
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 8-K
CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

January 28, 2021

Skyworks Solutions, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

001-05560
(Commission File Number)

04-2302115
(I.R.S. Employer Identification No.)

5260 California Avenue **Irvine**
(Address of principal executive offices)

California

92617
(Zip Code)

(949) **231-3000**
(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.25 per share	SWKS	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

The information contained in this Item 2.02 and in the accompanying exhibit shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

On January 28, 2021, Skyworks Solutions, Inc. (the “Registrant”), issued a press release in which it announced financial results for the three-month period ended January 1, 2021. A copy of the press release is attached hereto as Exhibit 99.1.

Item 8.01 Other Events.

On January 28, 2021, the Registrant announced that its board of directors had declared a cash dividend on the Registrant’s common stock of \$0.50 per share, payable on March 9, 2021, to its stockholders of record as of the close of business on February 16, 2021.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Registrant’s Press Release dated January 28, 2021
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL with applicable taxonomy extension information contained in Exhibits 101)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Skyworks Solutions, Inc.

January 28, 2021

By: /s/ Kris Sennesael
Name: Kris Sennesael
Title: Senior Vice President and Chief Financial Officer

**Media Relations:**

Constance Griffiths
(949) 231-4207

Investor Relations:

Mitch Haws
(949) 231-3223

Skyworks Reports Q1 FY21 Results

- *Delivers Record Revenue of \$1.510 Billion, up 58% Sequentially and 69% Y-o-Y*
- *Posts GAAP Diluted EPS of \$3.05, up 103% Y-o-Y; Non-GAAP Diluted EPS of \$3.36, up 100% Y-o-Y*
- *Generates GAAP Operating Margin of 37.8%; Non-GAAP Operating Margin of 41.2%*
- *Drives Quarterly Operating Cash Flow of \$485 Million*

IRVINE, Calif., Jan. 28, 2021 – Skyworks Solutions, Inc. (Nasdaq: SWKS), an innovator of high-performance analog semiconductors connecting people, places and things, today reported first fiscal quarter results for the period ended Jan. 1, 2021.

Revenue for the first fiscal quarter of 2021 was \$1.510 billion, up 58% sequentially, substantially exceeding consensus estimates. On a GAAP basis, operating income for the first fiscal quarter was \$571 million with diluted earnings per share of \$3.05. On a non-GAAP basis, operating income was \$622 million with non-GAAP diluted earnings per share of \$3.36.

“Skyworks delivered all-time record quarterly results, leveraging our expansive technology reach,” said Liam K. Griffin, president and chief executive officer of Skyworks. “Demand for our proven solutions continues to accelerate across a growing set of customers and end markets, powering the world’s most impactful use cases, from 5G mobile platforms to IoT, wireless infrastructure, autonomous transport and machine-to-machine installations.

“Importantly, the multi-year wireless transition is now underway, creating a burgeoning set of new opportunities. With deep customer engagements, underpinned by decades of technology investments and scale, Skyworks is uniquely positioned to lead.”

First Fiscal Quarter Business Highlights

- Accelerated ramp of Sky5[®] portfolio, supporting the next wave of 5G launches at Samsung, Oppo, Vivo, Xiaomi and other Tier-1 players
- Partnered with ASUS to launch world’s first ultra-fast Wi-Fi 6E extended band router
- Launched Wi-Fi 6 engines for CenturyLink’s latest GPON media gateway
- Shipped Wi-Fi 6 solutions for access points at leading network OEMs, including Cisco, NETGEAR, TP-Link and Aruba
- Captured design wins at Google / Fitbit for their newest health smartwatch

- Delivered low-latency wireless audio solutions, enabling leading gaming headsets at Turtle Beach and SteelSeries
- Ramped Itron’s multi-standard ISM connectivity solutions for smart cities
- Commenced volume shipments of 5G amplifiers and receive modules supporting European base station OEMs
- Partnered with MediaTek for emerging 5G reference designs targeting automotive and other IoT applications
- Leveraged V2X solutions with Volkswagen and Toyota for their enhanced safety systems

Second Fiscal Quarter 2021 Outlook

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

“We expect the continued and rapid adoption of multiple wireless protocols to drive strong year-over-year growth for Skyworks,” said Kris Sennesael, senior vice president and chief financial officer of Skyworks. “Specifically, in the second fiscal quarter of 2021, we anticipate revenue to be between \$1.125 billion and \$1.175 billion with non-GAAP diluted earnings per share of \$2.34 at the midpoint of our revenue range, representing revenue growth of 50% and non-GAAP diluted earnings per share growth of 75%, compared to the second fiscal quarter of 2020.

“Additionally, our board of directors has approved a new \$2 billion stock repurchase program, reflecting their confidence in our business model driven by sustained above-market growth and strong cash flow generation.”

Dividend Payment

Skyworks’ board of directors has declared a cash dividend of \$0.50 per share of the Company’s common stock, payable on Mar. 9, 2021, to stockholders of record at the close of business on Feb. 16, 2021.

Skyworks’ First Quarter 2021 Conference Call

Skyworks will host a conference call with analysts to discuss its first quarter fiscal 2021 results and business outlook today at 4:30 p.m. EST. To listen to the conference call via the Internet, please visit the investor relations section of Skyworks’ website. To listen to the conference call via telephone, please call (833) 714-0912 (domestic) or (778) 560-2690 (international), Conference ID: 3647449.

Playback of the conference call will begin at 9 p.m. EST on Jan. 28, 2021, and end at 9 p.m. EST on Feb. 4, 2021. The replay will be available on Skyworks’ website or by calling (800) 585-8367 (domestic) or (416) 621-4642 (international), Conference ID: 3647449.

About Skyworks

Skyworks Solutions, Inc. 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 aerospace, automotive, broadband, cellular infrastructure, connected home, industrial, medical, military, smartphone, tablet and wearable markets.

Skyworks is a global company with engineering, marketing, operations, sales and support facilities located throughout Asia, Europe and North America and is a member of the S&P 500[®] and Nasdaq-100[®] market indices (Nasdaq: SWKS). For more information, please visit Skyworks' website at: www.skyworksinc.com.

Safe Harbor Statement

This news release includes "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements include without limitation information relating to the impact of the global COVID-19 pandemic on our business operations and the future results and expectations of Skyworks (e.g., certain projections and business trends, as well as plans for dividend payments and share repurchases). Forward-looking statements can often be identified by words such as "anticipates," "expects," "forecasts," "intends," "believes," "plans," "may," "will" or "continue," and similar expressions and variations or negatives of these words. All such statements are subject to certain risks, uncertainties and other important factors that could cause actual results to differ materially and adversely from those projected and may affect our future operating results, financial position and cash flows.

These risks, uncertainties and other important factors include, but are not limited to: the effects of the global COVID-19 pandemic and the measures taken to limit COVID-19's spread on our business operations, including reduced shift staffing in certain of our manufacturing facilities, as well as potential other disruptions to our business, including but not limited to the suspension or restriction of operations at our facilities and third-party supply chain disruptions, that could result from social distancing measures, employee quarantines, restricting certain employees from working or additional actions that may be taken by us, our suppliers and partners or governmental authorities in the jurisdictions in which we operate in an effort to contain the COVID-19 pandemic; the susceptibility of the semiconductor industry and the markets addressed by our, and our customers', products to economic downturns, including as a result of the COVID-19 pandemic; our reliance on a small number of key customers for a large percentage of our sales; delays in the deployment of commercial 5G networks or in consumer adoption of 5G-enabled devices; the risks of doing business internationally, including increased import/export restrictions and controls (e.g., our ability to sell products to Huawei Technologies Co., Ltd. and certain of its affiliates, as well as other specified entities, only pursuant to a limited export license from the U.S. Department of Commerce), imposition of trade protection measures (e.g., tariffs or taxes), security and health risks, possible disruptions in transportation networks, fluctuations in foreign currency exchange rates, and other economic, social, military and geo-political conditions in the countries in which we, our customers or our suppliers operate; the volatility of our stock price; declining selling prices, decreased gross margins, and loss of market share as a result of increased competition; our ability to obtain design wins from customers; changes in laws, regulations and/or policies that could adversely affect our operations and financial results, the economy and our customers' demand for our products, or the financial markets and our ability to raise capital; fluctuations in our manufacturing yields due to our complex and specialized manufacturing processes; our ability to develop, manufacture and market innovative products, avoid product obsolescence, reduce costs in a timely manner, transition our products to smaller geometry process technologies, and achieve higher levels of design integration; the quality of our products and any defect remediation costs; our products' ability to perform under stringent operating conditions; the availability and pricing of third-party semiconductor foundry, assembly and test capacity, raw materials and supplier components; our ability to retain, recruit and hire key executives, technical personnel and other employees in the positions and numbers, with the experience and capabilities, and at the compensation levels needed to implement our business and product plans; the timing, rescheduling or cancellation of significant customer orders and our ability, as well as the ability of our customers, to manage inventory; our ability to prevent theft of our intellectual property, disclosure of confidential information, or breaches of our information technology systems; uncertainties of litigation, including potential disputes over intellectual property infringement and rights, as well as payments related to the licensing and/or sale of such rights; our ability to continue to grow and maintain an intellectual property portfolio and obtain needed licenses from third parties; our ability to make certain investments and acquisitions, integrate companies we acquire, and/or enter into strategic alliances; and other risks and uncertainties, including, but not limited to, those detailed from time to time in our filings with the Securities and Exchange Commission.

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

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

SKYWORKS SOLUTIONS, INC.
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

(in millions, except per share amounts)	Three Months Ended	
	January 1, 2021	December 27, 2019
Net revenue	\$ 1,510.0	\$ 896.1
Cost of goods sold	748.3	451.8
Gross profit	761.7	444.3
Operating expenses:		
Research and development	121.6	107.7
Selling, general, and administrative	66.6	55.4
Amortization of intangibles	2.8	3.1
Restructuring, impairment, and other charges	—	0.8
Total operating expenses	191.0	167.0
Operating income	570.7	277.3
Other income, net	0.2	1.4
Income before income taxes	570.9	278.7
Provision for income taxes	61.6	21.6
Net income	\$ 509.3	\$ 257.1
Earnings per share:		
Basic	\$ 3.08	\$ 1.51
Diluted	\$ 3.05	\$ 1.50
Weighted average shares:		
Basic	165.4	170.2
Diluted	167.0	171.6

SKYWORKS SOLUTIONS, INC.
UNAUDITED RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES

(in millions)	Three Months Ended	
	January 1, 2021	December 27, 2019
GAAP gross profit	\$ 761.7	\$ 444.3
Share-based compensation expense [a]	6.4	4.2
Amortization of acquisition-related intangibles	2.9	5.9
Settlements, gains, losses, and impairments	—	(5.3)
Non-GAAP gross profit	<u>\$ 771.0</u>	<u>\$ 449.1</u>
GAAP gross margin %	50.4 %	49.6 %
Non-GAAP gross margin %	51.1 %	50.1 %

(in millions)	Three Months Ended	
	January 1, 2021	December 27, 2019
GAAP operating income	\$ 570.7	\$ 277.3
Share-based compensation expense [a]	44.5	33.6
Acquisition-related expenses	—	0.2
Amortization of acquisition-related intangibles	5.7	9.1
Settlements, gains, losses, and impairments	1.1	(5.6)
Restructuring and other charges	—	0.8
Non-GAAP operating income	<u>\$ 622.0</u>	<u>\$ 315.4</u>
GAAP operating margin %	37.8 %	30.9 %
Non-GAAP operating margin %	41.2 %	35.2 %

(in millions)	Three Months Ended	
	January 1, 2021	December 27, 2019
GAAP net income	\$ 509.3	\$ 257.1
Share-based compensation expense [a]	44.5	33.6
Acquisition-related expenses	—	0.2
Amortization of acquisition-related intangibles	5.7	9.1
Settlements, gains, losses, and impairments	1.7	(5.6)
Restructuring and other charges	—	0.8
Tax adjustments	(0.7)	(6.4)
Non-GAAP net income	<u>\$ 560.5</u>	<u>\$ 288.8</u>

(in millions)	Three Months Ended	
	January 1, 2021	December 27, 2019
GAAP net income per share, diluted	\$ 3.05	\$ 1.50
Share-based compensation expense [a]	0.27	0.19
Amortization of acquisition-related intangibles	0.03	0.05
Settlements, gains, losses, and impairments	0.01	(0.03)
Restructuring and other charges	—	0.01
Tax adjustments	—	(0.04)
Non-GAAP net income per share, diluted	<u>\$ 3.36</u>	<u>\$ 1.68</u>

SKYWORKS SOLUTIONS, INC.

DISCUSSION REGARDING THE USE OF NON-GAAP FINANCIAL MEASURES

Our earnings release 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 Reconciliations 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 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 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, amortization of acquisition-related intangibles, settlements, gains, losses, and impairments, restructuring-related charges, 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, acquisition-related expenses, amortization of acquisition-related intangibles, and settlements, gains, losses, and impairments. We calculate non-GAAP operating income by excluding from GAAP operating income, share-based compensation expense, acquisition-related expenses, amortization of acquisition-related intangibles, settlements, gains, losses, and impairments, and restructuring-related charges. 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, amortization of acquisition-related intangibles, settlements, gains, losses, and impairments, restructuring-related charges, and certain tax items. 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, and acquisition-related expenses 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 necessarily reflect the performance of our ongoing operations for the period in which such charges or reversals are incurred.

Restructuring-Related Charges - because these charges have no direct correlation to our future business operations and including such charges or reversals does not necessarily reflect the performance of our ongoing operations for the period in which such charges or reversals are incurred.

Settlements, Gains, Losses, and Impairments - because such settlements, gains, losses, and impairments (1) are not considered by management in making operating decisions, (2) are infrequent in nature, (3) are generally not directly controlled by management, (4) do not necessarily reflect the performance of our ongoing operations for the period in which such charges are recognized and/or (5) can vary significantly in amount between companies and make comparisons less reliable.

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 as a result of different companies potentially calculating 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.

Our earnings release contains forward-looking estimates of non-GAAP diluted earnings per share for the second quarter of our 2021 fiscal year (“Q2 2021”). We provide this non-GAAP measure to investors on a prospective basis for the same reasons (set forth above) that we provide it to investors on a historical basis. We are unable to provide a reconciliation of our forward-looking estimate of Q2 2021 GAAP diluted earnings per share to a forward-looking estimate of Q2 2021 non-GAAP diluted earnings per share because certain information needed to make a reasonable forward-looking estimate of GAAP diluted earnings per share for Q2 2021 (other than estimated share-based compensation expense of \$0.25 to \$0.30 per diluted share, estimated amortization of intangibles of \$0.02 to \$0.04 per diluted share and certain tax items of -\$0.05 to \$0.05 per diluted share) is difficult to predict and estimate and is often dependent on future events that may be uncertain or outside of our control. Such events may include unanticipated changes in our GAAP effective tax rate, unanticipated one-time charges related to asset impairments (fixed assets, inventory, intangibles or goodwill), unanticipated acquisition-related expenses, unanticipated settlements, gains, losses, and impairments and other unanticipated non-recurring items not reflective of ongoing operations. The probable significance of these unknown items, in the aggregate, is estimated to be in the range of \$0.00 to \$0.10 in quarterly earnings per diluted share on a GAAP basis. Our forward-looking estimates of both GAAP and non-GAAP measures of our financial performance may differ materially from our actual results and should not be relied upon as statements of fact.

[a] The following table summarizes the expense recognized in accordance with ASC 718 - *Compensation, Stock Compensation* (in millions):

	Three Months Ended	
	January 1, 2021	December 27, 2019
Cost of goods sold	\$ 6.4	\$ 4.2
Research and development	20.3	14.8
Selling, general, and administrative	17.8	14.6
Total share-based compensation	<u>\$ 44.5</u>	<u>\$ 33.6</u>

SKYWORKS SOLUTIONS, INC.
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

(in millions)	January 1, 2021	October 2, 2020
Assets		
Cash, cash equivalents, and marketable securities	\$ 1,019.3	\$ 980.0
Accounts receivable, net	689.9	393.6
Inventory	718.5	806.0
Property, plant, and equipment, net	1,305.4	1,249.5
Goodwill and intangible assets, net	1,236.2	1,243.3
Other assets	450.5	434.3
Total assets	\$ 5,419.8	\$ 5,106.7
Liabilities and Equity		
Accounts payable	\$ 264.6	\$ 226.9
Accrued and other liabilities	740.3	715.6
Stockholders' equity	4,414.9	4,164.2
Total liabilities and equity	\$ 5,419.8	\$ 5,106.7

SKYWORKS SOLUTIONS, INC.
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)	Three Months Ended	
	January 1, 2021	December 27, 2019
Cash flow from operating activities		
Net income	\$ 509.3	\$ 257.1
Adjustments to reconcile net income to net cash provided by operating activities:		
Share-based compensation	44.5	33.6
Depreciation	78.4	79.8
Amortization of intangible assets	8.0	11.4
Deferred income taxes	(0.7)	0.9
Changes in operating assets:		
Receivables, net	(296.3)	38.5
Inventory	88.9	7.9
Accounts payable	22.4	(6.7)
Other current and long-term assets and liabilities	30.6	(24.1)
Net cash provided by operations	485.1	398.4
Cash flow from investing activities		
Capital expenditures	(118.9)	(111.2)
Purchased intangibles	(4.3)	—
Purchases of marketable securities	(99.4)	(131.5)
Sales and maturities of marketable securities	111.6	62.2
Net cash used in investing activities	(111.0)	(180.5)
Cash flow from financing activities		
Repurchase of common stock — payroll tax withholdings on equity awards	(47.7)	(26.6)
Repurchase of common stock — stock repurchase program	(195.6)	(74.2)
Dividends paid	(83.0)	(75.1)
Net proceeds from exercise of stock options	2.7	34.9
Net cash used in financing activities	(323.6)	(141.0)
Net increase in cash and cash equivalents	50.5	76.9
Cash and cash equivalents at beginning of period	566.7	851.3
Cash and cash equivalents at end of period	\$ 617.2	\$ 928.2