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

FORM 10-Q

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

For the quarterly period ended December 29, 2007

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

For the Transition Period from _____ to _____

Commission File Number 0-17795

CIRRUS LOGIC, INC.

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

77-0024818
(I.R.S. Employer
Identification No.)

2901 Via Fortuna Austin, Texas 78746
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code:
(512) 851-4000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. YES NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES NO

The number of shares of the registrant's common stock, \$0.001 par value, outstanding as of January 25, 2008 was 89,099,552.

CIRRUS LOGIC, INC.
FORM 10-Q QUARTERLY REPORT
QUARTERLY PERIOD ENDED DECEMBER 29, 2007
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Part I.

ITEM 1. FINANCIAL STATEMENTS

CIRRUS LOGIC, INC.
CONSOLIDATED CONDENSED BALANCE SHEET
(in thousands)

	<u>December 29,</u> <u>2007</u>	<u>March 31,</u> <u>2007</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 69,288	\$ 87,960
Restricted investments	5,755	5,755
Marketable securities	165,619	178,000
Accounts receivable, net	23,049	19,127
Inventories	20,030	16,496
Other current assets	13,974	13,699
Total current assets	<u>297,715</u>	<u>321,037</u>
Long-term marketable securities	11,087	—
Property and equipment, net	19,850	11,407
Intangibles, net	30,666	8,550
Goodwill	12,655	6,461
Investment in Magnum Semiconductor	—	3,657
Other assets	2,239	1,948
Total assets	<u>\$ 374,212</u>	<u>\$ 353,060</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 18,300	\$ 10,434
Accrued salaries and benefits	6,812	7,816
Other accrued liabilities	8,131	12,080
Deferred income on shipments to distributors	5,874	4,290
Total current liabilities	<u>39,117</u>	<u>34,620</u>
Other long-term obligations	11,250	13,503
Stockholders' equity:		
Capital stock	936,093	926,900
Accumulated deficit	(611,766)	(621,180)
Accumulated other comprehensive loss	(482)	(783)
Total stockholders' equity	<u>323,845</u>	<u>304,937</u>
Total liabilities and stockholders' equity	<u>\$ 374,212</u>	<u>\$ 353,060</u>

The accompanying notes are an integral part of these consolidated condensed financial statements.

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

	Three Months Ended		Nine Months Ended	
	December 29, 2007	December 30, 2006	December 29, 2007	December 30, 2006
Net sales	\$ 48,905	\$ 45,297	\$ 137,063	\$ 138,657
Cost of sales	21,565	17,886	58,537	55,921
Gross Margin	<u>27,340</u>	<u>27,411</u>	<u>78,526</u>	<u>82,736</u>
Operating expenses:				
Research and development	13,194	11,190	36,158	32,963
Selling, general and administrative	14,450	13,478	40,250	36,958
Restructuring and other costs	(1,553)	1,013	(1,553)	585
Impairment of non-marketable securities	—	—	3,657	—
Acquired in process research and development	—	1,925	1,761	1,925
Total operating expenses	<u>26,091</u>	<u>27,606</u>	<u>80,273</u>	<u>72,431</u>
Income (loss) from operations	1,249	(195)	(1,747)	10,305
Realized gain on marketable securities	—	—	—	193
Interest income, net	2,970	3,615	9,657	9,734
Other income (expense), net	(27)	76	(31)	106
Income before income taxes	4,192	3,496	7,879	20,338
Provision (benefit) for income taxes	10	32	40	(278)
Net income	<u>\$ 4,182</u>	<u>\$ 3,464</u>	<u>\$ 7,839</u>	<u>\$ 20,616</u>
Basic income per share:	\$ 0.05	\$ 0.04	\$ 0.09	\$ 0.24
Diluted income per share:	\$ 0.05	\$ 0.04	\$ 0.09	\$ 0.23
Basic weighted average common shares outstanding:	89,068	87,756	88,852	87,502
Diluted weighted average common shares outstanding:	89,533	88,725	89,648	88,638

The accompanying notes are an integral part of these consolidated condensed financial statements.

CIRRUS LOGIC, INC.
CONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS
(in thousands; unaudited)

	Nine Months Ended	
	December 29, 2007	December 30, 2006
Cash flows from operating activities:		
Net income	\$ 7,839	\$ 20,616
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	6,326	4,609
Stock compensation expense	4,175	4,502
Gain on marketable securities	—	(193)
Loss on video product line asset sale	—	235
Impairment of non-marketable securities	3,657	—
Acquired in process research and development write-off	1,761	1,925
Excess tax benefit related to the exercise of employee stock options	—	(57)
Other non-cash benefits	(262)	(999)
Net change in operating assets and liabilities, net of acquired assets and liabilities	(719)	(786)
Net cash provided by operating activities	<u>22,777</u>	<u>29,852</u>
Cash flows from investing activities:		
Additions to property, equipment and software	(1,344)	(1,694)
Investments in technology	(3,677)	(3,110)
Acquisition of Caretta Integrated Circuits, net of cash acquired	—	(10,713)
Acquisition of Apex Microtechnology, net of cash acquired	(42,753)	—
Purchase of marketable securities	(177,767)	(180,455)
Proceeds from sale and maturity of marketable securities	179,362	125,201
Decrease (increase) in deposits and other assets	(288)	143
Net cash used in investing activities	<u>(46,467)</u>	<u>(70,628)</u>
Cash flows from financing activities:		
Excess tax benefit related to the exercise of employee stock options	—	57
Net proceeds from the issuance of common stock	5,018	5,929
Net cash provided by financing activities	<u>5,018</u>	<u>5,986</u>
Net decrease in cash and cash equivalents	(18,672)	(34,790)
Cash and cash equivalents at beginning of period	87,960	116,675
Cash and cash equivalents at end of period	<u>\$ 69,288</u>	<u>\$ 81,885</u>

The accompanying notes are an integral part of these consolidated condensed financial statements.

CIRRUS LOGIC, INC.
NOTES TO THE CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(unaudited)

1. Basis of Presentation

The consolidated condensed financial statements have been prepared by Cirrus Logic, Inc. (“we,” “us,” “our,” “Cirrus,” or the “Company”) pursuant to the rules and regulations of the Securities and Exchange Commission (“Commission”). The accompanying unaudited consolidated condensed financial statements have been prepared in accordance with generally accepted accounting principles (“GAAP”) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation of the financial position, operating results, and cashflows have been included. Operating results for the three- and nine-month periods ended December 29, 2007 are not necessarily indicative of the results that may be expected for the year ending March 29, 2008.

The consolidated condensed balance sheet at March 31, 2007 has been derived from the audited consolidated financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. For further information, refer to the consolidated financial statements and footnotes thereto included in Cirrus Logic, Inc.’s annual report on Form 10-K for the year ended March 31, 2007, filed with the Commission on June 4, 2007.

Recently Issued Accounting Pronouncements

In June 2006, the Financial Accounting Standards Board (“FASB”) issued FASB Interpretation No. 48 (“FIN 48”) “*Accounting for Uncertainty in Income Taxes — an interpretation of FASB Statement No. 109*” which prescribes a recognition threshold and measurement process for recording in the financial statements uncertain tax positions taken or expected to be taken in a tax return. Additionally, FIN 48 provides guidance on derecognition, classification, accounting in interim periods and disclosure requirements of uncertain tax positions. The accounting provisions of FIN 48 were effective for the Company beginning April 1, 2007, the first day of our fiscal year. As a result of the adoption of this new pronouncement, we recognized a \$1.6 million decrease in the liability for unrecognized tax benefits with a corresponding increase to the beginning balance of retained earnings. The Company is complying with the current provisions of FIN 48. See Note 4, “*Income Taxes*” for further details.

In December 2006, the FASB issued Statement of Financial Accounting Standard (“SFAS”) No. 157, “*Fair Value Measurements.*” SFAS 157 defines fair value, establishes a framework for measuring fair value in GAAP and expands disclosures about fair value measurements. SFAS 157 is effective for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The Company is currently evaluating the effect that the adoption of SFAS 157 will have on our financial position and results of operations.

In February 2007, the FASB issued SFAS 159, “*The Fair Value Option for Financial Assets and Financial Liabilities— Including an amendment of FASB Statement No. 115.*” SFAS 159 expands the use of fair value accounting to many financial instruments and certain other items. The fair value option is irrevocable and generally made on an instrument-by-instrument basis, even if a company has similar instruments that it elects not to measure based on fair value. SFAS 159 is effective for fiscal years beginning after November 15, 2007. The Company is currently evaluating the effect that the adoption of SFAS 159 will have on our financial position and results of operations.

In December 2007, the FASB issued SFAS 141 (revised 2007), “*Business Combinations.*” SFAS 141 (revised 2007) provides for several changes in the manner in which an entity accounts for business combinations. It establishes principles and requirements for how an acquirer

recognizes fair values of acquired assets, including goodwill, and assumed liabilities. SFAS 141 (revised 2007) requires the acquirer to recognize 100% of the fair values of acquired assets and liabilities, including goodwill, even if the acquirer has acquired less than 100% of the target. As a result, the current step-acquisition model will be eliminated. SFAS 141 (revised 2007) requires that transaction costs be expensed as incurred and are not considered part of the fair value of an acquirer's interest. Under SFAS 141 (revised 2007), acquired research and development value will no longer be expensed at acquisition, but instead will be capitalized as an indefinite-lived intangible asset, subject to impairment accounting throughout its' development stage and then subject to amortization and impairment after development is complete. SFAS 141 (revised 2007) is effective for fiscal years beginning after December 15, 2008. Adoption is prospective and early adoption is not permitted.

2. Accounts Receivable, net

The following are the components of accounts receivable (in thousands):

	<u>December 29, 2007</u>	<u>March 31, 2007</u>
Gross accounts receivable	\$ 23,228	\$ 19,232
Allowance for doubtful accounts	<u>(179)</u>	<u>(105)</u>
	<u>\$ 23,049</u>	<u>\$ 19,127</u>

3. Inventories

Inventories are comprised of the following (in thousands):

	<u>December 29, 2007</u>	<u>March 31, 2007</u>
Work in process	\$ 10,407	\$ 6,646
Finished goods	<u>9,623</u>	<u>9,850</u>
	<u>\$ 20,030</u>	<u>\$ 16,496</u>

4. Income Taxes

We recognized a provision for income taxes of \$10 thousand and \$40 thousand for the third quarter and first nine months of fiscal year 2008, respectively. The income tax expense for both periods was primarily driven by estimated income taxes due in certain foreign jurisdictions. Our tax expense for the third quarter and first nine months of fiscal year 2008 is based on an estimated effective tax rate that is derived from an estimate of consolidated earnings before taxes for fiscal year 2008. The estimated effective tax rate is impacted primarily by the worldwide mix of consolidated earnings before taxes and an assessment regarding the realizability of our deferred tax assets. Our tax expense for the third quarter and first nine months of fiscal year 2008 was less than the Federal statutory rate primarily as a result of the utilization of a portion of our U.S. deferred tax asset, which had been subjected to a valuation allowance.

We recognized a provision for income taxes of \$32 thousand and a benefit for income taxes of \$0.3 million for the third quarter and first nine months of fiscal year 2007, respectively. The income tax benefit for the first nine months of fiscal year 2007 of \$0.3 million was generated by the expiration of the statute of limitations for years in which certain non-U.S. income tax exposures for transfer pricing issues had existed. The fiscal year 2007 benefit is net of non-U.S. income taxes and U.S. alternative minimum tax. Our tax expense for the third quarter and the first nine months of fiscal year 2007 was less than the Federal statutory rate due primarily to the utilization of a portion of our U.S. deferred tax asset on which there had been placed a full valuation allowance, and the release of a tax contingency reserve in the first quarter.

We adopted the provisions of FIN 48 on April 1, 2007. As a result of the adoption of this new pronouncement, we recognized a \$1.6 million decrease in the liability for unrecognized tax benefits with a corresponding increase to the balance of retained earnings as of April 1, 2007.

As of the date of adoption, the balance of unrecognized tax benefits was \$2.6 million. All of the unrecognized tax benefits are associated with tax carryforwards that, if recognized, would have no effect on the effective tax rate because the recognition of the associated deferred tax asset would be offset by an increase to the valuation allowance. The unrecognized tax benefits relate primarily to the effect of a foreign subsidiary's transactions, and the Company anticipates receiving a taxable distribution from the foreign subsidiary. If this occurs, it is reasonably possible that unrecognized tax benefits would be reduced to approximately \$0.5 million.

We accrue interest and penalties related to unrecognized tax benefits as a component of the provision for income taxes. As of the adoption date of FIN 48 and as of December 29, 2007, the balance of accrued interest and penalties was zero. No interest or penalties were incurred during the third quarter or first nine months of fiscal year 2008.

The Company and its subsidiaries are subject to U.S. federal income tax as well as income tax in multiple state and foreign jurisdictions. We are not currently under audit in any of these jurisdictions. Fiscal years 2004 through 2007 remain open to examination by the major taxing jurisdictions to which we are subject.

5. Acquisition of Business

On July 24, 2007, we acquired 100 percent of the outstanding stock of Apex Microtechnology, Inc. ("Apex"). Apex designs and produces integrated circuits, hybrids and modules used in a wide range of industrial and aerospace applications that require high-power precision analog products, such as Pulse Width Modulators ("PWM") and power amplifiers. These precision amplifiers are used for driving motors, piezo electrics, programmable power supplies and other devices requiring high power and precision control and provide a compliment to our existing Industrial product line. The results of Apex's operations have been included in our consolidated financial statements since the acquisition date. We acquired Apex for a purchase price of approximately \$42.8 million, consisting primarily of cash and direct acquisition costs.

Below is a preliminary summary, which details the assets and liabilities acquired as a result of the acquisition (in thousands):

	<u>Summary</u>
<i>Acquired Assets</i>	
Trade Accounts Receivable	\$ 2,859
Inventory	2,709
Fixed Assets, net	10,605
Other assets	745
Total Assets Identified	16,918
Developed Technology (15 year life)	\$ 14,283
Tradename (indefinite life)	2,438
Customer Relationships (15 year life)	4,506
Acquired Intangibles subtotal	21,227
In-process research and development expense	1,761
Goodwill	6,194
<i>Acquired Liabilities</i>	
Deferred tax liability	\$ (893)
Other liabilities	(2,454)
Total Liabilities Identified	(3,347)
Total Purchase Price	<u>\$ 42,753</u>

The preliminary purchase price was allocated to the estimated fair value of assets acquired and liabilities assumed based on independent appraisals and management estimates. Upon receipt of a finalized valuation, including an analysis of certain current assets, we anticipate that we will be able to complete the purchase price allocation, as there are no known open contingencies that have not been factored into the purchase price. We recorded acquired intangible assets of \$21.2 million, which are being amortized, excluding the acquired trade name, which is not being amortized, over a composite life of 15 years, and goodwill of \$6.2 million. Approximately \$1.8 million of the purchase price was allocated to in-process research and development and was expensed upon completion of the acquisition, which was recorded as a separate line item on the Statement of Operations under the caption operating expenses.

The following unaudited pro forma information presents a summary of the Company's consolidated results of operations as if the Apex transaction occurred at the beginning of the fiscal year 2008 for the period presented (in thousands, except per share data):

	Nine Months Ended Dec. 29, 2007
Revenue	\$ 143,078
Income from continuing operations	\$ 6,950
Net income	\$ 7,059
Earnings per share, basic	\$ 0.08
Earnings per share, diluted	\$ 0.08

The following unaudited pro forma information presents a summary of the Company's consolidated results of operations as if the Apex transaction occurred at the beginning of the fiscal year 2007 for the period presented (in thousands, except per share data):

	Qtr. Ended Dec. 30, 2006	Nine Months Ended Dec. 30, 2006
Revenue	\$ 49,779	\$ 152,549
Income from continuing operations	\$ 4,752	\$ 23,753
Net income	\$ 4,437	\$ 22,992
Earnings per share, basic	\$ 0.05	\$ 0.26
Earnings per share, diluted	\$ 0.05	\$ 0.26

6. Non-marketable Securities

During the second quarter of fiscal year 2008, we determined an impairment indicator existed related to our cost method investment in Magnum Semiconductor, Inc. ("Magnum"), as Magnum had participated in another round of capital funding from other sources, and our portion of the investment was diluted. We performed a fair value analysis of our cost method investment in Magnum in accordance with Emerging Issues Task Force No. 03-1 ("EITF 03-1"), "*The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments.*" Based on the results of this analysis as of September 29, 2007, we recognized an impairment of \$3.7 million to reduce the carrying value of the Magnum cost method investment to zero. The impairment was recorded as a separate line item on the statement of operations in operating expenses under the caption "*Impairment of non-marketable securities.*"

7. Restructuring and Other Costs

The following table details the changes in all of our restructuring accruals during the nine months ended December 29, 2007 (in thousands):

Description	March 31, 2007	Benefits to P&L	Cash Payments	December 29, 2007
Severance — fiscal year 2007	\$ 195	\$ (146)	\$ (49)	\$ —
Facilities abandonment — fiscal year 2007	204	—	(193)	11
Facilities abandonment — fiscal year 2006	1,727	(1,108)	(619)	—
Facilities abandonment — fiscal year 2004	3,294	(299)	(458)	2,537
Facilities abandonment — fiscal year 1999	397	—	—	397
	<u>\$ 5,817</u>	<u>\$ (1,553)</u>	<u>\$ (1,319)</u>	<u>\$ 2,945</u>

In connection with the expiration of a lease agreement in Fremont, California in December 2007, during the third quarter of fiscal year 2008 we recorded a combined \$1.4 million adjustment to the fiscal year 2004 and 2006 restructuring liabilities to reduce the accrual to the estimated final settlement amounts. Additionally, we reduced the restructuring accrual for the fiscal year 2007 severance provision by \$146 thousand. The total restructuring adjustment of \$1.6 million was recorded as a separate line item on the statement of operations in operating expenses under the caption "*Restructuring and other costs.*"

As of December 29, 2007, we had a remaining accrual from all of our past restructurings of \$2.9 million, primarily related to net lease expenses that will be paid over their respective lease terms through fiscal year 2013, along with other anticipated lease termination costs. We have classified \$1.9 million of this restructuring accrual as long-term.

8. Earnings Per Share

Basic net income per share is based on the weighted effect of common shares issued and outstanding and is calculated by dividing net income by the basic weighted average shares outstanding during the period. Diluted net income per share is calculated by dividing net income by the basic weighted average number of common shares used in the basic net income per share calculation plus the number of common shares that would be issued assuming exercise or conversion of all potentially dilutive common shares outstanding.

The weighted average outstanding options excluded from our diluted calculation for the quarter ended December 29, 2007, and December 30, 2006, were 6,580,000 and 6,668,000, respectively, as the exercise price exceeded the average market price during the respective periods. The weighted average outstanding options excluded from our diluted calculation for the nine-months ended December 29, 2007, and December 30, 2006, were 5,291,000 and 6,278,000, respectively, as the exercise price exceeded the average market price during the respective periods.

9. Legal Matters

Derivative Lawsuits

On January 5, 2007, a purported stockholder filed a derivative lawsuit in the state district court in Travis County, Texas against current and former officers and directors of Cirrus Logic and against the Company, as a nominal defendant, alleging various breaches of fiduciary duties, conspiracy, improper financial reporting, insider trading, violations of the Texas Securities Act, unjust enrichment, accounting, gross mismanagement, abuse of control, rescission, and waste of corporate assets related to certain prior grants of stock options by the Company. Our response to the lawsuit was filed on April 20, 2007. On June 12, 2007, the state district court stayed the lawsuit until a final determination is reached in the District Court actions described below.

Three additional lawsuits arising out of the same claims have been filed in federal court in the United States District Court for the Western District of Texas — Austin Division. Between March 19, 2007, and May 22, 2007, three purported stockholders filed derivative lawsuits related to the Company's prior stock option grants against current and former officers and directors of Cirrus Logic and against the Company, as a nominal defendant. The individual defendants named in these lawsuits overlap, but not completely, with the state suit. The lawsuits allege many of the causes of action alleged in the Texas state court suit, but also include claims for alleged violations of Section 10(b) of the Exchange Act and Rule 10b-5, violations of Section 14(a) of the Exchange Act and violations of Section 20(a) of the Exchange Act.

On July 16, 2007, the plaintiffs in the three federal cases filed a motion to voluntarily dismiss their claims in the federal court and indicated their intent to coordinate their efforts in the state district court case. After a hearing on the plaintiffs' motion, the court denied the plaintiff's motion and required the three purported stockholders to file a consolidated complaint in federal court. A consolidated complaint, including substantially similar allegations to the three previous complaints, was filed on October 9, 2007. In response to the consolidated complaint, Cirrus Logic filed a motion to dismiss in early December based on the plaintiffs' failure to make demand on the Board prior to filing this action (the "demand futility" motion).

We intend to defend these lawsuits vigorously. However, we cannot predict the ultimate outcome of this litigation and we are unable to estimate any potential liability we may incur.

Securities and Exchange Commission Formal Investigation

On October 11, 2007, the Securities and Exchange Commission initiated a formal investigation into the Company's historical option granting practices. The order of investigation includes allegations of potential violations of Section 17(a) of the Securities Act;

Sections 10(b), 13(a), 13(b), and 14(a) of the Exchange Act, and Rule 13a-14 of the Sarbanes-Oxley Act.

Silvaco Data Systems

On December 8, 2004, Silvaco Data Systems (“Silvaco”) filed suit against us, and others, alleging misappropriation of trade secrets, conversion, unfair business practices, and civil conspiracy. Silvaco’s complaint stems from a trade secret dispute between Silvaco and a software vendor, Circuit Semantics, Inc., who supplied us with certain software design tools. Silvaco alleges that our use of Circuit Semantics’s design tools infringes upon Silvaco’s trade secrets and that we are liable for compensatory damages in the sum of \$10 million. Silvaco has not indicated how it will substantiate this amount of damages and we are unable to reasonably estimate the amount of damages, if any.

On January 25, 2005, we answered Silvaco’s complaint by denying any wrong-doing. In addition, we filed a cross-complaint against Silvaco alleging breach of contract relating to Silvaco’s refusal to provide certain technology that would enable us to use certain unrelated software tools.

On July 5, 2007, the Court granted our motion for judgment on the pleadings, determining that all claims except for the misappropriation of trade secrets claims were pre-empted by trade secret law. On October 15, 2007, the Court granted our motion for summary judgment on the trade secret misappropriation claim because we presented undisputed evidence that Silvaco will be unable to prove that Cirrus misappropriated Silvaco’s trade secrets. The only remaining allegations in the suit are our claims against Silvaco for breach of contract. We anticipate that the trial will be set on our claims in the next three or four months.

At this stage of the litigation, we cannot predict the ultimate outcome and we are unable to estimate any potential liability we may incur.

Other Claims

From time to time, other various claims, charges and litigation are asserted or commenced against us arising from, or related to, contractual matters, intellectual property, employment disputes, as well as other issues. Frequent claims and litigation involving these types of issues are not uncommon in our industry. As to any of these claims or litigation, we cannot predict the ultimate outcome with certainty.

10. Comprehensive Income

The components of comprehensive income, net of tax, are as follows (in thousands):

	Three Months Ended		Nine Months Ended	
	December 29, 2007	December 30, 2006	December 29, 2007	December 30, 2006
Net income	\$ 4,182	\$ 3,464	\$ 7,839	\$ 20,616
Adjustments to arrive at comprehensive income:				
Change in unrealized loss on marketable securities	126	31	301	279
Reclassification adjustment for realized gains included in net income	—	—	—	(193)
Comprehensive income	<u>\$ 4,308</u>	<u>\$ 3,495</u>	<u>\$ 8,140</u>	<u>\$ 20,702</u>

11. Segment Information

We are a premier supplier of high-precision analog and mixed-signal integrated circuits (“ICs”) for a broad range of consumer, professional, and industrial markets. We develop and market ICs and embedded software used by original equipment manufacturers. We determine our

operating segments in accordance with Statement of Financial Accounting Standard No. 131 (“SFAS 131”), “*Disclosures about Segments of an Enterprise and Related Information.*” Our chief executive officer (“CEO”) has been identified as the chief operating decision maker as defined by SFAS 131. Certain reclassifications have been made to the 2007 fiscal year presentation to conform to the fiscal year 2008 presentation. We now report revenue in two product categories: Audio Products and Industrial Products. This reclassification had no effect on the results of operations or stockholders’ equity.

Our CEO receives and uses enterprise-wide financial information to assess financial performance and allocate resources, rather than detailed information at a product line level. Additionally, our product lines have similar characteristics and customers. They share operations support functions such as sales, public relations, supply chain management, various research and development and engineering support, in addition to the general and administrative functions of human resources, legal, finance and information technology.

In accordance with SFAS 131, below is a summary of our net sales by product line (in thousands):

	Three Months Ended		Nine Months Ended	
	December 29, 2007	December 30, 2006	December 29, 2007	December 30, 2006
Audio Products	\$ 27,267	\$ 25,007	\$ 77,817	\$ 81,547
Industrial Products	21,638	20,290	\$ 59,246	57,110
	<u>\$ 48,905</u>	<u>\$ 45,297</u>	<u>\$ 137,063</u>	<u>\$ 138,657</u>

12. Subsequent Events

On January 28, 2008, the Cirrus Logic Board of Directors authorized a share repurchase program of up to \$150 million. The repurchases will be funded from existing cash and will be effected from time to time in accordance with applicable securities laws through the open market or in private transactions, depending on general market and economic conditions.

On January 29, 2008, following a comprehensive review of the Company’s strategic plan, the Company implemented a restructuring plan in an effort to re-align its resources with its strategic plan and to position the Company for long-term growth. As a result of this restructuring, the Company estimates that it will incur a one-time charge to operating expenses of approximately \$0.5 million to \$0.7 million, which consists primarily of employee severance and benefit related costs. The severance related costs are expected to be paid over the next six months.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read along with the unaudited consolidated condensed financial statements and notes thereto included in Item 1 of this Quarterly Report, as well as the audited consolidated financial statements and notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations for the fiscal year ended March 31, 2007, contained in our 2007 Annual Report on Form 10-K filed with the Securities and Exchange Commission ("Commission") on June 4, 2007. We maintain a web site at www.cirrus.com, which makes available free of charge our recent annual report and all other filings we have made with the SEC. This Management's Discussion and Analysis of Financial Condition and Results of Operations and certain information incorporated herein by reference contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Exchange Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are based on current expectations, estimates, forecasts and projections and the beliefs and assumptions of our management including, without limitation, our expectations regarding fourth quarter sales, gross margins, and combined research and development and selling, general and administrative expenses. In some cases, forward-looking statements are identified by words such as "expect," "anticipate," "target," "project," "believe," "goals," "estimates," "intend" and variations of these types of words and similar expressions are intended to identify these forward-looking statements. In addition, any statements that refer to our plans, expectations, strategies or other characterizations of future events or circumstances are forward-looking statements. Readers are cautioned that these forward-looking statements are predictions and are subject to risks, uncertainties and assumptions that are difficult to predict. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. We undertake no obligation to revise or update publicly any forward-looking statement for any reason.

Among the important factors that could cause actual results to differ materially from those indicated by our forward-looking statements are those discussed in "*Item 1A — Risk Factors Affecting our Business and Prospects*" in our 2007 Annual Report on Form 10-K filed with the Commission on June 4, 2007, as well as the risk factor discussed in "*Item 1A — Risk Factors*" in this Current Report on Form 10-Q. Readers should carefully review these risk factors, as well as those identified in the documents filed by us with the Commission.

Overview

Cirrus Logic ("we," "us," "our," "Cirrus," or the "Company") develops high-precision, analog and mixed-signal integrated circuits ("ICs") for a broad range of consumer and industrial markets. Building on our diverse analog mixed-signal patent portfolio, Cirrus Logic delivers highly optimized products for consumer and commercial audio, automotive entertainment, industrial and aerospace applications.

Critical Accounting Policies

Our discussion and analysis of the Company's financial condition and results of operations are based upon the consolidated condensed financial statements included in this report, which have been prepared in accordance with U. S. generally accepted accounting principles ("GAAP"). The preparation of these condensed financial statements requires us to make estimates and judgments that affect the reported amounts. We evaluate the estimates on an on-going basis. We base these estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions. We also have policies that we consider to be key accounting policies, such as our policies for revenue recognition, including the deferral of revenues and cost of sales on sales to our distributors, and our stock option granting practices; however, these policies do not meet the definition of critical accounting estimates because they do not generally require us to make estimates or judgments that are difficult or subjective.

We believe the following critical accounting policies involve significant judgments and estimates that are used in the preparation of the consolidated condensed financial statements:

- For purposes of determining the assumptions used in the calculation of stock compensation expense under the provisions of the Financial Accounting Standards Board's ("FASB") Statement of Financial Accounting Standards No. 123 (revised 2004) ("SFAS 123(R)", "*Share Based Payment*," we perform an analysis of current market data and historical Company data to calculate an estimate of implied volatility, the expected term of the option and the expected forfeiture rate. With the exception of the expected forfeiture rate, which is not an input, we use these estimates as assumptions in the Black-Scholes option pricing model. Depending upon the number of stock options granted, any fluctuations in these calculations could have a material effect on the results presented in our Consolidated Condensed Statement of Operations. In addition, any differences between estimated forfeitures and actual forfeitures could also have a material impact on our financial statements.
- We maintain allowances for doubtful accounts for estimated losses resulting from the inability or failure of our customers to make required payments. We regularly evaluate our allowance for doubtful accounts based upon the age of the receivable, our ongoing customer relations, as well as any disputes with the customer. If the financial condition of our customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required, which could have a material effect on our operating results and financial position. Additionally, we may maintain an allowance for doubtful accounts for estimated losses on receivables from customers with whom we are involved in litigation.
- Inventories are recorded at the lower of cost or market, with cost being determined on a first-in, first-out basis. We write down inventories to net realizable value based on forecasted demand, management judgment, and the age of inventory. Actual demand and market conditions may be different from those projected by management, which could have a material effect on our operating results and financial position.
- We evaluate the recoverability of property and equipment and intangible assets in accordance with SFAS 144, "*Accounting for the Impairment or Disposal of Long-Lived Assets*." We test for impairment losses on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amounts. An impairment loss is recognized in the event the carrying value of these assets exceeds the fair value of the applicable assets. Impairment evaluations involve management estimates of asset useful lives and future cash flows. Actual useful lives and cash flows could be different from those estimated by management, which could have a material effect on our operating results and financial position.
- Our available-for-sale investments, non-marketable securities and other investments are subject to a periodic impairment review pursuant to Emerging Issues Task Force No. 03-1 ("EITF 03-1"), "*The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments*." Investments are considered impaired when a decline in fair value is judged to be other-than-temporary. This determination requires significant judgment and actual results may be materially different than our estimate. Marketable securities are evaluated for impairment if the decline in fair value below cost basis is significant and/or has lasted for an extended period. Non-marketable securities or other investments are considered impaired when a decline in fair value is judged other-than-temporary. For investments accounted for using the cost method of accounting, we evaluate information (e.g., budgets, business plans, financial statements, etc.) in addition to a quoted market price, if any, in determining whether an other-than-temporary decline in value exists. Factors indicative of an other-than-temporary decline include recurring operating losses, credit defaults and subsequent rounds of financings at an amount below the cost basis of the investment. This list is not all inclusive and we weigh all quantitative and qualitative factors in determining if an other-than-temporary decline in value of an investment has occurred. When a decline in value is deemed other-than-temporary, we recognize an impairment loss in the current period's operating results to the extent of the decline. Actual values could be different from those estimated by management,

which could have a material effect on our operating results and financial position.

- In accordance with SFAS 109, “*Accounting for Income Taxes*,” we provide for the recognition of deferred tax assets if realization of such assets is more likely than not. We have provided a valuation allowance against a substantial portion of our net U.S. deferred tax assets due to uncertainties regarding their realization. We evaluate the realizability of our deferred tax assets on a quarterly basis by determining whether or not the anticipated pre-tax income for the upcoming twelve months is expected to be sufficient to utilize the deferred tax assets that we have recognized. If our future income is not sufficient to utilize the deferred tax assets that we have recognized, we increase the valuation allowance to the point at which all of the remaining recognized deferred tax assets will be utilized by the anticipated future pre-tax income for the next twelve months. An increase in the valuation allowance results in a simultaneous increase to income tax expense or, in some cases, a decrease in contributed capital. If our anticipated future pre-tax income is sufficient to conclude that additional deferred tax assets should be recognized, we decrease the valuation allowance. This results in a simultaneous decrease to income tax expense or, possibly, an increase in contributed capital.
- Restructuring charges for workforce reductions and facilities consolidations reflected in the accompanying financial statements were accrued based upon specific plans established by management, in accordance with Emerging Issues Task Force No. 94-3 (“EITF 94-3”), “*Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit an Activity (including Certain Costs Incurred in a Restructuring)*” or SFAS 146, “*Accounting for Costs Associated with Exit or Disposal Activities*” depending upon the time of the restructuring activity. We use an estimated borrowing rate as the discount rate for all of our restructuring accruals made under SFAS 146. Our facilities consolidation accruals are based upon our estimates as to the length of time a facility would be vacant, as well as the amount of sublease income we would receive once we sublet the facility, after considering current and projected market conditions. Changes in these estimates could result in an adjustment to our restructuring accruals in a future quarter, which could have a material effect on our operating results and financial position.
- We are subject to the possibility of loss contingencies for various legal matters. We regularly evaluate current information available to us to determine whether any accruals should be made based on the status of the case, the results of the discovery process and other factors. If we ultimately determine that an accrual should be made for a legal matter, this accrual could have a material effect on our operating results and financial position and the ultimate outcome may be materially different than our estimate.

Results of Operations

The following table summarizes the results of our operations for the third quarter and first nine months of fiscal years 2008 and 2007, respectively, as a percent of net sales. All percent amounts were calculated using the underlying data in thousands:

	Percentage of Net Sales			
	Three Months Ended		Nine Months Ended	
	December 29, 2007	December 30, 2006	December 29, 2007	December 30, 2006
Audio products	56%	55%	57%	59%
Industrial products	44%	45%	43%	41%
Net sales	100%	100%	100%	100%
Cost of sales	44%	39%	43%	40%
Gross Margin	56%	61%	57%	60%
Research and development	26%	25%	26%	24%
Selling, general and administrative	30%	30%	29%	27%
Restructuring and other costs	(3%)	2%	(1%)	0%
Impairment of non-marketable securities	0%	0%	3%	0%
Acquired in process research and development	0%	4%	1%	2%
Total operating expenses	53%	61%	58%	53%
Income (loss) from operations	3%	0%	(1%)	7%
Realized gain on marketable securities	0%	0%	0%	0%
Interest income, net	6%	8%	7%	8%
Other income (expense), net	0%	0%	0%	0%
Income before income taxes	9%	8%	6%	15%
Provision (benefit) for income taxes	0%	0%	0%	0%
Net income	9%	8%	6%	15%

Net Sales

Net sales for the third quarter of fiscal year 2008 increased \$3.6 million, or 8 percent, to \$48.9 million from \$45.3 million for the third quarter of fiscal year 2007. As discussed in Note 11 — Segment Information, industrial products net sales increased by \$1.3 million, or 7 percent, during the third quarter of fiscal year 2008 from the comparable quarter of the prior fiscal year due substantially to the inclusion of Apex Microtechnology, Inc. (“Apex”) operating results after July 24, 2007, a new acquisition to our industrial product line. The increase from Apex was partially offset by a decline in revenue from our seismic and ARM products. Net sales from our audio products increased \$2.3 million, or 9 percent, due primarily to strong growth in portable products, as well as from an increase in sales from surround codecs. These increases were partially offset by reductions in revenue from our analog-to-digital converters, digital signal processors (“DSP”), and interface products.

Net sales for the first nine months of fiscal year 2008 decreased \$1.6 million, or 1 percent, to \$137.1 million from \$138.7 million for the first nine months of fiscal year 2007. Industrial products net sales increased \$2.1 million, or 4 percent, during the first nine months of fiscal year 2008 from the comparable period of the prior fiscal year due in large part to the acquisition of Apex during the second quarter of fiscal year 2008, partially offset by a decline in our seismic and communications products. Net sales from our audio products declined \$3.7 million, or 5 percent. This decline was partially offset by strong growth in our portable and surround codecs.

Export sales, principally to Asia, including sales to U.S.-based customers with manufacturing plants overseas, were 65 percent and 58 percent of net sales during the third quarter of fiscal years 2008 and 2007, respectively. For the first nine months of fiscal years 2008 and 2007 respectively, export sales, principally to Asia, were 63 percent and 64 percent of net sales. Our sales are denominated primarily in

U.S. dollars. As a result, we have not entered into foreign currency forward exchange and option contracts.

We had no direct customers that accounted for more than 10 percent of our sales. We had one distributor that represented 24 percent and 32 percent of our sales for the third quarter of fiscal years 2008 and 2007, respectively. That same distributor represented 26 percent and 29 percent of sales for the first nine months of fiscal years 2008 and 2007, respectively.

Gross Margin

Gross margin was 55.9 percent in the third quarter of fiscal year 2008, down from 60.5 percent in the third quarter of fiscal year 2007. The decrease in gross margin was driven primarily by a change in both customer and product mix. Gross margins received a net charge to reserves of approximately \$0.3 million and \$0.2 million during the third quarters of fiscal years 2008 and 2007, respectively, which had a negligible impact on gross margins for the periods.

Gross margin was 57.2 percent in the first nine months of fiscal year 2008, down from 59.6 percent in the first nine months of fiscal year 2007. The decrease in gross margin was driven primarily by a change in both customer and product mix. During the first nine months of fiscal year 2007, gross margin received a net charge to reserves of approximately \$0.2 million compared to a charge of \$0.6 million during the comparable period of fiscal year 2008, which had a negligible impact on gross margins for the periods.

Research and Development Expense

Research and development expense for the third quarter of fiscal year 2008 of \$13.2 million increased \$2.0 million from \$11.2 million in the third quarter of fiscal year 2007. This increase during the current quarter was primarily due to additional headcount costs associated with the recent acquisition of Apex, which contributed an additional \$0.9 million in salaries and benefits expenses. The increase in research and development expense for the third quarter of fiscal year 2008 was also impacted by higher acquired intangible amortization expense of approximately \$0.5 million associated with the Apex acquisition and higher product development expenses associated with tape-out and mask costs of approximately \$0.2 million.

Research and development expense for the first nine months of fiscal year 2008 of \$36.2 million increased \$3.2 million from \$33.0 million in the first nine months of fiscal year 2007. This increase was primarily due to a \$1.7 million increase in depreciation and amortization, of which \$1.0 million is attributable to the amortization of acquired intangibles associated with the acquisitions of Apex, as well as Caretta Integrated Circuits (“Caretta”), in fiscal year 2007. In addition, increased headcount related to these acquisitions increased research and development expenses by \$0.9 million and product development expenses provided an additional \$0.3 million increase.

Selling, General and Administrative Expense

Selling, general and administrative expense in the third quarter of fiscal year 2008 of \$14.5 million increased by \$1.0 million from \$13.5 million in the third quarter of fiscal year 2007. This increase was primarily due to higher headcount associated with our acquisitions of Apex and Caretta, an increase in salaries and benefits costs associated with the Company’s annual stock option grant which did not occur in the corresponding period of fiscal year 2007, and additional legal costs associated with ongoing litigation. These increases were substantially offset by a reduction in charges associated with our voluntary review of our stock compensation practices conducted in fiscal year 2007.

Selling, general and administrative expense in the first nine months of fiscal year 2008 of \$40.3 million increased by \$3.3 million from \$37.0 million in the first nine months of fiscal year 2007. This increase was due primarily to higher headcount associated with our acquisitions of Apex and Caretta and additional legal costs associated with ongoing litigation, which were substantially offset by a reduction in charges associated with our voluntary review of our stock compensation practices conducted in fiscal year 2007. In addition, occupancy costs increased

by \$0.6 million, partially attributable to the Apex and Caretta acquisitions, but also due to a charge of \$0.3 million related to final make-ready expenses associated with the expiration of a lease agreement in Fremont, California.

Restructuring Costs and Other, Net

During the third quarter and first nine months of fiscal year 2008, we realized a net benefit in restructuring and other costs, a component of operating expenses, of \$1.6 million. The benefits were primarily associated with the expiration of a Fremont, California facility lease agreement in December 2007.

During the third quarter and first nine months of fiscal year 2007, we realized a net expense in restructuring and other costs, a component of operating expenses, of \$1.0 million and \$0.6 million, respectively. The third quarter charges are primarily composed of \$1.0 million in severance and facility related charges for the closure of the Boulder, Colorado design facility and the transition of those design activities to our Austin, Texas headquarters. Twenty employees were affected by this action, five of which were relocated to our Austin headquarters. In addition to the third quarter charges detailed above, during the first nine months of fiscal year 2007, we realized a net benefit in restructuring and other costs, a component of operating expenses, of \$0.7 million. The benefits were primarily composed of \$0.3 million related to the cancellation of a maintenance contract that had been previously restructured coupled with \$0.8 million related to adjustments to certain sublease assumptions for the Austin, Texas facility. These benefits were partially offset by a facility charge of \$0.4 million related to certain facilities in Fremont, California.

Impairment of Non-Marketable Securities

During the second quarter of fiscal year 2008, we determined an impairment indicator existed related to our cost method investment in Magnum Semiconductor, Inc. ("Magnum"), as Magnum recently participated in another round of capital funding from other sources, and our portion of the investment was diluted. We performed a fair value analysis of our cost method investment in Magnum in accordance with Emerging Issues Task Force No. 03-1 ("EITF 03-1"), "*The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments.*" Based on the results of this analysis as of December 29, 2007, we recognized an impairment of \$3.7 million to reduce the carrying value of the Magnum cost method investment to zero. The impairment was recorded as a separate line item on the statement of operations in operating expenses under the caption "*Impairment of non-marketable securities.*"

Acquired in Process Research and Development

During the second quarter of fiscal year 2008, we acquired 100 percent of the voting equity interests in Apex, who designs and produces integrated circuits, hybrids and modules used in a wide range of industrial and aerospace applications that require high-power precision analog products, such as PWM and power amplifiers. In allocating the \$42.8 million purchase price, we immediately recognized an expense of \$1.8 million for research and development that was defined as "in-process" at the time of acquisition. This charge is included in total operating expenses on the consolidated statement of operations under the caption "*Acquired in process research and development.*"

On December 29, 2006, Cirrus Logic acquired 100 percent of the voting equity interests in Caretta, a company based in Shanghai, China that specializes in designing power management integrated circuits for the large, single-cell lithium ion battery market. This acquisition was undertaken to strengthen and diversify our analog and mixed signal product portfolios as well as position us for growth within the China market. In allocating the \$11.0 million purchase price, we immediately recognized an expense of \$1.9 million for research and development that was defined as "in-process" at the time of acquisition. This charge is included in total operating expenses on the consolidated statement of operations under the caption "*Acquired in process research and development.*"

Interest Income

Interest income was \$3.0 million and \$3.6 million for the third quarters in fiscal years 2008 and 2007, respectively. The decrease of \$0.6 million in the third quarter of fiscal year 2008 is primarily due to decreased cash, cash equivalent, and marketable securities balances on which interest was earned, primarily attributable to cash required to complete the Apex acquisition in the second quarter of fiscal year 2008. In addition, interest income for the third quarter of fiscal year 2008 was reduced due to lower rates of return realized on our investments as compared to the corresponding period of fiscal year 2007.

Income Taxes

We recognized a provision for income taxes of \$10 thousand and \$40 thousand for the third quarter and first nine months of fiscal year 2008, respectively. The income tax expense for both periods was primarily driven by estimated income taxes due in certain foreign jurisdictions. Our tax expense for the third quarter and first nine months of fiscal year 2008 is based on an estimated effective tax rate that is derived from an estimate of consolidated earnings before taxes for fiscal year 2008. The estimated effective tax rate is impacted primarily by the worldwide mix of consolidated earnings before taxes and an assessment regarding the realizability of our deferred tax assets. Our tax expense for the third quarter and first nine months of fiscal year 2008 was less than the Federal statutory rate primarily as a result of the utilization of a portion of our U.S. deferred tax asset, which had been subjected to a valuation allowance.

We recognized a provision for income taxes of \$32 thousand and a benefit for income taxes of \$0.3 million for the third quarter and first nine months of fiscal year 2007, respectively. The income tax benefit for the first nine months of fiscal year 2007 of \$0.3 million was generated by the expiration of the statute of limitations for years in which certain non-U.S. income tax exposures for transfer pricing issues had existed. The fiscal year 2007 benefit is net of non-U.S. income taxes and U.S. alternative minimum tax. Our tax expense for the third quarter and the first nine months of fiscal year 2007 was less than the Federal statutory rate due primarily to the utilization of a portion of our U.S. deferred tax asset on which there had been placed a full valuation allowance, and the release of a tax contingency reserve in the first quarter.

Recently Issued Accounting Pronouncements

In June 2006, the Financial Accounting Standards Board (“FASB”) issued FASB Interpretation 48 (“FIN 48”) “*Accounting for Uncertainty in Income Taxes — an interpretation of FASB Statement 109*,” which prescribes a recognition threshold and measurement process for recording in the financial statements uncertain tax positions taken or expected to be taken in a tax return. Additionally, FIN 48 provides guidance on derecognition, classification, accounting in interim periods and disclosure requirements of uncertain tax positions. The accounting provisions of FIN 48 were effective for the Company beginning April 1, 2007, the first day of our 2008 fiscal year. As a result of the adoption of this new pronouncement, we recognized a \$1.6 million decrease in the liability for unrecognized tax benefits with a corresponding increase to the beginning balance of retained earnings. The Company is complying with the current provisions of FIN 48. See Note 4, “*Income Taxes*” for further details.

In December 2006, the FASB issued SFAS 157, “*Fair Value Measurements*.” SFAS 157 defines fair value, establishes a framework for measuring fair value in GAAP and expands disclosures about fair value measurements. SFAS 157 is effective for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The Company is currently evaluating the effect that the adoption of SFAS 157 will have on its financial position and results of operations.

In February 2007, the FASB issued SFAS 159, “*The Fair Value Option for Financial Assets and Financial Liabilities— Including an amendment of FASB Statement No. 115*.” SFAS 159 expands the use of fair value accounting to many financial instruments and certain other items. The fair value option is irrevocable and generally made on an instrument-by-instrument basis, even if a company has similar instruments that it elects not to measure based on fair value. SFAS 159 is effective for fiscal years beginning after November 15, 2007. The Company is currently evaluating the effect that the adoption of SFAS 159 will have on our financial position and results of operations.

In December 2007, the FASB issued SFAS 141 (revised 2007), "*Business Combinations*." SFAS 141 (revised 2007) provides for several changes in the manner in which an entity accounts for business combinations. It establishes principles and requirements for how an acquirer recognizes fair values of acquired assets, including goodwill, and assumed liabilities. SFAS 141 (revised 2007) requires that transaction costs are expensed as incurred and are not considered part of the fair value of an acquirer's interest. Under SFAS 141 (revised 2007), acquired research and development value will no longer be expensed at acquisition, but instead will be capitalized as an indefinite-lived intangible asset, subject to impairment accounting throughout its development stage and then subject to amortization and impairment after development is complete. SFAS 141 (revised 2007) is effective for fiscal years beginning after December 15, 2008. Adoption is prospective and early adoption is not permitted.

Liquidity and Capital Resources

During the first nine months of fiscal year 2008, we generated approximately \$22.8 million of cash from operating activities. The primary increase in cash from operations was related to the cash components of our net income and to an increase in accounts payable of \$7.0 million driven by the receipt of large inventory shipments in December 2007. These increases were partially offset by an increase in our accounts receivable of \$1.1 million, a decrease in accrued liabilities of \$5.8 million, and a decrease in accrued salaries and benefits of \$1.9 million. During the first nine months of fiscal year 2007, we generated approximately \$29.9 million of cash from operating activities. The primary increase in cash for the first nine months of fiscal year 2007 was related to the cash components of our net income and from reductions in accounts receivable of \$4.7 million, partially offset by decreases in accounts payable of \$2.0 million and deferred revenue of \$2.2 million.

Net cash used in investing activities was \$46.5 million during the first nine months of fiscal year 2008, primarily as a result of the acquisition of Apex for approximately \$42.8 million and by investments in technology and equipment of approximately \$5.0 million, primarily resulting from the purchase of certain intellectual property from Tripath Technology, Inc. during the first quarter of fiscal year 2008. Partially offsetting these uses of cash from investing activities was \$1.6 million from net proceeds of investments from our available-for-sale securities. Net cash used in investing activities was \$70.6 million during the first nine months of fiscal year 2007, primarily the result of the net purchase of \$55.3 million of available-for-sale securities and for the acquisition of Caretta for approximately \$10.7 million. Purchases of property and equipment and technology licenses during the period were \$4.8 million.

We generated \$5.0 million and \$6.0 million in cash from financing activities during the first nine months of fiscal years 2008 and 2007, respectively, due primarily to the issuance of common stock in connection with option exercises and our employee stock purchase plan.

As of December 29, 2007, we have restricted cash of \$5.7 million which primarily secures certain obligations under our lease agreement for the headquarters and engineering facility in Austin, Texas.

We have not paid cash dividends on our common stock and currently intend to continue our policy of retaining any earnings for reinvestment in our business. Although we cannot give assurance that we will be able to generate cash in the future, we anticipate that our existing capital resources and cash flow generated from future operations will enable us to maintain our current level of operations for at least the next 12 months.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risks associated with interest rates on our debt securities, currency movements on non-U.S. dollar denominated assets and liabilities, and the affect of market factors on the value of our non-marketable equity securities. We assess these risks on a regular basis and have established policies that are designed to protect against the adverse effects of these and other potential exposures. There have been no significant changes in our interest rate or foreign exchange risk since we filed our 2007 Annual Report on Form 10-K on June 4, 2007.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of disclosure control and procedures

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our management, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-15 of the Exchange Act. Based upon that evaluation, the Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”) concluded that, as of December 29, 2007, our disclosure controls and procedures were effective at providing reasonable assurance that information required to be disclosed by us in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms and that our controls and procedures are effective in timely alerting them to material information required to be included in this report.

Changes in control over financial reporting

There has been no change in our internal control over financial reporting that occurred during our most recent fiscal quarter that has materially affected or is reasonably likely to materially affect our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

Derivative Lawsuits

On January 5, 2007, a purported stockholder filed a derivative lawsuit in the state district court in Travis County, Texas against current and former officers and directors of Cirrus Logic and against the Company, as a nominal defendant, alleging various breaches of fiduciary duties, conspiracy, improper financial reporting, insider trading, violations of the Texas Securities Act, unjust enrichment, accounting, gross mismanagement, abuse of control, rescission, and waste of corporate assets related to certain prior grants of stock options by the Company. Our response to the lawsuit was filed on April 20, 2007. On June 12, 2007, the state district court stayed the lawsuit until a final determination is reached in the District Court actions described below.

Three additional lawsuits arising out of the same claims have been filed in federal court in the United States District Court for the Western District of Texas — Austin Division. Between March 19, 2007, and May 22, 2007, three purported stockholders filed derivative lawsuits related to the Company’s prior stock option grants against current and former officers and directors of Cirrus Logic and against the Company, as a nominal defendant. The individual defendants named in these lawsuits overlap, but not completely, with the state suit. The lawsuits allege many of the causes of action alleged in the Texas state court suit, but also include claims for alleged violations of Section 10(b) of the Exchange Act and Rule 10b-5, violations of Section 14(a) of the Exchange Act and violations of Section 20(a) of the Exchange Act.

On July 16, 2007, the plaintiffs in the three federal cases filed a motion to voluntarily dismiss their claims in the federal court and indicated their intent to coordinate their efforts in the state district court case. After a hearing on the plaintiffs’ motion, the court denied the plaintiff’s motion and required the three purported stockholders to file a consolidated complaint in federal court. A consolidated complaint, including substantially similar allegations to the three previous complaints, was filed on October 9, 2007. In response to the consolidated complaint, Cirrus Logic filed a motion to dismiss in early December based on the plaintiffs’ failure to make demand on the Board prior to filing this action (the “demand futility” motion).

We intend to defend these lawsuits vigorously. However, we cannot predict the ultimate outcome of this litigation and we are unable to estimate any potential liability we may incur.

Securities and Exchange Commission Formal Investigation

On October 11, 2007, the Securities and Exchange Commission initiated a formal investigation into the Company's historical option granting practices. The order of investigation includes allegations of potential violations of Section 17(a) of the Securities Act; Sections 10(b), 13(a), 13(b), and 14(a) of the Exchange Act, and Rule 13a-14 of the Sarbanes-Oxley Act.

Silvaco Data Systems

On December 8, 2004, Silvaco Data Systems ("Silvaco") filed suit against us, and others, alleging misappropriation of trade secrets, conversion, unfair business practices, and civil conspiracy. Silvaco's complaint stems from a trade secret dispute between Silvaco and a software vendor, Circuit Semantics, Inc., who supplied us with certain software design tools. Silvaco alleges that our use of Circuit Semantics' design tools infringes upon Silvaco's trade secrets and that we are liable for compensatory damages in the sum of \$10 million. Silvaco has not indicated how it will substantiate this amount of damages and we are unable to reasonably estimate the amount of damages, if any.

On January 25, 2005, we answered Silvaco's complaint by denying any wrongdoing. In addition, we filed a cross-complaint against Silvaco alleging breach of contract relating to Silvaco's refusal to provide certain technology that would enable us to use certain unrelated software tools.

On July 5, 2007, the Court granted our motion for judgment on the pleadings, determining that all claims except for the misappropriation of trade secrets claims were pre-empted by trade secret law. On October 15, 2007, the Court granted our motion for summary judgment on the trade secret misappropriation claim because we presented undisputed evidence that Silvaco will be unable to prove that Cirrus misappropriated Silvaco's trade secrets. The only remaining allegations in the suit are our claims against Silvaco for breach of contract. We anticipate that the trial will be set on our claims in the next three or four months.

At this stage of the litigation, we cannot predict the ultimate outcome and we are unable to estimate any potential liability we may incur.

Other Claims

From time to time, other various claims, charges and litigation are asserted or commenced against us arising from, or related to, contractual matters, intellectual property, employment disputes, as well as other issues. Frequent claims and litigation involving these types of issues are not uncommon in our industry. As to any of these claims or litigation, we cannot predict the ultimate outcome with certainty.

ITEM 1A. RISK FACTORS

In evaluating all forward-looking statements, readers should specifically consider risk factors that may cause actual results to vary from those contained in the forward-looking statements. Various risk factors associated with our business are included in our Annual Report on Form 10-K for the fiscal year ended March 31, 2007, as filed with the U.S. Securities and Exchange Commission ("Commission") on June 4, 2007, as updated on July 31, 2007 and November 5, 2007 in our Quarterly Reports on Form 10-Q for the fiscal quarters ended June 30, 2007 and September 29, 2007 respectively, and as further updated in our Schedule TO filed with the SEC on August 30, 2007, and available at www.sec.gov.

ITEM 6. EXHIBITS

The following exhibits are filed as part of or incorporated by reference into this Report:

- 3.1 Certificate of Incorporation of Registrant, filed with the Delaware Secretary of State on August 26, 1998. (1)
- 3.2 Agreement and Plan of Merger, filed with the Delaware Secretary of State on February 17, 1999. (1)

- 3.3 Certificate of Designation of Rights, Preferences and Privileges of Series A Preferred Stock, filed with the Delaware Secretary of State on March 30, 1999. (1)
- 3.4 Amended and Restated Bylaws of Registrant. (2)
- 3.5 Certificate of Elimination dated May 26, 2005. (3)
- 10.1 * Cirrus Logic, Inc. 1996 Stock Plan — amended and restated as of July 25, 2001.
- 31.1 * Certification of Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.2 * Certification of Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 32.1 * Certification of Chief Executive Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.2 * Certification of Chief Financial Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Filed with this Form 10-Q.

- (1) Incorporated by reference from Registrant's Report on Form 10-K for the fiscal year ended March 31, 2001, filed with the Commission on June 22, 2001, which is filed under file number 000-17795-1665897 taken from the website www.sec.gov.
- (2) Incorporated by reference from Registrant's Report of Form 8-K filed with the Commission on December 21, 2005.
- (3) Incorporated by reference from Registrant's Report on Form 10-K for the fiscal year ended March 26, 2005 filed with the Commission on May 27, 2005.

SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CIRRUS LOGIC, INC.

Date: January 30, 2008

By: /s/ THURMAN K. CASE

Thurman K. Case

Chief Financial Officer and Principal Accounting Officer

CIRRUS LOGIC, INC.

1996 STOCK PLAN

(Amended and Restated as of December 4, 2007)

1. Purposes of the Plan. The purposes of this Stock Plan are:

- to attract and retain the best available personnel for positions of substantial responsibility,
- to provide additional incentive to Employees and Consultants, and
- to promote the success of the Company's business.

Options granted under the Plan may be Incentive Stock Options or Nonstatutory Stock Options, as determined by the Administrator at the time of grant. Stock Purchase Rights may also be granted under the Plan.

2. Definitions. As used herein, the following definitions shall apply:

(a) "Administrator" means the Board or any of its Committees as shall be administering the Plan, in accordance with Section 4 of the Plan.

(b) "Applicable Laws" means the legal requirements relating to the administration of stock option plans under U.S. state corporate laws, U.S. federal and state securities laws, the Code and the applicable laws of any foreign country or jurisdiction where Options or Stock Purchase Rights will be or are being granted under the Plan.

(c) "Board" means the Board of Directors of the Company.

(d) "Code" means the Internal Revenue Code of 1986, as amended.

(e) "Committee" means a Committee appointed by the Board in accordance with Section 4 of the Plan.

(f) "Common Stock" means the Common Stock of the Company.

(g) "Company" means Cirrus Logic, Inc., a Delaware corporation.

(h) "Consultant" means any person, including an advisor, engaged by the Company or a Parent or Subsidiary to render services and who is compensated for such services. The term "Consultant" shall not include Directors who are paid only a director's fee by the Company or who are not compensated by the Company for their services as Directors.

(i) “Continuous Status as an Employee or Consultant” means that the employment or consulting relationship with the Company, any Parent, or Subsidiary, is not interrupted or terminated. Continuous Status as an Employee or Consultant shall not be considered interrupted in the case of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company or between the Company, its Parent, any Subsidiary, or any successor. A leave of absence approved by the Company shall include sick leave, military leave, or any other personal leave approved by an authorized representative of the Company. For purposes of Incentive Stock Options, no such leave may exceed ninety days, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, on the 181st day of such leave any Incentive Stock Option held by the Optionee shall cease to be treated as an Incentive Stock Option and shall be treated for tax purposes as a Nonstatutory Stock Option.

(j) “Director” means a member of the Board.

(k) “Disability” means total and permanent disability as defined in Section 22(e)(3) of the Code.

(l) “Employee” means any person, including Officers and Directors, employed by the Company or any Parent or Subsidiary of the Company. Neither service as a Director nor payment of a director’s fee by the Company shall be sufficient to constitute “employment” by the Company.

(m) “Exchange Act” means the Securities Exchange Act of 1934, as amended.

(n) “Fair Market Value” means, as of any date, the value of Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or a national market system, including without limitation the Nasdaq National Market or The Nasdaq SmallCap Market of The Nasdaq Stock Market, its Fair Market Value shall be the closing sales price for such stock (or the closing bid, if no sales were reported) as quoted on such exchange or system for the day of determination, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;

(ii) If the Common Stock is regularly quoted by a recognized securities dealer but selling prices are not reported, the Fair Market Value of a Share of Common Stock shall be the mean between the high bid and low asked prices for the Common Stock on the day of determination, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;

(iii) In the absence of an established market for the Common Stock, the Fair Market Value shall be determined in good faith by the Administrator.

(o) “Incentive Stock Option” means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code and the regulations promulgated thereunder.

(p) “Nonstatutory Stock Option” means an Option not intended to qualify as an Incentive Stock Option.

(q) “Notice of Grant” means a written notice evidencing certain terms and conditions of an individual Option or Stock Purchase Right grant. The Notice of Grant is part of the Option Agreement.

(r) “Officer” means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act and the rules and regulations promulgated thereunder.

(s) “Option” means a stock option granted pursuant to the Plan.

(t) “Option Agreement” means a written agreement between the Company and an Optionee evidencing the terms and conditions of an individual Option grant. The Option Agreement is subject to the terms and conditions of the Plan.

(u) “Option Exchange Program” shall mean a program approved by the Administrator whereby outstanding Options are canceled at a time when the exercise price thereof may be equal to, greater than or less than the Fair Market Value of the Common Stock in exchange for other Options (or stock options granted pursuant to a plan of a Parent or Subsidiary of the Company), whether or not such other Options or stock options are delivered simultaneously with the cancellation and whether or not the cancellation is voluntary on the part of the Optionee (or any action that has the same effect as the foregoing).

(v) “Optioned Stock” means the Common Stock subject to an Option or Stock Purchase Right.

(w) “Optionee” means an Employee or Consultant who holds an outstanding Option or Stock Purchase Right.

(x) “Parent” means a “parent corporation,” whether now or hereafter existing, as defined in Section 424(e) of the Code.

(y) “Plan” means this 1996 Stock Option Plan.

(z) “Restricted Stock” means shares of Common Stock acquired pursuant to a grant of Stock Purchase Rights under Section 11 below.

(aa) “Restricted Stock Purchase Agreement” means a written agreement between the Company and the Optionee evidencing the terms and restrictions applying to stock purchased under a Stock Purchase Right. The Restricted Stock Purchase Agreement is subject to the terms and conditions of the Plan and the Notice of Grant.

(bb) “Rule 16b-3” means Rule 16b-3 of the Exchange Act or any successor to Rule 16b-3, as in effect when discretion is being exercised with respect to the Plan.

(cc) "Section 16(b)" means Section 16(b) of the Securities Exchange Act of 1934, as amended.

(dd) "Share" means a share of the Common Stock, as adjusted in accordance with Section 13 of the Plan.

(ee) "Stock Purchase Right" means the right to purchase Common Stock pursuant to Section 11 of the Plan, as evidenced by a Notice of Grant.

(ff) "Subsidiary" means a "subsidiary corporation," whether now or hereafter existing, as defined in Section 424(f) of the Code.

3. Stock Subject to the Plan. Subject to the provisions of Section 13 of the Plan, the maximum aggregate number of Shares which may be optioned and sold under the Plan is 15,300,000 Shares. Such authorized share reserve includes the 2,500,000 shares initially reserved under the Plan authorized by the Board May 21, 1996 and approved by the stockholders August 1, 1996, plus (i) an increase of an additional 2,000,000 shares, of which 1,000,000 shares were authorized by the Board March 19, 1997 and 1,000,000 shares were authorized by the Board May 28, 1997, and which increases were approved by the stockholders July 31, 1997 (the "1997 Increase"), (ii) an increase of an additional 2,000,000 shares authorized by the Board April 1, 1998 and approved by the stockholders July 21, 1998 (the "1998 Increase"), (iii) an increase of an additional 2,000,000 shares authorized by the Board April 1, 1999 and approved by the stockholders July 29, 1999 (the "1999 Increase"), (iv) an increase of an additional 3,500,000 shares authorized by the Board July 27, 2000 and approved by the stockholders September 28, 2000 (the "2000 Increase"), and (v) an increase of an additional 3,300,000 shares authorized by the Board April 25, 2001 and approved by the stockholders July 25, 2001 (the "2001 Increase"). The Shares may be authorized, but unissued, or reacquired Common Stock.

If an Option or Stock Purchase Right expires or becomes unexercisable without having been exercised in full, the unpurchased Shares which were subject thereto shall become available for future grant or sale under the Plan (unless the Plan has terminated); provided, however, that Shares that have actually been issued under the Plan, whether upon exercise of an Option or Stock Purchase Right, shall not be returned to the Plan and shall not become available for future distribution under the Plan, except that if Shares of Restricted Stock are repurchased by the Company at their original purchase price, and the original purchaser of such Shares did not receive any benefits of ownership of such Shares, such Shares shall become available for future grant under the Plan. For purposes of the preceding sentence, voting rights shall not be considered a benefit of Share ownership.

4. Administration of the Plan.

(a) Procedure.

(i) Multiple Administrative Bodies. If permitted by Rule 16b-3, the Plan may be administered by different bodies with respect to Directors, Officers who are not Directors, and Employees who are neither Directors nor Officers.

(ii) Administration With Respect to Directors and Officers Subject to Section 16(b). With respect to Option or Stock Purchase Right grants made to Employees who are also Officers or Directors subject to Section 16(b) of the Exchange Act, the Plan shall be administered by (A) the Board, if the Board may administer the Plan in a manner complying with the rules under Rule 16b-3 relating to the disinterested administration of employee benefit plans under which Section 16(b) exempt discretionary grants and awards of equity securities are to be made, or (B) a committee designated by the Board to administer the Plan, which committee shall be constituted to comply with the rules under Rule 16b-3 relating to the disinterested administration of employee benefit plans under which Section 16(b) exempt discretionary grants and awards of equity securities are to be made. Once appointed, such Committee shall continue to serve in its designated capacity until otherwise directed by the Board. From time to time the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and substitute new members, fill vacancies (however caused), and remove all members of the Committee and thereafter directly administer the Plan, all to the extent permitted by the rules under Rule 16b-3 relating to the disinterested administration of employee benefit plans under which Section 16(b) exempt discretionary grants and awards of equity securities are to be made.

(iii) Administration With Respect to Other Persons. With respect to Option or Stock Purchase Right grants made to Employees or Consultants who are neither Directors nor Officers of the Company, the Plan shall be administered by (A) the Board or (B) a committee designated by the Board, which committee shall be constituted to satisfy Applicable Laws. Once appointed, such Committee shall serve in its designated capacity until otherwise directed by the Board. The Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and substitute new members, fill vacancies (however caused), and remove all members of the Committee and thereafter directly administer the Plan, all to the extent permitted by Applicable Laws.

(b) Powers of the Administrator. Subject to the provisions of the Plan, and in the case of a Committee, subject to the specific duties delegated by the Board to such Committee, the Administrator shall have the authority, in its discretion:

- (i) to determine the Fair Market Value of the Common Stock, in accordance with Section 2(n) of the Plan;
- (ii) to select the Consultants and Employees to whom Options and Stock Purchase Rights may be granted hereunder;
- (iii) to determine whether and to what extent Options and Stock Purchase Rights or any combination thereof, are granted hereunder;
- (iv) to determine the number of shares of Common Stock to be covered by each Option and Stock Purchase Right granted hereunder;
- (v) to approve forms of agreement for use under the Plan;

(vi) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any award granted hereunder. Such terms and conditions include, but are not limited to, the exercise price, the time or times when Options or Stock Purchase Rights may be exercised (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Option or Stock Purchase Right or the shares of Common Stock relating thereto, based in each case on such factors as the Administrator, in its sole discretion, shall determine;

(vii) to construe and interpret the terms of the Plan and awards granted pursuant to the Plan;

(viii) to prescribe, amend and rescind rules and regulations relating to the Plan, including rules and regulations relating to sub-plans established for the purpose of qualifying for preferred tax treatment under foreign tax laws;

(ix) to modify or amend each Option or Stock Purchase Right (subject to Section 15(c) of the Plan), including the discretionary authority to extend the post-termination exercisability period of Options longer than is otherwise provided for in the Plan;

(x) to implement an Option Exchange Program on such terms and conditions as the Administrator in its discretion deems appropriate, provided that no amendment or adjustment to an Option that would materially and adversely affect the rights of any Optionee shall be made without the prior written consent of the Optionee;

(xi) to authorize any person to execute on behalf of the Company any instrument required to effect the grant of an Option or Stock Purchase Right previously granted by the Administrator;

(xii) to determine the terms and restrictions applicable to Options and Stock Purchase Rights and any Restricted Stock; and

(xiii) to make all other determinations deemed necessary or advisable for administering the Plan.

(c) Effect of Administrator's Decision. The Administrator's decisions, determinations and interpretations shall be final and binding on all Optionees and any other holders of Options or Stock Purchase Rights.

5. Eligibility. Nonstatutory Stock Options and Stock Purchase Rights may be granted to Employees and Consultants. Incentive Stock Options may be granted only to Employees. If otherwise eligible, an Employee or Consultant who has been granted an Option or Stock Purchase Right may be granted additional Options or Stock Purchase Rights.

6. Limitations.

(a) Each Option shall be designated in the written option agreement as either an Incentive Stock Option or a Nonstatutory Stock Option. However, notwithstanding such designation, to the extent that the aggregate Fair Market Value of the Shares with respect to which Incentive

Stock Options are exercisable for the first time by the Optionee during any calendar year (under all plans of the Company and any Parent or Subsidiary) exceeds \$100,000, such Options shall be treated as Nonstatutory Stock Options.

(b) Neither the Plan nor any Option or Stock Purchase Right shall confer upon an Optionee any right with respect to continuing the Optionee's employment or consulting relationship with the Company, nor shall they interfere in any way with the Optionee's right or the Company's right to terminate such employment or consulting relationship at any time, with or without cause.

(c) The following limitations shall apply to grants of Options to Employees:

(i) No Employee shall be granted, in any fiscal year of the Company, Options to purchase more than 400,000 Shares.

(ii) In connection with his or her initial employment, an Employee may be granted Options to purchase up to an additional 800,000 Shares which shall not count against the limit set forth in subsection (i) above.

(iii) The foregoing limitations shall be adjusted proportionately in connection with any change in the Company's capitalization as described in Section 13.

(iv) If an Option is cancelled in the same fiscal year of the Company in which it was granted (other than in connection with a transaction described in Section 13), the cancelled Option will be counted against the limits set forth in subsections (i) and (ii) above.

7. Term of Plan. Subject to Section 19 of the Plan, the Plan shall become effective upon the earlier to occur of its adoption by the Board or its approval by the stockholders of the Company as described in Section 19 of the Plan. It shall continue in effect for a term of ten (10) years unless terminated earlier under Section 15 of the Plan.

8. Term of Option. The term of each Option shall be stated in the Notice of Grant; provided, however, that in the case of an Incentive Stock Option, the term shall be ten (10) years from the date of grant or such shorter term as may be provided in the Notice of Grant.

9. Option Exercise Price and Consideration.

(a) Exercise Price. The per share exercise price for the Shares to be issued pursuant to exercise of an Option shall be no less than 100% of the Fair Market Value per Share on the date of grant.

(b) Waiting Period and Exercise Dates. At the time an Option is granted, the Administrator shall fix the period within which the Option may be exercised and shall determine any conditions which must be satisfied before the Option may be exercised. In so doing, the Administrator may specify that an Option may not be exercised until either the completion of a service period or the achievement of performance criteria with respect to the Company or the Optionee.

(c) Form of Consideration. The Administrator shall determine the acceptable form of consideration for exercising an Option, including the method of payment. In the case of an Incentive Stock Option, the Administrator shall determine the acceptable form of consideration at the time of grant. Such consideration may consist entirely of:

- (i) cash;
- (ii) check;
- (iii) promissory note;

(iv) other Shares which (A) in the case of Shares acquired upon exercise of an option, have been owned by the Optionee for more than six months on the date of surrender, and (B) have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which said Option shall be exercised;

(v) delivery of a properly executed exercise notice together with such other documentation as the Administrator and the broker, if applicable, shall require to effect an exercise of the Option and delivery to the Company of the sale or loan proceeds required to pay the exercise price;

(vi) a reduction in the amount of any Company liability to the Optionee, including any liability attributable to the Optionee's participation in any Company-sponsored deferred compensation program or arrangement;

(vii) any combination of the foregoing methods of payment; or

(viii) such other consideration and method of payment for the issuance of Shares to the extent permitted by Applicable Laws.

10. Exercise of Option.

(a) Procedure for Exercise; Rights as a Shareholder. Any Option granted hereunder shall be exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Administrator and set forth in the Option Agreement.

(i) An Option may not be exercised for a fraction of a Share.

(ii) An Option shall be deemed exercised when the Company receives: (i) written notice of exercise (in accordance with the Option Agreement) from the person entitled to exercise the Option, and (ii) full payment for the Shares with respect to which the Option is exercised. Full payment may consist of any consideration and method of payment authorized by the Administrator and permitted by the Option Agreement and the Plan. Shares issued upon exercise of an Option shall be issued in the name of the Optionee or, if requested by the Optionee, in the name of the Optionee and his or her spouse. Until the stock certificate evidencing such Shares is issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to the Optioned Stock, notwithstanding the exercise of the Option. The Company shall issue

(or cause to be issued) such stock certificate promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the stock certificate is issued, except as provided in Section 13 of the Plan.

(iii) Exercising an Option in any manner shall decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

(b) Termination of Employment or Consulting Relationship. Upon termination of an Optionee's Continuous Status as an Employee or Consultant, other than upon the Optionee's death or Disability, the Optionee may exercise his or her Option within such period of time as is specified in the Notice of Grant to the extent that he or she is entitled to exercise it on the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Notice of Grant). In the absence of a specified time in the Notice of Grant, the Option shall remain exercisable for three (3) months following the Optionee's termination. Notwithstanding the above, in the event the Company is involved in a merger as a result of which Optionees are precluded from selling shares of the acquiring company until the publication of financial results covering post-merger combined operations ("Pooling Restrictions"), options held by Optionees subject to such Pooling Restrictions (including options that are assumed or substituted pursuant to Section 13(c)) shall remain exercisable until five (5) business days after the expiration of such Pooling Restrictions (but not beyond the original term of the Option) notwithstanding an earlier termination of such Optionee's Continuous Status as an Employee or Consultant. If, on the date of termination, the Optionee is not entitled to exercise his or her entire Option, the Shares covered by the unexercisable portion of the Option shall revert to the Plan. If, after termination, the Optionee does not exercise his or her Option within the time specified by the Administrator, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan.

Notwithstanding the above, in the event of an Optionee's change in status from Consultant to Employee or Employee to Consultant, the Optionee's Continuous Status as an Employee or Consultant shall not automatically terminate solely as a result of such change in status. In such event, an Incentive Stock Option held by the Optionee shall cease to be treated as an Incentive Stock Option and shall be treated for tax purposes as a Nonstatutory Stock Option three months and one day following such change of status.

(c) Disability of Optionee. Upon termination of an Optionee's Continuous Status as an Employee or Consultant as a result of the Optionee's Disability, the Optionee may exercise his or her Option at any time within twelve (12) months (or such other period of time as is determined by the Administrator) from the date of termination, but only to the extent that the Optionee is entitled to exercise it on the date of termination (and in no event later than the expiration of the term of the Option as set forth in the Notice of Grant). If, on the date of termination, the Optionee is not entitled to exercise his or her entire Option, the Shares covered by the unexercisable portion of the Option shall revert to the Plan. If, after termination, the Optionee does not exercise his or her Option within the time specified herein, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan.

(d) Death of Optionee. In the event of the death of an Optionee, the Option may be exercised at any time within twelve (12) months (or such other period of time as is determined by the Administrator) following the date of death (but in no event later than the expiration of the term of such Option as set forth in the Notice of Grant), by the Optionee's estate or by a person who acquired the right to exercise the Option by bequest or inheritance, but only to the extent that the Optionee was entitled to exercise the Option at the date of death. If, at the time of death, the Optionee was not entitled to exercise his or her entire Option, the Shares covered by the unexercisable portion of the Option shall immediately revert to the Plan. If, after death, the Optionee's estate or a person who acquired the right to exercise the Option by bequest or inheritance does not exercise the Option within the time specified herein, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan.

(e) Rule 16b-3. Options granted to individuals subject to Section 16 of the Exchange Act ("Insiders") must comply with the applicable provisions of Rule 16b-3 and shall contain such additional conditions or restrictions as may be required thereunder to qualify for the maximum exemption from Section 16 of the Exchange Act with respect to Plan transactions.

11. Stock Purchase Rights.

(a) Rights to Purchase. Stock Purchase Rights may be issued either alone, in addition to, or in tandem with other awards granted under the Plan and/or cash awards made outside of the Plan. After the Administrator determines that it will offer Stock Purchase Rights under the Plan, it shall advise the offeree in writing, by means of a Notice of Grant, of the terms, conditions and restrictions related to the offer, including the number of Shares that the offeree shall be entitled to purchase, the price to be paid, and the time within which the offeree must accept such offer, which shall in no event exceed ninety (90) days from the date upon which the Administrator made the determination to grant the Stock Purchase Right. The offer shall be accepted by execution of a Restricted Stock Purchase Agreement in the form determined by the Administrator. The aggregate number of Shares subject to grants of Stock Purchase Rights shall not exceed ten percent (10%) of the Shares subject to the Plan pursuant to Section 3.

(b) Repurchase Option. Unless the Administrator determines otherwise, the Restricted Stock Purchase Agreement shall grant the Company a repurchase option exercisable upon the voluntary or involuntary termination of the purchaser's employment with the Company for any reason (including death or Disability); provided that the minimum period of employment over which any such Company repurchase option lapses shall not be less than three (3) years. The purchase price for Shares repurchased pursuant to the Restricted Stock purchase agreement shall be the original price paid by the purchaser and may be paid by cancellation of any indebtedness of the purchaser to the Company. The repurchase option shall lapse at a rate determined by the Administrator.

(c) Rule 16b-3. Stock Purchase Rights granted to Insiders, and Shares purchased by Insiders in connection with Stock Purchase Rights, shall be subject to any restrictions applicable thereto in compliance with Rule 16b-3. An Insider may only purchase Shares pursuant to the grant of a Stock Purchase Right, and may only sell Shares purchased pursuant to the grant of a Stock Purchase Right, during such time or times as are permitted by Rule 16b-3.

(d) Other Provisions. The Restricted Stock Purchase Agreement shall contain such other terms, provisions and conditions not inconsistent with the Plan as may be determined by the Administrator in its sole discretion. In addition, the provisions of Restricted Stock Purchase Agreements need not be the same with respect to each purchaser.

(e) Rights as a Shareholder. Once the Stock Purchase Right is exercised, the purchaser shall have the rights equivalent to those of a shareholder, and shall be a shareholder when his or her purchase is entered upon the records of the duly authorized transfer agent of the Company. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Stock Purchase Right is exercised, except as provided in Section 13 of the Plan.

(f) Issuance of Shares. As soon as possible after full payment of the purchase price as provided herein, the Shares purchased shall be duly issued. In accordance with any applicable administrative guidelines it establishes, the Committee shall withhold from any payment of Shares due as a result of a grant of Options or Stock Purchase Rights the minimum amount of federal, state and other taxes required by law to be withheld from such grant, unless the Optionee pays such minimum withholding amount in cash or by delivering to the Company Shares having a Fair Market Value, as determined by the Committee, equal to such minimum withholding amount, or a combination of cash and Shares having an aggregate value equal to such minimum withholding amount.

(g) Shares Available Under the Plan. Exercise of a Stock Purchase Right in any manner shall result in a decrease in the number of Shares that thereafter shall be available for reissuance under the Plan.

12. Non-Transferability of Options and Stock Purchase Rights. An Option or Stock Purchase Right may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised, during the lifetime of the Optionee, only by the Optionee.

13. Adjustments Upon Changes in Capitalization, Dissolution, Merger or Asset Sale.

(a) Changes in Capitalization. Subject to any required action by the stockholders of the Company, the number of shares of Common Stock covered by each outstanding Option and Stock Purchase Right, and the number of shares of Common Stock which have been authorized for issuance under the Plan but as to which no Options or Stock Purchase Rights have yet been granted or which have been returned to the Plan upon cancellation or expiration of an Option or Stock Purchase Right, as well as the price per share of Common Stock covered by each such outstanding Option or Stock Purchase Right, shall be proportionately adjusted for any increase or decrease in the number of issued shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Common Stock, or any other increase or decrease in the number of issued shares of Common Stock effected without receipt of consideration by the Company; provided, however, that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration." Such adjustment shall be made by the Board, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any

class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of shares of Common Stock subject to an Option or Stock Purchase Right.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Administrator shall notify each Optionee as soon as practicable prior to the effective date of such proposed transaction. The Administrator in its discretion may provide for an Optionee to have the right to exercise his or her Option or Stock Purchase Right until ten (10) days prior to such transaction as to all of the Optioned Stock covered thereby, including Shares as to which the Option would not otherwise be exercisable. In addition, the Administrator may provide that any Company repurchase option applicable to any Shares purchased upon exercise of an Option or Stock Purchase Right shall lapse as to all such Shares, provided the proposed dissolution or liquidation takes place at the time and in the manner contemplated. To the extent it has not been previously exercised, an Option or Stock Purchase Right will terminate immediately prior to the consummation of such proposed action.

(c) Merger or Asset Sale. In the event of a merger of the Company with or into another corporation, or the sale of substantially all of the assets of the Company, each outstanding Option and Stock Purchase Right shall be assumed or an equivalent option or right substituted by the successor corporation or a Parent or Subsidiary of the successor corporation, or in the event that the successor corporation refuses to assume or substitute for the Option or Stock Purchase Right, the Optionee shall have the right to exercise the Option or Stock Purchase Right as to all of the Optioned Stock, including Shares as to which it would not otherwise be exercisable. If an Option or Stock Purchase Right is exercisable in lieu of assumption or substitution in the event of a merger or sale of assets, the Administrator shall notify the Optionee that the Option or Stock Purchase Right shall be fully exercisable for a period of fifteen (15) days from the date of such notice, and the Option or Stock Purchase Right shall terminate upon the expiration of such period. For the purposes of this paragraph, the Option or Stock Purchase Right shall be considered assumed if, following the merger or sale of assets, the option or right confers the right to purchase or receive, for each Share of Optioned Stock subject to the Option or Stock Purchase Right immediately prior to the merger or sale of assets, the consideration (whether stock, cash, or other securities or property) received in the merger or sale of assets by holders of Common Stock for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the merger or sale of assets was not solely common stock of the successor corporation or its Parent, the Administrator may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of the Option or Stock Purchase Right, for each Share of Optioned Stock subject to the Option or Stock Purchase Right, to be solely common stock of the successor corporation or its Parent equal in fair market value to the per share consideration received by holders of Common Stock in the merger or sale of assets.

14. Date of Grant. The date of grant of an Option or Stock Purchase Right shall be, for all purposes, the date on which the Administrator makes the determination granting such Option or Stock Purchase Right, or such other later date as is determined by the Administrator. Notice of the determination shall be provided to each Optionee within a reasonable time after the date of such grant.

15. Amendment and Termination of the Plan.

(a) Amendment and Termination. The Board may at any time amend, alter, suspend or terminate the Plan.

(b) Shareholder Approval. The Company shall obtain shareholder approval of any Plan amendment to the extent necessary and desirable to comply with Rule 16b-3 or with Sections 162(m) or 422 of the Code (or any successor rule or statute or other applicable law, rule or regulation, including the requirements of any exchange or quotation system on which the Common Stock is listed or quoted). Such shareholder approval, if required, shall be obtained in such a manner and to such a degree as is required by the applicable law, rule or regulation.

(c) Effect of Amendment or Termination. No amendment, alteration, suspension or termination of the Plan shall impair the rights of any Optionee, unless mutually agreed otherwise between the Optionee and the Administrator, which agreement must be in writing and signed by the Optionee and the Company.

(d) Plan Amendments. The Plan was amended in order to approve the 1997 Increase, the 1998 Increase, the 1999 Increase, the 2000 Increase, and the 2001 Increase, respectively, and this restatement incorporates such amendments.

16. Conditions Upon Issuance of Shares.

(a) Legal Compliance. Shares shall not be issued pursuant to the exercise of an Option or Stock Purchase Right unless the exercise of such Option or Stock Purchase Right and the issuance and delivery of such Shares shall comply with all relevant provisions of law, including, without limitation, the Securities Act of 1933, as amended, the Exchange Act, the rules and regulations promulgated thereunder, Applicable Laws, and the requirements of any stock exchange or quotation system upon which the Shares may then be listed or quoted, and shall be further subject to the approval of counsel for the Company with respect to such compliance.

(b) Investment Representations. As a condition to the exercise of an Option or Stock Purchase Right, the Company may require the person exercising such Option or Stock Purchase Right to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required.

17. Liability of Company.

(a) Inability to Obtain Authority. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

(b) Grants Exceeding Allotted Shares. If the Optioned Stock covered by an Option or Stock Purchase Right exceeds, as of the date of grant, the number of Shares which may be issued under the Plan without additional shareholder approval, such Option or Stock Purchase

Right shall be void with respect to such excess Optioned Stock, unless shareholder approval of an amendment sufficiently increasing the number of Shares subject to the Plan is timely obtained in accordance with Section 15(b) of the Plan.

18. Reservation of Shares. The Company, during the term of this Plan, will at all times reserve and keep available such number of Shares as shall be sufficient to satisfy the requirements of the Plan.

19. Shareholder Approval. Continuance of the Plan shall be subject to approval by the stockholders of the Company within twelve (12) months before or after the date the Plan is adopted. Such shareholder approval shall be obtained in the manner and to the degree required under applicable federal and state law.

CERTIFICATION
pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Jason P. Rhode, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cirrus Logic, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or other persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 30, 2008

/s/ Jason P. Rhode

Jason P. Rhode
President and Chief Executive Officer

CERTIFICATION
pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Thurman K. Case, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cirrus Logic, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or other persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 30, 2008

/s/ Thurman K. Case
Thurman K. Case
Chief Financial Officer and Principal Accounting Officer

Certification Pursuant to 18 U.S.C. Section 1350,
as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the quarterly report of Cirrus Logic, Inc. (the "Company") on Form 10-Q for the period ended December 29, 2007, as filed with the Securities and Exchange Commission (the "Report"), I, Jason P. Rhode, Chief Executive Officer of the Company, hereby certify as of the date hereof, solely for purposes of Title 18, Chapter 63, Section 1350 of the United States Code, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This Certification has not been, and shall not be deemed, "filed" with the Securities and Exchange Commission.

Date: January 30, 2008

/s/ Jason P. Rhode

Jason P. Rhode

President and Chief Executive Officer

Certification Pursuant to 18 U.S.C. Section 1350,
as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the quarterly report of Cirrus Logic, Inc. (the "Company") on Form 10-Q for the period ended December 29, 2007, as filed with the Securities and Exchange Commission (the "Report"), I, Thurman K. Case, Chief Financial Officer of the Company, hereby certify as of the date hereof, solely for purposes of Title 18, Chapter 63, Section 1350 of the United States Code, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This Certification has not been, and shall not be deemed, "filed" with the Securities and Exchange Commission.

Date: January 30, 2008

/s/ Thurman K. Case

Thurman K. Case
Chief Financial Officer and Principal Accounting Officer