

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE: ATHEROS COMMUNICATIONS, INC.
SHAREHOLDER LITIGATION

CONSOLIDATED
C.A. No. 6124-VCN

**NOTICE OF PROPOSED DISMISSAL WITHOUT PREJUDICE OF
PUTATIVE CLASS ACTION, APPLICATION FOR ATTORNEYS'
FEES AND EXPENSES, DISMISSAL HEARING, AND RIGHT TO APPEAR**

TO: ALL PERSONS WHO OWNED SHARES OF THE STOCK OF ATHEROS COMMUNICATIONS, INC. ("ATHEROS" OR "THE COMPANY") ON JANUARY 5, 2011 AND THEIR SUCCESSORS IN INTEREST, EXCEPT DEFENDANTS, MEMBERS OF THEIR IMMEDIATE FAMILIES, AND ANY SUBSIDIARY, FIRM, TRUST, CORPORATION, OR OTHER ENTITY RELATED TO OR AFFILIATED WITH ANY OF THE DEFENDANTS.

This Notice is to inform you of: (a) the above-captioned action (the "Action") pending in the Court of Chancery of the State of Delaware (the "Court"); (b) a proposed order of dismissal without prejudice of the Action; and (c) your right to participate in a hearing to be held on February 6, 2012, at 2:00 p.m. in the Court of Chancery, Kent County Courthouse, 38 The Green, Dover, Delaware 19901 (the "Dismissal Hearing") to determine (1) whether the Court should approve the Proposed Order dismissing the Action without prejudice, and (2) if the Court approves the Proposed Order, whether the Court should grant Plaintiffs' application for an award of attorneys' fees and reimbursement of expenses (the "Application").

Plaintiffs in this shareholder class action allege that the members of the board of directors of Atheros Communications, Inc. ("Atheros" or the "Company") breached their fiduciary duties in connection with the sale of Atheros to Qualcomm Incorporated ("Qualcomm") for \$45.00 per share in a transaction valued at approximately \$3.1 billion (the "Merger").

The parties engaged in expedited discovery in connection with Plaintiffs' motion for a preliminary injunction preventing the Merger from proceeding. Plaintiffs' Counsel reviewed thousands of pages of Defendants' documents, took depositions of four defense witnesses, and consulted with an expert with respect to the fairness of the Merger price and the adequacy of the disclosures in the Proxy Statement. On March 1, 2011, Vice Chancellor John W. Noble of the Delaware Court of Chancery conducted a hearing on Plaintiffs' Motion for Preliminary Injunction. The Court issued an Opinion on March 4, 2011, holding that the Merger should be enjoined until corrective disclosures were made on two issues in Atheros' Proxy Statement: (a) providing a detailed description of the compensation to be paid to Qatalyst for advising the Atheros Board and issuing a fairness opinion in connection with the Merger; and (b) requiring additional disclosures regarding the process by which Barratt negotiated his future employment with Qualcomm. The Court also held that Plaintiffs were unlikely to succeed on their claim that Atheros' directors did not properly fulfill their obligation to obtain for Atheros' shareholders the best transaction reasonably available.

Atheros issued a supplemental proxy soliciting materials to make the disclosures required by the Court (the "Supplemental Proxy"). Subsequently, Atheros' shareholders approved the Merger.

In addition to this Action, several Merger-related class action lawsuits were filed against Qualcomm, and Atheros and its directors in the Superior Court of California, Santa Clara County and in the U.S. District Court for the Northern District of California, San Jose Division, (collectively, "California Actions") asserting similar claims for breaches of fiduciary duty relating to the Merger and proxy claims under the Securities Exchange Act of 1934. The California federal action was stayed during the preliminary injunction proceedings in this Action. All of the California Actions remain pending.

After the Court issued its March 4, 2011 Opinion and the Company filed its Supplemental Proxy, Plaintiffs and their counsel evaluated the Action and concluded that it was unlikely that the Action would achieve further relief for Atheros shareholders and, accordingly, continued litigation of the claims was not warranted. Plaintiffs therefore have filed with the Court a proposed order dismissing the Action, without prejudice, which means that this Action will be over (but not the California Actions, which also include the same breach of fiduciary duty claims as the Action), but any person who held Atheros shares on or after January 5, 2011 can start a new action asserting claims concerning the Merger. Defendants retain all defenses with respect to any such actions, including the California Actions and any new action that might be filed.

Since Plaintiffs obtained the injunction ordering the correction of disclosure deficiencies, they are seeking an award of attorneys' fees and expenses incurred in connection with the litigation. The Parties have not reached any agreement with respect to Plaintiffs' Counsel's request for an award for attorney's fees and expenses. Plaintiffs' Counsel will apply to the Court for an award of attorneys' fees and expenses in an amount not to exceed \$1,500,000 in fees and \$130,000 in expenses. Defendants reserve all rights to object to, consent to, or take no position on Plaintiffs' Counsel's fee and expense application. Any amount of attorneys' fees and reimbursement of expenses the Court approves will be paid by Atheros, its insurer, or any successor in interest. No shareholder of Atheros will be required to pay any portion of any fee and expense award the Court makes to Plaintiffs' Counsel.

You may object to the entry of the Proposed Order or the Application or, if you otherwise wish to be heard ("Objector"), you may appear in person or by an attorney at the Dismissal Hearing and present any relevant evidence or argument; provided, however, that, except for good cause shown, no Objector shall be heard unless the Objector, no later than January 27, 2012, files with the Court and serves upon counsel listed below the following: (1) proof of ownership of Atheros common stock on or after January 5, 2011; (2) a written notice of the Objector's intention to appear; and (3) a detailed statement of the objections and all grounds therefore to any matter before the Court and the reasons for the Objector's desiring to appear and to be heard, as well as all documents or writings which the Objector desires the Court to consider. Such filings shall be served upon the following counsel: P. Bradford deLeeuw, Rosenthal Monhait & Goddess, P.A., 919 Market St., Suite 1401, Citizens Bank Center, Wilmington, DE 19801; David J. Teklits, Morris, Nichols, Arsh & Tunnell LLP, 1201 N. Market St., P.O. Box 1347, Wilmington, DE 19899-1347, (deliveries - Wilmington, DE 19801); and Peter J. Walsh, Jr., Potter Anderson & Corroon LLP, The Hercules Plaza, 6th Floor, 1313 N. Market St., Wilmington, DE 19801.

Failure to object in this manner shall be deemed to be a waiver of any objections (including the right to appeal), unless the Court allows such objection to be heard at the Dismissal Hearing, and shall be barred from raising such objection or otherwise contesting the Proposed Order or the Application.

This Notice is not all-inclusive. For the full details of the Action, and the papers that have been filed in the Action, you are referred to the Court files for the Action and the public filings of the Company. You or your attorney may examine the public Court files during regular business hours at the office of the Register in Chancery, Kent County Courthouse, 38 The Green, Dover, DE 19901. **PLEASE DO NOT CALL OR WRITE THE COURT OR THE JUDGE FOR INFORMATION OR ADVICE.**

Dated: November 30, 2011

BY ORDER OF THE COURT:
Register in Chancery