
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

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

**October 9, 2013
Date of Report (Date of earliest event reported)**

SYNAPTICS INCORPORATED

(Exact Name of Registrant as Specified in Its Charter)

**DELAWARE
(State or Other
Jurisdiction of Incorporation)**

**000-49602
(Commission
File Number)**

**77-0118518
(IRS Employer
Identification No.)**

**1251 McKay Drive
San Jose, California 95131
(Address of Principal Executive Offices) (Zip Code)**

**(408) 454-5100
(Registrant's Telephone Number, Including Area Code)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.*Merger Overview*

On October 9, 2013, Synaptics Incorporated, a Delaware corporation (“Synaptics”), entered into an Agreement and Plan of Reorganization (the “Agreement”) by and among Synaptics, Itsme Acquisition Corp., a Delaware corporation and a wholly owned subsidiary of Synaptics (“Merger Sub I”), Itsme Acquisition II LLC, a Delaware limited liability company and wholly owned subsidiary of Synaptics (“Merger Sub II”), Validity Sensors, Inc., a Delaware corporation (“Validity”), and Shareholder Representative Services LLC, pursuant to which, subject to the satisfaction or waiver of specified conditions, Synaptics would acquire Validity. The Agreement provides that the acquisition will be accomplished by the merger of Merger Sub I into Validity, with Validity surviving the merger as a wholly owned subsidiary of Synaptics and, as part of the same overall transaction, the subsequent merger of Validity, as the surviving entity of the first merger, into Merger Sub II, with Merger Sub II surviving the second merger as a wholly owned subsidiary of Synaptics (collectively, the “Merger”).

Consideration and Earn-outs

Subject to the terms and conditions of the Agreement, Synaptics has agreed to acquire all of the outstanding capital stock and other vested and unvested equity interests in Validity for an aggregate base purchase price of \$92.5 million, subject to adjustments for working capital and reductions for indebtedness and transaction expenses (the “Base Consideration”). The Base Consideration payable at the closing of the Merger (the “Closing”) will be paid entirely in shares of Synaptics’ common stock, except that the portion withheld therefrom and contributed to an escrow account, as well as certain transaction expenses deducted therefrom (collectively, the “Escrow and Expense Amounts”), will be paid in cash. The number of shares of Synaptics’ common stock to be issued in connection with the Closing will be determined by dividing the Base Consideration payable at the Closing, less the Escrow and Expense Amounts, by \$44.896, which figure represents the average of the closing prices of Synaptics’ common stock as reported by NASDAQ for the ten trading days ending on the date that is three trading days prior to the date of the execution of the Agreement, subject to an adjustment of such figure of up to ten percent upwards or downwards, based on the average of the closing prices of Synaptics’ common stock as reported by NASDAQ for the ten trading days ending on the date that is three trading days prior to the closing date (the “Reference Price”). Accordingly, Synaptics anticipates that the number of shares of its common stock that it would issue in connection with the Closing will be in a range of 1.5 million and 1.8 million.

In addition, Synaptics may become obligated to make earn-out consideration payments of up to an additional \$162.5 million (the “Earn-out Consideration”). The obligation of Synaptics to pay the Earn-out Consideration is based primarily on Synaptics’ sales, during certain time periods, the last of which ends on March 31, 2016, of certain products embodying Validity fingerprint sensor technology, subject to certain milestones, limitations and requirements as further set forth in the Agreement. The Earn-Out Consideration will generally be payable in cash, but (i) the first \$18.5 million thereof, payable to former holders of Validity preferred stock, will be paid in Synaptics’ common stock (valuing such shares at the Reference Price for this purpose), and (ii) the balance thereof will be paid in shares of such common stock (also valuing such shares at the Reference Price) only to the extent required so that the transaction will qualify as a reorganization for federal tax purposes. As a result, Synaptics anticipates that it may issue up to an aggregate of 2.3 million shares pursuant to the Agreement in connection with the Closing and the Earn-Out Consideration.

Representations and Warranties; Escrow and Setoff Rights

The Agreement contains customary representations and warranties of each of Validity and Synaptics. The representations and warranties of each party set forth in the Agreement have been made solely for the benefit of the other parties to the Agreement, and such representations and warranties should not be relied on by any other person. In addition, such representations and warranties (i) have been qualified by disclosure schedules that the parties have exchanged in connection with the execution of the Agreement, (ii) are subject to the materiality standards set forth in the Agreement, which may differ from what may be viewed as material by investors, (iii) in certain cases, were made as of a specific date, and (iv) may have been used for purposes of allocating risk between the respective parties rather than establishing matters of fact. Accordingly, no person should rely on the representations and warranties as characterizations of the actual state of facts. Moreover, information concerning the subject matter of the representations and warranties may change after the date of the execution of the Agreement. As discussed above, a portion of the Base Consideration will be deposited into an escrow account, and Synaptics will have certain setoff rights against the Earn-out Consideration, as security for Validity's indemnification obligations, subject in each case to limitations set out in the Agreement.

Approvals

Each of the board of directors of Synaptics and Validity approved the Merger and the Agreement. In addition, following execution of the Agreement, certain preferred and common stockholders of Validity delivered written consents in favor of the transaction, pursuant to which the Merger and the Agreement were approved by the requisite vote of Validity stockholders. No further board or stockholder approvals are required to approve the Merger or the Agreement.

Conditions to Closing

The Merger is subject to various conditions to Closing, including: (i) certain contractual consents having been obtained, (ii) receipt of certain regulatory approvals, as necessary, (iii) the absence of any law or order prohibiting the closing, (iv) the absence of a material adverse effect with respect to Validity, (v) the accuracy of the representations and warranties of the other party at the time of the closing of the Merger and (vi) compliance in all material respects by the other party with its covenants, as well as other customary closing conditions. The Merger is expected to close in the fourth quarter of 2013.

The foregoing description of the Agreement is not complete and is qualified in its entirety by reference to the full text of the Agreement.

Item 2.02. Results of Operations and Financial Condition.

The registrant is furnishing this Item 2.02 in connection with the disclosure of information relating to Synaptics' results of operations for its first quarter of fiscal 2014, in the form of textual information from a press release released on October 9, 2013 and attached hereto as Exhibit 99.1.

The information in this Item 2.02 and Item 9.01 (including Exhibit 99.1) is furnished and shall not be deemed to be “filed” for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section.

The registrant does not have, and expressly disclaims, any obligation to release publicly any updates or any changes in the registrant’s expectations or any change in events, conditions, or circumstances on which any forward-looking statement is based.

Item 3.02. Unregistered Sales of Equity Securities.

The information set forth in Item 1.01 above is incorporated by reference herein. The issuances of the common stock described above will be issued without registration under the Securities Act of 1933, as amended (the “Securities Act”), in reliance upon an exemption from registration pursuant to Section 4(a)(2) of the Securities Act, and/or Rule 506 of Regulation D promulgated thereunder, as a transaction with accredited investors (as defined under Rule 501 of the Securities Act) not involving a public offering. Appropriate legends will be affixed to such common stock.

Synaptics has agreed to file a Registration Statement on Form S-3 with the Securities and Exchange Commission for the resale of any such shares of Synaptics’ common stock, subject to certain restrictions on resale by certain stockholders.

Item 9.01. Financial Statements and Exhibits.

- (a) *Financial Statements of Business Acquired.*
Not applicable.
- (b) *Pro Forma Financial Information.*
Not applicable.
- (c) *Shell Company Transactions.*
Not applicable.
- (d) *Exhibits.*

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press release from Synaptics Incorporated, dated October 9, 2013, entitled “Synaptics Enters Fast Growing Fingerprint ID Market with Acquisition of Validity”

SIGNATURES

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

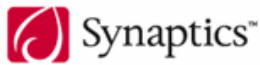
Date: October 9, 2013

SYNAPTICS INCORPORATED

By: /s/ Kathleen A. Bayless
Kathleen A. Bayless
Senior Vice President, Chief Financial Officer,
Secretary, and Treasurer

EXHIBIT INDEX

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Synaptics Enters Fast Growing Fingerprint ID Market with Acquisition of Validity

*Reinforces Market Leadership in Human Interface Technology with
Industry-Leading Fingerprint Sensor Technology*

Provides Preliminary First Quarter Fiscal 2014 Revenue Results

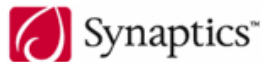
Will Host Conference Call Today at 2:30pm Pacific Time (5:30pm Eastern Time)

SAN JOSE, Calif. – October 9, 2013 Synaptics Inc. (NASDAQ: SYNA), a leader in human interface solutions, today announced it has signed a Definitive Agreement to acquire Validity Sensors, Inc., a leading provider of biometric fingerprint authentication solutions for smartphones, tablets and notebook PCs. With the acquisition of Validity, Synaptics expects to gain access to the fast growing biometrics market, significantly expanding its market opportunity and underscoring the company's commitment to making smart devices easier to use.

Biometrics and fingerprint sensing is poised for explosive growth as OEMs look to differentiate their products, and consumers demand greater security with seamless ease-of-use. Synaptics believes the acquisition of Validity positions the company at the forefront of this exponential growth opportunity and allows the company to strengthen its portfolio of touch-based technologies with the diversification into fingerprint-sensing capabilities.

"Biometrics has long been of interest to Synaptics as it complements our existing touch-based solutions and offers an exciting new way to interact with devices," said Rick Bergman, President and CEO, Synaptics. "We are thrilled to be adding the world class Validity team to the Synaptics family. This acquisition is a significant step forward for the company and serves as a proof point of our dedication for continued growth, innovation and commitment to providing the industry's best and broadest portfolio of human interface solutions."

"Synaptics' acquisition of Validity puts our vision of having Natural ID on every mobile computing device on the fast track," said Rob Baxter, CEO, Validity. "The opportunity for our people, our shareholders and our technology, along with Synaptics' commitment to owning the human interface, made this partnership a natural fit. The acquisition adds Validity's world-class biometrics engineering team to a Synaptics team known for in-depth, system level engineering expertise."



Validity is the leader in Natural ID™ authentication, providing fingerprint sensing solutions to the world's leading consumer device OEMs. Validity's best-in-class authentication secure, high-performance and cost-effective solutions include its LiveFlex® fingerprint sensor technology, providing superior image quality with high-frequency RF imaging into the live layer of the finger. Synaptics believes Natural ID solutions provide an ideal platform to address the explosive growth of biometric sensing in everything from mobile payment transactions, cloud-based services and enterprise mobile device security.

Agreement Terms

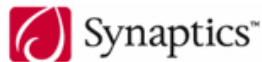
Synaptics will pay approximately \$92.5 million in stock and cash at the closing plus potential performance payments over a multi-year period for total potential consideration of up to \$255.0 million. The stock component is expected to be in the range of 1.5 million to 2.3 million shares. The acquisition is expected to close in the current quarter, subject to customary closing conditions and regulatory reviews, as necessary. Additional details can be found in Synaptics Current Report on form 8-K, filed October 9, 2013.

Preliminary First Quarter Fiscal 2014 Revenue Results

Synaptics also announced that it expects revenue for the first quarter of fiscal 2014 to be approximately \$220 million, above the mid-point of its previously provided guidance range of \$210 to \$225 million. In addition, during the first quarter, the Company repurchased over 1.2 million shares of common stock or more than 3.5% of shares outstanding and has \$110 million available under its current authorization.

Investor Call

The company will host a teleconference and webcast at 2:30 p.m. Pacific Time (5:30 p.m. Eastern Time) today, Wednesday, October 9, 2013, to provide additional commentary regarding the acquisition, during which the company may provide forward-looking information. To participate on the live call, analysts and investors should dial 1-877-941-2068 at least ten minutes prior to the call. A telephonic replay of the conference call will also be available until 11:59 pm PT on Monday, October 14, 2013 by dialing 1-800-406-7325



and entering the passcode: 4643846. Synaptics will also offer a live and archived webcast of the conference call, accessible from the “Investor Relations” section of the company’s Web site at www.synaptics.com.

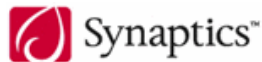
For up-to-the-minute Synaptics news, follow @SynaCorp on Twitter or visit our blog at blog.synaptics.com. For more information on Synaptics’ products and solutions please visit www.synaptics.com.

About Synaptics

As a leading developer of human interface solutions which enhance the user experience, Synaptics provides the broadest touch solutions portfolio in the industry. The ClearPad® family supports touchscreen solutions for devices ranging from entry-level mobile phones to flagship premium smartphones, tablets and notebook PCs. The TouchPad™ family, including ClickPad™ and ForcePad®, is integrated into the majority of today’s notebook PCs. Synaptics’ wide portfolio also includes ThinTouch® supporting thin and light keyboard solutions, as well as key technologies for next generation touch-enabled video and display applications. (NASDAQ: SYNA) www.synaptics.com

Forward-Looking Statements

This press release contains “forward-looking” statements about Synaptics, as that term is defined under the federal securities laws. Synaptics intends such forward-looking statements to be subject to the safe harbor created by those laws. Such forward-looking statements include, but are not limited to, statements regarding Synaptics’ expectations of gaining access to the biometrics market and expanding its market opportunity; Synaptics’ expectations for the biometrics and fingerprint sensing technology markets; Synaptics’ expectations regarding its growth opportunities and portfolio of touch-based technologies; Synaptics’ expectations regarding Validity’s solutions; Synaptics’ expectations regarding the closing of its acquisition of Validity; and Synaptics’ anticipated net revenue for the first quarter of fiscal 2014. Synaptics cautions that these statements are qualified by important factors that could cause actual results to differ materially from those reflected by the forward-looking statements contained herein. Such factors include, but are not limited to, (a) demand for Synaptics’ and Validity’s products, (b) market demand for OEMs’ products using Synaptics’ or Validity’s solutions, (c) changing market demand trends in the markets



Synaptics or Validity serves, (d) the success of Synaptics' and Validity's customers' products that utilize Synaptics' or Validity's product solutions, (e) the development and launch cycles of Synaptics' and Validity's customers' products, (f) market pressures on selling prices, (g) the market acceptance of Synaptics' and Validity's product solutions compared with competitors' solutions, (h) general economic conditions, including consumer confidence and demand, and (i) other risks as identified from time to time in Synaptics' SEC reports, including Quarterly Reports on Form 10-Q and the Annual Report on Form 10-K for the fiscal year ended June 30, 2013. All forward-looking statements are based on information available to Synaptics on the date hereof, and Synaptics assumes no obligation to update such statements.

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Synaptics and the Synaptics logo are trademarks of Synaptics in the United States and/or other countries. All other marks are the property of their respective owners.

For further information, please contact:

Nick Rottler
Synaptics
408-904-1820
nrotter@synaptics.com

Public Relations:

Starlayne Meza
Text 100 Global Communications
415-593-8431
synaptics@text100.com

Investor Relations:

Jennifer Jarman
The Blueshirt Group
415-217-5866
jennifer@blueshirtgroup.com