



DATE: January 24, 2012

TO: LSI U.S. Employees with 2011 W-2 Income
as a result of stock option activity

FROM: LSI Stock Administration Department
408-433-6644

LSI Stock Admin. Dept., Fax: (408) 954-3675
1621 Barber Lane, Mailstop D-206, Milpitas CA 95035

**SUBJECT: 2011 YEAR-END "STATEMENT OF TAXABLE INCOME" and
"TAX WITHHOLDING STATEMENT"**

Enclosed is a Stock Option "Statement of Taxable Income" which reflects your stock option activity for the period 01/01/2011 through 12/31/2011. Also included, is a "Tax Withholding Statement" showing the taxes were withheld at the time of the transaction. Please retain for income tax purposes.

The amount shown on the Statement of Taxable Income as "W-2 Income" is the amount that will be included in your 2011 W-2 as ordinary income. If you sold stock option shares in 2011, you must complete SCHEDULE D with your tax return. For purposes of SCHEDULE D for your tax return, this ordinary income amount should be added to the amount paid at exercise to determine your "cost or other basis" in determining any capital gain or loss on the actual sale of your shares. **If you have any questions regarding how to fill out Schedule D, please consult your Tax Advisor.**

If you have questions after reviewing the enclosed, please contact Stock Administration at the number above.

Tax Withholding Statement

LSI CORPORATION
ID: 94-2712976
1621 BARBER LANE
MILPITAS, CALIFORNIA 95035

FROM 01/01/2011 TO 12/31/2011

ANDREW B SHARP
212 THOMPSON SQUARE
MOUNTAIN VIEW, CA United States 94043

Termination Date: 01/15/2011

Number/ Trans Date / Trans Type	Tax Due Date	Price/Tax Basis \$	Shares	W-2 Income \$	Tax Description	Taxable Gain \$	Rate %	Tax Withheld \$
056705 01/06/2011 Exercise	01/06/2011	5.040000	8,333	9,098.80				3,774.18
Taxes Due	01/06/2011		8,333	9,098.80				3,774.18
TOTALS			8,333	9,098.80				3,774.18