



ATHEROS COMMUNICATIONS, INC.



Atheros Expands Mobile Wireless Portfolio Acquisition of u-Nav Microelectronics for GPS

WIRELESS FUTURE. UNLEASHED NOW.

December 13, 2007





u-Nav Overview

- Founded in 2001
- Focused on high performance, low-power and low-cost GPS semiconductors
- Recognized player in the GPS industry
 - ⇒ Universe has shipped over 4 million chipsets since inception
- Team of 54 split between Irvine, CA headquarters and Tampere, Finland
- Strong cultural fit with Atheros
 - ⇒ Engineering excellence in RF CMOS
 - ⇒ Highly integrated and cost-optimized solutions
- Strong channel fit with Atheros
 - ⇒ Many Atheros customers are demanding GPS





Expanding into a New Market





Atheros Expanding Into New Markets - GPS

Market Size

PCs

Desktop, Notebook & Mini/PMPC

>250m Units

Networking

Gateways, APs, Routers and A/V

>500m Units

Consumer

Cellular, Gaming, PMP & Cameras

>1B Units

Expansion Of Atheros Technologies



Ethernet



Ethernet



Ethernet



Leverage Key OEM Customers



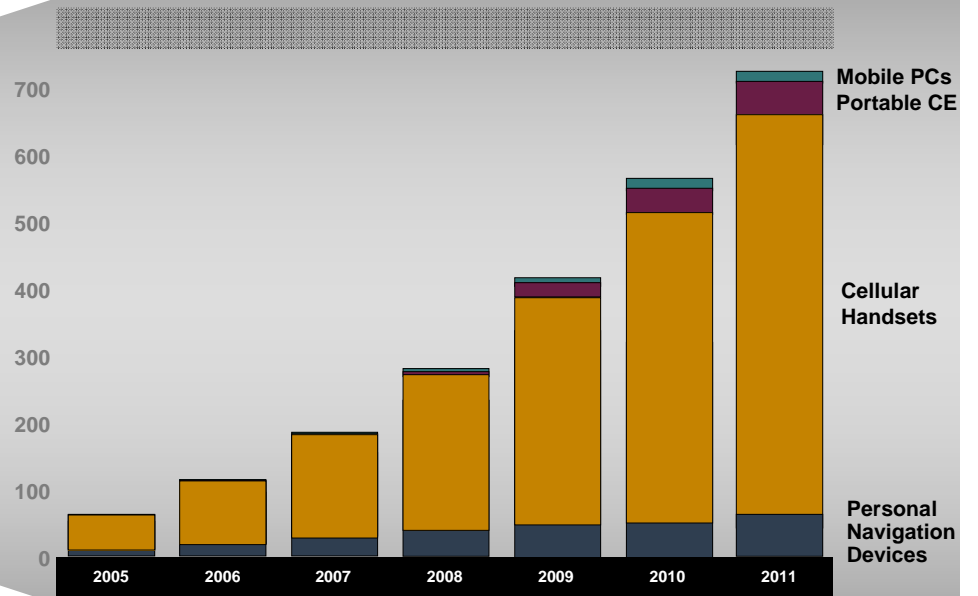


GPS Market Growth and Opportunity

700 MU TAM by 2011



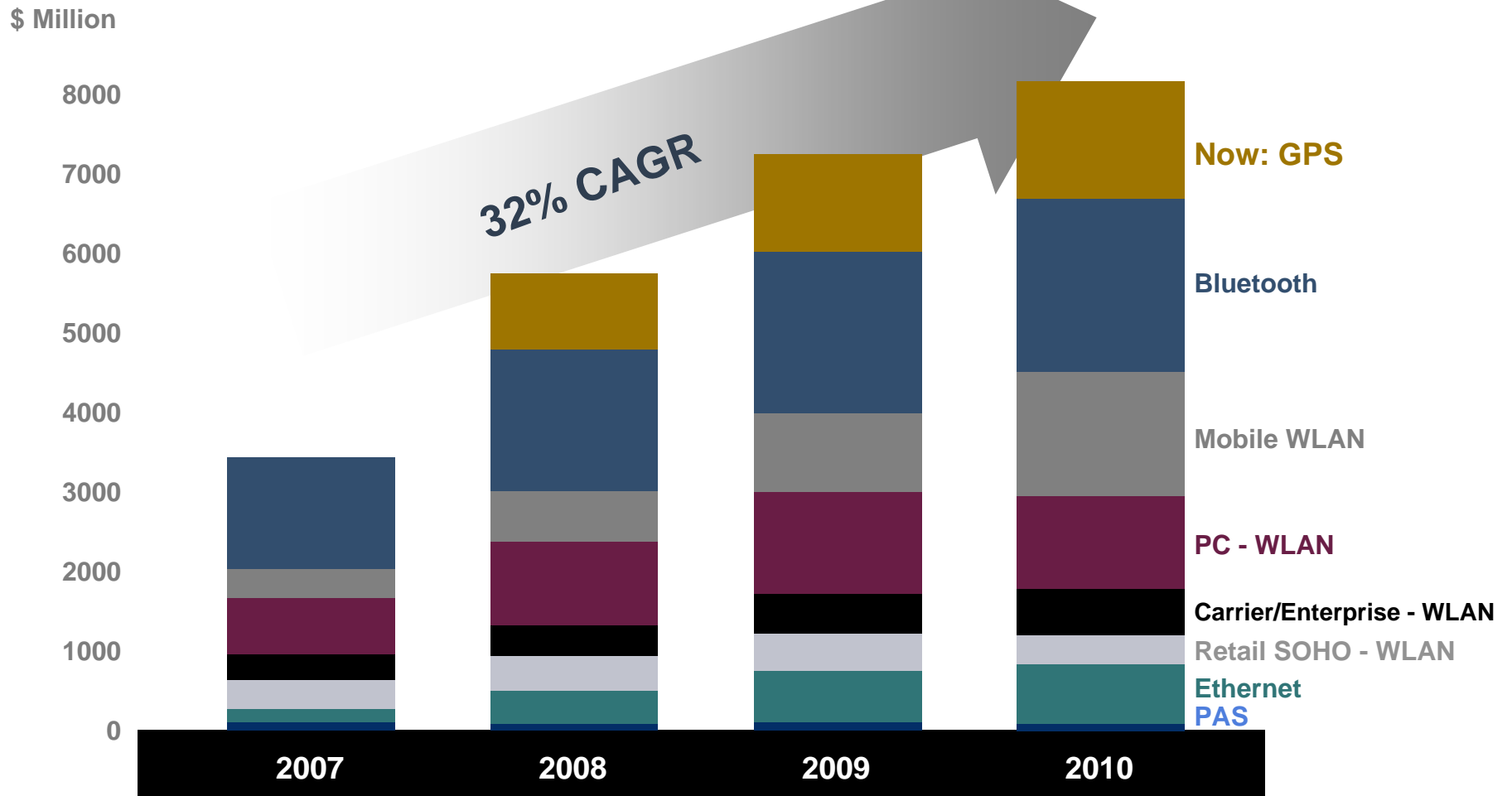
Millions of GPS IC Units 2006 to 2011



Source: In-Stat, October, 2007



GPS Immediately Adds Nearly Billion USD to Atheros TAM



Source: Bluetooth - IMS, 2006; Mobile LAN and PC - In-Stat, 2007; Carrier/Enterprise, Retail SOHO and Ethernet - Dell'Oro, 2007; PAS - Forward Concepts, 2007 Handset and Chip Report and Atheros; GPS - In-Stat, 2007.

Increasing Value in Strategic Platforms

PC



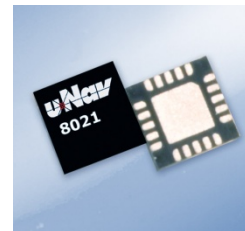
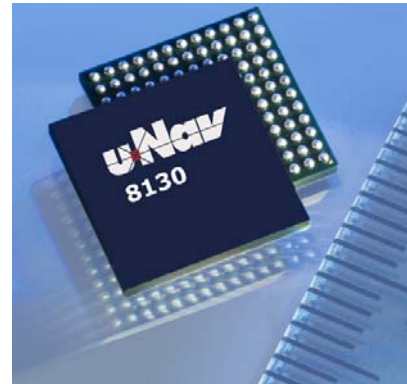
Mobile Consumer



- Portfolio: Wireless LAN, Ethernet, Bluetooth, GPS
- Performance: Provides best user experience
- Design for Cost: Complete systems in Digital CMOS
- Low Power: Near-Zero impact on battery life
- Small Footprint: Enabling new form factors

u-Nav GPS Product Portfolio

- Baseband
- RFICs
- Chipsets
- Single Chips
- Orion Software
- Support Tools

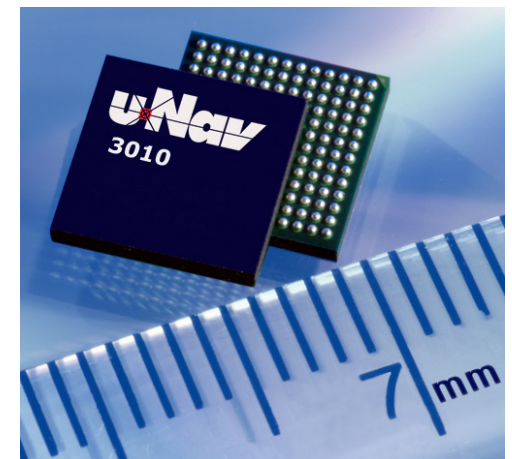




uN3010 Single Chip GPS Receiver

- Monolithic design implemented in low-cost CMOS technology
- High sensitivity
 - ⇒ -144 dBm unaided acquisition, -160 dBm tracking/aided acquisition
- Low power consumption
 - ⇒ 60 mW acquisition mode, 50 mW tracking mode @1Hz
- Flexible system architecture & interfaces
 - ⇒ Multiple frequency support from 13 to 33 MHz
 - ⇒ 3 UARTS, 2 high-speed SPI ports
 - ⇒ 19 GPIO ports for external I/O
 - ⇒ 10 channel ADC with 13 multiplexed inputs
- Small footprint
 - ⇒ 5x5mm CSP, 7x7 BGA packages
- Orion V2.x Software & SDK
 - ⇒ Powerful, versatile, multi-mode GPS navigation software package
 - ⇒ Enables all GPS functions: signal acquisition, tracking, data extraction, navigation

Available Now





Terms of the Acquisition

- Consideration of approximately \$54 million
 - ⇒ \$15m cash plus 1.28 million shares of Atheros stock
 - ⇒ Shares to be locked-up between 12 and 18 months
 - ⇒ Performance-based earn-out
- Acquisition is structured as an asset purchase
 - ⇒ Purchase includes all IP, hard assets, product designs, software and contracts.
- u-Nav CEO, Greg Winner, joins Atheros as GM of Atheros' GPS Group
- Atheros will take assignment of u-Nav's cross-license with SiRF upon close
- Expected to close in December 2007
- Expected to be accretive to Atheros' EPS in the second half of 2008

