

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

	Quarter Ended		
	Mar. 25, 2006	Dec. 24, 2005	Mar. 26, 2005
Net revenue	\$ 42,158	\$ 48,253	\$ 40,415
Cost of sales	17,678	21,686	18,955
Gross Margin	<u>24,480</u>	<u>26,567</u>	<u>21,460</u>
Gross Margin Percentage	58.1%	55.1%	53.1%
Operating expenses:			
Research and development	10,378	10,442	18,270
Selling, general and administrative	9,437	10,740	7,127
Restructuring and other costs	-	-	485
License agreement	(7,000)	-	-
Total operating expenses	<u>12,815</u>	<u>21,182</u>	<u>25,882</u>
Total operating expenses as a percent of revenue	30.4%	43.9%	64.0%
Income (loss) from operations	11,665	5,385	(4,422)
Operating income (loss) as a percent of revenue	27.7%	11.2%	(10.9%)
Realized gain on marketable equity securities	-	-	137
Interest income, net	2,510	2,131	962
Other expense, net	21	53	116
Income (loss) before income taxes	<u>14,196</u>	<u>7,569</u>	<u>(3,207)</u>
Benefit for income taxes	(1,241)	(5,261)	(5,745)
Net income (loss)	<u>\$ 15,437</u>	<u>\$ 12,830</u>	<u>\$ 2,538</u>
Basic income (loss) per share:	\$ 0.18	\$ 0.15	\$ 0.03
Diluted income (loss) per share:	\$ 0.17	\$ 0.15	\$ 0.03
Basic weighted average common shares outstanding	86,718	86,399	85,124
Diluted weighted average common shares outstanding	88,924	88,101	86,151

See Reconciliation to Consolidated Condensed Statement of Operations
Prepared in accordance with Generally Accepted Accounting Principles

Certain income statement reclassifications have been made to the fiscal year 2005 financial statements to conform to the fiscal year 2006 presentation. We now report the amortization of acquired intangibles as a component of our research and development expenses. These reclassifications had no effect on the results of operations or stockholders' equity.