## Equity Compensation Plan Information as of September 30, 2012

## **Employee Stock Options and Restricted Stock Awards**

Our equity plans are part of a broad-based, long-term retention program that is intended to attract and retain talented employees and directors and align stockholder and employee interests.

The 2006 Long-Term Incentive Plan (the 2006 Plan) was adopted during the second quarter of fiscal 2006 and replaced the 2001 Stock Option Plan and the 2001 Non-Employee Directors' Stock Option Plan and their predecessor plans (the Prior Plans). The 2006 Plan provides for the grant of incentive and nonqualified stock options, restricted stock units (RSUs), stock appreciation rights, restricted stock, performance stock units (PSUs) and shares and other share-based awards and is the source of shares issued under the Executive Retirement Matching Contribution Plan (ERMCP). The shares authorized under the 2006 Plan were approximately 483,284,000 at September 30, 2012. The share reserve remaining under the 2006 Plan was approximately 231,218,000 at September 30, 2012. Shares subject to any outstanding option under a Prior Plan that is terminated or cancelled (but not an option under a Prior Plan that expires) following the date that the 2006 Plan was approved by stockholders, and shares that are subject to an award under the ERMCP and are returned to the Company because they fail to vest, will again become available for grant under the 2006 Plan. The Board of Directors of the Company may amend or terminate the 2006 Plan at any time. Certain amendments, including an increase in the share reserve, require stockholder approval. The Board of Directors may grant share-based awards to selected employees, directors and consultants to the Company to purchase shares of the Company's common stock at a price not less than the fair market value of the stock at the date of grant. Certain share-based awards include dividend-equivalent rights. Share-based awards vest over periods not exceeding five years. Options are exercisable for up to ten years from the grant date.

Information about employee, executive and director share-based awards for fiscal 2012, 2011 and 2010 is as follows (number of shares in millions):

	FY 2012	FY 2011	FY 2010
Total options granted	-	1	24
Total RSUs granted	17	14	5
Total other awards granted	1	1	1
Total grants	18	16	30
Less options cancelled/forfeited/expired	(1)	(4)	(10)
Less RSUs cancelled/forfeited	(1)	(1)	-
Less other awards cancelled/forfeited/expired	<u>-</u> _		
Total cancelled/forfeited	<u>(2</u> )	<u>(5</u> )	(10)
Net options/awards granted	16	11	20
Net grants during the period as % of outstanding shares (1)	0.9%	0.7%	1.2%
Grants to named executive officers as % of total awards granted	3.8%	5.3%	5.3%
Grants to named executive officers as % of outstanding shares (1)	0.0%	0.1%	0.1%
Cumulative awards held by named executive officers as			
% of total awards outstanding <sup>(1)</sup>	5.4%	6.5%	5.6%

(1) Calculated based on outstanding shares or awards, as applicable, as of the beginning of each period.

Information provided for fiscal 2012, fiscal 2011 and fiscal 2010 is for the named executive officers listed in our proxy statements dated January 19, 2012, January 20, 2011 and January 13, 2010, respectively, defined by the SEC as the Chief Executive Officer, Chief Financial Officer and each of the three other most highly compensated executive officers.

Additional information regarding our equity plans and plan activity for fiscal 2012 is provided in our Annual Report on Form 10-K for the 2012 fiscal year. See "Note 6 - Employee Benefit Plans."

Information about stock options outstanding at September 30, 2012 with exercise prices less than or above \$62.47, the closing price of our common stock at September 28, 2012, is as follows (number of shares in millions):

	Exercisable		Unexercisable		Total	
Exercise Prices	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
Less than \$62.47	85	\$ 39.73	22	\$ 40.79	107	\$ 39.95
Above \$62.47	-	-	0	\$ 65.81	0	\$ 65.81
Total outstanding	85	\$ 39.73	22	\$ 40.88	107	\$ 39.96

Information about RSUs, PSUs, performance RSUs and deferred stock units (DSUs) as of September 30, 2012 is as follows (number of shares in thousands):

Type of Award	Number of Shares  Award Outstanding	
RSU	32,922	\$ 53.22
PSU	1,789	\$ 53.30
Performance RSU	596	\$ 55.41
Director RSU	117	\$ 49.64
Director DSU	23	\$ 46.97
	35,447	\$ 53.24

No options were granted to the named executive officers as a group during the twelve months ended September 30, 2012.

The Company granted approximately 338,000 PSUs to the named executive officers in the first quarter of fiscal 2012. These PSUs vest over the respective service period of up to five years from the date of grant based on the attainment of certain total stockholder return performance measures and the named executive officer's continued service through the vest date. The Company granted approximately 335,000 performance RSUs to the named executive officers in the first quarter of fiscal 2012. These performance RSUs vest over the service period up to five years from the date of grant based on the attainment of certain financial performance measures by the Company and the named executive officers' continued service through the vest date.

Option exercises during the three and twelve months ended September 30, 2012 and option values for the named executive officers as a group were as follows (in millions):

	Shares Acquired on	Gain Realized on Options	Number of Shares Underlying Unexercised Options at September 30, 2012		Unexercised Opti	Intrinsic Values of exercised In-the-Money Options at September 30, 2012 (1)		
Period	Exercise	Exercised	Exercisable	Unexercisable	Exercisable	Unexercisable		
Three Months	1	\$16	5	1	\$107	\$26		
Twelve Months	3	\$65	5	1	\$107	\$26		

<sup>(1)</sup> These amounts represent the difference between the exercise price and \$62.47, the closing price of the Company's common stock at September 28, 2012, for all in-the-money options held by the named executive officers

Additionally, 8,000 and 136,000 RSUs, including dividend equivalents, were released during the three and twelve months ended September 30, 2012, respectively. No PSUs or performance RSUs were released to the named executive officers during the twelve months ended September 30, 2012.

## **Equity Compensation Plans Approved by Stockholders**

Information about our equity compensation plans at September 30, 2012 that was either approved or not approved by our stockholders was as follows (number of shares in millions):

	Number of Shares to be			
	Issued Upon Exercise / Vesting	Weighted		Number of
	of Outstanding Options and	Average Exercise Price of Outstanding		Shares Remaining Available for
Plan Category	Rights	Options	_	Future Issuance
Equity compensation plans approved by stockholders (1) Equity compensation plans not approved by	138 (2)	\$40.27	(3)	55 (4)
stockholders (5)	6_(6)	\$30.77		1
Total (7)	144	\$40.07		56

- (1) Consists of four plans: the Company's 2001 Stock Option Plan, 2006 Long-Term Incentive Plan, 2001 Non-Employee Directors' Stock Option Plan and the Amended and Restated 2001 Employee Stock Purchase Plan.
- (2) Includes approximately 34 million shares that may be issued upon the satisfaction of performance objectives or other conditions pursuant to PSUs, RSUs and performance RSUs granted under the 2006 Long-Term Incentive Plan. The PSUs include the maximum number of shares that may be issued.
- (3) Does not include outstanding PSUs, RSUs and performance RSUs.
- (4) Includes approximately 15 million shares reserved for issuance under the Amended and Restated 2001 Employee Stock Purchase Plan subject to purchase under the current offering period.
- (5) Consists of the Atheros Communications, Inc. 2004 Stock Incentive Plan, as amended (the Atheros Plan), which was assumed in connection with the acquisition of Atheros in May of 2011. The Atheros Plan provides for the issuance of the Company's common stock in connection with stock options, stock appreciation rights, restricted stock and stock units, which may be granted to certain employees who were employed by Atheros immediately prior to the acquisition. The terms and conditions of awards granted under the Atheros Plan are determined pursuant to equity grant administration procedures established by the Company's Compensation Committee.
- (6) Includes 731,035 shares that may be issued under the Atheros Plan pursuant to awards granted by Qualcomm subsequent to the acquisition of Atheros.
- (7) Excludes options and awards assumed in connection with mergers and acquisitions, with the exception of Atheros. 352,843 shares of the Company's common stock were issuable upon exercise of these assumed options. These options have a weighted average exercise price of \$34.96 per share. No additional options may be granted under the other assumed arrangements.