

SKYWORKS SOLUTIONS INC

Form 10-Q

May 13, 2009

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q**

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended April 3, 2009

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

**Commission file number 1-5560
SKYWORKS SOLUTIONS, INC.**

(Exact name of registrant as specified in its charter)

Delaware

*(State or other jurisdiction of
incorporation or organization)*

04-2302115

*(I.R.S. 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**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class

Outstanding at May 6, 2009

Common Stock, par value \$.25 per share

167,438,102

SKYWORKS SOLUTIONS, INC.
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FOR THE QUARTER ENDED APRIL 3, 2009
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SKYWORKS SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited, in thousands, except per share amounts)

	Three-months Ended		Six-months Ended	
	April 3, 2009	March 28, 2008	April 3, 2009	March 28, 2008
Net revenues	\$ 172,990	\$ 201,708	\$ 383,218	\$ 412,241
Cost of goods sold	108,115	121,341	234,476	249,536
Gross profit	64,875	80,367	148,742	162,705
Operating expenses:				
Research and development	28,596	36,581	63,240	70,675
Selling, general and administrative	22,794	23,346	49,895	48,633
Amortization of intangible assets	1,246	1,871	2,395	3,803
Restructuring and other charges	15,982		15,982	
Total operating expenses	68,618	61,798	131,512	123,111
Operating (loss) income	(3,743)	18,569	17,230	39,594
Interest expense	(808)	(1,769)	(1,947)	(3,977)
Gain on early retirement of convertible debt			2,035	
Other (expense) income, net	(13)	1,883	1,389	3,933
(Loss) Income before income taxes	(4,564)	18,683	18,707	39,550
Provision for income taxes	25	2,010	1,272	3,799
Net (loss) income	\$ (4,589)	\$ 16,673	\$ 17,435	\$ 35,751
Per share information:				
Net (loss) income, basic	\$ (0.03)	\$ 0.10	\$ 0.11	\$ 0.22
Net (loss) income, diluted	\$ (0.03)	\$ 0.10	\$ 0.11	\$ 0.22
Number of weighted-average shares used in per share computations, basic	165,997	161,165	165,426	160,742
Number of weighted-average shares used in per share computations, diluted	165,997	162,982	165,981	162,740

The following table summarizes share-based compensation expense for the three and six-month periods ended April 3, 2009 and March 28, 2008 which are included in the financial statement line items above as follows:

Three-months Ended **Six-months Ended**

(In thousands)	April 3, 2009	March 28, 2008	April 3, 2009	March 28, 2008
Cost of sales	\$ 828	\$ 677	\$ 1,737	\$ 1,511
Research and development	1,158	2,620	2,814	3,765
Selling, general and administrative	2,278	2,346	6,302	5,374
Total share-based compensation expense included in expenses	\$ 4,264	\$ 5,643	\$ 10,853	\$ 10,650

The accompanying notes are an integral part of these consolidated financial statements.

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SKYWORKS SOLUTIONS, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited, in thousands, except per share amounts)

	April 3, 2009	As of October 3, 2008
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 261,951	\$ 225,104
Restricted cash	5,962	5,962
Receivables, net of allowance for doubtful accounts of \$1,632 and \$1,048, respectively	112,130	146,710
Inventories	91,753	103,791
Other current assets	14,838	13,089
Total current assets	486,634	494,656
Property, plant and equipment, net	163,576	173,360
Goodwill	483,671	483,671
Intangible assets, net	18,571	19,746
Deferred tax assets	52,013	53,192
Other assets	9,839	11,474
Total assets	\$ 1,214,304	\$ 1,236,099
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Short-term debt	\$ 100,000	\$ 50,000
Accounts payable	48,098	58,527
Accrued compensation and benefits	21,032	32,110
Other current liabilities	14,163	8,103
Total current liabilities	183,293	148,740
Long-term debt, less current maturities	47,116	137,616
Other long-term liabilities	4,965	5,527
Total liabilities	235,374	291,883
Commitments and contingencies (Note 10)		
Stockholders equity:		
Preferred stock, no par value: 25,000 shares authorized, no shares issued		
Common stock, \$0.25 par value: 525,000 shares authorized; 171,931 shares issued and 166,919 shares outstanding at April 3, 2009 and 170,323 shares issued and 165,592 shares outstanding at October 3, 2008	41,730	41,398
Additional paid-in capital	1,449,798	1,430,999
Treasury stock	(35,769)	(33,918)

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Accumulated deficit	(475,649)	(493,083)
Accumulated other comprehensive loss	(1,180)	(1,180)
Total stockholders' equity	978,930	944,216
Total liabilities and stockholders' equity	\$ 1,214,304	\$ 1,236,099

The accompanying notes are an integral part of these consolidated financial statements.

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SKYWORKS SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited, in thousands)

	Six-months Ended	
	April 3, 2009	March 28, 2008
Cash flows from operating activities:		
Net income	\$ 17,435	\$ 35,751
Adjustments to reconcile net income to net cash provided by operating activities:		
Share-based compensation expense	10,853	10,650
Depreciation	22,815	21,993
Charge in lieu of income tax expense		2,720
Amortization of intangible assets	2,395	4,112
Amortization of deferred financing costs	446	892
Contribution of common shares to savings and retirement plans	4,430	5,016
Non-cash restructuring expense	955	
Deferred income taxes	1,239	(300)
Loss on sales of assets	47	58
Inventory write-downs	3,458	
Asset impairments	5,616	
Provision for losses on accounts receivable	584	241
Changes in assets and liabilities:		
Receivables	33,996	2,474
Inventories	8,369	(6,730)
Other current and long-term assets	(1,577)	2,376
Accounts payable	(10,429)	20,274
Other current and long-term liabilities	(3,836)	(3,654)
Net cash provided by operating activities	96,796	95,873
Cash flows from investing activities:		
Capital expenditures	(18,694)	(37,416)
Payments for acquisitions	(1,220)	(32,627)
Sale of investments		10,000
Purchase of investments		(7,500)
Net cash used in investing activities	(19,914)	(67,543)
Cash flows from financing activities:		
Retirement of Junior Notes		(49,335)
Retirement of 2007 Convertible Notes	(40,500)	
Change in restricted cash		200
Repurchase of common stock	(1,850)	(1,619)
Net proceeds from exercise of stock options	2,315	3,004

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Net cash used in financing activities	(40,035)	(47,750)
Net increase (decrease) in cash and cash equivalents	36,847	(19,420)
Cash and cash equivalents at beginning of period	225,104	241,577
Cash and cash equivalents at end of period	\$ 261,951	\$ 222,157
Supplemental cash flow disclosures:		
Taxes paid	\$ 510	\$ 482
Interest paid	\$ 1,225	\$ 3,747

The accompanying notes are an integral part of these consolidated financial statements.

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SKYWORKS SOLUTIONS, INC.

NOTES TO UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Skyworks Solutions, Inc. (Skyworks or the Company) designs, manufactures and markets a broad range of high reliability analog and mixed signal semiconductors enabling a broad range of end markets. Our power amplifiers (PAs) and front-end modules (FEMs) can be found in many of the cellular handsets sold by the world's leading manufacturers. Leveraging our core analog technologies, we also offer a diverse portfolio of linear integrated circuits (ICs) that support automotive, broadband, cellular infrastructure, industrial and medical applications.

The accompanying unaudited interim consolidated financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (the SEC) for interim financial reporting. Certain information and footnote disclosures, normally included in annual consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America, have been condensed or omitted pursuant to those rules and regulations. However, in the opinion of management, the financial information reflects all adjustments, consisting of adjustments of a normal recurring nature necessary to present fairly the financial position, results of operations, and cash flows of the Company. The results of operations for the three and six-month periods ended April 3, 2009 are not necessarily indicative of the results to be expected for the full year. This information should be read in conjunction with the Company's financial statements and notes thereto contained in the Company's Form 10-K for the fiscal year ended October 3, 2008 as filed with the SEC.

The Company evaluates its estimates on an ongoing basis using historical experience and other factors, including the current economic environment. The current volatility in the capital markets and the economy has increased the uncertainty in our estimates, including our estimates impacting marketable securities and long-lived assets. Significant judgment is required in determining the fair value of marketable securities in inactive markets as well as determining when declines in fair value constitute an other-than-temporary impairment. In addition, significant judgment is required in determining whether a potential indicator of impairment of our long-lived assets exists and in estimating future cash flows for any necessary impairment tests. As future events unfold and their effects cannot be determined with precision, actual results could differ significantly from management's estimates.

The Company's fiscal year ends on the Friday closest to September 30. Fiscal 2009 consists of 52 weeks and ends on October 2, 2009. Fiscal 2008 consisted of 53 weeks and ended on October 3, 2008, with the first three quarters of fiscal 2008 consisting of 13 weeks, and the fourth quarter of fiscal 2008 consisting of 14 weeks. The second quarters of fiscal 2009 and fiscal 2008 each consisted of 13 weeks and ended on April 3, 2009 and March 28, 2008, respectively.

2. BUSINESS COMBINATIONS

In October 2007, the Company paid \$32.6 million in cash to acquire certain assets from two separate companies. The Company acquired raw materials, die bank, finished goods, proprietary designs and related intellectual property in a business combination from Freescale Semiconductor. The Company also acquired sixteen patents in a separate asset acquisition. The purchase accounting on these acquisitions was finalized in March 2008 based upon the fair value of the tangible and intangible assets acquired in accordance with Statement of Financial Accounting Standards (SFAS) 141, *Business Combinations* (SFAS 141). The Company's primary reasons for the above acquisitions were to expand its market share in power amplifiers and front end modules at certain existing customers, and increase the probability of future design wins with these customers. The significant factors that resulted in recognition of goodwill in one of the transactions were: (a) the purchase price was based on cash flow projections assuming the sale of the acquired inventory and the sale of the Company's next generation product (a derivative of the acquired inventory); and (b) there were very few tangible and identifiable intangible assets that qualified for recognition.

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The Company accounts for its investment in debt and equity securities in accordance with SFAS No. 115, *Accounting for Certain Investments in Debt and Equity Securities*, and classifies them as available for sale. At April 3, 2009, these securities consisted of \$3.2 million in auction rate securities (ARS), which are long-term debt instruments which provide liquidity through a Dutch auction process that resets interest rates each period. The uncertainties in the credit markets have caused the ARS to become illiquid resulting in failed auctions.

During the fiscal year ended October 3, 2008, the Company performed a comprehensive valuation and discounted cash flow analysis on the ARS. The Company concluded the value of the ARS was \$2.3 million, thus the carrying value of these securities was reduced by \$0.9 million, reflecting this change in fair value. The Company assessed the decline in fair value to be temporary and recorded this reduction in stockholders' equity in accumulated other comprehensive loss. As of April 3, 2009, the Company re-evaluated the ARS and determined that no further adjustment was required. The Company will continue to closely monitor the ARS and evaluate the appropriate accounting treatment in each reporting period. The Company holds no other auction rate securities.

4. FINANCIAL INSTRUMENTS

On October 4, 2008, the Company adopted SFAS 157, *Fair Value Measurements* (SFAS 157). In accordance with FASB Staff Position (FSP) 157-2, *Effective Date of FASB Statement 157*, the Company has deferred the adoption of SFAS 157 for non-financial assets and liabilities including intangible assets and reporting units measured at fair value in the first step of a goodwill impairment test. The Company will adopt the remainder of SFAS 157 on the first day of fiscal year 2010. In accordance with SFAS 157, the Company groups its financial assets and liabilities measured at fair value on a recurring basis in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1 Valuation is based upon quoted market price for identical instruments traded in active markets.

Level 2 Valuation is based on quoted market prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.

Level 3 Valuation is generated from model-based techniques that use significant assumptions not observable in the market. Valuation techniques include use of discounted cash flow models and similar techniques.

Under SFAS 157, the Company groups marketable securities measured at fair value on a recurring basis in three levels, based on the markets in which the assets are traded and the reliability of the assumptions used to determine fair value.

The Company has cash equivalents classified as Level 1 and has no Level 2 securities. The marketable securities classified as Level 3 are auction rate securities.

The following table presents the balances of cash equivalents and marketable securities measured at fair value on a recurring basis as of April 3, 2009 (in thousands):

	Total	Fair Value Measurements		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash equivalents:				
Money market/repurchase agreements	\$ 251,915	\$ 251,915	\$	\$
Auction rate securities	2,288			2,288

Total	\$ 254,203	\$ 251,915	\$	\$ 2,288
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Inventories consist of the following (in thousands):

	April 3, 2009	October 3, 2008
Raw materials	\$ 5,684	\$ 8,005
Work-in-process	56,484	64,305
Finished goods	29,585	31,481
Total inventories	\$ 91,753	\$ 103,791

6. PROPERTY, PLANT AND EQUIPMENT

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

	April 3, 2009	October 3, 2008
Land	\$ 9,423	\$ 9,423
Land and leasehold improvements	5,079	4,989
Buildings	38,913	39,708
Furniture and fixtures	25,504	24,889
Machinery and equipment	402,396	382,582
Construction in progress	13,614	29,845
Total property, plant and equipment, gross	494,929	491,436
Accumulated depreciation and amortization	(331,353)	(318,076)
Total property, plant and equipment, net	\$ 163,576	\$ 173,360

7. GOODWILL AND INTANGIBLE ASSETS

Goodwill and intangible assets consist of the following (in thousands):

	Weighted Average Amortization Period (Years)	Gross Carrying Amount	April 3, 2009		October 3, 2008		
			Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Goodwill		\$ 483,671	\$	\$ 483,671	\$ 483,671	\$	\$ 483,671
Amortized intangible assets							
Developed technology	5-10	\$ 11,850	\$ (8,100)	\$ 3,750	\$ 11,850	\$ (7,533)	\$ 4,317
Customer relationships	5-10	21,210	(11,136)	10,074	21,210	(9,650)	11,560
Patents	2-3	2,120	(642)	1,478	900	(300)	600

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Other	.5-3	2,649	(2,649)		2,649	(2,649)	
Amortized intangible assets		37,829	(22,527)	15,302	36,609	(20,132)	16,477
Unamortized intangible assets							
Trademarks		3,269		3,269	3,269		3,269
Total intangible assets		\$ 41,098	\$ (22,527)	\$ 18,571	\$ 39,878	\$ (20,132)	\$ 19,746

Amortization expense related to intangible assets are as follows (in thousands):

	Three-months Ended		Six-months Ended	
	April 3, 2009	March 28, 2008	April 3, 2009	March 28, 2008
Amortization expense	\$1,246	\$2,180	\$2,395	\$4,112

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The changes in the gross carrying amount of goodwill and intangible assets are as follows (in thousands):

	Goodwill and Intangible Assets					Total
	Goodwill	Developed Technology	Customer Relationships	Patents and Other	Trademarks	
Balance as of October 3, 2008	\$ 483,671	\$ 11,850	\$ 21,210	\$ 3,549	\$ 3,269	\$ 523,549
Additions during period				1,220		1,220
Balance as of April 3, 2009	\$ 483,671	\$ 11,850	\$ 21,210	\$ 4,769	\$ 3,269	\$ 524,769

Goodwill is adjusted as required as a result of the realization of deferred tax assets. The benefit from the recognition of a portion of these deferred items reduces the carrying value of goodwill instead of reducing income tax expense. Accordingly, future realization of certain deferred tax assets will reduce the carrying value of goodwill. During the six-month period ended March 28, 2008, goodwill was reduced by \$2.7 million as a result of the realization of deferred tax assets. There was no adjustment to reduce goodwill during the six-month period ended April 3, 2009. The remaining deferred tax assets that could reduce goodwill in future periods are \$7.6 million as of April 3, 2009. The Company tests its goodwill for impairment annually as of the first day of its fourth fiscal quarter and in interim periods if certain events occur indicating that the carrying value of goodwill may be impaired. In accordance with SFAS 142, *Goodwill and Other Intangible Assets*, the Company performed a goodwill impairment test for the three-month period ended April 3, 2009, and determined that as of April 3, 2009, its goodwill was not impaired. Annual amortization expense related to intangible assets for the next five years is expected to be as follows (in thousands):

	2009	2010	2011	2012	2013
Amortization expense	\$4,887	\$4,983	\$4,258	\$3,569	\$

8. BORROWING ARRANGEMENTS**Long-Term Debt**

Long-term debt consists of the following (in thousands):

	April 3, 2009	October 3, 2008
2007 Convertible Notes	\$ 97,116	\$ 137,616
Less-current maturities	50,000	
Total long-term debt	\$ 47,116	\$ 137,616

On March 2, 2007, the Company issued \$200.0 million aggregate principal amount of convertible subordinated notes (2007 Convertible Notes). The offering contained two tranches. The first tranche consisted of \$100.0 million of 1.25% convertible subordinated notes due March 2010. The second tranche consisted of \$100.0 million of 1.50% convertible subordinated notes due March 2012. The conversion price of the 2007 Convertible Notes is 105.0696 shares per \$1,000 principal amount of notes to be redeemed, which is the equivalent of a conversion price of approximately \$9.52 per share, plus accrued and unpaid interest, if any, at the conversion date. Holders may require the Company to repurchase the 2007 Convertible Notes upon a change in control of the Company. The Company pays interest in cash semi-annually in arrears on March 1 and September 1 of each year. It has been the Company's historical practice to

cash settle the principal and interest components of convertible debt instruments, and it is our intention to continue to do so in the future, including settlement of the 2007 Convertible Notes. During the three-month period ended January 2, 2009, the Company redeemed \$40.5 million of the 1.50% convertible subordinated notes at an average price of 92.6. A discount of approximately \$2.9 million offset by approximately \$0.9 million in deferred financing costs was recorded as a gain during the period.

On December 21, 2006, the Financial Accounting Standards Board (FASB) issued FASB Staff Position Emerging Issues Task Force 00-19-2 (FSP EITF 00-19-2). FSP EITF 00-19-2 specifies that the contingent obligation to make future payments, or otherwise transfer consideration under a registration payment arrangement, should be separately recognized and measured in accordance with FASB Statement No. 5,

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Accounting for Contingencies (FASB 5). The Company adopted FSP EITF 00-19-2 on September 29, 2007. The Company agreed to file a shelf registration statement under the Securities Act of 1933 (the Securities Act) not later than 120 days after the first date of original issuance of the 2007 Convertible Notes. The Company agreed to utilize commercially reasonable efforts to have this shelf registration statement declared effective not later than 180 days after the first date of original issuance of the notes, and to keep it effective until the earliest of: 1) two years from the effective date of the shelf registration statement; 2) the date when all registrable securities have been registered under the Securities Act and disposed of; and 3) the date on which all registrable securities held by non-affiliates are eligible to be sold to the public pursuant to Rule 144(k) under the Securities Act. The Company filed the shelf registration statement within 120 days of the original issuance of the 2007 Convertible Notes and the shelf registration statement was declared effective within 180 days after the first date of original issuance of the notes. If the shelf registration statement ceases to be effective within two years from the effective date of the shelf registration statement the Company will be obligated to pay an additional 0.25% interest per annum for the first 90 days after the occurrence of the registration default and at the rate of 0.50% per annum thereafter as the shelf registration remained in place as of April 3, 2009. The Company has concluded that it is not probable that a contingent liability has been incurred pursuant to the application of FASB 5 and thus has not recorded a liability.

Short-Term Debt

Short-term debt consists of the following (in thousands):

	April 3, 2009	October 3, 2008
Current maturities of long-term debt	\$ 50,000	\$
Facility Agreement	50,000	50,000
Total short-term debt	\$ 100,000	\$ 50,000

On July 15, 2003, the Company entered into a receivables purchase agreement under which it has agreed to sell from time to time certain of its accounts receivable to Skyworks USA, Inc. (Skyworks USA), a wholly-owned special purpose entity that is consolidated for accounting purposes. Concurrently, Skyworks USA entered into an agreement with Wachovia Bank, N.A. providing for a \$50.0 million credit facility (Facility Agreement) secured by the purchased accounts receivable. As a part of the consolidation, any interest incurred by Skyworks USA related to monies it borrows under the Facility Agreement is recorded as interest expense in the Company s results of operations. The Company performs collections and administrative functions on behalf of Skyworks USA. The Company renewed the Facility Agreement on July 11, 2008 for a one year term. Interest related to the Facility Agreement is at LIBOR plus 0.75%. As of April 3, 2009, Skyworks USA had borrowed \$50.0 million under this agreement.

9. INCOME TAXES

We recorded tax provisions of \$0.0 million and \$1.3 million for the three and six-month periods ended April 3, 2009, and \$2.0 million and \$3.8 million for the three and six-month periods ended March 28, 2008, respectively. Our effective tax rates were 0.6% and 6.8% for the three and six-month periods ended April 3, 2009, and 10.8% and 9.6% for the three and six-month periods ended March 28, 2008, respectively. The difference between our effective tax rates and the 35% federal statutory rate resulted primarily from a tax benefit related to a reduction in the federal and state deferred tax asset valuation allowance and foreign earnings taxed at rates lower than the federal statutory rate. As noted in our most recent Annual Report on Form 10-K, no benefit has been recognized for certain acquisition related deferred tax assets. The benefit from the recognition of these deferred items reduces the carrying value of goodwill instead of reducing income tax expense. We will evaluate the realization of the acquisition related deferred tax assets on a quarterly basis and adjust the provision for income taxes accordingly. As a result, the effective tax rate may vary in subsequent quarters.

We utilize the asset and liability method of accounting for income taxes as set forth in SFAS No. 109, *Accounting for Income Taxes* (SFAS 109). Under the asset and liability method, deferred taxes are determined based on the temporary

differences between the financial statement and tax bases of assets and liabilities using tax rates expected

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to be in effect during the years in which the basis differences reverse. A valuation allowance is recorded when it is more likely than not that some of the deferred tax assets will not be realized.

In accordance with SFAS 109, management has determined that it is more likely than not that a portion of our historic and current year income tax benefits will not be realized. Accordingly, as of April 3, 2009, we have established a valuation allowance of \$76.3 million related to our United States federal deferred tax assets. Deferred tax assets have been recognized for foreign operations when management believes that it is more likely than not that they will be recovered during the carryforward period. There is a valuation allowance of \$1.3 million related to our foreign deferred tax assets.

The Company will continue to evaluate its valuation allowance in future periods and depending upon the outcome of that assessment, additional amounts could be reversed or recorded and recognized as a reduction to goodwill or an adjustment to income tax benefit or expense. Such adjustments could cause our effective income tax rate to vary in future periods. We will need to generate \$309.4 million of future United States federal taxable income to utilize all of our net operating loss carryforwards, research and experimentation tax credit carryforwards, and deferred income tax temporary differences as of April 3, 2009.

In July 2006, the FASB issued FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes-an interpretation of FASB Statement No. 109* (FIN 48). FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with SFAS 109. FIN 48 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 interim periods, disclosure, and transition. The Company adopted FIN 48 on September 29, 2007, and the provisions of FIN 48 are applied to all income tax provisions commencing from that date.

During the quarter ended April 3, 2009, there were no significant changes in the Company's gross unrecognized tax benefits. Of the total unrecognized tax benefits at April 3, 2009, \$0.6 million would impact the effective tax rate, if recognized. There are no positions which we anticipate could change within the next twelve months. Total year to date accrued interest related to the Company's unrecognized tax benefits is \$0.0 million. The Company's policy is to recognize accrued interest and penalties, if incurred, on any unrecognized tax benefits as a component of income tax expense.

The Company's major tax jurisdictions as of the adoption of FIN 48 are the United States federal and the states of California and Iowa. For United States federal income tax, the statute of limitations is closed on years before fiscal 2005, but because of carryforwards, certain items are open back to fiscal 1998. For California, the statute of limitations is closed on years before fiscal 2004, but because of carryforwards, certain items are open back to fiscal 2002. For Iowa, the statute of limitations is closed on years before fiscal 2005, but because of carryforwards, certain items are open back to fiscal year 2002.

10. COMMITMENTS AND 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, product liability, safety and health, employment and contractual matters.

Additionally, 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 our business and have demanded and may in the future demand that we license their technology. The outcome of litigation cannot be predicted with certainty and some lawsuits, claims or proceedings may be disposed of unfavorably to the Company. 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.

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From time to time we are also involved in legal proceedings in the ordinary course of business.

We believe that there is no litigation involving the Company pending that will have, individually or in the aggregate, a material adverse effect on our business.

Guarantees and Indemnifications

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.

11. RESTRUCTURING

Restructuring and other charges consists of the following (in thousands):

	Three-months Ended		Six-months Ended	
	April 3, 2009	March 28, 2008	April 3, 2009	March 28, 2008
Asset impairments	\$ 5,616	\$	\$ 5,616	\$
Restructuring and other charges	10,366		10,366	
	\$ 15,982	\$	\$ 15,982	\$

2009 Restructuring and Other Charges

On January 22, 2009, the Company implemented a restructuring plan to realign its costs given current business conditions. The Company exited its mobile transceiver product area and reduced global headcount by approximately 4%, or 150 employees. The Company recorded various charges associated with this action. In total, the Company recorded charges of \$15.9 million of restructuring and other charges and \$3.5 million in inventory write-downs that were charged to cost of goods sold.

The \$15.9 million charge includes the following: \$4.5 million related to severance and benefits, \$5.6 million related to the impairment of certain long-lived assets, \$2.0 million related to the exit of certain operating leases, \$2.3 million related to the impairment of technology licenses and design software, and \$1.5 million related to other charges. These charges total \$15.9 million and are recorded in restructuring and other charges.

The Company made cash payments related to the restructuring plan of \$3.4 million during the quarter ended April 3, 2009.

Activity and liability balances related to the fiscal 2009 restructuring actions are as follows (in thousands):

	Facility Closings	License and Software Write-offs	Workforce	Asset	Total
		and Other	Reductions	Impairments	
Charged to costs and expenses	\$ 1,967	\$ 3,892	\$ 4,507	\$ 5,616	\$ 15,982
Reclassification of reserves	(121)	(100)			(221)

Non-cash items	(955)	(5,616)	(6,571)
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	Facility Closings	License and Software Write-offs and Other	Workforce Reductions	Asset Impairments	Total
Cash payments	(127)	(495)	(2,767)		(3,389)
Restructuring balance, April 3, 2009	\$ 1,719	\$ 2,342	\$ 1,740	\$	\$ 5,801

The remaining restructuring reserve at April 3, 2009 of \$5.8 million is classified as other current liabilities. The Company anticipates completing the restructuring plan and remitting the remaining payments within the next twelve months.

12. SEGMENT INFORMATION

The Company follows SFAS No. 131, *Disclosures about Segments of an Enterprise and Related Information* (SFAS No. 131). SFAS No. 131 establishes standards for the way public business enterprises report information about operating segments in annual financial statements and in interim reports to shareholders. The method for determining what information to report is based on the way that management organizes the segments within the Company for making operating decisions and assessing financial performance. In evaluating financial performance, management uses sales and operating profit as the measure of the segments' profit or loss. Based on the guidance in SFAS No. 131, the Company has one operating segment for financial reporting purposes, which designs, develops, manufactures and markets proprietary semiconductor products, including intellectual property, for manufacturers of wireless communication products.

13. EMPLOYEE STOCK BENEFIT PLANS

Net income for the three-month periods ended April 3, 2009 and March 28, 2008 included share-based compensation expense under SFAS No. 123(R), *Share-Based Payment* (SFAS 123(R)) of \$4.3 million and \$5.6 million, respectively. Net income for the six-month periods ended April 3, 2009 and March 28, 2008 included share-based compensation expense under SFAS 123(R) of \$10.8 million and \$10.6 million, respectively.

The following table summarizes share-based compensation expense related to employee stock options, restricted stock grants, performance stock grants, and employee stock purchases under SFAS 123(R) for the three and six-month periods ended April 3, 2009 and March 28, 2008 as follows:

(In thousands)	Three-months Ended		Six-months Ended	
	April 3, 2009	March 28, 2008	April 3, 2009	March 28, 2008
Stock options	\$ 2,544	\$ 2,841	\$ 5,410	\$ 5,145
Non-vested restricted stock with service and market conditions	293	766	2,645	2,367
Non-vested restricted stock with service conditions	237	244	530	529
Performance shares	801	1,413	1,451	1,814
Employee Stock Purchase Plan	389	379	817	795
Total share-based compensation expense	\$ 4,264	\$ 5,643	\$ 10,853	\$ 10,650

The Company utilized the following weighted average assumptions in calculating its share-based compensation expense using the Black Scholes model at April 3, 2009 and March 28, 2008:

	Three and Six-months Ended	
	April 3, 2009	March 28, 2008
Expected volatility	60.90%	51.56%
Risk free interest rate (7 year contractual life options)	2.17%	2.93%
Risk free interest rate (10 year contractual life options)	2.61%	3.49%
Dividend yield	0.00	0.00
Expected option life (7 year contractual life options)	4.42	4.42
Expected option life (10 year contractual life options)	5.79	5.80

Table of Contents**14. EARNINGS PER SHARE**

(In thousands, except per share amounts)	Three-months Ended		Six-months Ended	
	April 3, 2009	March 28, 2008	April 3, 2009	March 28, 2008
Net (loss) income	\$ (4,589)	\$ 16,673	\$ 17,435	\$ 35,751
Weighted average shares outstanding basic	165,997	161,165	165,426	160,742
Effect of dilutive stock options		1,817	555	1,998
Weighted average shares outstanding diluted	165,997	162,982	165,981	162,740
Net (loss) income per share basic	\$ (0.03)	\$ 0.10	\$ 0.11	\$ 0.22
Effect of dilutive stock options				
Net (loss) income per share diluted	\$ (0.03)	\$ 0.10	\$ 0.11	\$ 0.22

Basic earnings per share is calculated by dividing net (loss) income by the weighted average number of common shares outstanding. Diluted earnings per share includes the dilutive effect of equity based awards using the treasury stock method, the Junior Notes on an if-converted basis and the 2007 Convertible Notes using the treasury stock method, if their effect is dilutive.

Equity based awards exercisable for approximately 22.0 million shares were outstanding but not included in the computation of earnings per share for the three-month period ended April 3, 2009 as their effect would have been anti-dilutive. Equity based awards exercisable for approximately 23.3 million shares were outstanding but not included in the computation of earnings per share for the six-month period ended April 3, 2009 as their effect would have been anti-dilutive.

Equity based awards exercisable for approximately 23.5 million shares were outstanding but not included in the computation of earnings per share for the three-month period ended March 28, 2008 as their effect would have been anti-dilutive. Junior Notes convertible into approximately 1.4 million shares and equity based awards exercisable for approximately 22.8 million shares were outstanding but not included in the computation of earnings per share for the six-month period ended March 28, 2008 as their effect would have been anti-dilutive. If the Company had earned in excess of \$39.5 million in net income for the six-month period ended March 28, 2008, the Junior Notes would have been dilutive to earnings per share.

In addition, the Company issued \$200.0 million aggregate principal amount of convertible subordinated notes in March 2007. These 2007 Convertible Notes contain cash settlement provisions, which permit the application of the treasury stock method in determining potential share dilution of the conversion spread should the share price of the Company's common stock exceed \$9.52. It has been the Company's historical practice to cash settle the principal and interest components of convertible debt instruments, and it is the Company's intention to continue to do so in the future, including settlement of the 2007 Convertible Notes issued in March 2007. The Company retired \$62.4 million and \$40.5 million of the 2007 Convertible Notes in the fourth quarter of fiscal 2008 and the first quarter of fiscal 2009, respectively. These shares have not been included in the computation of earnings per share for the three or six-month periods ended April 3, 2009 as their effect would have been anti-dilutive. The maximum potential dilution from the settlement of the 2007 Convertible Notes would be approximately 10.2 million shares and 10.9 million shares for the three and six-month periods ended April 3, 2009, respectively. These shares have also not been included in the three or six-month periods ended March 28, 2008, as their effect would have been anti-dilutive. The maximum potential dilution from the settlement of the 2007 Convertible Notes at March 28, 2008 would have been

approximately 21.0 million shares.

Table of Contents**15. COMPREHENSIVE INCOME (LOSS)**

The components of comprehensive income are as follows:

(In thousands)	Three-months Ended		Six-months Ended	
	April 3, 2009	March 28, 2008	April 3, 2009	March 28, 2008
Net (loss) income	\$ (4,589)	\$ 16,673	\$ 17,435	\$ 35,751
Other comprehensive income (loss):				
Unrealized loss on auction rate securities		(768)		(1,504)
Total comprehensive (loss) income	\$ (4,589)	\$ 15,905	\$ 17,435	\$ 34,247

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This report and other documents we have filed with the Securities and Exchange Commission (SEC) contain 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 are subject to the safe harbor created by those sections. Words such as believes, expects, may, will, would, should, could, seek, intends, plan, continue, estimates, 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 report. Additionally, statements concerning future matters such as the development of new products, enhancements or technologies, sales levels, expense levels and other statements regarding matters that are not historical are forward-looking statements. Although forward-looking statements in this 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 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 results to differ materially and adversely from those in the forward-looking statements. We urge you to consider the risks and uncertainties discussed in our Annual Report on Form 10-K for the fiscal year ended October 3, 2008, under the heading Certain Business Risks and in the other documents filed with the 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.

In this document, the words we, our, ours and us refer only to Skyworks Solutions, Inc. and not any other person or entity.

RESULTS OF OPERATIONS**THREE AND SIX-MONTHS ENDED APRIL 3, 2009 AND MARCH 28, 2008**

The following table sets forth the results of our operations expressed as a percentage of net revenues for the three and six-month periods ended April 3, 2009 and March 28, 2008:

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	Three-months Ended		Six-months Ended	
	April 3, 2009	March 28, 2008	April 3, 2009	March 28, 2008
Net revenues	100.0%	100.0%	100.0%	100.0%
Cost of goods sold	62.5	60.2	61.2	60.5
Gross profit	37.5	39.8	38.8	39.5
Operating expenses:				
Research and development	16.5	18.1	16.5	17.2
Selling, general and administrative	13.2	11.6	13.0	11.8
Amortization of intangible assets	0.7	0.9	0.6	0.9
Restructuring and other charges	9.2		4.2	
Total operating expenses	39.6	30.6	34.3	29.9
Operating (loss) income	(2.1)	9.2	4.5	9.6
Interest expense	(0.5)	(0.8)	(0.5)	(1.0)
Gain on early retirement of convertible debt			0.5	
Other income, net		0.9	0.4	1.0
(Loss) income before income taxes	(2.6)	9.3	4.9	9.6
Provision for income taxes		1.0	0.3	0.9
Net (loss) income	(2.6)%	8.3%	4.6%	8.7%

GENERAL

During the six-month period ended April 3, 2009, our financial performance resulted in the following:

§ We generated \$96.8 million in cash from operations in the six-month period ended April 3, 2009, an increase of \$0.9 million from the comparable six-month period ended March 28, 2008. At April 3, 2009, we had \$267.9 million in cash, cash equivalents and restricted cash compared to \$228.5 million at March 28, 2008.

§ In the six-month period ended April 3, 2009, we retired \$40.5 million of our 2007 Convertible Notes (due in 2012) at an average price of 92.6 percent of par value. These retirements reduced the remaining principal balance on our 2007 Convertible Notes to \$97.1 million and reduced related potential dilution of stockholder ownership by approximately 4.2 million shares.

§ On January 22, 2009, we implemented a restructuring plan to realign our cost structure given the currently challenging industry and overall economic conditions. We reduced global headcount by approximately 4%, or 150 employees. We recorded total charges of \$19.4 million comprised of inventory write-downs, asset impairments and severance and benefit costs. The non-cash component of this charge was \$10.1 million. The restructuring plan was substantially completed as of April 3, 2009. We expect to achieve annual operating expense reductions of approximately \$25.0 million due to this restructuring plan.

NET REVENUES

(dollars in thousands)	Three-months Ended			Six-months Ended		
	April 3, 2009	Change	March 28, 2008	April 3, 2009	Change	March 28, 2008

Net revenues \$172,990 (14.2)% \$201,708 \$383,218 (7.0)% \$412,241

We market and sell our mobile platforms and linear products to top tier Original Equipment Manufacturers (OEMs) of communication electronic products, third-party Original Design Manufacturers (ODMs) and contract manufacturers, and indirectly through electronic components distributors. We periodically enter into strategic arrangements that leverage our broad intellectual property portfolio by licensing or selling our patents or other intellectual property. We anticipate continuing this intellectual property strategy in future periods.

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Net revenues decreased 14.2% for the three-month period ended April 3, 2009 as compared to the corresponding period in the prior year. Net revenues decreased 7.0% for the six-month period ended April 3, 2009 as compared to the same period in the prior year. The revenue decline for both the three and six-month periods was due to a decline in mobile transceiver product revenues as we exited this product area on January 22, 2009 and an overall slowing of demand for certain of our products due to weak global economic conditions, partially offset by market share gains in our handset business. Net revenues from our top three customers decreased to 40.3% in the second quarter of fiscal 2009 from 41.0% in the second quarter of fiscal 2008, reflecting continued expansion of our customer base and the successful execution of our diversification strategy. Our top three customers in the second quarter of fiscal 2009 were OEMs.

GROSS PROFIT

(dollars in thousands)	Three-months Ended			Six-months Ended		
	April 3, 2009	Change	March 28, 2008	April 3, 2009	Change	March 28, 2008
Gross profit	\$64,875	(19.3)%	\$80,367	\$148,742	(8.6)%	\$162,705
% of net revenues	37.5%		39.8%	38.8%		39.5%

Gross profit represents net revenues less cost of goods sold. Cost of goods sold consists primarily of purchased materials, labor and overhead (including depreciation and equity based compensation expense) associated with product manufacturing.

The decrease in gross profit as a percentage of revenue for the three and six-month periods ended April 3, 2009, as compared to the corresponding periods in the previous fiscal year, was substantially the result of the \$3.5 million charge we incurred on inventory write-downs due to our exit of the mobile transceiver product area. The decline in gross profit in aggregate dollars for both periods was principally the result of the lower revenue base. Our ability to maintain relatively consistent gross margin levels (not withstanding the one-time \$3.5 million inventory write-down) is principally the result of sustained cost control measures including capacity management enhanced by the flexibility of our hybrid manufacturing model.

RESEARCH AND DEVELOPMENT

(dollars in thousands)	Three-months Ended			Six-months Ended		
	April 3, 2009	Change	March 28, 2008	April 3, 2009	Change	March 28, 2008
Research and development	\$28,596	(21.8)%	\$36,581	\$63,240	(10.5)%	\$70,675
% of net revenues	16.5%		18.1%	16.5%		17.2%

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

The decrease in research and development expenses in aggregate dollars and as a percentage of net revenues for the three and six-month periods ended April 3, 2009 as compared to the corresponding periods in the previous fiscal year was principally attributable to due to the restructuring plan implemented on January 22, 2009.

SELLING, GENERAL AND ADMINISTRATIVE

(dollars in thousands)	Three-months Ended			Six-months Ended		
	April 3, 2009	Change	March 28, 2008	April 3, 2009	Change	March 28, 2008
Selling, general and administrative	\$22,794	(2.4)%	\$23,346	\$49,895	2.6%	\$48,633

% of net revenues	13.2%	11.6%	13.0%	11.8%
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Selling, general and administrative expenses include legal, accounting, treasury, human resources, information systems, customer service, bad debt expense, sales representative commissions, advertising, marketing and other costs.

Selling, general and administrative expenses decreased in the aggregate for the three-month period ended April 3, 2009, as compared to the corresponding period in fiscal year 2008, primarily due to lower compensation and benefit costs including incentives. Selling, general and administrative expenses increased as a percentage of revenues for the three-month period ended April 3, 2009, as compared to the corresponding period in fiscal year 2008 due to the lower revenue base. Selling, general and administrative expenses increased both in the aggregate and as a percentage of revenue for the six-month period ended April 3, 2009 compared to the corresponding period in the prior year primarily due to higher non-cash equity based compensation expense.

AMORTIZATION OF INTANGIBLE ASSETS

(dollars in thousands)	Three-months Ended			Six-months Ended		
	April 3, 2009	Change	March 28, 2008	April 3, 2009	Change	March 28, 2008
Amortization	\$1,246	(42.8)%	\$2,180	\$2,395	(41.8)%	\$4,112
% of net revenues	0.7%		1.1%	0.6%		1.0%

The decrease in amortization expense during the three and six-month periods ended April 3, 2009, as compared to the corresponding periods of fiscal 2008, was due to a reduction in amortization of intangible assets associated with an acquisition completed in October 2007. See Note 2 of Notes to Unaudited Interim Consolidated Financial Statements for additional information.

RESTRUCTURING AND OTHER CHARGES

(dollars in thousands)	Three-months Ended			Six-months Ended		
	April 3, 2009	Change	March 28, 2008	April 3, 2009	Change	March 28, 2008
Restructuring and other charges	\$15,982	100.0%	\$	\$15,982	100.0%	\$
% of net revenues	9.2%		0.0%	4.2%		0.0%

Restructuring and other charges consist of charges for asset impairments and restructuring activities, as follows:

2009 RESTRUCTURING AND OTHER CHARGES

On January 22, 2009, we implemented a restructuring plan to realign our costs given current business conditions. We exited our mobile transceiver product area and reduced global headcount by approximately 4%, or 150 employees. We recorded various charges associated with this action. In total, we recorded \$15.9 million of restructuring and other charges and \$3.5 million in inventory write-downs that were charged to cost of goods sold.

The \$15.9 million charge includes the following: \$4.5 million related to severance and benefits, \$5.6 million related to the impairment of certain long-lived assets, \$2.0 million related to the exit of certain operating leases, \$2.3 million related to the impairment of technology licenses and design software, and \$1.5 million related to other charges. These charges total \$15.9 million and are recorded in restructuring and other charges.

For additional information regarding restructuring charges and liability balances, see Note 11 of Notes to Unaudited Interim Consolidated Financial Statements.

Table of Contents**INTEREST EXPENSE**

(dollars in thousands)	Three-months Ended			Six-months Ended		
	April 3, 2009	Change	March 28, 2008	April 3, 2009	Change	March 28, 2008
Interest expense	\$808	(54.3)%	\$1,769	\$1,947	(51.0)%	\$3,977
% of net revenues	0.5%		0.8%	0.5%		1.0%

Interest expense is comprised principally of payments in connection with the \$50.0 million credit facility between Skyworks USA, Inc., our wholly owned subsidiary, and Wachovia Bank, N.A. (Facility Agreement), the Company's 4.75% convertible subordinated notes (the Junior Notes), and the Company's 1.25% and 1.50% convertible subordinated notes (the 2007 Convertible Notes).

The decrease in interest expense, both in aggregate dollars and as a percentage of net revenues for the three and six-month periods ended April 3, 2009, when compared to the corresponding periods in fiscal 2008, was due to the retirement of our higher interest rate Junior Notes, and the early retirement of \$62.4 million and \$40.5 million of the 2007 Convertible Notes in the fourth quarter of fiscal 2008 and the first quarter of fiscal 2009, respectively. See Note 8 of Notes to Unaudited Interim Consolidated Financial Statements for information related to our borrowing arrangements.

GAIN ON EARLY RETIREMENT OF CONVERTIBLE DEBT

(dollars in thousands)	Three-months Ended			Six-months Ended		
	April 3, 2009	Change	March 28, 2008	April 3, 2009	Change	March 28, 2008
Gain on early retirement of convertible debt	\$0.0	0.0%	\$0.0	\$2,035	100.0%	\$0.0
% of net revenues	0.0%		0.0%	0.5%		0.0%

In the six-month period ended April 3, 2009, we retired \$40.5 million of our 2007 Convertible Notes due in 2012. We recorded income of \$2.0 million in the first quarter of fiscal 2009 related to the early retirement of these notes, reflecting a \$2.9 million discount received on the early retirement of the debt offset by a \$0.9 million write-off of deferred financing costs.

OTHER (EXPENSE) INCOME, NET

(dollars in thousands)	Three-months Ended			Six-months Ended		
	April 3, 2009	Change	March 28, 2008	April 3, 2009	Change	March 28, 2008
Other (expense) income, net	\$(13)	(100.7)%	\$1,883	\$1,389	(64.7)%	\$3,933
% of net revenues	0.0%		0.9%	0.4%		1.0%

Other (expense) income, net is comprised primarily of interest income on invested cash balances, other non-operating income and expense items and foreign exchange gains/losses.

The decreases in other (expense) income in both aggregate dollars and as a percentage of net revenues for the three and six-month periods ended April 3, 2009, as compared to the corresponding periods in fiscal 2008, is due to an overall decline in interest income on invested cash balances due to lower interest rates in fiscal 2009.

Table of Contents**PROVISION FOR INCOME TAXES**

	Three-months Ended			Six-months Ended		
	April 3, 2009	Change	March 28, 2008	April 3, 2009	Change	March 28, 2008
(dollars in thousands)						
Provision for income taxes	\$ 25	(98.8)%	\$ 2,010	\$ 1,272	(66.5)%	\$ 3,799
% of net revenues	0.0%		1.0%	0.3%		0.9%

The provision for income taxes for the three and six-month periods ended April 3, 2009 consists of approximately \$(0.3) million and \$0.6 million, respectively, of United States federal and state income taxes. A charge to the United States federal income tax provision was not required to reduce the carrying value of goodwill for the three and six-month periods ended April 3, 2009, respectively. The provision for income taxes for the three and six-month period ended March 28, 2008 consists of approximately \$1.7 million and \$3.6 million, respectively, of United States federal and state income taxes. Of the total U.S. income tax provision, \$1.2 million and \$2.7 million were recorded as a charge reducing the carrying value of goodwill for the three and six-month periods ended March 28, 2008, respectively.

The provision for the three and six-month periods ended April 3, 2009 consists of approximately \$0.3 million and \$0.6 million, respectively, of foreign income taxes incurred by foreign operations. The provision for the three and six-month periods ended March 28, 2008, consists of approximately \$0.3 million and \$0.2 million, respectively, of foreign income taxes incurred by foreign operations.

In accordance with SFAS 109, *Accounting for Income Taxes* (SFAS 109), management has determined that it is more likely than not that a portion of our historic and current year income tax benefits will not be realized. Accordingly, as of April 3, 2009, we have established a valuation allowance of \$76.3 million related to our United States federal deferred tax assets. Deferred tax assets have been recognized for foreign operations when management believes that it is more likely than not that they will be recovered during the carryforward period. There is a valuation allowance of \$1.3 million related to our foreign deferred tax assets.

Realization of benefits from our deferred tax asset (principally research and experimentation credits) is dependent upon generating United States source taxable income in the future, which may result in the existing valuation reserve being reversed in the near term to the extent that the related deferred tax assets no longer require a valuation allowance under the provisions of SFAS 109.

We will continue to evaluate its valuation allowance in future periods and depending upon the outcome of that assessment, additional amounts could be reversed or recorded and recognized as a reduction to goodwill or an adjustment to income tax benefit or expense. Such adjustments could cause our effective income tax rate to vary in future periods. We will need to generate \$309.4 million of future United States federal taxable income to utilize all of our net operating loss carryforwards, research and experimentation tax credit carryforwards, and deferred income tax temporary differences as of April 3, 2009.

As noted in our Annual Report on Form 10-K, no benefit has been recognized for certain acquisition related deferred tax assets. The benefit from the recognition of these deferred items reduces the carrying value of goodwill instead of reducing income tax expense. We will evaluate the realization of the acquisition related deferred tax assets on a quarterly basis and adjust the provision for income taxes accordingly. As a result, the effective tax rate may vary in subsequent quarters.

We adopted FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes - an interpretation of FASB Statement No. 109* (FIN 48), as of the beginning of fiscal year 2008. During the quarter ended April 3, 2009, there were no significant changes in our gross unrecognized tax benefits. Of the total unrecognized tax benefits at April 3, 2009, \$0.6 million would impact the effective tax rate, if recognized. There are no positions which we anticipate could change within the next twelve months. Total year to date accrued interest related to our unrecognized tax benefits is \$0.0 million. Our policy is to recognize accrued interest and penalties, if incurred, on any unrecognized tax benefits as a component of income tax expense.

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Our major tax jurisdictions as of the adoption of FIN 48 are the United States federal and the states of California and Iowa. For United States federal income tax, the statute of limitations is closed on years before fiscal 2005, but because of carryforwards, certain items are open back to fiscal 1998. For California, the statute of limitations is closed on years before fiscal 2004, but because of carryforwards, certain items are open back to fiscal 2002. For Iowa, the statute of limitations is closed on years before fiscal 2005, but because of carryforwards, certain items are open back to fiscal year 2002.

LIQUIDITY AND CAPITAL RESOURCES*Cash Provided and Used*

	Six-months Ended	
	April 3, 2009	March 28, 2008
(dollars in thousands)		
Cash and cash equivalents at beginning of period	\$ 225,104	\$ 241,577
Net cash provided by operating activities	96,796	95,873
Net cash used in investing activities	(19,914)	(67,543)
Net cash used in financing activities	(40,035)	(47,750)
Cash and cash equivalents at end of period	\$ 261,951	\$ 222,157

Based on our results of operations for fiscal 2008 and the first six months of fiscal 2009, along with current trends, we expect our existing sources of liquidity, together with cash expected to be generated from operations, will be sufficient to fund our research and development, capital expenditures, debt obligations, working capital and other cash requirements for at least the next 12 months. However, we cannot be certain that the capital required to fund these expenses will be available in the future. In addition, any strategic investments and acquisitions that we may make to help us grow our business may require additional capital resources. If we are unable to obtain sufficient capital to meet our capital needs on a timely basis and on favorable terms (if at all), our business and operations could be materially and adversely affected.

Cash and cash equivalent balances increased \$36.8 million to \$261.9 million at April 3, 2009 from \$225.1 million at October 3, 2008. We generated \$96.8 million in cash from operations during the six-month period ended April 3, 2009, which was offset by the retirement of \$40.5 million of the 2007 Convertible Notes and capital expenditures of \$18.7 million. The number of days sales outstanding for the three-month period ended April 3, 2009 decreased to 59 from 74 for the corresponding period in fiscal 2008.

During the six-month period ended April 3, 2009, we generated net income of \$17.4 million. We experienced a decrease in receivables, and inventories of \$34.0 million and \$8.4 million, respectively. We also incurred multiple non-cash charges (e.g., depreciation, amortization, contribution of common shares to savings and retirement plans, share-based compensation expense, non-cash restructuring expense, asset impairments and inventory write-downs) totaling \$51.0 million. This was offset by an increase in other assets of \$1.6 million, and a decrease in accounts payable and other accrued liabilities of \$10.4 million and \$3.8 million, respectively.

Cash used in investing activities for the six-month period ended April 3, 2009 consisted of investments in capital equipment of \$18.7 million primarily to expand fabrication and assembly and test capacity. We believe a focused program of capital expenditures will be required to sustain our current manufacturing capabilities. We expect that future capital expenditures will be funded by the generation of positive cash flows from operations. We may also consider future acquisition opportunities to extend our technology portfolio and design expertise and to expand our product offerings.

Cash used in financing activities for the six-month period ended April 3, 2009 consisted of the retirement of \$40.5 million of our 2007 Convertible Notes, and the repurchase of treasury stock of \$1.8 million, offset by cash provided by stock option exercises of \$2.3 million.

Our invested cash balances primarily consist of mutual funds invested in United States treasury obligations, United States agency obligations, overnight repurchase agreements backed by United States treasuries or United States

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agency obligations, highly rated commercial paper, certificates of deposit and overnight repurchase agreements. At April 3, 2009, we also held a \$3.2 million auction rate security which historically has provided liquidity through a Dutch auction process. The recent disruptions in the credit markets have substantially eliminated the liquidity of this process resulting in failed auctions. During the fiscal year ended October 3, 2008, we performed a comprehensive valuation and discounted cash flow analysis on the auction rate security. We concluded the value of the auction rate security was \$2.3 million, and the carrying value of these securities was reduced by \$0.9 million, reflecting this change in fair value. Accordingly, in the fiscal year ended October 3, 2008, we recorded unrealized losses on this auction rate security of approximately \$0.9 million. We assessed these declines in fair market value to be temporary and consider the security to be illiquid until there is a successful auction or the investment matures. Accordingly, the remaining auction rate security balance has been reclassified to non-current other assets and the loss was recorded in other comprehensive income. As of April 3, 2009, we re-evaluated our auction rate securities and determined that no adjustment was required. We will continue to monitor the liquidity and accounting classification of this security in future periods. If in a future period, if we determine that the impairment is other than temporary, we will impair the security to its fair value and charge the loss to earnings.

On July 15, 2003, we entered into a receivables purchase agreement under which we have agreed to sell from time to time certain of our accounts receivable to Skyworks USA, Inc. (Skyworks USA), a wholly-owned special purpose entity that is fully consolidated for accounting purposes. Concurrently, Skyworks USA entered into an agreement with Wachovia Bank, N.A. providing for a \$50.0 million credit facility (Facility Agreement) secured by the purchased accounts receivable. As a part of the consolidation, any interest incurred by Skyworks USA related to monies it borrows under the Facility Agreement is recorded as interest expense in the Company's results of operations. We perform collections and administrative functions on behalf of Skyworks USA. Interest related to the Facility Agreement is at LIBOR plus 0.75%. We renewed the Facility Agreement for another year in July 2008, and as of April 3, 2009, Skyworks USA had borrowed \$50.0 million under this agreement.

CONTRACTUAL OBLIGATIONS

Our contractual obligations disclosure in our annual report on Form 10-K for the year ended October 3, 2008 has not materially changed since we filed that report, with the exception that we retired \$40.5 million of our 2007 Convertible Notes (due in 2012) at an average price of 92.6 of par value. These retirements reduced the remaining principal balance on our 2007 Convertible Notes to \$97.1 million as of November 12, 2008. Our short-term and long-term debts are more fully described in Note 8 of this Form 10-Q.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS**SFAS 141(R)**

In December 2007, the FASB issued SFAS No. 141(R), *Business Combinations* (SFAS 141(R)). SFAS 141(R) applies to any transaction or other event that meets the definition of a business combination. Where applicable, SFAS 141(R) establishes principles and requirements for how the acquirer recognizes and measures identifiable assets acquired, liabilities assumed, noncontrolling interest in the acquiree and goodwill or gain from a bargain purchase. In addition, SFAS 141(R) determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. This statement is to be applied prospectively for fiscal years beginning after December 15, 2008. The Company will evaluate the impact of SFAS 141(R) on its Consolidated Financial Statements in the event future business combinations are contemplated.

SFAS 160

In December 2007, the FASB issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements, an Amendment of ARB No. 51* (SFAS 160). SFAS 160 amends ARB 51 to establish accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. It also amends certain of ARB 51's consolidation procedures for consistency with the requirements of SFAS 141(R). This statement is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. The statement shall be applied prospectively as of the beginning of the fiscal year in which the statement is initially adopted. The Company does not expect the adoption of SFAS 160 to impact its results of operations or financial position because the Company does not have any minority interests.

Table of Contents**SFAS 161**

In March 2008, the FASB issued SFAS No. 161, *Disclosures about Derivative Instruments and Hedging Activities – an amendment of FASB Statement No. 133* (SFAS 161). SFAS 161 amends FASB Statement No. 133 to require enhanced disclosures about an entity's derivative and hedging activities thereby improving the transparency of financial reporting. Entities are required to provide enhanced disclosures about (a) how and why an entity uses derivative instruments, (b) how derivative instruments and related hedged items are accounted for under Statement 133 and its related interpretations, and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. This Statement is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application encouraged. The Company does not currently hold any positions in derivative instruments or participate in hedging activities and thus does not expect the adoption of SFAS 161 to have any impact on its results of operations or financial position.

SFAS 162

In May 2008, the Financial Accounting Standards Board (FASB) issued SFAS No. 162, *The Hierarchy of Generally Accepted Accounting Principles* (SFAS 162). SFAS No. 162 sets forth the level of authority to a given accounting pronouncement or document by category. Where there might be conflicting guidance between two categories, the more authoritative category will prevail. SFAS No. 162 will become effective 60 days after the SEC approves the PCAOB's amendments to AU Section 411 of the AICPA Professional Standards. SFAS No. 162 has no effect on the Company's financial position, statements of operations, or cash flows at this time.

FSP No. 142-3

In April 2008, the FASB issued FASB Staff Position (FSP) No. 142-3, *Determination of the Useful Life of Intangible Assets* (FSP 142-3). FSP 142-3 amends the factors an entity should consider in developing renewal or extension assumptions used in determining the useful life of recognized intangible assets under FASB Statement No. 142, *Goodwill and Other Intangible Assets*. This new guidance applies prospectively to intangible assets that are acquired individually or with a group of other assets in business combinations and asset acquisitions. FSP 142-3 is effective for financial statements issued for fiscal years and interim periods beginning after December 15, 2008. Early adoption is prohibited. The Company does not expect the adoption of FSP 142-3 to have any material impact on its results of operations or financial position.

FSP No. APB 14-1

In May 2008, the FASB issued FSP No. APB 14-1, *Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement)* (FSP APB 14-1). FSP APB 14-1 alters the accounting treatment for convertible debt instruments that allow for either mandatory or optional cash settlements. FSP APB 14-1 is expected to impact the Company's accounting for its 2007 Convertible Notes and previously held Junior Notes. This FSP requires registrants with specified convertible note features to recognize (non-cash) interest expense based on the market rate for similar debt instruments without the conversion feature. Furthermore, pursuant to its retrospective accounting treatment, the FSP requires prior period interest expense recognition. FSP APB 14-1 is effective for financial statements issued for fiscal years and interim periods beginning after December 15, 2008. The Company is currently evaluating FSP APB 14-1 and the impact that it will have on its Consolidated Financial Statements. The Company is not required to adopt FSP APB 14-1 until the first quarter of fiscal 2010.

FSP No. 133-1 and FIN 45-4

In September 2008, the FASB issued FSP No. 133-1, *Disclosures about Credit Derivatives and Certain Guarantees: An Amendment of FASB Statement No. 133* (FSP 133-1) and FASB Interpretation No. 45; and Clarification of the Effective Date of FASB Statement No. 161. This FSP amends FASB Statement No. 133, *Accounting for Derivative Instruments and Hedging Activities*, to require disclosures by sellers of credit derivatives, including credit

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derivatives embedded in a hybrid instrument. This FSP also amends FASB Interpretation No. 45, *Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others*, to require an additional disclosure about the current status of the payment/performance risk of a guarantee. Further, this FSP clarifies the Board's intent about the effective date of FASB Statement No. 161, *Disclosures about Derivative Instruments and Hedging Activities*. The provisions of this FSP that amend Statement 133 and Interpretation 45 shall be effective for reporting periods (annual or interim) ending after November 15, 2008. The Company does not currently hold any positions in derivative instruments or participate in hedging activities and thus does not expect the adoption of FSP 133-1 and FIN 45-4 to have any impact on its results of operations or financial position.

FSP No. FAS 157-3

In October 2008, the FASB issued FSP No. FAS 157-3, *Determining the Fair Value of a Financial Asset When the Market for That Asset Is Not Active* (FSP 157-3) which clarifies the application of SFAS 157 in a market that is not active and provides an example to illustrate key considerations in determining the fair value of a financial asset. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007 for financial assets carried at fair value, and years beginning after November 15, 2008 for non-financial assets not carried at fair value. The Company has adopted FSP 157-3 for its financial assets carried at fair value and determined that it does not have a material impact on its results of operations or financial position. The Company will adopt FSP 157-3 for non-financial assets in the first fiscal quarter of 2010 and is currently evaluating the impact on its results of operations or financial position.

FSP No. FAS 157-4

In April 2009, the FASB issued FSP No. FAS 157-4, *Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly* (FSP 157-4) amends SFAS No. 157 and provides additional guidance for estimating fair value in accordance with SFAS No. 157 when the volume and level of activity for the asset and liability have significantly decreased, as well as provides guidance on identifying circumstances that indicate a transaction is not orderly. FSP 157-4 is effective for interim and annual periods ending after June 15, 2009. The adoption of FSP 157-4 is not expected to have a material impact on the Company's consolidated results of operations, cash flows or financial position.

FSP No. FAS 115-2 and FAS 124-2

In April 2009, the FASB issued FSP No. FAS 115-2 and FAS 124-2, *Recognition and Presentation of Other-Than-Temporary Impairments* (FSP 115-2 and FAS 124-2) amending SFAS No. 115, *Accounting for Certain Investments in Debt and Equity Securities* and FSP No. FAS 115-1 and FAS 124-1, *The Meaning of Other-Than-Temporary Impairment and its Application to Certain Investments*. FAS 115-2 and FAS 124-2 provide additional guidance to make other-than-temporary impairments more operational and to improve the financial statement presentation of such impairments. FAS 115-2 and FAS 124-2 are effective for interim and annual periods ending after June 15, 2009. The adoption of FAS 115-2 and FAS 124-2 is not expected to have a material impact on the Company's consolidated results of operations, cash flows or financial position.

FSP No. FAS 107-1 and APB 28-1

In April 2009, the FASB issued FSP No. FAS 107-1 and APB 28-1, *Interim Disclosures about Fair Value of Financial Instruments* (FSP 107-1 and APB 28-1) amending SFAS No. 107, *Disclosures about Fair Value of Financial Instruments* and APB Opinion No. 28, *Interim Financial Reporting*, by requiring disclosures about fair value of financial instruments in interim financial statements as well as in annual financial statements. FSP 107-1 and APB 28-1 are effective for interim periods ending after June 15, 2009. The adoption of FSP 107-1 and APB 28-1 are not expected to have a material impact on the Company's consolidated results of operations, cash flows or financial position.

Table of Contents**Item 3. Quantitative and Qualitative Disclosures about Market Risk**

We are subject to foreign currency, market rate and interest risks as described below:

Investment and Interest Rate Risk

Our exposure to interest and market risk relates principally to our investment portfolio, which as of April 3, 2009 consisted of the following (in millions):

Cash and cash equivalents (time deposits, overnight repurchase agreements and money market funds)	\$ 261.9
Restricted cash (time deposits and certificates of deposit)	6.0
Available for sale securities (auction rate securities)	2.3
 Total	 \$ 270.2

The main objective of our investment activities is the liquidity and preservation of investment capital. Credit risk associated with our investments is not significant as our investment policy prescribes high credit quality standards and limits the amount of credit exposure to any one issuer. We do not use derivative instruments for speculative or investment purposes.

In general, our cash and cash equivalent investments have short-term maturity periods which dampen the impact of significant market or interest rate risk. We are, however, subject to overall financial market risks, such as changes in market liquidity, credit quality and interest rates. Available for sale securities carry a longer maturity period (contractual maturities exceed ten years). In fiscal 2008 we experienced a temporary unrealized loss on our investment in auction rate securities primarily caused by a disruption in the liquidity of the Dutch auction process which resets interest rates each period. We classified auction rate securities in prior periods as current assets under Short Term Investments. Given the failed auctions, the auction rate securities are effectively illiquid until there is a successful auction. Accordingly, the remaining auction rate securities balance has been reclassified to non-current other assets. However, we have the ability and intent to hold these investments until there is a full recovery of its fair value, which may be at maturity.

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. The Company incurred unrealized foreign exchange gains/(losses) of \$(0.3) million and \$0.5 million for the three and six-month periods ended April 3, 2009, respectively, and unrealized foreign exchange gains/(losses) of \$0.1 million for both the three and six-month periods ended March 28, 2008. Increases in the value of the U.S. 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 U.S. 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.

Item 4. Controls and Procedures*(a) Evaluation of disclosure controls and procedures.*

Our management, with the participation of our chief executive officer and chief financial officer, evaluated the effectiveness of our disclosure controls and procedures as of April 3, 2009. The term disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management,

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including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of April 3, 2009, our chief executive officer and chief financial officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

(b) Changes in internal controls over financial reporting.

No changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) occurred during the fiscal quarter ended April 3, 2009 that has materially affected, or is reasonably likely to materially affect, Skyworks' internal control over financial reporting.

PART II. OTHER INFORMATION**Item 1A. Risk Factors**

There have been no significant changes in the risk factors disclosed in Item 1A of our Annual Report on Form 10-K for the year ended October 3, 2008.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(c) The following table provides information regarding repurchases of common stock made by us during the fiscal quarter ended April 3, 2009:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximately Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs
1/3/09-2/3/09			N/A(2)	N/A(2)
2/4/09-3/3/09	6,664(1)	\$ 6.43	N/A(2)	N/A(2)
3/4/09-4/3/09	2,090	\$ 7.28	N/A(2)	N/A(2)

(1) All shares of common stock reported in the table above were repurchased by Skyworks at the fair market value of the common stock as of the period stated above, in connection with the satisfaction of tax withholding

obligations
under restricted
stock
agreements
between
Skyworks and
certain of its key
employees.

- (2) We have no
publicly
announced plans
or programs.

Item 5. Other Information

On May 12, 2009, the stockholders of the Company approved an amended and restated 2005 Long-Term Incentive Plan that (1) increased the number of shares available for issuance under the plan by the sum of (a) 12.5 million shares, (b) 846,714 shares, which was the number of shares available for issuance under the 1999 Employee Long Term Incentive Plan (the 1999 Plan) that were unused as of April 26, 2009, and (c) the number of shares subject to awards outstanding under the 1999 Plan that expire, terminate or are otherwise surrendered, canceled, forfeited or repurchased after April 26, 2009, and (2) permits the grant of stock-based awards that are intended to qualify as performance-based compensation under Section 162(m) of the Internal Revenue Code. The Section 162(m) limit on awards under the 2005 LTIP was also increased to 1.5 million shares per participant per calendar year.

In addition, on May 12, 2009, the Company’s Compensation Committee approved payments to the Company’s executive officers for the first half of fiscal 2009 under the 2009 Executive Incentive Plan (the Incentive Plan). Each executive officer’s first half incentive award was consistent with the metrics set forth in the Company’s previously disclosed 2009 Incentive Plan, although the Compensation Committee exercised discretion permitted by the plan to make such award payments by waiving the minimum operating income threshold for the first half of fiscal 2009, given that the Company nearly achieved such objective despite the severe and unanticipated economic downturn that occurred during the first half of fiscal 2009. Payments were made only for the performance metrics which were achieved, and no payment was made based on the operating income metric. Accordingly, the Chief Executive Officer, Chief Financial Officer, Executive Vice President and General Manager, Front-End Solutions, Senior Vice President, Sales and Marketing, and Vice President, Worldwide Operations earned a first half incentive award equal to approximately 14%, 8%, 14%, 26% and 11% of their annual base salary, respectively. In addition, in recognition of their contributions to the Company’s performance during the first half of fiscal 2009, the Compensation Committee approved payments to approximately 800 other non-executive employees under non-executive incentive plans containing terms and conditions similar to the Incentive Plan. Consistent with the Incentive Plan (and other employee incentive plans), actual payments for the first six month performance period were capped at 80% of the award earned, with 20% of the award earned held back until the end of the fiscal year to ensure sustained financial performance.

Item 6. Exhibits

Number Description

- 31.1* Certification of the Company’s Chief Executive Officer pursuant to Securities Exchange Act of 1934, as amended, Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 31.2* Certification of the Company’s Chief Financial Officer pursuant to Securities Exchange Act of 1934, as amended, Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

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Number Description

32.1* Certification of the Company's Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

32.2* Certification of the Company's Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

* - Filed herewith.

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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 thereunto duly authorized.

SKYWORKS SOLUTIONS, INC.

Date: May 13, 2009

By: /s/ David J. Aldrich

David J. Aldrich, President and Chief
Executive Officer (Principal Executive
Officer)

By: /s/ Donald W. Palette

Donald W. Palette, Chief Financial
Officer
Vice President (Principal Accounting
and Financial Officer)

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EXHIBIT INDEX

Number Description

- 31.1 Certification of the Company's Chief Executive Officer pursuant to Securities Exchange Act of 1934, as amended, Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 31.2 Certification of the Company's Chief Financial Officer pursuant to Securities Exchange Act of 1934, as amended, Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 32.1 Certification of the Company's Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- 32.2 Certification of the Company's Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002