

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

	<b>Twelve Months Ended</b>	
	<b>Mar. 25, 2006</b>	<b>Mar. 26, 2005</b>
	(unaudited)	
Net revenue	\$ 193,694	\$ 194,900
Cost of sales	88,482	101,637
Gross Margin	105,212	93,263
Gross Margin Percentage	54.3%	47.9%
Operating expenses:		
Research and development	45,101	80,507
Selling, general and administrative	50,243	42,394
Restructuring and other costs	2,311	9,463
Litigation settlement, net	(24,758)	-
License agreement	(7,000)	-
Patent agreement, net	-	(593)
Total operating expenses	65,897	131,771
Total operating expenses as a percent of revenue	34.0%	67.6%
Income (loss) from operations	39,315	(38,508)
Operating income (loss) as a percent of revenue	20.3%	(19.8%)
Realized gain on marketable equity securities	388	806
Interest income, net	7,461	3,208
Other expense, net	(54)	317
Income (loss) before income taxes and loss from discontinued operations	47,110	(34,177)
Benefit for income taxes	(7,035)	(20,789)
Net income (loss)	\$ 54,145	\$ (13,388)
Basic income (loss) per share:	\$ 0.63	\$ (0.16)
Diluted income (loss) per share:	\$ 0.62	\$ (0.16)
Basic weighted average common shares outstanding	86,036	84,746
Diluted weighted average common shares outstanding	87,775	84,746

*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.*