior to the offering date, is customarily employed for at least 20 hours per week and is customarily employed for at least five months each year. No employee shall be granted a right to purchase shares under the Amended Purchase Plan if, immediately after such grant, such employee would own or hold options to purchase stock of the Company or of any parent corporation or subsidiary corporation possessing 5% or more of the total combined voting power or value of all classes of stock of such corporation or if and to the extent that, his or her rights to purchase stock under all of our employee stock purchase plans accrue at a rate that exceeds \$25,000 worth of stock per calendar year. As of January 31, 2003, all non-executive officers and one executive officer were eligible to participate in the Purchase Plan and continue to be eligible under the Amended Purchase Plan.

Purchase of Shares

The Amended Purchase Plan permits eligible employees to purchase shares of Common Stock through payroll withholding. Each offering period commencing under the Amended Purchase Plan is 24 months and is divided into four consecutive six-month purchase periods. At the end of each purchase period, shares are issued based on payroll deductions accumulated during that period not to exceed 20% of the employee's base compensation, which will include regular straight-time gross earnings and exclude overtime, shift premiums, incentive compensation or payments, bonuses, and commissions. The purchase price per share at which the shares of the Common Stock are sold under the Amended Purchase Plan generally will be equal to 85% of the lesser of the fair market value of the Common

Stock on (a) the first day of the offering period or (b) the purchase date. No participant may purchase more than 2,500 shares of the Common Stock in any offering, or shares having a fair market value exceeding \$25,000 in any calendar year. A participant may withdraw from an

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offering at any time without affecting his or her eligibility to participate in future offerings. If the fair market value of the shares at the end of an offering period, other than the final purchase period of any offering, is less than the fair market value of the shares on the first day of such offering, then every participant in the offering will automatically (x) be withdrawn from the offering at the close of such purchase period and (z) be enrolled in the offering commencing on the first business day subsequent to such purchase period.

Administration

The Amended Purchase Plan is administered by the Board of Directors or a committee appointed by the Board of Directors. As of January 31, 2003, a total of 962,392 shares had been purchased under the Purchase Plan and 1,037,608 remained available for purchase. The closing market price for the Common Stock on the Nasdaq National Market on January 31, 2003 was \$18.27.

Amendments

The Board of Directors may at any time amend or terminate the Amended Purchase Plan except that shareholder approval is required to increase the number of shares authorized for issuance under the Amended Purchase Plan. As in the Purchase Plan, the Amended Purchase Plan does permit the Board to designate certain affiliated corporations whose employees may participate without shareholder approval. In addition, except as required by law or regulation, no amendment to the Amended Purchase Plan may adversely affect the purchase rights previously granted a participant under the Purchase Plan or the Amended Purchase Plan without such participant's consent.

Summary of Federal Income Tax Consequences of the Amended Purchase Plan

The following summary is intended only as a general guide as to the federal income tax consequences under current law of options granted pursuant to the Amended Purchase Plan and does not attempt to describe all potential tax consequences. Furthermore, the tax consequences are complex and subject to change, and a taxpayer's particular situation may be such that some variation of the described rules is applicable.

A participant recognizes no taxable income either as a result of commencing participation in the Amended Purchase Plan or purchasing shares of Common Stock under the terms of the Amended Purchase Plan.

If a participant disposes of shares purchased under the Amended Purchase Plan within two years from the first day of the applicable offering period or within one year from the date of purchase (a disqualifying disposition), the participant will recognize ordinary income in the year of such disposition equal to the amount by which the fair market value of the shares on the date the shares were purchased exceeds the purchase price. The amount of ordinary income will be added to the participant's basis in the shares and any additional gain or resulting loss recognized on the disposition of the shares will be a capital gain or loss. A capital gain or loss will be long-term if the participant's holding period is more than 12 months, otherwise it will be short-term.

If the participant disposes of shares purchased under the Amended Purchase Plan more than two years after the first day of the applicable offering period and more than a year after the date of purchase, the participant will recognize ordinary income in the year of disposition equal to the lesser of (a) the excess of the fair market value of the shares on the date of disposition over the purchase price or (b) 15% of the fair market value of the shares on the first day of the applicable offering period. The amount of any ordinary income will be added to the participant's basis in the shares and any additional gain recognized upon the disposition after such basis adjustment will be long-term capital gain. If the fair market value of the shares on the date of disposition is less than the purchase price, there will be no ordinary income and any loss recognized will be a long-term capital loss.

The Company will be entitled to a deduction in the year of a disqualifying disposition equal to the amount of ordinary income recognized by the participant as a result of the disposition. In all other cases, no deduction is allowed to the Company.

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Board Recommendation and Required Vote

The Board of Directors recommends that you vote FOR the approval of the amendment to the Company's 2000 Employee Stock Purchase Plan. The affirmative vote of the holders of a majority of shares of Common Stock represented and voting at a duly held meeting at which a quorum is present is required to approve the amendment to the Purchase Plan. Unless marked to the contrary, proxies received will be voted FOR approval of the amendment to the Company's 2000 Employee Stock Purchase Plan.

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Proposal No. 4

APPROVAL OF AMENDED AND RESTATED 1995 STOCK OPTION PLAN

The Company's 1995 Stock Option Plan (the "1995 Plan") was adopted by the Company's Board of Directors in April 1995 and subsequently approved by its shareholders. On May 7, 2003, the Board of Directors amended and restated the 1995 Plan, subject to approval by the shareholders, to: (a) extend the term of the 1995 Plan beyond 2005 until terminated by the Board of Directors pursuant to Section 15 of the 1995 Plan, except that no incentive stock option shall be granted on or after the 10th anniversary of the later of (x) the date the Board of Directors adopted the 1995 Plan or (y) the date when the Board of Directors adopted the most recent increase in the number of shares available under the 1995 Plan that was approved by shareholders; (b) provide for a one-time increase in the number of shares available for issuance under the 1995 Plan in an amount equal to 10,000,000 shares of Common Stock; (c) permit discretionary grants of options to new outside directors upon their initial appointment to the Board of Directors; (d) provide for additional types of stock-based awards; (e) provide for an annual increase in the number of shares available for issuance under the 1995 Plan in an amount equal to the lesser of 5% of the outstanding shares of capital stock or 10,000,000 shares of Common Stock; and (f) add provisions appropriate for a public company and delete certain provisions that were required before the Company became a public company. These changes are to be effective as of May 7, 2003.

The text of the amended and restated 1995 Plan was filed with the Securities and Exchange Commission as Appendix B to this Proxy Statement and a copy of the amended and restated 1995 Plan will be made available to any shareholder upon written request.

The following summary of the amended and restated 1995 Plan does not purport to be complete. It is subject to and qualified in its entirety by the specific language of the amended and restated 1995 Plan.

Shares Subject to the Plan

The purpose of the amended and restated 1995 Plan is to attract and retain employees, consultants and non-employee directors of the Company and its subsidiaries. The amended and restated 1995 Plan provides for awards in the form of stock options, stock appreciation rights, stock awards, stock units, performance awards and other stock-based awards ("Awards"). No awards other than stock options have been made under the 1995 Plan.

As of January 31, 2003, and prior to the amendment and restatement of the 1995 Plan, there were 44,197,398 shares of Common Stock authorized and reserved for issuance under the 1995 Plan. The authorized shares issuable in connection with the amended and restated 1995 Plan are subject to adjustment in the event of stock splits, stock dividends and other situations.

As of January 31, 2003, the Company had options outstanding under the 1995 Plan to purchase a total of 20,492,881 shares of Common Stock at exercise prices ranging from \$0.03 to \$93.88, or a weighted-average exercise price per share of \$15.83. If any stock options, stock units or stock appreciation rights granted under the 1995 Plan are forfeited, or if any stock options or stock appreciation rights terminated for any other reason without being exercised in full, then the underlying shares of Common Stock will once again be available for additional awards under the amended and restated 1995 Plan. As of January 31, 2003, a total of 4,654,068 shares of Common Stock were available for future issuance under the 1995 Plan.

Participants

Employees, consultants and outside directors of the Company and its subsidiaries are eligible to participate in the amended and restated 1995 Plan, although incentive stock options may be granted only to employees of the Company or of its subsidiaries. The participation of outside directors of the Company is limited to the grant of nonstatutory stock options upon initial appointment to the Board of Directors and must be approved by the Board of Directors.

Administration

The amended and restated 1995 Plan is administered by the Board of Directors or a committee appointed by the Board of Directors. The Stock Option Committee administers the 1995 Plan with respect to employees

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and consultants of the Company or any subsidiary who are not also directors. The Stock Option Committee also administers the 1995 Plan with respect to officers and general managers of the Company's subsidiaries. The Compensation Committee, which consists of non-employee directors as defined in Rule 16b-3 of the Securities and Exchange Act of 1934, as amended, administers the 1995 Plan with respect to the Company's President and Chief Executive Officer, Executive Vice President, Vice President and Chief Financial Officer, Vice President and Chief Technology Officer and all directors.

Payment

Payment for shares upon exercise of an option shall be made in any lawful consideration approved by the Board or committee appointed by the Board and may, without limitation, consist of (1) cash, (2) check, or (3) other shares that have a Fair Market Value on the date of payment equal to the aggregate exercise price of the shares as to which option is exercised.

Stock Appreciation Rights

Stock appreciation rights permit the participant to elect to receive any appreciation in the value of the underlying stock from the Company, either in shares of Common Stock or in cash or a combination of the two, with the Stock Option Committee or Compensation Committee, as applicable, having the discretion to determine the form in which such payment will be made. The amount payable on exercise of a stock appreciation right is measured by the difference between the market value of the underlying Common Stock at exercise and the exercise price.

Stock Awards

Stock awards are restricted or unrestricted awards of Common Stock on such terms and conditions and for such consideration, including no consideration or such minimum consideration as may be required by law, as the Stock Option Committee or the Compensation Committee shall determine.

Stock Units

A stock unit is an unfunded bookkeeping entry representing the equivalent of one share of Common Stock. A holder of stock units has no voting rights or other privileges as a shareholder but may be entitled to receive dividend equivalents equal the amount of any dividends paid on the same number of shares of Common Stock. Dividend equivalents may be converted into additional stock units or settled in the form of cash, Common Stock or a combination of both.

Stock units, when vested, may be settled by distributing shares of Common Stock or by a cash payment corresponding to the fair market value of the appropriate number of shares of Common Stock, or a combination of both.

Stock Options

Stock options may include nonqualified stock options as well as incentive stock options intended to qualify for special tax treatment. The term of an incentive stock option cannot exceed 10 years. The exercise price of incentive stock options may not be less than 100% of the fair market value of the Common Stock as of the date of grant (110% of the fair market value if the grant is to an employee who owns more than 10% of the total combined voting power of all classes of capital stock of the Company). The Code currently limits to \$100,000 the aggregate value of Common Stock based on the date of grant value for which an incentive stock options granted under the amended and restated 1995 Plan or any other option plan adopted by the Company may first becoming exercisable in any calendar year.

Nonstatutory stock options may be granted under the amended and restated 1995 Plan at an exercise price of not less than 100% of the fair market value of the Common Stock on the date of grant. Nonstatutory stock options also may be granted without regard to any restriction on the amount of Common Stock for which the option may be exercised in any one year. On January 31, 2003, the closing price for the Common Stock on the Nasdaq National Market was \$18.27 per share.

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The exercise price of an option may be paid in any lawful form permitted by the Stock Option Committee or Compensation Committee, as applicable, including, without limitation, the surrender of shares of Common Stock already owned by the optionee provided that the Company will not have an adverse change to earnings for financial reporting purposes. The Stock Option Committee or Compensation Committee, as applicable, may also permit optionees to satisfy their tax withholding obligation upon exercise of a nonqualified stock option by surrendering a portion of their option shares to the Company.

As of January 31, 2003, the following persons or groups had in total, received options to purchase shares of Common Stock under the 1995 Plan as follows: (i) the Chief Executive Officer and the other executive officers named in the Summary Compensation Table: Dr. Sehat Sutardja, Weili Dai, Dr. Pantas Sutardja and George Hervey; (ii) all current executive officers of the Company as a group: 1,310,000 shares; (iii) all current directors who are not executive officers as a group: 4,370,000 shares; and (iv) all employees of the Company, including all current officers and general managers of the Company's subsidiaries who are not executive officers and as a group: 46,028,675 shares.

Vesting Conditions

As noted above, the Stock Option Committee or Compensation Committee, as applicable, determines the number of stock appreciation rights, stock awards, stock options or stock units to be included in the award, as well as the vesting and other conditions. The vesting conditions may be based on the employee's service, his or her individual performance, the Company's performance or other criteria. Vesting may be accelerated in the event of the employee's death, disability or retirement, in the event of a change in control with respect to the Company or upon other events. In addition, the Stock Option Committee or Compensation Committee, as applicable, may determine that outstanding options and stock appreciation rights will become fully vested if it has concluded that a change in control has occurred.

For purposes of the amended and restated 1995 Plan, the term "change in control" is defined as (a) the acquisition, directly or indirectly, of at least 50% of the total combined voting power of the Company's outstanding securities pursuant to a tender or exchange offer made directly to the Company's shareholders that the Board of Directors does not recommend the shareholders accept; (b) a change in the majority of the composition of the Board of Directors over a period of 36 consecutive months if such change was not approved by a majority of the existing directors; (c) certain mergers or consolidations of the Company; (d) sale of all or substantially all of the Company's assets to any other person or entity other than a subsidiary of the Company; and (e) the liquidation or dissolution of the Company.

Transferability of Awards

Recipients of awards under the amended and restated 1995 Plan may sell, donate, pledge or otherwise transfer their awards only to the extent provided in the applicable agreement. In addition, awards, other than incentive stock options, may only be transferred to the recipient's spouse, children or grandchildren; a trust established for the recipient's benefit and/or the benefit of the recipient's spouse, children or grandchildren; or certain family partnerships. Incentive stock options are not transferable during the optionee's lifetime.

Modifications

The Stock Option Committee or Compensation Committee, as applicable, is authorized, within the provisions of the amended and restated 1995 Plan, to amend the terms of outstanding stock awards or stock units or to modify, extend or assume outstanding options or stock appreciation rights or may accept the cancellation of outstanding options or stock appreciation rights in return for the grant of new options for the same or a different number of shares and at the same or a different exercise price.

Summary of Federal Income Tax Consequences

The following discussion of the federal income tax consequences of the amended and restated 1995 Plan is intended to be a summary of applicable federal law. State and local tax consequences may differ. Because the federal income tax rules governing options and related payments are complex and subject to frequent

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change, optionees are advised to consult their tax advisors prior to exercise of options or dispositions of stock acquired pursuant to option exercises.

Incentive stock options and nonqualified stock options are treated differently for federal income tax purposes. Incentive stock options are intended to comply with the requirements of section 422 of the Code. Nonstatutory stock options need not comply with such requirements.

An employee is not taxed on the grant or exercise of an incentive stock option. The difference between the exercise price and the fair market value on the exercise date of the shares acquired under an incentive stock option will, however be a preference item for purposes of the alternative minimum tax. If an optionee holds the shares acquired upon exercise of an incentive stock option for a least two (2) years following grant and at least one (1) year following exercise, the optionee's gain, if any, upon a subsequent disposition of such shares is long-term capital gain. The measure of the gain is the difference between the proceeds received on disposition and the optionee's basis in the shares (which generally equals the exercise price).

If an optionee disposes of stock acquired upon the exercise of an incentive stock option before satisfying the one and two year holding periods described above, the optionee may recognize both ordinary income and capital gain in the year of disposition. The amount of the ordinary income will be the lesser of (a) the amount realized on disposition less the optionee's adjusted basis in the stock (usually the option exercise price) or (b) the difference between the fair market value of the stock on the exercise date and the option exercise price. The balance of the consideration received on such a disposition will be capital gain (long-term capital gain if the stock had been held for at least one year after the exercise of the incentive stock option). The Company is not entitled to an income tax deduction on the grant or exercise of an incentive stock option or on the optionee's disposition of the shares after satisfying the holding period requirement described above. If the holding periods are not satisfied, the Company will be entitled to a deduction in the year the optionee disposes of the shares, in an amount recognized by the optionee.

An employee is not taxed on the grant of a nonqualified stock option. On exercise, however, the optionee recognizes ordinary income equal to the difference between the option price and the fair market value of the shares on the date of exercise. The Company is entitled to an income tax deduction in the year of exercise in the amount recognized by the optionee as ordinary income. Any gain on subsequent disposition of the shares is long-term capital gain if the shares are held for at least one year after exercise. The Company does not receive a deduction for this gain.

New Plan Benefits

With respect to all future grants, the Stock Option Committee or the Compensation Committee, as applicable, has full discretion to determine the number and amount of options to be granted to employees under the 1995 Plan, subject to an annual limitation on the total number of options that may be granted to any employee, and subject to a requirement that the Board of Directors approve the grants of stock options to outside directors in connection with their initial appointment. Therefore, other than as described in this paragraph, the benefits and amounts that will be received by each of the officers named in the Summary Compensation Table above, the executive officers as a group and all other employees under the amended and restated 1995 Plan are not presently determinable.

Table of Contents**Equity Compensation Plan Information**

The following table sets forth certain information as to our equity compensation plans in effect as of January 31, 2003.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by the shareholders(1)	24,646,939	\$ 17.20	5,691,676(2)
Equity compensation plans not approved by the shareholders(3)	160,039	\$24.22	
Total	24,807,248	\$17.26	5,691,676

(1) Includes our 1995 Stock Option Plan, our 1997 Directors' Stock Option Plan and our 2000 Employee Stock Purchase Plan. Under the 1997 Directors' Stock Option Plan, each new non-employee director receives an option to purchase 30,000 shares of Common Stock upon joining the Board of Directors and each incumbent non-employee director is granted an option to purchase an additional 6,000 shares on the date of each annual general meeting, provided that on such date the director has served on the board for at least six months prior to the date of such annual general meeting. This plan is more fully described on page 20 of this Proxy Statement under Board of Directors Meetings and Attendance and Compensation. Includes 1,037,608 shares available for purchase pursuant to our 2000 Employee Stock Purchase Plan, which is more fully described on page 9 of this Proxy Statement under Approval of Amendment to the 2000 Employee Stock Purchase Plan. Also includes 3,944,058 shares of Common Stock reserved for issuance under option plans assumed by the Company in connection with the Company's acquisition of Galileo Technology Ltd. No further options will be awarded under the Galileo option plans.

(2) The number of shares reserved for grant under the 1995 Stock Option Plan and under the 2000 Employee Stock Purchase Plan are subject to an annual increase in shares reserved for issuance as described on page 12 under Approval of Amended and Restated 1995 Stock Option Plan and on page 9 under Approval of Amendment to the 2000 Employee Stock Purchase Plan, respectively.

- (3) Includes 160,309 shares of Common Stock reserved for issuance under the options granted by the Company to former optionholders of SysKonnnect GmbH in connection with the Company's acquisition of SysKonnnect GmbH.

Board Recommendation and Required Vote

The Board of Directors recommends a vote FOR the approval of the amendment and restatement of the Company's 1995 Plan. The affirmative vote of the holders of a majority of shares of Common Stock represented and voting at a duly held meeting at which a quorum is present is required to approve the amendment and restatement of the 1995 Plan. Unless marked to the contrary, proxies received will be voted FOR approval of the amendment and restatement of the Company's 1995 Plan.

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The following table sets forth information regarding the beneficial ownership of the Common Stock as of May 2, 2003 except as noted otherwise, for:

each person known by the Company to own beneficially more than 5% of the Company's outstanding shares;

each director, director nominee and executive officer named in the Summary Compensation Table on page 22 of this proxy statement; and

all directors and executive officers as a group.

Unless otherwise indicated, the address of each person owning more than 5% of our outstanding shares is c/o Marvell Semiconductor, Inc., 700 First Avenue, Sunnyvale, CA 94089.

Name and Address of Beneficial Owner	Shares Beneficially Owned(1)	
	Number	Percent**
5% Shareholders		
Entities affiliated with Putnam Investments(2)	12,744,713	10.4%
One Post Office Square		
Boston, MA 02109		
Entities affiliated with AXA Assurances I.A.R.D. Mutuelle(3)	21,664,046	17.8%
Directors and Executive Officers		
Dr. Sehat Sutardja, Ph.D.(4)	23,582,312	19.3%
Weili Dai(5)	23,557,312	19.3%
Dr. Pantas Sutardja, Ph.D.(6)	11,501,000	9.4%
George Hervey(7)	338,983	*
Manuel Alba(8)	531,764	*
Diosdado P. Banatao(9)	4,861,075	3.9%
635 Waverley Street		
Palo Alto, CA 94301		
Kuo Wei (Herbert) Chang(10)	1,502,251	1.2%
3600 Pruneridge Avenue, Suite 300		
Santa Clara, CA 95051		

Dr. John M. Cioffi, Ph.D.(11)
232,000 *