Skyworks Reports Q2 FY24 Results

Apr 30, 2024

- *Delivers Revenue of $1.046 Billion*
- *Posts GAAP Diluted EPS of $1.14 and Non-GAAP Diluted EPS of $1.55*
- *Generates Quarterly Operating Cash Flow of $300 Million and Quarterly Free Cash Flow of $273 Million*

IRVINE, Calif.--(BUSINESS WIRE)--Apr. 30, 2024-- Skyworks Solutions, Inc. (Nasdaq: SWKS), an innovator of high-performance analog and mixed-signal semiconductors connecting people, places and things, today reported second fiscal quarter results for the period ended March 29, 2024.

Revenue for the second fiscal quarter of 2024 was $1.046 billion. On a GAAP basis, operating income for the second fiscal quarter was $189.2 million with diluted earnings per share of $1.14. On a non-GAAP basis, operating income was $279.1 million with non-GAAP diluted earnings per share of $1.55.

“Skyworks delivered solid results and strong cash generation in a challenging macroeconomic environment,” said Liam K. Griffin, chairman, chief executive officer and president of Skyworks. “During the March quarter, in our mobile business, we saw below normal seasonal trends, with lower-than-expected end market demand. Over the long-term, we intend to leverage our connectivity technology across edge-connected IoT devices, automotive electrification and advanced safety systems, and AI infrastructure.”

Second Fiscal Quarter Business Highlights

- Delivered integrated platforms to the leading 5G smartphone OEMs, including flagship and mid-tier launches at Samsung, Google and Oppo
- Expanded our design win pipeline and initiated new programs in automotive, including infotainment systems, traction inverters, cloud-enhanced driver-assist and CV2X on-board units
- Secured several audio SoC design wins for wireless gaming and soundbars with PlayStation® and Samsung

Third Fiscal Quarter 2024 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.

“For the June quarter, we expect revenue to be $900 million, plus or minus 2%,” said Kris Sennesael, senior vice president and chief financial officer of Skyworks. “At the mid-point of the revenue range, we anticipate non-GAAP diluted earnings per share of $1.21. We expect our mobile business to be down sequentially, below normal seasonal patterns, as excess inventory clears. In broad markets, we anticipate further modest growth as inventory levels appear to be normalizing in certain end markets.”

Dividend Payment

Skyworks’ board of directors has declared a cash dividend of $0.68 per share of the Company’s common stock, payable on June 11, 2024, to stockholders of record at the close of business on May 21, 2024.

Skyworks’ Second Quarter 2024 Conference Call

Skyworks will host a conference call with analysts to discuss its second quarter fiscal 2024 results and business outlook on April 30, 2024, at 4:30 p.m. EDT.

To listen to the conference call, please visit the investor relations section of Skyworks’ website at https://investors.skyworksinc.com/events-presentations. Playback of the conference call will be available on Skyworks’ website at www.skyworksinc.com/investors beginning at 9 p.m. EDT on April 30, 2024. Additionally, a transcript of the Company’s prepared remarks will be made available on our website promptly after their conclusion during the call.

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.skyworksinc.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 events, prospects, expectations and results 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 and similar 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 conflicts in Ukraine and the Middle East; 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 global health crises on business conditions in our industry, including in the risk of 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.

Note to Editors: Skyworks and the Skyworks symbol are trademarks or registered trademarks of Skyworks Solutions, Inc., or its subsidiaries in the United States and other countries. Third-party brands and names are for identification purposes only and are the property of their respective owners.

Financials

View source version on businesswire.com: https://www.businesswire.com/news/home/20240430786673/en/

Media Relations:
Constance Griffiths
(949) 231-4207
constance.griffiths@skyworksinc.com

Investor Relations:
Raji Gill
(949) 508-0973
raji.gill@skyworksinc.com

Source: Skyworks Solutions, Inc.