



Skyworks Reports Q3 FY23 Results

Aug 7, 2023

- *Delivers Revenue of \$1.071 Billion*
- *Posts GAAP Diluted EPS of \$1.22 and Non-GAAP Diluted EPS of \$1.73*
- *Generates Quarterly Operating Cash Flow of \$305.7 Million and Record Year-to-Date Operating Cash Flow of \$1.491 Billion*
- *Guides to Double-Digit Sequential Revenue and Non-GAAP Diluted EPS Growth in Q4 FY23*
- *Increases Quarterly Dividend by 10% to \$0.68 Per Share*

IRVINE, Calif.--(BUSINESS WIRE)--Aug. 7, 2023-- Skyworks Solutions, Inc. (Nasdaq: SWKS), an innovator of high-performance analog and mixed signal semiconductors connecting people, places and things, today reported third fiscal quarter results for the period ended June 30, 2023.

Revenue for the third fiscal quarter of 2023 was \$1.071 billion. On a GAAP basis, operating income for the third fiscal quarter was \$230.7 million with diluted earnings per share of \$1.22. On a non-GAAP basis, operating income was \$326.6 million with non-GAAP diluted earnings per share of \$1.73.

"Skyworks' resilient business model and disciplined execution enabled us to deliver record operating and free cash flow for the first three quarters of the fiscal year," said Liam K. Griffin, chairman, chief executive officer and president of Skyworks. "Our targeted investments in next-generation technologies are generating solid momentum going into the second half of calendar year 2023."

Third Fiscal Quarter Business Highlights

- Secured 5G content for Android smartphones across all tiers with Google, Samsung, Oppo, Vivo and Xiaomi
- Delivered Sky5® platforms for leading North American carriers' 5G customer premise equipment
- Supported the launches of Wi-Fi 7 tri-band routers with NETGEAR and TP-Link
- Powered Bell's Wi-Fi 6E Giga Hub home gateway
- Provided 5 GHz cognitive wireless audio system on chip solutions supporting Samsung Q-Symphony soundbars
- Enabled 5G small cell deployments with a top North American operator
- Ramped timing solutions for AI data centers at a leading cloud provider
- Captured designs for telematics applications at domestic and China-based OEMs
- Leveraged our expanding power isolation portfolio with a leading EV supplier

Fourth Fiscal Quarter 2023 Outlook

We provide earnings guidance on a non-GAAP basis because certain information necessary to reconcile such guidance to GAAP is difficult to estimate and dependent on future events outside of our control. Please refer to the attached Discussion Regarding the Use of Non-GAAP Financial Measures in this earnings release for a further discussion of our use of non-GAAP measures, including quantification of known expected adjustment items.

"We expect double-digit sequential revenue and earnings growth in the September quarter," said Kris Sennesael, senior vice president and chief financial officer of Skyworks. "Specifically, in the fourth fiscal quarter of 2023, we anticipate revenue to be between \$1.190 billion and \$1.240 billion with non-GAAP diluted earnings per share of \$2.10 at the midpoint of our revenue range, representing sequential revenue and non-GAAP diluted earnings per share growth of 13% and 21%, respectively. In addition, given our conviction in Skyworks' business outlook and strong cash flow generation, we are announcing another substantial increase to our quarterly dividend."

Dividend Increase and Payment

Skyworks' board of directors has declared a cash dividend of \$0.68 per share of the Company's common stock, representing a 10% increase from the prior quarterly dividend of \$0.62 per share. The dividend is payable on Sept. 19, 2023, to stockholders of record at the close of business on Aug. 29, 2023.

Skyworks' Third Quarter 2023 Conference Call

Skyworks will host a conference call with analysts to discuss its third quarter fiscal 2023 results and business outlook today at 4:30 p.m. EDT. To listen to the conference call via the Internet, please visit the investor relations section of Skyworks' website. To listen to the conference call via telephone, please call (888) 259-6580 (North America) or (416) 764-8624 (international), Conference ID: 68796788.

Playback of the conference call will begin at 9 p.m. EDT on Aug. 7, 2023, and end at 9 p.m. EDT on Aug. 14, 2023. The replay will be available on Skyworks' website or by calling (877) 674-7070 (North America) or (416) 764-8692 (international), Conference ID: 796788.

About Skyworks

Skyworks Solutions, Inc. is empowering the wireless networking revolution. Our highly innovative analog and mixed signal semiconductors are connecting people, places and things spanning a number of new and previously unimagined applications within the aerospace, automotive, broadband, cellular infrastructure, connected home, defense, entertainment and gaming, industrial, medical, smartphone, tablet and wearable

markets.

Skyworks is a global company with engineering, marketing, operations, sales and support facilities located throughout Asia, Europe and North America and is a member of the S&P 500[®] market index (Nasdaq: SWKS). For more information, please visit Skyworks' website at: www.skyworksin.com.

Safe Harbor Statement

This earnings release includes "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements include information relating to future results and expectations of Skyworks (e.g., certain projections and business trends, as well as plans for dividend payments). Forward-looking statements can often be identified by words such as "anticipates," "expects," "forecasts," "intends," "believes," "plans," "may," "will" or "continue," and similar expressions and variations or negatives of these words. All such statements are subject to certain risks, uncertainties and other important factors that could cause actual results to differ materially and adversely from those projected and may affect our future operating results, financial position and cash flows.

These risks, uncertainties and other important factors include: the susceptibility of the semiconductor industry and the markets addressed by our, and our customers', products to economic cycles, including a rise in inflation and the current heightened risk of recession; our reliance on a small number of key customers for a large percentage of our sales; the availability and pricing of third-party semiconductor foundry, assembly and test capacity, raw materials, including rare earth minerals, supplier components, equipment and shipping and logistics services, including limits on our customers' ability to obtain such services and materials; the risks of doing business internationally, including increased import/export restrictions and controls (e.g., our ability to sell products to certain specified foreign entities only pursuant to a limited export license from the U.S. Department of Commerce or our ability to obtain foreign-sourced raw materials), imposition of trade protection measures (e.g., tariffs or taxes), security and health risks, possible disruptions in transportation networks, fluctuations in foreign currency exchange rates, and other economic, social, military and geopolitical conditions in the countries in which we, our customers or our suppliers operate, including the war in Ukraine; delays in the deployment of commercial 5G networks or in consumer adoption of 5G-enabled devices; the volatility of our stock price; decreased gross margins and loss of market share as a result of increased competition; our ability to obtain design wins from customers; changes in laws, regulations and/or policies that could adversely affect our operations and financial results, the economy and our customers' demand for our products, or the financial markets and our ability to raise capital; fluctuations in our manufacturing yields due to our complex and specialized manufacturing processes; our ability to develop, manufacture and market innovative products, avoid product obsolescence, reduce costs in a timely manner, transition our products to smaller geometry process technologies and achieve higher levels of design integration; the quality of our products and any defect remediation costs; our products' ability to perform under stringent operating conditions; reduced flexibility in operating our business as a result of the indebtedness incurred in connection with the transaction with Silicon Laboratories Inc.; our ability to retain, recruit and hire key executives, technical personnel and other employees in the positions and numbers, with the experience and capabilities, and at the compensation levels needed to implement our business and product plans; the timing, rescheduling or cancellation of significant customer orders and our ability, as well as the ability of our customers, to manage inventory; the effects of the COVID-19 pandemic on business conditions in our industry and the potential for the uncertain duration, severity and future impact of the pandemic, including as a result of more contagious variants of the virus that causes COVID-19, to result in significant disruptions to our business operations, as well as negative impacts to our financial condition; our ability to prevent theft of our intellectual property, disclosure of confidential information or breaches of our information technology systems; uncertainties of litigation, including potential disputes over intellectual property infringement and rights, as well as payments related to the licensing and/or sale of such rights; our ability to continue to grow and maintain an intellectual property portfolio and obtain needed licenses from third parties; our ability to make certain investments and acquisitions, integrate companies we acquire and/or enter into strategic alliances; and other risks and uncertainties, including those detailed from time to time in our filings with the Securities and Exchange Commission.

The forward-looking statements contained in this earnings release are made only as of the date hereof, and we undertake no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

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