

ATHEROS COMMUNICATIONS INC

Form 424B3

November 12, 2009

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**Filed Pursuant to Rule 424(b)(3)
Registration No. 333-162321**

To the Stockholders of Intellon Corporation:

I am writing to you today about the proposed merger of Intellon Corporation with Atheros Communications, Inc., or the Merger. You are cordially invited to attend a special meeting of stockholders of Intellon, to be held on December 11, 2009, at 10:00 a.m., local time, at the Hyatt Regency Orlando Airport Hotel, 9300 Airport Blvd., Orlando, Florida 32827.

At the special meeting of Intellon stockholders, you will be asked to:

1. Consider and vote upon a proposal to approve and adopt the Agreement and Plan of Merger, or the Merger Agreement, dated as of September 8, 2009, by and among Intellon, Atheros Communications, Inc., Iceman Acquisition One Corporation, a Delaware corporation and a wholly-owned subsidiary of Atheros, and Iceman Acquisition Two L.L.C., a Delaware limited liability company and a wholly-owned subsidiary of Atheros, and to approve the transaction contemplated under the Merger Agreement pursuant to which Atheros will acquire Intellon in a stock and cash transaction as described in the accompanying proxy statement/prospectus.
2. Consider and vote upon a proposal to authorize the proxy holders to adjourn or postpone the special meeting, in their sole discretion, to solicit additional proxies if there are not sufficient votes in favor of proposal 1.
3. Transact any other business as may properly be brought before the special meeting or any adjournment or postponement of the special meeting for reasons other than those provided in proposal 2.

These items of business are described in more detail in the accompanying proxy statement/prospectus and its annexes. Only holders of record of Intellon common stock at the close of business on November 5, 2009 are entitled to notice of and to vote at the special meeting and any adjournments of the special meeting.

If the Merger is completed, each stockholder of Intellon will have the right to elect to receive, for each Intellon share owned by such stockholder:

a combination of approximately 0.135 shares of Atheros common stock and \$3.60 in cash;

up to 0.267 shares of Atheros common stock with any portion not paid in stock paid in cash; or

up to \$7.30 in cash with any portion not paid in cash paid in stock.

This election is subject to proration based on (i) Intellon's capitalization at the closing date of the Merger, (ii) the number of shares electing each type of consideration, (iii) the requirement in the Merger Agreement to preserve an overall mix such that the Atheros common stock issued in the Merger will constitute between 45% and 55% of the total consideration paid for all of the outstanding shares of Intellon common stock and equity awards, taken together, and (iv) the need to preserve the intended treatment of the transaction as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended. Because elections are subject to proration as described above, an Intellon stockholder may receive some Atheros common stock, rather than cash, even though that stockholder makes a cash election (and vice versa).

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Intellon common stock trades on the NASDAQ Global Market under the ticker symbol ITLN. Atheros common stock trades on the NASDAQ Global Select Market under the ticker symbol ATHR. On November 9, 2009, the most recent practicable trading day prior to the printing of the accompanying proxy statement/prospectus, the last sale price of Intellon common stock was \$7.36 per share and the last sale price of Atheros common stock was \$27.50 per share. We urge you to obtain current market quotations of Atheros and Intellon common stock. Upon completion of the Merger, assuming Intellon stockholders elect to receive the combination

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of Atheros common stock and cash, we estimate that Intellon's former stockholders will own approximately 6.4% of the common stock of Atheros. The Merger is intended to qualify as a tax-free reorganization for federal income tax purposes as described in the section titled "The Merger - Material Federal Income Tax Consequences of the Merger" beginning on page 46 of the accompanying proxy statement/prospectus.

The Intellon board of directors has unanimously approved the Merger Agreement and the Merger and determined that the Merger Agreement and the Merger are advisable for, fair to, and in the best interests of, Intellon and its stockholders. **The Intellon board of directors unanimously recommends that you vote FOR the approval and adoption of the Merger Agreement and the approval of the Merger at the special meeting and the proposal to authorize any adjournment or postponement of the special meeting.**

Your vote is very important. We cannot complete the Merger unless the Merger Agreement is approved and adopted and the Merger is approved by the affirmative vote of a majority of the shares of Intellon common stock outstanding as of the record date. A failure to vote is the same as a vote against the Merger. **We encourage you, whether or not you plan to attend the special meeting, to vote by proxy card, telephone or Internet in advance of the special meeting. You may attend the special meeting and change your vote at that time if you wish to do so.**

The accompanying proxy statement/prospectus explains the Merger Agreement and the Merger in detail and provides specific information concerning the special meeting. We therefore encourage you to read carefully the accompanying proxy statement/prospectus. **In particular, please see the section titled Risk Factors beginning on page 22 of the accompanying proxy statement/prospectus, which describes risks that you should consider in evaluating the Merger.**

In addition, if you have any questions about the Merger or the special meeting, need additional copies of this document or the accompanying proxy statement/prospectus or need to obtain proxy cards or other information related to the proxy solicitation, you may contact Intellon's proxy solicitor Innisfree M&A Incorporated, toll-free at 1-877-456-3427. You will not be charged for any of the documents that you request. **If you would like to request documents, please do so by December 4, 2009 in order to receive them before the special meeting.**

Thank you for your cooperation and continued support.

Sincerely,

Charles E. Harris

Chairman and Chief Executive Officer

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE SECURITIES TO BE ISSUED IN CONNECTION WITH THE MERGER, OR DETERMINED WHETHER THE ACCOMPANYING PROXY STATEMENT/PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The accompanying proxy statement/prospectus is dated November 10, 2009, and is expected to be first mailed to Intellon stockholders on or about November 12, 2009.

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VOTING ELECTRONICALLY OR BY TELEPHONE

In addition to voting by signing, dating and timely returning a completed proxy card provided with the accompanying proxy statement/prospectus, Intellon's stockholders of record may submit their proxies:

through the Internet, by visiting the website address shown on your proxy card and following the instructions; or

by telephone, by calling the toll-free number shown on your proxy card in the United States, Puerto Rico or Canada on a touch-tone pad and following the recorded instructions.

Internet and telephone voting facilities will be available 24 hours a day and will close at 11:59 p.m., Eastern Time, on December 10, 2009. Please have your proxy card in hand when you use the Internet or telephone voting options.

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REFERENCES TO ADDITIONAL INFORMATION

The accompanying proxy statement/prospectus incorporates by reference important business and financial information about Atheros and Intellon from documents that are not delivered with the proxy statement/prospectus. This information is available to you without charge upon your written or oral request. You can obtain the documents incorporated by reference in the accompanying proxy statement/prospectus by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

Atheros Communications, Inc.

5480 Great America Parkway
Santa Clara, CA 95054
Attention: David Allen
Telephone: 408-830-5762
Email: david.allen@atheros.com

Intellon Corporation

The Blue Shirt Group for Intellon Corporation

456 Montgomery St., 11th Floor

San Francisco, CA 94104

Attention: Suzanne Craig

Telephone: 415-217-4962

Email: suzanne@blueshirtgroup.com

Please note that copies of the documents provided to you will not include exhibits, unless the exhibits are specifically incorporated by reference in the documents or the accompanying proxy statement/prospectus. Stockholders may also consult Atheros' or Intellon's websites for more information concerning the Merger described in the accompanying proxy statement/prospectus. Atheros' website is www.atheros.com. Intellon's website is www.intellon.com. Information included on either of these websites is not incorporated by reference into the accompanying proxy statement/prospectus. You may obtain copies of these documents, without charge, from the website maintained by the Securities and Exchange Commission, or the SEC, at www.sec.gov, as well as other sources. For a more detailed description of the information incorporated by reference into the accompanying proxy statement/prospectus and how you may obtain it, see Additional Information for Stockholders beginning on page 116 of the accompanying proxy statement/prospectus.

In order to receive timely delivery of the documents before the special meeting, you must make your requests no later than December 4, 2009.

You should rely only on the information contained or incorporated by reference in the accompanying proxy statement/prospectus. Atheros and Intellon have not authorized anyone to provide you with information that is different from, or in addition to, what is contained in the accompanying proxy statement/prospectus or in any of the materials that have been incorporated by reference in the accompanying proxy statement/prospectus. If anyone does give you any other information, you should not rely on it. You should assume that the information in the accompanying proxy statement/prospectus is accurate only as of November 10, 2009. You should also assume that the information contained in any document incorporated by reference in the accompanying proxy statement/prospectus is accurate only as of the date of such document, except to the extent that such information is contained in an additional document filed with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, between the date of the accompanying proxy statement/prospectus and the date of the special meeting and is incorporated by reference therein. Neither the mailing of the accompanying proxy statement/prospectus to stockholders nor the issuance of Atheros common stock in the Merger creates any implication to the contrary.

In [Questions and Answers About the Merger and the Special Meeting](#) and in the [Summary](#) in the accompanying proxy statement/prospectus, we highlight selected information from the accompanying proxy statement/prospectus. However, we may not have included all of the information that may be important to you. To better understand the Merger Agreement and the Merger, and for a description of the legal terms governing the Merger, you should carefully read the entire accompanying proxy statement/prospectus, including the annexes, as well as the documents that we have incorporated by reference into such document.

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ABOUT THE PROXY STATEMENT/PROSPECTUS

The accompanying proxy statement/prospectus, which forms a part of a registration statement on Form S-4 filed with the SEC by Atheros, constitutes a prospectus of Atheros under Section 5 of the Securities Act of 1933, as amended, or the Securities Act, with respect to the shares of Atheros common stock to be issued to Intellon stockholders in connection with the Merger. This document also constitutes a proxy statement under Section 14(a) of the Exchange Act and the rules thereunder, and a notice of meeting with respect to the meeting of Intellon stockholders to consider and vote upon, among other matters, the proposal to approve and adopt the Merger Agreement and approve the transactions contemplated by the Merger Agreement, including the Merger.

The accompanying proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to purchase, the securities described in this proxy statement/prospectus, or the solicitation of a proxy, in any jurisdiction to or from any person to whom or from whom it is unlawful to make such offer, solicitation of an offer or proxy solicitation in such jurisdiction. Information contained in the accompanying proxy statement/prospectus regarding Atheros has been provided by Atheros and information contained in the accompanying proxy statement/prospectus regarding Intellon has been provided by Intellon.

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5955 T.G. Lee Boulevard, Suite 600

Orlando, Florida 32822

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON DECEMBER 11, 2009

Dear Stockholder:

You are cordially invited to attend a special meeting of stockholders of Intellon Corporation, to be held at 10:00 a.m., local time, on December 11, 2009 at the Hyatt Regency Orlando Airport Hotel, 9300 Airport Blvd., Orlando, Florida 32827. The special meeting will be held for the following purposes:

1. To consider and vote upon a proposal to approve and adopt the Agreement and Plan of Merger, or the Merger Agreement, dated as of September 8, 2009, by and among Intellon, Atheros Communications, Inc., Iceman Acquisition One Corporation, a Delaware corporation and a wholly-owned subsidiary of Atheros, and Iceman Acquisition Two L.L.C., a Delaware limited liability company and a wholly-owned subsidiary of Atheros, and to approve the transaction contemplated under the Merger Agreement pursuant to which Atheros will acquire Intellon in a stock and cash transaction, or the Merger, as described in the accompanying proxy statement/prospectus.
2. To consider and vote upon a proposal to authorize the proxy holders to adjourn or postpone the special meeting, in their sole discretion, to solicit additional proxies if there are not sufficient votes in favor of proposal 1.
3. To transact any other business as may properly be brought before the special meeting or any adjournment or postponement of the special meeting for reasons other than those provided in proposal 2.

These items of business are described in more detail in the accompanying proxy statement/prospectus and its annexes. Only holders of record of Intellon common stock at the close of business on November 5, 2009 are entitled to notice of and to vote at the special meeting or any adjournments of the special meeting. A list of stockholders entitled to vote at the special meeting will be available for inspection at Intellon's executive offices.

Intellon's board of directors has unanimously determined that the proposed Merger is advisable for, fair to, and in the best interests of Intellon and its stockholders and unanimously recommends that Intellon stockholders vote FOR the proposal to approve and adopt the Merger Agreement and approve the Merger and the proposal to authorize any adjournment or postponement of the special meeting.

We encourage you, whether or not you plan to attend the special meeting, to vote by proxy card, telephone or Internet in advance of the special meeting. You may attend the special meeting and change your vote at that time if you wish to do so.

Should you receive more than one proxy because your shares are registered in different names and addresses, please submit all of the proxy cards, by telephone, through the Internet, or by mail, to ensure that all of your shares will be voted. The prompt submission of your vote will

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assist us in preparing for the special meeting. Voting by proxy does not deprive you of your right to attend the meeting and to vote your shares in person.

You may revoke your proxy by submitting a later-dated proxy by telephone, through the Internet or by mail, by voting in person at the meeting, or by written notice to Intellon's corporate secretary, prior to the closing of the polls. Attendance at the special meeting does not in itself constitute revocation of a proxy. All shares that are

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entitled to vote and are represented by properly completed proxies timely received and not revoked will be voted as you direct. If no direction is given, your proxy will be counted as a vote FOR the proposal to approve and adopt the Merger Agreement and approve the Merger and FOR the proposal to grant discretionary authority to adjourn or postpone the special meeting. If you fail to return your proxy card or if you mark the ABSTAIN box on the proxy card, the effect will be a vote AGAINST the proposals, and if you fail to return your proxy card, your shares will not be counted for purposes of determining whether a quorum is present at the special meeting. For specific instructions on how to vote your shares, please refer to the section entitled Information about the Special Meeting and Voting in the accompanying proxy statement/prospectus. If you are a stockholder of record and plan to attend the special meeting, please bring with you valid government-issued photo identification (such as a driver's license or passport) in order to gain admission to the special meeting. If your shares are held in the name of a bank, broker or nominee, you will have to bring evidence of your ownership of Intellon common stock as of the record date, in addition to valid government-issued photo identification, if you wish to attend the special meeting. Examples of proof of ownership include the following:

a letter from your bank, broker or nominee stating that you owned your shares as of the record date;

an account statement from your bank, broker or nominee indicating that you owned your shares as of the record date; or

a copy of the voting instruction card provided by your bank, broker or nominee indicating that you owned your shares as of the record date. (Please note that in order to attend and vote such shares at the special meeting, you will also need to provide a legal proxy from that nominee.)

If you are a proxy holder for an Intellon stockholder, to gain entry to the special meeting you must bring:

a validly executed proxy naming you as the proxy holder, signed by an Intellon stockholder who owned Intellon stock as of the record date;

valid government-issued photo identification (such as a driver's license or passport); and

if the stockholder whose proxy you hold was not a record holder of Intellon common stock as of the record date, proof of the stockholder's ownership of Intellon common stock as of the record date, in the form of a letter or statement from a bank, broker or nominee or the voting instruction card provided by the bank, broker or nominee in each case, indicating that the stockholder owned those shares as of the record date. (Please note that in order to attend and vote the stockholder's shares at the special meeting, you will also need to provide a legal proxy from the record holder assigning voting authority to the stockholder.)

We look forward to seeing you at the special meeting.

By Order of the Board of Directors,

Orlando, Florida
November 10, 2009

Charles E. Harris
Chairman and Chief Executive Officer

ALL STOCKHOLDERS ARE CORDIALLY INVITED TO ATTEND THE SPECIAL MEETING IN PERSON. IN ANY EVENT, TO ENSURE YOUR REPRESENTATION AT THE SPECIAL MEETING, WE URGE YOU TO VOTE BY TELEPHONE OR THROUGH THE INTERNET, OR TO MARK, SIGN, DATE AND RETURN THE ENCLOSED PROXY AS PROMPTLY AS POSSIBLE IN THE POSTAGE-PREPAID ENVELOPE ENCLOSED FOR THAT PURPOSE OR VOTE BY TELEPHONE OR THROUGH THE INTERNET IN ACCORDANCE WITH THE INSTRUCTIONS ON THE PROXY CARD.

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IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE SPECIAL MEETING OF STOCKHOLDERS TO BE HELD ON DECEMBER 11, 2009: THIS COMMUNICATION PRESENTS ONLY AN OVERVIEW OF THE MORE COMPLETE PROXY MATERIALS THAT ARE AVAILABLE TO YOU ON THE INTERNET. WE ENCOURAGE YOU TO ACCESS AND REVIEW ALL OF THE IMPORTANT INFORMATION CONTAINED IN THE PROXY MATERIALS BEFORE VOTING. THE ACCOMPANYING PROXY STATEMENT/PROSPECTUS AND INTELLOON S 2008 ANNUAL REPORT ARE ALSO AVAILABLE ON THE INVESTOR RELATIONS SECTION OF INTELLOON S WEBSITE AT WWW.INTELLOON.COM. IF YOU WANT TO RECEIVE A PAPER OR E-MAIL COPY OF THESE DOCUMENTS, YOU MUST REQUEST ONE. THERE IS NO CHARGE TO YOU FOR REQUESTING A COPY. PLEASE MAKE YOUR REQUEST FOR A COPY TO INTELLOON S CORPORATE SECRETARY ON OR BEFORE DECEMBER 4, 2009 TO FACILITATE TIMELY DELIVERY.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus and the documents incorporated by reference into this proxy statement/prospectus contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties, as well as assumptions, that, if they never materialize or if they prove incorrect, could cause the results of Atheros and its consolidated subsidiaries, Intellon and its consolidated subsidiaries, or the combined company, to differ materially from those expressed or implied by such forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including statements about future financial and operating results (including projections of earnings, revenues, synergies, accretion, margins or other financial items); products and operations; benefits of the transaction to customers, stockholders and employees; the expected tax treatment of the transaction; potential cost savings resulting from the transaction; the ability of the combined company to drive growth and expand customer and partner relationships; any statements of the plans, strategies and objectives of management for future operations, including the execution of integration plans and the anticipated timing of filings, approvals and closings relating to the proposed transaction; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing. Words such as anticipates, expects, intends, plans, believes, seeks, estimates, will, may, might, can, should, predicts, targets, continues, and similar expressions or the negative of these terms help to identify these forward-looking statements.

The risks, uncertainties and assumptions referred to above include the challenges of integration associated with the proposed transaction and the challenges of achieving anticipated synergies and cost savings; the possibility that the proposed transaction may not close; the challenges of maintaining and increasing revenues on a combined company basis following the close of the proposed transaction; the challenges of retaining key employees; and other economic, business, competitive, and/or regulatory factors affecting the businesses of Atheros and Intellon generally, including the risks that are described in the section entitled Risk Factors, which begins on page 22 of this proxy statement/prospectus, and in the documents that are incorporated by reference into this proxy statement/prospectus.

If any of these risks or uncertainties materializes or any of these assumptions proves incorrect, results of Atheros, Intellon and the combined company could differ materially from the expectations in these statements. These forward-looking statements speak only as of the date hereof. Except to the extent required by applicable law, Atheros and Intellon undertake no obligation to publicly release the results of any revisions or updates to these forward-looking statements that may be made to reflect events or circumstances after the date hereof, or to reflect the occurrence of unanticipated events.

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QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING OF STOCKHOLDERS

About the Merger

What is the proposed transaction upon which I am being asked to vote?

Atheros Communications, Inc., or Atheros, is proposing to acquire Intellon Corporation, or Intellon. As an Intellon stockholder, you are being asked to vote to approve and adopt the Agreement and Plan of Merger dated September 8, 2009, or the Merger Agreement, and the transactions contemplated under the Merger Agreement pursuant to which Atheros will acquire Intellon in a stock and cash transaction. A copy of the Merger Agreement is attached as Annex A to this proxy statement/prospectus. Under the Merger Agreement, a wholly-owned subsidiary of Atheros, sometimes referred to as Merger Sub 1 will merge with and into Intellon, with Intellon continuing as the surviving entity and a wholly-owned subsidiary of Atheros, and immediately after this merger, Intellon will be merged with and into another wholly-owned subsidiary of Atheros, sometimes referred to as Merger Sub 2, with Merger Sub 2 continuing as the surviving entity and Intellon would no longer be a separate company, which we refer to in this proxy statement/prospectus as the Merger. The terms and conditions of the Merger are described in detail in this proxy statement/prospectus.

Why are Intellon and Atheros proposing the Merger?

Atheros believes that the acquisition of Intellon is an important step in advancing Atheros' mission of building a diversified communications semiconductor company offering a broad portfolio of product technologies that serve large and high-growth markets. The objective of the pending acquisition of Intellon is to enhance Atheros' position as a leading provider of networking platforms that enable seamless delivery of voice, video, and Internet traffic. For Intellon's part, its stockholders will receive a significant premium (based on the closing price of each of Atheros and Intellon on the last trading day prior to the public announcement of the Merger) over the trading price for their shares on that date and, through their ownership of Atheros common stock, the opportunity to participate in a continuing stake in the future performance of the combined company.

What will Intellon stockholders receive in the Merger?

You may elect to receive, for each share of Intellon common stock that you own, either:

a combination of approximately 0.135 shares of Atheros common stock and \$3.60 in cash, which we refer to in this proxy statement/prospectus as the mixed election ;

up to 0.267 shares of Atheros common stock, with any portion not paid in stock, due to the proration discussed below, paid in cash, which we refer to in this proxy statement/prospectus as the stock election ; or

up to \$7.30 in cash, with any portion not paid in cash, due to the proration discussed below, paid in stock, which we refer to in this proxy statement/prospectus as the cash election.

These elections are subject to proration based on (i) Intellon's capitalization at the closing of the Merger, or the Closing, (ii) the number of shares electing each type of consideration, (iii) the requirement in the Merger Agreement to preserve an overall mix such that the Atheros common stock issued in the Merger will constitute between 45% and 55% of the total consideration paid for all of the outstanding shares of Intellon common stock and equity awards, taken together, and (iv) the need to preserve the intended treatment of the transaction as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, or the Code (as further detailed in the section titled "The Merger" beginning on page 35 of this proxy statement/prospectus). If you do not make an election, you will be deemed to have made the cash election.

Your ability to elect the type of consideration you want to receive in the Merger was a result of a negotiated compromise between Atheros and Intellon. In order to limit the dilution of its common stock, Atheros wanted to minimize the number of shares of Atheros common stock issued in the Merger. However, Intellon wanted to

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maximize the number of the shares of Atheros common stock issued in the Merger in order to participate in any increase in value in Atheros common stock. It was also important to limit the amount of cash paid so that the Merger would qualify as a reorganization within the meaning of Section 368(a) of the Code. The two parties ultimately agreed that the number of shares of Atheros common stock, including shares subject to assumed Intellon options and Intellon restricted stock units, would constitute no less than 45% and no more than 55% of the total consideration paid, with the balance paid in cash. It was also agreed that all of the consideration paid for the assumed Intellon options and Intellon restricted stock units would be paid in shares of Atheros common stock in order to comply with Intellon's equity plan requirements and that, due to securities law restrictions, all of the consideration paid for Intellon options that are not assumed would be in cash.

As a result, the number of shares of Atheros common stock available to be exchanged for shares of Intellon common stock will fluctuate depending on the number of assumed Intellon options and Intellon restricted stock units outstanding at the Closing. If the number of assumed Intellon options or Intellon restricted stock units increases, the number of shares of Atheros common stock available to be exchanged for shares of Intellon common stock will decrease. Conversely, if the number of assumed Intellon options or Intellon restricted stock units decreases, more shares of Atheros common stock will be available to be exchanged for shares of Intellon common stock. Intellon's capitalization will affect the prorations as the number of assumed Intellon options and Intellon restricted stock units fluctuates. In addition, because Intellon stockholders have the ability to select the type of consideration they want to receive, until these elections are made, we cannot determine the number of shares of Atheros common stock or the amount of cash that will be paid to you in exchange for your shares of Intellon common stock. For example, the more shares of Intellon common stock that are subject to mixed elections, the fewer the number of shares of Atheros common stock that will be available to those making the stock election and as a result those making the stock election may receive a portion of their consideration in cash. Similarly, the more shares of Intellon common stock that are subject to cash elections, the greater the number of shares of Atheros common stock that will be available to those making the stock election. As a result, if you make the mixed election the exact breakdown between stock and cash may change. If you make the stock election and the stock election is oversubscribed, then you will receive a portion of the merger consideration in cash. Similarly, if you make the cash election and the cash election is oversubscribed, then you will receive a portion of the merger consideration in shares of Atheros common stock. Accordingly, you may not receive exactly the type of consideration you elect to receive in the Merger.

What will holders of Intellon options receive in the Merger?

In connection with the Merger, all outstanding options to purchase Intellon common stock granted pursuant to an Intellon stock plan will be converted into an option to acquire, on substantially identical terms and conditions as were applicable under such options, a number of shares of Atheros common stock determined by multiplying the number of shares of Intellon common stock subject to such Intellon stock options immediately prior to the effective time by the Option Exchange Ratio (as defined in the section titled "The Merger" beginning on page 35 of this proxy statement/prospectus); *provided, however*, that certain options held by persons who are not employees or consultants to Intellon, including non-employee members of the Intellon board of directors, will be cancelled and the vested portion will be automatically converted into the right to receive an amount in cash equal to the product of (A) the aggregate number of shares of Intellon common stock that were issuable upon exercise or settlement of such options immediately prior to the effective time of the Merger and (B) \$7.30, less any per share exercise price of such options.

What will holders of Intellon restricted stock units and restricted stock receive in the Merger?

In connection with the Merger, all outstanding awards of Intellon restricted stock units will be converted, on substantially identical terms and conditions applicable to such awards, into restricted stock units of Atheros common stock, except that such restricted stock units will represent the right to receive, upon vesting, approximately 0.267 shares of Atheros common stock; and each outstanding award of restricted Intellon common stock shall be converted, subject to the same forfeiture and other conditions applicable to restricted Intellon common stock immediately prior to the effective time of the Merger, into the number of shares of restricted

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Atheros common stock and/or cash, as the case may be, as elected by each holder of restricted Intellon common stock pursuant to such stockholder's election described above (as further detailed in the section titled "The Merger" beginning on page 35 of this proxy statement/prospectus).

Will I be taxed on the consideration that I receive in exchange for my Intellon shares?

The transaction is intended to be tax-free to Intellon stockholders for U.S. federal income tax purposes, except with respect to any cash received. The receipt of cash pursuant to the transaction will be a taxable transaction for U.S. federal income tax purposes. See "The Merger" Material Federal Income Tax Consequences of the Merger" beginning on page 46 of this proxy statement/prospectus.

Tax matters are complicated, and the tax consequences of the Merger to each Intellon stockholder will depend on the facts of each stockholder's situation. Holders of Intellon common stock are urged to consult their own tax advisors as to the specific tax consequences to them of the Merger in light of their particular circumstances, including the applicability and effect of any federal estate and gift, state, local or foreign tax laws and of changes in applicable tax laws. Holders of Intellon common stock are also encouraged to read carefully the discussion in the section entitled "The Merger" Material Federal Income Tax Consequences of the Merger" beginning on page 46 of this proxy statement/prospectus, to read carefully the discussion in the section entitled "Potential Adjustment of Merger Consideration" beginning on page 49 of this proxy statement/prospectus regarding the possible adjustment of the cash and stock amounts of the merger consideration that could occur to preserve the intended tax treatment of the transactions and to consult their own tax advisors for a full understanding of the particular tax consequences of the transaction to such holder.

When do you expect the Merger to occur?

We expect to complete the Merger promptly after Intellon stockholders approve and adopt the Merger Agreement and the Merger at the special meeting and after the satisfaction or waiver of all other conditions to the Merger. We currently expect this to occur in the fourth quarter of 2009.

Do I have dissenters' or appraisal rights with respect to the Merger?

Yes. Under Delaware law, you have the right to dissent from the Merger and, in lieu of receiving the merger consideration, obtain payment in cash of the fair value of your shares of Intellon common stock as determined by the Delaware Chancery Court. To exercise appraisal rights, you must strictly follow the procedures prescribed by Delaware law. These procedures are summarized under "The Merger" Appraisal Rights" beginning on page 50 of this proxy statement/prospectus. In addition, the text of the applicable provisions of Delaware law is included as Annex C to this proxy statement/prospectus.

About the Special Meeting of Stockholders

When and where will the Intellon special meeting of stockholders take place?

The special meeting of stockholders of Intellon will be held on December 11, 2009, at 10:00 a.m., local time, at the Hyatt Regency Orlando Airport Hotel, 9300 Airport Blvd., Orlando, Florida 32827.

Who is entitled to vote at the special meeting?

Holders of record of Intellon common stock at the close of business on November 5, 2009, which is the date the Intellon board of directors has fixed as the record date for the special meeting, are entitled to vote at the special meeting.

What is the required vote to approve and adopt the Merger Agreement and approve the Merger and the proposal to authorize any adjournment or postponement of the special meeting?

The holders of a majority of the outstanding shares of Intellon common stock as of November 5, 2009 the record date for the special meeting, must vote to approve and adopt the Merger Agreement and the Merger in

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order for the Merger to be completed, as well as to approve the proposal to authorize any adjournment or postponement of the special meeting. Abstentions from voting and broker non-votes are not considered affirmative votes and therefore will have the same practical effect as a vote against the Merger Agreement and the Merger and the proposal to authorize any adjournment or postponement of the special meeting.

No vote of the stockholders of Atheros is required to complete the Merger.

What does the Intellon board of directors recommend?

The Intellon board of directors unanimously recommends that Intellon's stockholders vote FOR the approval and adoption of the Merger Agreement and approval of the Merger and any adjournment or postponement of the special meeting.

If my shares are held in street name by my broker, will my broker vote my shares for me?

You should instruct your broker to vote your shares, following the directions your broker provides to you. If you do not instruct your broker, your broker generally will not have the discretion to vote your shares. Because the approval and adoption of the Merger Agreement and approval of the Merger requires an affirmative vote of holders of a majority of the outstanding shares of Intellon common stock, these so-called broker non-votes have the same effect as votes cast against the Merger Agreement and the Merger.

What do I need to do now?

After carefully reading and considering the information contained in this proxy statement/prospectus, please fill out and sign the proxy card, and then mail your signed proxy card in the enclosed prepaid envelope as soon as possible so that your shares may be voted at the special meeting, even if you plan to attend the meeting. You may also vote by telephone or through the Internet by following the instructions furnished with your proxy card.

Your proxy card will instruct the persons named on the proxy card to vote your shares at the special meeting as you direct. If you sign and send in your proxy card and do not indicate how you want to vote, your proxy will be voted FOR the approval and adoption of the Merger Agreement and approval of the Merger and any adjournment or postponement of the special meeting.

INTELLON'S BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT INTELLON STOCKHOLDERS VOTE FOR APPROVAL AND ADOPTION OF THE MERGER AGREEMENT AND APPROVAL OF THE MERGER AND FOR THE ADJOURNMENT OF THE SPECIAL MEETING, IF NECESSARY, TO PERMIT SOLICITATION OF ADDITIONAL PROXIES IN FAVOR OF THE ABOVE PROPOSAL.

Why is my vote important?

If you do not return your proxy card, submit your proxy by telephone or through the Internet or vote in person at the special meeting, it will be more difficult for Intellon to obtain the necessary quorum to hold the special meeting and the stockholder approval necessary to consummate the Merger.

What if I don't vote?

If you do not give voting instructions to your broker or you do not vote, you will, in effect, be voting against the Merger Agreement and the Merger.

If I do not favor the approval and adoption of the Merger Agreement and approval of the Merger, what are my rights?

Under Delaware law, Intellon stockholders of record who do not vote in favor of the Merger Agreement and the Merger have the right to exercise appraisal rights in connection with the Merger and, if the Merger is completed, obtain payment in cash of the fair value of their shares of Intellon common stock as determined by

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the Delaware Chancery Court, rather than the merger consideration. To exercise your appraisal rights, you must strictly follow the procedures prescribed by Delaware law. These procedures are summarized in this proxy statement/prospectus. In addition, the text of the applicable provisions of Delaware law is included as Annex C to this proxy statement/prospectus.

May I submit a form of election if I vote against the Merger?

Yes. You may submit a form of election even if you vote against approving and adopting the Merger Agreement and the Merger. However, if you submit a properly executed election form, you will thereby withdraw any previously filed written demand for appraisal and will not be entitled to appraisal rights. See *The Merger Appraisal Rights* beginning on page 50 of this proxy statement/prospectus.

May I change my vote after I have mailed my signed proxy card or voted by telephone or through the Internet?

Yes. You may change your vote at any time before your proxy is voted at the special meeting. If your shares of Intellon common stock are registered in your own name, you can do this in one of four ways:

First, you can vote by telephone or through the Internet at a later time, but not later than 11:59 p.m. (Eastern Time) on December 10, 2009, or the day before the meeting date if the special meeting is adjourned or postponed. If you vote your proxy electronically by telephone or through the Internet, you can change your vote by submitting a different vote by telephone, through the Internet or by mail, in which case your later submitted proxy will be recorded and your earlier proxy revoked.

Second, you can complete and deliver prior to the special meeting a new proxy card. The proxy card should be sent to the addressee indicated on the pre-addressed envelope enclosed with your initial proxy card to arrive by the close of business on the day before the special meeting, which is currently scheduled for December 11, 2009. The latest dated and signed proxy actually received by this addressee before the special meeting will be counted, and any earlier proxies will be considered revoked.

Third, you can attend the special meeting and vote in person. Simply attending the meeting, however, will not revoke your prior proxy, as you must vote at the meeting to do so.

Fourth, you can deliver to Intellon prior to the special meeting a written notice by mail or facsimile stating that you want to revoke your proxy. The notice should be sent to the attention of the Corporate Secretary, 5955 T. G. Lee Boulevard, Suite 600, Orlando, FL 32822, facsimile (407) 428-2850, to arrive by the close of business on the day before the special meeting, which is currently scheduled for December 11, 2009.

If you have instructed a broker to vote your shares, you must follow directions received from your broker to change your vote.

Should I send in my stock certificates now?

Each Intellon stockholder is being sent an election form and transmittal materials with this proxy statement/prospectus that will provide instructions on sending your stock certificates. However, **do not** send your stock certificates with your proxy card. Please see *About Electing the Merger Consideration How do I elect the type of merger consideration that I prefer to receive?* below for information regarding delivery of your stock certificates.

Where will my shares of Atheros common stock be listed?

Atheros will apply to have the shares of Atheros common stock that will be issued to the Intellon stockholders in the Merger approved for listing on the NASDAQ Global Select Market. Atheros common stock currently trades on the NASDAQ Global Select Market under the symbol **ATHR**.

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About Electing the Merger Consideration

How do I elect the type of the merger consideration that I prefer to receive?

Each Intellon stockholder is being sent an election form and transmittal materials along with this proxy statement/prospectus. You must properly complete and deliver to Computershare Trust Company, N.A., or the exchange agent, the election materials, together with your stock certificates or confirmation of book-entry transfer (or a properly completed notice of guaranteed delivery or affidavit of lost certificate). A return envelope is enclosed for submitting the election form and certificates or confirmation to the exchange agent. This is different from the envelope that you will use to return your completed proxy card. **Please do not send your stock certificates or form of election with your proxy card.**

Election forms and stock certificates or confirmation of book-entry transfer (or a properly completed notice of guaranteed delivery or affidavit of lost certificate) must be received by the exchange agent by the election deadline, which is 5:00 p.m., Eastern Time, on the day before the special meeting, which is currently scheduled for December 11, 2009.

If your shares are held in a brokerage or other custodial account, you should receive instructions from the entity where your shares are held advising you of the procedures for making your election and delivering your shares. If you do not receive these instructions, you should contact the entity where your shares are held.

If any Intellon stock certificate has been lost, stolen or destroyed, the exchange agent may, in its discretion and as a condition precedent to the payment of cash or the issuance of any certificate representing Intellon common stock in exchange therefore pursuant to the Merger Agreement, require the owner of such certificate to deliver an affidavit claiming that such certificate has been lost, stolen or destroyed and a bond in customary amount as indemnity against any claim that may be made with respect to that certificate against Intellon, Atheros or the exchange agent.

If you do not properly submit your election form with your stock certificates or confirmation of book-entry transfer by the election deadline, then, you will be deemed to have made the cash election and promptly after the Closing the exchange agent will mail to you a letter of transmittal and instructions for surrendering stock certificates for use in exchanging your shares of Intellon common stock for up to \$7.30 in cash (with the balance paid in Atheros common stock).

In the event the Merger Agreement is terminated, any shares of Intellon common stock that you previously sent to the exchange agent will be promptly returned to you without charge.

Do I have to make the same election with respect to all of the Intellon shares that I own?

Yes. The election you make will apply to all shares of Intellon common stock covered by the election form. Any shares of Intellon common stock held by you that are not covered by a validly submitted election form will be deemed to have elected the cash election and you would therefore receive up to \$7.30 in cash (with the balance paid in Atheros common stock) in exchange for each of such shares of Intellon common stock.

What if I do not make an election?

If you do not submit a properly completed and signed election form to the exchange agent by the election deadline (or if you submit a properly completed election form indicating no election, together with the certificates or confirmation of book-entry transfer representing all of your shares), then you will be deemed to have made the cash election and would therefore receive up to \$7.30 in cash (with the balance paid in Atheros common stock) in exchange for each of your shares of Intellon common stock.

Can I change my election after I submit an election form?

Yes. You may revoke your election of the merger consideration with respect to your shares of Intellon common stock by delivering written notice of your revocation to the exchange agent prior to the election

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deadline. If you instructed a broker to submit an election for your shares, you must follow your broker's directions for changing those instructions. In addition, any election of merger consideration you make will automatically be revoked if the Merger Agreement is terminated. To change your election you must revoke your existing election and properly submit a new election form.

If an election is properly revoked with respect to shares of Intellon common stock represented by stock certificates, the certificates representing such shares will be promptly returned to the holder who submitted them to the exchange agent unless a new election is properly made.

You will not be entitled to revoke or change your election following the election deadline. As a result, if you make an election, then you will be unable to revoke your election or sell your shares of Intellon common stock during the interval between the election deadline and the date of completion of the Merger.

How to Get More Information

Where can I find more information about Intellon and Atheros?

You can find more information about Intellon and Atheros from various sources described under the heading "Additional Information for Stockholders - Where You Can Find More Information" beginning on page 116 of this proxy statement/prospectus.

Whom do I call if I have questions about the special meeting or the Merger?

If you have any questions about the special meeting or the Merger or if you need additional copies of this proxy statement/prospectus or the enclosed proxy card, you should contact:

Innisfree M&A Incorporated
501 Madison Avenue, 20th Floor
New York, New York 10022
Stockholders Call Toll-free: (877) 456-3427
Banks & Brokers Call Collect: (212) 750-5833

If you need an additional election form, you should contact the exchange agent:

Computershare Trust Company, N.A.

c/o Voluntary Corporate Actions
P.O. Box 43011
Providence, RI 02940-3011

If you have any questions, you should contact the information agent:

199 Water Street 26th Floor
New York, NY 10038
Banks and Brokers Call: (212) 440-9800

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SUMMARY

This summary highlights selected information from this proxy statement/prospectus and may not contain all of the information that is important to you. To understand the Merger fully and for a more complete description of the legal terms of the Merger, you should carefully read this document and the documents to which we have referred you, including the Merger Agreement attached as Annex A to this proxy statement/prospectus. See **Additional Information for Stockholders** **Where You Can Find More Information** on page 116 of this proxy statement/prospectus.

Who We Are

Atheros Communications, Inc.

5480 Great America Parkway

Santa Clara, CA 95054

(408) 773-5200

Atheros Communications, Inc. is a global leader in innovative technologies for wireless and wired communications products that are used by a broad base of customers, including manufacturers of personal computers, networking equipment and consumer electronics devices. Atheros combines its wireless and wired systems and software expertise with its high-performance radio frequency, mixed signal and digital semiconductor design skills to provide highly integrated chipsets that are manufactured on low-cost, standard complementary metal-oxide semiconductor processes. Its product portfolio includes solutions for Wireless Local Area Network, or WLAN, Mobile WLAN, Ethernet, Bluetooth, and Global Positioning System.

Intellon Corporation

5955 T. G. Lee Boulevard, Suite 600

Orlando, FL 32822

(407) 428-2800

Intellon is a leading fabless semiconductor company that designs and sells integrated circuits, or ICs, for high-speed communications over existing electrical wiring. Intellon's ICs enable home connectivity, which is the sharing and moving of content among personal computers and other consumer electronics products in the home. Intellon also sells its ICs for use in powerline communications applications in electric utility and other commercial markets. In the utility market, Intellon's ICs enable various smart grid applications, which help utilities monitor and manage in-home electricity consumption during peak periods. In the commercial market, Intellon's ICs enable the distribution of broadband services over existing electrical wiring and coaxial cable to individual units within apartment buildings and other multiple dwelling units.

Intellon's Reasons for the Merger and Recommendation of the Intellon Board of Directors to Intellon Stockholders (page 42)

The Intellon board of directors has determined that the Merger is advisable, fair to, and in your best interests and unanimously recommends that you vote **FOR** the approval and adoption of the Merger Agreement and approval of the Merger and any adjournment of the special meeting.

You should refer to the factors considered by the Intellon board of directors in making its decision to approve the Merger Agreement and recommend its approval and adoption to the Intellon stockholders.

Opinion of Intellon's Financial Advisor (page 53)

In deciding to approve the Merger, Intellon received an opinion from Deutsche Bank Securities Inc., or Deutsche Bank, dated September 8, 2009, as to the fairness to the holders of Intellon common stock of the

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consideration to be received in the Merger from a financial point of view. This opinion is attached as Annex B to this proxy statement/prospectus. You may read this opinion for a discussion of the assumptions made, matters considered and limitations on the review by Deutsche Bank in rendering its opinion. This opinion does not constitute a recommendation to any stockholder as to how he or she should vote on the Merger or as to the form of consideration that a stockholder should elect.

Atheros Reasons for the Merger (page 45)

The Atheros board of directors believes that the Merger with Intellon will enable Atheros to advance its mission of building a diversified communications semiconductor company offering a broad portfolio of product technologies that serve large and high-growth markets. Atheros believes that the Merger with Intellon will enhance its position as a leading provider of networking platforms that enable seamless delivery of voice, video and Internet traffic.

These anticipated benefits depend on several factors, including the ability to obtain the necessary approvals for the Merger, and on other uncertainties described beginning on page 22 of this proxy statement/prospectus.

What Intellon Stockholders Will Receive in the Merger (page 68)

Intellon stockholders may elect to receive, for each share of Intellon common stock:

a combination of approximately 0.135 shares of Atheros common stock and \$3.60 in cash, which we refer to as the mixed election ;

up to 0.267 shares of Atheros common stock with any portion not paid in stock, due to the proration discussed below, paid in cash, which we refer to as the stock election ; or

up to \$7.30 in cash with any portion not paid in cash, due to the proration discussed below, paid in stock, which we refer to as the cash election.

If you do not make an election, you will be deemed to have made