SKYWORKS®

2015 Annual Report

Notice of 2016 Annual Meeting
and Proxy Statement

We are empowering the

wireless networking revolution.

Our highly innovative analog

semiconductors are connecting

people, places and things

spanning a number of new

and previously unimagined

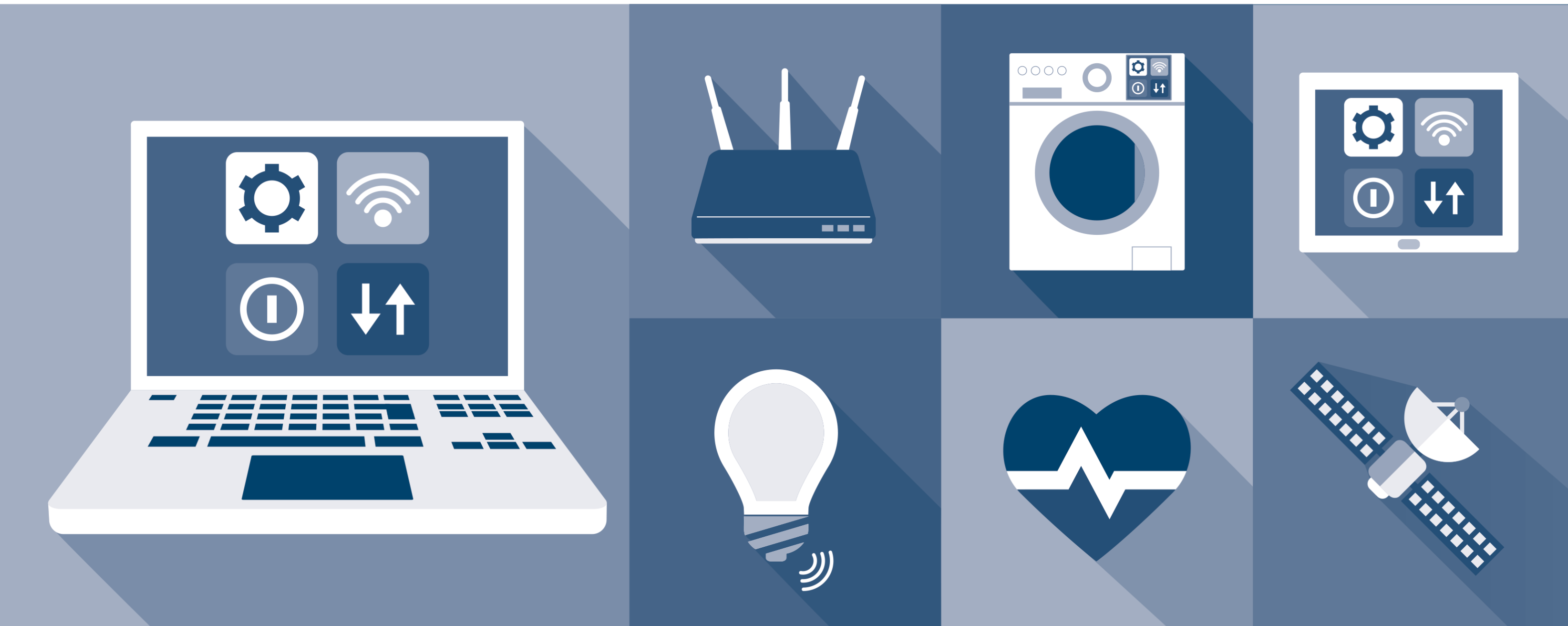
applications within the automotive,

broadband, cellular infrastructure,

connected home, industrial,

medical, military, smartphone,

tablet and wearable markets.



Connecting Everyone and Everything All the Time

Dear Stockholders,

Fiscal 2015 was yet another record year for Skyworks. Our solutions continued to enable some of the fastest growing markets connecting people, places and things as the demand for always-on connectivity increasingly moves beyond mobile devices to applications across the Internet of Things. Throughout the year, we capitalized on these powerful trends by leveraging our world-class design capabilities and integration leadership skills to deliver many of the industry's most advanced system solutions. In doing so, we entered new markets, formed new partnerships and, most importantly, exceeded our key financial and operational goals to deliver industry-leading financial returns.

David J. Aldrich

Chairman and
Chief Executive Officer

Extending our Mobile Reach

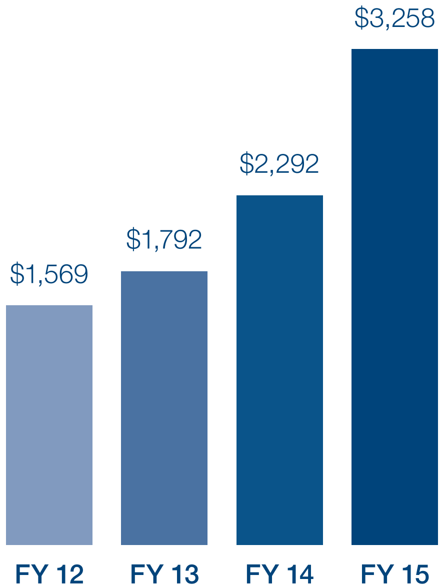
Within mobile, the exploding demand for continuous access to data, the move toward smartphones with greater functionality and the soaring adoption of cloud-based services, coupled with the proliferation of connectivity across emerging markets, are fueling our growth. All of these drivers depend on highly sophisticated products and an accompanying network infrastructure to seamlessly and efficiently move massive amounts of data—anytime and anywhere. Simply stated, today's mobile devices are more than just hardware. They are gateways to an ecosystem of software and services enabling e-commerce, video streaming, gaming and much more—all of which require higher levels of analog semiconductor performance. The impact on networks from streaming media alone is quite staggering: one hour of streaming high-definition video consumes between one and two gigabytes of network bandwidth, while 4K streaming consumes three times this amount. According to leading industry reports, streaming data is expected to grow at a 57 percent compounded growth rate through 2019. This dramatic increase in data traffic translates into higher dollar content opportunities for Skyworks and broader use of our highly integrated solutions.

At the same time, we are expanding our reach into emerging markets as we continue to connect the unconnected and further transition to 4G technologies. Here, we are increasing our addressable content as our customers develop more advanced platforms that rely on a systems-level approach rather than discrete components. In many parts of the world people will make their first phone call or connection to the Internet using a device that contains content from Skyworks.

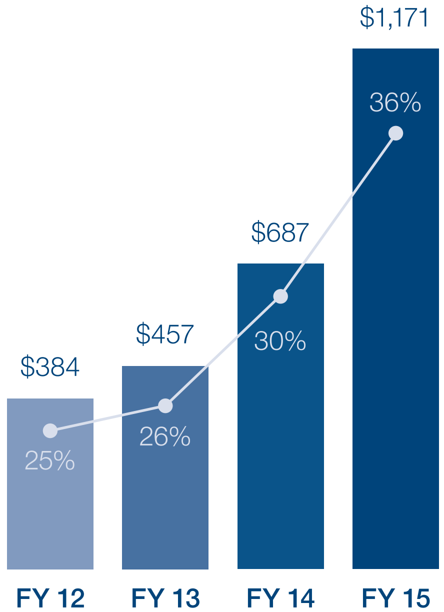
Enabling the Internet of Things

The connectivity explosion continues to move beyond mobile to the Internet of Things—the connected home and car, wearables, medical, machine-to-machine and industrial—as everyday objects

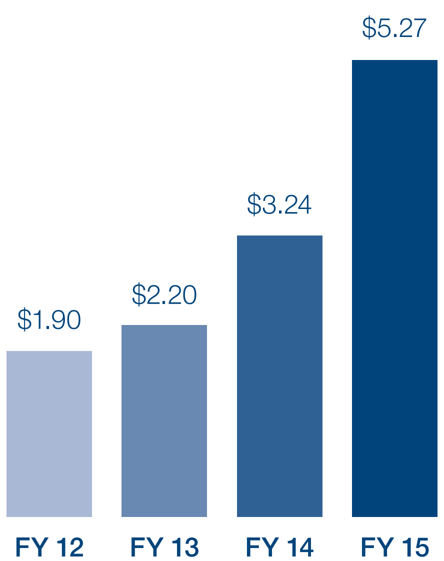
Total Revenue
(Dollars in Millions)



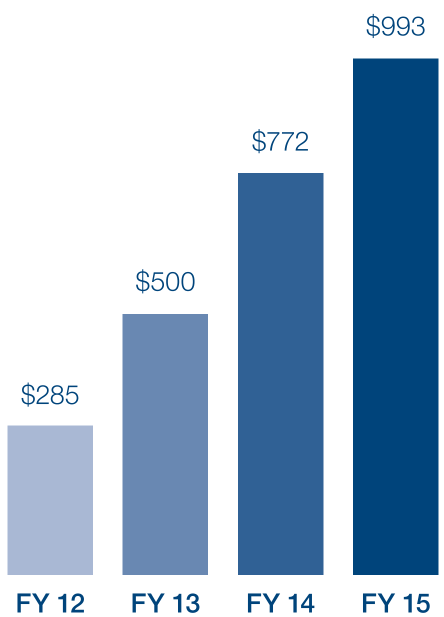
Non-GAAP Operating Income*
(Dollars in Millions)
and Operating Margin*
(Percent of Sales)



Non-GAAP Earnings Per Share*
(In Dollars)



Cash Flow From Operations
(Dollars in Millions)



**Please see table on page 130 for a full reconciliation of non-GAAP results to GAAP results.*

become wirelessly linked to each other. This phenomenon has set the stage for an expanding set of new opportunities that leverage our strengths and expertise. In fact, we have positioned ourselves to capitalize on these trends by partnering with a leading provider of LTE chips to deliver the world's first solution optimized for Internet of Things applications addressing embedded cellular connectivity. This single chip meets operator needs worldwide, further accelerating the launch of next generation LTE-based devices with low data rate and low power requirements. With ABI Research forecasting Internet of Things shipments to reach one billion units over the next five years, we estimate these opportunities represent a serviceable market for Skyworks of approximately $10 billion over the next two to three years. To date, we are delighted that some of our most recent design wins are enabling Google and Roku set-top boxes, Nest smoke detectors, Fitbit fitness watches, Tyco security systems, Philips wireless lighting, Amazon streaming music and Kwikset smart locks.

Why Customers Choose Skyworks

As always-on connectivity plays a bigger role in our daily lives—at home, in the office, or on the go—there is a commensurate level of analog and RF complexity that comes along with it. Solutions must preserve battery life, increase data rates, and ensure that connectivity technologies work seamlessly, all while occupying minimal space. Meeting these design challenges requires the ability to address signal transmission and conditioning, filtering, tuning, power management, voltage regulation and battery charging demands. Given our broad systems expertise, we innovate and create highly configurable and customizable solutions that reduce design complexity, deliver unparalleled levels of integration and superior analog performance. Customers also value our scale, world-class manufacturing facilities and commitment to quality and service—the hallmarks of the Skyworks brand.

Operational Excellence and Financial Performance

With market traction resulting in significant revenue growth, we sustained our track record of translating this momentum into solid financial returns through crisp operational execution. We remained intensely focused on continuous improvement in yields, cycle times, and utilization, and we consistently tracked our progress against these critical performance goals. Further, we drove margin expansion with our next generation products, which incorporate higher levels of integration and functionality with greater value and differentiation. As a result, our business model is delivering operational leverage, positioning us to sustainably outperform the broader semiconductor industry.

Specifically, in fiscal 2015, we grew year-over-year revenue 42 percent to $3.3 billion and increased non-GAAP operating income 70 percent to $1.2 billion, or 36 percent of sales, which translated into non-GAAP diluted earnings per share of $5.27*. We doubled our quarterly cash dividend to $0.26 per share of the Company's common stock, up from $0.13 per share paid in previous quarters and recently initiated a $400 million stock repurchase program. Both initiatives are important elements of our commitment to return free cash flow to shareholders while continuing to fund internal growth initiatives, research and development efforts and accretive acquisition opportunities.

What's Ahead?

Our mobile and Internet of Things momentum is just beginning. All industry estimates point to the fact that the world is becoming increasingly connected with devices requiring complex analog solutions to ensure seamless communication across multiple standards, while at the same time maximizing system performance. With decades of experience, a broad product portfolio and systems expertise, Skyworks has established itself as the partner of choice among OEMs, network operators and Internet of Things providers. This backdrop gives us a high confidence level in our business trajectory.

In closing, we would like to thank all our key stakeholders whose support has made our journey and success possible thus far. We are grateful for our customers who rely on us to simplify their analog and RF challenges, our employees whose talent drives our innovation, and our stockholders whose support and belief in our future enables us to reach new heights as we connect everyone and everything, all the time.

David J. Aldrich

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Chairman and Chief Executive Officer

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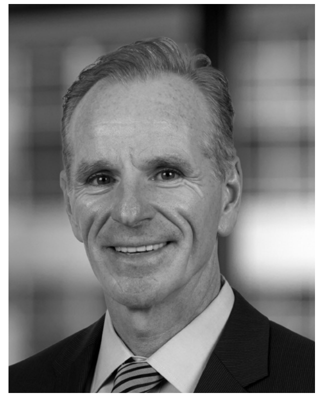

Liam K. Griffin

President

Bruce J. Freyman

Executive Vice President, Worldwide Operations

Peter L. Gammel

Chief Technology Officer

Laura A. Gasparini

Vice President, Human Resources

Donald W. Palette

Executive Vice President and Chief Financial Officer

Thomas S. Schiller

Vice President, Strategy and Corporate Development

Mark V.B. Tremallo

Vice President, General Counsel and Secretary

March 31, 2016

Dear Stockholder:

I am pleased to invite you to attend the 2016 Annual Meeting of stockholders of Skyworks Solutions, Inc. to be held at 2:00 p.m., local time, on Wednesday, May 11, 2016, at the Boston Marriott Burlington, 1 Burlington Mall Road, Burlington, Massachusetts (the “Annual Meeting”). We look forward to your participation in person or by proxy. The attached Notice of Annual Meeting of Stockholders and Proxy Statement describe the matters that we expect to be acted upon at the Annual Meeting.

If you plan to attend the Annual Meeting, please check the designated box on the enclosed proxy card. Or, if you utilize our telephone or Internet proxy submission methods, please indicate your plans to attend the Annual Meeting when prompted to do so. If you are a stockholder of record, you should bring the top half of your proxy card as your admission ticket and present it upon entering the Annual Meeting. If you are planning to attend the Annual Meeting and your shares are held in “street name” by your broker (or other nominee), you should ask the broker (or other nominee) for a proxy issued in your name and present it at the meeting.

Whether or not you plan to attend the Annual Meeting, and regardless of how many shares you own, it is important that your shares be represented at the Annual Meeting. Accordingly, we urge you to complete the enclosed proxy and return it to us promptly in the postage-prepaid envelope provided, or to complete and submit your proxy by telephone or via the Internet in accordance with the instructions on the proxy card. If you do attend the Annual Meeting and wish to vote in person, you may revoke a previously submitted proxy at that time by voting in person at the meeting.

Sincerely yours,

David J. Aldrich
Chairman and Chief Executive Officer

Skyworks Solutions, Inc.

20 Sylvan Road
Woburn, MA 01801
(781) 376-3000

5221 California Avenue
Irvine, CA 92617
(949) 231-3000

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON WEDNESDAY, MAY 11, 2016

To the Stockholders of Skyworks Solutions, Inc.:

The 2016 Annual Meeting of stockholders of Skyworks Solutions, Inc., a Delaware corporation (the "Company"), will be held at 2:00 p.m., local time, on Wednesday, May 11, 2016, at the Boston Marriott Burlington, 1 Burlington Mall Road, Burlington, Massachusetts (the "Annual Meeting") to consider and act upon the following proposals:

1. To elect eight individuals nominated to serve as directors of the Company with terms expiring at the 2017 Annual Meeting of stockholders and named in the Proxy Statement;

2. To ratify the selection by the Company's Audit Committee of KPMG LLP as the independent registered public accounting firm for the Company for fiscal year 2016;

3. To approve, on an advisory basis, the compensation of the Company's named executive officers;

4. To approve an amendment to the Company's Restated Certificate of Incorporation to eliminate the supermajority vote provisions relating to the amendment of our By-laws;

5. To approve an amendment to the Company's Restated Certificate of Incorporation to eliminate the supermajority vote provisions relating to stockholder approval of a merger or consolidation, disposition of all or substantially all of the Company's assets, or issuance of a substantial amount of the Company's securities;

6. To approve an amendment to the Company's Restated Certificate of Incorporation to eliminate the supermajority vote provisions relating to stockholder approval of a business combination with any related person;

7. To approve an amendment to the Company's Restated Certificate of Incorporation to eliminate the supermajority vote provision relating to stockholder amendment of charter provisions governing directors;

8. To approve an amendment to the Company's Restated Certificate of Incorporation to eliminate the supermajority vote provision relating to stockholder amendment of the charter provision governing action by stockholders; and

9. To transact such other business as may properly come before the Annual Meeting.

Only stockholders of record at the close of business on March 17, 2016, are entitled to notice of and to vote at the Annual Meeting. **To ensure your representation at the Annual Meeting, we urge you to submit a proxy promptly in one of the following ways whether or not you plan to attend the Annual Meeting**: (a) by completing, signing, and dating the accompanying proxy card and returning it in the postage-prepaid envelope enclosed for that purpose; (b) by completing and submitting your proxy using the toll-free telephone number listed on the proxy card; or (c) by completing and submitting your proxy via the Internet by visiting the website address listed on the proxy card. The Proxy Statement accompanying this notice describes each of the items of business listed above in more detail. Our Board of Directors recommends: a vote "**FOR**" the election of the nominees for director named in Proposal 1 of the Proxy Statement; a vote **"FOR"** Proposal 2, ratifying the selection of KPMG LLP as the independent registered public accounting firm of the Company for fiscal year 2016; a vote "**FOR**" Proposal 3, approving, on an advisory basis, the compensation of the Company's named executive officers; and a vote "**FOR**" each of Proposals 4–8, approving amendments to the Company's Restated Certificate of Incorporation.

By Order of the Board of Directors,

MARK V.B. TREMALLO
Vice President, General Counsel and Secretary

Woburn, Massachusetts
March 31, 2016

SKYWORKS®

2016 Proxy Statement

Skyworks Solutions, Inc.

20 Sylvan Road
Woburn, MA 01801
(781) 376-3000

5221 California Avenue
Irvine, CA 92617
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Proxy Statement
2016 Annual Meeting of Stockholders

Table of Contents

General Information

How do we refer to Skyworks in this Proxy Statement?

The terms "Skyworks," "the Company," "we," "us," and "our" refer to Skyworks Solutions, Inc., a Delaware corporation, and its consolidated subsidiaries.

When and where is our Annual Meeting?

The Company's 2016 Annual Meeting of stockholders is to be held on Wednesday, May 11, 2016, at the Boston Marriott Burlington, 1 Burlington Mall Road, Burlington, Massachusetts at 2:00 p.m., local time, or at any adjournment or postponement thereof (the "Annual Meeting").

What is the purpose of the Annual Meeting?

At the Annual Meeting, stockholders will consider and vote on the following matters:

1. The election of the eight nominees named in this Proxy Statement to our Board of Directors to serve until the 2017 Annual Meeting of stockholders.

2. The ratification of the selection of KPMG LLP as our independent registered public accounting firm for the fiscal year ending September 30, 2016 ("fiscal year 2016").

3. The approval, on a non-binding basis, of the compensation of our Named Executive Officers, as described below under "*Compensation Discussion and Analysis*," and in the executive compensation tables and accompanying narrative disclosures in this Proxy Statement.

4. The approval of various amendments to the Company's Restated Certificate of Incorporation regarding elimination of supermajority vote provisions.

The stockholders will also act on any other business that may properly come before the meeting.

What is included in our proxy materials?

The Company's Annual Report, which includes financial statements and "*Management's Discussion and Analysis of Financial Condition and Results of Operation*" for the fiscal year ended October 2, 2015 ("fiscal year 2015"), is being mailed together with this Proxy Statement to all stockholders of record entitled to vote at the Annual Meeting. This Proxy Statement and form of proxy are being first mailed to stockholders on or about March 31, 2016. The Proxy Statement and the Company's Annual Report are available at *http://www.skyworksinc.com/annualreport*.

Who can vote at our Annual Meeting?

Only stockholders of record at the close of business on March 17, 2016 (the "Record Date"), are entitled to notice of and to vote at the Annual Meeting. As of March 17, 2016, there were 190,124,414 shares of Skyworks' common stock issued and outstanding. Pursuant to Skyworks' Restated Certificate of Incorporation and By-laws, and applicable Delaware law, each share of common stock entitles the holder of record at the close of business on the Record Date to one vote on each matter considered at the Annual Meeting.

Is my vote important?

Yes. Your vote is important no matter how many shares you own. Please take the time to vote in the way that is easiest and most convenient for you, and cast your vote as soon as possible.

How do I vote if I am a stockholder of record?

As a stockholder of record, you may vote in one of the following three ways whether or not you plan to attend the Annual Meeting: (a) by completing, signing, and dating the accompanying proxy card and returning it in the postage-prepaid envelope enclosed for that purpose, (b) by completing and submitting your proxy using the toll-free telephone number listed on the proxy card, or (c) by completing and submitting your proxy via the Internet at the website address listed on the proxy card. If you attend the Annual Meeting, you may vote in person at the Annual Meeting even if you have previously submitted your proxy by mail, telephone, or via the Internet (and your vote at the Annual Meeting will automatically revoke your previously submitted proxy, although mere attendance at the meeting without voting in person will not have that result).

How do I vote if I am a beneficial owner of shares held in "street name"?

If your shares are held on your behalf by a third party such as your broker or another person or entity who holds shares of the Company on your behalf and for your benefit, which person or entity we refer to as a "nominee," and your broker (or other nominee) is the stockholder of record of such shares, then you are the beneficial owner of such shares and we refer to those shares as being held in "street name." As the beneficial owner of your "street name" shares, you are entitled to instruct your broker (or other nominee) as to how to vote your shares. Your broker (or other nominee) will provide you with information regarding how to instruct your broker (or other nominee) as to the voting of your "street name" shares.

How do I vote if I am a participant in the Skyworks 401(k) Savings and Investment Plan?

If you are a participant in the Skyworks 401(k) Savings and Investment Plan (the "401(k) Plan"), you will receive an instruction card for the Skyworks shares you own through the 401(k) Plan. That instruction card will serve as a voting instruction card for the trustee of the 401(k) Plan, and your 401(k) Plan shares will be voted as you instruct.

Can I change my vote after I have voted?

Any proxy given pursuant to this solicitation may be revoked by the person giving it at any time before it is voted at the Annual Meeting. Proxies may be revoked by (a) delivering to the Secretary of the Company, before the taking of the vote at the Annual Meeting, a written notice of revocation bearing a later date than the proxy, (b) duly completing a later-dated proxy relating to the same shares and presenting it to the Secretary of the Company before the taking of the vote at the Annual Meeting, or (c) attending the Annual Meeting and voting there in person (although attendance at the Annual Meeting will not in and of itself constitute a revocation of a proxy). Any written notice of revocation or subsequent proxy should be delivered to the Company's principal executive offices at Skyworks Solutions, Inc., 20 Sylvan Road, Woburn, MA 01801, Attention: Secretary, or hand delivered to the Secretary of the Company, before the taking of the vote at the Annual Meeting.

Can I attend the Annual Meeting?

If you plan to attend the Annual Meeting, please be sure to indicate your intent to attend by checking the designated box on your proxy card if you are submitting a proxy via mail, or by indicating when prompted if you are submitting a proxy through either Skyworks' telephone or Internet proxy submission procedures. In either case, save the admission ticket attached to your proxy (the top half) and bring that with you to the Annual Meeting. If your shares are held in "street name" by your broker (or other nominee), you should consult your instruction card to determine how to indicate your intent to attend the Annual Meeting. If your instruction card does not provide any such indication, you should contact your broker (or other nominee) to determine what you will need to do to be able to attend and vote at the Annual Meeting. In order to be admitted to the Annual Meeting, you will need to present your admission ticket or the appropriate documentation from your broker (or other nominee), as well as provide valid picture identification, such as a driver's license or passport.

If I vote by proxy, how will my vote be cast?

The persons named as attorneys-in-fact in this Proxy Statement, David J. Aldrich and Mark V.B. Tremallo, were selected by the Board of Directors and are officers of the Company. As attorneys-in-fact, Messrs. Aldrich and Tremallo will vote any shares represented at the meeting by proxy. Each executed proxy card returned by a stockholder of record or proxy vote recorded via telephone or the Internet by a stockholder of record in the manner provided on the proxy card prior to the taking of the vote at the Annual Meeting will be voted. Where a choice has been specified in an executed proxy with respect to the matters to be acted upon at the Annual Meeting, the shares represented by the proxy will be voted in accordance with the choices specified.

How will my shares be voted if I do not give specific voting instructions when I deliver my proxy?

If you are a stockholder of record and deliver a proxy but do not give specific voting instructions, then the proxy holders will vote your shares as recommended by the Board of Directors.

If your shares are held in "street name," your broker (or other nominee) is required to vote those shares in accordance with your instructions. If you do not give instructions to your broker (or other nominee), your broker (or other nominee) will only be entitled to vote your shares with respect to "discretionary" matters, as described below, but will not be permitted to vote the shares with respect to "non-discretionary" matters. If you beneficially own shares that are held in "street name" by your broker (or other nominee), we strongly encourage you to provide instructions to your broker (or other nominee) as to how to vote on the election of directors and all of the Proposals by signing, dating, and returning to your broker (or other nominee) the instruction card provided by your broker (or other nominee).

If you are a participant in the 401(k) Plan, the trustee of the 401(k) Plan will not vote your 401(k) Plan shares if the trustee does not receive voting instructions from you by 11:59 p.m. Eastern Time on May 6, 2016, unless otherwise required by law.

What is a "broker non-vote"?

A "broker non-vote" occurs when your broker (or other nominee) submits a proxy for your shares (because the broker (or other nominee) has either received instructions from you on one or more proposals, but not all, or has not received instructions from you but is entitled to vote on a particular "discretionary" matter) but does not indicate a vote "**FOR**" a particular proposal because the broker (or other nominee) either does not have authority to vote on that proposal and has not received voting instructions from you or has "discretionary" authority on the proposal but chooses not to exercise it. "Broker non-votes" are not counted as votes "**FOR**" or "**AGAINST**" the proposal in question or as abstentions, nor are they counted to determine the number of votes present for the particular proposal. We do, however, count "broker non-votes" for the purpose of determining a quorum for the Annual Meeting. If your shares are held in "street name" by your broker (or other nominee), please check the instruction card provided by your broker (or other nominee) or contact your broker (or other nominee) to determine whether you will be able to vote by telephone or via the Internet.

What vote is required for each matter?

Election of Directors. Pursuant to the Company's By-laws, a nominee will be elected to the Board of Directors if the votes cast "**FOR**" the nominee's election at the Annual Meeting exceed the votes cast "**AGAINST**" the nominee's election (as long as the only director nominees are those individuals set forth in this Proxy Statement). Abstentions and "broker non-votes" will not count as votes "**FOR**" or "**AGAINST**." If the shares you own are held in "street name," your broker (or other nominee), as the record holder of your shares, is required to vote your shares according to your instructions. Because Proposal 1 constitutes an uncontested election of directors (an election where the number of nominees for election as directors is equal to or less than the number of directors to be elected), it is *not* considered to be a "discretionary" matter for certain brokers. **If you do not instruct your broker how to vote with respect to this item, your broker may not vote your shares with respect to the election of directors.** In such case, a "broker non-vote" may occur, which will have no effect on the outcome of Proposal 1.

Ratification of Independent Registered Public Accounting Firm. The affirmative vote of a majority of the shares present in person, or represented by proxy at the Annual Meeting, and entitled to vote on such matter at the Annual Meeting, is required to approve Proposal 2. Proposal 2 involves a matter on which a broker (or other nominee) *does* have "discretionary" authority to vote. **Even if you do not instruct your broker how to vote with respect to this**

item, your broker may vote your shares with respect to this proposal in its discretion. With respect to Proposal 2, a vote of "**ABSTAIN**" will have the same effect as a vote of "**AGAINST**."

Say-on-Pay Vote. The affirmative vote of a majority of the shares present in person, or represented by proxy at the Annual Meeting, and entitled to vote on such matter at the Annual Meeting, is required to approve Proposal 3. Proposal 3 is *not* considered to be a "discretionary" matter for certain brokers. **If you do not instruct your broker how to vote with respect to this item, your broker may not vote your shares with respect to this proposal.** In such case, a "broker non-vote" may occur, which will have no effect on the outcome of Proposal 3. Votes that are marked "**ABSTAIN**" are counted as present and entitled to vote with respect to Proposal 3 and will have the same impact as a vote that is marked "**AGAINST**" for purposes of Proposal 3.

Approval of Amendments to the Company's Restated Certificate of Incorporation. Approval of Proposals 4, 5, 6, 7, and 8, requires the affirmative vote of the holders of at least the following percentages of the shares of our outstanding common stock, respectively: 66⅔%, 80%, 90%, 80%, and 80%. Proposals 4–8 are *not* considered to be "discretionary" matters for certain brokers. **If you do not instruct your broker how to vote with respect to one or more of these items, your broker may not vote your shares with respect to such proposals.** In such case, a "broker non-vote" may occur, which will have no effect on the outcome of such proposal. Votes that are marked "**ABSTAIN**" as to any of Proposals 4–8 are counted as present and entitled to vote with respect to such proposal and will have the same impact as a vote that is marked "**AGAINST**" for purposes of such proposal.

How does the Board of Directors recommend that I vote?

The Board of Directors recommends that you vote:

FOR the election of each of the eight director nominees (Proposal 1).

FOR the ratification of the selection of KPMG LLP as our independent registered public accounting firm for fiscal year 2016 (Proposal 2).

FOR the approval, on a non-binding basis, of the compensation of our Named Executive Officers, as described below under "*Compensation Discussion and Analysis*," and in the executive compensation tables and accompanying narrative disclosures (Proposal 3).

FOR the approval of amendments to the Company's Restated Certificate of Incorporation (Proposals 4–8).

How will the votes cast at our Annual Meeting be counted?

An automated system administered by the Company's transfer agent tabulates the votes at the Annual Meeting. The vote on each matter submitted to stockholders will be tabulated separately.

Where can I find the voting results of our Annual Meeting?

We expect to announce the preliminary voting results at our Annual Meeting. The final voting results will be reported in a Current Report on Form 8-K that will be filed with the Securities and Exchange Commission (the "SEC") within four business days after the end of our Annual Meeting and will be posted on our website.

Will my vote be kept confidential?

Yes. We will keep your vote confidential unless (1) we are required by law to disclose your vote (including in connection with the pursuit or defense of a legal or administrative action or proceeding), or (2) there is a contested election for the Board of Directors. The inspector of elections will forward any written comments that you make on the proxy card to management without providing your name, unless you expressly request on your proxy card that your name be disclosed.

What is the quorum requirement for our Annual Meeting?

The holders of a majority of the issued and outstanding stock of the Company present either in person or by proxy at the Annual Meeting constitute a quorum for the transaction of business at the Annual Meeting. Shares that abstain from voting on any proposal and "broker non-votes" will be counted as shares that are present for purposes of determining whether a quorum exists at the Annual Meeting. If a "broker non-vote" occurs with respect to any shares of the Company's common stock on any matter, then those shares will be treated as not present and not entitled to vote with respect to that matter (even though those shares are considered entitled to vote for purposes of determining whether a quorum exists because they are entitled to vote on other matters) and will not be voted.

When will Skyworks next hold an advisory vote on the frequency of say-on-pay votes?

The next advisory vote on the frequency of say-on-pay votes will be held at our 2017 Annual Meeting of stockholders.

What is "householding"?

Some brokers (or other nominees) may be participating in the practice of "householding" proxy statements and annual reports. This means that only one copy of this Proxy Statement and our Annual Report may have been sent to multiple stockholders in your household. If you are a stockholder and your household or address has received only one Annual Report and one Proxy Statement, the Company will promptly deliver a separate copy of the Annual Report and the Proxy Statement to you, upon your written request to Skyworks Solutions, Inc., 20 Sylvan Road, Woburn, MA 01801, Attention: Investor Relations, or oral request to Investor Relations at (781) 376-3405. If you would like to receive separate copies of our Annual Report and Proxy Statement in the future, you should direct such request to your broker (or other nominee). Even if your household or address has received only one Annual Report and one Proxy Statement, a separate proxy card should have been provided for each stockholder account. Each individual proxy card should be signed, dated, and returned in the enclosed postage-prepaid envelope (or completed and submitted by telephone or via the Internet, as described on the proxy card). If your household has received multiple copies of our Annual Report and Proxy Statement, you can request the delivery of single copies in the future by contacting your broker (or other nominee), or the Company at the address or telephone number above.

Proposal 1:
Election of Directors

Election of Directors

Under this Proposal 1, you are being asked to consider eight nominees for election to our Board of Directors (all of our currently serving directors) to serve until the 2017 Annual Meeting of stockholders and until their successors are elected and qualified or until their earlier resignation or removal. The names of the eight nominees for election as directors, their current positions and offices, the year such nominees were first elected as directors of the Company and their Board committee memberships are set forth in the table below. Each nominee for election has agreed to serve if elected, and the Board of Directors knows of no reason why any nominee should be unable or unwilling to serve. If a nominee is unable or unwilling to serve, the attorneys-in-fact named in this Proxy Statement will vote any shares represented at the meeting by proxy for the election of another individual nominated by the Board of Directors, if any. No nominee or executive officer is related by blood, marriage, or adoption to any other director, nominee, or executive officer. No arrangements or understandings exist between any director or person nominated for election as a director and any other person pursuant to which such person is to be selected as a director or nominee for election as a director.

Nominee	Position(s) with the Company	First Year of Service	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee
David J. Aldrich	Chairman of the Board and Chief Executive Officer	2000			
David J. McLachlan	Lead Independent Director	2000	M		M
Kevin L. Beebe	Director	2004	M	M	
Timothy R. Furey	Director	1998		C	M
Balakrishnan S. Iyer	Director	2002	M		C
Christine King	Director	2014		M	
David P. McGlade	Director	2005		M	M
Robert A. Schriesheim	Director	2006	C		

"C" indicates Chair and "M" indicates Member of the respective committee

Immediately below this proposal is biographical information about each of the director nominees, including information regarding each nominee's business experience for the past five years, and the names of other public companies for which each nominee has served as a director during the past five years. The information presented below regarding the specific experience, qualifications, attributes, and skills of each nominee led our Nominating and Corporate Governance Committee and our Board of Directors to conclude that he or she should serve as a director. In addition, we believe that all of our nominees have integrity, business acumen, good judgment, knowledge of our business and industry, experience in one or more areas relevant to our business and strategy, and the willingness to devote the time needed to be an effective director.

Majority Vote Standard for Election of Directors

A nominee for election as a director in an uncontested election (an election where the number of nominees for election as directors is equal to or less than the number of directors to be elected) will be elected if the number of votes cast "**FOR**" such nominee's election exceed the number of votes cast "**AGAINST**" the nominee's election. In a contested election (in which the number of nominees for election as directors exceeds the number of directors to be elected at such meeting), directors are elected by a plurality of all votes cast in such election.

The election of directors at this Annual Meeting will be uncontested. As a result, each nominee for election as a director at the Annual Meeting will only be elected if the votes cast "**FOR**" such nominee exceed the number of votes cast "**AGAINST**" such nominee. As required by our corporate governance guidelines, which are available on the

Investor Relations portion of the Company's website at *http://www.skyworksinc.com*, each incumbent director who is a nominee for election as a director at the Annual Meeting submitted to the Board of Directors an irrevocable resignation that would become effective if the votes cast "**FOR**" such nominee's election do not exceed the votes cast "**AGAINST**" such nominee's election and our Board of Directors determines to accept his or her resignation. Upon such resignation by a nominee and pursuant to the procedures set forth in the corporate governance guidelines, the Nominating and Corporate Governance Committee will evaluate the best interests of our Company and stockholders and will recommend to our Board of Directors the action to be taken with respect to the resignation. The Board of Directors will then decide whether to accept, reject, or modify the Nominating and Corporate Governance Committee's recommendation, and the Company will publicly disclose such decision by the Board of Directors with respect to the director nominee.

Shares represented by all proxies received by the Board of Directors that are properly completed, but do not specify a choice as to the election of directors and are not marked as to withhold authority to vote for the nominees, will be voted "**FOR**" the election of all eight of the nominees.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS
A VOTE "*FOR*" THE ELECTION OF EACH OF THE EIGHT NOMINEES IN PROPOSAL 1

Nominees for Election

David J. Aldrich, age 59, serves as Chairman of the Board and Chief Executive Officer of the Company. From April 2000 until his election as Chairman in May 2014, Mr. Aldrich served as President and Chief Executive Officer and as a director of the Company. From September 1999 to April 2000, Mr. Aldrich served as President and Chief Operating Officer. From May 1999 to September 1999, Mr. Aldrich served as Executive Vice President, and from May 1996 to May 1999, Mr. Aldrich served as Vice President and General Manager of the semiconductor products business unit. Mr. Aldrich joined the Company in 1995 as Vice President, Chief Financial Officer and Treasurer. From 1989 to 1995, Mr. Aldrich held senior management positions at M/A-COM, Inc. (a developer and manufacturer of radio frequency and microwave semiconductors, components, and IP networking solutions), including Manager of Integrated Circuits Active Products, Corporate Vice President of Strategic Planning, Director of Finance and Administration and Director of Strategic Initiatives with the Microelectronics Division. Mr. Aldrich has also served since February 2007 as a director of Belden Inc. (a publicly traded designer and manufacturer of cable products and transmission solutions).

We believe that Mr. Aldrich, who has led Skyworks for more than 15 years, is qualified to serve as a director because of his leadership experience, his strategic decision making ability, his knowledge of the semiconductor industry and his in-depth knowledge of Skyworks' business. Mr. Aldrich brings to the Board of Directors his thorough knowledge of Skyworks' business, strategy, people, operations, competition, financial position, and investors. Further, as a result of his service as a director for Belden Inc., a multinational public company, Mr. Aldrich provides the Board of Directors with another organizational perspective and other cross-board experience.

David J. McLachlan, age 77, has been a director since 2000 and Lead Independent Director since May 2014. He served as Chairman of the Board from May 2008 to May 2014. Mr. McLachlan served as a senior advisor to the Chairman and Chief Executive Officer of Genzyme Corporation (a publicly traded biotechnology company) from 1999 to 2004. He also was the Executive Vice President and Chief Financial Officer of Genzyme from 1989 to 1999. Prior to joining Genzyme, Mr. McLachlan served as Vice President and Chief Financial Officer of Adams-Russell Company (an electronic component supplier and cable television franchise owner). He previously served as a director of Dyax Corp. until January 2016, when it was acquired by Shire plc.

We believe that Mr. McLachlan, the current Lead Independent Director, is qualified to serve as a director because he possesses a broad range of business experience as a result of his service as both chief financial officer and director for several public companies. In particular, Mr. McLachlan has in-depth experience handling complex accounting and finance issues for a broad range of companies. He has also served on the boards and audit and governance committees of other public companies (including as chairman of the audit committee), and serves as a designated "audit committee financial expert" for Skyworks' Audit Committee. In addition, Mr. McLachlan has extensive knowledge regarding Skyworks' business, which he has acquired by serving for more than 15 years on the Board of Directors.

Kevin L. Beebe, age 57, has been a director since January 2004. Since November 2007, he has been President and Chief Executive Officer of 2BPartners, LLC (a partnership that provides strategic, financial, and operational advice to private equity investors and management). In 2014, Mr. Beebe became a founding partner of Astra Capital Management (a private equity firm based in Washington, D.C.). Previously, beginning in 1998, he was Group President of Operations at ALLTEL Corporation (a telecommunications services company). From 1996 to 1998, Mr. Beebe served as Executive Vice President of Operations for 360° Communications Co. (a wireless communication company). He has held a variety of executive and senior management positions at several divisions of Sprint, including Vice President of Operations and Vice President of Marketing and Administration for Sprint Cellular, Director of Marketing for Sprint North Central Division, Director of Engineering and Operations Staff and Director of Product Management and Business Development for Sprint Southeast Division, as well as Staff Director of Product Services at Sprint Corporation. Mr. Beebe began his career at AT&T/Southwestern Bell as a Manager. Mr. Beebe also serves as chairman of the board of directors of NII Holdings, Inc. (a publicly traded provider of wireless telecommunications services in Latin America), and as a director for SBA Communications Corporation (a publicly traded operator of wireless communications towers in North, South, and Central America) and Syniverse Technologies, Inc. (a privately held provider of support services for wireless carriers).

We believe that Mr. Beebe is qualified to serve as a director because of his 19 years of experience as an operating executive in the wireless telecommunications industry. For example, as Group President of Operations at ALLTEL, he was instrumental in expanding ALLTEL's higher margin retail business, which significantly enhanced ALLTEL's competitive position in a dynamic, consolidating industry. In addition, as Chief Executive Officer of 2BPartners, LLC, Mr. Beebe continues to gain a broad range of business experience and to build business relationships by advising leading private equity firms that are transacting business in the global capital markets. Mr. Beebe provides cross-board experience by serving as a director for several public and private companies (including service on both audit and governance committees). Further, Mr. Beebe has served as a director of Skyworks since 2004 and has gained significant familiarity with Skyworks' business.

Timothy R. Furey, age 57, has been a director since 1998. He has been Chief Executive Officer of MarketBridge (a privately owned digital marketing software and services firm) since 1991. MarketBridge provides digital marketing, predictive analytics, and sales effectiveness solutions to Fortune 1000 companies in the software, communications, financial services, life sciences, and consumer products sectors. Mr. Furey also serves as Managing Partner of the Technology Marketing Group (which advises and invests in emerging growth companies in the social media, mobile, and marketing automation markets). Prior to 1991, Mr. Furey worked with the Boston Consulting Group, Strategic Planning Associates, Kaiser Associates, and the Marketing Science Institute.

We believe that Mr. Furey is qualified to serve as a director because his experience as Chief Executive Officer of MarketBridge, as well as his engagements with MarketBridge's clients (many of which are Fortune 1000 companies), provide him with a broad range of knowledge regarding business operations and growth strategies. In addition, Mr. Furey has extensive knowledge regarding Skyworks' business, which he has acquired through over 17 years of service on the Board of Directors, including, for the past 12 years, as the Chairman of the Compensation Committee.

Balakrishnan S. Iyer, age 59, has been a director since June 2002. He served as Senior Vice President and Chief Financial Officer of Conexant Systems, Inc., from October 1998 to June 2003. Prior to joining Conexant, Mr. Iyer served as Senior Vice President and Chief Financial Officer of VLSI Technology Inc. Prior to that, he was Corporate Controller for Cypress Semiconductor Corp. and Director of Finance for Advanced Micro Devices, Inc.

Mr. Iyer serves on the boards of directors of Power Integrations, Inc., QLogic Corporation, and IHS Inc. (each a publicly traded company). He served as a director of Conexant from February 2002 until April 2011, and as a director of Life Technologies Corp. from July 2001 until February 2014, when it was acquired by Thermo Fisher Scientific Inc.

We believe that Mr. Iyer is qualified to serve as a director because his experience as an executive officer of companies in the technology industry provides him with leadership, strategic, and financial experience. Through his experiences as a director at the public companies listed above (including as a member of certain audit, governance, and compensation committees) he provides the Board of Directors with significant financial expertise as a designated "audit committee financial expert" for Skyworks' Audit Committee, bringing specific application to our industry, as well as a broad understanding of corporate governance topics.

Christine King, age 66, has been a director since January 2014. Since August 2015, she has served as Executive Chairman of QLogic Corporation (a publicly traded developer of high performance server and storage networking connectivity products), where she has also been a director since April 2013. Previously, Ms. King served as a director and as Chief Executive Officer of Standard Microsystems Corporation (a developer of silicon-based integrated circuits utilizing analog and mixed-signal technologies) from 2008 until the company's acquisition in 2012 by Microchip Technology, Inc. Prior to Standard Microsystems, she was Chief Executive Officer of AMI Semiconductor, Inc., from 2001 until it was acquired by ON Semiconductor Corp. in 2008. From 1973 to 2001, Ms. King held various engineering, business, and management positions at IBM Corp., including Vice President of Semiconductor Products. In addition to serving as chairman of QLogic's board of directors, Ms. King also serves as a director of Cirrus Logic, Inc., and IDACORP, Inc. (each a publicly traded company), and as a director of Idaho Power Company (a subsidiary of IDACORP). She previously served as a director of Analog Devices, Inc., and Atheros Communications, Inc., prior to its acquisition by Qualcomm, Inc.

We believe that Ms. King is qualified to serve as a director because of her extensive management and operational experience in the high tech and semiconductor industries. In particular, through her experience as Chief Executive Officer of Standard Microsystems and AMI Semiconductor, as well as her service as a director of other public companies, Ms. King provides the Board of Directors with significant strategic, operational, and financial expertise.

David P. McGlade, age 55, has been a director since February 2005. He has served as Executive Chairman of Intelsat S.A. (a publicly traded worldwide provider of satellite communication services) since April 2015, prior to which he served as Chairman and Chief Executive Officer. Mr. McGlade joined Intelsat in April 2005 and was the Deputy Chairman of Intelsat from August 2008 until April 2013. Previously, Mr. McGlade served as an Executive Director of mmO2 PLC and as the Chief Executive Officer of O2 UK (a subsidiary of mmO2), a position he held from October 2000 until March 2005. Before joining O2 UK, Mr. McGlade was President of the Western Region for Sprint PCS.

We believe that Mr. McGlade is qualified to serve as a director because of his 32 years of experience in the telecommunications business, which have allowed him to acquire significant operational, strategic, and financial business acumen. Most recently, as a result of his work as the Chief Executive Officer of Intelsat, Mr. McGlade gained significant leadership and operational experience, as well as knowledge about the global capital markets.

Robert A. Schriesheim, age 55, has been a director since May 2006. He has been Executive Vice President and Chief Financial Officer of Sears Holdings since August 2011. From January 2010 to October 2010, Mr. Schriesheim was Chief Financial Officer of Hewitt Associates, Inc. (a global human resources consulting and outsourcing company that was acquired by Aon Corporation). From October 2006 until December 2009, he was the Executive Vice President and Chief Financial Officer of Lawson Software, Inc. (a publicly traded ERP software provider). From August 2002 to October 2006, he was affiliated with ARCH Development Partners, LLC (a seed stage venture capital fund). Before joining ARCH, Mr. Schriesheim held executive positions at Global TeleSystems, SBC Equity Partners, Ameritech, AC Nielsen, and Brooke Group Ltd. Mr. Schriesheim currently serves as a director of Houlihan

Lokey Inc. (a publicly traded financial services firm) and NII Holdings, Inc. (a publicly traded provider of wireless telecommunications services in Latin America), and previously served as a director of Lawson Software until its sale in July 2011. In addition, from 2004 until 2007, he was also a director of Dobson Communications Corp. (a former publicly traded wireless services communications company that was acquired by AT&T Inc.) and from 2007 until 2009 he served as a director of MSC Software Corp. (a former publicly traded provider of integrated simulation solutions for designing and testing manufactured products that was acquired by Symphony Technology Group).

We believe that Mr. Schriesheim is qualified to serve as a director because of his extensive knowledge of the capital markets, experience with corporate financial capital structures, and long history of evaluating and structuring merger and acquisition transactions within the technology sector. Mr. Schriesheim also has significant experience, as a senior executive and director in both public and private companies in the technology sector, leading companies through major strategic and financial corporate transformations while doing business in the global marketplace. He also serves as a designated "audit committee financial expert" for Skyworks' Audit Committee.

In addition to the information presented above regarding each director's specific experience, qualifications, attributes and skills that led our Board of Directors to conclude that he or she should serve as a director, we also believe that each of our directors has a reputation for integrity, honesty and adherence to high ethical standards. They have each demonstrated business acumen, an ability to exercise sound judgment and a commitment of service to Skyworks.

Corporate Governance

General

Board of Director Meetings

The Board of Directors met seven (7) times during fiscal year 2015. During fiscal year 2015, each director attended at least 75% of the aggregate of the total number of meetings of the Board of Directors and the total number of meetings held by all committees of the Board of Directors on which he or she served. The Company's policy with respect to directors' attendance at the Annual Meeting is available on the Investor Relations portion of the Company's website at *http://www.skyworksinc.com* (see corporate governance guidelines). At the 2015 Annual Meeting, each director then in office was in attendance, with the exception of Mr. Schriesheim.

Director Independence

Each year, the Board of Directors reviews the relationships that each director has with the Company and with other parties. Only those directors who do not have any of the categorical relationships that preclude them from being independent within the meaning of the applicable Listing Rules of the NASDAQ Stock Market LLC (the "NASDAQ Rules") and who the Board of Directors affirmatively determines have no relationships that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director, are considered to be independent directors. The Board of Directors has reviewed a number of factors to evaluate the independence of each of its members. These factors include its members' current and historic relationships with the Company and its competitors, suppliers, and customers; their relationships with management and other directors; the relationships their current and former employers have with the Company; and the relationships between the Company and other companies of which a member of the Company's Board of Directors is a director or executive officer. After evaluating these factors, the Board of Directors has determined that a majority of the members of the Board of Directors, namely, Kevin L. Beebe, Timothy R. Furey, Balakrishnan S. Iyer, Christine King, David J. McLachlan, David P. McGlade, and Robert A. Schriesheim, do not have any relationships that would interfere with the exercise of independent judgment in carrying out their responsibilities as directors and that each such director is an independent director of the Company within the meaning of applicable NASDAQ Rules.

Corporate Governance Guidelines

The Board of Directors has adopted corporate governance practices to help fulfill its responsibilities to the stockholders in overseeing the work of management and the Company's business results. These guidelines are intended to ensure that the Board of Directors has the necessary authority and practices in place to review and evaluate the Company's business operations, as needed, and to make decisions that are independent of the Company's management. In addition, the guidelines are intended to align the interests of directors and management with those of the Company's stockholders. A copy of the Company's corporate governance guidelines is available on the Investor Relations portion of the Company's website at *http://www.skyworksinc.com*.

In accordance with these corporate governance guidelines, independent members of the Board of Directors of the Company met in executive session without management present four (4) times during fiscal year 2015. Mr. McLachlan, the Lead Independent Director, served as presiding director for these meetings.

Stockholder Communications

Our stockholders may communicate directly with the Board of Directors as a whole or to individual directors by writing directly to those individuals at the following address: c/o Skyworks Solutions, Inc., 20 Sylvan Road, Woburn, MA 01801. The Company will forward to each director to whom such communication is addressed, and to the Chairman of the Board in his capacity as representative of the entire Board of Directors, any mail received at the Company's corporate office to the address specified by such director and the Chairman of the Board.

Code of Ethics

We have adopted a written code of business conduct and ethics that applies to our directors, officers, and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. We make available our code of business conduct and ethics through our website at *http://www.skyworksinc.com*. We intend to disclose any amendments to, or waivers from, our code of business conduct and ethics that are required to be publicly disclosed by posting any such amendment or waivers on our website pursuant to SEC requirements and NASDAQ Rules.

Executive Officer and Director Stock Ownership Requirements

As described in detail below under "*Compensation Discussion and Analysis*," we have adopted Executive Officer and Director Stock Ownership programs that require our executive officers (including our Named Executive Officers) and non-employee directors to hold a significant equity interest in Skyworks with the objective of more closely aligning the interests of our executive officers and directors with those of our stockholders. As of the date hereof, all of our Named Executive Officers and directors are in compliance with the stock ownership guidelines.

Board Leadership Structure

Our Board of Directors selects the Company's Chairman of the Board and Chief Executive Officer in the manner it determines to be in the best interests of the Company. In May 2014, our Board of Directors elected Mr. Aldrich, who had previously served as the Company's President and Chief Executive Officer, to serve as Chairman of the Board and Chief Executive Officer. At the time of Mr. Aldrich's election as Chairman of the Board, our Board of Directors appointed Mr. McLachlan, the prior Chairman of the Board and an independent director within the meaning of applicable NASDAQ Rules (see above under "*Director Independence*"), as the Lead

Independent Director. Mr. McLachlan's duties as Lead Independent Director, as set forth in our corporate governance guidelines, include the following:

- Presiding at all meetings of the Board of Directors at which the Chairman of the Board is not present, including executive sessions of the independent directors;

- Calling meetings of the independent directors, as he deems appropriate, and assuring that the independent directors meet independently at least twice each year;

- Providing leadership to the Board of Directors if circumstances arise in which the Chairman of the Board may be, or may be perceived to be, in conflict with the interests of the Company and its stockholders with regard to a particular matter;

- Facilitating communications and serving as a liaison, when necessary, between the independent directors and the Chairman of the Board;

- Consulting with the Chairman of the Board in the preparation of the schedules, agendas, and information provided to the Board of Directors for each meeting, and ensuring that there is sufficient time at each meeting for discussion of all agenda items;

- Retaining independent advisors on behalf of the Board of Directors as the Board of Directors or the independent directors may deem necessary or appropriate; and

- Being available for consultation and direct communication upon the reasonable request of major stockholders.

Committees of the Board of Directors

The Board of Directors has a standing Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee.

Audit Committee

We have established an Audit Committee consisting of the following individuals, each of whom the Board of Directors has determined is "independent" within the meaning of applicable NASDAQ Rules and meets the criteria for independence set forth in Rule 10A-3(b)(1) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"): Messrs. Schriesheim (Chairman), Beebe, Iyer, and McLachlan.

The primary responsibility of the Audit Committee is the oversight of the quality and integrity of the Company's financial statements, the Company's internal financial and accounting processes, and the independent audit process. Additionally, the Audit Committee has the responsibilities and authority necessary to comply with Rule 10A-3 under the Exchange Act. The Audit Committee meets privately with the independent registered public accounting firm, reviews their performance and independence from management, and has the sole authority to retain and dismiss the independent registered public accounting firm. These and other aspects of the Audit Committee's authority are more particularly described in the Company's Audit Committee Charter, which the Board of Directors adopted and is reviewed annually by the committee and is available on the Investor Relations portion of our website at *http://www.skyworksinc.com.*

The Audit Committee has adopted a formal policy concerning approval of audit and non-audit services to be provided to the Company by its independent registered public accounting firm, KPMG LLP. The policy requires that all services provided by KPMG LLP, including audit services and permitted audit-related and non-audit services, be preapproved by the Audit Committee. The Audit Committee preapproved all audit and non-audit services provided by KPMG LLP for fiscal year 2015. The Audit Committee met ten (10) times during fiscal year 2015.

Audit Committee Financial Expert

The Board of Directors has determined that each of Messrs. Schriesheim (Chairman), Iyer, and McLachlan, meets the qualifications of an "audit committee financial expert" under SEC rules and the qualifications of "financial sophistication" under the applicable NASDAQ Rules, and qualifies as "independent" as defined under the applicable NASDAQ Rules. The Board of Directors has also determined that Ms. King and Mr. McGlade each would meet the qualifications of an "audit committee financial expert" under current SEC rules and the qualifications of "financial sophistication" under current NASDAQ Rules if appointed to serve on the audit committee in the future.

Compensation Committee

We have established a Compensation Committee consisting of the following individuals, each of whom the Board of Directors has determined is "independent" within the meaning of applicable NASDAQ Rules: Messrs. Furey (Chairman), Beebe, and McGlade and Ms. King. The Compensation Committee met four (4) times during fiscal year 2015. The functions of the Compensation Committee include establishing the appropriate level of compensation, including short and long-term incentive compensation of the Chief Executive Officer, all other executive officers, and any other officers or employees who report directly to the Chief Executive Officer. The Compensation Committee also administers Skyworks' equity-based compensation plans. The Compensation Committee's authority to grant equity awards to the Company's executive officers may not be delegated to the Company's management or others. The Board of Directors has adopted a written charter for the Compensation Committee, and it is available on the Investor Relations portion of the Company's website at *http://www.skyworksinc.com.*

The Compensation Committee has engaged Aon/Radford Consulting ("Aon/Radford") to assist it in determining the components and amounts of executive compensation. The consultant reports directly to the Compensation Committee, through its Chairman, and the Compensation Committee retains the right to terminate or replace the consultant at any time.

The process and procedures followed by the Compensation Committee in considering and determining executive and director compensation are described below under "*Compensation Discussion and Analysis*."

Nominating and Corporate Governance Committee

We have established a Nominating and Corporate Governance Committee consisting of the following individuals, each of whom the Board of Directors has determined is "independent" within the meaning of applicable NASDAQ Rules: Messrs. Iyer (Chairman), Furey, McGlade, and McLachlan. The Nominating and Corporate Governance Committee met four (4) times during fiscal year 2015. The Nominating and Corporate Governance Committee is responsible for evaluating and recommending individuals for election or reelection to the Board of Directors and its committees, including any recommendations that may be submitted by stockholders, the evaluation of the performance of the Board of Directors and its committees, and the evaluation and recommendation of the corporate governance policies. These and other aspects of the Nominating and Corporate Governance Committee's authority are more particularly described in the Nominating and Corporate Governance Committee Charter, which the Board of Directors adopted and is available on the Investor Relations portion of the Company's website at *http://www.skyworksinc.com.*

Director Nomination Procedures

The Nominating and Corporate Governance Committee evaluates director candidates in the context of the overall composition and needs of the Board of Directors, with the objective of recommending a group that can best manage the business and affairs of the Company and represent the interests of the Company's stockholders using its diversity of experience. The committee seeks directors who possess certain minimum qualifications, including the following:

- A director must have substantial or significant business or professional experience or an understanding of technology, finance, marketing, financial reporting, international business, or other disciplines relevant to the business of the Company.

- A director (other than an employee-director) must be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Board of Directors or of a Board committee.

- The committee also considers the following qualities and skills, among others, in its selection of directors and as candidates for appointment to the committees of the Board of Directors:

    - economic, technical, scientific, academic, financial, accounting, legal, marketing, or other expertise applicable to the business of the Company;

    - leadership or substantial achievement in their particular fields;

    - demonstrated ability to exercise sound business judgment;

    - integrity and high moral and ethical character;

    - potential to contribute to the diversity of viewpoints, backgrounds, or experiences of the Board of Directors as a whole;

    - capacity and desire to represent the balanced, best interests of the Company as a whole and not primarily a special interest group or constituency;

    - ability to work well with others;

    - high degree of interest in the business of the Company;

    - dedication to the success of the Company;

    - commitment to the responsibilities of a director; and

    - international business or professional experience.

The committee does not have a formal policy with respect to diversity, but believes that our Board of Directors, taken as a whole, should embody a diverse set of skills, experiences, and backgrounds in order to better inform its decisions. The committee will also take into account the fact that a majority of the Board of Directors must meet the independence requirements of the applicable NASDAQ Rules. The Company expects that a director's existing and future commitments will not materially interfere with such director's obligations to the Company. For candidates who are incumbent directors, the committee considers each director's past attendance at meetings and participation in and contributions to the activities of the Board of Directors. The committee identifies candidates for director nominees in consultation with the Chief Executive Officer of the Company and the Chairman of the Board of Directors, through the use of search firms or other advisors or through such other methods as the committee deems to be helpful to identify candidates. Once candidates have been identified, the committee confirms that the candidates meet all of the minimum qualifications for director nominees set forth above through interviews, background checks, or any other means that the committee deems to be helpful in the evaluation process. The committee then meets to discuss and evaluate the qualities and skills of each candidate, both on an individual basis and taking into account the overall composition and needs of the Board of Directors. Based on the results of the evaluation process, the committee recommends candidates for director nominees for election to the Board of Directors.

Stockholder Nominees

The Nominating and Corporate Governance Committee will consider director candidates recommended by stockholders provided the stockholders follow the procedures set forth below. The committee does not intend to alter the manner in which it evaluates candidates, including the criteria set forth above, based on whether the candidate was recommended by a stockholder or otherwise. To date, the Nominating and Corporate Governance Committee has not received a recommendation for a director nominee from any stockholder of the Company.

Stockholders who wish to recommend individuals for consideration by the Nominating and Corporate Governance Committee to become nominees for election to the Board of Directors in 2017 may do so in accordance with the provisions of our By-laws by submitting a written recommendation to the Secretary of the Company at the address below no earlier than the close of business on January 11, 2017, and no later than the close of business on February 10, 2017. In the event that the 2017 Annual Meeting is held more than thirty (30) days before or after the first anniversary of the Company's 2016 Annual Meeting, then the required notice must be delivered in writing to the Secretary of the Company at the address below no earlier than 120 days prior to the date of the 2017 Annual Meeting and no later than the later of 90 days prior to the 2017 Annual Meeting or the 10th day following the day on which the public announcement of the date of the 2017 Annual Meeting is first made by the Company. For nominees for election to the Board of Directors proposed by stockholders to be considered, the recommendation for nomination must be in writing and must include the following information:

- name of the stockholder, whether an entity or an individual, making the recommendation;
- a written statement disclosing such stockholder's beneficial ownership of the Company's capital stock;
- name of the individual recommended for consideration as a director nominee;
- a written statement from the stockholder making the recommendation stating why such recommended candidate would be able to fulfill the duties of a director;
- a written statement from the stockholder making the recommendation stating how the recommended candidate meets the independence requirements established by the SEC and the applicable NASDAQ Rules;
- a written statement disclosing the recommended candidate's beneficial ownership of the Company's capital stock; and
- a written statement disclosing relationships between the recommended candidate and the Company that may constitute a conflict of interest.

Nominations may be sent to the attention of the committee via U.S. mail or expedited delivery service to Skyworks Solutions, Inc., 20 Sylvan Road, Woburn, Massachusetts 01801, Attn: Nominating and Corporate Governance Committee, c/o Secretary.

Role of the Board of Directors in Risk Oversight

Our Board of Directors oversees our risk management processes directly and through its committees. Our management team is responsible for risk management on a day-to-day basis. The role of our Board of Directors and its committees is to oversee the risk management activities of our management team. They fulfill this duty by discussing with management the policies and practices utilized by management in assessing and managing risks and providing input on those policies and practices. In general, our Board of Directors oversees risk management activities relating to business strategy, capital allocation, organizational structure, certain operational risks, and acquisitions; our Audit Committee oversees risk management activities related to financial controls and legal and compliance risks; our Compensation Committee oversees risk management activities relating to our compensation policies and practices as well as management succession planning; and our Nominating and Corporate Governance Committee oversees risk management activities relating to Board composition. Each committee reports to the Board of Directors on a regular basis, including reports with respect to the committee's risk oversight activities as appropriate. In addition, since risk issues often overlap, committees from time to time request that the Board of Directors discuss particular risks.

Our Compensation Committee does not believe that any risks arising from our employee compensation policies and practices are reasonably likely to have a material adverse effect on our company. Our Compensation Committee believes that any such risks are mitigated by:

- The multiple elements of our compensation packages, including base salary, our annual short-term incentive compensation plan and (for our executive officers and other key employees) equity awards that vest (or are issuable) over multiple years and are intended to motivate employees to take a long-term view of our business.

- The structure of our short-term incentive compensation plan (described in greater detail in this Proxy Statement under "*Compensation Discussion and Analysis*"), which is based on (i) a number of different financial and operating performance metrics to avoid employees placing undue emphasis on any particular performance metric at the expense of other aspects of our business, and (ii) performance targets that we believe are appropriately aggressive yet will not require undue risk-taking to achieve. Further, the structure of the short-term incentive compensation plan aids in driving sustained long-term financial performance as the goals and targets from the prior year's plan are significant factors used in determining goals for the current year's plan.

Compensation Committee Interlocks and Insider Participation

The Compensation Committee of the Board of Directors currently consists of, and during fiscal year 2015 consisted of, Messrs. Furey (Chairman), Beebe, and McGlade and Ms. King. No member of this committee was at any time during fiscal year 2015 an officer or employee of the Company, was formerly an officer of the Company or any of its subsidiaries, or had any employment relationship with the Company or any of its subsidiaries. No executive officer of the Company has served as a director or member of the compensation committee (or other committee serving an equivalent function) of any other entity, one of whose executive officers served as a director of or member of the Compensation Committee.

Certain Relationships and Related Person Transactions

Other than compensation agreements and other arrangements described below under "*Information About Executive and Director Compensation*," since October 3, 2014, there has not been a transaction or series of related transactions to which the Company was or is a party involving an amount in excess of $120,000 and in which any director, executive officer, holder of more than five percent (5%) of any class of our voting securities, or any member of the immediate family of any of the foregoing persons, had or will have a direct or indirect material interest. In January 2008, the Board of Directors adopted a written related person transaction approval policy that sets forth the

Company's policies and procedures for the review, approval or ratification of any transaction required to be reported in its filings with the SEC. The Company's policy with regard to related person transactions is that all related person transactions between the Company and any related person (as defined in Item 404 of Regulation S-K) or their affiliates, in which the amount involved is equal to or greater than $120,000, be reviewed by the Company's General Counsel and approved in advance by the Audit Committee. In addition, the Company's code of business conduct and ethics requires that employees discuss with the Company's Compliance Officer any significant relationship (or transaction) that might raise doubt about such employee's ability to act in the best interest of the Company.

Proposal 2:
Ratification of Independent Registered Public Accounting Firm

The Audit Committee has selected KPMG LLP as the Company's independent registered public accounting firm for fiscal year 2016 and has further directed that management submit the selection of the independent registered public accounting firm for ratification by the stockholders at the Annual Meeting. KPMG LLP was the independent registered public accounting firm for the Company for fiscal year 2015, and has been the independent registered public accounting firm for the Company and its predecessor, Alpha Industries, Inc., since 1975. We are asking the stockholders to ratify the selection of KPMG LLP as the Company's independent registered public accounting firm for fiscal year 2016.

Representatives of KPMG LLP are expected to attend the Annual Meeting. They will have an opportunity to make a statement if they desire to do so and will be available to respond to appropriate stockholder questions.

Stockholder ratification of the selection of KPMG LLP as the Company's independent registered public accounting firm is not required by the Company's By-laws or other applicable legal requirements. However, the Audit Committee is submitting the selection of KPMG LLP to the stockholders for ratification as a matter of good corporate practice. The affirmative vote of a majority of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote on such matter at the Annual Meeting is required to approve the selection of KPMG LLP as the Company's independent registered public accounting firm. In the event stockholders fail to ratify the appointment, the Audit Committee may reconsider this appointment. Even if the appointment is ratified, the Audit Committee, in its discretion, may direct the appointment of a different independent registered public accounting firm at any time during the year if the Audit Committee determines that such a change would be in the Company's and stockholders' best interests.

Audit Fees

KPMG LLP provided audit services to the Company consisting of the annual audit of the Company's 2015 consolidated financial statements contained in the Company's Annual Report on Form 10-K and reviews of the financial statements contained in the Company's Quarterly Reports on Form 10-Q for fiscal year 2015. The following table summarizes the fees of KPMG LLP billed to the Company for the last two fiscal years.

Fee Category	Fiscal Year 2015 ($)	% of Total (%)	Fiscal Year 2014 ($)	% of Total (%)
Audit Fees(1)	1,624,175	96	1,561,650	95
Audit-Related Fees	—	—	—	—
Tax Fees(2)	66,800	4	89,250	5
All Other Fees(3)	1,650	—	1,650	—
Total Fees	**1,692,625**	**100**	**1,652,550**	**100**

(1) Audit fees consist of fees for the audit of our annual financial statements, review of the interim financial statements included in our quarterly reports on Form 10-Q, statutory audits and related filings in various foreign locations and audit procedures related to acquisition activity during fiscal years 2015 and 2014. Fiscal year 2015 and 2014 audit fees also included fees for services incurred in connection with rendering an opinion under Section 404 of the Sarbanes-Oxley Act. Fiscal year 2015 audit fees also included fees for the review of registration statement auditor consents to incorporate by reference prior year financial statement opinions in Form S-8 filings.

(2) Tax fees consist of fees for tax compliance, tax advice and tax planning services. Tax compliance services, which primarily relate to the review of our U.S. tax returns and certain trade and customs forms, accounted for $60,000 and $80,000 of the total tax fees for fiscal year 2015 and 2014, respectively.

(3) All other fees for fiscal years 2015 and 2014 relate to fees incurred for licenses to accounting and research software.

In 2003, the Audit Committee adopted a formal policy concerning approval of audit and non-audit services to be provided to the Company by its independent registered public accounting firm, KPMG LLP. The policy requires that all services provided by KPMG LLP, including audit services and permitted audit-related and non-audit services, be preapproved by the Audit Committee. The Audit Committee preapproved all audit and non-audit services provided by KPMG LLP during fiscal year 2015 and our fiscal year ended October 3, 2014 ("fiscal year 2014").

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "*FOR*" THE RATIFICATION OF THE SELECTION OF KPMG LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM OF THE COMPANY FOR FISCAL YEAR 2016

Report of the Audit Committee

The Audit Committee of Skyworks' Board of Directors is responsible for providing independent, objective oversight of Skyworks' accounting functions and internal controls. The Audit Committee is composed of four directors, each of whom is independent within the meaning of applicable NASDAQ Rules and meets the criteria for independence set forth in Rule 10A-3(b)(1) under the Exchange Act. The Audit Committee operates under a written charter approved by the Board of Directors.

Management is responsible for the Company's internal control and financial reporting process. The Company's independent registered public accounting firm is responsible for performing an independent audit of Skyworks' consolidated financial statements in accordance with generally accepted auditing standards and for issuing a report concerning such financial statements. The Audit Committee's responsibility is to monitor and oversee these processes.

In connection with these responsibilities, the Audit Committee met with management and representatives of KPMG LLP, the Company's independent registered public accounting firm, and reviewed and discussed the audited financial statements for fiscal year 2015, results of the internal and external audit examinations, evaluations of the Company's internal controls, and the overall quality of Skyworks' financial reporting. The Audit Committee also discussed with the independent registered public accounting firm the matters required to be discussed by Auditing Standard No. 16, "Communications with Audit Committees," issued by the Public Company Accounting Oversight Board. In addition, the Audit Committee has received the written disclosures and the letter from its independent registered public accounting firm required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence and has discussed with the independent registered public accounting firm the independent registered public accounting firm's independence from the Company and its management, including the matters in the written disclosures and letter that were received by the committee from such firm.

Based upon the Audit Committee's review and discussions described above, the Audit Committee recommended that the Board of Directors include the audited consolidated financial statements in the Company's Annual Report on Form 10-K for fiscal year 2015, as filed with the SEC.

THE AUDIT COMMITTEE

Kevin L. Beebe
Balakrishnan S. Iyer
David J. McLachlan
Robert A. Schriesheim, Chairman

Proposal 3:
Advisory Vote on the Compensation of Our Named Executive Officers ("Say-on-Pay Vote")

We are providing our stockholders with the opportunity to vote to approve, on a non-binding basis, the compensation of our Named Executive Officers as described below under "*Information About Executive and Director Compensation*" pursuant to Section 14A of the Exchange Act. At our 2015 Annual Meeting of stockholders, approximately 96% of the votes cast by our stockholders were in favor of the compensation of our Named Executive Officers.

As we describe below under "*Compensation Discussion and Analysis*," our executive compensation program embodies a pay-for-performance philosophy that supports our business strategy and aligns the interests of our executives with our stockholders. In addition, our Board of Directors believes that the Company's financial performance over the last fiscal year demonstrates that our executive compensation program was designed appropriately and is working effectively to support long-term value creation.

Our Board of Directors is asking stockholders to approve a non-binding advisory vote on the following resolution:

> RESOLVED, that the Company's stockholders approve, on an advisory basis, the compensation paid to the Company's named executive officers, as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the compensation tables, and any related material disclosed in this Proxy Statement.

As an advisory vote, this proposal is not binding and will not overrule any decision by the Company or the Board of Directors (or any committee thereof), nor will it create or imply any change or addition to the fiduciary duties of the Company or the Board of Directors (or any committee thereof). However, our Compensation Committee and Board of Directors value the opinions expressed by our stockholders in their vote on this proposal and will consider the outcome of the vote when making future compensation decisions for Named Executive Officers. Unless the Board of Directors modifies its policy on the frequency of future say-on-pay votes, the next non-binding say-on-pay vote will be held at our 2017 Annual Meeting of stockholders.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS BY VOTING "*FOR*" PROPOSAL NO. 3

Information About Executive and Director Compensation

Summary and Highlights

Financial Performance

- Our net revenue increased by 42% to approximately $3.3 billion during fiscal year 2015 as we continue to experience year-over-year growth as smartphones displace traditional cellular phones, as emerging markets increasingly adopt 3G and 4G technologies, as tablet computing increases in popularity, and as our analog product portfolio expands to address additional content within handset, tablet, and adjacent vertical markets including medical, automotive, military, and industrial.

- Our operating expenses decreased to 16.3% of revenue for fiscal year 2015 from 19.9% of revenue in fiscal year 2014. In absolute terms operating expense increased from $458 million in fiscal year 2014 to $531 million in fiscal year 2015 primarily in connection with increased research and development expense as a result of increased product development activity.

- As a result of the aforementioned factors, our overall profitability increased significantly from fiscal year 2014 with year-over-year increases in net income and diluted earnings per share of 74% and 72%, respectively.

- During fiscal year 2015, we invested $237 million to repurchase over 2.9 million shares of our common stock, and $123 million in cash dividend payments. We also increased the quarterly cash dividend paid in the fourth quarter of fiscal year 2015 to $0.26 per share from the $0.13 per share cash dividend paid in the previous quarter, representing a 100% increase.

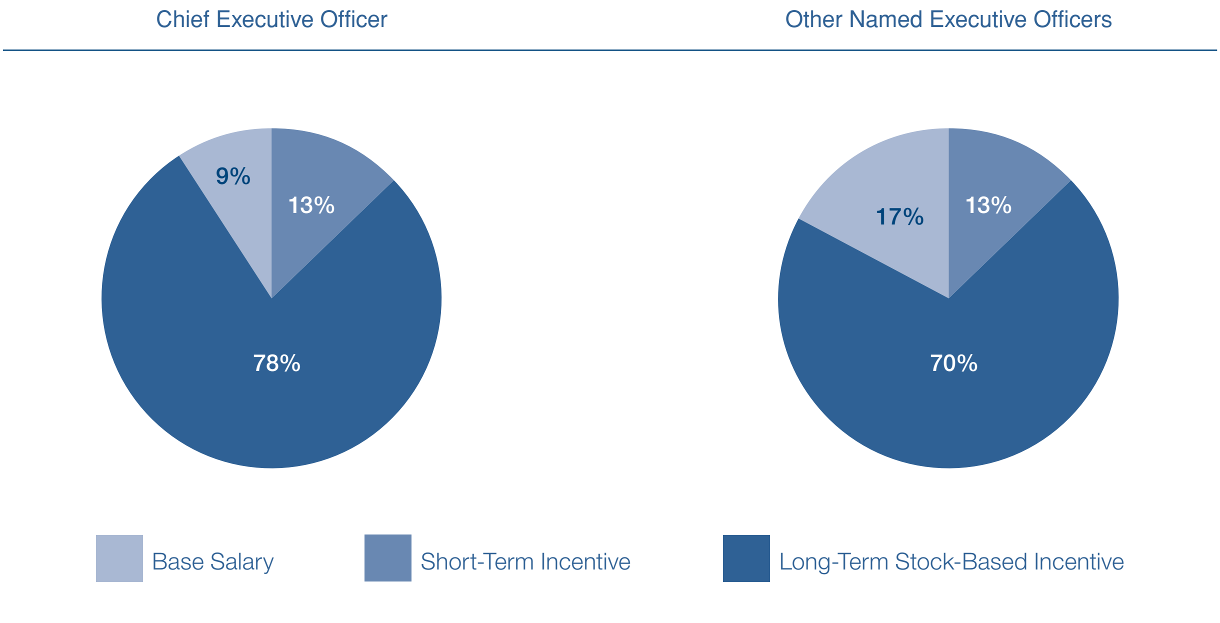
- Our ending cash and cash equivalents balance increased 30% to $1,044 million in fiscal year 2015 from $806 million in fiscal year 2014. This was the result of a 29% increase in cash from operations to $993 million in fiscal year 2015 due to higher net income partially offset by changes in working capital. In addition, during fiscal year 2015, we invested $430 million on capital expenditures associated with plant expansions in Mexico and Japan.

- Total stockholder return ("TSR") for the five-year period ending October 2, 2015, was 312%, compared with a weighted average TSR of 86% for the 15 publicly traded semiconductor companies in our peer group (which consists of the Comparator Group, as described below, excluding LSI, which was acquired during 2014, and RF Micro Devices, which ceased to be publicly traded as a result of a merger in 2015) and a weighted average TSR of 86% for the companies in the S&P 500 Semiconductors Index.

Compensation Program Alignment with Long-Term Interests of Stockholders

- We emphasize pay-for-performance and tie a significant amount of our Named Executive Officers' annual compensation to our performance in the form of incentive-based compensation, with the majority being in equity-based compensation. We believe that through the combination of our equity-based incentive compensation program and executive stock ownership guidelines, the interests of our executives are strongly aligned with those of our long-term stockholders—namely, increasing stockholder value over time.

- The charts below show the target total direct compensation mix for fiscal year 2015 for our Chief Executive Officer and the average for the other Named Executive Officers. The target total direct compensation mix for fiscal year 2015 reflects actual salary, target short-term incentive award, and the grant date fair value of stock option and performance share awards.



- We provide short-term incentive compensation to motivate executives to achieve key near-term (i.e., a year or less) financial and/or operational objectives. Based on the Company's performance under the revenue and non-GAAP operating margin goals established by the Compensation Committee, the total short-term incentive award payment to each of the Named Executive Officers for fiscal year 2015 was 200% of the target payment level for such Named Executive Officer.

- We provide longer-term equity-based compensation in the form of performance share awards and stock options to incentivize our executive officers to achieve goals each year that we believe will result in significant increases in stockholder value over the longer term, thereby aligning their interests with those of our stockholders.

  - Stock options closely align the long-term interests of our executives with those of our stockholders because the recipient will only realize a return on the option if our stock price increases over the life of the option. In addition, awards of stock options align with our growth strategy and provide significant financial upside if our growth objectives are achieved, while placing a significant portion of our executives' compensation at risk if our objectives are not achieved.

  - Shares are received under performance share awards only upon satisfaction of "performance" and "continued employment" conditions (i.e., to receive all shares earned based on actual performance, the executive would typically need to remain employed for three years following the grant of a performance share award). Based on the Company's non-GAAP operating margin achieved and TSR percentile ranking obtained during fiscal year 2015, each Named Executive Officer earned the "maximum" level of shares under the performance share awards granted in November 2014.

- The Compensation Committee of our Board of Directors, with assistance from its independent compensation consultant, annually reviews our executive compensation program to ensure that it is competitive with the companies in our industry with which we compete for executive talent. We generally target the median of our comparison group for our base salary and short-term incentive compensation levels. For fiscal year 2015, we granted equity-based incentive awards with a target incentive level at approximately the median of our comparison group, with the opportunity to earn above the target incentive levels based on performance. We feel that this level of executive compensation, with its emphasis on long-term results, alignment with stockholder interests, and long-term retention, enables us to attract and retain the executive talent necessary to meet our business objectives.

Corporate Governance and Compensation Best Practices

- As part of its commitment to strong corporate governance and best practices, our Compensation Committee has engaged an independent compensation consultant, Aon/Radford, to perform an annual comprehensive analysis of our executive compensation practices and pay levels, using analytical tools such as market data, tally sheets, compensation history, and walk-away analysis for each executive.

- Our Compensation Committee has implemented equity compensation grant procedures, an annual process to assess the efficacy of our company-wide compensation programs, and a risk management program, which includes an ongoing evaluation of the relationship between our compensation programs and risk.

- We have adopted Executive Officer and Director Stock Ownership programs that require our executive officers and non-employee directors to hold a significant equity interest in the Company with the objective of more closely aligning the interests of our executive officers and directors with those of our stockholders.

- We prohibit our directors, officers, and employees from hedging or pledging their economic interests in Company securities and from engaging in any short-term, speculative securities transactions, including purchasing securities on margin, engaging in short sales, or buying or selling put or call options.

- Equity awards granted to our Named Executive Officers under the 2015 Long-Term Incentive Plan are not subject to automatic accelerated vesting solely upon a change in control of the Company.

- None of the Named Executive Officers is entitled to any future excise tax gross-up payment in connection with a change in control of the Company.

Compensation Discussion and Analysis

This Compensation Discussion and Analysis section discusses the compensation policies and programs for our Chief Executive Officer, our Chief Financial Officer and our three next most highly paid executive officers during fiscal year 2015 as determined under the rules of the SEC. We refer to this group of executive officers as our "Named Executive Officers." For fiscal year 2015, our Named Executive Officers were:

- David J. Aldrich, Chairman and Chief Executive Officer;

- Donald W. Palette, Executive Vice President and Chief Financial Officer;

- Liam K. Griffin, President;

- Bruce J. Freyman, Executive Vice President, Worldwide Operations; and

- Mark V.B. Tremallo, Vice President, General Counsel and Secretary.

Approach for Determining Form and Amounts of Compensation

The Compensation Committee, which is composed solely of independent directors within the meaning of applicable NASDAQ Rules, outside directors within the meaning of Section 162 of the Internal Revenue Code ("IRC"), and non-employee directors within the meaning of Rule 16b-3 under the Exchange Act, is responsible for determining all components and amounts of compensation to be paid to our Named Executive Officers, as well as any other executive officers or employees who report directly to the Chief Executive Officer. The Compensation Committee sets compensation for the Named Executive Officers, including salary, short-term incentives, and long-term stock-based awards, at levels generally intended to be competitive with the compensation of comparable executives in semiconductor companies with which the Company competes for executive talent.

Compensation Program Objectives

The objectives of our executive compensation program are to attract, retain and motivate highly qualified executives to operate our business, and to link the compensation of those executives to improvements in the Company's financial performance and increases in stockholder value. Accordingly, the Compensation Committee's goals in establishing our executive compensation program include:

- ensuring that our executive compensation program is competitive with a group of companies in the semiconductor industry with which we compete for executive talent;
- providing a base salary that serves as the foundation of a compensation package that attracts and retains the executive talent needed to achieve our business objectives;
- providing short-term variable compensation that motivates executives and rewards them for achieving Company financial performance targets;
- providing long-term stock-based compensation that aligns the interest of our executives with stockholders by rewarding them for long-term increases in stockholder value; and
- ensuring that our executive compensation program is perceived as fundamentally fair to all of our employees.

Retention of Compensation Consultant

The Compensation Committee has engaged Aon/Radford to assist in determining the components and amount of executive compensation. Aon/Radford reports directly to the Compensation Committee, through its chairperson, and the Compensation Committee retains the right to terminate or replace the consultant at any time. The consultant advises the Compensation Committee on such compensation matters as are requested by the Compensation Committee. The Compensation Committee considers the consultant's advice on such matters in addition to any other information or factors it considers relevant in making its compensation determinations.

The Compensation Committee has considered the relationships that Aon/Radford has with the Company, the members of the Compensation Committee and our executive officers, as well as the policies that Aon/Radford has in place to maintain its independence and objectivity, and has determined that Aon/Radford's work for the Compensation Committee has not raised any conflicts of interest.

Role of Chief Executive Officer

The Compensation Committee also considers the recommendations of the Chief Executive Officer regarding the compensation of the other Named Executive Officers and each of his other direct reports. These recommendations include an assessment of each individual's responsibilities, experience, performance and contribution to the Company's performance, and also generally take into account internal factors such as historical compensation and level in the organization, in addition to external factors such as the current environment for attracting and retaining executives.

Establishment of Comparator Group Data

In determining compensation for each of the Named Executive Officers, the committee utilizes "Comparator Group" data for each position. For fiscal year 2015, the Compensation Committee approved Comparator Group data consisting of a 50/50 blend of (i) Aon/Radford survey data of 23 semiconductor companies (where sufficient data was not available in the Aon/Radford semiconductor survey data for a given executive position, the Comparator Group data also included survey data regarding high-technology companies), and (ii) the "peer" group data for 17 publicly traded semiconductor companies with which the Company competes for executive talent:

*Altera	*Freescale Semiconductor	*Microsemi
*Analog Devices	*Linear Technology	*NVIDIA
*Avago Technologies	*LSI	*ON Semiconductor
*Broadcom	*Marvell Technology	*RF Micro Devices
*Cree	*Maxim Integrated Products	*Xilinx
*Fairchild Semiconductor	*Microchip Technology	

Use of Comparator Group Data

The Compensation Committee annually compares the components and amounts of compensation that we provide to our Chief Executive Officer and other Named Executive Officers with the components and amounts of compensation provided to their counterparts in the Comparator Group and uses this comparison data as a guideline in its review and determination of base salaries, short-term incentives, and long-term stock-based compensation awards, as discussed in further detail below under "*Components of Compensation*." In addition, in setting fiscal year 2015 compensation, the Compensation Committee sought and received input from Aon/Radford regarding the base salaries for the Chief Executive Officer and each of the other executive officers, the incentive targets relating to the short-term incentive program for executive officers, and the individual stock-based compensation awards for executive officers, as well as the related vesting schedules.

After reviewing the data and considering the input, the Compensation Committee established (and the full Board of Directors was advised of) the base salary, short-term incentive target, and long-term stock-based compensation award for each Named Executive Officer. In establishing individual compensation, the Compensation Committee also considered the input of the Chief Executive Officer, as well as the individual experience and performance of each executive.

In determining the compensation of our Chief Executive Officer, our Compensation Committee focused on (i) competitive levels of compensation for chief executive officers who are leading a company of similar size and complexity, (ii) the importance of retaining a chief executive officer with the strategic, financial, and leadership skills necessary to ensure our continued growth and success, (iii) our Chief Executive Officer's role relative to the other Named Executive Officers, (iv) input from the full Board of Directors on our Chief Executive Officer's performance, and (v) the considerable length of our Chief Executive Officer's 21 years of service to the Company. Aon/Radford advised the Compensation Committee that the base salary, annual performance targets, short-term incentive target opportunity, and equity-based compensation established by the Compensation Committee for fiscal year 2015 were competitive for chief executive officers leading companies of similar size and complexity in the semiconductor industry. Our Chief Executive Officer was not present during the voting or deliberations of the Compensation Committee concerning his compensation. As stated above, however, the Compensation Committee did consider the recommendations of the Chief Executive Officer regarding the compensation of the other Named Executive Officers and each of his other direct reports.

Response to Stockholder Vote on Executive Compensation at 2015 Annual Meeting

At our 2015 Annual Meeting of stockholders, approximately 96% of the votes cast approved the compensation of the Company's named executive officers as disclosed in the proxy statement delivered to our stockholders in connection with the 2015 Annual Meeting. We understood this to mean that stockholders generally approved of our compensation policies and determinations in 2015. However, our Compensation Committee still undertook a review of our compensation policies and determinations following the 2015 Annual Meeting with the assistance of Aon/Radford. After this review and consideration of evolving best practices in executive compensation by public companies generally, upon the recommendation of our Compensation Committee, we determined not to make any significant changes to our executive compensation decisions and policies. The Compensation Committee periodically reviews the goals we would like to achieve through our executive compensation practices and explores ways to modify those practices to either achieve new goals or to enhance our ability to achieve existing goals.

Components of Compensation

The key elements of compensation for our Named Executive Officers are base salary, short-term incentives, long-term stock-based incentives, 401(k) plan retirement benefits, medical, dental, vision, life and disability insurance, and financial planning benefits. Consistent with our objective of ensuring that executive compensation is perceived as fair to all employees, the Named Executive Officers do not receive any retirement benefits beyond those generally available to our full-time employees, and we do not provide medical, dental, vision, or other insurance benefits to Named Executive Officers that are different from those offered to other full-time employees.

Base Salary

Base salaries provide our executive officers with a degree of financial certainty and stability. The Compensation Committee determines a competitive base salary for each executive officer using the Comparator Group data and input provided by Aon/Radford. Based on these factors, base salaries of the Named Executive Officers for fiscal year 2015 were generally targeted at the Comparator Group median, with consideration given to role, responsibility, performance and length of service. After taking these factors into account, the base salary for each Named Executive Officer for fiscal year 2015 increased on average 3.4% from the Named Executive Officer's base salary in fiscal year 2014, and ranged from an increase of 3.0% to 4.7%.

Short-Term Incentives

Our short-term incentive compensation plan for executive officers is established annually by the Compensation Committee. For fiscal year 2015, the Compensation Committee adopted the 2015 Executive Incentive Plan (the "Incentive Plan"). The Incentive Plan established short-term incentive awards that could be earned annually by certain officers of the Company, including the Named Executive Officers, based on the Company's achievement of certain corporate performance goals established on an annual basis. Short-term incentive compensation is intended to motivate and reward executives by tying a significant portion of their total compensation to the Company's achievement of pre-established performance goals that are generally short-term (i.e., one year or less). Pursuant to the Incentive Plan, the Compensation Committee sets a range of short-term compensation that can be earned by each executive officer based on the Comparator Group data, which is expressed as a percentage of the executive officer's base salary and which corresponds to the level of achievement of the performance goals. The low end of that range, referred to as the "threshold" percentage, is equal to the amount of compensation payable to the executive if the level of achievement of each performance goal applicable to the executive was at the minimum set by the Compensation Committee to be eligible to receive a payment for that goal under the Incentive Plan (referred to as the "threshold" level). At the threshold payout level, the short-term compensation was designed to result in a payout less than the median short-term compensation of the Comparator Group. The middle of the range, referred to as the "target" percentage, is equal to the amount of short-term compensation payable to the executive if the level of achievement of each performance goal applicable to the executive met the expectations set by the Compensation Committee (referred to as the "target" level). Achievement of all performance goals at the "target" level would result in a short-term compensation payout equal to the "target" percentage, which is designed to be the median short-term compensation of the Comparator Group. The high end of the range, referred to as the "maximum" percentage, is equal to the amount of compensation payable to the executive if the level of achievement of each performance goal applicable to the executive reached the high-end target set by the Compensation Committee for such goal (referred to as the "maximum" level). Achievement of all performance goals at the "maximum" level would result in a short-term compensation payout at the "maximum" percentage, which is designed to be above the median short-term compensation of the Comparator Group. Absent an exercise of discretion by the Compensation Committee, the total short-term compensation paid to each executive would not exceed the "maximum" percentage and, in the event that the level of achievement of all performance goals was below the "threshold" level, no short-term compensation payment would be made to the executive. The following table shows the range of short-term compensation that each Named Executive Officer could earn in fiscal year 2015 as a percentage of such executive officer's annual base salary.

	Threshold	Target	Maximum
Chief Executive Officer	75%	150%	300%
President	45%	90%	180%
Executive Vice President and Chief Financial Officer	40%	80%	160%
Executive Vice President, Worldwide Operations	35%	70%	140%
Vice President, General Counsel and Secretary	27.5%	55%	110%

The actual total amount of short-term compensation payable to an executive depends on the level of achievement of each performance goal assigned to him. For fiscal year 2015 the Compensation Committee determined that the short-term incentive compensation payable under the Incentive Plan would be based on the Company's performance for the entire fiscal year, consistent with the Compensation Committee's approach for the prior fiscal year. The Compensation Committee established performance goals for fiscal year 2015 based on achieving revenue and non-GAAP operating margin targets. Each of the two performance goals was weighted equally (50% each) toward each Named Executive Officer's payment under the Incentive Plan. The non-GAAP operating margin performance goal is based on the Company's actual non-GAAP operating margin, which it calculates by excluding from GAAP operating income stock compensation expense, restructuring-related charges, acquisition-related expenses, litigation settlement gains and losses, and certain deferred executive compensation.

The Compensation Committee determines with respect to each performance goal the "threshold," "target" and "maximum" levels of achievement, which correspond to the matching descriptions set forth above. For Company performance goals, the levels of achievement will be consistent across the executives to which such goals apply.

Following the end of the fiscal year, the Compensation Committee determines the total amount of short-term compensation payable to each executive for such period by comparing the actual level of achievement of each performance goal assigned to such executive against the "threshold," "target," and "maximum" levels of achievement that it set for that performance goal. The Compensation Committee determines the amount of short-term compensation the executive is eligible to receive with respect to each performance goal as follows:

- If the level of achievement for that performance goal falls below the "threshold" level, then the executive will not earn any short-term compensation with respect to that performance goal (absent an exercise of discretion by the Compensation Committee).

- If the level of achievement for that performance goal is equal to the "threshold," "target" or "maximum" level, then the executive earns the product obtained by *multiplying* (i) the "threshold," "target" or "maximum" percentage, as applicable, *times* (ii) the executive's base salary during the fiscal year, *times* (iii) the weighting assigned to that performance goal.

- If the level of achievement for the performance goal falls in between either the "threshold" and "target" levels or the "target" and "maximum" levels, the executive would earn short-term compensation equal to the short-term compensation payable at the "threshold" or "target" level, respectively, *plus* a pro rata amount of the difference between the short-term compensation payable for that performance goal at, respectively, the "threshold" and "target" levels or the "target" and "maximum" levels.

- Absent an exercise of discretion by the Compensation Committee, if the level of achievement for the performance goal exceeds the "maximum" level, the executive will only earn the amount payable for achievement at the "maximum" level.

The computation of each executive's short-term compensation under the Incentive Plan is not a weighted average of the level of achievement across all performance goals, but rather an evaluation of each performance goal individually, a determination of the portion of the total eligible bonus allocated to that performance goal that can be earned and a summation of those amounts.

The target level performance goals established by the Compensation Committee under the Incentive Plan are based on the Company's historical operating results and growth rates as well as the Company's expected future results and are designed to require significant effort and operational success on the part of our executives and the Company. The maximum level performance goals established by the Compensation Committee have historically been difficult to achieve and are designed to represent outstanding performance that the Compensation Committee believes should be rewarded. Typically, financial performance goals are set with the expectation that the "target" level will be higher than the consensus analyst estimates for the Company.

The Incentive Plan stipulated that all payouts to executives under the Incentive Plan were conditioned upon the Company achieving a performance goal based on non-GAAP operating margin (after accounting for any incentive award payments, including those to be made under the Incentive Plan) at the "threshold" level. The Compensation Committee retains the discretion, based on the recommendation of the Chief Executive Officer, to make payments even if the threshold performance metrics are not met or to make payments in excess of the maximum level if the Company's performance exceeds the maximum metrics. The Compensation Committee believes it is appropriate to retain this discretion in order to make short-term compensation awards in extraordinary circumstances.

The Company's actual revenue and non-GAAP operating margin achieved in fiscal year 2015 each exceeded the respective maximum performance levels, resulting in a short-term compensation award for each Named Executive Officer equal to his maximum payment level, or 200% of the target payment level.

Long-Term Stock-Based Compensation

The Compensation Committee generally makes long-term stock-based compensation awards to executive officers on an annual basis. Long-term stock-based compensation awards are intended to align the interests of our executive officers with our stockholders, and to reward our executive officers for increases in stockholder value over long periods of time (i.e., greater than one year). It is the Company's practice to make stock-based compensation awards to executive officers in November of each year at a prescheduled Compensation Committee meeting. For fiscal year 2015, the Compensation Committee made awards to each of the Named Executive Officers on November 10, 2014, at a regularly scheduled Compensation Committee meeting. Stock options awarded to the Named Executive Officers at the meeting had an exercise price equal to the closing sale price on the meeting date of the Company's common stock on the NASDAQ Global Select Market.

In making annual stock-based compensation awards to executive officers for fiscal year 2015, the Compensation Committee first reviewed the Comparator Group data to determine the percentage of the total number of outstanding shares of stock that companies in the Comparator Group typically made for annual awards under employee equity compensation programs. The Compensation Committee then set the number of shares of the

Company's common stock that would be made available for annual equity awards at approximately the median of the Comparator Group after its evaluation of the Company's business needs for the attraction and retention of executives and employees, internal and external circumstances impacting the Company and its employees, and proxy advisor (e.g., ISS) guidelines. The Compensation Committee then reviewed the Comparator Group competitive grant data by executive position. The Compensation Committee then used that data and the Comparator Group data to determine a dollar value equivalent for the long-term equity-based award for each executive officer. Forty percent (40%) of that dollar equivalent value served as the basis for determining a number of stock options to award to the executive using an estimated Black-Scholes value, and the remaining sixty percent (60%) of the dollar equivalent value served as the basis for determining a number of performance share awards ("PSAs") for the executive using the fair market value of the Company's common stock on the date of such award and an assumption that the Company would achieve the "target" level of performance required to earn the PSA. The Compensation Committee's rationale for awarding PSAs is to further align the executive's interest with those of the Company's stockholders by using equity awards that will vest only if the Company achieves pre-established performance metrics. A description of the PSAs, including the method by which they vest and the related performance metrics, is set forth below in the "*Grants of Plan-Based Awards Table*."

Other Compensation and Benefits

We provide other benefits to our executive officers that are intended to be part of a competitive overall compensation program and are not tied to any company performance criteria. Consistent with the Compensation Committee's goal of ensuring that executive compensation is perceived as fair to all stakeholders, the Company offers medical, dental, vision, life and disability insurance plans to executive officers under the same terms as such benefits are offered to other employees. Additionally, executive officers are permitted to participate in the Company's 401(k) Savings and Investment Plan and Employee Stock Purchase Plan under the same terms as other employees. The Company does not provide executive officers with any enhanced retirement benefits (i.e., executive officers are subject to the same limits on contributions as other employees, as the Company does not offer any supplemental executive retirement plan or other similar non-qualified deferred compensation plan), and they are eligible for 401(k) company-match contributions under the same terms as other employees. In fiscal year 2015, the Company offered executives the opportunity to participate in financial planning services through The Ayco Company, L.P. ("Ayco"), at a cost of up to approximately $15,000 per executive paid by the Company. In fiscal year 2015, Messrs. Aldrich, Palette, and Tremallo received financial planning services through Ayco. Mr. Aldrich, however, elected to pay personally for such services.

In prior fiscal years certain executive officers were provided an opportunity to participate in the Company's Executive Compensation Plan (the "Executive Compensation Plan"), an unfunded, non-qualified deferred compensation plan, under which participants were allowed to defer a portion of their compensation. As a result of deferred compensation legislation under Section 409A of the IRC, effective December 31, 2005, the Company no longer permits employees to make contributions to the plan. Upon retirement, as defined in the Executive Compensation Plan, or other separation from service, or, if so elected, upon any earlier change in control of the Company, a participant is entitled to a payment of his vested account balance, either in a single lump sum or in annual installments, as elected in advance by the participant. Although the Company had discretion to make additional contributions to the accounts of participants while the Executive Compensation Plan was active, it never did so. Mr. Aldrich is the only Named Executive Officer who participated in the Executive Compensation Plan while it was active.

Severance and Change-in-Control Benefits

None of our executive officers, including the Named Executive Officers, has an employment agreement that provides a specific term of employment with the Company. Accordingly, the employment of any such employee may be terminated at any time. We do provide certain benefits to our Named Executive Officers upon certain qualifying terminations of employment and in connection with terminations of employment under certain circumstances following a change in control. A description of the material terms of our severance and change-in-control arrangements with the Named Executive Officers can be found immediately below and further below under "*Potential Payments Upon Termination or Change in Control.*"

The Company believes that severance protections can play a valuable role in recruiting and retaining superior talent. Severance and other termination benefits are an effective way to offer executives financial security to incent them to forego an opportunity with another company. These agreements also protect the Company as the Named Executive Officers are bound by restrictive non-compete and non-solicit covenants for up to two years after termination of employment. Outside of the change-in-control context, each Named Executive Officer is entitled to severance benefits if his employment is involuntarily terminated by the Company without cause and, in the case of the Chief Executive Officer, if he terminates his own employment for good reason (as defined in the agreement). In addition, provided he forfeits certain equity awards and agrees to serve on the Company's Board of Directors for a minimum of two years, the Chief Executive Officer is entitled to certain severance benefits upon termination of his employment for any reason. The Compensation Committee believes that this provision facilitates his retention with the Company. The level of each Named Executive Officer's severance or other termination benefit is generally tied to his respective annual base salary and any short-term incentive earned.

Additionally, each Named Executive Officer would receive enhanced severance benefits and accelerated vesting of equity awards if his employment were terminated under certain circumstances in connection with a change in control of the Company. These benefits are described in detail further below under "*Potential Payments Upon Termination or Change in Control.*" The Company believes these enhanced severance benefits and accelerated vesting are appropriate because the occurrence, or potential occurrence, of a change-in-control transaction would likely create uncertainty regarding the continued employment of executive officers that typically occurs in a change-in-control context, and such severance benefits and accelerated vesting encourage the Named Executive Officers to remain employed with the Company through the change-in-control process and to focus on enhancing stockholder value both before and during the process. In addition, the vesting protection helps assure the Named Executive Officers that they will not lose the expected value of their equity awards because of a change in control of the Company.

Executive Officer Stock Ownership Requirements

We have adopted Executive Stock Ownership guidelines with the objective of more closely aligning the interests of our executive officers (including our Named Executive Officers) with those of our stockholders. Under the Executive Officer Ownership guidelines, our Chief Executive Officer is required to hold the *lower* of (a) the number of shares with a fair market value equal to six (6) times his current base salary, or (b) 382,200 shares; our President is required to hold the *lower* of (a) the number of shares with a fair market value equal to three (3) times his current base salary, or (b) 114,000 shares; our Executive Vice President and Chief Financial Officer and our Executive Vice President, Worldwide Operations, are each required to hold the *lower* of (a) the number of shares with a fair market value equal to two and one-half (2½) times such executive's current base salary, or (b) 89,800 or 92,500 shares, respectively; and our Vice President and General Counsel is required to hold the *lower* of (a) the number of shares with a fair market value equal to two (2) times his current base salary, or (b) 65,000 shares. For purposes of the Executive Stock Ownership guidelines, the fair market value of the Company's common stock is the average closing price per share of the Company's common stock as reported on the NASDAQ Global Select Market (or if the common stock is not then traded on such market, such other market on which the common stock is traded) for the twelve (12) month period ending with the determination date. As of the date hereof, all of our Named Executive Officers are in compliance with the stock ownership guidelines.

Compliance with Internal Revenue Code Section 162(m)

Section 162(m) of the IRC generally disallows a tax deduction for compensation in excess of $1 million paid to our Chief Executive Officer and any of our three other most highly compensated executive officers, other than our Chief Financial Officer.

Certain compensation, including qualified performance-based compensation, will not be subject to the deduction limit if applicable requirements are met. The Compensation Committee reviews the potential effect of Section 162(m) periodically and generally seeks to structure the compensation of our executive officers in a manner that is intended to avoid disallowance of deductions under Section 162(m). However, the Compensation Committee reserves the right to use its judgment to authorize compensation payments that may be subject to the limit when the Compensation Committee believes such payments are appropriate and in the best interests of the Company and our stockholders, after taking into consideration changing business conditions and the performance of our employees.

Compensation Tables for Named Executive Officers

Summary Compensation Table

The following table summarizes compensation earned by, or awarded or paid to, our Named Executive Officers for fiscal year 2015, fiscal year 2014, and our fiscal year ended September 27, 2013 (“fiscal year 2013”).

Name and Principal Position	Year	Salary ($)	Stock Awards ($)(1)	Option Awards ($)(1)	Non-Equity Incentive Plan Compensation ($)(2)	All Other Compensation ($)(3)	Total ($)
David J. Aldrich	2015	771,635	4,603,190	2,443,320	2,325,000	14,910	10,158,055
Chairman and	2014	747,769	2,474,753	1,455,384	2,220,000	14,717	6,912,623
Chief Executive Officer	2013	677,846	2,482,480	1,634,185	991,702	14,435	5,800,648
Donald W. Palette	2015	418,750	1,336,410	710,784	672,000	29,278	3,167,222
Executive Vice President and	2014	413,535	1,983,526	415,824	610,500	27,664	3,451,049
Chief Financial Officer	2013	392,846	640,640	380,675	288,031	23,854	1,726,046
Liam K. Griffin	2015	513,558	1,752,182	932,904	927,000	11,410	4,137,054
President	2014	485,923	2,657,829	675,714	807,243	11,225	4,637,934
	2013	435,692	800,800	543,822	342,234	19,523	2,142,071
Bruce J. Freyman	2015	410,846	816,695	488,664	576,800	12,694	2,305,699
Executive Vice President,	2014	406,615	1,639,190	332,659	560,000	11,666	2,950,130
Worldwide Operations	2013	388,923	560,560	326,293	265,426	25,366	1,566,568
Mark V.B. Tremallo	2015	363,942	742,450	399,816	401,500	27,976	1,935,684
Vice President, General	2014	359,731	412,459	228,703	389,400	27,246	1,417,539
Counsel and Secretary	2013	342,923	320,320	199,401	183,951	26,446	1,073,041

(1) The amounts in the Stock Awards and Option Awards columns represent the grant date fair values, computed in accordance with the provisions of FASB ASC Topic 718—Compensation—Stock Compensation (“ASC 718”), of stock options, PSAs, RSUs, and restricted stock awards granted during the applicable fiscal year, without regard to estimated forfeiture rates. For fiscal year 2013, assuming the highest level of performance achievement with respect to the PSAs, the grant date fair values of the Stock Awards would be two (2) times the amounts shown in the table. For fiscal years 2014 and 2015, assuming the highest level of performance achievement with respect to the PSAs, the grant date fair values of the Stock Awards would be as follows: Mr. Aldrich (FY 2014: $3,611,003; FY 2015: $6,493,260), Mr. Palette (FY 2014: $2,324,401; FY 2015: $1,885,140), Mr. Griffin (FY 2014: $3,213,329; FY 2015: $2,471,628), Mr. Freyman (FY 2014: $1,916,940; FY 2015: $1,152,030), and Mr. Tremallo (FY 2014: $601,834; FY 2015: $1,047,300). For a description of the assumptions used in calculating the fair value of equity awards in 2015 under ASC 718, see Note 9 of the Company’s financial statements included in the Company’s Annual Report on Form 10-K filed with the SEC on November 24, 2015.

(2) Reflects amounts paid to the Named Executive Officers pursuant to the executive incentive plan adopted by the Compensation Committee for each year indicated. For the first half of fiscal year 2013, as well as for fiscal years 2014 and 2015, the portion of the respective executive incentive plan attributable to Company performance above the "target" performance metric was paid in the form of unrestricted common stock of the Company as follows: Mr. Aldrich (FY 2013: $165,502; FY 2014: $1,110,000; FY 2015: $1,162,500), Mr. Palette (FY 2013: $48,069; FY 2014: $305,250; FY 2015: $336,000), Mr. Griffin (FY 2013: $57,114; FY 2014: $403,622; FY 2015: $463,500), Mr. Freyman (FY 2013: $44,296; FY 2014: $280,000; FY 2015: $288,400), and Mr. Tremallo (FY 2013: $30,699; FY 2014: $194,700; FY 2015: $200,750). The number of shares awarded in lieu of cash was based on the fair market value of the Company's common stock on May 7, 2013, and November 7, 2013, with respect to fiscal year 2013, on November 10, 2014, with respect to fiscal year 2014, and on November 9, 2015, with respect to fiscal year 2015, which are the respective dates that the payments under the respective executive incentive plans were approved by the Compensation Committee.

(3) "All Other Compensation" includes the Company's contributions to the executive's 401(k) Plan account, the cost of group term life insurance premiums, and financial planning services.

Grants of Plan-Based Awards Table

The following table summarizes all grants of plan-based awards made to the Named Executive Officers in fiscal year 2015, including incentive awards payable under our Fiscal Year 2015 Executive Incentive Plan.

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1) Threshold ($)	Target ($)	Maximum ($)	Estimated Future Payouts Under Equity Incentive Plan Awards(2) Threshold (#)	Target (#)	Maximum (#)	All Other Option Awards: Number of Securities Underlying Options (#)(3)	Exercise or Base Price of Option Awards ($/Sh) (4)	Grant Date Fair Value of Stock and Option Awards ($)
David J. Aldrich		581,250	1,162,500	2,325,000						
	11/10/2014				31,000	62,000	124,000			4,603,190(5)
	11/10/2014							110,000	60.97	2,443,320(6)
Donald W. Palette		168,000	336,000	672,000						
	11/10/2014				9,000	18,000	36,000			1,336,410(5)
	11/10/2014							32,000	60.97	710,784(6)
Liam K. Griffin		231,750	463,500	927,000						
	11/10/2014				11,800	23,600	47,200			1,752,182(5)
	11/10/2014							42,000	60.97	932,904(6)
Bruce J. Freyman		144,200	288,400	576,800						
	11/10/2014				5,500	11,000	22,000			816,695(5)
	11/10/2014							22,000	60.97	488,664(6)
Mark V.B. Tremallo		100,375	200,750	401,500						
	11/10/2014				5,000	10,000	20,000			742,450(5)
	11/10/2014							18,000	60.97	399,816(6)

(1) The amounts shown represent the potential value of awards earned under the Incentive Plan. The amounts actually paid to the Named Executive Officers under the Incentive Plan are shown above in the "*Summary Compensation Table*" under "*Non-Equity Incentive Plan Compensation.*" For a more complete description of the Incentive Plan, please see description above under "*Components of Compensation—Short-Term Incentives*."

(2) The amounts shown represent shares potentially issuable pursuant to PSAs granted on November 10, 2014, under the Company's Amended and Restated 2005 Long-Term Incentive Plan (the "FY15 PSAs"). The FY15 PSAs have both "performance" and "continued employment" conditions that must be met in order for the executive to receive shares underlying the award.

The "performance" condition guides the initial eligibility of the grantee to receive shares under the PSA and compares the non-GAAP operating margin achieved (related to 50% of the shares underlying the award) and the total stockholder return, or TSR, percentile ranking achieved with respect to our peer group (related to the other 50% of the shares underlying the award) during the performance period against a range of pre-established targets. The peer group for purposes of the TSR percentile ranking metric includes each of the companies in the Comparator Group and excludes any such company that during fiscal year 2015 is acquired by or merged with (or enters into an agreement to be acquired by or merged with) another entity. The Compensation Committee determines the "threshold" or minimum level of performance that would be acceptable to the Company to justify a payout. The "maximum" level represents a best-case performance scenario. The middle of the range is referred to by the Company as the "target" level and represents the expected performance of the Company. The number of shares issuable under the FY15 PSAs corresponds to the level of achievement of the performance goals. The "target" number of shares is determined with reference to the competitive level of long-term equity compensation determined by the Compensation Committee in the manner described above. Performance at the "threshold" level results in an issuance of a number of shares equal to one-half (½) the "target" number of shares, and performance at the "maximum" level results in the issuance of a number of shares equal to two (2) times the "target" number of shares. Performance in between either the "threshold" and "target" levels or the "target" and "maximum" levels results in an issuance of a number of shares between the number of shares issuable under the FY15 PSAs at, respectively, the "threshold" and "target" levels or the "target" and "maximum" levels.

The "continued employment" condition of the FY15 PSAs provides that, to the extent that the non-GAAP operating margin and TSR percentile ranking performance metrics are met for the fiscal year, then twenty-five percent (25%) of the total shares for which the performance metric was met would be issuable to the executive on the first anniversary of the grant date, twenty-five percent (25%) of such shares would be issuable to the executive on the second anniversary of the grant date, and the remaining fifty percent (50%) of such shares would be issuable to the executive on the third anniversary of the grant date, provided that the executive remains employed by the Company through each such vesting date. In the event of termination by reason of death or permanent disability, the holder of an FY15 PSA (or his estate) would receive any shares that would have been issuable thereunder during the remaining term of the award (i.e., earned but unissued shares).

(3) The options vest over four years at a rate of 25% per year commencing one year after the date of grant and on each subsequent anniversary of the grant date for the following three years, provided the executive remains employed by the Company through each such vesting date. Options may not be exercised more than three months after the executive ceases to be employed by the Company, except in the event of certain qualifying terminations of employment, including by reason of death or permanent disability, in which event the option may be exercised for specific periods not exceeding one year following the termination of employment (or eighteen (18) months, in the case of a qualifying termination of employment following a change in control).

(4) Stock options awarded to executive officers have an exercise price equal to the closing price of the Company's common stock on the grant date.

(5) Reflects the grant date fair value of the FY15 PSAs granted on November 10, 2014, computed in accordance with the provisions of ASC 718, using (a) a Monte Carlo simulation (which weights the probability of multiple potential outcomes) to value the portion of the award related to TSR percentile ranking, and (b) a price of $60.97 per share, which was the closing sale price of the Company's common stock on the NASDAQ Global Select Market on November 10, 2014, to value the portion of the award related to non-GAAP operating margin, assuming performance at the "target" level. For a description of the assumptions used in calculating the fair value of equity awards granted in fiscal year 2015 under ASC 718, see Note 9 of the Company's

financial statements included in the Company's Annual Report on Form 10-K filed with the SEC on November 24, 2015.

(6) Reflects the grant date fair value of the stock options granted on November 10, 2014, computed in accordance with the provisions of ASC 718 using the Black-Scholes model of option valuation. The actual value, if any, the executive may realize will depend on the excess of the stock price over the exercise price on the date the option is exercised. For a description of the assumptions used in calculating the fair value of equity awards granted in fiscal year 2015 under ASC 718, see Note 9 of the Company's financial statements included in the Company's Annual Report on Form 10-K filed with the SEC on November 24, 2015.

Outstanding Equity Awards at Fiscal Year End Table

The following table summarizes the unvested stock awards and all stock options held by the Named Executive Officers as of the end of fiscal year 2015.

	Option Awards				Stock Awards	
Name	**Number of Securities Underlying Unexercised Options (#) Exercisable**	**Number of Securities Underlying Unexercised Options (#) Unexercisable**	**Option Exercise Price ($)**	**Option Expiration Date**	**Number of Shares or Units of Stock that Have Not Vested (#)**	**Market Value of Shares or Units of Stock that Have Not Vested ($)(1)**
David J. Aldrich	43,484	0	23.80	11/9/2017	116,002(6)	9,751,128
	62,500	37,500(2)	19.08	11/10/2018	135,000(7)	11,348,100
	90,150	90,150(3)	20.02	11/8/2019	124,000(8)	10,423,440
	15,715	105,000(4)	25.25	11/7/2020		
	0	110,000(5)	60.97	11/10/2021		
Donald W. Palette	0	12,500(2)	19.08	11/10/2018	29,936(6)	2,516,420
	10,000	21,000(3)	20.02	11/8/2019	40,500(7)	3,404,430
	10,000	30,000(4)	25.25	11/7/2020	36,000(8)	3,026,160
	0	32,000(5)	60.97	11/10/2021	30,000(9)	2,521,800
Liam K. Griffin	0	12,500(2)	19.08	11/10/2018	37,420(6)	3,145,525
	0	30,000(3)	20.02	11/8/2019	66,000(7)	5,547,960
	0	48,750(4)	25.25	11/7/2020	47,200(8)	3,967,632
	0	42,000(5)	60.97	11/10/2021	26,250(10)	2,206,575
Bruce J. Freyman	0	11,250(2)	19.08	11/10/2018	26,194(6)	2,201,868
	0	18,000(3)	20.02	11/8/2019	33,000(7)	2,773,980
	0	24,000(4)	25.25	11/7/2020	22,000(8)	1,849,320
	0	22,000(5)	60.97	11/10/2021	25,000(9)	2,101,500
Mark V.B. Tremallo	0	6,250(2)	19.08	11/10/2018	14,968(6)	1,258,210
	4,850	11,000(3)	20.02	11/8/2019	22,500(7)	1,891,350
	5,500	16,500(4)	25.25	11/7/2020	20,000(8)	1,681,200
	0	18,000(5)	60.97	11/10/2021		

(1) Reflects a price of $84.06 per share, which was the closing sale price of the Company's common stock on the NASDAQ Global Select Market on October 2, 2015.

(2) These options were granted on November 10, 2011, and vested at a rate of 25% per year on each anniversary of the grant date until they became fully vested on November 10, 2015.

(3) These options were granted on November 8, 2012, and vest at a rate of 25% per year on each anniversary of the grant date through November 8, 2016.

(4) These options were granted on November 7, 2013, and vest at a rate of 25% per year on each anniversary of the grant date through November 7, 2017.

(5) These options were granted on November 10, 2014, and vest at a rate of 25% per year on each anniversary of the grant date through November 10, 2018.

(6) Represents shares issuable under the PSAs granted on November 8, 2012, under the Company's Amended and Restated 2005 Long-Term Incentive Plan (the "FY13 PSAs"). Twenty-five percent (25%) of the shares earned under the FY13 PSAs were issued on each of November 8, 2013, and November 8, 2014, and the remaining fifty percent (50%) of the shares earned were issued on November 8, 2015.

(7) Represents shares issuable under the PSAs granted on November 7, 2013, under the Company's Amended and Restated 2005 Long-Term Incentive Plan (the "FY14 PSAs"). Twenty-five percent (25%) of the shares earned under the FY14 PSAs were issued on each of November 10, 2014, and November 7, 2015, and the remaining fifty percent (50%) of the shares earned will be issued on November 7, 2016, provided the executive meets the continued employment condition.

(8) Represents shares issuable under the FY15 PSAs (awarded on November 10, 2014, as described in footnote 2 of the "*Grants of Plan-Based Awards Table*" above). With respect to the FY15 PSAs, the Company achieved the "maximum" level of performance and, accordingly, on November 10, 2015, the Company issued twenty-five percent (25%) of the number of shares earned by each executive under his FY15 PSA. Twenty-five percent (25%) of the shares earned under the FY15 PSAs will be issued on November 10, 2016, and the remaining fifty percent (50%) of the shares earned will be issued on November 10, 2017, provided the executive meets the continued employment condition.

(9) Represents shares issuable under an RSU award granted on May 6, 2014, under the Company's Amended and Restated 2005 Long-Term Incentive Plan. The RSU award vests in full on May 6, 2017.

(10) Represents shares issuable under an RSU award granted on May 6, 2014, under the Company's Amended and Restated 2005 Long-Term Incentive Plan. The RSU award vests at a rate of 25% per year on each anniversary of the grant date through May 6, 2018.

Option Exercises and Stock Vested Table

The following table summarizes the Named Executive Officers' option exercises and stock award vesting during fiscal year 2015.

	Option Awards		Stock Awards	
Name	**Number of Shares Acquired on Exercise (#)**	**Value Realized on Exercise ($)(1)**	**Number of Shares Acquired on Vesting (#)**	**Value Realized on Vesting ($)(2)**
David J. Aldrich	320,801	20,655,086	155,154	9,410,689
Donald W. Palette	114,750	6,103,064	48,750	2,957,573
Liam K. Griffin	119,000	6,417,568	69,742	4,522,190
Bruce J. Freyman	127,851	7,008,114	42,640	2,587,771
Mark V.B. Tremallo	69,500	3,676,748	25,414	1,541,317

(1) The value realized on exercise is based on the amount by which the market price of a share of the Company's common stock on the dates of exercise exceeded the applicable exercise price per share of the exercised option.

(2) The value realized upon vesting is determined by multiplying (a) the number of shares underlying the stock awards that vested, by (b) the closing price of the Company's common stock on the NASDAQ Global Select Market on the applicable vesting date.

Nonqualified Deferred Compensation Table

As described above under "*Components of Compensation—Other Compensation and Benefits*," Mr. Aldrich is the only Named Executive Officer who participated in the Executive Compensation Plan while it was active, and he elected to be paid his aggregate account balance under the plan in a single lump sum upon his future retirement or other separation from service. Mr. Aldrich's contributions are credited with earnings/losses based upon the performance of the investments he selects.

The following table summarizes Mr. Aldrich's aggregate earnings and aggregate account balance under the Executive Compensation Plan in fiscal year 2015. In fiscal year 2015, there were no withdrawals by or distributions to Mr. Aldrich.

Name	Aggregate Earnings in Last Fiscal Year ($)	Aggregate Balance at Last Fiscal Year-End ($)(1)
David J. Aldrich	29,614	1,154,072

(1) Balance as of October 2, 2015. This amount consists of Mr. Aldrich's individual contributions and the return/(loss) generated from the investment of those contributions. The full amount of Mr. Aldrich's individual contributions was previously reported as compensation to Mr. Aldrich in the Summary Compensation Tables of the fiscal years in which such contributions were made.

Potential Payments Upon Termination or Change in Control

Mr. Aldrich

In January 2008, the Company entered into an amended and restated Change of Control / Severance Agreement with Mr. Aldrich (the "Aldrich Agreement"). The Aldrich Agreement sets out severance benefits that become payable if, within two (2) years after a change of control, Mr. Aldrich either (i) is involuntarily terminated without cause, or (ii) voluntarily terminates his employment. The severance benefits provided to Mr. Aldrich in such circumstances will consist of the following: (i) a lump sum payment equal to two and one-half (2½) times the sum of (A) his annual base salary immediately prior to the change of control, and (B) his annual short-term incentive award (calculated as the greater of (x) the average short-term incentive awards received for the three years prior to the year in which the change of control occurs, or (y) the target annual short-term incentive award for the year in which the change of control occurs); (ii) all then-outstanding stock options will remain exercisable for a period of thirty (30) months after the termination date (but not beyond the expiration of their respective maximum terms); and (iii) continued medical benefits for a period of eighteen (18) months after the termination date. The Aldrich Agreement provides that the foregoing payments are subject to a gross-up payment for any applicable excise taxes incurred under Section 4999 of the IRC; however, as described below, Mr. Aldrich has waived his right to receive this gross-up payment. Additionally, in the event of a change of control, the Aldrich Agreement provides for full acceleration of the vesting of all then-outstanding stock options and restricted stock awards and partial acceleration of any outstanding PSAs.

The Aldrich Agreement also sets out severance benefits outside of a change of control that become payable if, while employed by the Company, Mr. Aldrich either (i) is involuntarily terminated without cause, or (ii) terminates his employment for good reason. The severance benefits provided to Mr. Aldrich under either of these circumstances will consist of the following: (i) a lump sum payment equal to two (2) times the sum of (A) his annual base salary immediately prior to such termination, and (B) his annual short-term incentive award (calculated as the greater of (x) the average short-term incentive awards received for the three (3) years prior to the year in which the termination occurs, or (y) the target annual short-term incentive award for the year in which the termination occurs); and (ii) full acceleration of the vesting of all outstanding stock options and restricted stock awards, with such stock options to remain exercisable for a period of two (2) years after the termination date (but not beyond the expiration of their respective maximum terms), and, with respect to any PSAs outstanding, shares subject to such award would have been deemed earned to the extent any such shares would have been earned pursuant to the terms of such award as of the day prior to the date of such termination (without regard to any continued service requirement) (collectively, "Severance Benefits"). In the event of Mr. Aldrich's death or disability, all outstanding stock options will vest in full and remain exercisable for a period of twelve (12) months following the termination of employment (but not beyond the expiration of their respective maximum terms).

In addition, the Aldrich Agreement provides that if Mr. Aldrich voluntarily terminates his employment after January 1, 2010, subject to certain notice requirements and his availability to continue to serve on the Board of Directors of the Company and as chairman of a committee thereof for up to two (2) years, he shall be entitled to the Severance Benefits; provided however, that all Company stock options, stock appreciation rights, restricted stock, and any other equity-based awards, which were both (a) granted to him in the eighteen (18) month period prior to such termination, and (b) scheduled to vest more than two (2) years from the date of such termination, will be forfeited.

The Aldrich Agreement is intended to be compliant with Section 409A of the IRC. Additionally, the Aldrich Agreement requires Mr. Aldrich to sign a release of claims in favor of the Company before he is eligible to receive any benefits under the agreement, and contains non-compete and non-solicitation provisions applicable to him while he is employed by the Company and for a period of twenty-four (24) months following the termination of his employment.

On November 23, 2010, the Company modified the Aldrich Agreement as follows: (1) the initial term of the Agreement was extended for three (3) years until January 22, 2014, after which time the Agreement renews on an annual basis for up to five (5) additional one (1) year periods, unless at least 90 days prior to the end of the then-current term, either party provides written notice that the Aldrich Agreement should not be extended; and (2) in order to ensure that any PSAs issued to Mr. Aldrich continue to be treated as performance based compensation under Section 162(m) of the IRC, the Agreement was amended such that if Mr. Aldrich is involuntarily terminated or terminates his employment for good reason or for no reason, he will be entitled to receive only the number of performance shares under outstanding PSAs that he would have received had he actually remained employed through the end of the performance period applicable to such PSAs. All other terms and conditions of the Agreement remained the same.

On December 16, 2014, the Company received a letter from Mr. Aldrich in which he set forth his desire and agreement, effective as of the date of the letter, to waive his rights to any gross-up payment he would be eligible to receive under the Aldrich Agreement, with respect to excise taxes incurred under Section 4999 of the IRC.

Additionally, award agreements for any equity awards granted to Mr. Aldrich under the Company's 2015 Long-Term Incentive Plan, which became effective on May 18, 2015, will provide that notwithstanding the provision in the Aldrich Agreement providing that his equity awards would vest automatically upon a change of control of the Company, such new equity awards shall instead be governed by the terms of the 2015 Long-Term Incentive Plan, which does not provide for automatic accelerated vesting of outstanding equity awards solely upon a change of control.

The terms "change of control," "cause," and "good reason" are each defined in the Aldrich Agreement.

Messrs. Palette, Griffin, Freyman, and Tremallo

On December 16, 2014, the Company entered into new Change in Control / Severance Agreements (each a "CIC Agreement") with each of Messrs. Griffin, Palette, Freyman, and Tremallo that became effective on January 22, 2015, upon the expiration of the Change of Control / Severance Agreements to which each respective executive previously had been a party (each an "Old Agreement"). As compared with the treatment to which each executive would have been entitled under his Old Agreement, pursuant to his CIC Agreement the executive is no longer entitled to any future excise tax gross-up payment, and equity awards granted to the executive after January 22, 2015, will not be subject to automatic accelerated vesting solely upon a change in control of the Company.

Each CIC Agreement sets out severance benefits that become payable if, within the period of time commencing three (3) months prior to and ending twelve (12) months following a change in control, the executive officer's employment is either (i) terminated by the Company without cause, or (ii) terminated by the executive for good reason (a "Qualifying Termination"). The severance benefits provided to the executive in such circumstances will consist of the following: (i) a lump sum payment equal to two (2) times the sum of (A) his annual base salary immediately prior to the change in control, and (B) his annual short-term cash incentive award (calculated as the greater of (x) the average of the annual short-term cash incentive payments received for each of the three years prior to the year in which the change in control occurs, or (y) the target annual short-term cash incentive award for the year in which the change in control occurs); (ii) all of the executive's then-outstanding stock options will remain exercisable for a period of eighteen (18) months after the termination date (but not beyond the expiration of their respective maximum terms); and (iii) Company-paid COBRA continuation coverage under the Company's group health plans for up to eighteen (18) months after the termination date.

Each CIC Agreement also provides that in the event of a Qualifying Termination, the executive is entitled to full acceleration of the vesting of all outstanding equity awards (including stock options, restricted stock awards, RSU awards, and all earned but unissued performance-based equity awards) granted after January 22, 2015. At the time of a change in control all such outstanding equity awards will continue to be subject to the same time-based vesting schedule to which the awards were subject prior to the change in control (including performance-based equity awards that are deemed earned at the time of the change in control as described below). For performance-based equity awards where the change in control occurs prior to the end of the performance period, such awards will be deemed earned as to the greater of (i) the target level of shares for such awards, or (ii) the number of shares that would have been earned pursuant to the terms of such awards based upon performance up through and including the day prior to the date of the change in control. In the event that the successor or surviving company does not agree to assume, or to substitute for, such outstanding equity awards on substantially similar terms with substantially equivalent economic benefits as exist for such award immediately prior to the change in control, then such awards will accelerate in full as of the change in control.

Each CIC Agreement also provides that all outstanding equity awards held by the executive on January 22, 2015, that were granted under the Company's Amended and Restated 2005 Long-Term Incentive Plan will continue, following January 22, 2015, to be governed by the terms of the 2005 Long-Term Incentive Plan and the applicable award agreements thereunder, which terms include automatic accelerated vesting upon a change in control; provided, however, that for purposes of these awards, a "change in control event" will be deemed to have occurred in the event of a change in control as defined in the CIC Agreement. On May 18, 2015, the Company's stockholders approved the 2015 Long-Term Incentive Plan, which does not provide for automatic accelerated vesting of outstanding equity awards upon a change in control. Since May 18, 2015, no awards have been made, and in the future no awards will be made, to the Named Executive Officers or other employees under the 2005 Long-Term Incentive Plan.

Each CIC Agreement also sets out severance benefits outside a change in control that become payable if the executive's employment is terminated by the Company without cause. The severance benefits provided to the executive under such circumstance will consist of the following: (i) a lump sum payment equal to the sum of (x) his annual base salary (or one and one-quarter (1.25) times his annual base salary, in the case of Mr. Griffin), and (y) any short-term cash incentive award then due; (ii) all then-vested outstanding stock options will remain exercisable for a period of twelve (12) months after the termination date (but not beyond the expiration of their respective maximum terms); and (iii) Company-paid COBRA continuation coverage under the Company's group health plans for up to twelve (12) months (fifteen (15) months, in the case of Mr. Griffin) after the termination date.

In the event of the executive's death or permanent disability (within the meaning of Section 22(e)(3) of the IRC), each CIC Agreement provides for full acceleration of the vesting of all then-outstanding equity awards subject to time-based vesting (including stock options, restricted stock awards, RSU awards, and all performance-based equity awards where the performance period has ended and the shares are earned but unissued). Each CIC Agreement also provides that for a performance-based equity award where the executive's death or permanent disability occurs prior to the end of the performance period, such award will be deemed earned as to the greater of (i) the target level of shares for such award, or (ii) the number of shares that would have been earned pursuant to the terms of such award had the executive remained employed through the end of the performance period, and such earned shares will become vested and issuable to the executive after the performance period ends. In addition, all outstanding stock options will remain exercisable for a period of twelve (12) months following the termination of employment (but not beyond the expiration of their respective maximum terms).

Each CIC Agreement is intended to be exempt from or compliant with Section 409A of the IRC and has an initial two (2) year term, which is thereafter renewable on an annual basis for up to five (5) additional years upon mutual agreement of the Company and the executive. The payments due to each executive under his CIC Agreement are subject to potential reduction in the event that such payments would otherwise become subject to excise tax incurred under Section 4999 of the IRC, if such reduction would result in the executive retaining a larger amount, on an after-tax basis, than if he had received all of the payments due.

Additionally, each CIC Agreement requires that the executive sign a release of claims in favor of the Company before he is eligible to receive any benefits under the agreement. Mr. Palette's and Mr. Tremallo's CIC Agreements each contain non-compete and non-solicitation provisions applicable to the executive while he is employed by the Company and for a period of twenty-four (24) months following the termination of his employment. Mr. Griffin's and Mr. Freyman's CIC Agreements each contain non-solicitation provisions applicable to the executive while he is employed by the Company and for a period of twelve (12) months following the termination of his employment.

The terms "change in control," "cause," and "good reason" are each defined in the CIC Agreements. Change in control means, in summary: (i) the acquisition by a person or a group of 40% or more of the outstanding stock of the Company; (ii) a change, without approval by the Board of Directors, of a majority of the Board of Directors of the Company; (iii) the acquisition of the Company by means of a reorganization, merger, consolidation, or asset sale; or (iv) stockholder approval of a liquidation or dissolution of the Company. Cause means, in summary: (i) deliberate dishonesty that is significantly detrimental to the best interests of the Company; (ii) conduct constituting an act of moral turpitude; (iii) willful disloyalty or insubordination; or (iv) incompetent performance or substantial or continuing inattention to or neglect of duties. Good reason means, in summary: (i) a material diminution in the executive's base compensation, authority, duties, or responsibilities; (ii) a material diminution in the authority, duties, or responsibilities of the executive's supervisor; (iii) a material change in the executive's office location; or (iv) any action or inaction constituting a material breach by the Company of the terms of the agreement.

The following table summarizes the payments and benefits that would be made to the Named Executive Officers as of October 2, 2015, in the following circumstances as of such date:

- termination without cause outside of a change in control;
- termination without cause or for good reason in connection with a change in control;
- upon a change in control not involving a termination of employment; and
- in the event of a termination of employment because of death or disability.

The accelerated equity values in the table reflect a price of $84.06 per share, which was the closing sale price of the Company's common stock on the NASDAQ Global Select Market on October 2, 2015. The table does not reflect any equity awards made after October 2, 2015.

Name	Benefit	Termination w/o Cause Outside Change in Control ($)	Termination w/o Cause or for Good Reason, After Change in Control ($)	Change in Control w/o Termination ($)(1)	Death/ Disability ($)
David J. Aldrich(2)(3)	Salary and Short-Term Incentive	5,241,135(4)	6,551,418(5)	—	—
	Accelerated Options	16,924,906	16,924,906	16,924,906	16,924,906
	Accelerated PSAs	31,522,668	31,522,668	31,522,668	31,522,668
	Medical	—	21,136	—	—
	TOTAL	**53,688,709**	**55,020,128**	**48,447,574**	**48,447,574**
Donald W. Palette(3)	Salary and Short-Term Incentive	420,000(6)	1,887,021(4)	—	—
	Accelerated Options	—	4,660,270	4,660,270	4,660,270
	Accelerated RSUs	—	2,521,800	2,521,800	2,521,800
	Accelerated PSAs	—	8,947,010	8,947,010	8,947,010
	Medical	18,950	28,425	—	—
	TOTAL	**438,950**	**18,044,526**	**16,129,080**	**16,129,080**
Liam K. Griffin(3)	Salary and Short-Term Incentive	643,750(7)	2,414,318(4)	—	—
	Accelerated Options	—	6,570,218	6,570,218	6,570,218
	Accelerated RSUs	—	2,206,575	2,206,575	2,206,575
	Accelerated PSAs	—	12,661,117	12,661,117	12,661,117
	Medical	34,349	41,219	—	—
	TOTAL	**678,099**	**23,893,447**	**21,437,910**	**21,437,910**
Bruce J. Freyman(3)	Salary and Short-Term Incentive	412,000(6)	1,758,817(4)	—	—
	Accelerated Options	—	3,803,165	3,803,165	3,803,165
	Accelerated RSUs	—	2,101,500	2,101,500	2,101,500
	Accelerated PSAs	—	6,825,168	6,825,168	6,825,168
	Medical	27,479	41,219	—	—
	TOTAL	**439,479**	**14,529,869**	**12,729,833**	**12,729,833**
Mark V.B. Tremallo(3)	Salary and Short-Term Incentive	365,000(6)	1,379,901(4)	—	—
	Accelerated Options	—	2,496,550	2,496,550	2,496,550
	Accelerated PSAs	—	4,830,760	4,830,760	4,830,760
	Medical	14,091	21,136	—	—
	TOTAL	**379,091**	**8,728,347**	**7,327,310**	**7,327,310**

(1) Under the CIC Agreements between the Company and each of Messrs. Palette, Griffin, Freyman, and Tremallo, equity awards granted to such Named Executive Officers after January 22, 2015, are not subject to accelerated vesting solely upon a change in control of the Company (unless the successor or surviving

company does not agree to assume, or to substitute for, outstanding equity awards on substantially similar terms with substantially equivalent economic benefits as exist for such award immediately prior to the change in control, in which case the awards would accelerate in full as of the change in control). Vesting of such awards would accelerate only in the event of a qualifying termination of employment within the period of time commencing three (3) months prior to and ending twelve (12) months following a change in control, or in the event of a termination of employment by reason of the executive's death or permanent disability.

As described above, equity awards granted to Mr. Aldrich under the Company's 2015 Long-Term Incentive Plan are not subject to automatic accelerated vesting solely upon a change in control of the Company, notwithstanding the provisions of the Aldrich Agreement.

(2) A "Good Reason" termination in connection with a change in control for Mr. Aldrich includes voluntarily terminating employment following such change in control. Mr. Aldrich is also entitled to the severance benefits in the first column of the table in the event he terminates his employment for "Good Reason" outside of a change in control. In the event Mr. Aldrich voluntarily terminated his employment on October 2, 2015, outside of a change in control, he would have received a total of $47,207,039, consisting of the following: cash ($5,241,135); accelerated options ($15,654,956); and accelerated PSAs ($26,310,948).

(3) Excludes the value of accrued vacation/paid time off required by law to be paid upon termination. For Mr. Aldrich, excludes any distributions under the Executive Compensation Plan (see the discussion above regarding this inactive plan in the "*Nonqualified Deferred Compensation Table*").

(4) Represents an amount equal to two (2) times the sum of (A) the Named Executive Officer's annual base salary as of October 2, 2015, and (B) an Incentive Plan payment, which is equal to the three (3) year average of the actual incentive payments made to the Named Executive Officer for fiscal years 2012, 2013 and 2014, since such average is greater than the "target" payout level.

(5) Represents an amount equal to two and one-half (2½) times the sum of (A) Mr. Aldrich's annual base salary as of October 2, 2015, and (B) an Incentive Plan payment equal to the three (3) year average of the actual incentive payments made to Mr. Aldrich for fiscal years 2012, 2013 and 2014, since such average is greater than the "target" payout level.

(6) Represents an amount equal to the Named Executive Officer's annual base salary as of October 2, 2015.

(7) Represents an amount equal to one and one-quarter (1.25) times Mr. Griffin's annual base salary as of October 2, 2015.

Director Compensation

Cash Compensation

Prior to January 2015, non-employee directors of the Company were paid, in quarterly installments, an annual retainer of $57,500. Effective as of January 2015, the annual retainer for non-employee directors was increased to $60,000, with a further increase to $70,000 effective as of February 2016. Additional annual retainers for Chairman and/or committee service (paid in quarterly installments) are as follows: the Chairman of the Board ($50,000); the Chairman of the Audit Committee ($20,000, which increased to $24,000 as of February 2016); the Chairman of the Compensation Committee ($15,000, which increased to $20,000 as of February 2016); the Chairman of the Nominating and Governance Committee ($10,000); non-chair member of Audit Committee ($10,000, which increased to $12,000 as of February 2016); non-chair member of Compensation Committee ($7,500, which increased to $10,000 as of February 2016); and non-chair member of Nominating and Corporate Governance Committee ($5,000). If the Chairman of the Board is an employee of the Company, the Chairman's retainer will be paid to the Lead Independent Director, if one has been appointed. In addition, the Compensation Committee continues to retain discretion to recommend to the full Board of Directors that additional cash payments be made to a non-employee director for extraordinary service during a fiscal year.

Equity Compensation

Following the 2015 Annual Meeting of stockholders, each non-employee director who was reelected received a restricted stock award having a value of approximately $170,000, which vests in three (3) equal annual installments on the anniversary of the date of grant. Effective as of February 2016, any newly appointed non-employee director will receive an initial equity grant composed of a combination of a stock option and a restricted stock unit award having an aggregate value of approximately $260,000, with such value allocated equally (i.e., 50%/50%) between the stock option and the restricted stock unit award, and with the stock option having an exercise price equal to the fair market value of the common stock on the date of grant. Effective as of February 2016, following each annual meeting of stockholders, each non-employee director who is reelected will receive a restricted stock unit award having a value of approximately $200,000. The number of shares subject to a non-employee director's initial restricted stock unit award or annual award is determined by dividing the approximate value of the award, as disclosed above, by the average closing price per share of the Company's common stock as reported on the NASDAQ Global Select Market (or if the common stock is not then traded on such market, such other market on which the common stock is traded) for each trading day during the 30 consecutive trading day period ending on, and including, the grant date. Unless otherwise determined by the Board of Directors, (a) any stock options awarded as part of a non-employee director's initial equity grant will vest in four (4) equal annual installments on the anniversary of the date of grant, (b) any restricted stock units awarded as part of a non-employee director's initial equity grant will vest in three (3) equal annual installments on the anniversary of the date of grant, and (c) effective as of February 2016, any restricted stock units awarded as part of a non-employee director's annual equity grant will vest on the first anniversary of the date of grant. In the event of a change in control of the Company, the outstanding options and restricted stock under the 2008 Director Long-Term Incentive Plan will become fully exercisable and deemed fully vested, respectively.

No director who is also an employee receives separate compensation for services rendered as a director. David J. Aldrich is currently the only director who is also an employee of the Company.

Director Compensation Table

The following table summarizes the compensation paid to the Company's non-employee directors for fiscal year 2015.

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)(1)(2)	Option Awards ($)(1)	All Other Compensation ($)(3)	Total ($)
David J. McLachlan, Lead Independent Director	124,375	182,606	—	2,681	309,662
Kevin L. Beebe	76,875	182,606	—	2,681	262,162
Timothy R. Furey	79,375	182,606	—	2,681	264,662
Balakrishnan S. Iyer	79,375	182,606	—	2,681	264,662
Christine King	66,875	182,606	—	1,885	251,366
David P. McGlade	71,875	182,606	—	2,681	257,162
Robert A. Schriesheim	79,375	182,606	—	2,681	264,662

(1) The non-employee members of the Board of Directors who held such positions on October 2, 2015, held the following aggregate number of unexercised options and unvested restricted stock awards as of such date:

Name	Number of Securities Underlying Unexercised Options	Number of Unvested Shares of Restricted Stock
David J. McLachlan, Lead Independent Director	15,000	7,072
Kevin L. Beebe	15,000	7,072
Timothy R. Furey	—	7,072
Balakrishnan S. Iyer	—	7,072
Christine King	9,606	7,328
David P. McGlade	—	7,072
Robert A. Schriesheim	—	7,072

(2) Reflects the grant date fair value of 1,756 restricted shares of the Company's common stock granted on May 19, 2015, to each non-employee director elected at the 2015 Annual Meeting of stockholders, computed in accordance with the provisions of ASC 718 using a price of $103.99 per share, which was the closing sale price of the Company's common stock on the NASDAQ Global Select Market on May 19, 2015.

(3) Reflects dividend accruals on unvested shares of restricted stock granted prior to April 2014, when Skyworks declared its first quarterly dividend, because these dividends were not included in the grant date fair value of such restricted stock awards. Accrued dividends become payable when the underlying shares of restricted stock vest.

Director Stock Ownership Requirements

We have adopted Director Stock Ownership guidelines with the objective of more closely aligning the interests of our directors with those of our stockholders. The minimum number of shares of the Company's common stock that the Director Stock Ownership guidelines require non-employee directors to hold while serving in their capacity as directors is the director base compensation (currently $70,000) multiplied by five (5), divided by the fair market value of the Company's common stock (rounded to the nearest 100 shares). For purposes of the Director Stock Ownership guidelines, the fair market value of the Company's common stock is the average closing price per share of the Company's common stock as reported on the NASDAQ Global Select Market (or if the common stock is not then traded on such market, such other market on which the common stock is traded) for the twelve (12) month period ending with the determination date. As of the date hereof, all of our directors are in compliance with the stock ownership guidelines.

Equity Compensation Plan Information

As of October 2, 2015, the Company has the following equity compensation plans under which its equity securities were authorized for issuance to its employees and/or directors:

- the 1999 Employee Long-Term Incentive Plan
- the Directors' 2001 Stock Option Plan
- the Non-Qualified Employee Stock Purchase Plan
- the 2002 Employee Stock Purchase Plan
- the 2005 Long-Term Incentive Plan
- the 2008 Director Long-Term Incentive Plan
- the 2015 Long-Term Incentive Plan
- AATI 2005 Equity Incentive Plan

Except for the 1999 Employee Long-Term Incentive Plan (the "1999 Employee Plan") and the Non-Qualified Employee Stock Purchase Plan (the "Non-Qualified ESPP"), each of the foregoing equity compensation plans was approved by the Company's stockholders. A description of the material features of each non-stockholder approved plan is provided below under the headings "*1999 Employee Long-Term Incentive Plan*" and "*Non-Qualified Employee Stock Purchase Plan*."

The following table presents information about these plans as of October 2, 2015.

	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants, and Rights (#) (a)	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights ($) (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (#) (c)
Equity compensation plans approved by security holders	4,979,655(1)	31.83	22,542,441(2)
Equity compensation plans not approved by security holders	396,052	7.74	278,274(3)
TOTAL	**5,375,707**	**30.07**	**22,820,715**

(1) Excludes 924,874 unvested shares under restricted stock and RSU awards and 3,278,862 unvested shares under PSAs, which figure assumes achievement of performance goals under the FY15 PSAs at target levels.

(2) Includes 955,539 shares available for future issuance under the 2002 Employee Stock Purchase Plan, 20,858,451 shares available for future issuance under the 2015 Long-Term Incentive Plan, and 728,451 shares available for future issuance under the 2008 Director Long-Term Incentive Plan. No further grants will be made under the Directors' 2001 Stock Option Plan, the AATI 2005 Equity Incentive Plan, or the 2005 Long-Term Incentive Plan.

(3) Represents shares available under the Non-Qualified ESPP. No further grants will be made under the 1999 Employee Plan.

1999 Employee Long-Term Incentive Plan

The 1999 Employee Plan provided for the grant of non-qualified stock options to purchase shares of the Company's common stock to employees, other than officers and non-employee directors. The term of these options may not exceed 10 years. The 1999 Employee Plan contains provisions, which permit restrictions on vesting or transferability, as well as continued exercisability upon a participant's termination of employment with the Company, of options granted thereunder. The 1999 Employee Plan provides for full acceleration of the vesting of options granted thereunder upon a "change in control" of the Company, as defined in the 1999 Employee Plan. The Board of Directors generally may amend, suspend or terminate the 1999 Employee Plan in whole or in part at any time; provided that any amendment that affects outstanding options be consented to by the holder of the options. As of April 26, 2009, no additional grants were issuable under the 1999 Employee Long-Term Incentive Plan.

Non-Qualified Employee Stock Purchase Plan

The Company also maintains the Non-Qualified ESPP to provide employees of the Company and participating subsidiaries with an opportunity to acquire a proprietary interest in the Company through the purchase, by means of payroll deductions, of shares of the Company's common stock at a discount from the market price of the common stock at the time of purchase. The Non-Qualified ESPP is intended for use primarily by employees of the Company located outside the United States. Under the plan, eligible employees may purchase common stock through payroll deductions of up to 10% of compensation. The price per share is the lower of 85% of the market price at the beginning or end of each six-month offering period.

Compensation Committee Report

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis included herein with management, and based on the review and discussions, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement for the 2016 Annual Meeting of stockholders.

THE COMPENSATION COMMITTEE

Kevin L. Beebe
Timothy R. Furey, Chairman
Christine King
David P. McGlade

Introduction to Proposals 4–8
Regarding Elimination of Supermajority Vote Provisions from Our Charter

Our Restated Certificate of Incorporation, as amended, which we refer to below as the Charter, currently includes a number of supermajority voting provisions. After taking into consideration the approval by our stockholders of a stockholder proposal presented at our 2015 Annual Meeting and emerging trends in corporate governance, our Board of Directors has adopted and approved amendments to our Charter to remove the supermajority voting provisions and to make certain other changes as described below.

The Board of Directors believes that the changes set forth in Proposals 4–8 are advisable and in the best interests of our stockholders. The Board of Directors, upon the recommendation of the Nominating and Corporate Governance Committee, has unanimously approved the proposed amendments and declared them to be advisable, and recommends that the Company's stockholders adopt and approve the proposed amendments.

Different voting standards apply to the various provisions proposed to be amended and, accordingly, different votes are required for the approval of Proposals 4–8, as specified in each proposal below. We are submitting these amendments to our stockholders as separate items so that our stockholders are able to express their views on each amendment separately. None of the proposals is conditioned upon approval of any other proposal; each proposal may be approved or rejected independently.

The proposals that are approved by our stockholders at the 2016 Annual Meeting will be reflected in a Certificate of Amendment to our Restated Certificate of Incorporation filed with the Secretary of State of the State of Delaware following the meeting. Our Board of Directors reserves the right, at any time prior to the effectiveness of the filing of the Certificate of Amendment, to abandon the proposed amendments.

The following description of the proposed amendments to our Charter is a summary and is qualified by the full text of the proposed amendments, which is attached to this Proxy Statement as Appendix A.

Proposal 4:
Approval of Amendment to the Charter to Eliminate the Supermajority Vote Provisions Relating to Amendment of Our By-laws

The Charter currently provides that the Board of Directors is authorized to adopt, alter, amend, and repeal our By-laws, subject to the power of the stockholders to adopt, alter, or repeal By-laws made by the Board of Directors. The Charter currently requires the affirmative vote of holders of at least 66⅔% of the shares of all classes of our stock entitled to vote for the election of directors, considered for this purpose as one class of stock, for any such adoption, amendment, or repeal of the By-laws by our stockholders. The Charter also requires the affirmative vote of holders of at least 66⅔% of the shares of all classes of our stock entitled to vote for the election of directors, considered for this purpose as one class of stock, to amend the Charter provision regarding amendment to the By-laws.

If stockholders approve this Proposal 4, the Charter will be amended to eliminate these supermajority voting requirements, and the voting requirement in the future would be the affirmative vote of the holders of at least a majority of the shares of all classes of our stock entitled to vote for the election of directors, considered for this purpose as one class of stock.

The amendment to the Charter that would be effected by approval of this Proposal 4 is shown in the text of Article TENTH, Paragraph 2, of the Charter provisions attached to this Proxy Statement as Appendix A.

Vote Required to Approve Proposal 4

Approval of this amendment at the 2016 Annual Meeting requires the affirmative vote of the holders of at least 66⅔% of the shares of our outstanding common stock.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "*FOR*" THIS PROPOSAL 4

Proposal 5:
Approval of Amendment to the Charter to Eliminate the Supermajority Vote Provisions Relating to Stockholder Approval of a Merger or Consolidation, Disposition of All or Substantially All of Our Assets, or Issuance of a Substantial Amount of Our Securities

The Charter currently requires, in addition to any other vote required by law, another provision of the Charter, or a contract to which we are party, the affirmative vote of holders of at least 80% of the shares of all classes of our stock entitled to vote for the election of directors, considered for this purpose as one class of stock, (a) for the adoption of any agreement for the merger or consolidation of the Company with or into any Other Corporation (as defined in the Charter), or (b) to authorize any sale, lease, exchange, mortgage, pledge, or other disposition of all, or substantially all, of the assets of the Company or any Subsidiary (as defined in the Charter) to any Other Corporation, or (c) to authorize the issuance or transfer by the Company of any Substantial Amount (as defined in the Charter) of securities of the Company in exchange for the securities or assets of any Other Corporation. This supermajority vote is not required if the transaction has been approved by members of the Board of Directors who were directors prior to the time any such Other Corporation involved in the proposed transaction became a Beneficial Owner (as defined in the Charter) of 5% or more of the outstanding shares of stock of the Company entitled to vote for the election of directors. The Charter also requires the affirmative vote of holders of at least 80% of the shares of all classes of our stock entitled to vote for the election of directors, considered for this purpose as one class of stock, to amend the Charter provisions relating to stockholder approval of such a transaction.

If stockholders approve this Proposal 5, the Charter will be amended to eliminate these supermajority voting requirements, and the voting requirement in the future would be the affirmative vote of the holders of at least a majority of the shares of all classes of our stock entitled to vote for the election of directors, considered for this purpose as one class of stock.

The amendment to the Charter that would be effected by approval of this Proposal 5 is shown in the text of Article ELEVENTH, Paragraphs 1 and 5, of the Charter provisions attached to this Proxy Statement as Appendix A.

Vote Required to Approve Proposal 5

Approval of this amendment at the 2016 Annual Meeting requires the affirmative vote of the holders of at least 80% of the shares of our outstanding common stock.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "*FOR*" THIS PROPOSAL 5

Proposal 6:
Approval of Amendment to the Charter to Eliminate the Supermajority Vote Provisions Relating to Stockholder Approval of a Business Combination with Any Related Person

The Charter currently requires the affirmative vote of holders of at least 90% of the shares of all classes of our stock entitled to vote for the election of directors, considered for this purpose as one class of stock, to approve a Business Combination with any Related Person (each as defined in the Charter), in addition to any other vote required by law or the Charter. The Charter also requires the affirmative vote of holders of at least 90% of the shares of all classes of our stock entitled to vote for the election of directors, considered for this purpose as one class of stock, to amend the Charter provisions relating to stockholder approval of such a Business Combination.

If stockholders approve this Proposal 6, the Charter will be amended to eliminate these supermajority voting requirements, and the voting requirement in the future would be the affirmative vote of the holders of at least a majority of the shares of all classes of our stock entitled to vote for the election of directors, considered for this purpose as one class of stock.

The amendment to the Charter that would be effected by approval of this Proposal 6 is shown in the text of Article TWELFTH, Paragraph 2, and Article TENTH, Paragraph 1(B), subpart (ii), of the Charter provisions attached to this Proxy Statement as Appendix A.

Vote Required to Approve Proposal 6

Approval of this amendment at the 2016 Annual Meeting requires the affirmative vote of the holders of at least 90% of the shares of our outstanding common stock.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "*FOR*" THIS PROPOSAL 6

Proposal 7:
Approval of Amendment to the Charter to Eliminate the Supermajority Vote Provision Relating to Stockholder Amendment of Charter Provisions Governing Directors

The Charter currently requires the affirmative vote of holders of at least 80% of the shares of all classes of our stock entitled to vote for the election of directors, considered for this purpose as one class of stock, to amend the Charter provisions governing the duties, number, term, election, removal, and liability of our directors.

If stockholders approve this Proposal 7, the Charter will be amended to eliminate this supermajority voting requirement, and the voting requirement in the future would be the affirmative vote of the holders of at least a majority of the shares of all classes of our stock entitled to vote for the election of directors, considered for this purpose as one class of stock.

The amendment to the Charter that would be effected by approval of this Proposal 7 is shown in the text referring to Article SEVENTH within Article TENTH, Paragraph 1(B), subpart (i), of the Charter provisions attached to this Proxy Statement as Appendix A.

Vote Required to Approve Proposal 7

Approval of this amendment at the 2016 Annual Meeting requires the affirmative vote of the holders of at least 80% of the shares of our outstanding common stock.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "*FOR*" THIS PROPOSAL 7

Proposal 8: Approval of Amendment to the Charter to Eliminate the Supermajority Vote Provision Relating to Stockholder Amendment of the Charter Provision Governing Action by Stockholders

The Charter currently requires the affirmative vote of holders of at least 80% of the shares of all classes of our stock entitled to vote for the election of directors, considered for this purpose as one class of stock, to amend the Charter provision requiring that an action taken by stockholders be effected at an annual or special meeting, and not by written consent.

If stockholders approve this Proposal 8, the Charter will be amended to eliminate this supermajority voting requirement, and the voting requirement in the future would be the affirmative vote of the holders of at least a majority of the shares of all classes of our stock entitled to vote for the election of directors, considered for this purpose as one class of stock.

The amendment to the Charter that would be effected by approval of this Proposal 8 is shown in the text referring to Article THIRTEENTH within Article TENTH, Paragraph 1(B), subpart (i), of the Charter provisions attached to this Proxy Statement as Appendix A.

Vote Required to Approve Proposal 8

Approval of this amendment at the 2016 Annual Meeting requires the affirmative vote of the holders of at least 80% of the shares of our outstanding common stock.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "*FOR*" THIS PROPOSAL 8

Security Ownership of Certain Beneficial Owners and Management

To the Company's knowledge, the following table sets forth the beneficial ownership of the Company's common stock as of March 17, 2016, by the following individuals or entities: (i) each person or entity who beneficially owns 5% or more of the outstanding shares of the Company's common stock as of March 17, 2016; (ii) the Named Executive Officers (as defined above under "*Information About Executive and Director Compensation*"); (iii) each director and nominee for director; and (iv) all executive officers and directors of the Company, as a group.

Beneficial ownership is determined in accordance with the rules of the SEC, is not necessarily indicative of beneficial ownership for any other purpose, and does not constitute an admission that the named stockholder is a direct or indirect beneficial owner of those shares. As of March 17, 2016, there were 190,124,414 shares of the Company's common stock issued and outstanding.

In computing the number of shares of Company common stock beneficially owned by a person and the percentage ownership of that person, shares of Company common stock that are subject to stock options or other rights held by that person that are currently exercisable or that will become exercisable within sixty (60) days of March 17, 2016, are deemed outstanding. These shares are not, however, deemed outstanding for the purpose of computing the percentage ownership of any other person.

Names and Addresses of Beneficial Owners(1)	Number of Shares Beneficially Owned(2)	Percent of Class
The Vanguard Group, Inc.	16,443,350(3)	8.65%
BlackRock, Inc.	13,484,992(4)	7.09%
Capital Research Global Investors	11,763,550(5)	6.19%
Ameriprise Financial, Inc.	9,768,802(6)	5.14%
Columbia Management Investment Advisers, LLC	9,764,382(7)	5.14%
David J. Aldrich	465,600(8)	(*)
Kevin L. Beebe	72,046	(*)
Bruce J. Freyman	86,007(8)	(*)
Timothy R. Furey	39,947	(*)
Liam K. Griffin	99,334(8)	(*)
Balakrishnan S. Iyer	13,555	(*)
Christine King	14,965	(*)
David P. McGlade	62,921	(*)
David J. McLachlan	69,921	(*)
Donald W. Palette	104,040(8)	(*)
Robert A. Schriesheim	63,188	(*)
Mark V.B. Tremallo	36,198(8)	(*)
All directors and executive officers as a group (13 persons)	1,181,238(8)	(*)

* Less than 1%

(1) Unless otherwise set forth in the following notes, each person's address is the address of the Company's principal executive offices at Skyworks Solutions, Inc., 20 Sylvan Road, Woburn, MA 01801, and stockholders have sole voting and sole investment power with respect to the shares, except to the extent such power may be shared by a spouse or otherwise subject to applicable community property laws.

(2) Includes the number of shares of Company common stock subject to stock options held by that person that are currently exercisable or will become exercisable within sixty (60) days of March 17, 2016 (the "Current Options"), as follows: Mr. Aldrich—245,924 shares under Current Options; Mr. Beebe—15,000 shares under Current Options; Mr. Freyman—33,750 shares under Current Options; Mr. Griffin—54,250 shares under Current Options; Ms. King—4,804 shares under Current Options; Mr. McLachlan—15,000 shares under Current Options; Mr. Palette—41,000 shares under Current Options; Mr. Tremallo—17,100 shares under Current Options; directors and executive officers as a group (13 persons)—

442,978 shares under Current Options. Also includes 8,750 shares of Company common stock to be issued to Mr. Griffin upon the vesting of restricted stock units within sixty (60) days of March 17, 2016.

The table does not reflect the number of shares of Company common stock to be issued pursuant to unvested restricted stock units (the "Unvested RSUs") and earned, but unissued, performance share awards subject to time-based vesting only (the "Unvested PSAs") that are not scheduled to vest within sixty (60) days of March 17, 2016, as follows: Mr. Aldrich—183,000 shares under Unvested PSAs; Mr. Freyman—25,000 shares under Unvested RSUs and 38,500 shares under Unvested PSAs; Mr. Griffin—17,500 shares under Unvested RSUs and 79,400 shares under Unvested PSAs; Mr. Palette—30,000 shares under Unvested RSUs and 54,000 shares under Unvested PSAs; Mr. Tremallo—30,000 shares under Unvested PSAs; directors and executive officers as a group (13 persons)—72,500 shares under Unvested RSUs and 416,900 shares under Unvested PSAs.

(3) Consists of shares beneficially owned by The Vanguard Group, Inc. ("Vanguard"), which has sole voting power with respect to 353,326 shares, shared voting power with respect to 18,700 shares, sole dispositive power with respect to 16,064,424 shares and shared dispositive power with respect to 378,926 shares. Vanguard Fiduciary Trust Company, a wholly owned subsidiary of Vanguard, is the beneficial owner of 299,426 shares as a result of its serving as investment manager of collective trust accounts. Vanguard Investments Australia, Ltd., a wholly owned subsidiary of Vanguard, is the beneficial owner of 133,400 shares as a result of its serving as investment manager of Australian investment offerings. With respect to the information relating to Vanguard, the Company has relied on information supplied by Vanguard on a Schedule 13G/A filed with the SEC on February 11, 2016. The address of Vanguard is 100 Vanguard Blvd., Malvern, PA, 19355.

(4) Consists of shares beneficially owned by BlackRock, Inc. ("BlackRock"), in its capacity as a parent holding company of various subsidiaries under Rule 13d-1(b)(1)(ii)(G). In its capacity as a parent holding company or control person, BlackRock has sole voting power with respect to 11,370,168 shares and sole dispositive power with respect to 13,484,992 shares which are held by the following of its subsidiaries: BlackRock (Channel Islands) Ltd, BlackRock (Luxembourg) S.A., BlackRock (Netherlands) B.V., BlackRock (Singapore) Limited, BlackRock Advisors (UK) Limited, BlackRock Advisors, LLC, BlackRock Asset Management Canada Limited, BlackRock Asset Management Deutschland AG, BlackRock Asset Management Ireland Limited, BlackRock Asset Management North Asia Limited, BlackRock Asset Management Schweiz AG, BlackRock Capital Management, BlackRock Financial Management, Inc., BlackRock Fund Advisors, BlackRock Fund Managers Ltd, BlackRock Institutional Trust Company, N.A., BlackRock International Limited, BlackRock Investment Management (Australia) Limited, BlackRock Investment Management (UK) Ltd, BlackRock Investment Management, LLC, BlackRock Japan Co Ltd, BlackRock Life Limited, and Xulu, Inc. With respect to the information relating to BlackRock and its affiliated entities, the Company has relied on information supplied by BlackRock on a Schedule 13G/A filed with the SEC on January 27, 2016. The address of BlackRock is 55 East 52nd Street, New York, NY, 10055.

(5) Consists of shares beneficially owned by Capital Research Global Investors ("Capital Research"), a division of Capital Research and Management Company. Capital Research has sole voting power and sole dispositive power with respect to 11,763,550 shares. With respect to the information relating to Capital Research, the Company has relied on information supplied by Capital Research on a Schedule 13G filed with the SEC on February 16, 2016. The address of Capital Research is 333 South Hope Street, Los Angeles, CA, 90071.

(6) Consists of shares beneficially owned by Ameriprise Financial, Inc. ("AFI"), the parent holding company of CMIA (as defined below). AFI has sole voting power with respect to 0 shares, shared voting power with respect to 9,203,777 shares, sole dispositive power with respect to 0 shares and shared dispositive power with respect to 9,768,802 shares. The shares reported by AFI include those shares separately reported by CMIA, as described in Note 7. With respect to the information relating to AFI, the Company has relied on information supplied by AFI and CMIA on a Schedule 13G filed with the SEC on February 12, 2016. The address of AFI is 145 Ameriprise Financial Center, Minneapolis, MN, 55474.

(7) Consists of shares beneficially owned by Columbia Management Investment Advisers, LLC ("CMIA"). CMIA has sole voting power with respect to 0 shares, shared voting power with respect to 9,199,358 shares, sole dispositive power with respect to 0 shares and shared dispositive power with respect to 9,764,382 shares. With respect to the information relating to CMIA, the Company has relied on information supplied by AFI and CMIA on a Schedule 13G filed with the SEC on February 12, 2016. The address of CMIA is 225 Franklin Street, Boston, MA, 02110.

(8) Includes shares held in the Company's 401(k) Savings and Investment Plan as of March 17, 2016.

Other Proposed Action

As of the date of this Proxy Statement, the directors know of no other business that is expected to come before the Annual Meeting. However, if any other business should be properly presented to the Annual Meeting, the persons named as proxies will vote in accordance with their judgment with respect to such matters.

Other Matters

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our directors, executive officers, and beneficial owners of more than 10% of our equity securities to file reports of holdings and transactions in securities of Skyworks with the SEC. Based solely on a review of Forms 3, 4, and 5, and any amendments thereto furnished to us, and written representations provided to us, with respect to fiscal year 2015, we believe that all Section 16(a) filing requirements applicable to our directors, executive officers, and beneficial owners of more than 10% of our common stock with respect to such fiscal year were timely made.

Solicitation Expenses

Skyworks will bear the expenses of the preparation of the proxy materials and the solicitation by the Board of Directors of proxies. Proxies may be solicited on behalf of the Company in person or by telephone, e-mail, facsimile, or other electronic means by directors, officers, or employees of the Company, who will receive no additional compensation for any such services. We have retained D.F. King & Co. to assist in the solicitation of proxies, at a cost to the Company of approximately $9,500, plus reasonable out-of-pocket expenses.

Electronic Delivery of Proxy Materials

We are able to distribute our Annual Report and this Proxy Statement to our stockholders in a fast and efficient manner via the Internet. This reduces the amount of paper delivered to a stockholder's address and eliminates the cost of sending these documents by mail. Stockholders may elect to view all future annual reports and proxy statements on the Internet instead of receiving them by mail. You may make this election when voting your proxy this year. Simply follow the instructions to vote via the Internet to register your consent. Your election to view proxy materials online is perpetual unless you revoke it later. Future proxy cards will contain the Internet website address and instructions to view the materials. You will continue to have the option to vote your shares by telephone, mail, or via the Internet.

Annual Report on Form 10-K

A copy of our 2015 Annual Report accompanies this Proxy Statement. You also may obtain, free of charge, a copy of the Company's Annual Report on Form 10-K for fiscal year 2015, as filed with the SEC, via the Company's website at *http://www.skyworksinc.com*, or upon written request addressed to Investor Relations, Skyworks Solutions, Inc., 20 Sylvan Road, Woburn, MA 01801.

Stockholder List

A list of stockholders of record as of March 17, 2016, will be available for inspection during ordinary business hours at our headquarters at 20 Sylvan Road, Woburn, MA 01801, from April 29, 2016, to May 11, 2016, as well as at our Annual Meeting.

Stockholder Proposals

Pursuant to Rule 14a-8 under the Exchange Act, in order to be considered for inclusion in the proxy materials for the Company's 2017 Annual Meeting of stockholders, a stockholder's proposal must meet the requirements of Rule 14a-8 under the Exchange Act and be delivered in writing to the Secretary of the Company at its principal executive offices at 20 Sylvan Road, Woburn, MA 01801, no later than December 1, 2016. The submission of a stockholder proposal does not guarantee that it will be included in the proxy materials for the Company's 2017 Annual Meeting.

According to the applicable provisions of our By-laws, if a stockholder wishes to nominate a candidate to serve as a director or to present a proposal at our 2017 Annual Meeting outside the processes of Rule 14a-8 that will not be considered for inclusion in the proxy materials for such meeting, then the stockholder must give written notice to the Secretary of the Company at the address noted above no earlier than the close of business on January 11, 2017, and no later than the close of business on February 10, 2017. In the event that the 2017 Annual Meeting is held more than thirty (30) days before or after the first anniversary of the Company's 2016 Annual Meeting, then the required notice must be delivered in writing to the Secretary of the Company at the address above no earlier than 120 days prior to the date of the 2017 Annual Meeting and no later than the later of 90 days prior to the 2017 Annual Meeting or the 10th day following the day on which the public announcement of the date of the 2017 Annual Meeting is first made by the Company. A proposal that is submitted outside of these time periods will not be considered to be timely and, pursuant to Rule 14a-4(c)(1) under the Exchange Act and if a stockholder properly brings the proposal before the meeting, the proxies that management solicits for that meeting will have "discretionary" authority to vote on the stockholder's proposal. Even if a stockholder makes timely notification, the proxies may still exercise "discretionary" authority in accordance with the SEC's proxy rules.

OUR BOARD OF DIRECTORS ENCOURAGES STOCKHOLDERS TO ATTEND THE ANNUAL MEETING. WHETHER OR NOT YOU PLAN TO ATTEND, YOU ARE URGED TO SUBMIT A PROXY PROMPTLY IN ONE OF THE FOLLOWING WAYS: (A) BY COMPLETING, SIGNING, AND DATING THE ACCOMPANYING PROXY CARD AND RETURNING IT IN THE POSTAGE-PREPAID ENVELOPE ENCLOSED FOR THAT PURPOSE; (B) BY COMPLETING AND SUBMITTING YOUR PROXY USING THE TOLL-FREE TELEPHONE NUMBER LISTED ON THE PROXY CARD; OR (C) BY COMPLETING AND SUBMITTING YOUR PROXY VIA THE INTERNET BY VISITING THE WEBSITE ADDRESS LISTED ON THE PROXY CARD. A PROMPT RESPONSE WILL GREATLY FACILITATE ARRANGEMENTS FOR THE MEETING AND YOUR COOPERATION WILL BE APPRECIATED.

Appendix A:
Provisions of Charter Subject to Potential Amendment

The following provisions of our Charter are those implicated by Proposals 4–8. In this Appendix A, deletions and additions that would be effected by the proposed amendments are indicated by strikethroughs and underlining, respectively:

SEVENTH:

1. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. The number of directors shall be fixed from time to time exclusively by the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board of Directors for adoption).

2. Except as otherwise provided by law and except as hereinafter otherwise provided for filling vacancies, the directors of the Corporation shall be elected at each annual meeting of stockholders. Each director so elected shall hold office until the annual meeting of stockholders following the annual meeting at which such director was elected and until a successor is duly elected and qualified, or until such director's earlier death, resignation or removal. The terms of office of each director serving the Corporation as of immediately prior to the effectiveness of the filing of this Certificate of Amendment under the General Corporation Law of the State of Delaware (the "Effective Time") whose term of office did not expire at the 2011 annual meeting of stockholders of the Corporation shall nonetheless expire at the Effective Time, such that the directors elected at the 2011 annual meeting of stockholders of the Corporation effective upon the Effective Time to succeed such directors shall commence their term of office at the Effective Time, for a term expiring at the next annual meeting of stockholders, with each such director to hold office until his or her successor shall have been duly elected and qualified.

3. Vacancies resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause may be filled only by a majority vote of the directors then in office, though less than a quorum, or by a sole remaining director and directors so chosen shall hold office for a term expiring at the next annual meeting of stockholders to occur following their election. No decrease in the number of authorized directors shall shorten the term of any incumbent director.

4. Subject to the rights of the holders of any series of Preferred Stock or any other series or class of stock, as provided herein or in any Preferred Stock Designation, to elect additional directors under specific circumstances, any director may be removed from office at any time, with or without cause by the affirmative vote of the holders of at least a majority of the shares of all classes of stock of the Corporation entitled to vote for the election of directors, considered for the purposes of this Article Seventh as one class of stock.

5. No director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived an improper personal benefit. No repeal or modification of this paragraph, directly or by adoption of an inconsistent provision of this Certificate of Incorporation, by the stockholders of the Corporation shall be effective with respect to any cause of action, suit, claim or other matter that, but for this paragraph, would accrue or arise prior to such repeal or modification.

TENTH:

1. AMENDMENT OF CERTIFICATE OF INCORPORATION. The corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner hereafter set forth, and all rights conferred upon stockholders herein are granted subject to this reservation.

A. Except as provided in paragraphs 1(B) and (2) of this Article Tenth and in Article Eleventh, any provision of this Certificate of Incorporation may be amended, altered, changed or repealed in the manner now or hereafter prescribed by the statutes of the State of Delaware.

B. Notwithstanding any of the provisions of this Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, but in addition to any affirmative vote of holders of any particular class or series of stock of the Corporation required by law or this Certificate of Incorporation, the affirmative vote of the holders of at least the following percentages of the shares of all classes of stock of the Corporation entitled to vote for the election of directors, considered for this purpose as one class of stock, shall be required to amend, alter, change or repeal, or to adopt any provisions inconsistent with, the indicated provisions of this Certificate of Incorporation:

(i) ~~80%~~ ____________[1] in the case of Article Seventh ~~or~~and ____________[2] in the case of Article Thirteenth; and

(ii) ~~90%~~ ____________[3] in the case of Article Twelfth.

The foregoing paragraphs 1(B)(i) and (ii) of this Article Tenth may not be amended so as to alter the stockholder vote required by either such paragraph or to adopt any provisions inconsistent with these provisions, except by an amendment that is itself approved by the affirmative vote of the holders of at least the percentage of all shares of all classes of stock of the Corporation as is required to amend the provision or provisions of this Certificate of Incorporation to which such amendment relates.

2. BY-LAWS. The Board of Directors is expressly authorized to adopt, alter, amend and repeal the By-laws of the Corporation, in any manner not inconsistent with the laws of the State of Delaware or of the Certificate of Incorporation of the Corporation, subject to the power of the holders of capital stock of the Corporation to adopt, alter or repeal the By-laws made by the Board of Directors; provided, that any such adoption, amendment or repeal by stockholders shall require the affirmative vote of the holders of at least ~~66⅔%~~a majority of the shares of all classes of stock of the Corporation entitled to vote for the election of directors, considered for this purpose as one class of stock. This paragraph 2 of Article Tenth may not be amended so as to alter the stockholder vote specified hereby, nor may any provisions inconsistent with these provisions be adopted, except by an amendment that is itself approved by the affirmative vote of the holders of at least ~~66⅔%~~ a majority of the shares of all classes of stock of the Corporation entitled to vote for the election of directors, considered for this purpose as one class of stock.

ELEVENTH:

1. Except as set forth in paragraph 2 of this Article Eleventh, the affirmative vote or consent of the holders of ~~80%~~at least a majority of the shares of all classes of stock of the Corporation entitled to vote for the election of directors, considered for the purposes of this Article as one class, shall be required (a) for the adoption of any agreement for the merger or consolidation of the Corporation with or into any Other Corporation (as hereinafter defined), or (b) to authorize any sale, lease, exchange, mortgage, pledge or other disposition of all, or substantially all of the assets of the Corporation or any Subsidiary (as hereinafter defined) to any Other Corporation, or (c) to authorize the issuance or transfer by the Corporation of any Substantial Amount (as hereinafter defined) of securities of the Corporation in exchange for the securities or assets of any Other Corporation. Such affirmative vote or consent shall be in addition to the vote or consent of the holders of the stock of the Corporation otherwise required by law, the Certificate of Incorporation of the Corporation or any agreement or contract to which the Corporation is a party.

2. The provisions of paragraph 1 of this Article Eleventh shall not be applicable to any transaction described therein if such transaction is approved by resolution of the Board of Directors of the Corporation; provided that a majority of the members of the Board of Directors voting for the approval of such transaction were duly elected and acting members of the Board of Directors prior to the time any such Other Corporation may have become a Beneficial Owner (as hereinafter defined) of 5% or more of the shares of stock of the Corporation entitled to vote for the election of directors.

3. For the purposes of paragraph 2 of this Article, the Board of Directors shall have the power and duty to determine for the purposes of this Article Eleventh, on the basis of information known to such Board, if and when any Other Corporation is the Beneficial Owner of 5% or more of the outstanding shares of stock of the Corporation entitled to vote for the election of directors. Any such determination shall be conclusive and binding for all purposes of this Article Eleventh.

4. As used in this Article Eleventh, the following terms shall have the meanings indicated:

"Other Corporation" means any person, firm, corporation or other entity, other than a subsidiary of the Corporation.

"Subsidiary" means any corporation in which the Corporation owns, directly or indirectly, more than 50% of the voting securities.

"Substantial Amount" means any securities of the Corporation having a then fair market value of more than $500,000.

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(1) If Proposal 7 is approved, insert "a majority"; otherwise retain current threshold of 80%.
(2) If Proposal 8 is approved, insert "a majority"; otherwise retain current threshold of 80%.
(3) If Proposal 6 is approved, insert "a majority"; otherwise retain current threshold of 90%.

An Other Corporation (as defined above) shall be deemed to be the "Beneficial Owner" of stock if such Other Corporation or any "affiliate" or "associate" of such Other Corporation (as those terms are defined in Rule 12b-2 promulgated under the Securities Exchange Act of 1934 (15 U.S.C. 78 aaa et seq.), as amended from time to time), directly or indirectly, controls the voting of such stock or has any options, warrants, conversion or other rights to acquire such stock.

5. This Article Eleventh may not be amended, revised or revoked, in whole or in part, except by the affirmative vote or consent of the holders of ~~80%~~at least a majority of the shares of all classes of stock of the Corporation entitled to vote for the election of directors, considered for the purposes of this Article Eleventh as one class of stock.

TWELFTH:

1. The following definitions shall apply for the purpose of this Article Twelfth only:

A. "Announcement Date" shall mean the date of first public announcement of the proposal of a Business Combination.

B. "Business Combination" shall mean:

(i) any merger or consolidation of the Corporation or any Subsidiary with (a) any Related Person, or (b) any other corporation (whether or not itself a Related Person) which is, or after such merger or consolidation would be, an Affiliate of a Related Person; or

(ii) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) to or with any Related Person or any Affiliate of any Related Person of any assets of the Corporation or any Subsidiary having an aggregate Fair Market Value of $500,000 or more; or

(iii) the issuance or transfer by the Corporation or any Subsidiary (in one transaction or a series of transactions) of any securities of the Corporation or any Subsidiary to any Related Person or any Affiliate of any Related Person in exchange for cash, securities or other property (or a combination thereof) having an aggregate Fair Market Value of $500,000 or more; or

(iv) the adoption of any plan or proposal for the liquidation or dissolution of the Corporation proposed by or on behalf of any Related Person or any Affiliate of any Related Person; or

(v) any reclassification of securities (including any reverse stock split), or recapitalization of the Corporation, or any merger or consolidation of the Corporation with any of its Subsidiaries or any other transaction (whether or not with or into or otherwise involving the Related Person) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of the Corporation or any Subsidiary which is directly or indirectly owned by any Related Person or any Affiliate of any Related Person.

C. "Consideration Received" shall mean the amount of cash and the Fair Market Value, as of the Consummation Date, of consideration other than cash received by the stockholder. In the event of any Business Combination in which the Corporation survives, the consideration other than cash shall include shares of any class of outstanding Voting Stock retained by the holders of such shares.

D. "Consummation Date" shall mean the date upon which the Business Combination is consummated.

E. "Continuing Director" shall mean any member of the Board of Directors of the Corporation who is unaffiliated with the Related Person and who was a member of the Board of Directors prior to the time that the Related Person became a Related Person, and any successor of a Continuing Director who is unaffiliated with the Related Person and is recommended to succeed a Continuing Director by a majority of the Continuing Directors then on the Board of Directors.

F. "Determination Date" shall mean the date upon which a Related Person became a Related Person.

G. "Exchange Act" shall mean the Securities Exchange Act of 1934 as in effect on May 1, 1983.

H. "Fair Market Value" shall mean: (i) in the case of stock, the highest closing sale price during the 30-day period immediately preceding the date in question of a share of such stock on the principal United States securities exchange registered under the Exchange Act on which such stock is listed, or, if such stock is not listed on any such exchange, the highest closing bid quotation with respect to a share of such stock during the 30-day period preceding the date in question on the National Association of Securities Dealers, Inc. Automated Quotations System or any system then in use or, if no such quotations are available, the fair market value on the date in question of a share of such stock as determined by the Board of Directors in good faith; and (ii) in the case of property other than cash or stock, the fair market value of such property on the date in question as determined by the Board of Directors in good faith.

I. "Related Person" shall mean any individual, firm, corporation or other entity (other than the Corporation or any Subsidiary) which, together with its Affiliates and Associates (as such terms are defined in Rule 12b-2 under the Exchange Act) and with any other individual, firm, corporation or other entity (other than the Corporation or any Subsidiary) with which it or they have any agreement, arrangement or understanding with respect to acquiring, holding or disposing of Voting Stock, beneficially owns (as defined in Rule 13d-3 of the Exchange Act, except that such term shall include any Voting Stock which such person has the right to acquire, whether or not such right may be exercised within 60 days), directly or indirectly, more than twenty percent of the voting power of the outstanding Voting Stock.

J. "Subsidiary" shall mean any corporation in which a majority of the capital stock entitled to vote generally in the election of directors is owned, directly or indirectly, by the Corporation.

K. "Voting Stock" shall mean all of the then outstanding shares of the capital stock of the Corporation entitled to vote generally in the election of directors.

2. In addition to the affirmative vote otherwise required by law or any provision of this Certificate of Incorporation (including without limitation Article Eleventh), except as otherwise provided in paragraph 3, any Business Combination shall require the affirmative vote of the holders of ~~90%~~at least a majority of all Voting Stock, voting together as a single class.

Such affirmative vote shall be required notwithstanding any other provision of this Certificate of Incorporation or any provision of law or of any agreement with any national securities exchange which might otherwise permit a lesser vote or no vote, and such affirmative vote shall be required in addition to any affirmative vote of the holders of any particular class or series of the Voting Stock required by law or by this Certificate of Incorporation.

3. The provisions of paragraph 2 of this Article Twelfth shall not be applicable to any particular Business Combination, and such Business Combination shall require only such affirmative vote as is required by law, any other provision of this Certificate of Incorporation (including Article Eleventh), or any agreement with any national securities exchange, if, in the case of a Business Combination that does not involve any Consideration Received by the stockholders of the Corporation, solely in their respective capacities as stockholders of the Corporation, the condition specified in the following paragraph A is met, or, in the case of any other Business Combination, the conditions specified in either of the following paragraphs A and B are met:

A. The Business Combination shall have been approved by a majority of the Continuing Directors, it being understood that this condition shall not be capable of satisfaction unless there is at least one Continuing Director.

B. All of the following conditions shall have been met:

(i) The form of the Consideration Received by holders of shares of a particular class of outstanding Voting Stock shall be in cash or in the same form as the Related Person has paid for shares of such class of Voting Stock within the two-year period ending on and including the Determination Date. If, within such two-year period, the Related Person has paid for shares of any class of Voting Stock with varying forms of consideration, the form of Consideration Received per share by holders of shares of such class of Voting Stock shall be either cash or the form used to acquire the largest number of shares of such class of Voting Stock acquired by the Related Person within such two-year period.

(ii) The aggregate amount of Consideration Received per share by holders of each class of Voting Stock in such Business Combination shall be at least equal to the higher of the following (it being intended that the requirements of this paragraph B(ii) shall be required to be met with respect to every such class of Voting Stock outstanding, whether or not the Related Person has previously acquired any shares of that particular class of Voting Stock):

(a) (if applicable) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Related Person for any shares of that class of Voting Stock acquired by it within the two-year period immediately prior to the

Announcement Date or in the transaction in which it became a Related Person, whichever is higher; or

(b) the Fair Market Value per share of such class of Voting Stock on the Announcement Date; or

(c) in the case of any class of preferred stock, the highest preferential amount per share to which the holders of shares of such class of Voting Stock are entitled in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation.

(iii) After such Related Person has become a Related Person and prior to the consummation of such Business Combination: (a) except as approved by a majority of the Continuing Directors, there shall have been no failure to declare and pay at the regular date therefor any full quarterly dividends (whether or not cumulative) on any outstanding preferred stock; (b) there shall have been (I) no reduction in the annual rate of dividends paid on the Common Stock (except as necessary to reflect any subdivision of the Common Stock), except as approved by a majority of the Continuing Directors, and (II) an increase in such annual rate of dividends as necessary to reflect any reclassification (including any reverse stock split), recapitalization, reorganization or any similar transaction which has the effect of reducing the number of outstanding shares of the Common Stock, unless the failure so to increase such annual rate is approved by a majority of the Continuing Directors; and (c) such Related Person shall have not become the beneficial owner of any newly issued share of Voting Stock directly or indirectly from the Corporation except as part of the transaction which results in such Related Person becoming a Related Person.

(iv) After such Related Person has become a Related Person, such Related Person shall not have received the benefit, directly or indirectly (except proportionately, solely in such Related Person's capacity as a stockholder of the Corporation), of any loans, advances, guarantees, pledges or other financial assistance or any tax credits or other tax advantages provided by the Corporation, whether in anticipation of or in connection with such Business Combination or otherwise.

(v) A proxy or information statement describing the proposed Business Combination and complying with the requirements of the Exchange Act and the rules and regulations thereunder (or any subsequent provisions replacing such act, rules or regulations) shall be mailed to all stockholders of the Corporation at least 30 days prior to the consummation of such Business Combination (whether or not such proxy or information statement is required to be mailed pursuant to the Exchange Act or subsequent provisions). Such proxy or information statement shall contain on the front thereof, prominently displayed, any recommendation as to the advisability or inadvisability of the Business Combination which the Continuing Directors, or any of them, may have furnished in writing to the Board of Directors.

4. A majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any determination is to be made by the Board of Directors) shall have the power and duty to determine, on the basis of information known to them after reasonable inquiry, all facts necessary to determine compliance with this Article Twelfth including, without limitation, (1) whether a person is a Related Person, (2) the number of shares of Voting Stock beneficially owned by any person, (3) whether the applicable conditions set forth in paragraph (2) of Section C have been met with respect to any Business Combination, and (4) whether the assets which are the subject of any Business Combination or the Consideration Received for the issuance or transfer of securities by the Corporation or any Subsidiary in any Business Combination have an aggregate Fair Market Value of $500,000 or more.

5. Nothing contained in this Article Twelfth shall be construed to relieve any Related Person from any fiduciary obligation imposed by law.

THIRTEENTH: Any action required or permitted to be taken by the stockholders of the Corporation must be effected at an annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders.

Fiscal Year 2015 Annual Report
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CAUTIONARY STATEMENT

This Annual Report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended, and is subject to the "safe harbor" created by those sections. Any statements that are not statements of historical fact should be considered to be forward-looking statements. Words such as "believes", "expects", "may", "will", "would", "should", "could", "seek", "intends", "plans", "projects", "potential", "continue", "estimates", "targets", "anticipates", "predicts" and similar expressions or variations or negatives of such words are intended to identify forward-looking statements, but are not the exclusive means of identifying forward-looking statements in this Annual Report. Additionally, forward-looking statements include, but are not limited to:

- our plans to develop and market new products, enhancements or technologies and the timing of these development and marketing plans;
- our estimates regarding our capital requirements and our needs for additional financing;
- our estimates of our expenses, future revenues and profitability;
- our estimates of the size of the markets for our products and services;
- our expectations related to the rate and degree of market acceptance of our products; and
- our estimates of the success of other competing technologies that may become available.

Although forward-looking statements in this Annual Report reflect the good faith judgment of our management, such statements can only be based on facts and factors currently known by us. Consequently, forward-looking statements involve inherent risks and uncertainties and actual financial results and outcomes may differ materially and adversely from the results and outcomes discussed in or anticipated by the forward-looking statements. A number of important factors could cause actual financial results to differ materially and adversely from those in the forward-looking statements. We urge you to consider the risks and uncertainties discussed elsewhere in this report and in the other documents filed by us with the Securities and Exchange Commission ("SEC") in evaluating our forward-looking statements. We have no plans, and undertake no obligation, to revise or update our forward-looking statements to reflect any event or circumstance that may arise after the date of this report. We caution readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made.

This Annual Report also contains estimates made by independent parties and by us relating to market size and growth and other industry data. These estimates involve a number of assumptions and limitations and you are cautioned not to give undue weight to such estimates. In addition, projections, assumptions and estimates of our future performance and the future performance of the industries in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of important factors, including those described in "Management's Discussion and Analysis of Financial Condition and Results of Operations". These and other factors could cause results to differ materially and adversely from those expressed in the estimates made by the independent parties and by us.

In this document, the words "we", "our", "ours", "us", and "the Company" refer only to Skyworks Solutions, Inc., and its consolidated subsidiaries and not any other person or entity. In addition, the following is a list of industry standards that may be referenced throughout the document:

- BiFET (Bipolar Field Effect Transistor): integrates indium gallium phosphide based heterojunction bipolar transistors with field effect transistors on the same gallium arsenide substrate

- CATV (Cable Television): a system of providing television to consumers via radio frequency signals transmitted to televisions through fixed optical fibers or coaxial cables as opposed to the over-the-air method used in traditional television broadcasting

- CDMA (Code Division Multiple Access): a method for transmitting multiple digital signals over the same carrier frequency

- Cloud (Cloud Computing): A model for delivering information technology services in which resources are retrieved from the internet through web-based tools and applications, rather than a direct connection to a server

- CMOS (Complementary Metal Oxide Semiconductor): a technology of constructing integrated circuits

- EDGE (Enhanced Data Rates for GSM Evolution): an enhancement to the GSM and TDMA wireless communications systems that increases data throughput to 474Kbps

- GaAs (Gallium Arsenide): a compound of the elements gallium and arsenic that is used in the production of semiconductors

- GPRS (General Packet Radio Service): an enhancement to the GSM mobile communications system that supports transmission of data packets

- GSM (Global System for Mobile Communications): a digital cellular phone technology based on TDMA that is the predominant system in Europe, and is also used around the world

- HBT (Heterojunction Bipolar Transistor): a type of bipolar junction transistor which uses differing semiconductor materials for the emitter and base regions, creating a heterojunction

- Internet of Things (IoT): is the interconnection of uniquely identifiable embedded computing devices within the existing internet infrastructure

- LED (Light Emitting Diode): a two-lead semiconductor light source

- LTE (Long Term Evolution): 4th generation ("4G") radio technologies designed to increase the capacity and speed of mobile telephone networks

- pHEMT (Pseudomorphic High Electron Mobility Transistor): a type of field effect transistor incorporating a junction between two materials with different band gaps

- RFID (Radio Frequency Identification): refers to the use of an electronic tag (typically referred to as an RFID tag) for the purpose of identification and tracking objects using radio waves

- Satcom (Satellite Communications): where a satellite stationed in space is used for the purpose of telecommunications

- SOI (Silicon On Insulator): technology refers to the use of layered silicon-insulator-silicon substrate in place of conventional silicon substrates in semiconductor manufacturing

- TDMA (Time Divisional Multiple Access): technology for delivering wireless digital service using time division multiplexing

- TD-SCDMA (Time Division Synchronous Code Division Multiple Access): a third generation wireless services ("3G") mobile communications standard, being pursued in the People's Republic of China

- WCDMA (Wideband CDMA): a 3G technology that increases data transmission rates

- WEDGE: an acronym for technologies that support both WCDMA and EDGE wireless communication systems

- WiMAX (Worldwide Interoperability for Microwave Access): a standards-based technology enabling the delivery of last mile wireless broadband access as an alternative to cable and DSL

- WLAN (Wireless Local Area Network): a type of local-area network that uses high-frequency radio waves rather than wires to communicate between nodes

- Yield: The number of working chips out of the total number of chips manufactured

Skyworks, Breakthrough Simplicity, the star design logo, Trans-Tech and SkyOne are trademarks or registered trademarks of Skyworks Solutions, Inc. or its subsidiaries in the United States and in other countries. All other brands and names listed are trademarks of their respective companies.

Introduction

Skyworks Solutions, Inc., together with its consolidated subsidiaries, ("Skyworks" or the "Company") is empowering the wireless networking revolution. Our highly innovative analog semiconductors are connecting people, places, and things, spanning a number of new and previously unimagined applications within the automotive, broadband, cellular infrastructure, connected home, industrial, medical, military, smartphone, tablet and wearable markets.

Our key customers include Arris, Bose, Cisco, Dell, Ericsson, Foxconn, Fujitsu, General Electric, Google, Honeywell, HTC, Huawei, Landis & Gyr, Lenovo, LG Electronics, Microsoft, Nest, Netgear, Northrop Grumman, Rockwell Collins, Samsung, Sonos, and ZTE. Our competitors include Analog Devices, Avago Technologies, Linear Technology, Maxim Integrated Products, Murata Manufacturing, NXP, QUALCOMM and Qorvo.

Headquartered in Woburn, Massachusetts, we are a Delaware corporation that was formed in 1962. We changed our corporate name from Alpha Industries, Inc. to Skyworks Solutions, Inc. on June 25, 2002, following a business combination. We operate worldwide with engineering, manufacturing, sales and service facilities throughout Asia, Europe and North America. Our Internet address is www.skyworksinc.com. We make available free of charge on our website our Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, Section 16 filings on Forms 3, 4 and 5, and amendments to those reports as soon as practicable after we electronically submit such material to the SEC. The information contained on our website is not incorporated by reference in this Annual Report. You may read and copy materials that we have filed with the SEC at the SEC public reference room located at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our SEC filings are also available to the public at www.sec.gov.

In August 2014, we entered into a joint venture with Panasonic Corporation, through its Automotive & Industrial Systems Company ("Panasonic") for the design, manufacture and sale of Panasonic's surface acoustic wave ("SAW") and temperature-compensated ("TC") SAW filter products. We own a controlling 66% interest in the joint venture and have the option to acquire the remaining 34% interest in August 2016, which we plan to exercise. With the overall demand for SAW and TC SAW filters increasing as the technology and product architectures become more complex and the number of required bands grows, this investment assists us in securing a firm supply of SAW and TC SAW filters, in addition to allowing us to integrate filters into the design and production of our own products.

In January 2012, we acquired Advanced Analogic Technologies Inc. ("AATI") and accelerated our entry into vertical markets with highly complementary analog semiconductor product lines, including battery chargers, DC/DC converters, voltage regulators and LED drivers. Power management semiconductors represent a strategic growth market for us in applications like voltage regulation, energy efficiency and panel backlighting within the consumer electronics, computing and communications markets.

In June 2011, we acquired SiGe Semiconductor, Inc. ("SiGe") and expanded our RF front-end solutions to facilitate wireless multimedia across a wide range of new applications. The acquisition of SiGe complemented our strong position in wide area front-end solutions by adding SiGe's innovative short range, silicon-based products. As a result, today we offer customers a comprehensive wireless networking portfolio, supporting all key operating frequencies with greater architectural flexibility to address a variety of high growth applications.

Industry Background

By all measures, wireless connectivity is exploding, fueled by a powerful underlying demand to connect everyone and everything all the time. With semiconductor devices becoming ever smaller, more powerful, affordable and virtually attachable to anything, telecommunication networks creating pipelines which these devices can connect to at little or no cost, and various devices now being able to collect, process and analyze data—we are seeing a convergence of elements driving connectivity across the Internet of Things. The billions of connected devices that comprise the Internet of Things will be enabled by a combination of sensors and microcontrollers, as well as connectivity and power management solutions. This is helping to fuel Skyworks' growth and expand its served markets. In fact, today there are a number of groundbreaking devices leveraging Skyworks' technology—from the newest smartphones to the factory floor to the connected car, automated home, wearables, hospitals and medical providers.

Within smartphones and other mobile platforms, Skyworks is benefiting from the complexity associated with the increasing number of frequency bands as well as from the multitude of RF design challenges brought about as consumers use their devices to stream video, make purchases, network on social media platforms, pay bills and much more. These design challenges require a broad set of core competencies to ensure seamless handoffs between multiple air interface standards and to effectively address signal transmission and conditioning, power management, voltage regulation, filtering and tuning complexities. As a result, our customers' needs have dramatically moved away from discrete components toward customized integrated solutions that sweep in adjacent functionality and analog content.

At the same time, in emerging markets around the world, the demand for mobile connectivity continues to grow as the industry drives toward connecting the billions of people who remain unconnected. According to the Global Semiconductor Market Association, more than 65 percent of the global population will use smartphones by 2020, with emerging markets forecasted to lead this growth.

Beyond mobile, our solutions are enabling a broad set of end markets and applications some of which are embracing connectivity for the very first time—including action video cameras, smart watches, streaming music platforms, and avionics systems. With some analysts expecting the number of connected devices to reach a staggering 70 billion by 2020, Skyworks has no shortage of growth opportunities across new and emerging markets and applications.

Solving Connectivity Challenges

This transition to ubiquitous connectivity, however, does not come without its challenges. RF solutions in ultra-thin, high performance consumer products must preserve battery life, increase data rates and solve signal interference problems while occupying minimal board space. Meeting these design challenges requires broad competencies including signal transmission and conditioning, the ability to ensure seamless hand-offs between multiple standards, power management, voltage regulation, battery charging, filtering and tuning, among others. This complexity plays directly to Skyworks' strengths. We have a strong heritage in analog systems design and have spent the last decade investing in key technologies and resources. We are at the forefront of advanced multi-chip module integration and offer unmatched technology breadth, providing deep expertise in CMOS, SOI, GaAs and filters and maintaining strategic partnerships with outside foundries.

Business Overview

Skyworks' overall strategy is to enable all forms of connectivity through semiconductor innovation. Key elements in our strategy include:

Industry-Leading Technology

As the industry migrates to more complex LTE architectures across a multitude of wireless broadband applications, we are uniquely positioned to help mobile device manufacturers handle growing levels of system complexity in the transmit and receive chain. The trend towards increasing front-end and analog design challenges in smartphones and other mobile devices plays directly into Skyworks' core strengths and positions us to address these challenges. We believe that we offer the broadest portfolio of radio and analog solutions from the transceiver to the antenna as well as all required manufacturing process technologies. Our expertise includes BiFET, CMOS, HBT, pHEMT, SOI and silicon germanium processes. We also hold strong technology leadership positions in passive devices, advanced integration including proprietary shielding and 3-D die stacking, as well as SAW and TC SAW filters. Our product portfolio is reinforced by a library of over 2,200 worldwide patents and other intellectual property that we own and control. Together, our industry-leading technology enables us to deliver the highest levels of product performance and integration.

Customer Relationships

Given our scale and technology leadership, we are engaged with key original equipment manufacturers, smartphone providers and baseband reference design partners. Our customers value our supply chain strength, our innovative technology and our system engineering expertise resulting in deep customer loyalty. We partner with our customers to support their long-term product road maps and are valued as a system solutions provider rather than just a point product vendor.

Diversification

We are diversifying our business in three areas: our addressed markets, our customer base and our product offerings to enable stronger and more consistent financial returns. By leveraging core analog and mixed signal technologies, we are expanding our family of solutions to a set of increasingly diverse end markets and customers. We are steadily growing our business beyond just mobile devices (where we support all top-tier manufacturers, including the leading smartphone suppliers and key baseband vendors) into additional high-performance analog markets, including infrastructure, smart energy, wireless networking, automotive and medical. In these markets we leverage our scale, intellectual property and worldwide distribution network, which span over 2,000 customers and over 2,500 analog components.

Delivering Operational Excellence

We either vertically integrate our supply chain where we can create a competitive advantage, or enter into alliances and strategic relationships for leading-edge capabilities. This hybrid manufacturing approach allows us to better balance our manufacturing capacity with the demands of the marketplace. Internally, our capacity utilization remains high and we have therefore been able to maintain margins and achieve our desired return on invested capital on a broader range of revenue.

Additionally, we continue to strive to achieve the industry's shortest product design and manufacturing cycle times and highest yields. The combination of agile, flexible capacity and world-class module manufacturing and scale advantage allows us to achieve a low product cost structure while integrating multiple technologies into highly sophisticated multi-chip modules.

Maintaining a Performance Driven Culture

We consider our people and corporate culture to be a major competitive advantage and a key element of our overall strategy. We create key performance indicators that align employee performance with corporate strategy and link responsibilities with performance measurement. Accountability is paramount and we compensate our employees through a pay-for-performance methodology. We strive to be an employer-of-choice among peer companies and have created a work environment in which turnover is well below semiconductor industry averages.

Generating Superior Operating Results and Shareholder Returns

We seek to generate financial returns that are comparable to a highly diversified analog semiconductor company while delivering high growth rates representative of a mobile internet company. Given our product volume and overall utilization we strive to achieve a best-in-class return on investment and operating income to reward shareholders with increasing returns.

SKYWORKS' PRODUCT PORTFOLIO

Our product portfolio consists of various solutions, including:

- Amplifiers: the modules that strengthen the signal so that it has sufficient energy to reach a base station
- Attenuators: circuits that allow a known source of power to be reduced by a predetermined factor (usually expressed as decibels)
- Circulators/Isolators: ferrite-based components commonly found on the output of high-power amplifiers used to protect receivers in wireless transmission systems
- DC/DC Converters: an electronic circuit which converts a source of direct current from one voltage level to another
- Demodulators: a device or an RF block used in receivers to extract the information that has been modulated onto a carrier or from the carrier itself
- Detectors: devices used to measure and control RF power in wireless systems
- Diodes: semiconductor devices that pass current in one direction only
- Directional Couplers: transmission coupling devices for separately sampling the forward or backward wave in a transmission line
- Diversity Receive Modules: devices used to improve receiver sensitivity in high data rate LTE applications
- Filters: devices for recovering and separating mixed and modulated data in RF stages
- Front-End Modules: power amplifiers that are integrated with switches, duplexers, filters and other components to create a single package front-end solution
- Hybrid: a type of directional coupler used in radio and telecommunications
- LED Drivers: devices which regulate the current through a light emitting diode or string of diodes for the purpose of creating light

- Low Noise Amplifiers: devices used to reduce system noise figure in the receive chain
- Mixers: devices that enable signals to be converted to a higher or lower frequency signal and thereby allowing the signals to be processed more effectively
- Modulators: devices that take a baseband input signal and output a radio frequency modulated signal
- Optocouplers/Optoisolators: semiconductor devices that allow signals to be transferred between circuits or systems while ensuring that the circuits or systems are electrically isolated from each other
- Phase Locked Loops: closed-loop feedback control system that maintains a generated signal in a fixed phase relationship to a reference signal
- Phase Shifters: designed for use in power amplifier distortion compensation circuits in base station applications
- Power Dividers/Combiners: utilized to equally split signals into in-phase signals as often found in balanced signal chains and local oscillator distribution networks
- Receivers: electronic devices that change a radio signal from a transmitter into useful information
- Switches: components that perform the change between the transmit and receive function, as well as the band function for cellular handsets
- Synthesizers: devices that provide ultra-fine frequency resolution, fast switching speed, and low phase-noise performance
- Technical Ceramics: polycrystalline oxide materials used for a wide variety of electrical, mechanical, thermal and magnetic applications
- Voltage Regulators: generate a fixed level which ideally remains constant over varying input voltage or load conditions
- VCOs/Synthesizers: fully integrated, high performance signal source for high dynamic range transceivers

We believe we possess broad technology capabilities and one of the most complete wireless communications product portfolios in the industry.

Management's Discussion and Analysis of
Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and related notes that appear elsewhere in this Annual Report. In addition to historical information, the following discussion contains forward-looking statements that are subject to risks and uncertainties. Actual results may differ substantially and adversely from those referred to herein due to a number of factors, including but not limited to those described below and elsewhere in this Annual Report.

OVERVIEW

We, together with our consolidated subsidiaries, are empowering the wireless networking revolution. Our highly innovative analog semiconductors are connecting people, places, and things spanning a number of new and previously unimagined applications within the automotive, broadband, cellular infrastructure, connected home, industrial, medical, military, smartphone, tablet and wearable markets. Our key customers include Arris, Bose, Cisco, Dell, Ericsson, Foxconn, Fujitsu, General Electric, Google, Honeywell, HTC, Huawei, Landis & Gyr, Lenovo, LG Electronics, Microsoft, Nest, Netgear, Northrop Grumman, Rockwell Collins, Samsung, Sonos, and ZTE. Our competitors include Analog Devices, Avago Technologies, Linear Technology, Maxim Integrated Products, Murata Manufacturing, NXP, QUALCOMM, and Qorvo.

RESULTS OF OPERATIONS

FISCAL YEARS ENDED OCTOBER 2, 2015, OCTOBER 3, 2014, AND SEPTEMBER 27, 2013.

The following table sets forth the results of our operations expressed as a percentage of net revenue:

	October 2, 2015	October 3, 2014	September 27, 2013
Net revenue	100.0%	100.0%	100.0%
Cost of goods sold	52.3	55.4	57.2
Gross profit	47.7	44.6	42.8
Operating expenses:			
Research and development	9.3	11.0	12.6
Selling, general and administrative	5.9	7.8	8.9
Amortization of intangibles	1.0	1.1	1.6
Restructuring and other charges	0.1	—	0.4
Total operating expenses	16.3	19.9	23.5
Operating income	31.4	24.7	19.3
Other income (expense), net	—	—	—
Income before income taxes	31.4	24.7	19.3
Provision for income taxes	6.9	4.7	3.7
Net income	24.5%	20.0%	15.6%

GENERAL

During the fiscal year ended October 2, 2015, the following key factors contributed to our overall results of operations, financial position and cash flows:

- Net revenue increased to approximately $3.3 billion, an increase of 42% as compared to the prior fiscal year. This increase in revenue was primarily related to our continued growth as smartphones displace traditional cellular phones, increased strength in emerging markets due to the adoption of 3G and 4G technologies, increases in tablet computing and the expansion of our analog product portfolio to address additional content within the handset and tablet markets as well as new vertical markets including medical, automotive, military and industrial.

- Operating margin increased by 670 basis points to 31.4% for fiscal 2015 from 24.7% in fiscal 2014. The increase in operating margin was primarily related to higher revenue and the leveraging impact on our gross margin and operating expenses partially offset by higher employee compensation expenses.

- As a result of the aforementioned factors, overall profitability increased significantly from fiscal 2014 with year-over-year increases in net income and diluted earnings per share of 74% and 72%, respectively.

- Our ending cash and cash equivalents balance increased 30% to $1,044 million in fiscal 2015 from $806 million in fiscal 2014. This was the result of a 29% increase in cash from operations to $993 million in fiscal 2015 from $772 million in fiscal 2014 due to higher net income partially offset by changes in working capital. In addition, we invested $430 million on capital expenditures associated with plant expansions in Mexico and Japan, $237 million to repurchase over 2.9 million shares of our common stock, and $123 million in cash dividend payments.

NET REVENUE

	Fiscal Years Ended				
(dollars in millions)	October 2, 2015	Change	October 3, 2014	Change	September 27, 2013
Net revenue	$ 3,258.4	42.2%	$ 2,291.5	27.9%	$ 1,792.0

We market and sell our products directly to original equipment manufacturers of communications and electronics products, third-party original design manufacturers and contract manufacturers, and indirectly through electronic components distributors. We generally experience seasonal peaks during the second half of the calendar year, primarily as a result of increased worldwide production of consumer electronics in anticipation of increased holiday sales, whereas our second fiscal quarter is typically lower and in line with seasonal industry trends.

The $966.9 million increase in revenue in fiscal 2015 as compared to fiscal 2014 was primarily driven by our ability to capture a higher share of the increasing RF and analog content per device due to more complex smartphones continuing to displace traditional cellular phones, increased strength in emerging markets due to the adoption of 3G and 4G technologies, the increasing popularity of tablet computing and wearables, and our expanding analog product portfolio supporting new vertical markets including medical, automotive, military and industrial.

The $499.5 million increase in revenue in fiscal 2014 as compared to fiscal 2013 was primarily driven by our ability to capture a higher share of the increasing RF and analog content per device due to more complex smartphones continuing to displace traditional cellular phones, increased strength in emerging markets due to the adoption of 3G and 4G technologies, the increasing popularity of tablet computing, and our expanding analog product portfolio supporting new vertical markets including medical, automotive, military and industrial.

For information regarding net revenue by geographic region and customer concentration, see Note 16 of the Consolidated Financial Statements in this Annual Report.

GROSS PROFIT

	Fiscal Years Ended				
(dollars in millions)	October 2, 2015	Change	October 3, 2014	Change	September 27, 2013
Gross profit	$ 1,554.5	52.0%	$ 1,022.7	33.4%	$ 766.6
% of net revenue	47.7%		44.6%		42.8%

Gross profit represents net revenue less cost of goods sold. Our cost of goods sold consists primarily of purchased materials, labor and overhead (including depreciation and share-based compensation expense) associated with product manufacturing. Erosion of average selling prices of established products is typical of the semiconductor industry. Consistent with trends in the industry, we anticipate that average selling prices for our established products will continue to decline at a normalized rate of five to ten percent per year. As part of our normal course of business, we mitigate the gross margin impact of declining average selling prices with efforts to increase unit volumes, reduce material costs, improve manufacturing efficiencies, lower manufacturing costs of existing products and by introducing new and higher value-added products.

Gross profit was $531.8 million greater in fiscal 2015 as compared to fiscal 2014. The increase in gross profit was primarily the result of higher unit volumes, lower overall per unit material and manufacturing costs with an aggregate gross profit benefit of $687.8 million. These benefits were partially offset by the erosion of average selling price, unfavorable changes in product mix and other costs that combined to negatively impact gross profit by $156.0 million. As a result of these impacts, gross profit margin increased to 47.7% of net revenue for fiscal 2015.

Gross profit was $256.1 million greater in fiscal 2014 as compared to fiscal 2013. The increase in gross profit was primarily the result of higher unit volumes, lower overall per unit material and manufacturing costs with an aggregate gross profit benefit of $273.5 million. These benefits were partially offset by the erosion of average selling price, unfavorable changes in product mix and other costs which combined to negatively impact gross profit by $17.4 million. As a result of these impacts, gross profit margin increased to 44.6% of net revenue for fiscal 2014.

RESEARCH AND DEVELOPMENT

	Fiscal Years Ended				
(dollars in millions)	October 2, 2015	Change	October 3, 2014	Change	September 27, 2013
Research and development	$ 303.2	20.2%	$ 252.2	11.4%	$ 226.3
% of net revenue	9.3%		11.0%		12.6%

Research and development expenses consist primarily of direct personnel costs including share-based compensation expense, costs for pre-production evaluation and testing of new devices, masks, engineering prototypes and design tool costs.

The increase in research and development expense in fiscal 2015 as compared to fiscal 2014 is primarily related to increased employee compensation expense, including share-based compensation, of approximately $26.7 million and increased product development and other related expenses of approximately $24.3 million. Research and development expense decreased as a percentage of net revenue due to the aforementioned increase in net revenue.

The increase in research and development expense in fiscal 2014 as compared to fiscal 2013 is primarily related to increased compensation expense, including share-based compensation of $19.1 million, enhanced development activity, related services and other costs of $6.8 million. Research and development expense decreased as a percentage of net revenue due to the aforementioned increase in net revenue.

SELLING, GENERAL AND ADMINISTRATIVE

(dollars in millions)	Fiscal Years Ended October 2, 2015	Change	October 3, 2014	Change	September 27, 2013
Selling, general and administrative	$ 191.3	6.8%	$ 179.1	12.1%	$ 159.7
% of net revenue	5.9%		7.8%		8.9%

Selling, general and administrative expenses include legal and related costs, accounting, treasury, human resources, information systems, customer service, bad debt expense, sales commissions, share-based compensation expense, advertising, marketing, costs associated with business combinations completed or contemplated during the period or prior periods and other costs.

The increase in selling, general and administrative expenses in fiscal 2015 as compared to fiscal 2014 was primarily related to increased compensation expense including share-based compensation, and legal expenses related to acquisitions completed and contemplated during the period. Selling, general and administrative expenses decreased as a percentage of net revenue due to the aforementioned increase in net revenue.

The increase in selling, general and administrative expenses in fiscal 2014 as compared to fiscal 2013 was primarily related to increased compensation expense including share-based compensation of $8.1 million, legal expenses related to ongoing litigation of $3.9 million and acquisition related expenses of $3.4 million. Selling, general and administrative expenses decreased as a percentage of net revenue due to the aforementioned increase in net revenue.

AMORTIZATION OF INTANGIBLES

(dollars in millions)	Fiscal Years Ended October 2, 2015	Change	October 3, 2014	Change	September 27, 2013
Amortization of intangibles	$ 33.5	29.3%	$ 25.9	(11.0)%	$ 29.1
% of net revenue	1.0%		1.1%		1.6%

The increase in amortization expense for fiscal 2015 as compared to fiscal 2014 was primarily due to the intangible assets that were acquired in fiscal 2015 and fiscal 2014, partially offset by the end of the estimated useful lives of certain fully amortized intangible assets that were acquired in prior fiscal years.

Amortization expense decreased in fiscal 2014 when compared to the prior fiscal year due to the end of the estimated useful lives of certain fully amortized intangible assets acquired in prior fiscal years. This decrease was partially offset by the amortization of intangibles acquired in the Panasonic transaction.

PROVISION FOR INCOME TAXES

(dollars in millions)	Fiscal Years Ended October 2, 2015	Change	October 3, 2014	Change	September 27, 2013
Provision for income taxes	$ 225.3	109.6%	$ 107.5	61.9%	$ 66.4
% of net revenue	6.9%		4.7%		3.7%

The annual effective tax rate for fiscal 2015 of 22.0% was less than the United States federal statutory rate of 35% primarily due to benefits of 11.8% related to foreign earnings taxed at a rate less than the United States federal rate, benefits of 1.9% related to a domestic production activities deduction, and benefits of 1.5% related to the recognition of federal research and development tax credits, partially offset by income tax rate expense impact of 2.5% related to a change in our tax reserves.

As a result of the enactment of the Tax Increase Prevention Act of 2014, which retroactively reinstated and extended the research and development tax credit, $11.0 million of tax credits that were earned in fiscal 2014, our tax rate was reduced during fiscal 2015.

We operate under a tax holiday in Singapore, which is effective through September 30, 2020. This tax holiday is conditioned upon our compliance with certain employment and investment thresholds in Singapore. The impact of the tax holiday decreased the taxes we owe in Singapore by $26.6 million and $12.6 million for fiscal 2015 and fiscal 2014, respectively. This resulted in tax benefits of $0.14 and $0.07 of diluted earnings per share for fiscal 2015 and fiscal 2014, respectively.

As of October 2, 2015, the Company's federal income tax returns for the fiscal year ended September 28, 2012 ("fiscal 2012") and fiscal 2013 were under examination by the Internal Revenue Service ("IRS"). The Company expects the IRS examination to close in the first quarter of the fiscal year ending September 30, 2016 ("fiscal 2016") and does not expect the results of this audit to have an adverse impact on its tax expense. In addition, various state and international returns are under examination by their respective taxing authorities. The Company does not expect the results of these audits to have a material impact on its financial position, results of operations, or cash flows.

The annual effective tax rate for fiscal 2014 of 19.0% was less than the United States federal statutory rate of 35% primarily due to benefits of 13.7% related to foreign earnings taxed at a rate less than the United States federal rate, benefits of 1.9% related to a domestic production activities deduction, and benefits of 3.5% from the settlement of the IRS audit of our fiscal 2011 income tax return, partially offset by income tax rate expense impact of 2.0% related to a change in our tax reserves.

LIQUIDITY AND CAPITAL RESOURCES

(dollars in millions)	Fiscal Years Ended October 2, 2015	October 3, 2014	September 27, 2013
Cash and cash equivalents at beginning of period	$ 805.8	$ 511.1	$ 307.1
Net cash provided by operating activities	992.8	772.4	499.7
Net cash used in investing activities	(454.7)	(357.1)	(123.0)
Net cash used in financing activities	(300.3)	(120.6)	(172.7)
Cash and cash equivalents at end of period	$ 1,043.6	$ 805.8	$ 511.1

Cash Flow from Operating Activities:

Cash provided by operating activities is net income adjusted for certain non-cash items and changes in certain operating assets and liabilities. For fiscal 2015, we generated $992.8 million in cash flow from operations, an increase of $220.4 million when compared to $772.4 million generated in fiscal 2014. The increase in cash flow from operating activities during the fiscal year ended October 2, 2015 was related to higher net income combined with a net cash inflow from changes in operating assets and liabilities and the effects of non-cash depreciation and share-based compensation. Specifically, the changes in operating assets and liabilities that were sources of cash were: $106.0 million related to tax liabilities, payroll related accruals and other accrued expenses, $90.5 million in accounts payable related to the timing of vendor payments, and $3.6 million in changes in inventory. These sources of cash were offset by uses of cash of $222.2 million in accounts receivable due to the timing of customer collections and $39.2 million primarily related to pre-paid manufacturing costs.

Cash Flow from Investing Activities:

Cash flow from investing activities consists of capital expenditures, cash paid for acquisitions, net of cash acquired and the sale and maturity of investments. Cash flow used in investing activities was $454.7 million during fiscal 2015, compared to $357.1 million during fiscal 2014. The increase in capital expenditures was primarily due to the expansion of our assembly and test facility in Mexicali, Mexico, the construction of a new filter fabrication facility in Osaka, Japan, the purchase of manufacturing equipment to support increased production for the operations in Japan and Singapore of the joint venture with Panasonic, referred to as FilterCo, and to a lesser extent, our wafer fabrication facilities in the United States. Cash flows from investing activities for the twelve months ended October 2, 2015 also include the final working capital payment associated with the FilterCo acquisition as well as cash paid for an immaterial business combination net of cash, during the period.

Cash Flow from Financing Activities:

Cash flows from financing activities consist primarily of cash transactions related to debt and equity. During fiscal 2015, we had net cash outflows of $300.3 million, compared to $120.6 million in fiscal 2014. During fiscal 2015 we had the following significant uses of cash:

- $237.3 million related to our repurchase of approximately 2.9 million shares of our common stock pursuant to the share repurchase program approved by our Board of Directors on November 11, 2014;

- $123.1 million related to the payment of cash dividends on our common stock; and

- $54.2 million related to the minimum statutory payroll tax withholdings upon vesting of employee performance and restricted stock awards.

These uses of cash were partially offset by the excess tax benefit from stock option exercises of $57.3 million and net proceeds from employee stock option exercises of $57.0 million during fiscal 2015.

Liquidity:

Cash and cash equivalent balances were $1,043.6 million at October 2, 2015, representing an increase of $237.8 million from October 3, 2014. The increase resulted from $992.8 million in cash generated from operations which was partially offset by $430.1 million in capital expenditures primarily for increased production capacity in Mexico and Japan, $237.3 million used to repurchase 2.9 million shares of stock, and $123.1 million in cash dividend payments during fiscal 2015. Based on our historical results of operations, we expect that our cash and cash equivalents on hand and the cash we expect to generate from operations will be sufficient to fund our research and development, capital expenditures, potential acquisitions, working capital, quarterly cash dividend payments (if such dividends are declared by the Board of Directors), outstanding commitments and other liquidity requirements associated with existing operations for at least the next 12 months. However, we cannot be certain that our cash on hand and cash generated from operations will be available in the future to fund all of our capital and operating requirements. In addition, any future strategic investments and acquisitions may require additional cash and capital resources. If we are unable to obtain sufficient cash or capital to meet our needs on a timely basis and on favorable terms, our business and operations could be materially and adversely affected.

Our invested cash balances primarily consist of highly liquid term deposits with original maturities of 90 days or less and money market funds where the underlying securities primarily consist of United States treasury obligations, United States agency obligations and repurchase agreements collateralized by United States government and agency obligations.

Our cash and cash equivalent balance of $1,043.6 million at October 2, 2015 consisted of $657.2 million held domestically and $386.4 million held by foreign subsidiaries. Of the cash and cash equivalents held by our foreign subsidiaries at October 2, 2015, $340.8 million is considered by us to be indefinitely reinvested and would be subject to material tax effects if repatriated. The remaining $45.6 million of foreign cash and cash equivalents can be repatriated without any tax consequences.

OFF-BALANCE SHEET ARRANGEMENTS

All significant contractual obligations are recorded on our consolidated balance sheet or fully disclosed in the notes to our consolidated financial statements. We have no material off-balance sheet arrangements as defined in SEC Regulation S-K-303(a)(4)(ii).

CONTRACTUAL CASH FLOWS

Set forth below is a summary of our contractual payment obligations related to our operating leases, other commitments and long-term liabilities at October 2, 2015 (in millions):

	Payments Due By Period				
Obligation	**Total**	**Less Than 1 Year**	**1-3 Years**	**3-5 Years**	**Thereafter**
Other long-term liabilities(1)	$ 78.7	$ 5.4	$ 2.6	$ —	$ 70.7
Operating lease obligations	66.2	15.1	22.9	14.0	14.2
Other commitments(2)	94.4	94.2	0.2	—	—
Total	$ 239.3	$ 114.7	$ 25.7	$ 14.0	$ 84.9

(1) Other long-term liabilities include our gross unrecognized tax benefits, as well as executive deferred compensation, which are both classified as beyond five years due to the uncertain nature of the liabilities.

(2) Other commitments consist of liabilities related to business combinations, contractual license and royalty payments, and other purchase obligations. See Note 11 of the Consolidated Financial Statements in this Annual Report for further detail.

CRITICAL ACCOUNTING ESTIMATES

The discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with generally accepted accounting principles, or GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. The Securities and Exchange Commission has defined critical accounting policies as those that are both most important to the portrayal of our financial condition and results and which require our most difficult, complex or subjective judgments or estimates. Based on this definition, we believe our critical accounting policies include revenue recognition, inventory valuation, impairment of long-lived assets, goodwill and intangibles, business combinations, share-based compensation, loss contingencies and income taxes. Note 2 of the Consolidated Financial Statements in this Annual Report describes the significant accounting policies and methods used in the preparation of our consolidated financial statements.

On an ongoing basis, we evaluate the judgments and estimates underlying all of our accounting policies. These estimates and the underlying assumptions affect the amounts of assets and liabilities reported, disclosures, and reported amounts of revenues and expenses. These estimates and assumptions are based on our best judgments using historical experience and other factors, including the current economic environment, which we believe to be reasonable under the circumstances. We adjust such estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with precision, factors may arise over time that lead us to change our methods, estimates and judgments that could materially and adversely affect our results of operations.

Revenue Recognition. We recognize revenue in accordance with the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") 605 *Revenue Recognition* net of estimated reserves. Our revenue reserves contain uncertainties because they require management to make assumptions and to apply judgment to estimate the value of future credits to customers for price protection and product returns (stock rotation) for products sold to certain electronic component distributors. Our estimates of the amount and timing of the reserves is based primarily on historical experience and specific contractual arrangements. Historically, we have not experienced material differences between our estimated sales reserves and actual results.

Inventory Valuation. We value our inventory at the lower of cost or fair market value. Reserves for excess and obsolete inventory are established on a quarterly basis and are based on a detailed analysis of forecasted demand in relation to on-hand inventory, saleability of our inventory, general market conditions, and product life cycles. Once reserves are established, write-downs of inventory are considered permanent adjustments to the cost basis of inventory. Our reserves contain uncertainties because the calculation requires management to make assumptions and to apply judgment regarding historical experience, forecasted demand and technological obsolescence. Changes in actual demand or market conditions could adversely impact our reserve calculations. Historically, we have not experienced material differences between our estimated inventory reserves and actual results.

Goodwill and Purchased Intangible Assets. We evaluate goodwill and other purchased intangible assets for impairment annually on the first day of the fourth fiscal quarter and whenever events or circumstances arise that may indicate that the carrying value of the goodwill or other intangibles may not be recoverable.

The impairment evaluation of goodwill involves comparing the fair value to the carrying value of the reporting unit. We use the market price of the Company's stock adjusted for a market premium to calculate the fair value of the reporting unit. If the fair value exceeds the carrying value, then it is concluded that no goodwill impairment has occurred. If the carrying value of the reporting unit exceeds its fair value, a second step is required to measure the possible goodwill impairment loss.

In the second step, if required, we would use a discounted cash flow methodology to determine the implied fair value of our goodwill. The implied fair value of the reporting unit's goodwill would then be compared to the carrying value of the goodwill. If the carrying value of the goodwill exceeds the implied fair value of the goodwill, we would recognize a loss equal to the excess.

Our impairment analysis contains uncertainties because it requires management to make assumptions and to apply judgment to items such as: estimated control premiums, discount rate, future cash flows, the profitability of future business strategies and useful lives. Historically, we have not experienced material differences between our impairment calculations and actual results.

Business Combinations. We apply significant estimates and judgments in order to determine the fair value of the identified tangible and intangible assets acquired, liabilities assumed and goodwill recognized in business combinations. The value of all assets and liabilities are recognized at fair value as of the acquisition date using a market participant approach.

In measuring the fair value, we utilize a number of valuation techniques consistent with the market approach, income approach and/ or cost approach. The valuation of the identifiable assets and liabilities includes assumptions such as projected revenue, royalty rates, weighted average cost of capital, discount rates and estimated useful lives. These assessments can be significantly affected by our judgments. Historically, we have not experienced material differences in our assigned values and actual results.

Share-Based Compensation. We have a share-based compensation plan which includes non-qualified stock options, restricted and performance share awards and units, employee stock purchase plan and other special share-based awards. Note 9 of the Consolidated Financial Statements in this Annual Report details our current share-based compensation programs.

We determine the fair value of our non-qualified stock options at the date of grant using the Black-Scholes options-pricing model. For restricted and performance based awards and units, we determine the fair value based on the grant date fair value of the Company's stock based on the most probable outcome of the underlying performance metric, as applicable. For more complex performance awards with market-based conditions we employ a Monte Carlo simulation and determine the fair value based on the most probable outcome of the performance metric. Our determination of fair value of share-based items on the date of grant contains assumptions regarding a number of highly complex and subjective variables including, but not limited to: our expected stock price volatility over the term of the award, correlation coefficients, risk-free rate, the expected life of the award, forfeiture rates, and a dividend yield with compensation expense recognized over the requisite service period of the underlying award. Management periodically evaluates these assumptions and updates share-based compensation expense accordingly. Historically, we have not experienced material differences in our estimates and actual results.

Loss Contingencies. We record an estimate for loss contingencies such as a legal proceeding or claims if it is probable that an asset has been impaired or a liability has been incurred and the amount of the loss can be reasonably estimated. We disclose material loss contingencies if there is at least a reasonable possibility that a loss has been incurred.

Our loss contingency analysis contains uncertainties because it requires management to assess the degree of probability of an unfavorable outcome and to make a reasonable estimate of the amount of potential loss. Historically, we have not experienced material differences between our estimates and actual results.

Income Taxes. We account for income taxes using the asset and liability method, under which deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between tax and financial reporting. Deferred tax assets and liabilities are measured using the currently enacted tax rates that apply to taxable income in effect for the years in which those tax assets are expected to be realized or settled. We record a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized. Significant management judgment is required in developing our provision for income taxes, including the determination of deferred tax assets and liabilities and any valuation allowances that might be required against the deferred tax assets. ASC 740 *Income Taxes* ("ASC 740") clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with GAAP. ASC 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. This statement also provides guidance on derecognition, classification, interest and penalties, accounting in the interim periods and disclosure.

The application of tax laws and regulations to calculate our tax liabilities is subject to legal and factual interpretation, judgment, and uncertainty in a multitude of jurisdictions. Tax laws and regulations themselves are subject to change as a result of changes in fiscal policy, changes in legislation, the evolution of regulations, and court rulings. We recognize potential liabilities for anticipated tax audit issues in the United States and other tax jurisdictions based on our estimate of whether, and the extent to which, additional taxes and interest will be due. We record an amount as an estimate of probable additional income tax liability at the largest amount that we feel is more likely than not, based upon the technical merits of the position, to be sustained upon audit by the relevant tax authority. We record a valuation allowance against deferred tax assets that we feel are more likely than not to not be realized. Historically, we have not experienced material differences between our estimates and actual results.

OTHER MATTERS

Inflation did not have a material impact on our results of operations during the three-year period ended October 2, 2015.

Quantitative and Qualitative Disclosures About Market Risk

We are subject to overall financial market risks, such as changes in market liquidity, credit quality investment risk, interest rate risk and exchange rate risk as described below.

Investment and Interest Rate Risk

Our exposure to interest rate and general market risks related principally to our investment portfolio and consisted of the following (in millions):

	October 2, 2015
Cash and cash equivalents (time deposits, certificate of deposits and money market funds)	$ 1,043.6
Available for sale securities (auction rate securities) at carrying value	2.3
Total	$ 1,045.9

The main objectives of our investment activities are the liquidity and preservation of capital. Our cash equivalent investments have short-term maturity periods that dampen the impact of market or interest rate risk. Credit risk associated with our investments is not material as our money market and deposits are diversified across several financial institutions with high credit ratings that reduces the amount of credit exposure to any one counterparty.

Based on our results of operations for the fiscal year ended October 2, 2015, a hypothetical reduction in the interest rates on our cash and cash equivalents to zero would result in an immaterial reduction of interest income with a de minimis impact to income before taxes.

We own $3.2 million of par value auction rate securities that are currently valued at $2.3 million as of October 2, 2015. In the event that the market conditions change in the future and our auction rate security becomes fully and permanently impaired, the impact to income before income taxes would be the par value of the auction rate security of approximately $3.2 million as of October 2, 2015.

Given the low interest rate environment, the objectives of our investment activities, and the relatively low interest income generated from our cash and cash equivalents and other investments, we do not believe that market, investment or interest rate risks pose material exposures to our current business or results of operations.

Exchange Rate Risk

Substantially all sales to customers and arrangements with third-party manufacturers provide for pricing and payment in United States dollars, thereby reducing the impact of foreign exchange rate fluctuations on our results. A small percentage of our international operational expenses are denominated in foreign currencies. Exchange rate volatility could negatively or positively impact those operating costs. For the fiscal years ended October 2, 2015, October 3, 2014 and September 27, 2013, the Company had foreign exchange gains/(losses) of $1.7 million, $0.1 million and $(1.1) million, respectively. Increases in the value of the United States dollar relative to other currencies could make our products more expensive, which could negatively impact our ability to compete. Conversely, decreases in the value of the United States dollar relative to other currencies could result in our suppliers raising their prices to continue doing business with us. Fluctuations in currency exchange rates could have a greater effect on our business in the future to the extent our expenses increasingly become denominated in foreign currencies.

The Company may enter into foreign currency forward and option contracts with financial institutions to protect against foreign exchange risks associated with certain existing assets and liabilities, certain firmly committed transactions, forecasted future cash flows and net investments in foreign subsidiaries. The Company's practice is to hedge a portion of its material foreign exchange exposures. However, the Company may choose not to hedge certain foreign exchange exposures for a variety of reasons, including but not limited to accounting considerations and the prohibitive economic cost of hedging particular exposures.

The Company currently holds foreign currency put and call options on the Japanese yen that offset the cash flow impact related to the purchase option of the remaining 34% interest of FilterCo. Changes in the exchange rate between the Japanese yen and United States dollar had a de minimis impact to income before taxes during the fiscal year ended October 2, 2015.

Selected Financial Data

You should read the data set forth below in conjunction with *Management's Discussion and Analysis of Financial Condition and Results of Operations*, and our consolidated financial statements and related notes appearing elsewhere in this Annual Report. Our fiscal year ends on the Friday closest to September 30. Fiscal 2015, 2013, 2012, and 2011 each consisted of 52 weeks and ended on October 2, 2015, September 27, 2013, September 28, 2012 and September 30, 2011, respectively. Fiscal 2014 consisted of 53 weeks and ended on October 3, 2014.

The following table represents the selected financial data (in millions, except per share data):

	Fiscal Years Ended				
Statement of Operations Data:	October 2, 2015	October 3, 2014	September 27, 2013	September 28, 2012	September 30, 2011
Net revenue	$ 3,258.4	$ 2,291.5	$ 1,792.0	$ 1,568.6	$ 1,418.9
Operating income	$ 1,023.1	$ 565.2	$ 345.1	$ 255.6	$ 295.3
Operating margin	31.4%	24.7%	19.3%	16.3%	20.8%
Net income	$ 798.3	$ 457.7	$ 278.1	$ 202.0	$ 226.6
Earnings per share:					
Basic	$ 4.21	$ 2.44	$ 1.48	$ 1.09	$ 1.24
Diluted	$ 4.10	$ 2.38	$ 1.45	$ 1.05	$ 1.19
Cash dividends declared per share	$ 0.65	$ 0.22	$ —	$ —	$ —

	As of				
Balance Sheet Data:	October 2, 2015	October 3, 2014	September 27, 2013	September 28, 2012	September 30, 2011
Working capital	$ 1,450.8	$ 1,131.6	$ 893.6	$ 700.6	$ 569.2
Property, plant and equipment, net	$ 826.4	$ 555.9	$ 328.6	$ 279.4	$ 251.4
Total assets	$ 3,719.4	$ 2,973.8	$ 2,333.1	$ 2,136.6	$ 1,890.4
Stockholders' equity	$ 3,159.2	$ 2,532.4	$ 2,101.1	$ 1,905.5	$ 1,609.1

SKYWORKS SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share amounts)

	Fiscal Years Ended		
	October 2, 2015	October 3, 2014	September 27, 2013
Net revenue	$ 3,258.4	$ 2,291.5	$ 1,792.0
Cost of goods sold	1,703.9	1,268.8	1,025.4
Gross profit	1,554.5	1,022.7	766.6
Operating expenses:			
Research and development	303.2	252.2	226.3
Selling, general and administrative	191.3	179.1	159.7
Amortization of intangibles	33.5	25.9	29.1
Restructuring and other charges	3.4	0.3	6.4
Total operating expenses	531.4	457.5	421.5
Operating income	1,023.1	565.2	345.1
Other income (expense), net	0.5	—	(0.6)
Income before income taxes	1,023.6	565.2	344.5
Provision for income taxes	225.3	107.5	66.4
Net income	$ 798.3	$ 457.7	$ 278.1
Earnings per share:			
Basic	$ 4.21	$ 2.44	$ 1.48
Diluted	$ 4.10	$ 2.38	$ 1.45
Weighted average shares:			
Basic	189.5	187.2	187.5
Diluted	194.9	192.6	192.2
Cash dividends declared and paid per share	$ 0.65	$ 0.22	$ —

See accompanying Notes to Consolidated Financial Statements.

SKYWORKS SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)

	Fiscal Years Ended		
	October 2, 2015	October 3, 2014	September 27, 2013
Net income	$ 798.3	$ 457.7	$ 278.1
Other comprehensive income, net of tax			
Pension adjustments	(0.2)	—	0.7
Foreign currency translation adjustment	(3.1)	(4.0)	—
Comprehensive income	$ 795.0	$ 453.7	$ 278.8

See accompanying Notes to Consolidated Financial Statements.

SKYWORKS SOLUTIONS, INC.
CONSOLIDATED BALANCE SHEETS
(In millions, except per share amounts)

	As of	
	October 2, 2015	October 3, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,043.6	$ 805.8
Receivables, net of allowance for doubtful accounts of $0.4 and $0.8, respectively	538.0	317.6
Inventory	267.9	270.8
Other current assets	65.2	35.0
Total current assets	1,914.7	1,429.2
Property, plant and equipment, net	826.4	555.9
Goodwill	856.7	851.0
Intangible assets, net	45.0	75.0
Deferred tax assets, net	56.3	50.8
Other assets	20.3	11.9
Total assets	$ 3,719.4	$ 2,973.8
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 291.1	$ 200.6
Accrued compensation and benefits	81.5	70.7
Other current liabilities	91.3	26.3
Total current liabilities	463.9	297.6
Long-term tax liabilities	71.0	41.6
Other long-term liabilities	25.3	102.2
Total liabilities	560.2	441.4
Commitments and contingencies (Note 11 and Note 12)		
Stockholders' equity:		
Preferred stock, no par value: 25.0 shares authorized, no shares issued	—	—
Common stock, $0.25 par value: 525.0 shares authorized; 219.0 shares issued and 190.3 shares outstanding at October 2, 2015, and 214.2 shares issued and 189.2 shares outstanding at October 3, 2014	47.6	47.3
Additional paid-in capital	2,495.2	2,248.2
Treasury stock, at cost	(844.6)	(553.1)
Retained earnings	1,469.2	794.9
Accumulated other comprehensive loss	(8.2)	(4.9)
Total stockholders' equity	3,159.2	2,532.4
Total liabilities and stockholders' equity	$ 3,719.4	$ 2,973.8

See accompanying Notes to Consolidated Financial Statements.

SKYWORKS SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Fiscal Years Ended		
	October 2, 2015	October 3, 2014	September 27, 2013
Cash flows from operating activities:			
Net income	$ 798.3	$ 457.7	$ 278.1
Adjustments to reconcile net income to net cash provided by operating activities:			
Share-based compensation	99.8	86.0	71.7
Depreciation	162.3	96.8	74.3
Amortization of intangible assets	33.5	25.9	29.1
Contribution of common shares to savings and retirement plans	20.9	17.1	17.1
Deferred income taxes	(3.9)	3.3	13.7
Excess tax benefit from share-based compensation	(57.3)	(40.8)	(10.8)
Other	0.5	1.0	0.3
Changes in assets and liabilities net of acquired balances:			
Receivables, net	(222.2)	(12.4)	4.9
Inventory	3.6	(6.1)	3.4
Other current and long-term assets	(39.2)	7.3	(0.2)
Accounts payable	90.5	74.2	(14.1)
Other current and long-term liabilities	106.0	62.4	32.2
Net cash provided by operating activities	992.8	772.4	499.7
Cash flows from investing activities:			
Capital expenditures	(430.1)	(208.6)	(123.8)
Payments for acquisitions, net of cash acquired	(24.6)	(148.5)	—
Sales and maturities of short term investments	—	—	0.8
Net cash used in investing activities	(454.7)	(357.1)	(123.0)
Cash flows from financing activities:			
Payment of contingent consideration	—	—	(1.1)
Excess tax benefit from share-based compensation	57.3	40.8	10.8
Repurchase of common stock—payroll tax withholdings on equity awards	(54.2)	(22.1)	(18.6)
Repurchase of common stock—share repurchase program	(237.3)	(165.7)	(184.9)
Dividends paid	(123.1)	(41.4)	—
Net proceeds from exercise of stock options	57.0	67.8	21.1
Net cash used in financing activities	(300.3)	(120.6)	(172.7)
Net increase in cash and cash equivalents	237.8	294.7	204.0
Cash and cash equivalents at beginning of period	805.8	511.1	307.1
Cash and cash equivalents at end of period	$ 1,043.6	$ 805.8	$ 511.1
Supplemental cash flow disclosures:			
Income taxes paid	$ 126.1	$ 63.2	$ 26.2

See accompanying Notes to Consolidated Financial Statements.

SKYWORKS SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In millions)

	Shares of common stock	Par value of common stock	Shares of treasury stock	Value of treasury stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive loss	Total stockholders' equity
Balance at September 28, 2012	192.3	$ 48.1	10.6	$ (161.8)	$ 1,920.0	$ 100.8	$ (1.6)	$ 1,905.5
Net income	—	—	—	—	—	278.1	—	278.1
Exercise and settlement of share based awards and related tax benefit, net of shares withheld for taxes	3.7	0.9	0.9	(18.6)	48.8	—	—	31.1
Share-based compensation expense	—	—	—	—	70.6	—	—	70.6
Share repurchase program	(8.1)	(2.0)	8.1	(184.9)	2.0	—	—	(184.9)
Other comprehensive income	—	—	—	—	—	—	0.7	0.7
Balance at September 27, 2013	187.9	$ 47.0	19.6	$ (365.3)	$ 2,041.4	$ 378.9	$ (0.9)	$ 2,101.1
Net income	—	—	—	—	—	457.7	—	457.7
Exercise and settlement of share based awards and related tax benefit, net of shares withheld for taxes	5.8	1.4	0.9	(22.1)	129.9	—	—	109.2
Share-based compensation expense	—	—	—	—	75.8	—	—	75.8
Share repurchase program	(4.5)	(1.1)	4.5	(165.7)	1.1	—	—	(165.7)
Dividends declared	—	—	—	—	—	(41.7)	—	(41.7)
Other comprehensive loss	—	—	—	—	—	—	(4.0)	(4.0)
Balance at October 3, 2014	189.2	$ 47.3	25.0	$ (553.1)	$ 2,248.2	$ 794.9	$ (4.9)	$ 2,532.4
Net income	—	—	—	—	—	798.3	—	798.3
Exercise and settlement of share based awards and related tax benefit, net of shares withheld for taxes	4.0	1.0	0.8	(54.2)	156.7	—	—	103.5
Share-based compensation expense	—	—	—	—	89.6	—	—	89.6
Share repurchase program	(2.9)	(0.7)	2.9	(237.3)	0.7	—	—	(237.3)
Dividends declared	—	—	—	—	—	(124.0)	—	(124.0)
Other comprehensive loss	—	—	—	—	—	—	(3.3)	(3.3)
Balance at October 2, 2015	190.3	$ 47.6	28.7	$ (844.6)	$ 2,495.2	$ 1,469.2	$ (8.2)	$ 3,159.2

See accompanying Notes to Consolidated Financial Statements.

Notes to Consolidated Financial Statements

1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Skyworks Solutions, Inc., together with its consolidated subsidiaries, ("Skyworks" or the "Company") is empowering the wireless networking revolution. The Company's highly innovative analog semiconductors are connecting people, places, and things spanning a number of new and previously unimagined applications within the automotive, broadband, cellular infrastructure, connected home, industrial, medical, military, smartphone, tablet and wearable markets.

The Company has evaluated subsequent events through the date of issuance of the audited consolidated financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PRINCIPLES OF CONSOLIDATION

All Skyworks subsidiaries are included in the Company's consolidated financial statements and all intercompany balances are eliminated in consolidation.

FISCAL YEAR

The Company's fiscal year ends on the Friday closest to September 30. Fiscal years 2015 and 2013 each consisted of 52 weeks and ended on October 2, 2015 and September 27, 2013, respectively. Fiscal year 2014 consisted of 53 weeks and ended on October 3, 2014.

USE OF ESTIMATES

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") requires management to make estimates and assumptions that affect the amounts of assets, liabilities, revenue, expenses, comprehensive income and accumulated other comprehensive loss during the reporting period. The Company evaluates its estimates on an ongoing basis using historical experience and other factors, including the current economic environment. Significant judgment is required in determining the reserves for and fair value of items such as inventory, income taxes, share-based compensation, loss contingencies, bad debt allowance, intangible assets associated with business combinations and overall fair value assessments of assets and liabilities, particularly those classified as Level 2 or Level 3 in the fair value hierarchy. In addition, significant judgment is required in determining whether a potential indicator of impairment of long-lived assets exists and in estimating future cash flows for any necessary impairment testing. Actual results could differ significantly from these estimates.

REVENUE RECOGNITION

Revenue from product sales is recognized when there is persuasive evidence of an arrangement, the price to the buyer is fixed and determinable, delivery and transfer of title have occurred in accordance with the shipping terms specified in the arrangement with the customer and collectability is reasonably assured. Revenue from license fees and intellectual property is recognized when due and payable, and all other criteria of the FASB's ASC 605 *Revenue Recognition,* have been met. The Company ships product on consignment to certain customers and only recognizes revenue when the customer notifies the Company that the inventory has been consumed. Revenue recognition is deferred in all instances where the earnings process is incomplete. Certain product sales are made to electronic component distributors under agreements allowing for price protection and/or a right of return (stock rotation) on unsold products. Reserves for sales returns and allowances are recorded based on historical experience or pursuant to contractual arrangements necessitating revenue reserves.

CASH AND CASH EQUIVALENTS

The Company invests excess cash in time deposits, certificate of deposits and money market funds which primarily consist of United States treasury obligations, United States agency obligations, and repurchase agreements collateralized by United States government and agency obligations. The Company considers highly liquid investments with original maturities of 90 days or less when purchased as cash equivalents.

ALLOWANCE FOR DOUBTFUL ACCOUNTS

The Company maintains general allowances for doubtful accounts related to potential losses that could arise due to customers' inability to make required payments. These reserves require management to apply judgment in deriving these estimates. In addition, the Company performs ongoing credit evaluations of its customers' financial condition and if it becomes aware of any specific receivables which may be uncollectable, they perform additional analysis including, but not limited to factors such as a customer's credit worthiness, intent and ability to pay and overall financial position and reserves are recorded if deemed necessary. If the data the Company uses to calculate the allowance for doubtful accounts does not reflect the future ability to collect outstanding receivables, additional provisions for doubtful accounts may be needed and results of operations could be materially affected.

INVESTMENTS

The Company accounts for its investment in marketable securities in accordance with ASC 320—*Investments—Debt and Equity Securities*, and classifies them as "available for sale". Available for sale securities are carried at fair value with unrealized holding gains or losses recorded in other comprehensive income. Gains or losses are included in earnings in the period in which they are realized.

DERIVATIVES

The Company utilizes derivative financial instruments to manage market risks associated with fluctuations in foreign currency exchange rates on specific transactions that occur in the normal course of business. The criteria the Company uses for designating an instrument as a hedge is the instrument's effectiveness in risk reduction. To receive hedge accounting treatment, hedges must be highly effective at offsetting the impact of the hedge transaction. All derivatives, whether designated as hedging relationships or not, are recorded at fair value and are included as either an asset or liability on the balance sheet.

The Company uses a combination of option contracts to offset the foreign currency impact of certain transactions. The terms of these derivatives typically match the timing of the underlying transaction with the initial fair value, if any, and subsequent gains or losses on the change in fair value being reported in earnings within the same income statement line as the impact of the foreign currency transaction due to changes in the currency value.

FAIR VALUE

ASC 820 *Fair Value Measurement and Disclosures*, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principle or most advantageous market in an orderly transaction between market participants at the measurement date. Applicable accounting guidance provides a hierarchy for inputs used in measuring fair value that prioritize the use of observable inputs over the use of unobservable inputs, when such observable inputs are available. The three levels of inputs that may be used to measure fair value are as follows:

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets with insufficient volume or infrequent transactions (less active markets), or model-driven valuations in which all significant inputs are observable or can be derived principally from, or corroborated with, observable market data.
- Level 3—Fair value is derived from valuation techniques in which one or more significant inputs are unobservable, including assumptions and judgments made by the Company.

It is the Company's policy to maximize the use of observable inputs and minimize the use of unobservable inputs when developing fair value measurements. When available, the Company uses quoted market prices to measure fair value. If market prices are not available, the Company is required to make judgments about assumptions market participants would use to estimate the fair value of a financial instrument.

The Company measures certain assets and liabilities at fair value on a recurring basis in three levels, based on the market in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. It recognizes transfers within the fair value hierarchy at the end of the fiscal quarter in which the change in circumstances that caused the transfer occurred.

The carrying value of cash and cash equivalents, accounts receivable, other current assets, accounts payable and accrued liabilities approximates fair value due to short-term maturities of these assets and liabilities.

INVENTORY

Inventory is stated at the lower of cost or market on a first-in, first-out basis.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are carried at cost less accumulated depreciation, with significant renewals and betterments being capitalized and retired equipment written off in the respective periods. Maintenance and repairs are expensed as incurred.

Depreciation is calculated using the straight-line method. Estimated useful lives used for depreciation purposes range from five to thirty years for buildings and improvements and three to ten years for machinery and equipment. Leasehold improvements are depreciated over the lesser of the economic life or the life of the associated lease.

VALUATION OF LONG-LIVED ASSETS

Definite lived intangible assets are carried at cost less accumulated amortization. Amortization is calculated on a straight-line basis over the estimated useful lives of the assets. Carrying values for long-lived assets and definite lived intangible assets, which exclude goodwill, are reviewed for possible impairment as circumstances warrant. Factors considered important that could result in an impairment review include significant underperformance relative to expected, historical or projected future operating results, significant changes in the manner of use of assets or the Company's business strategy, or significant negative industry or economic trends. In addition, impairment reviews are conducted at the judgment of management whenever asset/asset group values are deemed to be unrecoverable relative to future undiscounted cash flows expected to be generated by that particular asset/asset group. The determination of recoverability is based on an estimate of undiscounted cash flows expected to result from the use of an asset/asset group and its eventual disposition. Such estimates require management to exercise judgment and make assumptions regarding factors such as future revenue streams, operating expenditures, cost allocation and asset utilization levels, all of which collectively impact future operating performance. The Company's estimates of undiscounted cash flows may differ from actual cash flows due to, among other things, technological changes, economic conditions, changes to its business model or changes in its operating performance. If the sum of the undiscounted cash flows (excluding interest) is less than the carrying value of an asset/asset group, the Company would recognize an impairment loss, measured as the amount by which the carrying value exceeds the fair value of the asset or asset group.

GOODWILL AND INDEFINITE INTANGIBLE ASSETS

Goodwill and intangible assets with indefinite useful lives are not amortized but are tested at least annually as of the first day of the fourth fiscal quarter for impairment in accordance with the provisions of ASC 350 *Intangibles—Goodwill and Other* ("ASC 350") or more frequently if indicators of impairment exist during the fiscal year. Intangible assets with indefinite useful lives comprise an insignificant portion of the total book value of the Company's intangible assets. The Company assesses its conclusion regarding reporting units in conjunction with the annual goodwill impairment test, and has determined that it has one reporting unit for the purposes of allocating and testing goodwill under ASC 350.

The goodwill impairment test is a two-step process. The first step of the Company's impairment analysis compares its fair value to its net book value to determine if there is an indicator of impairment. To determine fair value, ASC 350 allows for the use of several valuation methodologies, although it states that quoted market prices are the best evidence of fair value and shall be used as the basis for measuring fair value where available. In the Company's calculation of fair value, it considers the closing price of its common stock on the selected testing date, the number of shares of its common stock outstanding and other marketplace activity such as a related control premium. If the calculated fair value is determined to be less than the book value of the Company, then the Company performs step two of the impairment analysis. Step two of the analysis compares the implied fair value of the Company's goodwill to its book value. If the book value of the Company's goodwill exceeds its implied fair value, an impairment loss is recognized equal to that excess. In step two of the Company's annual impairment analysis, if such a step is required, the Company primarily uses the income approach methodology of valuation, which includes the discounted cash flow method as well as other generally accepted valuation methodologies, to determine the implied fair value of the Company's goodwill. Significant management judgment is required in preparing the forecasts of future operating results that are used in the discounted cash flow method of valuation. Should step two of the impairment test be required, the estimates management would use would be consistent with the plans and estimates that the Company uses to manage its business. In addition to testing goodwill for impairment on an annual basis, factors such as unexpected adverse business conditions, deterioration of the economic climate, unanticipated technological changes, adverse changes in the competitive environment, loss of key personnel and acts by governments and courts, are considered by management and may signal that the Company's intangible assets including goodwill have possibly become impaired and result in additional interim impairment testing.

BUSINESS COMBINATIONS

The Company uses the acquisition method of accounting for business combinations in accordance with ASC 805 *Business Combinations*, and recognizes assets acquired and liabilities assumed at their fair values on the date acquired. Goodwill represents the excess of the purchase price over the fair value of the net assets. The fair values of the assets and liabilities acquired are determined based upon the Company's valuation using a combination of market, income or cost approaches. The valuation involves making significant estimates and assumptions which are based on detailed financial models including the projection of future cash flows, the weighted average cost of capital and any cost savings that are expected to be derived in the future.

SHARE-BASED COMPENSATION

The Company applies ASC 718 *Compensation—Stock Compensation* ("ASC 718") which requires the measurement and recognition of compensation expense for all share-based payment awards made to employees and directors including non-qualified employee stock options, share awards and units, employee stock purchase plan and other special share-based awards based on estimated fair values.

The fair value of share-based payment awards is amortized over the requisite service period, which is defined as the period during which an employee is required to provide service in exchange for an award. The Company uses a straight-line attribution method for all grants that include only a service condition. Awards with both performance and service conditions are expensed over the service period for each separately vesting tranche.

Share-based compensation expense recognized during the period includes actual expense on vested awards and expense associated with unvested awards that has been reduced for estimated forfeitures. ASC 718 requires forfeitures to be estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The Company reviews actual forfeitures at least annually.

The Company determines the fair value of share-based option awards based on the Company's closing stock price on the date of grant using a Black-Scholes options pricing model. Under the Black-Scholes model, a number of highly complex and subjective variables are used including, but not limited to: the expected stock price volatility over the term of the award, the risk-free rate, the expected life of the award and dividend yield. The determination of fair value of restricted and certain performance share awards and units is based on the value of the Company's stock on the date of grant with performance awards and units adjusted for the actual outcome of the underlying performance condition.

For more complex performance awards including units with market-based performance conditions the Company employs a Monte Carlo simulation valuation method to calculate the fair value of the awards based on the most likely outcome. Under the Monte Carlo simulation, a number of highly complex and subjective variables are used including, but not limited to: the expected stock price volatility over the term of the award, a correlation coefficient, the risk-free rate, the expected life of the award, and dividend yield.

RESEARCH AND DEVELOPMENT COSTS

Research and development costs are expensed as incurred.

LOSS CONTINGENCIES

The Company records its best estimates of a loss contingency when it is considered probable and the amount can be reasonably estimated. When a range of loss can be reasonably estimated with no best estimate in the range, the minimum estimated liability related to the claim is recorded. As additional information becomes available, the Company assesses the potential liability related to the potential pending loss contingency and revises its estimates. Loss contingencies are disclosed if there is at least a reasonable possibility that a loss or an additional loss may have been incurred and legal costs are expensed as incurred.

EMPLOYEE RETIREMENT BENEFIT PLANS

The Company accounts for the benefit pension plan in accordance with the provisions of ASC 715 *Compensation—Retirement Benefits*. In accordance with the provisions, funded status of benefit pension plans (that is the balance of plan assets and benefit obligations) are recognized on the consolidated balance sheet and pension liability adjustments, net of tax, are recorded in Accumulated Other Comprehensive Income.

The Company determines discount rates considering the rates of return on high-quality fixed income investments, and the expected long-term rate of return on pension plan assets by considering the current and expected asset allocations, as well as historical and expected returns on various categories of plan assets. Decreases in discount rates lead to increases in benefit obligations that, in turn, could lead to an increase in amortization cost through amortization of actuarial gain or loss. A decline in the market values of plan assets will generally result in a lower expected rate of return, which would result in an increase of future retirement benefit costs.

FOREIGN CURRENCIES

The Company's primary functional currency is the United States dollar. Gains and losses related to foreign currency transactions, conversion of foreign denominated cash balances and translation of foreign currency financial statements are included in current results. For certain foreign entities that utilize local currencies as their functional currency, the resulting unrealized translation gains and losses are reported as currency translation adjustment through other comprehensive income (loss) for each period.

INCOME TAXES

The Company uses the asset and liability method of accounting for income taxes. Under the asset and liability method, deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. This method also requires the recognition of future tax benefits such as net operating loss carry forwards, to the extent that realization of such benefits is more likely than not. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The carrying value of the Company's net deferred tax assets assumes the Company will be able to generate sufficient future taxable income in certain tax jurisdictions, based on estimates and assumptions. If these estimates and related assumptions change in the future, the Company may be required to record additional valuation allowances against its deferred tax assets resulting in additional income tax expense in its consolidated statement of operations. Management evaluates the realizability of the deferred tax assets and assesses the adequacy of the valuation allowance quarterly. Likewise, in the event the Company were to determine that it would be able to realize its deferred tax assets in the future in excess of their net recorded amount, an adjustment to the deferred tax assets would increase income or decrease the carrying value of goodwill in the period such determination was made.

The determination of recording or releasing tax valuation allowances is made, in part, pursuant to an assessment performed by management regarding the likelihood that the Company will generate future taxable income against which benefits of its deferred tax assets may or may not be realized. This assessment requires management to exercise significant judgment and make estimates with respect to its ability to generate revenues, gross profits, operating income and taxable income in future periods. Amongst other factors, management must make assumptions regarding overall business and semiconductor industry conditions, operating efficiencies, the Company's ability to develop products to its customers' specifications, technological change, the competitive environment and changes in regulatory requirements which may impact its ability to generate taxable income and, in turn, realize the value of its deferred tax assets.

The calculation of the Company's tax liabilities includes addressing uncertainties in the application of complex tax regulations and is based on the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return.

The Company recognizes liabilities for anticipated tax audit issues in the United States and other tax jurisdictions based on its recognition threshold and measurement attribute of whether it is more likely than not that the positions the Company has taken in tax filings will be sustained upon tax audit, and the extent to which, additional taxes would be due. If payment of these amounts ultimately proves to be unnecessary, the reversal of the liabilities would result in tax benefits being recognized in the period in which it is determined the liabilities are no longer necessary. If the estimate of tax liabilities proves to be less than the ultimate assessment, a further charge to expense would result. The Company recognizes any interest or penalties, if incurred, on any unrecognized tax benefits as a component of income tax expense.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In August 2014, the FASB issued Accounting Standards Update ("ASU") 2014-15, Presentation of Financial Statements—Going Concern, which requires management to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern and provide related footnote disclosures. The guidance is effective for the first quarter of our fiscal year 2017. Early adoption is permitted for financial statements that have not been previously issued. The standard allows for either a full retrospective or modified retrospective transition method. The Company does not expect this standard to have a material impact on its consolidated financial statements upon adoption.

In February 2015, the FASB issued ASU 2015-02, Consolidation (Topic 810): Amendments to the Consolidation Analysis, which is intended to improve targeted areas of the consolidation guidance for legal entities such as limited partnerships, limited liability corporations, and securitization structures. The amendments in the ASU affect the consolidation evaluation for reporting organizations and simplify the current GAAP requirements by reducing the number of consolidation models. The guidance is effective for the first quarter of our fiscal year 2016. The Company does not expect this standard to have a material impact on its statement of operations, statement of cash flows or its financial position.

In April 2015, the FASB issued ASU 2015-04, Compensation—Retirement Benefits (Topic 715): which amends the accounting guidance that provides a practical expedient to companies whose fiscal year end does not coincide with a calendar month-end. The practical expedient permits the entity to measure defined benefit plan assets and obligations using the calendar month-end that is closest to the entity's fiscal year-end and apply the practical expedient consistently from year to year. This guidance will be effective prospectively for the first quarter of our fiscal year 2017, with early application permitted. The adoption of this guidance is not expected to have a material effect on our financial condition and results of operations.

In July 2015, the FASB issued ASU 2015-11, Inventory—Simplifying the Measurement of Inventory. ASU 2015-11 requires inventory to be subsequently measured using the lower of cost or net realizable value, thereby eliminating the market value approach. Net realizable value is defined as the "estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation." This guidance will be effective for the fourth fiscal quarter of fiscal year 2017 and early adoption is permitted. The Company is currently evaluating the impact that this guidance will have on its consolidated financial statements and disclosures.

In August 2015, the FASB deferred the effective date of ASU 2014-09, Revenue from Contracts with Customers (Topic 606), that outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and will supersede most current revenue recognition guidance. The guidance will be effective for the first quarter of our fiscal year 2019. Early adoption is permitted, but not before the first quarter of our fiscal year 2018. The new guidance is required to be applied retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of initially applying it recognized at the date of initial application. We have not yet selected a transition method and are currently evaluating the impact of this guidance on our consolidated financial statements.

There have been no other recent accounting pronouncements or changes in accounting pronouncements that are of significance, or potential significance, to the Company.

3. BUSINESS COMBINATIONS

On August 1, 2014, the Company entered into a joint venture, referred to as FilterCo, with Panasonic with respect to the design, manufacture and sale of Panasonic's SAW and TC SAW filter products. The Company acquired a controlling 66% interest in FilterCo for $148.5 million, subject to certain working capital adjustments with the right to acquire from Panasonic (the "purchase option") the remaining 34% interest in FilterCo upon the second anniversary of the acquisition. As a result of the purchase option, the Company consolidates 100% of FilterCo's operations. During the fiscal year ended October 2, 2015, Panasonic identified and contributed an additional $7.5 million of fixed assets related to filter production as well as additional employee related liabilities to FilterCo. The Company and Panasonic agreed upon these additional amounts during the fiscal year ended October 2, 2015, and accordingly the working capital adjustment was increased by $7.2 million, which resulted in the total fair value of net assets acquired for FilterCo increasing to $240.4 million. The Company finalized and paid Panasonic $18.1 million related to the working capital adjustment for the FilterCo acquisition during the fiscal year ended October 2, 2015.

On April 1, 2015, Panasonic formally transferred all applicable employees to FilterCo, including employee benefits such as their pension obligation and associated assets as discussed in Note 10, Employee Benefit Plans, Pensions and Other Retirement Benefits in these Notes to the Consolidated Financial Statements. The Company subsequently performed a valuation of the pension plan and finalized the purchase accounting, resulting in an increase in goodwill recognized in the transaction during the measurement period.

On May 22, 2015, the Company acquired 100% of Quantance Inc. ("Quantance"), for $6.6 million in cash and contingent consideration, subject to a working capital adjustment. The possible outcome of the total contingent consideration ranges from zero to $30.0 million and is based on the achievement of specific revenue goals over two twelve-month periods ending September 30, 2016, and September 30, 2017, respectively. The acquisition enhances the Company's leadership position in front-end solutions by securing a rich portfolio of fundamental envelope-tracking and power efficiency patents. The acquisition had an immaterial impact on the Company's consolidated balance sheet and results of operations and accordingly, the disclosures required per the business combination topic of the Accounting Standards Codification have been excluded from this Annual Report.

Proposed Acquisition of PMC-Sierra

On October 5, 2015, the Company, and its newly formed, wholly owned subsidiary, Amherst Acquisition, Inc. ("Merger Sub"), entered into an Agreement and Plan of Merger (the "Merger Agreement") with PMC-Sierra, Inc. or PMC, providing for, subject to the terms and conditions of the Merger Agreement, the acquisition of PMC by the Company at a price of $10.50 per share in cash through the merger of Merger Sub into PMC (the "Merger"), with PMC surviving the Merger as a wholly owned subsidiary of the Company. On October 29, 2015, the Company and PMC entered into an Amended and Restated Agreement and Plan of Merger (the "Amended and Restated Merger Agreement"), which amended and restated in its entirety the Merger Agreement.

Pursuant to the Amended and Restated Merger Agreement, the Company and PMC agreed to amend the terms of the Merger Agreement to, among other things, increase the per-share Merger Consideration from $10.50 to $11.60 in cash. On November 23, 2015, PMC delivered to the Company a notice terminating the Amended and Restated Merger Agreement. On November 24, 2015, PMC paid the Company a termination fee of $88.5 million pursuant to the Amended and Restated Merger Agreement.

4. FAIR VALUE

Assets and Liabilities Measured and Recorded at Fair Value on a Recurring Basis

The Company measures certain assets and liabilities at fair value on a recurring basis such as our financial instruments and derivatives. There have been no transfers between Level 1, 2 or 3 assets or liabilities during the fiscal year ended October 2, 2015.

Level 3 assets include an auction rate security that is classified as available for sale and recorded in other long-term assets, scheduled to mature in 2017. Due to the illiquid market for this security the Company has classified the carrying value as a Level 3 asset with the difference between the par and carrying value being categorized as a temporary loss and recorded in accumulated other comprehensive loss.

Following August 1, 2016, the two-year anniversary of the Company entering into the joint venture with Panasonic, the purchase option can be exercised by either the Company or Panasonic and although the settlement amount of the purchase option is fixed, it contains a foreign exchange adjustment ("foreign exchange collar"). In the event the exchange rate between the United States dollar and the Japanese yen fluctuates outside of a predetermined range upon the exercise of the purchase option, the total amount the Company owes to Panasonic can change. This feature was intended for the parties to share in foreign exchange exposure outside of this predetermined range. The Company calculated the present value of this obligation as of August 1, 2014, the date the joint venture was formed, and included that amount in its preliminary determination of goodwill using unobservable inputs and management judgment, therefore categorizing the obligation as a level 3 liability. The difference between the calculated present value and the fixed settlement amount is being accreted to earnings ratably over the remaining purchase option period. The carrying value of this liability is included in other short-term liabilities on the consolidated balance sheet as of October 2, 2015.

The Company holds currency call and put options ("foreign currency options") that are intended to hedge the potential cash exposure related to fluctuations in the exchange rate between the United States dollar and Japanese yen related to the foreign exchange collar. The Company nets the fair value of the foreign currency options and the fair value of the foreign exchange collar separately as either a short-term asset or liability with the total change in fair value being recorded to earnings each period. The Company measures the fair value of these derivatives using current spot rates and assumptions such as yield curves and option volatilities. As of October 2, 2015, these derivatives have been netted on the consolidated balance sheet and classified as Level 3 assets and liabilities accordingly. The net change in fair value had a de minimis impact on the consolidated results.

The Company has classified its contingent consideration related to its business combination with Quantance during the period ended October 2, 2015, as a Level 3 liability. The contingent consideration liability was computed on expected revenue to be generated by the acquired enterprise's products using a weighted average probability income approach. Revenue assumptions used in the calculation require significant management judgment. Accordingly, the liability is classified as Level 3. The Company will reassess the fair value of the contingent consideration on a quarterly basis and record any applicable adjustments to earnings in the period they are determined.

Assets and liabilities recorded at fair value on a recurring basis consisted of the following (in millions):

	As of October 2, 2015				As of October 3, 2014			
		Fair Value Measurements				Fair Value Measurements		
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets								
Money market funds	$ 464.6	$ 464.6	$ —	$ —	$ 444.5	$ 444.5	$ —	$ —
Auction rate security	2.3	—	—	2.3	2.3	—	—	2.3
Foreign currency derivative assets	3.3	—	—	3.3	0.7	—	—	0.7
Total	$ 470.2	$ 464.6	$ —	$ 5.6	$ 447.5	$ 444.5	$ —	$ 3.0
Liabilities								
Purchase obligation recorded for business combinations	$ 75.4	$ —	$ —	$ 75.4	$ 74.0	$ —	$ —	$ 74.0
Foreign currency derivative liabilities	2.8	—	—	2.8	0.7	—	—	0.7
Contingent consideration liability recorded for business combinations	0.5	—	—	0.5	—	—	—	—
Total	$ 78.7	$ —	$ —	$ 78.7	$ 74.7	$ —	$ —	$ 74.7

The following table summarizes changes to the fair value of the Level 3 assets (in millions):

	Auction rate security	Foreign currency derivative
Balance as of October 3, 2014	$ 2.3	$ 0.7
Changes in fair value included in earnings	—	2.6
Balance as of October 2, 2015	$ 2.3	$ 3.3

The following table summarizes changes to the fair value of the Level 3 liabilities (in millions):

	Purchase obligation	Foreign currency derivative	Contingent consideration
Balance as of October 3, 2014	$ 74.0	$ 0.7	$ —
Changes in fair value included in earnings	1.4	2.1	—
Purchases and additions	—	—	0.5
Balance as of October 2, 2015	$ 75.4	$ 2.8	$ 0.5

Assets Measured and Recorded at Fair Value on a Nonrecurring Basis

The Company's non-financial assets and liabilities, such as goodwill, intangible assets, and other long-lived assets resulting from business combinations are measured at fair value using valuation methodologies at the date of acquisition and subsequently re-measured if there are indicators of impairment. There were no indicators of impairment identified during the fiscal year ended October 2, 2015.

5. INVENTORY

Inventory consists of the following (in millions):

	As of October 2, 2015	As of October 3, 2014
Raw materials	$ 30.0	$ 45.4
Work-in-process	192.4	145.9
Finished goods	38.0	71.3
Finished goods held on consignment by customers	7.5	8.2
Total inventories	$ 267.9	$ 270.8

6. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following (in millions):

	As of October 2, 2015	As of October 3, 2014
Land and improvements	$ 11.6	$ 11.6
Buildings and improvements	101.7	90.7
Furniture and fixtures	26.9	26.9
Machinery and equipment	1,285.4	952.9
Construction in progress	159.8	95.0
Total property, plant and equipment, gross	1,585.4	1,177.1
Accumulated depreciation and amortization	(759.0)	(621.2)
Total property, plant and equipment, net	$ 826.4	$ 555.9

7. GOODWILL AND INTANGIBLE ASSETS

The changes to the carrying amount of goodwill during the fiscal year ended October 2, 2015, are primarily related to the business combination which closed during the fiscal year and to a lesser extent the final measurement period adjustments primarily related to the fair value of the pension inherited during the fiscal 2014 acquisition of FilterCo as discussed in Note 3, Business Combinations, in these Notes to the Consolidated Financial Statements.

The Company performed an impairment test of its goodwill as of the first day of the fourth fiscal quarter in accordance with its regularly scheduled testing. The results of this test indicated that the Company's goodwill was not impaired. There were no other indicators of impairment noted during the fiscal year ended October 2, 2015.

Intangible assets consist of the following (in millions):

	Weighted average amortization period remaining (years)	As of October 2, 2015			As of October 3, 2014		
		Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
Customer relationships	1.0	$ 57.2	$ (48.7)	$ 8.5	$ 57.2	$ (39.4)	$ 17.8
Developed technology and other	1.8	99.7	(64.8)	34.9	96.2	(40.6)	55.6
Trademarks	Indefinite	1.6	—	1.6	1.6	—	1.6
Total intangible assets		$ 158.5	$ (113.5)	$ 45.0	$ 155.0	$ (80.0)	$ 75.0

The net carrying amount of intangible assets increased for the fiscal year ended October 2, 2015 due to the identifiable intangible assets acquired during the fiscal year as discussed in Note 3, Business Combinations, in these Notes to the Consolidated Financial Statements.

Annual amortization expense for the next five years related to intangible assets is expected to be as follows (in millions):

	2016	2017	2018	2019	2020	Thereafter
Amortization expense	$ 29.4	$ 13.2	$ 0.8	$ —	$ —	$ —

8. INCOME TAXES

Income before income taxes consists of the following components (in millions):

	Fiscal Years Ended		
	October 2, 2015	October 3, 2014	September 27, 2013
United States	$ 602.1	$ 346.8	$ 164.8
Foreign	421.5	218.4	179.7
Income before income taxes	$ 1,023.6	$ 565.2	$ 344.5

The provision for income taxes consists of the following (in millions):

	Fiscal Years Ended		
	October 2, 2015	October 3, 2014	September 27, 2013
Current tax expense (benefit):			
Federal	$ 199.5	$ 88.2	$ 38.0
State	(0.5)	(0.5)	0.1
Foreign	33.9	13.5	14.8
	232.9	101.2	52.9
Deferred tax expense (benefit):			
Federal	(2.0)	12.3	14.4
State	(10.4)	(4.6)	(4.9)
Foreign	0.4	(11.2)	(0.1)
	(12.0)	(3.5)	9.4
Change in valuation allowance	4.4	9.8	4.1
Provision for income taxes	$ 225.3	$ 107.5	$ 66.4

The actual income tax expense is different than that which would have been computed by applying the federal statutory tax rate to income before income taxes. A reconciliation of income tax expense as computed at the United States Federal statutory income tax rate to the provision for income tax expense is as follows (in millions):

	Fiscal Years Ended		
	October 2, 2015	October 3, 2014	September 27, 2013
Tax expense at United States statutory rate	$ 358.3	$ 197.8	$ 120.6
Foreign tax rate difference	(120.9)	(77.3)	(49.8)
Research and development credits	(15.0)	(2.8)	(16.3)
Change in tax reserve	25.5	11.0	11.7
Change in valuation allowance	4.4	9.8	4.1
Domestic production activities deduction	(19.7)	(10.9)	(5.0)
Audit settlements and adjustments	—	(19.7)	1.9
Other, net	(7.3)	(0.4)	(0.8)
Provision for income taxes	$ 225.3	$ 107.5	$ 66.4

The Company operates in foreign jurisdictions with income tax rates lower than the United States tax rate of 35%. The Company's tax benefits related to foreign earnings taxed at a rate less than the United States federal rate were $120.9 million and $77.3 million for the fiscal years ended October 2, 2015 and October 3, 2014, respectively.

The federal tax credit available under the Internal Revenue Code for research and development expenses expired on December 31, 2014. As of October 2, 2015, the United States Congress had not taken action to extend the Research and Experimentation Tax Credit. Accordingly, the income tax provision for the year ended October 2, 2015, does not reflect the impact of any research and development tax credits that would have been earned after December 31, 2014, had the federal tax credit not expired.

On December 19, 2014, the Tax Increase Prevention Act of 2014 was signed into law, extending the Research and Experimentation Tax Credit to reinstate and retroactively extend credits earned in calendar year 2014. As a result of the enactment of this law, $11.0 million of federal research and development tax credits that were earned in fiscal 2014 reduced the tax rate during fiscal 2015. These credits were not reflected in the fiscal 2014 tax rate.

As of October 2, 2015, the Company's federal income tax returns for fiscal 2012 and 2013 were under examination by the IRS. The Company expects the IRS examination to close in the first quarter of fiscal 2016 and does not expect the results of this audit to have an adverse impact on its tax expense. In addition, various state and international tax returns are under examination by their respective taxing authorities. The Company does not expect the results of these audits to have a material impact on its financial position, results of operations, or cash flows.

During the fourth quarter of fiscal 2014, the Company concluded an IRS examination of its federal income tax return for fiscal year 2011. As a result of the conclusion of the IRS examination, the Company agreed to various adjustments to its fiscal 2011 tax return that resulted in the recognition of tax expense of $0.7 million and $1.9 million for fiscal years 2014 and 2013, respectively. In addition, the conclusion of the IRS examination also resulted in a decrease in the uncertain tax positions of $20.9 million in fiscal 2014, of which $20.4 million was recognized as a benefit to tax expense.

In December 2013, Mexico enacted a comprehensive tax reform package, which became effective on January 1, 2014. As a result of this change, the Company adjusted its deferred taxes in that jurisdiction, resulting in the recognition of a tax benefit that reduced the Company's foreign income tax expense by $4.6 million for year ended October 3, 2014.

On October 2, 2010, the Company expanded its presence in Asia by launching operations in Singapore. The Company operates under a tax holiday in Singapore, which is effective through September 30, 2020 and is conditional upon the Company's compliance with certain employment and investment thresholds in Singapore. The impact of the tax holiday decreased Singapore's taxes by $26.6 million and $12.6 million for the fiscal years ended October 2, 2015 and October 3, 2014, respectively, which resulted in tax benefits of $0.14 and $0.07 of diluted earnings per share, respectively.

Deferred income tax assets and liabilities consist of the tax effects of temporary differences related to the following (in millions):

	Fiscal Years Ended	
	October 2, 2015	October 3, 2014
Deferred Tax Assets:		
Current:		
Inventory	$ 4.9	$ 5.3
Bad debts	0.1	0.2
Accrued compensation and benefits	5.2	5.0
Product returns, allowances and warranty	4.3	4.9
Restructuring	0.1	0.2
Other, net	0.6	0.3
Current deferred tax assets	15.2	15.9
Less valuation allowance	(6.4)	(6.4)
Net current deferred tax assets	8.8	9.5
Long-term:		
Intangible assets	11.6	4.7
Share-based and other deferred compensation	44.6	39.4
Net operating loss carry forwards	7.4	12.7
Federal tax credits	11.5	13.0
State tax credits	53.4	43.1
Other, net	2.4	2.7
Long-term deferred tax assets	130.9	115.6
Less valuation allowance	(58.8)	(54.4)
Net long-term deferred tax assets	72.1	61.2
Deferred tax assets	146.1	131.5
Less valuation allowance	(65.2)	(60.8)
Net deferred tax assets	80.9	70.7
Deferred Tax Liabilities:		
Current:		
Prepaid insurance	(0.8)	(0.8)
Current deferred tax liabilities	(0.8)	(0.8)
Long-term:		
Property, plant and equipment	(10.1)	(11.6)
Intangible assets	(8.2)	(1.2)
Long-term deferred tax liabilities	(18.3)	(12.8)
Net deferred tax liabilities	(19.1)	(13.6)
Total net deferred tax assets	$ 61.8	$ 57.1

In accordance with GAAP, management has determined that it is more likely than not that a portion of its historic and current year income tax benefits will not be realized. As of October 2, 2015, the Company has maintained a valuation allowance of $65.2 million. This valuation allowance is comprised of $53.5 million related to United States state tax credits, and $11.7 million related to foreign deferred tax assets. If these benefits are recognized in a future period the valuation allowance on deferred tax assets will be reversed and up to a $65.2 million income tax benefit may be recognized. The Company will need to generate $144.2 million of future United States federal taxable income to utilize our United States deferred tax assets as of October 2, 2015. The Company believes that future reversals of taxable temporary differences, and its forecast of continued strong earnings in its domestic and foreign jurisdictions supports its decision to not record a valuation allowance on other deferred tax assets.

Deferred tax assets are recognized for foreign operations when management believes it is more likely than not that the deferred tax assets will be recovered during the carry forward period. The Company will continue to assess its valuation allowance in future periods.

As of October 2, 2015, the Company has United States federal net operating loss carry forwards of approximately $9.9 million. The utilization of these net operating losses is subject to certain annual limitations as required under Internal Revenue Code section 382 and similar state income tax provisions. The United States federal net operating loss carry forwards expire at various dates through 2035. The Company also has United States federal income tax credit carry forwards of $6.4 million, of which $6.3 million of federal income tax credit carry forwards have not been recorded as a deferred tax asset. The Company also has state income tax credit carry forwards of $53.4 million, net of federal benefits, for which the Company has provided a valuation allowance. The United States federal tax credits expire at various dates through 2030. The state tax credits relate primarily to California research tax credits that can be carried forward indefinitely.

The Company has continued to expand its operations and increase its investments in numerous international jurisdictions. These activities will increase the Company's earnings attributable to foreign jurisdictions. As of October 2, 2015, no provision has been made for United States federal, state, or additional foreign income taxes related to approximately $1,175.5 million of undistributed earnings of foreign subsidiaries which have been or are intended to be permanently reinvested. It is not practicable to determine the United States federal income tax liability, if any, which would be payable if such earnings were not permanently reinvested.

A reconciliation of the beginning and ending amount of gross unrecognized tax benefits is as follows (in millions):

	Unrecognized tax benefits
Balance at October 3, 2014	$ 51.8
Increases based on positions related to prior years	0.2
Increases based on positions related to current year	29.3
Decreases relating to settlements with taxing authorities	—
Decreases relating to lapses of applicable statutes of limitations	(0.1)
Balance at October 2, 2015	$ 81.2

Of the total unrecognized tax benefits at October 2, 2015, $66.7 million would impact the effective tax rate, if recognized. The remaining unrecognized tax benefits would not impact the effective tax rate, if recognized, due to the Company's valuation allowance and certain positions that were required to be capitalized. There are certain unrecognized tax positions that may be adjusted during fiscal 2016 upon closure of the IRS examination of the Company's fiscal 2012 and 2013 federal income tax returns. During the year ended October 2, 2015, the Company recognized $0.1 million of previously unrecognized tax benefits related to the expiration of the statute of limitations and $1.6 million of accrued interest or penalties related to unrecognized tax benefits.

The Company's major tax jurisdictions as of October 2, 2015 are the United States, California, Singapore, Mexico and Canada. For the United States, the Company has open tax years dating back to fiscal 1999 due to the carry forward of tax attributes. For California, the Company has open tax years dating back to fiscal 1999 due to the carry forward of tax attributes. For Canada, the Company has open tax years dating back to fiscal 2008. For Mexico, the Company has open tax years back to fiscal 2009. For Singapore, the Company has open tax years dating back to fiscal

2011. The Company is subject to audit examinations by the respective taxing authorities on a periodic basis, of which the results could impact our financial position, results of operations or cash flows.

9. STOCKHOLDERS' EQUITY

COMMON STOCK

At October 2, 2015, the Company is authorized to issue 525.0 million shares of common stock, par value $0.25 per share, of which 219.0 million shares are issued and 190.3 million shares outstanding.

Holders of the Company's common stock are entitled to dividends in the event declared by the Company's Board of Directors out of funds legally available for such purpose. Dividends may not be paid on common stock unless all accrued dividends on preferred stock, if any, have been paid or declared and set aside. In the event of the Company's liquidation, dissolution or winding up, the holders of common stock will be entitled to share pro rata in the assets remaining after payment to creditors and after payment of the liquidation preference plus any unpaid dividends to holders of any outstanding preferred stock.

Each holder of the Company's common stock is entitled to one vote for each such share outstanding in the holder's name. No holder of common stock is entitled to cumulate votes in voting for directors. The Company's restated certificate of incorporation as amended to date, ("the Certificate of Incorporation") provides that, unless otherwise determined by the Company's Board of Directors, no holder of stock has any preemptive right to purchase or subscribe for any stock of any class which the Company may issue or sell.

PREFERRED STOCK

The Company's Certificate of Incorporation has authorized and permits the Company to issue up to 25.0 million shares of preferred stock without par value in one or more series and with rights and preferences that may be fixed or designated by the Company's Board of Directors without any further action by the Company's stockholders. The designation, powers, preferences, rights and qualifications, limitations and restrictions of the preferred stock of each series will be fixed by the certificate of designation relating to such series, which will specify the terms of the preferred stock. At October 2, 2015, the Company had no shares of preferred stock issued or outstanding.

SHARE REPURCHASE

During the fiscal year ended October 2, 2015, the Company paid approximately $237.3 million (including commissions) in connection with the repurchase of 2.9 million shares of its common stock (paying an average price of $83.29 per share) under the November 11, 2014 share repurchase plan. This plan was initially valid through November 11, 2016, and allowed for the repurchase of the Company's common stock on the open market or in privately negotiated transactions, in compliance with applicable securities laws and other legal requirements. As of October 2, 2015, $62.7 million remained available under the share repurchase plan.

On November 10, 2015, the Board of Directors approved a new share repurchase program, pursuant to which the Company is authorized to repurchase up to $400.0 million of its common stock from time to time on the open market or in privately negotiated transactions as permitted by securities laws and other legal requirements. The repurchase program is set to expire on November 10, 2017; however, it may be suspended, discontinued or extended by the Board of Directors at any time prior to its expiration on November 10, 2017. This authorized stock repurchase program replaced in its entirety the November 11, 2014 stock repurchase program. These repurchases have been and will be funded with the Company's working capital.

During the fiscal year ended October 3, 2014, the Company paid approximately $165.7 million (including commissions) in connection with the repurchase of 4.5 million shares of its common stock (paying an average price of $36.46 per share).

DIVIDENDS

On November 5, 2015, the Company announced that the Board of Directors declared a cash dividend on the Company's common stock of $0.26 per share. This dividend is payable on December 10, 2015, to the Company's stockholders of record as of the close of business on November 19, 2015. Future dividends are subject to declaration by the Board of Directors. The dividends charged to retained earnings in fiscal 2015 and 2014 were as follows (in millions except per share amounts):

	Fiscal Years Ended			
	October 2, 2015		October 3, 2014	
	Per Share	Total	Per Share	Total
First quarter	$ 0.13	$ 24.7	$ —	$ —
Second quarter	0.13	24.9	—	—
Third quarter	0.13	24.8	0.11	20.8
Fourth quarter	0.26	49.6	0.11	20.9
	$ 0.65	$ 124.0	$ 0.22	$ 41.7

EMPLOYEE STOCK BENEFIT PLANS

As of October 2, 2015, the Company has the following equity compensation plans under which its equity securities were authorized for issuance to its employees and/or directors:

- the 1999 Employee Long-Term Incentive Plan
- the Directors' 2001 Stock Option Plan
- the Non-Qualified Employee Stock Purchase Plan
- the 2002 Employee Stock Purchase Plan
- the 2005 Long-Term Incentive Plan
- the AATI 2005 Equity Incentive Plan
- the 2008 Director Long-Term Incentive Plan
- the 2015 Long-Term Incentive Plan

Except for the 1999 Employee Long-Term Incentive Plan and the Non-Qualified Employee Stock Purchase Plan, each of the foregoing equity compensation plans was approved by the Company's stockholders.

As of October 2, 2015, a total of 100.7 million shares are authorized for grant under the Company's share-based compensation plans, with 5.4 million options outstanding. The number of common shares reserved for future awards to employees and directors under these plans was 21.6 million at October 2, 2015. The Company grants equity awards under the 2015 Long-Term Incentive Plan to employees, which replaced the 2005 Long-Term Incentive Plan on May 19, 2015 and the 2008 Director Long-Term Incentive Plan for non-employee directors.

2015 Long-Term Incentive Plan. Under this plan, officers, employees, non-employee directors and certain consultants may be granted stock options, restricted stock awards and units, performance stock awards and units and other share-based awards. The plan has been approved by the stockholders. Under the plan, up to 30.5 million shares have been authorized for grant. A total of 20.9 million shares are available for new grants as of October 2, 2015. The maximum contractual term of the awards is seven years from the date of grant. Options granted under the plan are exercisable at the determination of the compensation committee and generally vest ratably over four years. Restricted stock awards and units granted under the plan at the determination of the compensation committee generally vest over four or more years. With respect to restricted stock awards, dividends are accumulated and paid when the underlying shares vest. If the underlying shares are forfeited for any reason, the rights to the dividends with respect to such shares are also forfeited. No dividends or dividend equivalents are paid or accrued with respect to restricted stock unit awards or other awards until the shares underlying such awards become vested and are issued to the award holder. Performance stock awards and units are contingently granted depending on the achievement of certain predetermined performance goals and generally vest over three or more years.

2008 Director Long-Term Incentive Plan. Under this plan, non-employee directors may be granted stock options, restricted stock awards and other share-based awards. The plan has been approved by the stockholders. Under the plan a total of 1.5 million shares have been authorized for option grants. A total of 0.7 million shares are available for new grants as of October 2, 2015. The maximum contractual term of the director awards is ten years from the date of grant. Options granted under the plan are generally exercisable over four years. Restricted stock awards granted under the plan are exercisable at the determination of the compensation committee and generally vest over three or more years. With respect to restricted stock awards, dividends are accumulated and paid when the underlying shares vest. If the underlying shares are forfeited for any reason, the rights to the dividends with respect to such shares are also forfeited.

Employee Stock Purchase Plans. The Company maintains a domestic and an international employee stock purchase plan. Under these plans, eligible employees may purchase common stock through payroll deductions of up to 10% of their compensation. The price per share is the lower of 85% of the fair market value of the common stock at the beginning or end of each offering period (generally six months). The plans provide for purchases by employees of up to an aggregate of 9.7 million shares. Shares of common stock purchased under these plans in the fiscal years ended October 2, 2015, October 3, 2014, and September 27, 2013 were 0.3 million, 0.5 million, and 0.5 million, respectively. At October 2, 2015, there are 1.2 million shares available for purchase. The Company recognized compensation expense of $4.7 million, $4.1 million and $3.9 million for the fiscal years ended October 2, 2015, October 3, 2014, and September 27, 2013, respectively related to the employee stock purchase plan. The unrecognized compensation expense on the employee stock purchase plan at October 2, 2015 was $1.7 million. The weighted average period over which the cost is expected to be recognized is approximately four months.

Stock Options

The following table represents a summary of the Company's stock options:

	Shares (in millions)	Weighted average exercise price	Weighted average remaining contractual life (in years)	Aggregate intrinsic value (in millions)
Balance outstanding at October 3, 2014	7.5	$ 21.26		
Granted	1.1	$ 63.62		
Exercised	(2.9)	$ 19.78		
Canceled/forfeited	(0.3)	$ 30.12		
Balance outstanding at October 2, 2015	5.4	$ 29.99	4.2	$ 291.3
Exercisable at October 2, 2015	2.1	$ 18.63	2.7	$ 134.2

The weighted-average grant date fair value per share of employee stock options granted during the fiscal years ended October 2, 2015, October 3, 2014 and September 27, 2013 was $23.26, $11.91, and $9.31, respectively. The total grant date fair value of the options vested during the fiscal years ending October 2, 2015, October 3, 2014 and September 27, 2013 was $16.6 million, $21.8 million and $33.5 million, respectively.

Restricted and Performance Awards and Units

The following table represents a summary of the Company's restricted and performance transactions:

	Shares (In millions)	Weighted average grant date fair value
Non-vested awards outstanding at October 3, 2014	5.7	$ 21.48
Granted(1)	1.8	$ 63.56
Vested	(2.4)	$ 25.44
Canceled/forfeited	(0.3)	$ 24.42
Non-vested awards outstanding at October 2, 2015	4.8	$ 23.20

(1) includes performance shares granted and earned based on maximum performance under the underlying performance metrics

The weighted average grant date fair value per share for awards granted during the fiscal years ended October 2, 2015, October 3, 2014 and September 27, 2013 was $63.56, $26.69, and $20.19, respectively. The total grant date fair value of the awards vested during the fiscal years ending October 2, 2015, October 3, 2014 and September 27, 2013 was $149.0 million, $63.1 million and $53.5 million, respectively.

The following table summarizes the total intrinsic value for stock options exercised and awards vested (in millions):

	Fiscal Years Ended		
	October 2, 2015	October 3, 2014	September 27, 2013
Options	$ 170.8	$ 101.3	$ 26.2
Awards	$ 149.0	$ 63.1	$ 53.5

Valuation and Expense Information under ASC 718

The following table summarizes pre-tax share-based compensation expense by financial statement line and related tax benefit (in millions):

	Fiscal Years Ended		
	October 2, 2015	October 3, 2014	September 27, 2013
Cost of goods sold	$ 14.5	$ 11.3	$ 10.2
Research and development	45.4	36.2	28.2
Selling, general and administrative	39.9	38.5	33.3
Total share-based compensation expense	$ 99.8	$ 86.0	$ 71.7
Share-based compensation tax benefit	$ 29.3	$ 25.6	$ 21.4
Capitalized share-based compensation expense	$ 2.3	$ 1.7	$ 2.1

The following table summarizes total compensation costs related to unvested share based awards not yet recognized and the weighted average period over which it is expected to be recognized at October 2, 2015:

	Unrecognized compensation cost for unvested awards (in millions)	Weighted average remaining recognition period (in years)
Options	$ 31.9	2.0
Awards	$ 69.5	1.1

The fair value of the restricted awards and units are equal to the closing market price of the Company's common stock on the date of grant. The fair value of the performance awards and units are equal to the closing market price of the Company's common stock on the date of grant and the expense is updated for the achievement of the underlying performance metrics.

The Company issued performance share units during fiscal 2015 and fiscal 2014 that contained market-based conditions. The fair value of these performance share units were estimated on the date of the grant using a Monte Carlo simulation with the following weighted average assumptions:

	Fiscal Year Ended	
	October 2, 2015	October 3, 2014
Volatility of common stock	37.51%	36.96%
Average volatility of peer companies	28.42%	29.59%
Average correlation coefficient of peer companies	0.55	0.47
Risk-free interest rate	0.12%	0.11%
Dividend yield	0.85	—

The fair value of each stock option is estimated on the date of the grant using the Black-Scholes option pricing model with the following weighted average assumptions:

	Fiscal Years Ended		
	October 2, 2015	October 3, 2014	September 27, 2013
Expected volatility	45.75%	47.40%	57.71%
Risk-free interest rate	1.33%	1.83%	1.29%
Dividend yield	1.16	0.83	—
Expected option life (in years)	4.5	4.6	4.2

The Company used a historical volatility calculated by the mean reversion of the weekly-adjusted closing stock price over the expected life of the options. The risk-free interest rate assumption is based upon observed treasury bill interest rates appropriate for the expected life of the Company's employee stock options. The dividend yield was included in the Black-Scholes option pricing model for options granted after the Company declared its first dividend.

The expected life of employee stock options represents a calculation based upon the historical exercise, cancellation and forfeiture experience for the Company across its demographic population. The Company believes that this historical data is the best estimate of the expected life of a new option and that generally all groups of the Company's employees exhibit similar behavior.

10. EMPLOYEE BENEFIT PLAN, PENSIONS AND OTHER RETIREE BENEFITS

The Company maintains a 401(k) plan covering substantially all of its employees based in the United States under which all employees at least twenty-one years old are eligible to receive discretionary Company contributions. Discretionary Company contributions are determined by the Board of Directors and may be in the form of cash or the Company's stock. The Company has generally contributed a match of up to 4% of an employee's contributed annual eligible compensation. For the fiscal years ended October 2, 2015, October 3, 2014, and September 27, 2013, the Company contributed shares of 0.1 million, 0.2 million, and 0.3 million, respectively, and recognized expense of $7.2 million, $6.2 million, and $6.2 million, respectively.

FilterCo Defined Benefit Pension:

On April 1, 2015, the Company assumed a defined benefit pension plan from Panasonic for certain participants located in Japan that formally transferred from Panasonic to FilterCo, as discussed in *Note 3*, Business Combinations, in these Notes to the Consolidated Financial Statements. This plan has been frozen and new employees are not eligible. However, the Company is obligated to make future contributions to fund benefits to the participants with the benefits under the plan being based primarily on a combination of years of service and compensation.

The net amount of the unfunded obligation recognized in other long-term liabilities on the Balance Sheet consists of (in millions):

	Fiscal Year Ended October 2, 2015
Pension benefit obligations at the end of the fiscal year	$ 14.9
Fair value of plan assets at the end of the fiscal year	9.8
Funded status	$ (5.1)
Net periodic benefit costs	$ 0.1

The pension obligation has an immaterial impact to the Company's results of operations and financial position and accordingly, the disclosures required per the retirement benefit compensation topic in the ASC have been excluded from this Annual Report.

11. COMMITMENTS

The Company has various operating leases primarily for buildings, computers and equipment. Rent expense amounted to $16.5 million, $11.1 million, and $10.8 million in the fiscal years ended October 2, 2015, October 3, 2014, and September 27, 2013, respectively. Future minimum payments under these non-cancelable leases are as follows (in millions):

	2016	2017	2018	2019	2020	Thereafter	Total
Future minimum payments	$ 15.1	12.2	10.7	8.8	5.2	14.2	$ 66.2

In addition, the Company has entered into licensing agreements for intellectual property rights and maintenance and support services. Pursuant to the terms of these agreements, the Company is committed to making aggregate payments of $17.6 million and $0.2 million in the fiscal years 2016 and 2017, respectively.

12. CONTINGENCIES

Legal Matters

From time to time, various lawsuits, claims and proceedings have been, and may in the future be, instituted or asserted against the Company, including those pertaining to patent infringement, intellectual property, environmental hazards, product liability and warranty, safety and health, employment and contractual matters.

On November 23, 2015, PMC delivered to the Company a notice terminating the Amended and Restated Merger Agreement. Prior to the termination of the Amended and Restated Merger Agreement, between October 8, 2015 and October 21, 2015, three putative class action lawsuits challenging the then-proposed Merger were filed on behalf of PMC stockholders in the Court of Chancery of the State of Delaware and in the Superior Court of California in Santa Clara County. The actions are captioned Pietrus Industries Ltd. v. PMC-Sierra, Inc., et al., CA. No. 11610-VCG (Delaware Court of Chancery), Bhakta v. PMC-Sierra, et al., Case No. 1-15-CV-286967 (Superior Court of California, Santa Clara County), and Azzalini v. Lang, et al., Case No. 1-15-CV-287124 (Superior Court of California, Santa Clara County). The lawsuits name the Company, PMC, the directors of PMC, and others as defendants. In general, they allege that the directors of PMC breached their fiduciary duties to PMC stockholders in connection with the Merger by, among other things, failing to fully inform themselves of the market value of PMC, maximize stockholder value, and act in the best interest of public stockholders, and by placing their personal financial interests before the interests of stockholders. These actions further allege that the Company and PMC, among others, aided and abetted the directors' purported breach of their fiduciary duties. Among other things, they seek (i) injunctive relief preliminarily and permanently enjoining the Merger, (ii) in the event that the Merger is consummated, rescission or an award of rescissory damages, (iii) plaintiffs' costs and fees, including attorneys' expenses and experts' fees; and (iv) an accounting for damages sustained. The two actions pending in the Superior Court of California have been assigned to the Complex Civil Litigation Department, and all discovery in those matters has been stayed. The court in those actions has scheduled a case management conference for February 19, 2016.

The semiconductor industry is characterized by vigorous protection and pursuit of intellectual property rights. From time to time, third parties have asserted and may in the future assert patent, copyright, trademark and other intellectual property rights to technologies that are important to the Company's business and have demanded and may in the future demand that the Company license their technology. The outcome of any such litigation cannot be predicted with certainty and some such lawsuits, claims or proceedings may be disposed of unfavorably to the Company. Generally speaking, intellectual property disputes often have a risk of injunctive relief, which, if imposed against the Company, could materially and adversely affect the Company's financial condition, or results of operations. From time to time the Company may also be involved in legal proceedings in the ordinary course of business. Legal costs are expensed as incurred.

The Company monitors the status of legal proceedings and other contingencies on an ongoing basis to ensure amounts are recognized and/or disclosed in our financial statements and footnotes as required by Accounting Standards Codification 450, *Loss Contingencies*. At the time of this filing, the Company had not recorded any accrual for loss contingencies associated with its legal proceedings as losses resulting from such matters were determined not to be probable. The Company does not believe there are any pending legal proceedings that are reasonably possible to result in a material loss. We are engaged in various legal actions in the normal course of business and, while there can be no assurances, the Company believes the outcome of all pending litigation involving the Company will not have, individually or in the aggregate, a material adverse effect on its business.

13. GUARANTEES AND INDEMNITIES

The Company has made no contractual guarantees for the benefit of third parties. However, the Company generally indemnifies its customers from third-party intellectual property infringement litigation claims related to its products, and, on occasion, also provides other indemnities related to product sales. In connection with certain facility leases, the Company has indemnified its lessors for certain claims arising from the facility or the lease.

The Company indemnifies its directors and officers to the maximum extent permitted under the laws of the state of Delaware. The duration of the indemnities varies, and in many cases is indefinite. The indemnities to customers in connection with product sales generally are subject to limits based upon the amount of the related product sales and in many cases are subject to geographic and other restrictions. In certain instances, the Company's indemnities do not provide for any limitation of the maximum potential future payments the Company could be obligated to make. The Company has not recorded any liability for these indemnities in the accompanying consolidated balance sheets and does not expect that such obligations will have a material adverse impact on its financial condition or results of operations.

14. RESTRUCTURING AND OTHER CHARGES

As of October 2, 2015, the Company recorded restructuring and other charges of approximately $3.4 million related to costs associated with organizational restructuring plans initiated in the fiscal year. The Company does not anticipate any material charges in future periods related to these plans.

As of October 3, 2014, the Company recorded restructuring and other charges of approximately $0.3 million related to costs associated with organizational restructuring plans initiated in the prior fiscal year. The Company does not anticipate any material charges in future periods related to these plans.

The Company recorded restructuring and other charges of approximately $6.4 million related to severance costs associated with separate organizational restructuring plans undertaken to reduce headcount during the fiscal year ended September 27, 2013. These restructuring plans are largely complete and have been aggregated into the "FY13 Restructuring Programs" line item in the summary table below.

Activity and liability balances related to the Company's restructuring actions are as follows (in millions):

	Balance at September 28, 2012	Current Charges	Cash Payments	Balance at September 27, 2013
FY13 Restructuring Programs				
Employee Severance costs	$ —	$ 6.4	$ (5.8)	$ 0.6
Other Restructuring				
Employee Severance costs	0.9	—	(0.9)	—
Lease and other contractual obligations	0.8	—	(0.4)	0.4
Total	$ 1.7	$ 6.4	$ (7.1)	$ 1.0

	Balance at September 27, 2013	Current Charges	Cash Payments	Balance at October 3, 2014
FY13 Restructuring Programs				
Employee Severance costs	$ 0.6	$ 0.3	$ (0.6)	$ 0.3
Other Restructuring				
Lease and other contractual obligations	0.4	—	(0.2)	0.2
Total	$ 1.0	$ 0.3	$ (0.8)	$ 0.5

	Balance at October 3, 2014	Current Charges	Cash Payments	Balance at October 2, 2015
FY13 Restructuring Programs				
Employee Severance costs	$ 0.3	$ —	$ (0.2)	$ 0.1
Other Restructuring				
Employee Severance costs	—	3.4	(3.2)	0.2
Lease and other contractual obligations	0.2	—	(0.1)	0.1
Total	$ 0.5	$ 3.4	$ (3.5)	$ 0.4

15. EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted earnings per share (in millions, except per share amounts):

	Fiscal Years Ended		
	October 2, 2015	October 3, 2014	September 27, 2013
Net income	$ 798.3	$ 457.7	$ 278.1
Weighted average shares outstanding—basic	189.5	187.2	187.5
Effect of dilutive equity based awards	5.4	5.4	4.7
Weighted average shares outstanding—diluted	194.9	192.6	192.2
Net income per share—basic	$ 4.21	$ 2.44	$ 1.48
Net income per share—diluted	$ 4.10	$ 2.38	$ 1.45
Anti-dilutive common stock equivalents	0.3	0.9	5.4

Basic earnings per share are calculated by dividing net income by the weighted average number of shares of the Company's common stock outstanding. The calculation of diluted earnings per share includes the dilutive effect of equity based awards which were outstanding during the fiscal years ending October 2, 2015, October 3, 2014 and September 27, 2013, using the treasury stock method. Certain of the Company's outstanding stock options, noted in the table above, were excluded because they were anti-dilutive, but could become dilutive in the future.

16. SEGMENT INFORMATION AND CONCENTRATIONS

In accordance with ASC 280—*Segment Reporting*, the Company considers itself to be a single reportable operating segment which designs, develops, manufactures and markets similar proprietary semiconductor products, including intellectual property. In reaching this conclusion, management considers the definition of the chief operating decision maker ("CODM"), how the business is defined by the CODM, the nature of the information provided to the CODM and how that information is used to make operating decisions, allocate resources and assess performance. The Company's CODM is the chairman and chief executive officer. The results of operations provided to and analyzed by the CODM are at the consolidated level and accordingly, key resource decisions and assessment of performance is performed at the consolidated level. The Company assesses its determination of operating segments at least annually.

GEOGRAPHIC INFORMATION

Net revenue by geographic area presented based upon the country of destination are as follows (in millions):

	Fiscal Years Ended		
	October 2, 2015	October 3, 2014	September 27, 2013
United States	$ 66.8	$ 47.5	$ 67.3
Other Americas	33.0	25.5	10.2
Total Americas	99.8	73.0	77.5
China	2,249.2	1,574.4	979.3
Taiwan	506.9	322.2	387.5
South Korea	100.0	107.4	102.9
Other Asia-Pacific	249.7	166.9	202.0
Total Asia-Pacific	3,105.8	2,170.9	1,671.7
Europe, Middle East and Africa	52.8	47.6	42.8
Total	$ 3,258.4	$ 2,291.5	$ 1,792.0

The Company's revenues by geography do not necessarily correlate to end market demand by region. For example, the Company's revenues reflected in the China line item above include sales of products to a company that is not headquartered in China but that manufactures its products in China for sale to consumers throughout the world, including in the United States, Europe, China, and other markets in Asia. The Company's revenue to external customers is generated principally from the sale of semiconductor products that facilitate various wireless communication applications. Accordingly, the Company considers its product offerings to be similar in nature and therefore not segregated for reporting purposes.

Net property, plant and equipment balances, based on the physical locations within the indicated geographic areas are as follows (in millions):

	As of		
	October 2, 2015	October 3, 2014	September 27, 2013
Mexico	$ 406.1	$ 290.1	$ 176.9
United States	148.8	138.7	140.2
Japan	173.8	58.8	—
Singapore	89.9	60.8	—
Rest of world	7.8	7.5	11.5
	$ 826.4	$ 555.9	$ 328.6

CONCENTRATIONS

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of trade accounts receivable. Trade accounts receivables are primarily derived from sales to manufacturers of communications and consumer products and electronic component distributors. Ongoing credit evaluations of customers' financial condition are performed and collateral, such as letters of credit and bank guarantees, are required whenever deemed necessary.

In fiscal 2015, Foxconn Technology Group (together with its affiliates and other suppliers to a large OEM for use in multiple applications including smartphones, tablets, routers, desktop and notebook computers) constituted more than ten percent of our net revenue. In fiscal 2014 and 2013, two customers—Foxconn Technology Group (together with its affiliates and other suppliers to a large OEM for use in multiple applications including smartphones, tablets, routers, desktop and notebook computers), and Samsung Electronics—each constituted more than ten percent of our net revenue.

The Company's greater than ten percent customers comprised the following percentages of net revenue:

	Fiscal Years Ended		
	October 2, 2015	October 3, 2014	September 27, 2013
Company A	44%	34%	36%
Company B	*	10%	15%

* *Customer did not represent greater than ten percent of net revenue*

At October 2, 2015, the Company's three largest accounts receivable balances comprised 62% of aggregate gross accounts receivable. This concentration was 58% and 51% at October 3, 2014 and September 27, 2013, respectively.

17. QUARTERLY FINANCIAL DATA (UNAUDITED)

The following table summarizes the quarterly and annual results (in millions, except per share data):

	First quarter	Second quarter	Third quarter	Fourth quarter	Fiscal year
Fiscal 2015					
Net revenue	$ 805.5	$ 762.1	$ 810.0	$ 880.8	$ 3,258.4
Gross profit	373.0	352.2	393.1	436.2	1,554.5
Net income	195.2	166.5	207.4	229.2	798.3
Per share data(1)					
Net income, basic	$ 1.03	$ 0.88	$ 1.09	$ 1.21	$ 4.21
Net income, diluted	$ 1.01	$ 0.85	$ 1.06	$ 1.18	$ 4.10
Fiscal 2014					
Net revenue	$ 505.2	$ 481.0	$ 587.0	$ 718.2	$ 2,291.5
Gross profit	222.0	212.4	264.2	324.0	1,022.7
Net income	94.5	76.9	111.4	174.9	457.7
Per share data(1)					
Net income, basic	$ 0.51	$ 0.41	$ 0.59	$ 0.93	$ 2.44
Net income, diluted	$ 0.49	$ 0.40	$ 0.58	$ 0.90	$ 2.38

(1) Earnings per share calculations for each of the quarters are based on the weighted average number of shares outstanding and included common stock equivalents in each period. Therefore, the sums of the quarters do not necessarily equal the full year earnings per share.

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
Skyworks Solutions, Inc.:

We have audited the accompanying consolidated balance sheets of Skyworks Solutions, Inc. and subsidiaries as of October 2, 2015 and October 3, 2014, and the related consolidated statements of operations, comprehensive income, cash flows, and stockholders' equity for each of the years in the three-year period ended October 2, 2015. In connection with our audits of the consolidated financial statements, we also have audited the financial statement schedule listed in Item 15 of the 2015 Form 10-K. We also have audited Skyworks Solutions, Inc.'s internal control over financial reporting as of October 2, 2015, based on criteria established in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Skyworks Solutions, Inc.'s management is responsible for these consolidated financial statements and financial statement schedule, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on these consolidated financial statements and financial statement schedule, and an opinion on the Company's internal control over financial reporting based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the consolidated financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Skyworks Solutions, Inc. and subsidiaries as of October 2, 2015 and October 3, 2014, and the results of its operations and its cash flows for each of the years in the three-year period ended October 2, 2015, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the related financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein. Also in our opinion, Skyworks Solutions, Inc. maintained, in all material respects, effective internal control over financial reporting as of October 2, 2015, based on criteria established in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

/s/ KPMG LLP

Boston, Massachusetts
November 24, 2015

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

MARKET INFORMATION AND DIVIDENDS

Our common stock is traded on the NASDAQ Global Select Market under the symbol "SWKS". The following table sets forth the range of high and low closing prices for our common stock, as reported by NASDAQ, and the cash dividends announced per share of common stock for the periods indicated.

	Fiscal Years Ended					
	October 2, 2015			October 3, 2014		
	High	Low	Dividends	High	Low	Dividends
First quarter	$ 74.49	$ 45.32	$ 0.13	$ 28.43	$ 23.71	$ —
Second quarter	$ 102.05	$ 69.83	$ 0.13	$ 39.27	$ 27.40	$ —
Third quarter	$ 110.92	$ 92.25	$ 0.13	$ 48.34	$ 34.90	$ 0.11
Fourth quarter	$ 103.97	$ 79.07	$ 0.26	$ 58.84	$ 46.34	$ 0.11

The number of stockholders of record of Skyworks' common stock as of November 13, 2015 was 21,441. On November 5, 2015, the Board of Directors declared a cash dividend of $0.26 per share of common stock, payable on December 10, 2015 to stockholders of record as of November 19, 2015. We intend to continue to pay quarterly dividends subject to capital availability and our view that cash dividends are in the best interests of our stockholders. Future dividends may be affected by, among other items, our views on potential future capital requirements, including those relating to research and development, creation and expansion of sales distribution channels and investments and acquisitions, legal risks, stock repurchase programs, debt issuance, changes in federal and state income tax law and changes to our business model.

ISSUER PURCHASES OF EQUITY SECURITIES

The following table provides information regarding repurchases of common stock made during the fiscal quarter ended October 2, 2015:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs(1)	Maximum Number (or Approximately Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs(1)
7/04/15-7/31/15	402,945(2)(3)	$ 93.76	400,000	$ 136.2 million
8/01/15-8/28/15	850,286(2)(4)	$ 86.59	850,000	$ 62.6 million
8/29/15-10/2/15	5,564(2)	$ 86.33	—	$ 62.6 million
Total	1,258,795	$ 88.89	1,250,000	

(1) The stock repurchase program was approved by the Board of Directors on November 11, 2014, authorizes the repurchase of up to $300.0 million of our common stock from time to time on the open market or in

privately negotiated transactions as permitted by securities laws and other legal requirements. The share repurchase program was scheduled to expire on November 11, 2016.

(2) Represents shares repurchased by us at the fair market value of the common stock as of the applicable purchase date, in connection with the satisfaction of tax withholding obligations under restricted stock agreements.

(3) 400,000 shares were repurchased at an average price of $93.76 per share as part of our stock repurchase program and 2,945 shares were withheld for tax obligations under restricted stock agreements with an average price of $93.57.

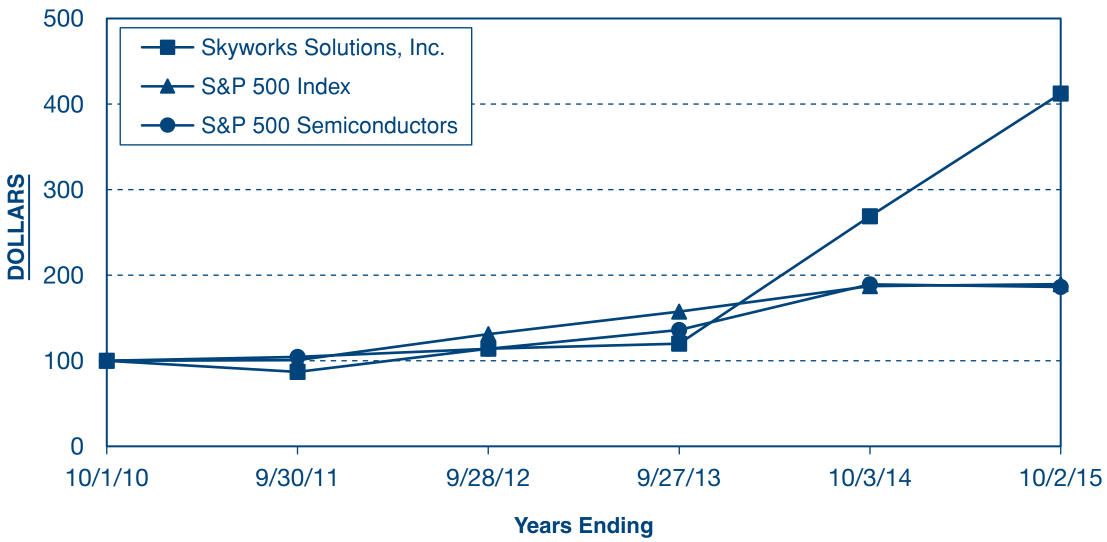
(4) 850,000 shares were repurchased at an average price of $86.59 per share as part of our stock repurchase program and 286 shares were withheld for tax obligations under restricted stock agreements with an average price of $91.25.

On November 10, 2015, the Board of Directors approved a new share repurchase program, pursuant to which the Company is authorized to repurchase up to $400.0 million of its common stock from time to time on the open market or in privately negotiated transactions as permitted by securities laws and other legal requirements. The repurchase program is set to expire on November 10, 2017; however, it may be suspended, discontinued or extended by the Board of Directors at any time prior to its expiration on November 10, 2017. This authorized stock repurchase program replaced in its entirety the November 11, 2014 stock repurchase program. These repurchases have been and will be funded with the Company's working capital.

Comparative Stock Performance Graph

The following graph shows the change in Skyworks' cumulative total stockholder return for the last five fiscal years, based upon the market price of Skyworks' common stock, compared with: (i) the cumulative total return on the Standard & Poor's 500 Index and (ii) the Standard & Poor's 500 Semiconductor Index. The graph assumes a total initial investment of $100 on October 1, 2010, and shows a "Total Return" that assumes reinvestment of dividends, if any, and is based on market capitalization at the beginning of each period.

Comparison of Cumulative Five Year Total Return



Total Return to Shareholders
(Includes reinvestment of dividends)

ANNUAL RETURN PERCENTAGE

Company / Index	Years Ending 9/30/11	9/28/12	9/27/13	10/3/14	10/2/15
Skyworks Solutions, Inc.	(13.03)	31.18	5.14	124.12	53.35
S&P 500 Index	0.70	30.20	20.07	18.93	1.23
S&P 500 Semiconductors	4.51	9.03	19.35	39.19	(1.62)

INDEXED RETURNS

Company / Index	Base Period 10/1/10	Years Ending 9/30/11	9/28/12	9/27/13	10/3/14	10/2/15
Skyworks Solutions, Inc.	100	86.97	114.09	119.95	268.84	412.27
S&P 500 Index	100	100.70	131.11	157.42	187.23	189.53
S&P 500 Semiconductors	100	104.51	113.95	136.00	189.30	186.24

Skyworks Solutions, Inc.
Unaudited Reconciliation of
Non-GAAP Financial Measures

	Year Ended			
	Oct. 2, 2015	Oct. 3, 2014	Sept. 27, 2013	Sept. 28, 2012
	(In millions, except per share amounts)			
GAAP operating income	$ 1,023.1	$ 565.2	$ 345.1	$ 255.6
Share-based compensation expense[a]	99.9	86.0	71.7	72.2
Acquisition-related expenses[b]	8.4	5.7	2.1	9.7
Amortization of intangibles	33.5	25.9	29.1	32.8
Restructuring and other charges[c]	3.4	0.3	6.4	7.8
Litigation settlement gains, losses and expenses[d]	3.0	3.9	1.8	5.8
Deferred executive compensation	0.1	—	0.5	0.5
Non-GAAP operating income	$ 1,171.4	$ 687.0	$ 456.7	$ 384.4
Non-GAAP operating margin %	36.0%	30.0%	25.5%	24.5%

	Oct. 2, 2015	Oct. 3, 2014	Sept. 27, 2013	Sept. 28, 2012
GAAP net income per share, diluted	$ 4.10	$ 2.38	$ 1.45	$ 1.05
Share-based compensation expense[a]	0.51	0.45	0.37	0.38
Acquisition-related expenses[b]	0.04	0.03	0.01	0.05
Amortization of intangibles	0.17	0.13	0.15	0.17
Restructuring and other charges[c]	0.02	—	0.03	0.04
Litigation settlement gains, losses and expenses[d]	0.01	0.02	0.01	0.03
Interest expense on seller-financed debt[e]	0.01	—	—	—
Tax adjustments[f]	0.41	0.23	0.18	0.18
Non-GAAP net income per share, diluted	$ 5.27	$ 3.24	$ 2.20	$ 1.90

[a] These charges represent expense recognized in accordance with ASC 718—*Compensation—Stock Compensation*. Approximately $14.5 million, $45.5 million and $39.9 million were included in cost of goods sold, research and development expense and selling, general and administrative expense, respectively, for the fiscal year ended October 2, 2015.

Approximately $11.2 million, $36.3 million and $38.5 million were included in cost of goods sold, research and development expense and selling, general and administrative expense, respectively, for the fiscal year ended October 3, 2014.

Approximately $10.2 million, $28.2 million and $33.3 million were included in cost of goods sold, research and development expense and selling, general and administrative expense, respectively, for the fiscal year ended September 27, 2013.

Approximately $9.4 million, $28.0 million and $34.8 million were included in cost of goods sold, research and development expense and selling, general and administrative expense, respectively, for the fiscal year ended September 28, 2012.

[b] The acquisition-related expenses recognized during the fiscal year ended October 2, 2015, include a $0.2 million charge to cost of sales related to the sale of acquired inventory and $8.2 million in transaction costs included in general and administrative expenses associated with potential acquisitions and with the purchase of an interest in a joint venture with Panasonic Corporation on August 1, 2014.

The acquisition-related expenses recognized during the fiscal year ended October 3, 2014 include a $2.3 million charge to cost of sales related to the sale of acquired inventory and $3.4 million in transaction costs included in general and administrative expenses associated with the purchase of an interest in a joint venture with Panasonic Corporation on August 1, 2014.

For additional information regarding the joint venture, please refer to the Company's Current Reports on Form 8-K filed with the Securities and Exchange Commission on July 10, 2014, and August 7, 2014.

The acquisition-related expenses recognized during the fiscal year ended September 27, 2013 include a $1.3 million charge to cost of sales related to the sale of acquired inventory and $0.8 million in transaction costs included in general and administrative expenses associated with past acquisitions.

The acquisition-related expenses recognized during the fiscal year ended September 28, 2012 include a $4.2 million charge to cost of sales related to the sale of acquired inventory and a $10.9 million charge to general and administrative expenses related to transaction and arbitration costs associated with acquisitions completed during the fiscal year ended September 28, 2012. Also included in general and administrative expenses for the fiscal year ended September 28, 2012 is a $5.4 million credit due to a reduction in the estimated fair value of contingent consideration liabilities associated with acquisitions.

[c] During the fiscal year ended October 2, 2015, the Company incurred $3.4 million in employee severance costs primarily related to restructuring plans that were implemented during the year.

During the fiscal year ended October 3, 2014, the Company recorded a $0.3 million charge related to a restructuring plan implemented in the prior fiscal year.

During the fiscal year ended September 27, 2013, the Company recorded a $6.4 million charge related to the implementation of restructuring plans to reduce global headcount.

During the fiscal year ended September 28, 2012, the Company implemented a restructuring plan to reduce the headcount associated with its acquisition of Advanced Analogic Technologies, Inc. For the fiscal year ended September 28, 2012, the Company recorded $7.8 million primarily related to this restructuring plan.

[d] During the fiscal year ended October 2, 2015, the Company recognized a $3.0 million charge primarily related to general and administrative expenses associated with ongoing litigation(s).

During the fiscal year ended October 3, 2014, the Company recognized a $3.9 million charge primarily related to general and administrative expenses associated with ongoing litigation(s).

During the fiscal year ended September 27, 2013, the Company recognized a $1.8 million charge primarily related to general and administrative expenses associated with ongoing litigation(s).

During the fiscal year ended September 28, 2012, the Company recognized a $5.8 million charge related to the resolution of contractual disputes.

[e] During the fiscal year ended October 2, 2015, the Company recognized $1.3 million in interest expense associated with the accretion of the present value of the $76.5 million liability related to the future purchase of the remaining 34% interest in the joint venture between the Company and Panasonic.

During the fiscal year ended October 3, 2014, the Company recognized $0.2 million in interest expense associated with the accretion of the present value of the $76.5 million liability related to the future purchase of the remaining 34% interest in the joint venture between the Company and Panasonic.

[f] During the fiscal year ended October 2, 2015, these amounts primarily represent the use of net operating loss and research and development tax credit carryforwards, deferred tax expense not affecting taxes payable, tax deductible stock compensation in excess of GAAP stock compensation expense and non-cash expense (benefit) related to uncertain tax positions.

During the fiscal year ended October 3, 2014, these amounts primarily represent the use of net operating loss and research and development tax credit carryforwards, deferred tax expense not affecting taxes payable, tax deductible stock compensation in excess of GAAP stock compensation expense, and non-cash expense (benefit) related to uncertain tax positions. As a result of the settlement of the IRS audit of our fiscal year 2011 federal tax return, a tax benefit related to the release of previously reserved items was included in the GAAP expense for uncertain tax positions.

During the fiscal year ended September 27, 2013, these amounts primarily represent the utilization of net operating loss and research and development tax credit carryforwards and non-cash expense related to uncertain tax positions. As a result of the passage of the American Taxpayer Relief Act of 2012, the GAAP tax rate includes a retroactive adjustment for the recognition of research and development tax credits earned in fiscal year 2012.

During the fiscal year ended September 28, 2012, these amounts primarily represent the utilization of net operating loss and research and development tax credit carryforwards, deferred tax expense not affecting taxes payable and non-cash expense related to uncertain tax positions.

Skyworks Solutions, Inc.
Discussion Regarding the Use of Non-GAAP Financial Measures

This annual report contains some or all of the following financial measures that have not been calculated in accordance with United States Generally Accepted Accounting Principles (“GAAP”): (i) non-GAAP gross profit and gross margin, (ii) non-GAAP operating income and operating margin, (iii) non-GAAP net income, and (iv) non-GAAP diluted earnings per share. As set forth in the “Unaudited Reconciliation of Non-GAAP Financial Measures” table found above, we derive such non-GAAP financial measures by excluding certain expenses and other items from the respective GAAP financial measure that is most directly comparable to each non-GAAP financial measure. Management uses these non-GAAP financial measures to evaluate our operating performance and compare it against past periods, make operating decisions, forecast for future periods, compare our operating performance against peer companies and determine payments under certain compensation programs. These non-GAAP financial measures provide management with additional means to understand and evaluate the operating results and trends in our ongoing business by eliminating certain non-recurring expenses (which may not occur in each period presented) and other items that management believes might otherwise make comparisons of our ongoing business with prior periods and competitors more difficult, obscure trends in ongoing operations or reduce management’s ability to make useful forecasts.

We provide investors with non-GAAP gross profit and gross margin, non-GAAP operating income and operating margin, non-GAAP net income and non-GAAP diluted earnings per share because we believe it is important for investors to be able to closely monitor and understand changes in our ability to generate income from ongoing business operations. We believe these non-GAAP financial measures give investors an additional method to evaluate historical operating performance and identify trends, an additional means of evaluating period-over-period operating performance and a method to facilitate certain comparisons of our operating results to those of our peer companies. We also believe that providing non-GAAP operating income and operating margin allows investors to assess the extent to which our ongoing operations impact our overall financial performance. We further believe that providing non-GAAP net income and non-GAAP diluted earnings per share allows investors to assess the overall financial performance of our ongoing operations by eliminating the impact of share-based compensation expense, acquisition-related expenses, restructuring-related charges, litigation settlement gains, losses and expenses, certain deferred executive compensation and certain tax items which may not occur in each period presented and which may represent non-cash items unrelated to our ongoing operations. We believe that disclosing these non-GAAP financial measures contributes to enhanced financial reporting transparency and provides investors with added clarity about complex financial performance measures.

We calculate non-GAAP gross profit by excluding from GAAP gross profit, share-based compensation expense and acquisition-related expenses. We calculate non-GAAP operating income by excluding from GAAP operating income, share-based compensation expense, acquisition-related expenses, restructuring-related charges, litigation settlement gains, losses and expenses and certain deferred executive compensation. We calculate non-GAAP net income and diluted earnings per share by excluding from GAAP net income and diluted earnings per share, share-based compensation expense, acquisition-related expenses, restructuring-related charges, litigation settlement gains, losses and expenses, certain deferred executive compensation and certain tax items which may not occur in all periods for which financial information is presented. We exclude the items identified above from the respective non-GAAP financial measure referenced above for the reasons set forth with respect to each such excluded item below:

Share-Based Compensation—because (1) the total amount of expense is partially outside of our control because it is based on factors such as stock price volatility and interest rates, which may be unrelated to our performance during the period in which the expense is incurred, (2) it is an expense based upon a valuation methodology premised on assumptions that vary over time, and (3) the amount of the expense can vary significantly between companies due to factors that can be outside of the control of such companies.

Acquisition-Related Expenses—including such items as, when applicable, amortization of acquired intangible assets, fair value adjustments to contingent consideration, fair value charges incurred upon the sale of acquired inventory, acquisition-related professional fees, deemed compensation expenses and interest expense on seller-financed debt, because they are not considered by management in making operating decisions and we believe that such expenses do not have a direct correlation to our future business operations and thereby including such charges does not accurately reflect the performance of our ongoing operations for the period in which such charges are incurred.

Restructuring-Related Charges—because, to the extent such charges impact a period presented, we believe that they have no direct correlation to our future business operations and including such charges does not necessarily reflect the performance of our ongoing operations for the period in which such charges are incurred.

Litigation Settlement Gains, Losses and Expenses—including gains, losses and expenses related to the resolution of other-than-ordinary-course threatened and actually filed lawsuits and other-than-ordinary-course contractual disputes, because (1) they are not considered by management in making operating decisions, (2) such gains, losses and expenses tend to be infrequent in nature, (3) such gains, losses and expenses are generally not directly controlled by management, (4) we believe such gains, losses and expenses do not necessarily reflect the performance of our ongoing operations for the period in which such charges are recognized and (5) the amount of such gains or losses and expenses can vary significantly between companies and make comparisons less reliable.

Deferred Executive Compensation—including charges related to any contingent obligation pursuant to an executive severance agreement, because we believe the period over which the obligation is amortized may not reflect the period of benefit and that such expense has no direct correlation with our recurring business operations and including such expenses does not accurately reflect the compensation expense for the period in which incurred.

Certain Income Tax Items—including certain deferred tax charges and benefits that do not result in a current tax payment or tax refund and other adjustments, including but not limited to, items unrelated to the current fiscal year or that are not indicative of our ongoing business operations.

The non-GAAP financial measures presented in the table above should not be considered in isolation and are not an alternative for the respective GAAP financial measure that is most directly comparable to each such non-GAAP financial measure. Investors are cautioned against placing undue reliance on these non-GAAP financial measures and are urged to review and consider carefully the adjustments made by management to the most directly comparable GAAP financial measures to arrive at these non-GAAP financial measures. Non-GAAP financial measures may have limited value as analytical tools because they may exclude certain expenses that some investors consider important in evaluating our operating performance or ongoing business performance. Further, non-GAAP financial measures are likely to have limited value for purposes of drawing comparisons between companies because different companies may calculate similarly titled non-GAAP financial measures in different ways because non-GAAP measures are not based on any comprehensive set of accounting rules or principles.

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EXECUTIVE MANAGEMENT

David J. Aldrich
Chairman of the Board and Chief Executive Officer

Liam K. Griffin
President

Bruce J. Freyman
Executive Vice President, Worldwide Operations

Peter L. Gammel
Chief Technology Officer

Laura A. Gasparini
Vice President, Human Resources

Donald W. Palette
Executive Vice President and Chief Financial Officer

Thomas S. Schiller
Vice President, Strategy and Corporate Development

Mark V.B. Tremallo
Vice President, General Counsel and Secretary

BOARD OF DIRECTORS

David J. Aldrich
Chairman of the Board and Chief Executive Officer
Skyworks Solutions, Inc.

Kevin L. Beebe
President and Chief Executive Officer
2BPartners, LLC

Timothy R. Furey
Chief Executive Officer
MarketBridge

Balakrishnan S. Iyer
Retired Senior Vice President and Chief Financial Officer
Conexant Systems, Inc.

Christine King
Executive Chairman
QLogic Corporation

David P. McGlade
Executive Chairman
Intelsat S.A.

David J. McLachlan
Lead Independent Director, Skyworks Solutions, Inc.
Retired Chief Financial Officer and Senior Advisor to
Chairman and Chief Executive Officer, Genzyme Corporation

Robert A. Schriesheim
Executive Vice President and Chief Financial Officer
Sears Holdings

TRANSFER AGENT AND REGISTRAR

American Stock Transfer & Trust Company
6201 15th Avenue
Brooklyn, NY 11219
(800) 937-5449 (United States and Canada)
(718) 921-8124 (outside United States)
www.amstock.com

Our transfer agent can help you with a variety of stockholder related services including change of address, lost stock certificates, stock transfers, account status and other administrative matters.

INVESTOR RELATIONS

You can contact Skyworks' Investor Relations team directly to order an Investor's Kit or to ask investment-oriented questions about Skyworks at:

Investor Relations
Skyworks Solutions, Inc.
20 Sylvan Road
Woburn, MA 01801
(781) 376-3405

You can also view this annual report along with other financial related information and other public filings with the U.S. Securities and Exchange Commission at: www.skyworksinc.com.

ANNUAL MEETING

The annual meeting of stockholders will be held on May 11, 2016 in Burlington, Massachusetts.

COMMON STOCK

Skyworks common stock is traded on the NASDAQ Global Select Market© under the symbol SWKS.

INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS

KPMG LLP
Boston, Massachusetts

CORPORATE HEADQUARTERS

Skyworks Solutions, Inc.
20 Sylvan Road
Woburn, MA 01801
(781) 376-3000
www.skyworksinc.com

SKYWORKS®

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20 Sylvan Rd.
Woburn, MA 01801
781.376.3000
www.skyworksinc.com

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SKYWORKS SOLUTIONS, INC.

Proxy for Annual Meeting of Stockholders

May 11, 2016

SOLICITED BY THE BOARD OF DIRECTORS

The undersigned hereby appoints David J. Aldrich and Mark V.B. Tremallo, and each of them singly, proxies, with full power of substitution to vote all shares of stock of Skyworks Solutions, Inc. (the "Company") that the undersigned is entitled to vote at the Annual Meeting of Stockholders of Skyworks Solutions, Inc. to be held at 2:00 p.m., local time, on May 11, 2016, at the Boston Marriott Burlington, 1 Burlington Mall Road, Burlington, Massachusetts, or at any adjournment or postponement thereof, upon matters set forth in the Notice of Annual Meeting of Stockholders and 2016 Proxy Statement, a copy of which has been received by the undersigned. The proxies are further authorized to vote, in their discretion, upon such other business as may properly come before the meeting or any adjournment or postponement thereof.

OUR BOARD OF DIRECTORS ENCOURAGES STOCKHOLDERS TO ATTEND THE ANNUAL MEETING. WHETHER OR NOT YOU PLAN TO ATTEND, YOU ARE URGED TO SUBMIT A PROXY PROMPTLY IN ONE OF THE FOLLOWING WAYS: (A) BY COMPLETING, SIGNING AND DATING THE ACCOMPANYING PROXY CARD AND RETURNING IT IN THE POSTAGE-PREPAID ENVELOPE ENCLOSED FOR THAT PURPOSE; (B) BY COMPLETING AND SUBMITTING YOUR PROXY USING THE TOLL-FREE TELEPHONE NUMBER LISTED ON THE OTHER SIDE OF THIS PROXY CARD; OR (C) BY COMPLETING AND SUBMITTING YOUR PROXY VIA THE INTERNET BY VISITING THE WEBSITE ADDRESS LISTED ON THE OTHER SIDE OF THIS PROXY CARD. A PROMPT RESPONSE WILL GREATLY FACILITATE ARRANGEMENTS FOR THE MEETING AND YOUR COOPERATION WILL BE APPRECIATED.

(Continued and to be signed on the reverse side)

ANNUAL MEETING OF STOCKHOLDERS OF

SKYWORKS SOLUTIONS, INC.

May 11, 2016

GO GREEN

e-Consent makes it easy to go paperless. With e-Consent, you can quickly access your proxy material, statements and other eligible documents online, while reducing costs, clutter and paper waste. Enroll today via www.amstock.com to enjoy online access.

NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIAL:
The Notice of Meeting, Proxy Statement and proxy card are available at www.skyworksinc.com/annualreport.

Please sign, date and mail your proxy card in the envelope provided as soon as possible.

↓ Please detach along perforated line and mail in the envelope provided. ↓

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE ELECTION OF EACH OF THE NOMINEES FOR DIRECTOR NAMED IN PROPOSAL 1, AND "FOR" PROPOSALS 2, 3, 4, 5, 6, 7 AND 8.
PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE ☒

1. To elect the following eight individuals nominated to serve as directors of the Company with terms expiring at the next annual meeting of stockholders.

	FOR	AGAINST	ABSTAIN
David J. Aldrich	☐	☐	☐
Kevin L. Beebe	☐	☐	☐
Timothy R. Furey	☐	☐	☐
Balakrishnan S. Iyer	☐	☐	☐
Christine King	☐	☐	☐
David P. McGlade	☐	☐	☐
David J. McLachlan	☐	☐	☐
Robert A. Schriesheim	☐	☐	☐

	FOR	AGAINST	ABSTAIN
2. To ratify the selection by the Company's Audit Committee of KPMG LLP as the independent registered public accounting firm for the Company for fiscal year 2016.	☐	☐	☐
3. To approve, on an advisory basis, the compensation of the Company's named executive officers, as described in the Company's Proxy Statement.	☐	☐	☐
4. To approve an amendment to the Company's Restated Certificate of Incorporation to eliminate the supermajority vote provisions relating to the amendment of the Company's By-laws.	☐	☐	☐
5. To approve an amendment to the Company's Restated Certificate of Incorporation to eliminate the supermajority vote provisions relating to stockholder approval of a merger or consolidation, disposition of all or substantially all of the Company's assets, or issuance of a substantial amount of the Company's securities.	☐	☐	☐
6. To approve an amendment to the Company's Restated Certificate of Incorporation to eliminate the supermajority vote provisions relating to stockholder approval of a business combination with any related person.	☐	☐	☐
7. To approve an amendment to the Company's Restated Certificate of Incorporation to eliminate the supermajority vote provision relating to stockholder amendment of charter provisions governing directors.	☐	☐	☐
8. To approve an amendment to the Company's Restated Certificate of Incorporation to eliminate the supermajority vote provision relating to stockholder amendment of the charter provision governing action by stockholders.	☐	☐	☐

I/We will attend the annual meeting. ☐

THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER DIRECTED BY THE UNDERSIGNED STOCKHOLDER(S). IF NO DIRECTION IS GIVEN, THIS PROXY WILL BE VOTED "FOR" THE ELECTION OF EACH OF THE NOMINEES FOR DIRECTOR NAMED IN PROPOSAL 1, AND "FOR" PROPOSALS 2, 3, 4, 5, 6, 7 AND 8. THE PROXIES WILL VOTE IN THEIR DISCRETION ON ANY OTHER BUSINESS AS MAY PROPERLY COME BEFORE THE MEETING AND ANY ADJOURNMENT OR POSTPONEMENT THEREOF.

ELECTRONIC ACCESS TO FUTURE DOCUMENTS

If you would like to receive future shareholder communications over the Internet exclusively, and no longer receive any material by mail, please visit http://www.amstock.com. Click on Shareholder Account Access to enroll. Please enter your account number and tax identification number to log in, then select **Receive Company Mailings via E-Mail** and provide your e-mail address.

To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be submitted via this method. ☐

Signature of Stockholder ________ Date: ________ Signature of Stockholder ________ Date: ________

Note: Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, partnership, limited liability company or other entity, please sign full entity name by duly authorized officer, giving full title as such.

ANNUAL MEETING OF STOCKHOLDERS OF

SKYWORKS SOLUTIONS, INC.

May 11, 2016

PROXY VOTING INSTRUCTIONS

INTERNET - Access "**www.voteproxy.com**" and follow the on-screen instructions or scan the QR code with your smartphone. Have your proxy card available when you access the website.

TELEPHONE - Call toll-free **1-800-PROXIES** (1-800-776-9437) in the United States or **1-718-921-8500** from foreign countries from any touch-tone telephone and follow the instructions. Have your proxy card available when you call.

Vote online/phone until 11:59 PM EDT the day before the meeting.

MAIL - Sign, date and mail your proxy card in the envelope provided as soon as possible.

IN PERSON - You may vote your shares in person by attending the Annual Meeting.

GO GREEN - e-Consent makes it easy to go paperless. With e-Consent, you can quickly access your proxy material, statements and other eligible documents online, while reducing costs, clutter and paper waste. Enroll today via www.amstock.com to enjoy online access.

COMPANY NUMBER	
ACCOUNT NUMBER	

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David P. McGlade	☐	☐	☐
David J. McLachlan	☐	☐	☐
Robert A. Schriesheim	☐	☐	☐

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6. To approve an amendment to the Company's Restated Certificate of Incorporation to eliminate the supermajority vote provisions relating to stockholder approval of a business combination with any related person.	☐	☐	☐
7. To approve an amendment to the Company's Restated Certificate of Incorporation to eliminate the supermajority vote provision relating to stockholder amendment of charter provisions governing directors.	☐	☐	☐
8. To approve an amendment to the Company's Restated Certificate of Incorporation to eliminate the supermajority vote provision relating to stockholder amendment of the charter provision governing action by stockholders.	☐	☐	☐

I/We will attend the annual meeting. ☐

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To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be submitted via this method. ☐

Signature of Stockholder ____________ Date: ________ Signature of Stockholder ____________ Date: ________

Note: Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, partnership, limited liability company or other entity, please sign full entity name by duly authorized officer, giving full title as such.