Skyworks Reports Q4 and Full Year FY24 Results

Nov 12, 2024

- *Delivers Revenue of $1.025 Billion*
- *Posts GAAP Diluted EPS of $0.37 and Non-GAAP Diluted EPS of $1.55*
- *Generates Annual Operating Cash Flow of $1.825 Billion (44% Operating Cash Flow Margin) and Free Cash Flow of $1.668 Billion (40% Free Cash Flow Margin)*

IRVINE, Calif.--(BUSINESS WIRE)--Nov. 12, 2024-- Skyworks Solutions, Inc. (Nasdaq: SWKS), a leading developer, manufacturer and provider of analog and mixed-signal semiconductors and solutions for numerous applications, today reported fourth fiscal quarter and fiscal year-end results for the period ended Sept. 27, 2024.

Revenue for the fourth fiscal quarter of 2024 was $1.025 billion. On a GAAP basis, operating income for the fourth fiscal quarter was $59 million with diluted earnings per share of $0.37. On a non-GAAP basis, operating income was $273 million with non-GAAP diluted earnings per share of $1.55.

“Skyworks’ fourth fiscal quarter revenue grew 13% sequentially, above the midpoint of our guidance,” said Liam K. Griffin, chairman, chief executive officer and president of Skyworks. “For the second year in a row, we generated over $1.6 billion of free cash flow and ended fiscal 2024 with a record 40% free cash flow margin. Looking ahead, we believe AI is poised to ignite a transformative smartphone upgrade cycle, propelling the demand for higher levels of RF complexity. We are in the early stages of this multi-year trend and Skyworks is well-positioned to capitalize on it.”

Fourth Fiscal Quarter Business Highlights

- Secured 5G content for premium Android smartphones including Google Pixel 9, Samsung Galaxy, Oppo OnePlus, and several others
- Expanded our Wi-Fi 7 design wins with Linksys, Charter, NETGEAR, CommScope, and TP-Link
- Powered advanced audio solutions for wireless gaming and clinical-grade hearing aids
- Increased design win momentum in automotive including 5G front-end modules, infotainment, and digital isolators, across the leading OEMs

First Fiscal Quarter 2025 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 December quarter, we expect revenue to be $1.05 billion to $1.08 billion with non-GAAP diluted earnings per share of $1.57 at the mid-point of the revenue range,” said Kris Sennesael, senior vice president and chief financial officer of Skyworks. “We expect our mobile business to be up mid-single digits sequentially, driven by seasonal product ramps. In broad markets, despite excess inventory in select segments, we anticipate further modest sequential growth, and a return to year-over-year growth.”

Dividend Payment

Skyworks’ board of directors has declared a cash dividend of $0.70 per share of the Company’s common stock. The dividend is payable on Dec. 24, 2024, to stockholders of record at the close of business on Dec. 3, 2024.

Skyworks’ Fourth Quarter 2024 Conference Call

Skyworks will host a conference call with analysts to discuss its fourth quarter fiscal 2024 results and business outlook on Nov. 12, 2024, at 4:30 p.m. ET.

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. ET on Nov. 12, 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. We are a leading developer, manufacturer and provider of analog and mixed-signal semiconductors and solutions for numerous applications, including aerospace, automotive, broadband, cellular infrastructure, connected home, defense, entertainment and gaming, industrial, medical, smartphone, tablet and wearables.

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,” “estimates,” “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 or changes in economic conditions, including inflation and recession; our reliance on a small number of key customers for a large percentage of our sales; decreased gross margins and loss of market share as a result of increased competition; our ability to obtain design wins from customers; market acceptance of our products and our customers’ products, including market acceptance of new, emerging technologies such as AI; 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; 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; 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; 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; reduced flexibility in operating our business as a result of the indebtedness incurred in connection with the transaction with Silicon Laboratories Inc.; 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 with; 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.

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