

CIRRUS LOGIC, INC.  
RECONCILIATION BETWEEN GAAP AND NON-GAAP FINANCIAL INFORMATION  
(unaudited, in thousands, except per share data)  
(not prepared in accordance with GAAP)

	Quarter Ended		
	Dec. 24, 2005	Sep. 24, 2005	Dec. 25, 2004
GAAP revenue		\$ 50,461	\$ 44,036
<i>Non-GAAP adjustments:</i>			
Video product line revenue; video assets sold June 30, 2005		(2,152)	(3,094)
Non-GAAP revenue		<u>\$ 48,309</u>	<u>\$ 40,942</u>
GAAP gross margin		\$ 26,865	\$ 17,202
<i>Non-GAAP adjustments:</i>			
Impact of Video product line inventory reserve, video assets sold June 30, 2005		(121)	4,621
Non-GAAP gross margin		<u>\$ 26,744</u>	<u>\$ 21,823</u>
		55.4%	53.3%

*We use these non-GAAP financial numbers to assist us in the management of the Company because we believe that this information provides a more consistent and complete understanding of the underlying results and trends in our business since we have sold the video product line assets.*

GAAP operating expenses		\$ 28,706
<i>Non-GAAP adjustments:</i>		
Video product line operating expenses; video assets sold June 30, 2005		(1,633)
Restructuring and other charges, net		(2,311)
Patent agreement legal expense savings		-
Loss contingencies on subleased facilities		(3,319)
Goods and Sales tax refund		-
Litigation expenses related to the magnetic storage product line		-
Impairment of Computer Aided Design tools		-
Non-GAAP operating expenses		<u>\$ 21,443</u>

*We use these non-GAAP financial numbers to assist us in the management of the Company because we believe that this information provides a more consistent and complete understanding of the underlying results and trends of the ongoing business due to the uniqueness of these charges as the Company was refocused on our core technology.*

GAAP net income (loss)	\$ 12,830	\$ (99)
<i>Non-GAAP adjustments:</i>		
Subtract tax benefit due to expiration of statute of limitations in foreign jurisdictions	(5,271)	(207)
Add non-GAAP operating expenses listed above	-	7,263
Adjust for non-GAAP gross margin impact	-	(121)
Subtract bankruptcy proceeds impact	-	-
Non-GAAP net income	<u>\$ 7,559</u>	<u>\$ 6,836</u>
Non-GAAP diluted earnings per share:	\$ 0.09	\$ 0.08

*We use these non-GAAP financial numbers to assist us in the management of the Company because we believe that this information provides a more consistent and complete understanding of the underlying results and trends in our business.*