Thank you, Warren, and good afternoon, everyone. At the outset of the year, we established a plan to extend our technology leadership and drive strong growth in our core businesses. That's exactly what we've done.

Our revenues grew to a record $15 billion in fiscal 2011, and we delivered record earnings and MSM chipset volumes. Looking forward, we expect strong revenue and earnings growth again in fiscal 2012. In the coming year, we expect continued healthy growth in CDMA-based device shipments despite the macroeconomic slowdown. Smartphones will lead the way, along with the continued global adoption of 3G and accelerating consumer demand for wireless data.

We had a number highlights this year. We had strong growth in our Licensing business, delivering both record revenues and earnings. We successfully resolved 2 licensee disputes and completed the last of the WCDMA subscriber unit renewals we highlighted some years ago. We now have over 200 royalty-bearing 3G licenses and 13 single-mode OFDM licensees around the world.

During fiscal 2011, we also continued to expand our licensee base in China, adding more than 20 new Chinese licensees. Through our licensing program, we continue to foster innovation and support the ecosystem that benefits wireless consumers worldwide.

And QCT continued to execute well. We believe our Snapdragon family of chipsets has established the industry standard in mobile, allowing us to expand our partnerships with several new customers. We've sampled the industry's first integrated application processor and multimode LTE platform for handsets. The breadth and depth of our product portfolio is unparalleled, and we believe that our WCDMA chipset volumes are growing faster than the competition.

We completed our largest acquisition to date with the addition of Atheros. The integration process has gone very well, and we're starting to see good progress on our combined road map and expanded channel opportunities.

In India, we worked hard to ensure LTE TDD was adopted, and we're pleased to see the initial build out contracts being awarded. And according to GSA, there are 2 commercial LTE TDD networks in Saudi Arabia, with an additional 27 operators making LTE TDD network investments around the world. We've collaborated with several OEMs on the launch of multimode 3G LTE TDD devices, demonstrating the ecosystem's readiness for deployment.

QIS successfully launched the QChat push-to-talk platform with both Sprint and Nextel International with handsets provided by multiple OEM partners.

With respect to mirasol, we continue to work with partners on low-volume projects as we await the completion of our new fab.

And as planned, we have executed on our restructuring plan for FLO TV and have agreed to sell the related spectrum to AT&T. And we believe that regulatory approval should be granted as expeditiously as possible as our proposed spectrum sale furthers many of the key policy goals that the SEC is actively promoting.

Specifically, the deal will ensure that our unpaired spectrum is put to its highest and best use as soon as possible, putting up much needed spectrum for mobile broadband just as the SEC is striving to address the spectrum crunch that we're all facing. And it will result in the world's first deployment of supplemental downlink technology, thereby promoting mobile innovation. Furthermore, there is going to be significant tax revenue generated for the government once that transaction closes.

So overall, we delivered very strong earnings and operating cash flow growth in fiscal 2011. We increased our dividend for the eighth consecutive year and returned $1.5 billion to shareholders in the form of buybacks and cash dividends. We ended the year well positioned with a strong balance sheet, including approximately $21 billion in cash and marketable securities.

Turning to calendar 2012. We expect CDMA-based device shipments to grow approximately 16% year-over-year based on the 900 million-unit midpoint of our forecast. And when we look at our business, we see 5 key drivers for growth.

First is the continued mass adoption of smartphones. According to Gartner, global smartphone shipments reached 108 million units in the second quarter of 2011, representing a 74% year-over-year increase and are expected to surpass 1 billion units annually by 2015.

Second is the growth of 3G in emerging regions. According to Wireless Intelligence, approximately 67 million 3G connections were added in emerging regions this past quarter, representing a 38% year-over-year increase, and greater than 1.5 billion new 3G connections are expected to be added in these regions through the end of 2015.

A third catalyst is the opportunity for mobile computing and the expansion of 3G connectivity into device types beyond the handset. Microsoft's demonstration of Windows 8 on Snapdragon at their recent developer conference underscores this shift in the computing landscape. Further, as an indication of this trend, AT&T recently reported that nearly half their third quarter net wireless additions came from devices other than handsets.

The fourth key driver is the continued deployment of advanced network technologies to handle the accelerating demand for data. According to the GSA, there are now 152 HSPA+ and 35 LTE commercial networks throughout the globe. According to CDG, there are also 129 EV-DO Rev. A and 10 Rev. B networks.

And finally, we see the expansion of connectivity as a growth driver for our business. We believe in an Internet of everything where we'll be surrounded by an increasing number of connected devices, and the combination of Atheros with QCT positions us well for that opportunity. We'll explore these key drivers in more detail during our upcoming New York Analyst Day, and I look forward to seeing many of you there.

To wrap up, we've completed another outstanding year at Qualcomm, and I'd once again like to thank all of our employees and partners for their ingenuity, effort and support. Looking forward, I'm pleased with our outlook for continued strong revenue and earnings growth in fiscal 2012.

That concludes my remarks, and I'll now turn the call over to Qualcomm's President and COO-elect, Steve Mollenkopf.

Steven M. Mollenkopf

Thank you, Paul, and good afternoon, everyone. Our QCT business delivered strong results again this year, reflecting increased demand across our broad product portfolio, particularly for smartphone chipsets.

We had another record year, shipping approximately 483 million MSMs, up 21% year-over-year. We just completed our highest-volume quarter in history with approximately 127 million MSMs shipped. We are extremely pleased to have completed the Atheros acquisition and are off to strong start in providing our customers best-in-class connectivity and networking solutions, expanding our business beyond mobile into consumer electronics, computing and networking.

We also made a number of other targeted acquisitions that added to our technology portfolio to enable new opportunities. Our integration strategy continues to win in mobile wireless and is a clear driver of our strong results. Shipments of our integrated Snapdragon chipsets grew more than 4x this year. The cost, size and performance advantages of our integrated approach position us to grow faster than our competitors. We expect the demand for integrated chipsets to increase at both high end and mass market smartphone sales growth, particularly in developing regions.

We have worked hard to extend our customer footprint, and you can see the results in the marketplace. Nokia just launched their first Windows Phone 7 devices based on our silicon. The BlackBerry 7 base launches use our products globally, and we have grown and diversified our OEM partnerships in China. Our extensive tier chipset products are clearly aligned with the needs of device OEMs, and we are now providing solutions to all the leading device manufacturers in our industry.

There are now more than 300 Snapdragon-based devices announced and more than 350 additional devices in development. New Snapdragon-based devices launched this quarter include the HTC Jetstream LTE tablet for AT&T, the BlackBerry Torch 9850, and the Samsung GALAXY S II for T-Mobile USA and the Samsung GALAXY Tab 10.1 LTE for NTT DOCOMO. We have made tremendous progress with the move to 28-nanometer, and the Snapdragon MSM8960 is seeing very strong design activity across our customer base.

LTE is increasingly becoming a design requirement, and our time-to-market advantage with integrated LTE multimode in the MSM8960 is valued by our customers. In addition to global connectivity in the 8960, we continue to lead in computing and graphics with our new Krait CPU micro-architecture and next-generation Adreno graphics system. The Qualcomm Atheros team is also executing well with quarter-over-quarter growth across all channels and geographic regions as wireless attach rates continue to increase in consumer electronics and QCA's comprehensive networking platforms, consisting of WiFi, PLC and ethernet, drive greater value.

We continue to invest in the Windows computing platform and associated ecosystem to address new device categories beyond traditional cellular. Microsoft recently demonstrated Windows 8 running on Snapdragon at their BUILD conference and highlighted how our mobile architecture enables a feature called connected standby. This feature enables a Windows 8 PC to run on low-power mode and remain connected to the network and always up to the date, much like smartphones do today. This underscores the advantages our mobile architecture does in bringing the computing realm and demonstrates the natural advantages of a Snapdragon-based solution. We expect Windows 8 to be a significant opportunity for us beyond this fiscal year.

As we move forward, we continue to expect our operating margins to reflect the growing mix of mass-market smartphones, continued investment in mobile computing and the full year effect of the acquisitions we made this year. Even with this, we are expecting fiscal 2012 revenue and operating income to grow at a rate in excess of CDMA device growth. Further, we are expecting to get off to a strong start with MSM shipments estimated to be between 146 and 154 million units in the first fiscal quarter.

In closing, we believe the QCT team executed very well in fiscal 2011 and continued to drive our technology and integration leadership position in the industry. We believe we are in a strong competitive position to continue to grow and to lead the transition to smartphones across all tiers and regions, as well as the growth of mobile computing.

That concludes my remarks. I look forward to seeing many of you in New York at our upcoming analyst event. I will now turn the call over to Bill Keitel.

William E. Keitel

Thank you, Steve, and good afternoon, everyone. We have strong financial results to report to you again today. Fiscal fourth quarter revenues were a record $4.1 billion, up 39% year-over-year, and non-GAAP operating income grew 44% year-over-year. Non-GAAP earnings per share were $0.80, up 18% year-over-year.

QCT fiscal fourth quarter revenues reached a new record, growing 39% year-over-year on the strength of record MSM shipments, reflecting strong demand for our integrated Snapdragon chipsets for the growing smartphone segment, as well as a full quarter of Atheros revenues.

QTL revenues grew 48% year-over-year, and total reported device sales by our licensees were approximately $39.1 billion for the fourth fiscal quarter, up 38% year-over-year driven by strength in both emerging and developed regions.

We estimate that approximately 187 million to 191 million subscriber units were shipped by our licensees in the June quarter at an average selling price of approximately $204 to $210. We continue to see handset ASP strength across both emerging and developed regions, as well as increasing breadth of connected devices.

We paid $361 million in cash dividends this quarter. And in response to the volatility and declining global stock markets, we engaged in $827 million of activity related to our stock repurchase program. During the fourth fiscal quarter of 2011 and to date through fiscal 2012, we have repurchased $241 million of our common stock and sold 3 put options that will expire at different times in the latter half of fiscal 2012 when we expect to have higher domestic cash balances. If these puts are exercised, we will repurchase approximately $511 million of our common stock, net of option premiums, at an average net price of $43.30 per share. Whether or not the puts are exercised, we will retain $75 million of cash premiums and therefore believe our stockholders will benefit in either case.

Turning to our results for the full fiscal 2011 year. Revenues were a record $15 billion, up 36% year-over-year, reflecting strong execution by our QTL and QCT businesses and continued smartphone adoption and 2G to 3G migration. GAAP earnings were a record $2.52 per share, up 29% year-over-year. Record non-GAAP operating income was more than $6 billion, up 41% year-over-year, and non-GAAP earnings per share were a record $3.20, up 30% year-over-year.

QCT's fiscal 2011 revenues were a record and grew 32% year-over-year with an operating margin of 23%, consistent with our original guidance range at the outset of the fiscal year. QCT's operating income grew 21% year-over-year.

QTL's fiscal 2011 revenues were a record, up 48% year-over-year, and the operating margin improved to 88% of revenue. We estimate that the fiscal 2011 device average selling price, as reported by our licensees, was approximately $203 to $209 above our initial expectations at the outset of this year, reflecting strong adoption of smartphones around the globe. We are reaffirming our 775 million-unit midpoint estimate for calendar 2011 CDMA-based device shipments up approximately 18% year-over-year.

Now turning to next year. We've incorporated in our forecast the most recent consensus worldwide economic forecast, which takes into account the serious concerns for Europe and very low GDP growth in the U.S. We estimate calendar 2012 CDMA-based device shipments will grow approximately 12% to 21% year-over-year. We anticipate fiscal 2012 revenues to be in the range of approximately $18 billion to $19 billion, up approximately 24% year-over-year at the midpoint. We expect our non-GAAP operating income to be in the range of approximately $6.7 billion to $7.2 billion, an increase of approximately 14% at the midpoint. We expect fiscal 2012 non-GAAP earnings per share to be in the range of $3.42 to $3.62, an increase of approximately 10% year-over-year at the midpoint.

We expect that the acquisitions that Steve just mentioned will be modestly dilutive to fiscal 2012 non-GAAP earnings per share, and this has been included in our guidance. As a reminder, we do not include estimates for realized investment gains or losses on our cash and marketable securities portfolio unless such gains or losses are reasonably certain, which, in turn, impacts the year-over-year earnings per share growth comparison.

We expect QTL operating margins to be in the range of 86% to 88% for fiscal 2012. For the QCT segment, as Steve mentioned, we expect strong year-over-year growth in revenue and operating income, leveraging the fiscal 2011 strategy, which we think has been successfully executed. We expect QCT operating margins to be approximately 20% to 22% for fiscal

2012. We estimate that the fiscal 2012 device ASP reported to us by our licensees for the QTL business will be approximately $197 to $209, reflecting continued adoption of smartphones at multiple tiers around the globe and a greater percentage of total device volume coming from lower-priced regions such as China and India.

We anticipate that non-GAAP R&D and SG&A combined expenses will grow approximately 15% year-over-year, plus or minus a couple of points, and driven primarily by growth in R&D expense and a full year of Atheros. We expect our non-GAAP tax rate for fiscal 2012 to be approximately 18% to 19% and our GAAP tax rate to be approximately 18%.

Turning to the first quarter of fiscal 2012. We estimate revenues to be approximately $4.35 billion to $4.75 billion, an increase of 36% year-over-year at the midpoint. We expect fiscal first quarter non-GAAP operating income to be approximately $1.67 billion to $1.8 billion, an increase of 23% year-over-year at the midpoint. We anticipate that non-GAAP earnings per share will be approximately $0.86 to $0.92, an increase of 9% year-over-year at the midpoint. This estimate includes shipments of approximately 146 million to 154 million MSM chipsets during the December quarter, reflecting strong sequential growth and successful execution on QCT's strategy.

We expect total reported device sales of approximately $37.5 billion to $41.5 billion by our licensees for shipments in the September quarter, up 16% year-over-year at the midpoint, reflecting strong handset volume growth expected in emerging and developed regions, as well as increased non-handset device shipments.

We expect a small build in the CDMA channel inventory in the December quarter, as is typical for the holiday season, and we estimate that CDMA inventory channel will remain at the low end of the historic 15- to 20-week band throughout the remainder of fiscal 2012. We expect a modest sequential increase in non-GAAP R&D and SG&A combined expenses, and we expect our non-GAAP tax rate for the first fiscal quarter to be approximately 18% to 19%.

We look forward to seeing you in New York for our Analyst Day meeting on November 16 where we will share additional data points regarding our fiscal 2012 guidance. In the meantime, the Qualcomm Investor Relations website includes a thorough slide presentation on the data points included on today's call.

That concludes my comments. I will now turn the call back to Warren Kneeshaw.

Warren Kneeshaw

Thank you, Bill. Operator, we're ready for questions.

Question-and-Answer Session

Operator

[Operator Instructions] Tim Long from Bank of Montreal.

Tim Long - BMO Capital Markets U.S.

Two-part, if I could, on the unit growth assumptions. Sticking -- Bill, sticking to the 775, I know you're not giving the September number, but the royalty revenue looks kind of flat, sequential. So it looks to me like that's implying a much -- low double-digit sequential growth in the fourth quarter. So what is the reason for a little less-than-seasonal Q4 compared to historic? And does that have any impact on your model for next year that the 16% growth is also below what we've done in the last few years? Is it more cautious for you in Q4? Does that carryover seasonality-wise to the calendar '12 number?

William E. Keitel

Sure, Tim. Yes, we are reaffirming the 775 number. And for next year, the midpoint growth estimate of about 16% is a little lower than we've seen in recent years. But likewise, we think the global economy is looking weaker as well. So we've triangulated that CDMA-based unit shipment forecast for next year to a rather low global GDP growth estimate, again particularly for Europe but also for the U.S. The strength we're seeing, if anywhere, on global GDP would be in the emerging markets. Specific to our fiscal Q1 guidance relative to the fiscal Q4, if you'll recall, the QTL revenues are recorded one quarter in arrears. And so what we'll report in our fiscal Q1 will be shipments for fiscal Q4. Fiscal Q4 we don't think had a significant growth over fiscal Q3 in the market, whereas for the market as a whole, we are seeing strong growth in the -- in this first fiscal quarter, which QTL, we expect, will reflect next quarter.

Operator

Mike Walkley with Canaccord Genuity.

T. Michael Walkley - Canaccord Genuity, Research Division

Steve, just want to get some more color on the 8960. As you move to 28-nanometer, it seems like a turnkey product for your road map in 2012. This product brand, how should we think about it as it impacts your ASP? Should we kind of have our normal seasonal price decline in March, but then, as 8960 ramps, your ASPs could kind of go up embedded in your guidance?

Just trying to get some color on ASP. And then, if you can just give any color on 8960 in general, that'd be very helpful.

Steven M. Mollenkopf

A couple of things. One is it's progressing pretty much the way that we had hoped. So it's on track for the dates that we talked about last call. We'll see that build volume through really the mid-calendar year of '12 and -- as we've said before. So quite happy with how that's looking both from a designing perspective as well as from the engineering side. We will -- that will build throughout the year. We're also taking the 28-nanometer process and we're actually going to create a tier of products, which I think we've talked a little bit about before. On a high-end, more of a tablet-specific part as well as a mass market LTE product. So if you look at 28-nanometer in total through next year, or through this year, fiscal year '12, you'll see it build on the 8960, which I would consider to be a premium part, and then transition to a tiered road map pretty consistent with what we've done with other technology transitions as well.

Operator

Tal Liani with Bank of America.

Tal Liani - BofA Merrill Lynch, Research Division

I have 2 related questions, and then just one clarification. Further clarification is about Forex. How do you look at foreign exchange and the fluctuations we have seen last quarter? And kind of what -- your assumptions for next year when you give out the guidance. My question is about the semiconductor business about -- first, share prospects in China and India given the recent ramp of MediaTek and spectrum. And also, given all the puts and takes that there are in QCT, what are your ASP assumptions for next year? And I'm not referring to perhaps a number but just to understand the thinking process behind it.

William E. Keitel

Tal, I'll take your first one here on the FX. For the near term here, it's pretty minor really. For the quarter we just reported, there is a couple of dollar impact, and we see an offsetting couple of dollar impact in the first quarter. A little positive for the fourth quarter, a little negative for the first quarter. For the full year at this point, our -- we're not forecasting much of an FX impact at all. On the ASPs, the second one, we are expecting a continued strong acceleration of smartphones. I think that's probably our single biggest driver on the smartphones. They've grown substantially this year. The penetration rate has come up nicely. We expect continued strong growth there in fiscal '12. On top of that, we are forecasting stronger growth in the emerging markets relative to developed markets. So that would be, I think, the second most significant variable. The first one, the smartphone growth, is putting upward pressure on the ASPs. Stronger emerging market growth relative to developed market growth is putting some downward pressure on them.

Steven M. Mollenkopf

And this is Steve. I can maybe just say a few things about share. So we feel that we're pretty well positioned actually in the emerging markets. In fact, it's been an area of strength for us for some time. And the initial products that we've had -- we've been launching here in the last couple of years have actually been quite successful worldwide. I think our 27 family of products just recently throughout the fiscal 2011 actually crossed the 100 million-unit mark. And we've just upgraded that product line and the 27A [ph], and that was actually our fastest product to go from tapeout to products-in-stores ever. So it's -- we feel that's been a good product for us, and we feel pretty well positioned. Those markets, though, are new areas for us in terms of their transitions to smartphones, and we look at that really as an opportunity versus a risk.

Operator

Brian Modoff with Deutsche Bank.

Brian T. Modoff - Deutsche Bank AG, Research Division

A couple of questions. First, I was attending a trade show today, and we had 2 operators, Verizon and Sprint, talking a lot about multiple devices amongst their users, as well as machine-to-machine. Do you plan to break out units going into non-handheld devices at some point in the future in terms of forecasting machine-to-machine in some of these other opportunities? Could you give us an idea of the sizing of those markets? Second question. Steve, give us an update on the timing of when you plan to send that 50% market share letter to Irwin?

William E. Keitel

I'll let Steve take that second one. This is Bill. On the first one, we're having that discussion, Brian, of whether we will would breakout more. We haven't made a firm decision for the analyst [indiscernible]. But I would caution our leaning is not to do so. Having said that, we -- to your point about multiple devices per user, we are working on a little more color around just that point and the kind of penetration rates that we're starting to see in different regions around the world. And hopefully, that will be both a interesting and an informative day that we can bring forward in New York.

Steven M. Mollenkopf

And Brian, I think I won't comment on exactly the timing, but he actually does that write an email on this topic every once in a while. But I would say we've been quite pleased with how the WCDMA business has been performing. And I think with the sequential increase in the MSM volume, it's been -- I think the strategy's been paying off, both for the smartphone products as well as the modem-specific products. We're quite pleased with how the business is performing.

Operator

Ehud Gelblum with Morgan Stanley.

Ehud Gelblum - Morgan Stanley, Research Division

Just a couple of quick ones. One, on the -- Steve, you had mentioned that there are 350 Snapdragon devices in development right now. Can you give us a sense just how many of those are on the 8960? And I think it's interesting you mentioned Samsung, as well, on one of their tablets. If you can just give us some color as to what those 350 look like, because again, versus the 300 it seems that are out there right now it would sort of pretend that the mix -- in your shipments are going to go well towards the Snapdragon side versus today, when it seems to be overwhelmingly on the baseband side. But if you can give us a sense as to what's in those 350. My other question for Bill was on the QCT margin, on linearity next year. I think you guided to 20% to 22% for the year. It looks like lead-in guide fiscal Q1, it looks like we're going to start the year somewhat on the hotter side of that. I would imagine 22% or higher in fiscal Q1. And with the 8960 coming in the back half of the fiscal year, I've always thought that to be a higher-operating-margin product. So I'm just wondering, how do we get into the 20% to 22% range? It looks like we're starting at the high end and only going higher as the year goes on. If you can just give us a sense as to what the linearity of the QCT operating margin looks like, Bill, that'd be awesome.

Steven M. Mollenkopf

Ehud, this is Steve. So in answer to your first question, the 350, it's a pretty broad mix. As you know, we -- our Snapdragon family is a -- is really a family of products, from the mass-market smartphones all the way up into integrated LTE products. And what we're seeing in terms of forward-looking mix is, I would say, tremendous growth in the mass-market smartphones around the world. You're seeing a lot of designing activity in those mass-market areas. We're also starting to see, I think, more penetration of LTE and the leading AP processor coming together. I think we talked a little bit about this throughout the year in 2011, how we thought the second half of 2011 calendar would include products that had both high-performing application processor coming alongside with the LTE chipset, as well. Again, multimode LTE chipset. And we're seeing that play out. It's a good on-ramp, I think, into the 8960. So it's very, very mixed, and I think it reflects the market outlook, if you look at the mix of Snapdragon products. If you look at the market outlook, which I think is really very -- strong growth up and down the tiers. We're seeing that same thing in design and activity.

William E. Keitel

Ehud, this is Bill. On your point on the margins, QCT margins. We do think we're getting off to a good start here in this first fiscal quarter on a number of fronts, including the QCT margin. Beyond that, in terms of how the year will play out, we are working on planning to give more color on that in New York week after next. In the meantime, what I would just say is that when I look at the timing of what I see for this year as compared to prior years -- maybe put 2009 aside because there was such a sudden change in channel inventory in that year. Put 2009 aside. But compared to other years, I don't think the revenue profile, or the operating income profile through the year will be dramatically different for fiscal 2012 compared to prior years. But we are hoping to share some more details with you on that in New York.

Operator

Ittai Kidron with Oppenheimer.

Ittai Kidron - Oppenheimer & Co. Inc., Research Division

A couple of quick ones for me. First of all, Bill, on the impact of acquisitions on '12, I believe you mentioned it's slightly dilutive. But if I remember correctly, Atheros was supposed to be modestly accretive. So maybe I missed an update somewhere in the middle. If you can reconcile that. And second, with respect to QCT margins again, now that the Atheros is in the mix and you're going deeper into the meat tier of the market, Steve, as you mentioned in your prepared remarks, is your path here again somehow into the mid-20s? Or is this going to be a very long-term kind of margin target out there?

William E. Keitel

Ittai, it's Bill. I'll take your first one on the acquisitions. You are correct. We did -- we mentioned last year that for 2012, we thought Atheros would be accretive to non-GAAP by a couple of cents, and that is built into our guidance. The -- what I mentioned in my comments, introductory comments, was that relative to some acquisitions we completed in the fourth fiscal quarter, GestureTek being one and an asset acquisition we made being another, the combination of those 2 -- there was a third small one. The combination of those 3 will -- I expect will largely offset the accretion that we're looking for, for Atheros.

Operator

Rod Hall with JP Morgan.

Rod B. Hall - JP Morgan Chase & Co, Research Division

Just a couple for me. One is just back to Atheros. I wonder if you guys could comment on what the revenue contribution was in the quarter and what you're expecting growth to look like next year, that being the first one. And the second one is back to kind of the QCT margin point. I mean, the revenue guidance is ahead of what we would have expected and I think what the Street would have expected for next year, so that's good news. EPS, though, coming in pretty close to inline with what we were thinking. And I guess the extra revenue looks like, based on your unit guidance for devices or handsets, it's coming mostly from QCT. But I think that -- the EPS suggests that the margins really aren't as good there. So I'm just trying to figure out how -- why that's the case because we do expect that mix to be shifting up towards Snapdragon and would have expected that Snapdragon mix to augment those margins.

William E. Keitel

Rod, this is Bill. I'll contribute some comments to your questions. Maybe others would have a few other thought. On the Atheros one, we gave a lot of detail on Atheros last quarter because we had guided fiscal Q3 without Atheros and then, of course, we closed on the acquisition. So we gave extra detail on Atheros. We're going to refrain from that for the most part, going forward, other than just reiterate Steve's comments that we have seen good growth from the Atheros business and we expect strong growth next year as well. On the -- your point on the margin guidance and the EPS, we are -- yes, I mean, I think we're a bit higher. Our EPS midpoint, anyway, is a bit higher than where the Street average was. I don't know how much was being imputed in for these acquisitions we completed in -- just completed in the fiscal fourth quarter, which degraded that by a bit. But beyond that, as I did say on my opening comments, we do expect QCT operating margins to be in a range of 20% to 22%, which -- put a little perspective to it. You do have a -- you get a full year Atheros in there, and Atheros operating margin operated a few hundred basis points below what we typically operated at. So number one. Number two -- I'm already getting into a bit of what we're going to share in New York, but I'll just touch on it. The operating expense growth that we expect for fiscal '12 will be heavily weighted towards QCT again. So that's putting a little pressure on the operating margin as well. But other than that, I would just say, I think, as Steve said it, I think if we can execute in a 20% to 22% range operating margin for QCT at the kind of growth we expect and with the substantial investments that we're making for the future, I think we feel pretty good about that.

Operator

Mark McKechnie from ThinkEquity.

Mark McKechnie - ThinkEquity LLC, Research Division

I wanted to ask a few questions. One is on Windows 8. This is probably for Steve. If you can give a sense of the timing? And then also, on the timing of that, what kind of developments you're seeing in terms of the applications porting of regular desktop- or notebook-style apps for ARMs-based Windows at 8 and how that's going to roll out. And then the second is for Bill just on how much of your cash is offshore versus onshore.

Steven M. Mollenkopf

Mark, this is Steve. I'll talk about the first question. On Windows 8, as I said in my remarks, we don't think that will be the big revenue event here in this fiscal year. But we continue to invest, I think, upstream of what we think will be a very interesting opportunity. So there are multiple chipsets actually right now in development in support of what we think will be a pretty interesting market here in the next several years. The -- I don't want to talk in any great detail about the timing. I think Microsoft alluded to that, or at least provided some indication at their recent BUILD conference, but I will say that the initial products that we will use are already in the lab and already are in customer hands. So it's really an active development project now for us.

William E. Keitel

Mark, on the cash side, we've just got -- we closed fiscal Q4 with a little over $20 billion in cash, and approximately $5.7 billion of that was onshore.

Operator

Jeffrey Kvaal with Barclays Capital.

Jeffrey T. Kvaal - Barclays Capital, Research Division

I was wondering if you could spend a little time talking about the plusses and minuses in the QCT ASP outlook into 2012.

William E. Keitel

Jeff, I'll offer some thoughts here. This is Bill. I -- my first thought is that it mirrors much of what we commented earlier on with respect to QTL ASPs, that we're expecting much faster growth in the emerging world relative to the developed world. And the emerging world typically is a bit lower-end solution than what we see in developed world. But similarly with the Licensing business, where we're seeing -- we think we'll continue to see a strong acceleration in smartphones penetration. That is playing pretty well, I think, into our capabilities and our strategy on the QCT side. But I would say it's more developed versus emerging that would be the key theme there.

Operator

Matthew Hoffman from Cowen and Company.

Matthew Hoffman - Cowen and Company, LLC, Research Division

I'm going to ask another question on the Windows 8 front, this time to Paul. With the smartphone share gains really now playing out -- I think you would have sketched it out a year ago, Paul. I think the most controversial part of the story, Qualcomm's story, is the opportunity in Win 8 in PCs and what Qualcomm can do there. So the question is what would you consider to be a successful entry into the market as we -- 12 months from now looking back, what will you define as success? And then second, market share-wise, where do you want to be in 2 to 3 years in PCs? Or is there a specific segment where you think you'll be most competitive?

Paul E. Jacobs

Matt, that's a nice try, but I'm not going to project market shares. But anyways, you know what? I will look back and say that we're successful if we see a strong launch and adoption of ARM-based devices, a significant number of application developers, both on new types of applications and porting applications, and also that we get strong adoption of mobile broadband into those devices. In terms of numbers, you can go -- you can look at the size of shipments of laptops. You won't see us driving into things like workstations, high-performance computing. There are companies that are talking about servers based on ARM. That's not our initial target. So I think that you'll see really kind of a market of tablets, clamshells and convertible devices, and really focused in on lightweight, long battery life, instant on, always on. We've done some really interesting demonstrations about how Microsoft's been able to turn off a lot of the parts of the system and really drive the power consumption down and yet have it turn on real quickly. So having all those kinds of functionality come to market, I think that will be, really, a good definition of success. And then as time goes on, we will see how much of that market we're able to take. And then as time goes on even farther, how ARM-based devices can push up into those higher-performance computing classes.

Operator

Romit Shah with Nomura.

Romit J. Shah - Nomura Securities Co. Ltd., Research Division

Just on the semiconductor business, you mentioned connectivity as a driver. As you integrate the Atheros road map into the Snapdragon platform, where do you see yourself gaining connectivity share? Is it in the high-end LTE phones or more low-end devices? And then, Bill, a question on seasonality. For the March quarter, your fiscal Q2, if I take the 10-year average excluding the high and the low, revenues are up about 2%. Is that how you think about seasonality for the March period?

Steven M. Mollenkopf

It's Steve. I'll take the first part of that. So on connectivity, it's very much an integration story, both at the high end and at the low end. One of the things that we've seen, particularly on the 8960 platform where we've -- where it's for the first time that we've integrated wireless LAN in with the baseband. We've been very pleased with the traction that we've been able to get. And so it's a very similar story to what we've seen in the past when we've integrated products. It's a much, much easier way to deliver the product to the OEM, and I think it comes at a better cost and a better performance envelope. So we expect the connectivity attachment to increase as we move forward consistent with that strategy.

William E. Keitel

On the seasonality for March. So March quarter, obviously, is post the Christmas season's selling period for -- which is pretty key for a number of markets. We typically see the channel build up a little extra inventory during that Christmas time, and then it gets worked off in -- through the March quarter. So that typically shows through in our QCT results. Whereas, on the QTL side, our -- the -- when we report March quarter, obviously that is December shipments of our licensees. So you get the Christmas effect in the Licensing side in the March quarter. The last couple of years, those 2 things have pretty well offset, and March has been a very -- I think, quite respectable. We're going to give a little more color on what we see this year when we're in New York, and -- but on average, you expect a little inventory work-off in the March quarter.

Operator

James Faucette from Pacific Crest.

James E. Faucette - Pacific Crest Securities, Inc., Research Division

I had just a couple of quick questions for Bill and then one for Steve Mollenkopf. First, you mentioned that you'd -- seemed like you had muted your forecast for units for next calendar year due to macro concerns, particularly for U.S. and Europe. Can you give us an idea of how that affected it? Did it just leave you with a lower low-end of your forecast range? Or -- just trying to gauge magnitude there. And secondly, for you, Bill, what the drag from mirasol was in fiscal year 2011, and how we should think about that for 2012. And then finally for Steve, can you just talk about the stand-alone app processor market? Obviously, most of your commentary has been focused on integration, and that's key differentiator for Qualcomm. But you have a stand-alone app processor, I believe, right now in the market. How should we think about that segment of the business for you?

William E. Keitel

James, on your first question on the next year market and what effect did it have, the macroeconomic concerns on the broader unit shipments we see. We've found over the years a pretty good correlation between GDP growth in a region and the rate at which new wireless devices are bought by the end consumer. So we've successfully used that correlation in our forecasting. We're continuing to use that correlation. I expect -- it is -- I don't see a major reason that would suddenly change. Then what helps Qualcomm is this continuing migration from 2G to 3G. So although we see a fairly lackluster world economy next year, we expect 3G will do a bit better than mobile devices as a whole because of the 2G to 3G transition. And then thirdly, the specifics we have seen, how we adjust our forecast. We typically see in a lower-GDP-growth environment is that replacement rate. Consumers tend to hold on to their devices a little bit longer. So we've incorporated a little lower replacement rate forecast than what we otherwise would have done. And then also, just the new device volume gets impacted as well. So that's kind of how we work through our forecast on that macro. It really leverages from this correlation we found between total mobile devices and GDP growth region by region. On mirasol, we did give an indication at the outset of 2011 that we expected -- I think it was -- if I remember correctly, we said about a $225 million operating loss. I expect we'll update that in New York. And at this point -- but with the business progressing, the R&D continuing and starting to bring more fab capacity online, we have a larger operating loss built into our guidance. So we will share more color on that in New York.

Steven M. Mollenkopf

James, this is Steve. With respect to your question on the stand-alone apps processor. Yes, we do have a stand-alone AP product. And we really did that because we had customers asking us for it, which I think is a great statement about the quality of the product. But by and large, the majority of the customer requests have been to have the integrated product. And I think there are 2 dynamics which are pulling that through. The first one is at the high end, it tends -- the high-end application processor tends to travel with the leading-edge modem. And we deliver those products together, and I think it's a very competitive offering. You see that in the 8960, but you've also seen that in our Fusion product line where we have really made it very easy for the OEMs to integrate together the LTE product and the dual-core application processor. Now in the low tier, it tends to be that cost is a big driver. So integration tends to rule the day there. And so majority of our shipments there tend to be in the integrated fashion. But we'll do whatever the market asks us to do in this case.

Operator

Kulbinder Garcha from Credit Suisse.

Kulbinder Garcha - Crédit Suisse AG, Research Division

A question for Bill on just the addressable market growth or the 16% you're looking for. Belying the standard statements you made around trying to factor in the weaker macro environment, I guess, just what surprises me a little bit is that compared to previous downturns, handset demand has normally got impacted quite quickly. I don't think we've seen in either the third quarter results or that most of the handset vendors have actually reported, all what they're talking about for Q4, in fact, if you aggregate the top 7 or 8 vendors. So if it hasn't come through now, what makes you think that you may come through later, and that just good old-fashioned Qualcomm conservatism? And the other thing about the 16% growth, I would have thought in there you would have also tablet growth. And the tablet market, depending on whose estimates you look at, is very immature. It could almost double next year. So that means that the underlying handset growth rate in your estimates is probably even lower than 16%. And so I'm just trying to square all this together in terms of what you see your customers in the chipset and licensee side say about demand in the near term that makes you flirt [ph] this conservatism as well as how you factor tablets into that number as well.

William E. Keitel

Sure, Kulbiner. On the tablet specifically, what we forecast is the 3G-enabled. That's what's in our numbers. We are looking for strong growth in tablets, but it's a relatively small base relative to -- when compared to handsets. So I think we're as top -- on top of that forecast as we can be. On your point about the overall forecast, I'll just put an overall perspective to it to begin with. First of all, I mean, for this year, I think the midpoint of our estimates all year has been 775 million units, and we'll see. But all data points at this point suggest that that's going to be pretty close to the actual. Last year, I think our total market estimate was off low single digit relative to what we started our guidance with. The year before, 2009, a very difficult environment for anybody to forecast in. I believe we were still single digit within our forecast to actual. It was higher single digits but nonetheless. So I -- overall, I feel pretty good about the teams that put a lot of effort into the forecasting of that. I think we've done pretty good, but obviously we have to stay very focused for the -- going forward. On the -- now on the market, recall that not all OEMs report, or report in the same breakout as compared to what we get. And the OEM base and licensee base, for that matter, too, has grown substantially here, even in this last year, particularly in the last couple of years. So there's -- I think we get a little bit better visibility than what many others can get as to what's actually happening, and that, I think, helps us on the forward outlook.

Operator

Stacy Rasgon with Sanford Bernstein.

Stacy A. Rasgon - Sanford C. Bernstein & Co., LLC., Research Division

I just had a quick one on where you see the trajectory of sort of the blended royalty rate going in 2012 versus 2011. Maybe if you take out the impact of the $401 million catch-up payment. So you tablet growth, which may push it down. You have your licensees, which are now paying, and they want the forward [ph] free push. So if you can give us some color on the trajectory of that. And then I had one more question just on outlook for mirasol, specifically CapEx. I know you're supposed to spend $1 billion this year. I think Japan pushed some of their CapEx into 2012. Can you give us some sort of updated perspective on where you see CapEx for that going as you continue to build out your fab into 2012 and maybe even beyond? That would be helpful.

Derek Aberle

Stacy, this is Derek. Let me take your first question on the royalty rate that you all calculate based on the information we provide. I think we said a couple of quarters back that we expected to exit the fiscal '11 year between 3.4 and 3.5. And in fact, we're -- we've come in sort of towards the high end of that range. I think looking forward, although there's always puts and takes and quarterly variability, I think, and this is something we'll get into a little more color in New York. We're thinking that that exit point is something that should be relatively stable going into fiscal '12.

William E. Keitel

On the -- Stacy, on the mirasol CapEx. We did slow down what we had planned at the outset of this year to spend on the mirasol CapEx. At this point in our plans for fiscal '12, we will catch up on the amount that we had originally projected for fiscal '11.

Operator

This concludes the question-and-answer portion of today's call. Dr. Jacobs, do you have any closing remarks before we adjourn today's call?

Paul E. Jacobs

I just wanted to restate it was a great year. And obviously, the trends that drove that are continuing in our favor, which led to our strong forward guidance. I want to again thank our employees and partners. And as we're looking forward and launching the new chipsets and new advanced technologies, we really are continuing to grow opportunities with both existing and new partners. And as you can see, we have this environment of macroeconomic uncertainty, but this broad mix of both customers and different geography certainly helps us manage in that time. Obviously, we're continuing to invest heavily in research and development because we see so much potential for wireless growth and expansion and new opportunities out there. So I look forward to talking to you more about this when we see you in New York, and really hope to see all of you there. Thanks again.