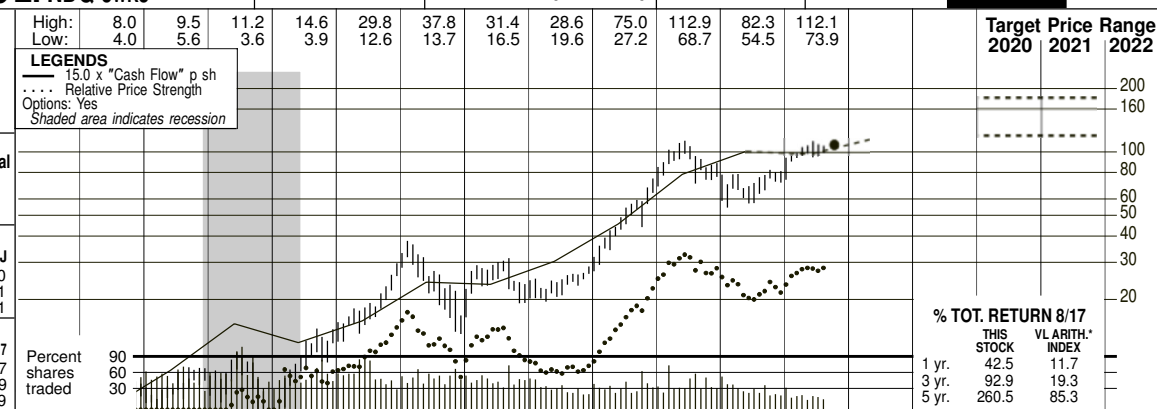


SKYWORKS SOL. NDAQ-SWKS

RECENT PRICE **107.93** P/E RATIO **17.9** (Trailing: 20.7 Median: 18.0) RELATIVE P/E RATIO **0.92** DIV'D YLD **1.2%** VALUE LINE

TIMELINESS 2 Raised 6/23/17
SAFETY 3 New 10/7/11
TECHNICAL 2 Raised 9/29/17
BETA 1.20 (1.00 = Market)



2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
--	--	4.16	5.03	5.00	4.79	4.60	5.19	4.64	5.95	7.55	8.07	9.51	12.02	17.12	17.79	19.75	21.95	Revenues per sh ^A	30.00
--	--	.06	.39	.41	d.13	.61	1.02	.83	1.05	1.61	1.57	2.02	3.04	5.22	6.72	6.55	7.70	"Cash Flow" per sh	10.60
--	--	d.23	.15	.16	d.38	.36	.72	.55	.75	1.19	1.05	1.45	2.38	4.10	5.18	5.40	6.50	Earnings per sh ^B	8.80
--	--	.27	.38	.24	.31	.26	.39	.23	.49	.54	.48	.66	1.09	2.26	1.02	1.60	1.65	Cap'l Spending per sh	1.50
--	--	4.53	4.82	5.00	4.51	4.88	5.70	6.39	7.30	8.56	9.81	11.15	13.28	16.60	19.15	23.35	28.55	Book Value per sh ^D	47.85
--	--	148.60	156.01	158.63	161.66	161.10	165.59	172.82	180.26	187.89	194.32	188.41	190.65	190.30	184.90	185.00	185.00	Common Shs Outst'g ^C	185.00
--	--	--	NMF	48.2	--	19.9	12.1	14.9	20.6	22.2	22.8	15.5	16.2	20.7	13.7	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	17.0
--	--	--	NMF	2.57	--	1.06	.73	.99	1.31	1.39	1.45	.87	.85	1.04	.72			Relative P/E Ratio	1.05
--	--	--	--	--	--	--	--	--	--	--	--	--	.6%	.8%	1.5%			Avg Ann'l Div'd Yield	1.1%

CAPITAL STRUCTURE as of 6/30/17				2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		
Total Debt None				741.7	860.0	802.6	1071.8	1418.9	1568.6	1792.0	2291.5	3258.4	3289.0	3650	4060	Revenues (\$mill) ^A	5550		
Leases, Uncapitalized Annual rentals \$23.9 mill.				14.2%	16.6%	17.2%	23.5%	26.4%	22.8%	25.0%	30.0%	37.4%	35.6%	38.0%	39.5%	Operating Margin	41.0%		
No Defined Benefit Pension Plan				41.4	51.6	50.5	52.7	76.5	102.8	103.4	122.7	195.8	247.8	210	220	Depreciation (\$mill)	330		
Pfd Stock None				57.7	117.8	93.3	137.3	226.6	202.1	278.1	457.7	798.3	995.2	1000	1200	Net Profit (\$mill)	1630		
Common Stock 183,740,136 shs. as of 7/20/17				--	--	--	29.6%	22.9%	20.7%	19.3%	19.0%	22.0%	17.1%	15.0%	17.0%	Income Tax Rate	17.0%		
MARKET CAP: \$19.8 billion (Large Cap)				7.8%	13.7%	11.6%	12.8%	16.0%	12.9%	15.5%	20.0%	24.5%	30.3%	27.4%	29.6%	Net Profit Margin	29.4%		
CURRENT POSITION (SMILL.)				316.5	346.0	393.1	585.6	569.2	700.7	893.6	1131.6	1450.8	1791.9	2200	2350	Working Cap'l (\$mill)	2780		
Cash Assets				200.0	137.6	47.1	24.7	--	--	--	--	--	--	Nil	Nil	Long-Term Debt (\$mill)	Nil		
Receivables				786.3	944.2	1105.1	1316.6	1609.1	1905.5	2101.1	2532.4	3159.2	3541.4	4320	5280	Shr. Equity (\$mill)	8850		
Inventory (FIFO)				6.4%	11.1%	8.2%	10.4%	14.1%	10.6%	13.2%	18.1%	25.3%	28.1%	23.0%	22.5%	Return on Total Cap'l	18.5%		
Other				7.3%	12.5%	8.4%	10.4%	14.1%	10.6%	13.2%	18.1%	25.3%	28.1%	23.0%	22.5%	Return on Shr. Equity	18.5%		
Current Assets				7.3%	12.5%	8.4%	10.4%	14.1%	10.6%	13.2%	16.4%	21.4%	22.4%	18.0%	18.0%	Retained to Com Eq	15.0%		
Accts Payable				--	--	--	--	--	--	--	9%	15%	20%	22%	20%	All Div'ds to Net Prof	19%		
Debt Due																			
Other																			
Current Liab.																			

ANNUAL RATES	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16
of change (per sh)	10 Yrs.	5 Yrs.	'20-'22
Revenues	12.0%	21.0%	11.5%
"Cash Flow"	36.5%	34.0%	13.5%
Earnings	--	36.0%	14.5%
Dividends	--	--	17.0%
Book Value	13.0%	17.0%	19.5%

Fiscal Year Ends	QUARTERLY REVENUES (\$ mill.) ^A				Full Fiscal Year
	Dec.Per	Mar.Per	Jun.Per	Sep.Per	
2014	505.2	481.0	587.1	718.2	2291.5
2015	805.5	762.1	810.0	880.8	3258.4
2016	926.8	775.1	751.7	835.4	3289.0
2017	914.3	851.7	900.8	983.2	3650
2018	1055	950	985	1070	4060

Fiscal Year Ends	EARNINGS PER SHARE ^{A B}				Full Fiscal Year
	Dec.Per	Mar.Per	Jun.Per	Sep.Per	
2014	.49	.40	.58	.90	2.38
2015	1.01	.85	1.06	1.18	4.10
2016	1.82	1.08	.97	1.31	5.18
2017	1.38	1.20	1.32	1.50	5.40
2018	1.70	1.50	1.55	1.75	6.50

Cal-endar	QUARTERLY DIVIDENDS PAID ^E				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2013	--	--	--	--	--
2014	--	.11	.11	.13	.35
2015	.13	.13	.26	.26	.78
2016	.26	.26	.28	.28	1.08
2017	.28	.28	.32		

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 less than 1.0% of common stock (4/17 proxy). Has about 7,300 employees. CEO & President: Liam K. Griffin, Inc.: DE. Address: 20 Sylvan Road, Woburn, MA 01801. Tel.: 781-376-3000. Internet: www.skyworksinc.com.

Skyworks Solutions probably closed out fiscal 2017 on a solid note (year ended September 29th). Disregarding an anticipated ramp in smartphone sales related to the launch of Apple's most recent *iPhone*, the company has seen strong revenue growth develop over the last few quarters. Indeed, broader international data usage and rising volumes within its Internet of Things (IoT) portfolio resulted in a revenue gain of 20% in the June period, and GAAP earnings per share came in \$0.02 ahead of our estimate, at \$1.32. The Chinese smartphone market continued to show signs of improvement, as OEMs there increased exports, which benefited the company's content share with Huawei. Meanwhile, growing complexity within these devices should continue to act as a long-term growth driver for Skyworks. For now, we are increasing our top- and bottom-line estimates for the company in 2017 by \$20 million and a nickel, respectively, to \$3.65 billion and \$5.40 per share.

The company remains in a good position to grow dollar content in leading smartphones. Skyworks continues to

benefit from the presence of a broader mix of LTE, increasing carrier aggregation, and higher-tier smartphone products on the rise in Chinese markets. These undertakings are all likely to nurture RF TAM expansion, thereby increasing dollar content within smartphones in a range of \$3-\$5. Skyworks' relationship with leading manufacturers like Apple, Samsung, and Huawei leaves it in a premier position to take advantage of this growing market. Meanwhile, opportunities in IoT continue to be brought about by technological enhancements in automotives.

Timely Skyworks Solutions stock remains an interesting investment option for long-term accounts. The company will face relatively easy revenue and earnings comparisons over the next six months, and positive sales results for new *iPhone* releases could be especially beneficial. Meanwhile, strong cash flows and a healthy balance sheet put SWKS in a solid position to broaden its reach within foreign smartphone markets, and leave it capable to take advantage of changes within the IoT landscape.

Robert J. Scudato September 29, 2017