

**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): **August 3, 2018**

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
(IRS Employer
Identification No.)

20 Sylvan Road, Woburn, Massachusetts
(Address of Principal Executive Offices)

01801
(Zip Code)

Registrant's telephone number, including area code: **(781) 376-3000**

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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 1.01 Entry into a Material Definitive Agreement.

On August 3, 2018, Skyworks Solutions, Inc., a Delaware corporation (the "Company" or "Skyworks"), and AI Acquisition Corp., a Delaware corporation and wholly owned subsidiary of Skyworks ("Merger Sub"), entered into an Agreement and Plan of Merger (the "Merger Agreement") with Avnera Corporation, a Delaware corporation ("Avnera"), and Shareholder Representative Services LLC, a Colorado limited liability company, solely in its capacity as representative and agent of the Avnera equity holders. The Merger Agreement provides that, upon the terms and subject to the conditions set forth in the Merger Agreement, Merger Sub will be merged with and into Avnera, with Avnera continuing as the surviving corporation and a wholly owned subsidiary of Skyworks (the "Merger"). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Merger Agreement.

The Merger Agreement provides for a total cash consideration of \$405 million to be paid by the Company to the Avnera equity holders at the effective time of the Merger (the "Closing"), subject to certain customary closing adjustments and set asides. Pursuant to the terms of the Merger Agreement, at the Closing, (i) each outstanding share of Avnera's common stock (after giving effect to the conversion of all shares of preferred stock of Avnera to shares of common stock, but excepting shares held in treasury or owned by stockholders who have validly exercised their appraisal rights under Delaware law), (ii) each Vested Option (including those Vested Options that become vested by their terms immediately prior to or as of the Closing), and (iii) each unexpired, unexercised

and outstanding Warrant, will be cancelled and converted into the right to receive a portion of the total cash consideration. The Company also agreed, subject to the terms and conditions of the Merger Agreement, to pay up to an additional \$20 million in contingent consideration based on the achievement of a revenue-based target during the twelve-month period beginning on the first day of the Company's first full fiscal quarter that begins immediately following the Closing. The Company intends to fund the merger consideration with cash on hand.

In addition, at the Closing, each Unvested Option will be assumed by the Company and converted into an option to purchase shares of common stock of the Company, and each share of Unvested Stock will be cancelled and converted into the right to receive an amount of cash per share equal to the consideration paid to other holders of shares of Avnera common stock, in each case as described by the Merger Agreement and subject to the same vesting schedule applicable under such Unvested Option or Unvested Stock.

At the Closing, the Company will also enter into an escrow agreement in a customary form (the "Escrow Agreement") and deposit an aggregate amount of \$5.025 million into two separate escrow funds for the purposes of (i) securing the Company's indemnification rights for any and all losses for which they are entitled to indemnification pursuant to the Merger Agreement or the Escrow Agreement (which such amount would be contributed towards the satisfaction of the retention amount of a buyer-side representation and warranty insurance policy to be issued at the Closing) and (ii) securing any reimbursement obligations of the equity holders of Avnera in connection with customary working capital and other Closing date adjustments.

The parties currently expect the Closing to occur by September 2018. The Closing is conditioned upon customary closing conditions, including the receipt by Avnera of the requisite stockholder vote approving the Merger. The Merger Agreement contains customary representations and warranties of the parties, including representations and warranties from Avnera relating to its ownership and capitalization, financial statements, intellectual property, labor and employee benefit matters, material contracts, environmental and legal compliance, litigation, and brokers, as well as customary covenants of the parties relating to access to information, exclusivity, termination of affiliate arrangements and the conversion of the Avnera preferred stock to common stock following receipt of the requisite majority vote of the holders of Avnera preferred stock. The Merger Agreement also contains certain termination rights of the Company and Avnera, including in the event of certain breaches of representations, warranties and covenants by the other party and in the event that the Closing does not occur prior to January 30, 2019.

The foregoing description of the Merger Agreement and the transactions contemplated therein is subject to, and qualified in its entirety by reference to, the full text of the Merger Agreement, which will be attached as an exhibit to the Company's Annual Report on Form 10-K for fiscal year 2018.

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Item 7.01 Regulation FD Disclosure.

On August 6, 2018, the Company issued a press release in which it announced the transaction described in Item 1.01 above. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	The Company's Press Release, dated August 6, 2018

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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.

August 6, 2018

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

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**Skyworks to Acquire Smart Interface
Innovator Avnera Corporation**

- *Avnera Adds Highly Differentiated Analog/Mixed Signal Audio, Voice and Speech Processing Engines*
- *Substantially Expands Skyworks' TAM in Synergistic, High Growth Applications*
- *Extends Reach across Artificial Intelligence, IoT, Enterprise and Automotive Markets*
- *Expected to Enhance Skyworks' Gross Margin and be Immediately Accretive to Earnings*
- *Anticipated to Close by September 2018*

IRVINE, Calif., and BEAVERTON, Ore., August 6, 2018 — Skyworks Solutions, Inc. (NASDAQ: SWKS), an innovator of high performance analog semiconductors connecting people, places and things, today announced it signed a definitive agreement to purchase Avnera Corporation, a leading developer of Analog System on Chips (ASoCs). Acquisition of Avnera, a private fabless semiconductor supplier, augments Skyworks' leadership in wireless connectivity by adding ultra-low power analog circuits to enable smart interfaces via acoustic signal processing, sensors and integrated software. Upon consummation of the transaction, Skyworks will expand its addressable market by over \$5 billion. Target applications include AI speakers/microphones, virtual assistants, intelligent gaming controllers and vehicle in-dash systems as well as wired/wireless headsets.

“Voice is increasingly becoming the primary interface for artificial intelligence and Internet of Things applications. Skyworks' acquisition of Avnera will enable us to capitalize on the rapid proliferation of audio functionality and its convergence with our advanced connectivity solutions,” said Liam K. Griffin, president and chief executive officer of Skyworks. “With Skyworks' global sales channels, strong customer relationships and operational scale, we plan to leverage Avnera's innovative product portfolio and systems expertise to increase our footprint in automotive, industrial, home automation, enterprise and high-end consumer markets. In short, this transaction perfectly complements Skyworks' product roadmap and will be highly synergistic across a broader customer set.”

“We are extremely excited to be joining forces with Skyworks to offer customers complete system solutions for next generation smart interface applications,” said Manpreet Khaira, chairman, president and chief executive officer of Avnera. “Both companies share a vision of enabling ubiquitous, always-on communications through highly customized designs. Together, we can develop, deliver and rapidly scale audio products with unprecedented integration and performance for the increasingly connected wireless world.”

At the heart of Avnera's system solutions are market-specific ASoCs that combine breakthrough audio/voice analog circuits, highly efficient power management and custom hardware accelerators for smart acoustic signal processing/AI features. Avnera's ASoCs achieve the highest level of integration in the industry and set a new performance watermark from a power consumption and footprint standpoint – all underpinned by more than 100 issued and pending patents. Key Avnera customers include Harman, JBL, Panasonic, Philips, Pioneer, Polk, Samsung, Sennheiser, Sony, Vizio and Yamaha.

Skyworks will pay \$405 million in cash to Avnera equity holders at closing with up to an additional \$20 million if certain performance targets are exceeded over a 12-month post-closing period. The transaction has been approved by the boards of directors of both Skyworks and Avnera and is anticipated to close by September 2018, subject to customary closing conditions. Excluding any non-recurring acquisition-related charges and amortization of intangibles, Skyworks expects the acquisition to be immediately accretive to diluted earnings per share.

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.

About Avnera

Since 2004, Avnera has been designing Analog System-on-Chips, integrating breakthrough low-power analog circuits. As pioneers of Analog System-on-Chip (ASoC) technology, Avnera works closely with its partners to transform markets. Over the last decade, Avnera has delivered circuit and system innovations that have set a new bar in minimizing power consumption and footprint sizes. The world's most respected brands trust Avnera to deliver disruptive features for their most innovative products.

Any forward-looking statements contained in this press release are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. Forward-looking statements include without limitation information relating to future events, results and expectations of Skyworks. 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. Actual events and/or results may differ materially and adversely from such forward-looking statements as a result of certain risks and uncertainties including, but not limited to, our ability to satisfy the closing conditions and close our acquisition of Avnera Corporation; our ability to successfully integrate Avnera Corporation’s operations; our ability to make certain investments and acquisitions, integrate companies we acquire, and/or enter into strategic alliances; changes in laws, regulations and/or policies that could adversely affect our operations and financial results; our ability to continue to grow and maintain an intellectual property portfolio and obtain needed licenses from third parties; 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; our ability to obtain design wins from customers; our ability to timely and accurately predict market requirements and evolving industry standards and to identify opportunities in new markets; our ability to develop, manufacture, and market innovative products and avoid product obsolescence; our ability to compete in the marketplace and achieve market acceptance of our products; the availability and pricing of third-party semiconductor foundry, assembly and test capacity, raw materials and supplier components; the quality of our products; and other risks and uncertainties identified in the “Risk Factors” section of Skyworks’ most recent Annual Report on Form 10-K (and/or Quarterly Report on Form 10-Q) as filed with the Securities and Exchange Commission (“SEC”). Copies of Skyworks’ SEC filings can be obtained, free of charge, on Skyworks’ website (www.skyworksinc.com) or at the SEC’s website (www.sec.gov). Any forward-looking statements contained in this press release are made only as of the date hereof, and we undertake no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

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

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