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## **Skyworks Expands Manufacturing Capacity**

### **Converting Internal GaAs HBT Wafer Fab to Six Inches and Partnering with Leading Taiwanese Companies**

WOBURN, Mass.--(BUSINESS WIRE)--Oct. 25, 2007--Skyworks Solutions, Inc. (NASDAQ:SWKS), an innovator of high performance analog and mixed signal semiconductors enabling mobile connectivity, today announced that given heightened demand for its products from tier-one handset OEMs and a diverse set of analog customers, it is expanding its manufacturing capacity. Skyworks has already commenced the conversion of its internal gallium arsenide heterojunction bipolar transistor (HBT) fabrication facility in Newbury Park, California, from 4 to 6 inch wafers. The Company is also complementing its internal manufacturing capabilities by expanding partnerships with several leading Taiwanese foundries. This hybrid expansion model requires no additional 'bricks and mortar,' will cost substantially less than building a new stand-alone facility, and allows Skyworks to meet surge demand with a high degree of flexibility. These steps are designed to expand upon Skyworks' best-in-class compound semiconductor gross margins while maximizing its return on invested capital.

The demand for Skyworks' products is being fueled by new customers and the growing need for 3G multimode front-end architectures in handsets. In fact, third generation (3G) cellular phones, which contain increasingly complex transmit modules and provide an incremental market opportunity measured in the billions of dollars annually, are expected to represent the majority of the more than 1.2 billion mobile phones the industry will ship in 2009 as consumers move to more feature-rich, multi-band devices.

"With continued strong mobile phone growth forecasted for the foreseeable future, increasing GaAs content per handset, and traction within our Linear Products portfolio, we are implementing a hybrid capacity expansion model to maximize our internal capabilities while at the same time leveraging external partnerships," said Bruce Freyman, vice president of worldwide operations at Skyworks. "While we will continue to invest internally, our balanced approach is less capital intensive and more flexible, allowing us to meet customer demand without compromising gross margin or other key operating metrics. These initiatives position Skyworks to support well over \$1 billion in annual compound semiconductor revenue."

Skyworks is collaborating with several foundries in Taiwan to complement its Newbury Park, California facility that develops GaAs HBT power amplifiers, and its Woburn, Massachusetts fab that produces PHEMT switches. Skyworks has exported "copy exact" processes of mature GaAs technology to these foundries, in addition to leveraging their capabilities for specialty processes.

#### **About Skyworks**

Skyworks Solutions, Inc. is an innovator of high performance analog and mixed signal semiconductors enabling mobile connectivity. The company's power amplifiers, front-end modules and direct conversion radios are at the heart of many of today's leading-edge multimedia handsets. Leveraging core technologies, Skyworks also offers a diverse portfolio of linear products that support automotive, broadband, cellular infrastructure, industrial and medical applications.

Headquartered in Woburn, Mass., Skyworks is worldwide with engineering, manufacturing, sales and service facilities throughout Asia, Europe and North America. For more information, please visit Skyworks' Web site at: [www.skyworksinc.com](http://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 information relating to future results and expectations of Skyworks (including certain projections and business trends). Forward-looking statements can often be identified by words such as "anticipates," "expects," "intends," "believes," "plans," "may," "will," "continue," similar expressions, and variations or negatives of these words. All such statements are subject to certain risks and uncertainties 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 and uncertainties include, but are not limited to: global economic and market conditions, such as the cyclical nature of the semiconductor industry and the markets addressed by our, and our customers', products; our ability to develop, manufacture and market innovative products in a highly price competitive and rapidly changing technological environment;

fluctuations in our manufacturing yields due to our complex and specialized manufacturing processes; fluctuations in the manufacturing yields of our third party semiconductor foundries and other problems or delays in the fabrication, assembly, testing or delivery of our products; the availability and pricing of third party semiconductor foundry, assembly and test capacity and raw materials; our ability to timely and accurately predict market requirements and evolving industry standards, and to identify opportunities in new markets; our ability to rapidly develop new products and avoid product obsolescence; 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; lengthy product development cycles that impact the timing of new product introductions; losses or curtailments of purchases or payments from key customers, or the timing of customer inventory adjustments; the timing, rescheduling or cancellation of significant customer orders and our ability, as well as the ability of our customers, to manage inventory; our reliance on a several key customers for a large percentage of our sales; unfavorable changes in product mix; the quality of our products and any remediation costs; shorter than expected product life cycles; problems or delays that we may face in shifting our products to smaller geometry process technologies and in achieving higher levels of design integration; economic, social and political conditions in the countries in which we, our customers or our suppliers operate, including security and health risks, possible disruptions in transportation networks and fluctuations in foreign currency exchange rates; our ability to continue to grow and maintain an intellectual property portfolio and obtain needed licenses from third parties; and the uncertainties of litigation, including disputes over intellectual property, as well as other risks and uncertainties, including but not limited to those detailed from time to time in our filings with the Securities and Exchange Commission.

These forward-looking statements 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.

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