SKYWORKS SOL. NDQ-SWKS

RECENT PRICE **89.39** F | P/E RATIO **22.6** (Trailing: 35.1 / Median: 20.0) | RELATIVE P/E RATIO **1.18** | DIV'D YLD **0.6%** | VALUE LINE

TIMELINESS 3 Lowered 7/11/14
SAFETY 3 New 10/7/11
TECHNICAL 5 Lowered 3/13/15
BETA 1.40 (1.00 = Market)

High:	12.7	9.6	8.0	9.5	11.2	14.6	29.8	37.8	31.4	28.6	75.0	102.8
Low:	7.0	4.6	4.0	5.6	3.6	3.9	12.6	13.7	16.5	19.6	27.2	68.7

Target Price Range
2018 | 2019 | 2020

2018-20 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	170	(+90%)	18%
Low	115	(+30%)	7%

Insider Decisions

	M	J	J	A	S	O	N	D	J
to Buy	0	0	0	0	0	0	0	0	0
Options	2	3	3	2	0	0	5	2	1
to Sell	6	5	5	5	2	1	6	4	2

Institutional Decisions

	2Q2014	3Q2014	4Q2014
to Buy	271	254	312
to Sell	213	254	275
Hld's(000)	144391	144482	146419

% TOT. RETURN 2/15

	THIS STOCK	VL ARITH.* INDEX
1 yr.	149.6	8.2
3 yr.	228.1	60.8
5 yr.	479.5	110.1

1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	© VALUE LINE PUB. LLC	18-20
- -	- -	- -	- -	4.16	5.03	5.00	4.79	4.60	5.19	4.64	5.95	7.55	8.07	9.51	12.02	*16.70*	*18.55*	Revenues per sh A	*25.00*
- -	- -	- -	- -	.06	.39	.41	d.13	.61	1.02	.83	1.05	1.61	1.57	2.02	3.04	*4.70*	*5.55*	"Cash Flow" per sh	*8.15*
- -	- -	- -	- -	d.23	.15	.16	d.38	.36	.72	.55	.75	1.19	1.05	1.45	2.38	*3.95*	*4.75*	Earnings per sh B	*7.15*
- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	.22	*.52*	*.60*	Div'ds Decl'd per sh E	*.84*
- -	- -	- -	- -	.27	.38	.24	.31	.26	.39	.23	.49	.54	.48	.66	1.09	*1.30*	*1.60*	Cap'l Spending per sh	*2.40*
- -	- -	- -	- -	4.53	4.82	5.00	4.51	4.88	5.70	6.39	7.30	8.56	9.81	11.15	13.28	*16.30*	*20.00*	Book Value per sh D	*35.35*
- -	- -	- -	- -	148.60	156.01	158.63	161.66	161.10	165.59	172.82	180.26	187.89	194.32	188.41	190.65	*190.00*	*190.00*	Common Shs Outst'g C	*188.00*
- -	- -	- -	- -	- -	NMF	48.2	- -	19.9	12.1	14.9	20.6	22.2	22.8	15.5	16.2	*Bold figures are*		Avg Ann'l P/E Ratio	*20.0*
- -	- -	- -	- -	- -	NMF	2.57	- -	1.06	.73	.99	1.31	1.39	1.45	.87	.84	*Value Line*		Relative P/E Ratio	*1.25*
- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	.6%	*estimates*		Avg Ann'l Div'd Yield	*.6%*

CAPITAL STRUCTURE as of 1/2/15
Total Debt None

Leases, Uncapitalized Annual rentals $13.1 mill.

No Defined Benefit Pension Plan

Pfd Stock None

Common Stock 190,819,868 shs.
as of 1/15/15

MARKET CAP: $17.1 billion (Large Cap)

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		18-20
792.4	773.8	741.7	860.0	802.6	1071.8	1418.9	1568.5	1792.0	2291.5	*3175*	*3525*	Revenues ($mill) A	*4700*
11.3%	.1%	14.2%	16.6%	17.2%	23.5%	26.4%	22.8%	25.0%	30.0%	*33.5%*	*35.5%*	Operating Margin	*39.0%*
39.6	40.4	41.4	51.6	50.5	52.7	76.5	102.8	103.4	122.7	*130*	*140*	Depreciation ($mill)	*170*
25.6	d61.2	57.7	117.8	93.3	137.3	226.6	202.1	278.1	457.7	*760*	*910*	Net Profit ($mill)	*1360*
37.5%	- -	- -	- -	- -	29.6%	22.9%	20.7%	19.3%	19.0%	*19.0%*	*18.0%*	Income Tax Rate	*18.0%*
3.2%	NMF	7.8%	13.7%	11.6%	12.8%	16.0%	12.9%	15.5%	20.0%	*23.9%*	*25.8%*	Net Profit Margin	*28.9%*
337.8	245.2	316.5	346.0	393.1	585.6	569.2	700.7	893.6	1131.6	*1575*	*2110*	Working Cap'l ($mill)	*4250*
230.0	179.3	200.0	137.6	47.1	24.7	- -	- -	24.7	- -	*Nil*	*Nil*	Long-Term Debt ($mill)	*Nil*
792.6	729.1	786.3	944.2	1105.1	1316.6	1609.1	1905.5	2101.1	2532.4	*3100*	*3800*	Shr. Equity ($mill)	*6650*
3.1%	NMF	6.4%	11.1%	8.2%	10.4%	14.1%	10.6%	13.2%	18.1%	*24.5%*	*24.0%*	Return on Total Cap'l	*20.5%*
3.2%	NMF	7.3%	12.5%	8.4%	10.4%	14.1%	10.6%	13.2%	18.1%	*24.5%*	*24.0%*	Return on Shr. Equity	*20.5%*
3.2%	NMF	7.3%	12.5%	8.4%	10.4%	14.1%	10.6%	13.2%	16.4%	*21.5%*	*21.0%*	Retained to Com Eq	*18.0%*
- -	- -	- -	- -	- -	- -	- -	- -	- -	9%	*13%*	*13%*	All Div'ds to Net Prof	*12%*

CURRENT POSITION ($MILL.)	2013	2014	1/2/15
Cash Assets	511.1	805.8	1049.9
Receivables	292.7	317.6	242.3
Inventory (FIFO)	229.5	270.8	273.8
Other	40.0	35.0	24.4
Current Assets	1073.3	1429.2	1590.4
Accts Payable	126.5	200.6	211.0
Debt Due	- -	- -	- -
Other	53.2	97.0	121.9
Current Liab.	179.7	297.6	332.9

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '18-'20
Revenues	8.0%	15.5%	*17.0%*
"Cash Flow"	25.5%	22.0%	*24.5%*
Earnings	- -	24.5%	*28.0%*
Dividends	- -	- -	*50.0%*
Book Value	9.5%	15.0%	*20.5%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.Per	Mar.Per	Jun.Per	Sep.Per	Full Fiscal Year
2012	393.7	364.7	389.0	421.1	1568.5
2013	453.7	425.2	436.1	477.0	1792.0
2014	505.2	481.0	587.1	718.2	2291.5
2015	805.5	*750*	*775*	*844.5*	*3175*
2016	*900*	*825*	*850*	*950*	*3525*

Fiscal Year Ends	EARNINGS PER SHARE A B Dec.Per	Mar.Per	Jun.Per	Sep.Per	Full Fiscal Year
2012	.30	.18	.26	.32	1.05
2013	.34	.32	.34	.44	1.45
2014	.49	.40	.58	.90	2.38
2015	1.01	*.90*	*.95*	*1.09*	*3.95*
2016	*1.25*	*1.05*	*1.15*	*1.30*	*4.75*

Cal-endar	QUARTERLY DIVIDENDS PAID E Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	- -	- -	- -	- -	- -
2012	- -	- -	- -	- -	- -
2013	- -	- -	- -	- -	- -
2014	- -	.11	.11	.13	
2015	.13				

BUSINESS: Skyworks Solutions, Inc. offers analog and mixed-signal semiconductors worldwide. The company provides power amplifiers and front-end solutions for cellular devices from entry level to multimedia platforms and smartphones. Its product portfolio includes amplifiers, attenuators, detectors, diodes, directional couplers, front-end modules, hybrids, infrastructure RF subsystems, mixers/demodulators, phase shifters, PLLs/synthesizers/VCOs, power dividers/combiners, receivers, switches, and technical ceramics. Officers and directors own 1.0% of common stock (4/14 proxy). Has about 5,550 employees. CEO & President: David J. Aldrich. Inc.: DE. Address: 20 Sylvan Road, Woburn, MA 01801. Tel.: 781-376-3000. Internet: www.skyworksinc.com.

Skyworks Solutions' stock recently hit an all-time high. It has since pulled back a bit, but remains up about 12% in price from our January review, and well above historical levels. The company has shown healthy top- and bottom-line momentum of late, as the ongoing proliferation of connected devices drives further demand for its offerings. Indeed, Skyworks' fiscal first-quarter (ended January 2, 2015) results surpassed our expectations. Revenues came in at $805.5 million, 59% higher than the year-earlier figure, and well above our $775.0 million estimate. Meantime, earnings more than doubled to $1.01 a share in the term, versus the $0.95 we had been calling for.

Results ought to further impress in the year ahead. Indeed, Skyworks will likely continue to outperform the broader semiconductor market over the balance of fiscal 2015 (ends October 2, 2015), owing to healthy demand trends across its end markets. In fact, we are raising our full-year top- and bottom-line estimates by $175 million and $0.35 a share, respectively, to $3.175 billion and $3.95. Our revised expectations call for strong double-digit gains over fiscal 2014's impressive tallies.

We look for healthy gains in fiscal 2016 and beyond, as well. The company should continue to benefit from positive trends within its operating environment, as it further strengthens its position in the connectivity space. And, with an ample cash balance (over $1 billion) and no debt, its expansion initiatives will likely be well supported. In all, we look for top- and bottom-line advances of about 11% and 20%, respectively, in 2016. Meantime, growth drivers appear in place for the long haul, as consumer focus on connectivity will probably continue to strengthen. Indeed, our estimates call for steady increases in revenues and share earnings over the 3- to 5-year span.

These neutrally ranked shares remain an attractive choice for the long haul. Even with the recent stock-price momentum, this issue carries ample capital appreciation potential over the pull to 2018-2020, based on our 3- to 5-year estimates. Those with a longer-term investment horizon many want to consider committing funds here.

Kathryn M. Drew *April 3, 2015*

(A) Fiscal year ends Friday closest to September 30th.
(B) Diluted earnings per share. Excludes nonrecurring gains/(loss): '03, ($0.16); '06, ($0.17); '08, ($0.41). May not sum due to rounding. Next earnings report due late April.
(C) In millions.
(D) Includes intangibles. In 2014: $926.0 million, $4.86/share.
(E) Quarterly dividend initiated 5/14.
(F) Price as of 10:00 A.M. EDT on 3/26/15.

Company's Financial Strength	B++
Stock's Price Stability	20
Price Growth Persistence	85
Earnings Predictability	70

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