

CIRRUS LOGIC, INC.
CONSOLIDATED CONDENSED STATEMENT OF OPERATIONS
(unaudited)
(in thousands, except per share data)

	Quarter Ended		
	Mar. 26, 2005	Dec. 25, 2004	Mar. 27, 2004
Net sales	\$ 40,415	\$ 44,036	\$ 50,214
Cost of sales	18,955	26,834	23,921
Gross Margin	<u>21,460</u>	<u>17,202</u>	<u>26,293</u>
Gross Margin Percentage	53.1%	39.1%	52.4%
Operating expenses:			
Research and development	14,851	15,480	16,871
Selling, general and administrative	7,127	9,611	14,635
Restructuring and other costs	485	3,107	595
Amortization of acquired intangibles	3,419	3,419	3,419
Patent agreement, net	-	(593)	(17,000)
Total operating expenses	<u>25,882</u>	<u>31,024</u>	<u>18,520</u>
Total operating expenses as a percent of revenue	64.0%	70.5%	36.9%
Income (loss) from operations	(4,422)	(13,822)	7,773
Operating income (loss) as a percent of revenue	(10.9%)	(31.4%)	15.5%
Realized gain on marketable equity securities	137	-	1,967
Interest income, net	962	946	555
Other income (expense), net	116	272	(11)
Income (loss) before income taxes and loss from discontinued operations	<u>(3,207)</u>	<u>(12,604)</u>	<u>10,284</u>
Benefit for income taxes	(5,745)	(15,134)	(33)
Net income	<u>\$ 2,538</u>	<u>\$ 2,530</u>	<u>\$ 10,317</u>
Basic and diluted income per share:	\$ 0.03	\$ 0.03	\$ 0.12
Basic weighted average common shares outstanding	85,124	84,773	84,355
Diluted weighted average common shares outstanding	86,151	86,159	86,729

Prepared in accordance with Generally Accepted Accounting Principles