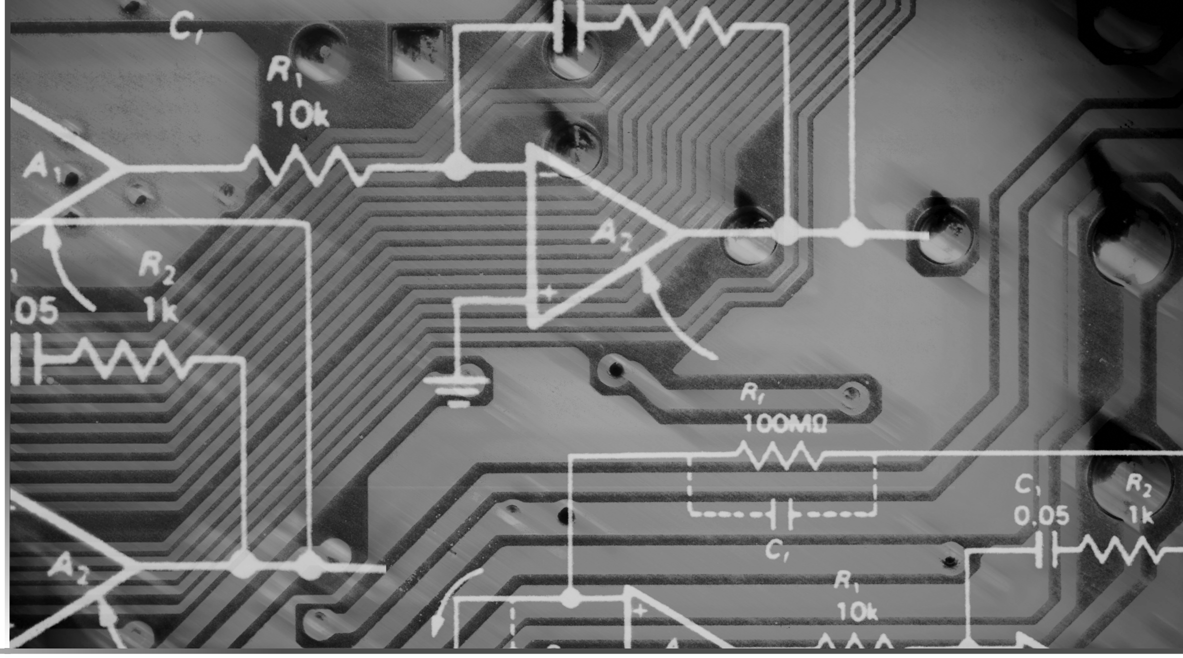

2010 Annual Report

CIRRUS LOGIC®

A Message to Our Shareholders,

What a difference a year makes! When I wrote this letter last year, all of us at Cirrus Logic felt good about our strategy and execution; however, the state of the economy was far from clear, and visibility in our own industry was limited. Our approach from the beginning of the recession was to continue to invest in our strategy in order to take market share while times were tough. Today, there is of course still uncertainty in the global economy, but things have clearly improved in the semiconductor industry, and Cirrus Logic has exited the recession with improved market share in many of our targeted markets. We've also hired some great people, and developed compelling new products and technologies that position us well for growth into the future.

Our largest business today is comprised of audio products. We develop components for audio applications ranging from automotive to musical instruments, but our growth today is primarily driven by portable audio. We launched our first portable audio devices targeting media players in 2005, and today we have a clear number one position in that market. We have achieved success in portable audio by pursuing a strategy of designing our chips to reduce the number and cost of the related passive components that our customers are required to use, and also by driving the power consumption and board space required for our devices to the lowest level in the industry. We expanded from portable media players into a media-centric smartphone last year, and we're very excited about the prospects for our first general market phone codec that is being launched in June of this year. Our gross margin targets are ambitious for this application, and that means we will need to continue to develop innovative products that solve real problems for our customers. As our growth in both market share and in revenue from audio products indicates, our strategy is working well.

We are also very pleased with the early signs of success in our energy business. This business is primarily composed of chips for energy measurement, energy exploration and energy control applications, with the bulk of today's investment directed towards products for use in digital utility meters and digital energy control applications. Energy metering is a key component of the growth we've experienced over the past few quarters. Our newest metering devices are shipping in high volumes to one of the best names in the business, and we have more new components under development. There has been a massive increase in the level of interest in measuring power consumption in a variety of applications from servers to home appliances, and this growing demand combined with the billions of dollars being invested globally on smart grid enhancements results in a red-hot market for power meter technology in which our products will play a large role.

Our newest energy-related business focuses on digital energy control. Our first entry into this market is a Power Factor Correction chip that brings disruptive digital PFC technology. PFC chips, which are estimated to be around 1.2 billion units and growing, are found inside the power supplies used in everyday consumer devices that consume 75 watts of power or more, such as PCs, TVs and many appliances. As global regulations for more energy efficient products become even more stringent, we believe that today's analog-dominant PFC chips will have a difficult time matching the performance and system cost savings that we can provide through our digital PFCs. We have a long way to go before we can declare this to be a successful investment for Cirrus Logic, but the feedback from our customers is that our first step in this market was a good one, and we're looking forward to advancing our roadmap of products to serve growing markets in digital energy control that can benefit from the type of innovation we can bring.

It has been said that the only constant in the semiconductor industry is that things are constantly changing, and in that environment, a company's most important assets are its people and its culture. We had an outstanding employee base to start with and we've made some outstanding additions to our team since the beginning of the recession. Our focus on becoming an outstanding place to work has landed us a spot on a variety of "Best Places to Work" lists, and if you ask our employees you'll find that they're proud of where they work, what they're working on, and who they are working with. It is difficult to quantify, but I believe this is a tremendous asset. On a personal note, July 5 marks my 15th anniversary of working for Cirrus Logic, and I would like to take this opportunity to thank our employees, Board of Directors, shareholders, customers, and suppliers for the opportunity to do this job and the experiences we've had together along the way. It has been incredibly fulfilling for me and the rest of the leadership team. As proud as I am of what we've accomplished so far, I am more excited than ever about what the future holds for Cirrus Logic.

Regards,

Jason Rhode
President and Chief Executive Officer

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

FORM 10-K

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

For The Fiscal Year Ended March 27, 2010

☐ **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.

DELAWARE	**2901 Via Fortuna, Austin, TX 78746**	**77-0024818**
(State of incorporation)	**(512) 851-4000**	**(I.R.S. ID)**

Securities registered pursuant to Section 12(b) of the Act:
None
Securities registered pursuant to Section 12(g) of the Act:
Common Stock, $0.001 Par Value

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES ☐ NO ☑

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. YES ☐ NO ☑

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 has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

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

Large accelerated filer ☐ Accelerated filer ☑ Non-accelerated filer ☐ (Do not check if a smaller reporting company) Smaller reporting company ☐

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

The aggregate market value of the registrant's voting and non-voting common equity held by non-affiliates was approximately $307 million based upon the closing price reported on the NASDAQ Global Select Market as of September 25, 2009. Stock held by directors, officers and stockholders owning 5 percent or more of the outstanding common stock were excluded as they may be deemed affiliates. This determination of affiliate status is not a conclusive determination for any other purpose.

As of May 26, 2010, the number of outstanding shares of the registrant's Common Stock, $0.001 par value, was 67,167,486.

DOCUMENTS INCORPORATED BY REFERENCE

Certain information contained in the registrant's proxy statement for its annual meeting of stockholders to be held July 23, 2010 is incorporated by reference in Part III of this Annual Report on Form 10-K.

CIRRUS LOGIC, INC.

FORM 10-K

For The Fiscal Year Ended March 27, 2010

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PART I

ITEM 1. *Business*

Cirrus Logic, Inc. ("Cirrus Logic," "Cirrus," "We," "Us," "Our," or the "Company") develops high-precision, analog and mixed-signal integrated circuits ("ICs") for a broad range of audio and energy markets. Building on our diverse analog mixed-signal patent portfolio, Cirrus Logic delivers highly optimized products for consumer and commercial audio, automotive entertainment, and targeted industrial and energy-related applications. We develop ICs, board-level modules and hybrids for high-power amplifier applications branded as the Apex Precision Power™ ("Apex") line of products, and provide complete system reference designs based on our technology that enable our customers to bring products to market in a timely and cost-effective manner.

We were incorporated in California in 1984, became a public company in 1989 and were reincorporated in the State of Delaware in February 1999. Our primary facility housing engineering, sales and marketing, and administrative functions is located in Austin, Texas. In addition, we have an administrative and assembly facility in Tucson, Arizona, as well as sales locations throughout the United States. We also serve customers from international sales offices in Europe and Asia, including the People's Republic of China, Hong Kong, South Korea, Japan, Singapore, Taiwan and the United Kingdom. Our common stock, which has been publicly traded since 1989, is listed on the NASDAQ Global Select Market under the symbol CRUS.

We maintain a Web site with the address www.cirrus.com. We are not including the information contained on our Web site as a part of, or incorporating it by reference into, this Annual Report on Form 10-K. We make available free of charge through our Web site our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, and amendments to these reports, as soon as reasonably practicable after we electronically file such material with, or furnish such material to, the Securities and Exchange Commission (the "SEC"). To receive a free copy of this Form 10-K, please forward your written request to Cirrus Logic, Inc., Attn: Investor Relations, 2901 Via Fortuna, Austin, Texas 78746, or via email at InvestorRelations@cirrus.com. In addition, the SEC maintains a website at http://www.sec.gov that contains reports, proxy and information statements filed electronically with the SEC by Cirrus Logic.

Background of the Semiconductor Industry

In general, the semiconductor industry produces three types of products: analog, digital and mixed-signal. Analog semiconductors process a continuous range of signals that can represent functions such as temperature, speed, pressure and sound. Digital semiconductors process information represented by discrete values, for example, 0s and 1s. Mixed-signal semiconductors combine analog and digital circuits in a single product. The design of the analog component of a mixed-signal IC is particularly complex and difficult, and requires experienced engineers to optimize speed, power and resolution within standard manufacturing processes.

The convergence and sophistication of our customers' products, such as portable audio applications, home entertainment and automotive audio devices is made possible in part by advances in semiconductor technology. Semiconductor companies are attempting to differentiate their products based on offering new features and functionality to consumers, while at the same time shrinking product sizes, reducing power consumption, and lowering overall system costs.

Due to the extremely high costs involved in developing and operating a wafer fabrication facility, many semiconductor companies, including Cirrus, rely on third party foundries to manufacture their IC's. We believe that our fabless manufacturing model significantly reduces our capital requirements and allows us to focus our resources on design, development, and marketing of our ICs.

Segments

We determine our operating segments in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 280, *"Segment Reporting."* Our Chief Executive Officer ("CEO") has been identified as the chief operating decision maker as defined by FASB ASC Topic 280.

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. Therefore, there is no complete, discrete financial information maintained for these product lines. Commencing with fiscal year 2009, we report revenue in two product categories: audio products and energy products. The energy product category had previously been referred to as "industrial," but has been revised to reflect our focus on integrated circuits designed for a variety of energy exploration, measurement and control applications. See Note 15, "*Segment Information,*" of the Notes to Consolidated Financial Statements contained in Item 8 for further details including revenues by product line, revenues by geographic locations, and for property, plant and equipment, net, by geographic locations.

Markets and Products

The following provides a detailed discussion regarding our audio and energy product lines:

Audio Products: High-precision analog and mixed-signal components, as well as audio digital signal processor ("DSP") products for consumer, professional and automotive entertainment markets.

Energy Products: High-precision analog and mixed-signal components for energy-related applications, such as energy measurement, energy exploration and energy control systems. Energy products also include ICs, board-level modules and hybrids for high-power pulse width modulation ("PWM") and power amplifier applications.

AUDIO PRODUCTS

We are a recognized leader in analog and mixed-signal audio converter and audio DSP products that enable today's new consumer, professional and automotive entertainment applications. Our products include analog-to-digital converters ("ADCs"), digital-to-analog converters ("DACs"), chips that integrate ADCs and DACs into a single IC ("codecs"), digital interface ICs, volume controls and digital amplifiers, as well as audio DSPs for consumer electronics applications such as audio/video receivers ("AVRs") and digital TVs, and CobraNet® ICs and modules for networked audio applications. Our broad portfolio of approximately 250 active proprietary products includes the following publicly available product, which has been added in the past fiscal year:

- The CS3511 is a stereo 10-watt analog-input Class-D audio amplifier IC ideal for consumer audio applications such as active media speakers, docking stations, hybrid radios, flat-panel displays and mini-shelf home stereo systems. The CS3511 uses an advanced Delta Sigma modulator with a patented architecture and unique technologies to achieve ultra-low distortion and significantly reduced electromagnetic interference (EMI) compared to other stereo 10-watt Class-D amplifier ICs.

Our products are used in a wide array of consumer applications, including AVRs, DVD and Blu-ray Disc players, complete home theater systems, set-top boxes, portable media players, smart phones, gaming devices, sound cards and digital televisions. Applications for products within professional markets include digital mixing consoles, multitrack digital recorders and effects processors. Applications for products within automotive markets include amplifiers, satellite radio systems, telematics and multi-speaker car-audio systems. In networked digital audio applications, our proprietary CobraNet controller ICs and modules enable delivery of uncompressed digital audio over Ethernet networks, co-existing with standard Ethernet network data traffic.

ENERGY PRODUCTS

We provide high-precision analog and mixed-signal ICs for targeted energy control, energy measurement and energy exploration applications, as well as ICs, board-level modules, and hybrids from the Apex Precision Power brand of products for high-power PWM and power amplifier applications. We have more than 450 active proprietary products which include ADCs, DACs, linear amplifiers, PWM amplifiers and successive approximation register ("SAR") converters, and amplifier ICs. Our products are used in a wide array of high-precision, energy measurement applications including motor control, consumer utility, power measurement, energy exploration, and high-power systems. New additions to our proprietary product portfolio in the past fiscal year include:

- The SA303-IHZ and SA53-IHZ, within the company's Apex Precision Power product line, are high-current pulse width modulated (PWM) ICs for driving three-phase brush and brushless DC motors. As follow-on products to the 2008 launch of its award-winning SA3XX and SA5X series of single-packaged solutions, these new ICs offer a lower per unit cost of up to 40 percent for industrial motor applications such as fans, pumps and robotics operating on supplies up to 60 V and requiring output current in the 3 A range (10 A PEAK).

- The CS5374 is a fourth-generation IC that targets energy exploration applications that provides excellent noise and distortion performance of 127 dB signal-to-noise rate and 118 dB THD (total harmonic distortion) — delivering the high-precision performance needed for marine streamers used to detect potential sources of energy deep within the ocean floor.

- The PA107DP and MP103FC high-voltage, high-speed power amplifiers, part of the company's Apex Precision Power product line, deliver new levels of performance for the piezoelectric driver market. Both devices are operational with voltage supplies of up to 200 V. The PA107DP is an attractive option for driving piezos used in medical imaging and ultrasound applications, as well as programmable power supplies for the ATE market.

In fiscal year 2011, the company plans to introduce its first power factor correction ("PFC") controller chips, which are used in such applications as power supplies and lighting ballasts. The PFC controllers are designed to bring new features and performance — enabled through its digital EXL Core™ technology — to a market that has been traditionally dominated by analog products. The EXL Core technology will be a key component of the company's long-term product roadmap in energy products to help customers develop smarter, greener energy products.

Customers, Marketing, and Sales

We offer approximately 700 products to more than 3,000 end-customers worldwide through both direct and indirect sales channels. Our major customers are among the world's leading electronics manufacturers. We target both large existing and emerging growth consumer electronic and energy markets that derive value from our expertise in advanced analog and mixed-signal design processing, systems-level integrated circuit engineering and embedded software development. We derive our sales both domestically and from a variety of locations across the world, including the People's Republic of China, the European Union, Hong Kong, Japan, South Korea, Taiwan, and the United Kingdom. Our domestic sales force includes a network of regional direct sales offices located in California, Massachusetts, Ohio, Nevada, Illinois, North Carolina, and Texas. International sales offices and staff are located in France, Germany, Hong Kong, Shanghai and Shenzhen in the People's Republic of China, Singapore, South Korea, Taiwan, Japan and the United Kingdom. We supplement our direct sales force with external sales representatives and distributors. Our technical support staff is located in Texas and Arizona. Our worldwide sales force provides geographically specific support to our customers and specialized selling of product lines with unique customer bases. See Note 15, "*Segment Information,*" of the Notes to Consolidated Financial Statements contained in Item 8 for further detail and for additional disclosure regarding revenues by geographic locations, and for property, plant and equipment, net, by geographic locations.

Since the components we produce are largely proprietary and generally not available from second sources, we consider our end customer to be the entity specifying the use of our component in their design. These end customers may then purchase our products directly from us, from an external sales representative or distributor, or through a third party manufacturer contracted to produce their product. For fiscal years 2010 and 2009, our ten largest customers represented approximately 54 percent and 36 percent of our sales. We had one end customer, Apple Inc., that purchased through multiple contract manufacturers and represented approximately 36 percent and 16 percent of the Company's total sales for fiscal years 2010 and 2009, respectively. Further, we had one distributor, Avnet Inc., that represented 26 percent, 33 percent, and 27 percent of our sales for fiscal years 2010, 2009, and 2008 respectively. No other customer or distributor represented more than 10 percent of net sales in fiscal years 2010, 2009, or 2008.

Manufacturing

As a fabless semiconductor company, we contract with third parties for wafer fabrication and nearly all of our assembly and test operations. The company owns a 54,000 square foot facility in Tucson, Arizona, which serves as the assembly and test facility for its Apex product line. With the exception of these Apex products, our outsourced manufacturing strategy allows us to concentrate on our design strengths, minimize fixed costs and capital expenditures while giving us access to advanced manufacturing facilities, and provide the flexibility to source multiple leading-edge technologies through strategic relationships. After wafer fabrication by the foundry, third-party assembly vendors package the wafer die. The finished products are then tested before shipment to our customers. We use multiple wafer foundries, assembly sources and test houses in the production of our inventory. While we do have some redundancy of fabrication processes by using multiple outside foundries, any interruption of supply by one or more of these foundries could materially impact us. As a result, we maintain some amount of business interruption insurance to help reduce the risk of wafer supply interruption, but we are not fully insured against such risk. Our supply chain management organization is responsible for the management of all aspects of the manufacturing, assembly, and testing of our products, including process and package development, test program development, and production testing of products in accordance with our ISO-certified quality management system.

Although our products are made from basic materials (principally silicon, metals and plastics), all of which are available from a number of suppliers, capacity at wafer foundries sometimes becomes constrained. The limited availability of certain materials may impact our suppliers' ability to meet our demand needs or impact the price we are charged. The prices of certain other basic materials, such as metals, gases and chemicals used in the production of circuits can increase as demand grows for these basic commodities. In most cases, we do not procure these materials ourselves; nevertheless, we are reliant on such materials for producing our products because our outside foundry and package and test subcontractors must procure them. To help mitigate risks associated with constrained capacity, we use multiple foundries.

Patents, Licenses and Trademarks

We rely on trade secret, patent, copyright and trademark laws to protect our intellectual property, products, and technology. We intend to continue this practice in the future. As of March 27, 2010, we held 1,090 U.S. patents, 112 U.S. pending patent applications and various corresponding international patents and applications. Our U.S. patents expire in calendar years 2010 through 2028.

We have maintained U.S. federal trademark registrations for CIRRUS LOGIC with accompanied design, CIRRUS, CRYSTAL and APEX MICROTECHNOLOGY, as well as for our Cirrus Logic logo design. These U.S. registrations may be renewed as long as the marks continue to be used in interstate commerce. We have also filed or obtained foreign registration for these marks in other countries or jurisdictions where we conduct, or anticipate conducting, international business.

To complement our own research and development efforts, we have also licensed and expect to continue to license, a variety of intellectual property and technologies important to our business from third parties.

Research and Development

We concentrate our research and development efforts on the design and development of new products for each of our principal markets. We also fund certain advanced-process technology development, as well as other emerging product opportunities. Expenditures for research and development in fiscal years 2010, 2009 and 2008 were $51.4 million, $44.3 million and $48.5 million, respectively. These amounts include amortization of acquired intangibles of $1.6 million, $1.5 million, and $1.4 million, in fiscal years 2010, 2009, and 2008, respectively. Our future success is highly dependent upon our ability to develop complex new products, to transfer new products to volume production, to introduce them into the marketplace in a timely fashion, and to have them selected for design into products of systems manufacturers. Our future success may also depend on assisting our customers with integration of our components into their new products, including providing support from the concept stage through design, launch and production ramp.

Competition

Markets for our products are highly competitive and we expect that competition will continue to increase. Our ability to compete effectively and to expand our business will depend on our ability to continue to recruit key engineering talent, to execute on new product developments, to persuade customers to design-in these new products into their applications, and to provide lower-cost versions of existing products. We compete with other semiconductor suppliers that offer standard semiconductors, application-specific standard product and fully customized ICs, including embedded software, chip and board-level products.

While no single company competes with us in all of our product lines, we face significant competition in all markets where our products are available. We expect to face additional competition from new entrants in our markets, which may include both large domestic and international IC manufacturers and smaller, emerging companies.

The principal competitive factors in our markets include: time to market; quality of hardware/software design and end-market systems expertise; price; product benefits that are characterized by performance, features, quality and compatibility with standards; access to advanced process and packaging technologies at competitive prices; and sales and technical support, which includes assisting our customers with integration of our components into their new products and providing support from the concept stage through design, launch and production ramp.

Product life cycles may vary greatly by product category. For example, many consumer electronic devices have shorter design-in cycles; therefore, our competitors have increasingly frequent opportunities to achieve design wins in next-generation systems. Conversely, this also provides us frequent opportunities to displace competitors in products that have previously not utilized our design. The industrial and automotive markets typically have longer life cycles, which provide continued revenue streams over long periods of time.

Backlog

Sales are made primarily pursuant to standard short-term purchase orders for delivery of standard products. The quantity actually ordered by the customer, as well as the shipment schedules, are frequently revised, without significant penalty, to reflect changes in the customer's needs. The majority of our backlog is typically requested for delivery within six months. In markets where the end system life cycles are relatively short, customers typically request delivery in six to ten weeks. A backlog analysis at any given time gives little indication of our future business except on a short-term basis, principally within the next 60 days.

We utilize backlog as an indicator to assist us in production planning. However, backlog is influenced by several factors including market demand, pricing, and customer order patterns in reaction to product lead times. Quantities actually purchased by customers, as well as prices, are subject to variations between booking and delivery because of changes in customer needs or industry conditions. As a result, we believe that our backlog at any given time is an incomplete indicator of future sales.

Employees

As of March 27, 2010, we had 505 full-time employees, of whom 49 percent were engaged in research and product development activities, 35 percent in sales, marketing, general and administrative activities, and 16 percent in manufacturing-related activities. Our future success depends, in part, on our ability to continue to attract, retain and motivate highly qualified technical, marketing, engineering, and administrative personnel.

We have never had a work stoppage and none of our employees are represented by collective bargaining agreements. We consider our employee relations to be good.

Forward Looking Statements

This Annual Report on Form 10-K 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 the Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements included or incorporated by reference in this Annual Report on Form 10-K, other than statements that are purely historical, are forward-looking statements. In some cases, forward-looking statements are identified by words such as “expect,” “anticipate,” “target,” “project,” “believe,” “goals,” “estimates,” and “intend.” Variations of these types of words and similar expressions are intended to identify these forward-looking statements. 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. 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* and elsewhere in this report, as well as in the documents filed by us with the SEC, specifically the most recent reports on Form 10-Q and 8-K, each as it may be amended from time to time.

We caution you not to place undue reliance on these forward-looking statements, which speak only as of the date of this report, and we undertake no obligation to update this information to reflect events or circumstances after the filing of this report with the SEC, except as required by law. All forward-looking statements, expressed or implied, included in this Form 10-K and attributable to Cirrus are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that we may make or persons acting on our behalf may issue. We undertake no obligation to revise or update publicly any forward-looking statement for any reason.

Item 1A. *Risk Factors*

Our business faces significant risks. The risk factors set forth below may not be the only risks that we face. Additional risks that we are not aware of yet or that currently are not significant may adversely affect our business operations. You should read the following cautionary statements in conjunction with the factors discussed elsewhere in this and other Cirrus Logic’s filings with the SEC. These cautionary statements are intended to highlight certain factors that may affect the financial condition and results of operations of Cirrus Logic and are not meant to be an exhaustive discussion of risks that apply to companies such as ours.

We depend on a limited number of customers for a substantial portion of our sales, and the loss of, or a significant reduction in orders from, any key customer could significantly reduce our sales.

While we generate sales from a broad base of customers worldwide, the loss of any of our key customers, or a significant reduction in sales to any one of them, would significantly reduce our sales and adversely affect our business. For the twelve month period ending March 27, 2010, our ten largest customers represented approximately 54 percent of our revenues. For the twelve month period ending March 27, 2010, we had one end customer, Apple Inc., that purchased through multiple contract manufacturers and represented approximately 36 percent of the Company’s total sales. For the twelve month period ending March 27, 2010, we had one distributor, Avnet Inc., that represented 26 percent of our sales.

We may not be able to maintain or increase sales to certain of our key customers for a variety of reasons, including the following:

- most of our customers can stop incorporating our products into their own products with limited notice to us and suffer little or no penalty;
- our agreements with our customers typically do not require them to purchase a minimum quantity of our products;

- many of our customers have pre-existing or concurrent relationships with our current or potential competitors that may affect the customers' decisions to purchase our products;
- our customers face intense competition from other manufacturers that do not use our products; and
- our customers regularly evaluate alternative sources of supply in order to diversify their supplier base, which increases their negotiating leverage with us and their ability to obtain components from alternative sources.

These relationships often require us to develop new products that may involve significant technological challenges. Our customers frequently place considerable pressure on us to meet their tight development schedules. Accordingly, we may have to devote a substantial amount of resources to strategic relationships, which could detract from or delay our completion of other important development projects or the development of next generation products and technologies. Delays in development could impair our relationships with strategic customers and negatively impact sales of the products under development.

We have historically experienced fluctuations in our operating results and expect these fluctuations to continue in future periods, which may result in volatility in our stock price.

Our quarterly and annual operating results are affected by a wide variety of factors that could materially and adversely affect our net sales, gross margin, and operating results. If our operating results fall below expectations of market analysts or investors, the market price of our common stock could decrease significantly. We are subject to business cycles and it is difficult to predict the timing, length, or volatility of these cycles. These business cycles may create pressure on our sales, gross margin, and/or operating results.

Factors that could cause fluctuations and materially and adversely affect our net sales, gross margin and operating results include, but are not limited to:

- the volume and timing of orders received;
- changes in the mix of our products sold;
- market acceptance of our products and the products of our customers;
- excess or obsolete inventory;
- competitive pricing pressures;
- our ability to introduce new products on a timely basis;
- the timing and extent of our research and development expenses;
- the failure to anticipate changing customer product requirements;
- disruption in the supply of wafers, assembly, or test services;
- reduction of manufacturing yields;
- certain production and other risks associated with using independent manufacturers, assembly houses, and testers; and
- product obsolescence, price erosion, competitive developments, and other competitive factors.

We may be adversely impacted by current global economic conditions. As a result, our financial results and the market price of our common shares may decline.

Current global economic conditions could make it difficult for our customers, our suppliers, and us to accurately forecast and plan future business activities, and could cause global businesses to defer or reduce spending on our products. During challenging economic times our customers and distributors may face issues gaining timely access to sufficient credit, which could impact their ability to make timely payments to us. If that were to occur, we may be required to increase our allowance for doubtful accounts and our days sales outstanding would increase.

We cannot predict the timing, strength, or duration of any economic slowdown or subsequent economic recovery. If the economy or markets in which we operate were to deteriorate, our business, financial condition, and results of operations will likely be materially and/or adversely affected.

Our results may be affected by the fluctuation in sales in the consumer entertainment market.

Because we sell products in the consumer entertainment market, we are likely to be affected by seasonality in the sales of our products. Further, a decline in consumer confidence and consumer spending relating to economic conditions, terrorist attacks, armed conflicts, oil prices, global health conditions, and/or the political stability of countries that we operate in or sell into could have a material adverse effect on our business.

Because we do not have long-term agreements with our customers and our standard terms and conditions of sale provide that a buyer may cancel or reschedule orders on short notice without incurring significant penalties, our sales and operating results in any quarter are difficult to forecast and are significantly dependent upon customer orders received and fulfilled in that quarter.

In general, we do not have long-term purchase agreements with customers. Our customers generally place purchase orders for deliveries no more than three months in advance. These purchase orders generally have limited cancellation or rescheduling penalty provisions. Therefore, cancellations, reductions, or delays of orders from any significant customer could have a material adverse effect on our business, financial condition, and results of operations.

A significant portion of our sales and earnings in any quarter depends upon customer orders for our products that we receive and fulfill in that quarter. Because our expense levels are based in part on our expectations as to future revenue and to a large extent are fixed in the short term, we likely will be unable to adjust spending on a timely basis to compensate for any unexpected shortfall in sales. Accordingly, any significant shortfall of sales in relation to our expectations could hurt our operating results.

Our dependence on third-party manufacturing and supply relationships increases the risk that we will not have an adequate supply of products to meet demand or that our cost of materials will be higher than expected.

We depend upon third parties to manufacture, assemble, package or test certain of our products. As a result, we are subject to risks associated with these third parties, including:

- reduced control over delivery schedules and quality;
- inadequate manufacturing yields and excessive costs;
- difficulties selecting and integrating new subcontractors;
- limited warranties on products supplied to us;
- potential increases in prices; and
- potential misappropriation of our intellectual property.

Our outside foundries generally manufacture our products on a purchase order basis, and we have few long-term supply arrangements with these suppliers. We have less control over delivery schedules, manufacturing yields and costs than competitors with their own fabrication facilities. A manufacturing disruption experienced by one or more of our outside foundries or a disruption of our relationship with an outside foundry, including discontinuance of our products by that foundry, would negatively impact the production of certain of our products for a substantial period of time.

Difficulties associated with adapting our technology and product design to the proprietary process technology and design rules of outside foundries can lead to reduced yields of our products. The process technology of an outside foundry is typically proprietary to the manufacturer. Since low yields may result from either design or process technology failures, yield problems may not be effectively determined or resolved until an actual product exists that can be analyzed and tested to identify process sensitivities relating to the design rules that are used. As a result, yield problems may not be identified until well into the production process, and resolution of yield problems may require cooperation between us and our manufacturer. This risk could be compounded by the offshore location of certain of our manufacturers, increasing the effort and time required to identify, communicate and resolve manufacturing yield problems. Manufacturing defects that we do not discover during the manufacturing or testing process may lead to costly product recalls. These risks may lead to increased costs or delayed product delivery, which would harm our profitability and customer relationships.

If the foundries or subcontractors we use to manufacture our products discontinue the manufacturing processes needed to meet our demands, or fail to upgrade their technologies needed to manufacture our products, we may be unable to deliver products to our customers, which could materially adversely affect our operating results. The transition to the next generation of manufacturing technologies at one or more of our outside foundries could be unsuccessful or delayed.

Our requirements typically represent a very small portion of the total production of the third-party foundries. As a result, we are subject to the risk that a producer will cease production of an older or lower-volume process that it uses to produce our parts. We cannot assure you that our external foundries will continue to devote resources to the production of parts for our products or continue to advance the process design technologies on which the manufacturing of our products are based. Each of these events could increase our costs, lower our gross margin, cause us to hold more inventories or materially impact our ability to deliver our products on time. As our volumes decrease with any third-party foundry, the likelihood of unfavorable pricing increases.

Shifts in industry-wide capacity and our practice of purchasing our products based on sales forecasts may result in significant fluctuations in our quarterly and annual operating results.

We rely on independent foundries and assembly and test houses to manufacture, or provide components for, our products. Our reliance on these third party suppliers involves certain risks and uncertainties. For example, shifts in industry-wide capacity from shortages to oversupply, or from oversupply to shortages, may result in significant fluctuations in our quarterly and annual operating results. We may order wafers and build inventory in advance of receiving purchase orders. Because our industry is highly cyclical and is subject to significant downturns resulting from excess capacity, overproduction, reduced demand, order cancellations, or technological obsolescence, there is a risk that we will forecast inaccurately and produce excess inventories of particular products. In addition, if we experience supply constraints or manufacturing problems at a particular supplier, we could be required to switch suppliers or qualify additional suppliers. Switching and/or qualifying additional suppliers could be an expensive process and take as long as six to twelve months to complete, which could result in material adverse fluctuations to our operating results.

In addition, we generally order our products through non-cancelable purchase orders from third-party foundries based on our sales forecasts, and our customers can generally cancel or reschedule orders they place with us without significant penalties. If we do not receive orders as anticipated by our forecasts, or our customers cancel orders that are placed, we may experience increased inventory levels.

Due to the product manufacturing cycle characteristic of IC manufacturing and the inherent imprecision in the accuracy of our customers' forecasts, product inventories may not always correspond to product demand, leading to shortages or surpluses of certain products. As a result of such inventory imbalances, future inventory write-downs and charges to gross margin may occur due to lower of cost or market accounting, excess inventory, and inventory obsolescence.

Our products may be subject to average selling prices that decline over short time periods. If we are unable to increase our volumes, introduce new or enhanced products with higher selling prices, or reduce our costs, our business and operating results could be harmed.

Historically in the semiconductor industry, average selling prices of products have decreased over time. If the average selling price of any of our products decline and we are unable to increase our unit volumes, introduce new or enhanced products with higher margins, and/or reduce manufacturing costs to offset anticipated decreases in the prices of our existing products, our operating results may be adversely affected. In addition, because of procurement lead times, we are limited in our ability to reduce total costs quickly in response to any sales shortfalls. Because of these factors, we may experience material adverse fluctuations in our future operating results on a quarterly or annual basis.

Our failure to develop and timely introduce new products that gain market acceptance could harm our operating results.

Our success depends upon our ability to develop new products for new and existing markets, to introduce these products in a timely and cost-effective manner, and to have these products gain market acceptance. New product introductions involve significant risks. For example, delays in new product introductions or less-than-anticipated market acceptance of our new products are possible and would have an adverse effect on our sales and earnings. The development of new products is highly complex and, from time-to-time, we have experienced delays in developing and introducing these new products. Successful product development and introduction depend on a number of factors including, but not limited to:

- proper new product definition;
- timely completion of design and testing of new products;
- assisting our customers with integration of our components into their new products, including providing support from the concept stage through design, launch and production ramp;
- successfully developing and implementing the software necessary to integrate our products into our customers' products;
- achievement of acceptable manufacturing yields;
- availability of wafer fabrication, assembly, and test capacity;
- market acceptance of our products and the products of our customers; and
- obtaining and retaining industry certification requirements.

Both revenues and margins may be materially affected if new product introductions are delayed, or if our products are not designed into successive generations of new or existing customers' products. We may not be able to meet these challenges, or adjust to changing market conditions as quickly and cost-effectively as necessary to compete successfully. Our failure to develop and introduce new products successfully could harm our business and operating results.

Successful product design and development is dependent on our ability to attract, retain and motivate qualified design engineers, of which there is a limited number. Due to the complexity and variety of analog and high-precision analog and mixed-signal circuits, the limited number of qualified integrated circuit designers and the limited effectiveness of computer-aided design systems in the design of analog and mixed-signal ICs, we cannot provide assurances that we will be able to successfully develop and introduce new products on a timely basis.

Our products are complex and could contain defects, which could result in material costs to us.

Product development in the markets we serve is becoming more focused on the integration of multiple functions on individual devices. There is a general trend towards increasingly complex products. The greater integration of functions and complexity of operations of our products increases the risk that our customers or end users could discover latent defects or subtle faults after volumes of product have been shipped. This could result in, but are not limited to:

- damage to our reputation;
- a material recall and replacement costs for product warranty and support;

- payments to our customer related to the recall claims as a result of various industry or business practices, or in order to maintain good customer relationships;
- an adverse impact to our customer relationships by the occurrence of significant defects;
- a delay in recognition or loss of revenues, loss of market share, or failure to achieve market acceptance; and
- a diversion of the attention of our engineering personnel from our product development efforts.

In addition, any defects or other problems with our products could result in financial or other damages to our customers who could seek damages from us for their losses. A product liability claim brought against us, even if unsuccessful, would likely be time consuming and costly to defend. In particular, the sale of systems and components that are incorporated into certain applications for the automotive industry involves a high degree of risk that such claims may be made.

While we believe that we are reasonably insured against these risks and have contractually limited our financial exposure, we cannot provide assurances that we will be able to obtain sufficient insurance, in terms of amounts or scope, to provide us with adequate coverage against all potential liability.

We have significant international sales, and risks associated with these sales could harm our operating results.

Export sales, principally to Asia, include sales to U.S-based customers with manufacturing plants overseas and represented 79 percent, 68 percent, and 62 percent of our net sales in fiscal years 2010, 2009, and 2008, respectively. We expect export sales to continue to represent a significant portion of product sales. This reliance on international sales subjects us to the risks of conducting business internationally, including risks associated with political and economic instability, global health conditions, currency controls, exchange rate fluctuations and changes in import/export regulations, tariff and freight rates, as well as the risks of natural disaster, especially in Asia. For example, the financial instability in a given region may have an adverse impact on the financial position of end users in the region, which could affect future orders and harm our results of operations. Our international sales operations involve a number of other risks including, but not limited to:

- unexpected changes in government regulatory requirements;
- changes to countries' banking and credit requirements;
- changes in diplomatic and trade relationships;
- delays resulting from difficulty in obtaining export licenses for technology;
- tariffs and other barriers and restrictions;
- competition with non-U.S. companies or other domestic companies entering the non-U.S. markets in which we operate;
- longer sales and payment cycles;
- problems in collecting accounts receivable;
- political instability; and
- the burdens of complying with a variety of non-U.S. laws.

In addition, our competitive position may be affected by the exchange rate of the U.S. dollar against other currencies. Consequently, increases in the value of the dollar would increase the price in local currencies of our products in non-U.S. markets and make our products relatively more expensive. Alternatively, decreases in the value of the dollar will increase the relative cost of our and our vendors' operations that are based overseas. We cannot provide assurances that regulatory, political and other factors will not adversely affect our operations in the future or require us to modify our current business practices.

We are subject to the export control regulations of the U.S. Department of State and the Department of Commerce. A violation of these export control regulations could have a material adverse effect on our business or our results of operations, cash flows, or financial position.

The nature of our international business, and in particular, the manufacture and sale of certain products from our Apex Precision Power Product line, subjects us to the export control regulations of the U.S. Department of State and the Department of Commerce. If these export control regulations are violated, it could result in monetary penalties and denial of export privileges. The government is very strict with respect to compliance and has served notice generally that failure to comply with these regulations may subject guilty parties to fines and/or imprisonment. Although we are not aware of any material violation of any export control regulations, a failure to comply with any of the above mentioned regulations could have a material adverse effect on our business.

Our international operations subject our business to additional political and economic risks that could have an adverse impact on our business.

In addition to export sales constituting a large portion of our net sales, we maintain international operations, sales, and technical support personnel. International expansion has required, and will continue to require, significant management attention and resources. There are risks inherent in expanding our presence into non-U.S. regions, including, but not limited to:

- difficulties in staffing and managing non-U.S. operations;
- failure of non-U.S. laws to adequately protect our U.S. intellectual property, patent, trademarks, copyrights know-how and other proprietary rights;
- global health conditions and potential natural disasters;
- political and economic instability in international regions;
- international currency controls and exchange rate fluctuations;
- additional vulnerability from terrorist groups targeting American interests abroad; and
- legal uncertainty regarding liability and compliance with non-U.S. laws and regulatory requirements.

Because we depend on subcontractors internationally to perform key manufacturing functions for us, we are subject to political and economic risks that could disrupt the fabrication, assembly, packaging, or testing of our products.

We depend on third-party subcontractors, primarily in Asia, for the fabrication, assembly, packaging, and testing of most of our products. International operations and sales may be subject to political and economic risks, including changes in current tax laws, political instability, global health conditions, currency controls, exchange rate fluctuations, and changes in import/export regulations, tariff and freight rates, as well as the risks of natural disaster. Although we seek to reduce our dependence on any one subcontractor, this concentration of subcontractors and manufacturing operations subjects us to the risks of conducting business internationally, including associated political and economic conditions. If we experience manufacturing problems at a particular location, or a supplier is unable to continue operating due to financial difficulties or other reasons, we would be required to transfer manufacturing to a backup supplier. Converting or transferring manufacturing from a primary supplier to a backup fabrication facility could be expensive and could take as long as six to twelve months. As a result, delays in our production or shipping by the parties to whom we outsource these functions could reduce our sales, damage our customer relationships, and damage our reputation in the marketplace, any of which could harm our business, results of operations, and financial condition.

Our failure to manage our distribution channel relationships could adversely affect our business.

The future of our business, as well as the future growth of our business, will depend in part on our ability to manage our relationships with current and future distributors and external sales representatives and to develop additional channels for the distribution and sale of our products. The inability to successfully manage these relationships could adversely affect our business.

Strong competition in the semiconductor market may harm our business.

The IC industry is intensely competitive and is frequently characterized by rapid technological change, price erosion, technological obsolescence, and a push towards IC component integration. Because of shortened product life cycles and even shorter design-in cycles in a number of the markets that we serve, our competitors have increasingly frequent opportunities to achieve design wins in next-generation systems. In the event that competitors succeed in supplanting our products, our market share may not be sustainable and our net sales, gross margin and operating results would be adversely affected. Additionally, further component integration could eliminate the need for our products.

We compete in a number of fragmented markets. Our principal competitors in these markets include AKM Semiconductor, Analog Devices, Austriamicrosystems, Freescale Semiconductor, Infineon Technologies, Linear Technologies, Maxim, NXP Semiconductor, ON Semiconductor, Realtek, ST Micro, Teridian Semiconductor, Texas Instruments/Burr Brown, and Wolfson Microelectronics. Many of these competitors have greater financial, engineering, manufacturing, marketing, technical, distribution, and other resources; broader product lines; broader intellectual property portfolios; and longer relationships with customers. We also expect intensified competition from emerging companies and from customers who develop their own IC products. In addition, some of our current and future competitors maintain their own fabrication facilities, which could benefit them in connection with cost, capacity, and technical issues.

Increased competition could adversely affect our business. We cannot provide assurances that we will be able to compete successfully in the future or that competitive pressures will not adversely affect our financial condition and results of operations. Competitive pressures could reduce market acceptance of our products and result in price reductions and increases in expenses that could adversely affect our business and our financial condition.

We may be unable to protect our intellectual property rights.

Our success depends in part on our ability to obtain patents and to preserve our other intellectual property rights covering our products. We seek patent protection for those inventions and technologies for which we believe such protection is suitable and is likely to provide a competitive advantage to us. We also rely on trade secrets, proprietary technology, non-disclosure and other contractual terms, and technical measures to protect our technology and manufacturing knowledge. We work actively to foster continuing technological innovation to maintain and protect our competitive position. We cannot provide assurances that steps taken by us to protect our intellectual property will be adequate, that our competitors will not independently develop or patent equivalent or superior technologies or will not be able to design around our patents, or that our intellectual property will not be misappropriated. In addition, the laws of some non-U.S. countries may not protect our intellectual property as well as the laws of the United States.

Any of these events could materially and adversely affect our business, operating results, and financial condition. Policing infringement of our technology is difficult, and litigation may be necessary in the future to enforce our intellectual property rights. Any such litigation could be expensive, take significant time, and divert management's attention from other business concerns.

Potential intellectual property claims and litigation could subject us to significant liability for damages and could invalidate our proprietary rights.

The IC industry is characterized by frequent litigation regarding patent and other intellectual property rights. We may find it necessary to initiate a lawsuit to assert our patent or other intellectual property rights. These legal proceedings could be expensive, take significant time, and divert management's attention from other business concerns. We cannot provide assurances that we will ultimately be successful in any lawsuit, nor can we provide assurances that any patent owned by us will not be invalidated, circumvented, or challenged. We cannot provide assurances that rights granted under our patents will provide competitive advantages to us, or that any of our pending or future patent applications will be issued with the scope of the claims sought by us, if at all.

As is typical in the IC industry, we and our customers have, from time to time, received and may in the future receive, communications from third parties asserting patents, mask work rights, or copyrights. In the event third parties were to make a valid intellectual property claim and a license was not available on commercially reasonable terms, our operating results could be harmed. Litigation, which could result in substantial cost to us and diversion of our management, technical and financial resources, may also be necessary to defend us against claimed infringement of the rights of others. An unfavorable outcome in any such suit could have an adverse effect on our future operations and/or liquidity.

If we fail to attract, hire and retain qualified personnel, we may not be able to develop, market, or sell our products or successfully manage our business.

Competition for highly qualified personnel in our industry is intense. The number of technology companies in the geographic areas in which we operate is greater than it has been historically and we expect competition for qualified personnel to intensify. For example, start-up companies generally offer larger equity grants to attract individuals from more established companies. There are only a limited number of people in the job market with the requisite skills. Our Human Resources organization focuses significant efforts on attracting and retaining individuals in key technology positions. The loss of the services of key personnel or our inability to hire new personnel with the requisite skills could restrict our ability to develop new products or enhance existing products in a timely manner, sell products to our customers, or manage our business effectively.

We may acquire other companies or technologies, which may create additional risks associated with our ability to successfully integrate them into our business.

We continue to consider future acquisitions of other companies, or their technologies or products, to improve our market position, broaden our technological capabilities, and expand our product offerings. If we are able to acquire companies, products or technologies that would enhance our business, we could experience difficulties in integrating them. Integrating acquired businesses involves a number of risks, including, but not limited to:

- the potential disruption of our ongoing business;
- unexpected costs or incurring unknown liabilities;
- the diversion of management resources from other strategic and operational issues;
- the inability to retain the employees of the acquired businesses;
- difficulties relating to integrating the operations and personnel of the acquired businesses;
- adverse effects on the existing customer relationships of acquired companies;
- the potential incompatibility of business cultures;
- adverse effects associated with entering into markets and acquiring technologies in areas in which we have little experience; and
- acquired intangible assets becoming impaired as a result of technological advancements, or worse-than-expected performance of the acquired company.

If we are unable to successfully address any of these risks, our business could be harmed.

Future transactions may limit our ability to use our net operating loss carryforwards.

As of March 27, 2010, we had U.S. federal tax net operating loss ("NOL") carryforwards of approximately $461.5 million. These NOL carryforwards may be used to offset future taxable income and thereby reduce our U.S. federal income taxes otherwise payable. There is a risk we may not be able to generate taxable income in the future in the amount necessary to fully utilize all of these NOLs. Section 382 of the Internal Revenue Code of 1986, as amended (the "Code"), imposes an annual limit on the ability of a corporation that undergoes an "ownership change" to use its NOL carry forwards to reduce its tax liability. If we were at some point in the future to experience an "ownership change" as defined in Section 382 of the Code, our use of the net operating loss carryforwards and credit carryforwards may be limited as described in the Code.

Our stock price has been and is likely to continue to be volatile.

The market price of our common stock fluctuates significantly. This fluctuation has been or may be the result of numerous factors, including, but not limited to:

- actual or anticipated fluctuations in our operating results;
- announcements concerning our business or those of our competitors, customers, or suppliers;
- loss of a significant customer, or customers;
- changes in financial estimates by securities analysts or our failure to perform as anticipated by the analysts;
- announcements regarding technological innovations or new products by us or our competitors;
- announcements by us of significant acquisitions, strategic partnerships, joint ventures, or capital commitment;
- announcements by us of significant divestitures or sale of certain assets or intellectual property;
- litigation arising out of a wide variety of matters, including, among others, employment matters and intellectual property matters;
- departure of key personnel;
- single significant stockholders selling for any reason;
- general assumptions made by securities analysts;
- general conditions in the IC industry; and
- general market conditions and interest rates.

We have provisions in our charter, and are subject to certain provisions of Delaware law, which could prevent, delay or impede a change of control of our company. These provisions could affect the market price of our stock.

Certain provisions of Delaware law and of our Certificate of Incorporation and By-Laws could make it more difficult for a third party to acquire us, even if our stockholders support the acquisition. These provisions include, but are not limited to:

- the inability of stockholders to call a special meeting of stockholders;
- a prohibition on stockholder action by written consent; and
- a requirement that stockholders provide advance notice of any stockholder nominations of directors or any proposal of new business to be considered at any meeting of stockholders.

We are also subject to the anti-takeover laws of Delaware that may prevent, delay or impede a third party from acquiring or merging with us, which may adversely affect the market price of our common stock.

We are subject to the risks of owning real property.

As described in Note 17, "*Subsequent Event,*" of the Notes to Consolidated Financial Statements contained in Item 8, we recently purchased land for the purpose of building our U.S. headquarters in Austin, Texas, and we own our facility in Tucson, Arizona. The recent purchase of land and the ownership of our facility in Tucson subject us to the risks of owning real property, which may include:

- the possibility of environmental contamination and the costs associated with correcting any environmental problems;
- adverse changes in the value of these properties, due to interest rate changes, changes in the neighborhood in which the property is located, or other factors;
- increased cash commitments for constructing a new building in Austin, Texas, or improving the current building and property in Tucson, Arizona; and
- the risk of financial loss in excess of amounts covered by insurance, or uninsured risks, such as the loss caused by damage to the buildings as a result of fire, floods, or other natural disasters.

ITEM 1B. *Unresolved Staff Comments*

None.

ITEM 2. *Properties*

As of May 1, 2010, our principal leased facilities, located in Austin, Texas, consisted of approximately 214,000 square feet of office space. This leased space includes our headquarters and engineering facility, which has 197,000 square feet with lease terms that extend into calendar year 2012, excluding lease extension options, and 17,000 square feet of leased space at our failure analysis facility with lease terms that extend into calendar year 2013. We have subleased approximately 38,000 square feet of space at our Austin headquarters with sublease terms that extend into calendar year 2012.

As a result of our facilities consolidation activities, which began in fiscal year 1999 concurrent with the move of our headquarters from California to Texas, as of May 1, 2009, we no longer had any leased space in California. We had one California facility, which consisted of approximately 90,000 square feet of leased office and engineering space, expire in April 2009.

During fiscal year 2008, the Company acquired Apex Microtechnology Corporation. As a result of the acquisition, Cirrus owns a 54,000 square foot facility in Tucson, Arizona, which continues to serve as the assembly and test facility for the Apex Precision Power product line.

We also continue to lease our former design facility in Boulder, Colorado following the move of the design activities to our headquarters in Austin, Texas. This design facility is approximately 12,000 square feet and has a lease that expires in September, 2010. We have subleased approximately 10,000 square feet of this office space with a sublease term date that coincides with the Cirrus primary lease. The Company does not intend to renew this lease agreement.

We do not anticipate difficulty in either retaining occupancy at any of our facilities through lease renewals prior to expiration or replacing them with equivalent facilities, and we believe that our existing facilities are suitable and adequate for our present purposes.

Below is a detailed schedule that identifies our occupied leased and owned property locations as of May 1, 2010 with various lease terms through Cirrus' fiscal year 2014:

Design Centers	Sales Support Offices – USA	Sales Support Offices – International
Austin, Texas	Burlington, Massachusetts	Hong Kong, China
Tucson, Arizona		Shanghai, China
		Shenzhen, China
		Tokyo, Japan
		Singapore
		Seoul, South Korea
		Taipei, Taiwan
		Buckinghamshire, United Kingdom

See Note 7 "*Commitments and Contingencies*", Note 10 "*Restructuring Costs and Other*", and Note 17 "*Subsequent Event*" of the Notes to Consolidated Financial Statements contained in Item 8 for further detail.

ITEM 3. *Legal Proceedings*

Silvaco Data Systems

On December 8, 2004, Silvaco Data Systems ("Silvaco") filed suit against us, and others, in Santa Clara County Superior Court (the "Court"), 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 Semantic'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.

On February 12, 2008, we settled our cross-complaint against Silvaco, whereby Silvaco agreed to pay Cirrus $30,000 as full and final restitution of all claims that could have been alleged in the cross-complaint.

Based on these orders and the settlement of the cross-complaint, the Court entered judgment in our favor on Silvaco's complaint and our cross-complaint on March 4, 2008. As a result of the favorable judgment, on May 16, 2008, the court awarded approximately $59,000 for our expenses in defending the suit.

On April 7, 2008, Silvaco filed a notice of appeal on these matters. The appeal was heard by the Court of Appeal of the State of California, Sixth Appellate District on April 13, 2010. On April 29, 2010, the appellate court affirmed the judgment of the district court, finding that the district court did not err by granting summary judgment in favor of Cirrus Logic. Silvaco has until June 8, 2010, to petition the California Supreme Court for review of the case.

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 4. ***Reserved***

PART II

ITEM 5. ***Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities***

Our Common Stock is traded on the NASDAQ Global Select Market under the symbol CRUS. The following table shows, for the periods indicated, the high and low intra-day sales prices for our Common Stock.

	High	Low
Fiscal year ended March 27, 2010		
First quarter	$4.98	$3.25
Second quarter	6.22	4.01
Third quarter	6.89	4.51
Fourth quarter	8.13	6.23
Fiscal year ended March 28, 2009		
First quarter	$7.63	$5.50
Second quarter	6.55	4.46
Third quarter	5.95	2.28
Fourth quarter	4.35	2.16

As of May 26, 2010, there were approximately 842 holders of record of our Common Stock.

We have not paid cash dividends on our Common Stock and currently intend to continue a policy of retaining any earnings for reinvestment in our business.

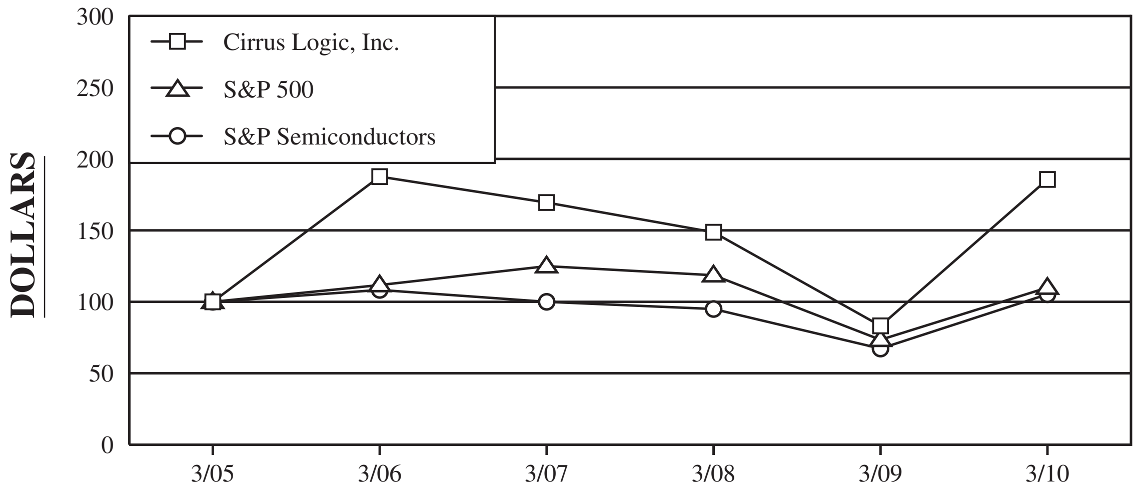
On January 29, 2009, we announced that our Board authorized a share repurchase program of up to $20 million. The repurchases will be funded from existing cash and may be effected from time to time depending on general market and economic conditions and in accordance with applicable securities laws. No share repurchases under this program have occurred as of March 27, 2010. Our prior repurchase program, which was announced in January 2008 and authorized the repurchase of up to $150 million of our common stock, was completed in April 2008 for a total of $150 million with 24.5 million shares repurchased. All shares of our common stock that were repurchased under this program were cancelled as of June 28, 2008.

Stock Price Performance Graph

The following graph and table show a comparison of the five-year cumulative total stockholder return, calculated on a dividend reinvestment basis, for Cirrus Logic, the S&P 500 Composite Index (the "S&P 500"), and the Semiconductor Subgroup of the S&P Electronics Index (the "S&P Semiconductors Index").

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*

Among Cirrus Logic, Inc., The S&P 500 Index
And The S&P Semiconductors Index



* $100 invested on 3/31/05 in stock or index, including reinvestment of dividends.
Fiscal year ending March 31.

	3/05	3/06	3/07	3/08	3/09	3/10
Cirrus Logic, Inc.	**100.00**	**187.61**	**169.47**	**148.67**	**83.19**	**185.62**
S&P 500	**100.00**	**111.73**	**124.95**	**118.60**	**73.43**	**109.97**
S&P Semiconductors	**100.00**	**108.31**	**99.99**	**94.97**	**67.27**	**105.27**

Stockholder returns over the indicated periods should not be considered indicative of future stockholder returns.

The information in this Form 10-K appearing under the heading "Stock Price Performance Graph" is being "furnished" pursuant to Item 2.01(e) of Regulation S-K under the securities Act of 1933, as amended, and shall not be deemed to be "soliciting material" or "filed" with the Securities and Exchange Commission or subject to Regulation 14A or 14C, other than as provided in Item 201(e) of Regulation S-K, or to the liabilities of Section 18 of the Securities Exchange Act of 1934, as amended.

ITEM 6. *Selected Consolidated Financial Data*

The information contained below should be read along *with Item 7 — Management's Discussion and Analysis of Financial Condition and Results of Operations and Item 8 — Financial Statements and Supplementary Data (*Amounts in thousands, except per share amounts).

	Fiscal Years				
	2010	**2009**	**2008**	**2007**	**2006**
	(1)	(1)	(1)	(3)	(4)
Net sales	$ 220,989	$ 174,642	$ 181,885	$ 182,304	$ 193,694
Net Income (loss)	38,398	3,475	(5,846)	27,895	52,426
Basic earnings (loss) per share	$ 0.59	$ 0.05	$ (0.07)	$ 0.32	$ 0.61
Diluted earnings (loss) per share	$ 0.59	$ 0.05	$ (0.07)	$ 0.31	$ 0.60
Financial position at year end:					
Cash, cash equivalents, restricted investments and marketable securities(2)	$ 141,626	$ 120,232	$ 187,498	$ 271,715	$ 243,468
Total assets	267,610	207,004	298,306	353,060	319,041
Working capital	142,965	126,908	194,665	286,417	232,189
Long-term obligations	7,119	8,328	9,381	13,503	14,803
Total stockholders' equity(2)	$ 218,601	$ 172,928	$ 240,935	$ 304,937	$ 264,270

1) Refer to the consolidated financial statements and the Notes thereto contained in Item 8 of this Form 10-K for fiscal years 2010, 2009, and 2008 for an expanded discussion of factors that materially affect the comparability of the information reflected in the selected consolidated financial data presented above.

2) The reduction in cash, cash equivalents, restricted investments, and marketable securities, as well as total stockholders equity, in fiscal years 2008 and 2009 is primarily attributable to the completion of a $150 million stock repurchase program, which commenced in late fiscal year 2008 and was completed in fiscal year 2009. Additionally, the Company completed the acquisition of Apex Microtechnology in fiscal year 2008.

3) Net income in fiscal year 2007 was unfavorably impacted by a $4.3 million charge for an impairment of non-marketable securities, a $1.1 million restructuring charge, and a $1.9 million charge for acquired in-process research and development associated with an acquisition completed on December 29, 2006. Excluding the acquired in-process research and development charge referred to above, neither the financial position nor the results of operations of the Company for fiscal year 2007 were materially impacted as a result of this acquisition.

4) Net income in fiscal year 2006 was favorably impacted by a $24.8 million litigation settlement, a $7.0 million gain from a license agreement amendment, and $2.3 million in restructuring related activities.

ITEM 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

You should read the following discussion in conjunction with our audited historical consolidated financial statements, which are included elsewhere in this Form 10-K. Management's Discussion and Analysis of Financial Condition and Results of Operations contains statements that are forward-looking. These statements are based on current expectations and assumptions that are subject to risk, uncertainties and other factors. Actual results could differ materially because of the factors discussed in Part I, Item 1A. "Risk Factors" of this Form 10-K.

Overview

We were incorporated in California in 1984, became a public company in 1989 and were reincorporated in the State of Delaware in February 1999. Initially, our focus was on providing ICs for personal computer applications, including personal computer ("PC") graphics and storage. In 2001, we refocused our business efforts away from these areas, which we believed had become commodity-like in terms of pricing and offered diminished opportunities for sustained product differentiation and profitability. We reinforced our commitment to operate efficiently and profitably by taking strategic actions beginning in 2005 to improve our top and bottom line growth, including: (1) improving efficiencies by focusing on our product lines including mixed-signal audio and energy products, (2) divesting our digital video product line assets and non-core products to focus on our core strengths, and (3) enhancing our capital structure by completing a $150 million stock repurchase program in fiscal year 2009 to increase long-term stockholder value. We continued this process in fiscal year 2010 by focusing on winning new designs, growing our market share in portable audio products in particular, and by laying the foundation for growth in our energy products.

Fiscal Year 2010

In spite of the continuing credit market crisis and other macro-economic challenges affecting the global economy throughout our fiscal year 2010, fiscal year 2010 net sales of $221 million represented a 27 percent increase over fiscal year 2009 net sales of $174.6 million. Further, the fiscal year 2010 net sales performance represented the highest fiscal year net sales amount for the Company since our fiscal year 2003 results. Increased sales from our audio product line, in particular portable audio and surround codec products were key drivers in the overall improvement in top-line revenues in fiscal year 2010 versus the prior fiscal year.

While fiscal year 2010 net sales from our energy product line reflected a net 13 percent reduction from fiscal year 2009 results, the energy product line ended its fiscal year on a positive note as increased sales of seismic and power meter products, as well as improved performance from ARM and communication products, resulted in fiscal year 2010 fourth quarter energy product revenue growth of 22 percent over the third quarter of fiscal year 2010 and 50 percent over the fourth quarter of fiscal year 2009. We saw improvements in a variety of our energy product lines throughout the most recent fiscal year, as our traditional industrial business benefitted from the improving economy. Seismic product sales are still down from peak levels, although it has improved over prior quarters.

Overall gross margin of 53.7 percent for fiscal year 2010 reflected a decrease from fiscal year 2009 margin of 55.6 percent due to the recent growth in sales of portable audio products, as well as a mix change to lower margin products in our energy product line driven primarily by a reduction in seismic product sales in fiscal 2010. The Company continued to prudently manage expenses given the continued poor macroeconomic conditions, although we did take advantage of the availability of engineering talent, which resulted in a modest increase to the overall employee headcount during fiscal year 2010. The Company achieved net income of $38.4 million in fiscal year 2010, which included an $11.8 million recognition of deferred tax assets. The $38.4 million of net income in fiscal year 2010 represented an increase of $34.9 million over fiscal year 2009 net income of $3.5 million. Finally, the Company's cash, cash equivalents and investments balances as of March 27, 2010, of $141.6 million reflects an increase of $21.4 million over the ending balances from the prior fiscal year.

Fiscal Year 2009

The credit market crisis and other macro-economic challenges affected the global economy, the semiconductor industry, and our own results of operations in fiscal year 2009. The recession reduced both business and consumer spending, which impacted sales of end-user products that incorporate our components. Consequently, for fiscal year 2009 net sales were down approximately 4 percent from the preceding year. However, our strength in revenue from new products and prudent expense management were key drivers in the Company maintaining bottom-line profitability for the year as a whole while establishing a solid base for future growth. Additionally, in the fourth quarter of fiscal year 2009, we announced a $20 million stock repurchase program. No share repurchases under this program have occurred as of March 27, 2010.

Fiscal Year 2008

During fiscal year 2008, we acquired 100 percent of the outstanding stock of Apex Microelectronics Corporation for a purchase price of approximately $42.8 million, consisting primarily of cash and direct acquisition costs. 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 PWM's and power amplifiers. These precision amplifiers are used for driving motors and piezoelectric devices, programmable power supplies and other devices requiring high power and precision control. In fiscal year 2008, we took additional steps to improve our competitive cost structure. First, we committed to a plan to close Caretta Integrated Circuits ("Caretta"), a subsidiary based in Shanghai, China. We also made a strategic decision to further streamline our organization structure, which resulted in an additional headcount reduction of 61 employees. Finally, on January 30, 2008, we announced that our Board authorized a share repurchase program of up to $150 million. The Company completed this share repurchase program on April 28, 2008, and purchased a total of 24.5 million shares, or approximately 28 percent of the total number of shares outstanding prior to the program. All shares of our common stock that were repurchased were cancelled as of June 28, 2008.

Results of Operations

The following table summarizes the results of our operations for each of the past three fiscal years as a percentage of net sales. All percentage amounts were calculated using the underlying data in thousands:

	Fiscal Years Ended		
	March 27, 2010	March 28, 2009	March 29, 2008
Audio products	70%	56%	55%
Energy products	30%	44%	45%
Net sales	100%	100%	100%
Gross margin	54%	56%	57%
Research and development	23%	26%	27%
Selling, general and administrative	21%	26%	29%
Restructuring costs and other, net	—%	—%	6%
Impairment of (proceeds from) non-marketable securities	—%	—%	2%
Acquired in process research and development	—%	—%	1%
Provision (benefit) for litigation expenses and settlements	(1%)	1%	—%
Patent agreement, net	—%	—%	—%
Impairment of intangible assets	—%	1%	—%
Income (loss) from operations	11%	2%	(8%)
Interest income	1%	2%	7%
Other income (expense), net	—%	—%	—%
Income (loss) before income taxes	12%	4%	(1%)
Provision (benefit) for income taxes	(5%)	2%	2%
Net income (loss)	17%	2%	(3%)

Net Sales

We report sales in two product categories: audio products and energy products. Our sales by product line are as follows (in thousands):

	March 27, 2010	March 28, 2009	March 29, 2008
Audio products	$ 153,661	$ 97,293	$ 100,097
Energy products	67,328	77,349	81,788
Total	$ 220,989	$ 174,642	$ 181,885

Net sales for fiscal year 2010 increased 27 percent, to $221.0 million from $174.6 million in fiscal year 2009. The increase in net sales reflects a $56.4 million increase in audio product sales and a $10.0 million decrease in energy product sales. The audio products group experienced growth from the sales of portable and surround codecs products, which were partially offset by decreases in ADC and interface product sales. Within the energy product group, sales decreases were primarily attributable to lower sales of seismic, communications, and ARM processor-based products. These decreases were partially offset by an increase in power meter products sales.

Net sales for fiscal year 2009 decreased 4 percent, to $174.6 million from $181.9 million in fiscal year 2008. The drop in net sales reflects a $4.4 million decrease in energy product sales and a $2.8 million decrease in audio product sales. Within the energy product group, sales decreases were primarily attributable to seismic, industrial A/D converters and amplifiers, communications, and ARM processor-based products. These decreases were partially offset by an increase in Apex Precision Power product sales, primarily attributable to a full years contribution in fiscal year 2009, as Apex was acquired by the Company on July 24, 2007. The audio products group experienced substantial growth from sales of portable products, which were partially offset by decreases in DAC and ADC product sales.

Export sales, principally to Asia, including sales to U.S.-based customers that manufacture products at plants overseas, were approximately $173.6 million in fiscal year 2010, $119.5 million in fiscal year 2009, and $112.5 million in fiscal year 2008. Export sales to customers located in Asia were 65 percent of net sales in fiscal year 2010, 48 percent of net sales in fiscal year 2009, and 40 percent of net sales in fiscal year 2008. All other export sales represented 14 percent, 20 percent, and 22 percent of net sales in fiscal years 2010, 2009, and 2008, respectively.

Our sales are denominated primarily in U.S. dollars. During fiscal years 2010, 2009, and 2008, we did not enter into any foreign currency hedging contracts.

Gross Margin

Gross margin was 54 percent in fiscal year 2010, down from 56 percent in fiscal year 2009. The decrease in margin from fiscal year 2009 was mainly due to changes in both customer and product mix. While the audio product group experienced a slight increase in margin from fiscal year 2009 to fiscal year 2010 and the energy group margins were essentially unchanged for this comparable period, the increase in the percentage of sales from the audio group in fiscal year 2010 caused a net reduction in overall margins. The sale of product that had been written down in prior fiscal years contributed approximately $1.3 million, or 0.6 percent, to gross margin compared to a contribution of approximately $1.6 million, or 0.9 percent, in fiscal year 2009. In total, excess and obsolete inventory charges increased by $0.6 million from fiscal year 2009, which decreased gross margin by 0.3 percent.

Gross margin was 56 percent in fiscal year 2009, down from 57 percent in fiscal year 2008. The decrease in margin from fiscal year 2008 was mainly due to changes in both customer and product mix. The audio product group experienced a reduction in margin from fiscal year 2008 to fiscal year 2009, which was partially offset by an increase in energy product margin for this same period. The sale of product that had been written down in prior fiscal years contributed approximately $1.6 million, or 0.9 percent, to gross margin compared to contribution of approximately $1.1 million, or 0.6 percent, in fiscal year 2008. In total, excess and obsolete inventory charges decreased by $1.4 million from fiscal year 2008, which increased gross margin by 0.8 percentage points.

Research and Development Expenses

Fiscal year 2010 research and development expenses increased $7.1 million, or 16 percent, from fiscal year 2009. The variance was primarily due to a $3.5 million increase in salary and benefit costs associated with research and development personnel, whose headcount increased 12 percent in fiscal year 2010 as compared to fiscal year 2009. Additionally, product development expenses increased $2.8 million, primarily due to higher photo-mask expenses. These increases in research and development expenses were partially offset by non-recurring engineering work performed and billed to third parties, which resulted in a $0.6 million reduction in research and development expenses.

Fiscal year 2009 research and development expenses decreased $4.2 million, or 9 percent, from fiscal year 2008. The decrease was primarily due to a decrease in product development expenses of $1.9 million, as a result of lower mask expenses and engineering wafer costs. In addition, salary and benefit costs associated with research and development personnel decreased by $1.5 million. Finally, non-recurring engineering worked performed and billed to third parties resulted in an additional $0.7 million reduction in research and development expenses.

Selling, General and Administrative Expenses

Selling, general and administrative expenses increased $0.6 million in fiscal year 2010, or 1 percent, compared to fiscal year 2009 as an increase in salaries and benefits costs was offset by decreased expenses across several expense categories. A $2.3 million increase in salaries and benefits costs was primarily attributable to increased headcount, and also due to higher sales commissions brought on by increased product sales and fluctuations in commissionable product mix in fiscal year 2010 versus fiscal year 2009. Offsetting this increase was a $0.6 million reduction in net rent expenses, a $0.6 decrease in marketing expenses, and a $0.5 million reduction in professional expenses.

Selling, general and administrative expenses decreased $8.3 million in fiscal year 2009, or 15 percent, compared to fiscal year 2008. The decrease was primarily attributable to a $3.7 million reduction in professional expenses caused by the absence of fees associated with the internal stock option investigation performed in fiscal year 2008 and the reduction in Silvaco lawsuit expenses. See also Part 1 — Item 3 "*Legal Proceedings*" for additional discussion regarding the Silvaco Data Systems lawsuit. Commission expense decreased $1.2 million due primarily to lower sales and fluctuations in commissionable product mix in fiscal year 2009 versus fiscal year 2008. Salaries and benefits costs were $1.5 million lower in fiscal year 2009 versus fiscal year 2008, primarily due to reduced headcount and other associated employee costs. Finally, occupancy costs in fiscal year 2009 were $0.9 million lower than in fiscal year 2008, primarily due to the termination of a lease in Fremont, California.

Restructuring Costs and Other, net

During fiscal year 2010, we recorded net restructuring charges of $0.5 million as a separate line item on the statement of operations in operating expenses under the caption *"Restructuring costs and other, net."* The restructuring charge was primarily due to revised sublease assumptions for lease space within our corporate headquarters building. See also Note 10 — *Restructuring Costs and Other* of the Notes to Consolidated Financial Statements contained in Item 8 for additional discussion on these restructuring activities.

During fiscal year 2008, we recorded net restructuring charges of $10.5 million as a separate line item on the statement of operations in operating expenses under the caption *"Restructuring costs and other, net."* This net charge was comprised primarily of two separate steps taken to improve our competitive cost structure. First, we committed to a plan to close Caretta, a subsidiary based in Shanghai, China. This action eliminated approximately 30 positions in China during the Company's fourth fiscal quarter, and resulted in the Company recording primarily a non-cash charge for the assets and goodwill related to Caretta of $10.2 million, as well as $0.9 million in cash payments for the affected employees. Also in the fourth quarter of fiscal year 2008, we reduced headcount by 61 employees. The restructuring charge associated with this activity amounted to $0.9 million, and were primarily related to employee severance costs. Also in fiscal year 2008, in connection with the expiration of a lease agreement in Fremont, California in December 2007, we recorded a $1.5 million reduction to the fiscal year 2004 and 2006 restructuring liabilities to reduce the accrual to the estimated final settlement amounts.

As of March 27, 2010, we have a remaining restructuring accrual for all of our past restructurings of $1.3 million, primarily related to future lease payments net of anticipated subleases that will be paid over the respective lease terms through fiscal year 2013. We have classified $0.6 million of this restructuring accrual as long-term.

Impairment of (Proceeds From) Non-Marketable Securities

In the third quarter of fiscal year 2010, as part of a convertible note financing round for Magnum Semiconductor, Inc. ("Magnum"), a company that we had previously had an investment in, we received proceeds of $500 thousand from Magnum as consideration for our ownership interest in Magnum securities, which in fiscal year 2008 had previously been fully impaired. The proceeds were recorded as a separate line item on the consolidated statement of operations in operating expenses under the caption *"Impairment of (proceeds from) non-marketable securities."*

During the second quarter of fiscal year 2008, we determined an impairment indicator existed related to our remaining cost method investment in Magnum, as Magnum had received additional 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 FASB ASC Topic 320 "*Investments — Debt and Equity Securities."* Based on the results of the analysis on 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 consolidated statement of operations in operating expenses under the caption *"Impairment of (proceeds from) non-marketable securities."*

Acquired In-Process Research and Development

On July 24, 2007, we acquired 100 percent of the outstanding stock of Apex. 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. Approximately $1.8 million of the purchase price was allocated to in-process research and development and was included in total operating expenses on the consolidated statement of operations under the caption *"Acquired in process research and development."* Of the remaining purchase price, $21.2 million was allocated to acquired intangible assets; $16.9 million was allocated to identified assets including real property and other fixed assets, accounts receivable, and inventory; $6.2 million was allocated to goodwill; and $3.3 million was allocated to net liabilities assumed. In fiscal year 2009, a refund of $0.2 million related to income taxes was received, which reduced goodwill to $6.0 million.

Provision (Benefit) For Litigation Expenses and Settlements

On March 23, 2009, a lawsuit was filed against the Company alleging patent infringement. During the third quarter of fiscal year 2010, a settlement agreement was concluded which resulted in Cirrus Logic recognizing a $135 thousand charge related to the suit. In a separate matter, on June 17, 2009, during the first quarter of fiscal year 2010, the Company received proceeds of a net $2.7 million from its insurance carrier as part of the final settlement of the derivative lawsuits described in Note 8,"*Legal Matters,*" of the Notes to Consolidated Financial Statements contained in Item 8. The proceeds of $2.7 million was recorded as a recovery of costs previously incurred in accordance with FASB ASC Topic 450, "*Contingencies.*" The combined net amount of $2.6 million from these two fiscal year 2010 transactions are reflected as a separate line item on the consolidated statement of operations in operating expenses under the caption *"Provision (benefit) for litigation expenses and settlements."*

During fiscal year 2009, we recognized a $2.2 million charge related to legal fees and expenses associated with the derivative lawsuits. The charge was recorded as a separate line item on the consolidated statement of operations in operating expenses under the caption "*Provision (benefit) for litigation expenses and settlements.*"

Patent Agreement, Net

On June 11, 2009, we entered into a Patent Purchase Agreement for the sale of certain Company owned patents and on August 26, 2009, the Company received cash consideration of $1.4 million from the purchaser. The proceeds were recorded as a recovery of costs previously incurred and are reflected as a separate line item on the consolidated statement of operations in operating expenses under the caption *"Patent agreement, net."*

Impairment of Intangible Assets

In the fourth quarter of fiscal year 2009, we noted several impairment indicators surrounding our patents acquired from Tripath in June 2007. We performed an impairment analysis under FASB ASC Topic 360 *"Property, Plant, and Equipment,"* and noted that the undiscounted cash flows estimated to be generated from these patents were less than the carrying amount of the assets. We then compared the estimated fair value of these assets to their carrying amount and recognized an impairment loss of $2.1 million. The impairment was recorded as a separate line item on the consolidated statement of operations in operating expenses under the caption *"Impairment of intangible assets."*

Interest Income

Interest income in fiscal years 2010, 2009, and 2008, was $1.3 million, $2.8 million, and $12.1 million respectively. The decrease in interest income in fiscal year 2010 compared to fiscal years 2009 and 2008 was attributable to two factors: (i) lower average invested capital balances on which interest was earned, which were $130.4 million, $112.6 million, and $240.4 million, respectively, for fiscal years 2010, 2009, and 2008 and (ii) lower yields on invested capital. The decreases in the average invested capital balances from fiscal year 2008 to fiscal year 2010 are principally attributable to the cash requirements associated with the Company's common stock repurchases occurring in the fourth quarter of fiscal year 2008 and the first quarter of fiscal year 2009. On January 28, 2008 our Board of Directors authorized a share repurchase program of up to $150 million. The Company completed the stock repurchase program on April 28, 2008, for a total of $150 million with 24.5 million shares repurchased at an average price of $6.11 per share.

Income Taxes

We recorded an income tax benefit of $11.7 million in fiscal year 2010 on a pre-tax income of $26.7 million, yielding an effective tax benefit rate of 44 percent. Our effective tax rate was lower than the U.S. statutory rate of 35 percent, primarily as a result of the realization of deferred tax assets that had been fully reserved and the release of a portion of the valuation allowance on certain deferred tax assets that have not yet been utilized. The release of a portion of the valuation allowance generated an $11.8 million tax benefit and was based on an evaluation of the net U.S. deferred tax assets that we expect to utilize in the upcoming year as a result of projected tax basis net income.

We recorded an income tax provision of $2.7 million in fiscal year 2009 on a pre-tax income of $6.2 million, yielding an effective tax rate of 44 percent. Our effective tax rate was higher than the U.S. statutory rate of 35 percent primarily due to a $2.7 million charge to tax expense to increase the valuation allowance on our U.S. deferred tax assets.

We recorded an income tax provision of $3.0 million in fiscal year 2008 on a pre-tax loss of $2.8 million, yielding an effective tax rate of 109 percent. Our effective tax rate was higher than the U.S. statutory rate of 35 percent primarily due to a $4.6 million charge to tax expense to increase the valuation allowance on our U.S. deferred tax assets.

We evaluate the realizability of the deferred tax assets on a quarterly basis. We have deferred tax assets generated in non-U.S. jurisdictions that we have recognized since it is more likely than not that these assets will be realized.

Outlook

We came into the year with high expectations driven by our growing successes in portable audio, and we exceeded those expectations on the strength of demand from a variety of product lines outside of portable. We also took advantage of opportunities in the labor market by hiring promising engineering talent. By maintaining control over variable expenses, the growth in revenue and stable margins allowed us to deliver significantly improved earnings for fiscal year 2010. Subject to macro-economic conditions in the coming fiscal year and other business risk factors as described in Item 1A, we are optimistic that this momentum can continue.

There are multiple drivers that can enable strong operational and financial performance in fiscal year 2011. On the Audio side of our business, our strategy is to target growing markets, work with tier one customers in those markets, and develop outstanding technology that solves critical problems for them. We strive for strong engineer-to-engineer relationships at these key accounts, which has resulted in a growing base of design wins across many products in this market. Our emphasis is on exceeding the expectations of our existing customers, yet we are focused on winning new customers. New products targeting the general mobile phone market will be publically launched in fiscal year 2011, and we are actively promoting these new parts to key customers. Within home audio, in fiscal year 2010 we announced our first 65nm DSP and this product is currently ramping into production with a key customer in Japan. We've also seen signs of improvement in other audio markets we serve, such as automotive.

Within the energy side of our business, we saw improvements in a variety of our energy product lines throughout the year. Our traditional industrial business benefits from the improving economy. Seismic is still down from its peak levels, but it has improved over prior quarters, which adds incrementally to gross margin. Our current investments in the energy product lines are focused on power meters, and the energy control areas such as power factor correction, lighting, and motor control. We have been in the power meter business for many years, and the recent push for smart grid enhancements has created new opportunities worldwide. Our most recent power meter product to hit production shipped over a million units per quarter during the second half of fiscal year 2010. We are in the product definition phase for the next generation of low cost metrology chips for the global market, and much like portable audio, our focus is on tier one accounts in this market. We are actively promoting our first PFC product, and look to parlay this effort into an enhanced lineup of derivative products.

Overall, we believe that we are well positioned to face the challenges presented by the current economic environment, but future sales, costs, margins, profits and profitability are all influenced by numerous factors, all of which are inherently difficult to forecast. Please refer to *Item 1A — Risk Factors* of the Notes to Consolidated Financial Statements contained in Item 8 for additional information on these factors.

Liquidity and Capital Resources

In fiscal year 2010, our operating activities generated $25.1 million in cash. The positive cash flow from operating activities is predominantly due to the cash components of our net income as well as a $10.5 million increase in accounts payable, a $3.5 million increase in accrued salaries and benefits, and a $3.1 million increase in deferred revenue. These positive cash flows were partially offset by cash outflows attributable to a $15.5 million increase in inventory and a $13.1 million increase in accounts receivable. In fiscal year 2009, our operating activities generated $23.1 million in cash. The positive cash flow from operating activities is predominantly due to the cash components of our net income as well as an $11.8 million decrease in accounts receivable, and a $2.7 million decrease in inventory, which were partially offset by a $6.3 million decrease in accounts payable and a $4.4 million decrease in other accrued liabilities. In fiscal year 2008, our operating activities generated $23.0 million in cash. The positive cash flow from operating activities was predominantly due to the cash components of our net loss as well as a $4.9 million increase in accounts payable and a $2.3 million increase in deferred revenue. These increases were partially offset by a $6.1 million decrease in other accrued liabilities, a $3.3 million increase in inventories, and a $1.7 million decrease in accrued salaries and benefits.

In fiscal year 2010, we used approximately $42.6 million in cash from investing activities, principally due to the net purchase of $36.8 million in marketable securities. In addition, during fiscal year 2010, we invested $3.7 million in property, equipment, and capitalized software and $2.2 million in technology. In fiscal year 2009, we generated approximately $36.5 million in cash from investing activities, principally due to the net sale of $41.8 million in marketable securities. In addition, during fiscal year 2009 we invested $3.1 million in property, equipment, and capitalized software and $2.1 million in technology. In fiscal year 2008, we generated approximately $2.9 million in cash from investing activities, principally due to the net sale of $53.4 million in marketable securities, partially offset by our purchase of Apex for approximately $42.8 million, net of cash acquired. In addition, during fiscal year 2008 we invested $3.8 million and $3.7 million in technology and property, equipment, and capitalized software, respectively.

During fiscal years 2010, 2009, and 2008, we generated $2.0 million, $2.6 million and $5.6 million, respectively, in cash from financing activities related to the receipt of cash from common stock issuances as a result of the exercises of employee stock options and, in fiscal years 2009 and 2008, our employee stock purchase plan. During the first quarter of fiscal year 2009, the Company utilized approximately $87.2 million in cash to repurchase and retire portions of its outstanding common stock, as previously discussed in Part II — Item 5 — *Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities*. During the fourth quarter of fiscal year 2008, the Company utilized approximately $62.8 million in cash to repurchase and retire portions of its outstanding common stock under this same stock repurchase program.

As of March 27, 2010, we had restricted investments of $5.9 million, which primarily secures certain obligations under our lease agreement for our principal facility located in Austin, Texas. This facility is 197,000 square feet and houses our headquarters and engineering operations.

Although we cannot provide assurances to our stockholders 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.

Off Balance Sheet Arrangements

As of March 27, 2010, the Company did not have any material off-balance-sheet arrangements, as defined in Item 303(a)(4)(ii) of SEC Regulation S-K.

Contractual Obligations

In our business activities, we incur certain commitments to make future payments under contracts such as purchase orders, operating leases and other long-term contracts. Maturities under these contracts are set forth in the following table as of March 27, 2010:

	Payment due by period (In thousands)				
	< 1 year	1 – 3 years	3 – 5 years	> 5 years	Total
Facilities leases, net	$ 4,450	$ 5,584	$ 38	$ —	$ 10,072
Equipment leases	13	14	8	—	35
Wafer purchase commitments	16,360	—	—	—	16,360
Assembly purchase commitments	2,628	—	—	—	2,628
Outside test purchase commitments	3,277	—	—	—	3,277
Manufacturing raw materials	866	—	—	—	866
Other purchase commitments	134	—	—	—	134
Total	$ 27,728	$ 5,598	$ 46	$ —	$ 33,372

On March 24, 2010 the Company entered into an agreement to purchase a parcel of real property in Austin, Texas, for $9.6 million, for the purpose of constructing a new U.S. headquarters. While the agreement currently provides the Company the opportunity to terminate the agreement prior to closing the land purchase transaction, it is more likely than not that the transaction will be completed.

Recently Issued Accounting Pronouncements

In January 2010, the FASB issued Accounting Standards Update ("ASU") No. 2010-06, *"Fair Value Measurements and Disclosures (Topic 820): Improving Disclosures about Fair Value Measurements"* ("ASU 2010-06"), which amends the disclosure guidance with respect to fair value measurements. Specifically, the new guidance requires disclosure of amounts transferred in and out of Levels 1 and 2 fair value measurements, a reconciliation presented on a gross basis rather than a net basis of activity in Level 3 fair value measurements, greater disaggregation of the assets and liabilities for which fair value measurements are presented and more robust disclosure of the valuation techniques and inputs used to measure Level 2 and 3 fair value measurements. ASU 2010-06 was effective for interim and annual reporting periods beginning after December 15, 2009, with the exception of the new guidance around the Level 3 activity reconciliations, which is effective for fiscal years beginning after December 15, 2010. The adoption of this guidance with respect to Levels 1 and 2 fair value measurements did not have a material impact on our consolidated financial position, results of operations or cash flows. The adoption of this guidance with respect to Level 3 fair value measurements is not anticipated to have a material impact on our consolidated financial position, results of operations or cash flows.

In May 2009, the FASB issued guidance now codified as FASB ASC Topic 855, "*Subsequent Events*," which establishes general standards of accounting for, and disclosures of, events that occur after the balance sheet date but before financial statements are issued or are available to be issued. This pronouncement is effective for interim or fiscal periods ending after June 15, 2009. Accordingly, the Company adopted these provisions of FASB ASC Topic 855 on March 29, 2009. The adoption of this pronouncement did not have a material impact on our consolidated financial position, results of operations or cash flows. However, the provisions of FASB ASC Topic 855 resulted in additional disclosures with respect to subsequent events. See Note 17, *Subsequent Event,* for this additional disclosure.

In April 2009, the FASB issued guidance now codified as FASB ASC Topic 820 "*Fair Value Measurements and Disclosures"* to address challenges in estimating fair value when the volume and level of activity for an asset or liability have significantly decreased. The guidance emphasizes that even if there has been a significant decrease in the volume and level of activity for the asset or liability and regardless of the valuation technique(s) used, the objective of a fair value measurement remains the same. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. It is effective for interim and annual reporting periods ending after June 15, 2009. Our adoption of this pronouncement during the first quarter of fiscal year 2010 did not have an impact on our consolidated financial position, results of operations, or cash flows.

In April 2009, the FASB issued guidance now codified as FASB ASC Topic 825, "*Financial Instruments,"* which amends previous Topic 825 guidance to require disclosures about fair value of financial instruments in interim as well as annual financial statements. This pronouncement is effective for periods ending after June 15, 2009. Accordingly, the Company adopted these provisions of FASB ASC Topic 825 on March 29, 2009. The adoption of this pronouncement did not have a material impact on our consolidated financial position, results of operations, or cash flows. However, the provisions of FASB ASC Topic 825 resulted in additional disclosures with respect to the fair value of the Company's financial instruments. See Note 9, *Fair Value Measurements,* for these additional disclosures.

In April 2009, the FASB issued guidance now codified as FASB ASC Topic 320, "*Investments — Debt and Equity Securities*" and Topic 325 "*Investments — Other,*" which is designed to create greater clarity and consistency in accounting for and presenting impairment losses on securities. The pronouncement is effective for periods ending after June 15, 2009. Accordingly, the Company adopted this pronouncement on March 29, 2009. The adoption of this guidance did not have a material impact on our consolidated financial position, results of operations or cash flows. However, the provisions of FASB ASC Topic 320 resulted in additional disclosures with respect to the fair value of the Company's investments with unrealized losses that are not deemed other-than-temporarily impaired. See Note 9, *Fair Value Measurements,* for these additional disclosures.

In June 2008, the FASB issued FASB ASC 260-10-45, formerly FSP Emerging Issues Task Force (EITF) 03-6-1, "*Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities."* ASC 260-10-45 provides that unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents (whether paid or unpaid) are participating securities and shall be included in the computation of earnings per share pursuant to the two-class method described in FASB

ASC 260, *Earnings per Share* . ASC 260-10-45 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those years on a retrospective basis. The Company adopted ASC 260-10-45 at the beginning of fiscal 2010. The adoption did not have a material impact on the Company's financial statements.

In September 2006, the FASB issued guidance now codified as FASB ASC Topic 820, *"Fair Value Measurements and Disclosures,"* which defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. The pronouncement was effective for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. In February 2008, the FASB released additional guidance now codified under FASB ASC Topic 820, which provides for delayed application of certain guidance related to non-financial assets and non-financial liabilities, except for items that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually), until fiscal years beginning after November 15, 2008, and interim periods within those years. The Company adopted certain provisions of FASB ASC Topic 820 effective March 30, 2008 (see Note 9, *Fair Value Measurements*, to the Condensed Consolidated Financial Statements for additional information). Pursuant to the requirements of FASB ASC Topic 820, the Company adopted the provisions of Topic 820 with respect to our non-financial assets and non-financial liabilities effective March 29, 2009. The implementation of this pronouncement did not have a material impact on our consolidated financial position, results of operations or cash flows.

Critical Accounting Policies

Our discussion and analysis of the Company's financial condition and results of operations are based upon the consolidated financial statements included in this report, which have been prepared in accordance with U.S. generally accepted accounting principles. The preparation of these 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 financial statements:

- For purposes of determining the variables used in the calculation of stock compensation expense under the provisions of FASB ASC Topic 505, "*Equity*" and FASB ASC Topic 718, "*Compensation — Stock Compensation,"* 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 variables 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 Statement of Operations. In addition, any differences between estimated forfeitures and actual forfeitures could also have a material impact on our financial statements.

- The Company evaluates accounts receivable in accordance with FASB ASC Topic 310, "*Receivables.*" 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. See Note 3 — *Accounts Receivable, net* of the Notes to Consolidated Financial Statements contained in Item 8.

- The Company evaluates inventory in accordance with FASB ASC Topic 330, "*Inventory.*" 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. See Note 1 — *Description of Business and Summary of Significant Accounting Policies* of the Notes to Consolidated Financial Statements contained in Item 8.

- We evaluate the recoverability of property, plant, and equipment and intangible assets in accordance with FASB ASC Topic 360, "*Property, Plant, and Equipment*," and FASB ASC Topic 350, "*Intangibles — Goodwill and Other.*" 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. See Note 6 — *Intangibles, net* of the Notes to Consolidated Financial Statements contained in Item 8.

- The Company evaluates goodwill and other intangible assets in accordance with FASB ASC Topic 350, "*Intangibles — Goodwill and Other.*" Goodwill is recorded at the time of an acquisition and is calculated as the difference between the total consideration paid for an acquisition and the fair value of the net tangible and intangible assets acquired. Accounting for acquisitions requires extensive use of accounting estimates and judgments to allocate the purchase price to the fair value of the net tangible and intangible assets acquired, including in-process research and development ("IPR&D"). Goodwill and intangible assets deemed to have indefinite lives are not amortized, but are subject to annual impairment tests. If the assumptions and estimates used to allocate the purchase price are not correct, or if business conditions change, purchase price adjustments or future asset impairment charges could be required. The value of our intangible assets, including goodwill, could be impacted by future adverse changes such as: (i) any future declines in our operating results, (ii) a decline in the valuation of technology company stocks, including the valuation of our common stock, (iii) a significant slowdown in the worldwide economy and the semiconductor industry, or (iv) any failure to meet the performance projections included in our forecasts of future operating results. In accordance with FASB ASC Topic 350, the Company tests goodwill for impairment on an annual basis or more frequently if the Company believes indicators of impairment exist. Impairment evaluations involve management estimates of asset useful lives and future cash flows. Significant management judgment is required in the forecasts of future operating results that are used in the evaluations. It is possible, however, that the plans and estimates used may be incorrect. If our actual results, or the plans and estimates used in future impairment analysis, are lower than the original estimates used to assess the recoverability of these assets, we could incur additional impairment charges in a future period.

- Our available-for-sale investments, non-marketable securities and other investments are subject to a periodic impairment review pursuant to FASB ASC Topic 320, "*Investments — Debt and Equity Securities.*" Investments are considered to be 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 of time. Non-marketable securities or other investments are considered to be impaired when a decline in fair value is judged to be other-than-temporary. For investments accounted for using the cost method of accounting, we evaluate information (e.g., budgets, business plans, financial statements) in addition to quoted market prices, 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 to be 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. See Note 2 — *Marketable Securities* and Note 4 — *Non-Marketable Securities* of the Notes to Consolidated Financial Statements contained in Item 8.

- In accordance with Statement of FASB ASC Topic 740, "*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. See Note 14 — *Income Taxes* of the Notes to Consolidated Financial Statements contained in Item 8.

- 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 FASB ASC Topic 420, "*Exit or Disposal Cost Obligations*." We use an estimated borrowing rate as the discount rate for all of our restructuring accruals made under FASB ASC Topic 420. 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. See Note 10 — *Restructuring Costs and Other* of the Notes to Consolidated Financial Statements contained in Item 8.

- We are subject to the possibility of loss contingencies for various legal matters. See Note 8 — *Legal Matters* of the Notes to Consolidated Financial Statements contained in Item 8. 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.

ITEM 7A. *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 to protect against the adverse effects of these and other potential exposures. All of the potential changes noted below are based on sensitivity analyses as of March 27, 2010. Actual results may differ materially.

Interest Rate Risk

Our primary financial instruments include cash and cash equivalents, marketable securities, accounts receivable, accounts payable, and accrued liabilities. The Company's investments are managed by outside professional managers within investment guidelines set by the Company. These guidelines include security type, credit quality, and maturity, and are intended to limit market risk by restricting the Company's investments to high quality debt instruments with relatively short-term maturities. The Company does not use derivative financial instruments in its investment portfolio. Due to the short-term nature of our investment portfolio and the current low interest rate environment, our downside exposure to interest rate risk is minimal.

To provide a meaningful assessment of the interest rate risk associated with our investment portfolio, we performed a sensitivity analysis to determine the impact a change in interest rates would have on the value of our investment portfolio. At March 27, 2010, an immediate one percent, or 100 basis points, increase or decrease in interest rates could result in a $1.3 million fluctuation in our annual interest income. However, our investment portfolio holdings as of March 27, 2010, yielded less than 100 basis points, which reduces our downside interest rate risk to an amount slightly less than the $1.3 million calculation. At March 28, 2009, an immediate one percent, or 100 basis points, increase or decrease in interest rates could have resulted in a $1.5 million fluctuation in our annual interest income. At March 29, 2008, an immediate one percent, or 100 basis points, increase or decrease in interest rates could have resulted in a $2.3 million fluctuation in our annual interest income. For all of these fiscal years, the risks associated with fluctuating interest rates were limited to our annual interest income and not the underlying principal as we generally have the ability to hold debt related investments to maturity. The amounts disclosed in this paragraph are based on a 100 basis point fluctuation in interest rates applied to the average cash balance for that fiscal year.

Foreign Currency Exchange Risk

Our revenue and spending is transacted primarily in U.S. dollars; however, in fiscal years 2010, 2009, and 2008, we entered into minimal transactions in other currencies to fund the operating needs of our design, technical support, and sales offices outside of the U.S. As of March 27, 2010, and March 28, 2009, a ten percent change in the value of the related currencies would not have a material impact on our results of operations and financial position.

In addition to the direct effects of changes in exchange rates on the value of open exchange contracts, we may, from time to time, have changes in exchange rates that can also affect the volume of sales or the foreign currency sales prices of our products and the relative costs of operations based overseas.

Non-Marketable Securities Risk

Our investments in non-marketable securities are affected by many of the same factors that could result in an adverse movement of market prices, although the impact cannot be directly quantified. Such a movement and the underlying economic conditions would negatively affect the prospects of the companies we invest in, their ability to raise additional capital, and the likelihood of our being able to realize our investments through liquidity events such as initial public offerings, mergers, or private sales. These types of investments involve a great deal of risk, and there can be no assurance that any specific company will grow or become successful; consequently, we could lose all or part of our investment. During the second quarter of fiscal year 2008, we determined an impairment indicator existed related to our remaining $3.6 million cost method investment in 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 FASB ASC Topic 320 "*Investments — Debt and Equity Securities.*" Based on the results of that 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 is recorded as a separate line item on the statement of operations in operating expenses under the caption *"Impairment of (proceeds from) non-marketable securities."* In the third quarter of fiscal year 2010, as part of a convertible note financing round for Magnum, we received proceeds of $500 thousand from Magnum as consideration for our ownership interest in Magnum securities. The proceeds were recorded as a separate line item on the consolidated statement of operations in operating expenses under the caption *"Impairment of (proceeds from) non-marketable securities."* At March 27, 2010, we had no remaining investments in non-marketable securities.

ITEM 8. ***Financial Statements and Supplementary Data***

Index to Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of Cirrus Logic, Inc.

We have audited the accompanying consolidated balance sheets of Cirrus Logic, Inc. as of March 27, 2010 and March 28, 2009, and the related consolidated statements of operations, stockholders' equity, and cash flows for each of the three fiscal years in the period ended March 27, 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Cirrus Logic, Inc. at March 27, 2010 and March 28, 2009, and the consolidated results of its operations and its cash flows for each of the three years in the period ended March 27, 2010, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Cirrus Logic, Inc.'s internal control over financial reporting as of March 27, 2010, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated June 1, 2010 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Austin, Texas
June 1, 2010

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders of Cirrus Logic, Inc.

We have audited Cirrus Logic, Inc.'s internal control over financial reporting as of March 27, 2010, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). Cirrus Logic, Inc.'s management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Cirrus Logic, Inc. maintained, in all material respects, effective internal control over financial reporting as of March 27, 2010, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Cirrus Logic, Inc. as of March 27, 2010 and March 28, 2009, and the related consolidated statements of operations, shareholders' equity, and cash flows for each of the three fiscal years in the period ended March 27, 2010 of Cirrus Logic, Inc. and our report dated June 1, 2010 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Austin, Texas
June 1, 2010

CIRRUS LOGIC, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share amounts)

	March 27, 2010	March 28, 2009
Assets		
Current assets:		
Cash and cash equivalents	$16,109	$31,504
Restricted investments	5,855	5,755
Marketable securities	85,384	79,346
Accounts receivable, net	23,963	10,814
Inventories	35,396	19,878
Deferred tax assets	12,549	683
Prepaid assets	2,307	2,527
Other current assets	3,292	2,149
Total current assets	184,855	152,656
Long-term marketable securities	34,278	3,627
Property, plant and equipment, net	18,674	19,367
Intangibles, net	21,896	23,309
Goodwill	6,027	6,027
Other assets	1,880	2,018
	$267,610	$207,004
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$20,340	$9,886
Accrued salaries and benefits	9,962	6,432
Deferred income on shipments to distributors	6,488	3,426
Other accrued liabilities	5,100	6,004
Total current liabilities	41,890	25,748
Lease commitments and contingencies	1,070	2,077
Long-term restructuring accrual	596	931
Other long-term liabilities	5,453	5,320
Stockholders' Equity:		
Preferred stock, 5.0 million shares authorized but unissued	—	—
Common stock, $0.001 par value, 280,000 shares authorized, 65,653 shares and 65,241 shares issued and outstanding at March 27, 2010 and March 28, 2009, respectively	66	65
Additional paid-in capital	952,737	945,390
Accumulated deficit	(733,553)	(771,951)
Accumulated other comprehensive loss	(649)	(576)
Total stockholders' equity	218,601	172,928
	$267,610	$207,004

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

CIRRUS LOGIC, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)

	Fiscal Years Ended		
	March 27, 2010	March 28, 2009	March 29, 2008
Net sales	$220,989	$174,642	$181,885
Cost of sales	102,258	77,458	78,652
Gross margin	118,731	97,184	103,233
Operating expenses:			
Research and development	51,421	44,315	48,484
Selling, general and administrative	45,923	45,304	53,554
Restructuring costs and other, net	493	—	10,542
Impairment of (proceeds from) non-marketable securities	(500)	—	3,657
Acquired in-process research and development	—	—	1,761
Provision (benefit) for litigation expenses and settlements	(2,610)	2,205	—
Patent agreement, net	(1,400)	—	—
Impairment of intangible assets	—	2,144	—
Total operating expenses	93,327	93,968	117,998
Income (loss) from operations	25,404	3,216	(14,765)
Interest income	1,345	2,777	12,068
Other income (expense), net	(66)	164	(104)
Income (loss) before income taxes	26,683	6,157	(2,801)
Provision (benefit) for income taxes	(11,715)	2,682	3,045
Net income (loss)	$ 38,398	$ 3,475	$ (5,846)
Basic earnings (loss) per share:	$ 0.59	$ 0.05	$ (0.07)
Diluted earnings (loss) per share	$ 0.59	$ 0.05	$ (0.07)
Weighted average common shares outstanding:			
Basic	65,338	65,530	87,967
Diluted	65,626	65,711	87,967

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

CIRRUS LOGIC, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Fiscal Years Ended		
	March 27, 2010	**March 28, 2009**	**March 29, 2008**
Cash flows from operating activities:			
Net income (loss)	$ 38,398	$ 3,475	$ (5,846)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	7,888	8,168	8,582
Acquired in-process research and development	—	—	1,761
Loss on retirement or write-off of long-lived assets	70	113	8
Amortization of lease settlement	(83)	(995)	(249)
Deferred income taxes	(11,932)	2,701	4,222
Gain on marketable securities	(500)	—	—
Stock compensation expense	5,318	5,166	5,274
Impairment of intangible assets	—	2,144	10,433
Impairment of non-marketable securities	—	—	3,657
Changes in operating assets and liabilities:			
Accounts receivable, net	(13,149)	11,838	(666)
Inventories	(15,518)	2,744	(3,259)
Other assets	(937)	2,201	(332)
Accounts payable	10,454	(6,278)	4,868
Accrued salaries and benefits	3,530	(653)	(1,672)
Deferred revenues	3,062	(3,158)	2,294
Income taxes payable	116	—	(3)
Other accrued liabilities	(1,581)	(4,399)	(6,085)
Net cash provided by operating activities	25,136	23,067	22,987
Cash flows from investing activities:			
Proceeds from sale of available for sale marketable securities	111,167	148,941	250,549
Purchases of available for sale marketable securities	(147,929)	(107,137)	(197,119)
Proceeds from sale of non-marketable securities	500	—	—
Purchases of property, plant and equipment	(3,654)	(3,060)	(3,699)
Investments in technology	(2,185)	(2,127)	(3,750)
Acquisition of businesses, net of cash acquired	(550)	(550)	(42,753)
Increase in restricted investments	(100)	—	—
Decrease (increase) in deposits and other assets	190	414	(360)
Net cash provided by (used in) investing activities	(42,561)	36,481	2,868
Cash flows from financing activities:			
Repurchase and retirement of common stock	—	(87,244)	(62,756)
Issuance of common stock, net of issuance costs	2,030	2,586	5,555
Net cash provided by (used in) financing activities	2,030	(84,658)	(57,201)
Net decrease in cash and cash equivalents	(15,395)	(25,110)	(31,346)
Cash and cash equivalents at beginning of year	31,504	56,614	87,960
Cash and cash equivalents at end of year	$ 16,109	$ 31,504	$ 56,614
Supplemental disclosures of cash flow information			
Cash payments (refunds) during the year for:			
Interest expense	$ —	$ —	$ —
Income taxes	90	174	141

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

CIRRUS LOGIC, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands)

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total
Balance, March 31, 2007	88,163	$ 88	$926,812	$(621,180)	$(783)	$304,937
Components of comprehensive income (loss):						
Net loss	—	—	—	(5,846)	—	(5,846)
Change in unrealized loss on marketable securities	—	—	—	—	559	559
Total comprehensive income	—	—	—	—	—	(5,287)
Issuance of stock under stock plans	1,043	1	5,554	—	—	5,555
Cumulative effect of initial adoption of ASC Topic 740	—	—	—	1,575	—	1,575
Repurchase and retirement of common stock	(13,307)	(13)	—	(71,106)	—	(71,119)
Amortization of deferred stock compensation	—	—	5,274	—	—	5,274
Balance, March 29, 2008	75,899	76	937,640	(696,557)	(224)	240,935
Components of comprehensive income (loss):						
Net income	—	—	—	3,475	—	3,475
Change in unrealized gain on marketable securities	—	—	—	—	(352)	(352)
Total comprehensive income	—	—	—	—	—	3,123
Issuance of stock under stock plans	579	—	2,584	—	—	2,584
Repurchase and retirement of common stock	(11,237)	(11)	—	(78,869)	—	(78,880)
Amortization of deferred stock compensation	—	—	5,166	—	—	5,166
Balance, March 28, 2009	65,241	65	945,390	(771,951)	(576)	172,928
Components of comprehensive income (loss):						
Net income	—	—	—	38,398	—	38,398
Change in unrealized gain on marketable securities	—	—	—	—	(73)	(73)
Total comprehensive income	—	—	—	—	—	38,325
Issuance of stock under stock plans	412	1	2,029	—	—	2,030
Amortization of deferred stock compensation	—	—	5,318	—	—	5,318
Balance, March 27, 2010	65,653	$ 66	$952,737	$(733,553)	$(649)	$218,601

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

CIRRUS LOGIC, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Description of Business and Summary of Significant Accounting Policies

Description of Business

Cirrus Logic, Inc. ("Cirrus Logic," "Cirrus," "We," "Us," "Our," 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 and mixed-signal patent portfolio, Cirrus Logic delivers highly optimized products for consumer and commercial audio, automotive entertainment, and targeted industrial applications. We also develop ICs, board-level modules and hybrids for high-power amplifier applications branded as the Apex Precision Power™ ("Apex") line of products. We also provide complete system reference designs based on our technology that enable our customers to bring products to market in a timely and cost-effective manner.

We were incorporated in California in 1984, became a public company on 1989, and were reincorporated in the State of Delaware in February 1999. Our primary facilities housing engineering, sales and marketing, administration, and test operations are located in Austin, Texas. In addition, we have an administrative and manufacturing facility in Tucson, Arizona and sales locations internationally and throughout the United States. We also serve customers from international sales offices in Europe and Asia, including the People's Republic of China, Hong Kong, South Korea, Japan, Singapore, Taiwan, and the United Kingdom. Our common stock, which has been publicly traded since 1989, is listed on the NASDAQ Global Select Market under the symbol CRUS.

Basis of Presentation

We prepare financial statements on a 52- or 53-week year that ends on the last Saturday in March. Fiscal years 2010, 2009, and 2008 were all 52-week years.

Principles of Consolidation

The accompanying consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles and include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany balances and transactions have been eliminated.

Use of Estimates

The preparation of financial statements in accordance with U.S. generally accepted accounting principles requires the use of management estimates. These estimates are subjective in nature and involve judgments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at fiscal year end and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist primarily of money market funds, commercial paper, and U.S. Government Treasury and Agency instruments with original maturities of three months or less at the date of purchase.

Restricted Investments

As of March 27, 2010, and March 28, 2009, we had restricted investments of $5.9 million and $5.8 million, respectively, in support of our letters of credit needs. The letters of credit primarily secure certain obligations under our operating lease agreement for our headquarters and engineering facility in Austin, Texas, and are scheduled for periodic declines in amount. The $0.1 million increase in fiscal year 2010 relates to an agreement executed on March 24, 2010, for the purchase of real property for the construction of our U.S. headquarters in Austin, Texas.

Marketable Securities

We determine the appropriate classification of marketable securities at the time of purchase and reevaluate this designation as of each balance sheet date. We classify these securities as either held-to-maturity, trading, or available-for-sale in accordance with FASB ASC Topic 320, "*Investments — Debt and Equity Securities*." As of March 27, 2010, and March 28, 2009, all marketable securities and restricted investments were classified as available-for-sale securities. The Company classifies its investments as "available for sale" because it expects to possibly sell some securities prior to maturity. The Company's investments are subject to market risk, primarily interest rate and credit risk. The Company's investments are managed by an outside professional manager within investment guidelines set by the Company. Such guidelines include security type, credit quality, and maturity, and are intended to limit market risk by restricting the Company's investments to high quality debt instruments with relatively short-term maturities. The fair value of investments is determined using observable or quoted market prices for those securities.

Available-for-sale securities are carried at fair value, with unrealized gains and losses included as a component of accumulated other comprehensive income (loss). The amortized cost of debt securities in this category is adjusted for amortization of premiums and accretion of discounts to maturity computed under the effective interest method and is included in interest income. Realized gains and losses, declines in value judged to be other than temporary, and interest on available-for-sale securities are included in net income. The cost of securities sold is based on the specific identification method.

Inventories

We use the lower of cost or market method to value our inventories, with cost being determined on a first-in, first-out basis. One of the factors we consistently evaluate in the application of this method is the extent to which products are accepted into the marketplace. By policy, we evaluate market acceptance based on known business factors and conditions by comparing forecasted customer unit demand for our products over a specific future period, or demand horizon, to quantities on hand at the end of each accounting period.

On a quarterly and annual basis, we analyze inventories on a part-by-part basis. Inventory quantities on hand in excess of forecasted demand are considered to have reduced market value and, therefore, the cost basis is adjusted to the lower of cost or market. Typically, market values for excess or obsolete inventories are considered to be zero. The short product life cycles and the competitive nature of the industry are factors considered in the estimation of customer unit demand at the end of each quarterly accounting period.

Inventories were comprised of the following (in thousands):

	Year Ended	
	March 27, 2010	**March 28, 2009**
Work in process	$18,016	$11,516
Finished goods	17,380	8,362
Inventories	$35,396	$19,878

The increase in inventory balances at March 27, 2010, as compared to March 28, 2009, is related primarily to increased demand forecasts for our products, and is consistent with revenue growth experienced at the end of fiscal year 2010 versus the end of fiscal year 2009.

Property, Plant and Equipment, net

Property, plant and equipment is recorded at cost, net of depreciation and amortization. Depreciation and amortization is calculated on a straight-line basis over estimated economic lives, ranging from three to 39 years. Leasehold improvements are depreciated over the shorter of the term of the lease or the estimated useful life. Furniture, fixtures, machinery, and equipment are all depreciated over a useful life of five to 20 years, while buildings are depreciated over a period of up to 39 years. In general, our capitalized software is amortized over a useful life of three years, with capitalized enterprise resource planning software being amortized over a useful life of 10 years. Gains or losses related to retirements or dispositions of fixed assets are recognized in the period incurred.

Property, plant and equipment was comprised of the following (in thousands):

	March 27, 2010	March 28, 2009
Land and buildings	$ 8,120	$ 8,120
Furniture and fixtures	4,342	4,324
Leasehold improvements	6,582	6,503
Machinery and equipment	26,973	25,586
Capitalized software	21,950	19,936
Total property, plant and equipment	67,967	64,469
Less: Accumulated depreciation and amortization	(49,293)	(45,102)
Property, plant and equipment, net	$ 18,674	$ 19,367

Depreciation and amortization expense on property, plant, and equipment for fiscal years 2010, 2009, and 2008, was $4.3 million, $4.7 million, and $4.7 million, respectively.

Other-Than-Temporary Impairment

All of the Company's available-for-sale investments, non-marketable securities, and other investments are subject to a periodic impairment review pursuant to FASB ASC Topic 320, "*Investments — Debt and Equity Securities*." Investments are considered to be impaired when a decline in fair value is judged to be other-than-temporary. 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 of time. Non-marketable securities or other investments are considered to be impaired when a decline in fair value is judged to be other-than-temporary. For investments accounted for using the cost method of accounting, management evaluates information (e.g., budgets, business plans, financial statements) in addition to 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. When a decline in value is deemed to be other-than-temporary, Cirrus recognizes an impairment loss in the current period's operating results to the extent of the decline.

Goodwill and Intangibles, net

The Company reports goodwill and other intangible assets in accordance with FASB ASC Topic 350, "*Intangibles — Goodwill and Other*." Intangible assets include purchased technology licenses and patents that are reported at cost and are amortized on a straight-line basis over their useful lives, generally ranging from three to ten years. Acquired intangibles include existing technology, core technology or patents, license agreements, trademarks, covenants not-to-compete and customer agreements. These assets are amortized on a straight-line basis over lives ranging from one to fifteen years. Goodwill is recorded at the time of an acquisition and is calculated as the difference between the aggregate consideration paid for an acquisition and the fair value of the net tangible and intangible assets acquired. Accounting for acquisitions requires extensive use of accounting estimates and judgments to allocate the purchase price to the fair value of the net tangible and intangible assets acquired, including in-process research and development ("IPR&D"). Goodwill and intangible assets deemed to have indefinite lives are not amortized but are subject to annual impairment tests. If the assumptions and estimates used to allocate the purchase price are not correct, or if business conditions change, purchase price adjustments or future asset impairment charges could be required. The value of our intangible assets, including goodwill, could be impacted by future adverse changes such as: (i) any future declines in our operating results, (ii) a decline in the valuation of technology company stocks, including the valuation of our common stock, (iii) a significant slowdown in the worldwide economy and the semiconductor industry, or (iv) any failure to meet the performance projections included in our forecasts of future operating results. In accordance with FASB ASC Topic 350, the Company tests goodwill and indefinite lived intangibles for impairment on an annual basis or more frequently if the Company believes indicators of impairment exist. Impairment evaluations involve management estimates of asset useful lives and future cash flows. Significant management judgment is required in the forecasts of future operating results that are used in the evaluations. It is possible, however, that the plans and estimates used may be incorrect. If our actual results, or the plans and estimates used in future impairment analysis, are lower than the original estimates used to assess the recoverability of these assets, we could incur additional impairment charges in a future period.

Long-Lived Assets

In accordance with FASB ASC Topic 360, "*Property, Plant, and Equipment*," we test for impairment losses on long-lived assets and definite-lived intangibles 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. We measure any impairment loss by comparing the fair value of the asset to its carrying amount. We estimate fair value based on discounted future cash flows, quoted market prices, or independent appraisals.

Foreign Currency Translation

All of our international subsidiaries have the U.S. dollar as the functional currency. The local currency financial statements are remeasured into U.S. dollars using current rates of exchange for assets and liabilities. Gains and losses from remeasurement are included in other income (expense), net. Revenue and expenses from our international subsidiaries are remeasured using the monthly average exchange rates in effect for the period in which the items occur. For all periods presented, our foreign currency remeasurement expense was not significant.

Concentration of Credit Risk

Financial instruments that potentially subject us to material concentrations of credit risk consist primarily of cash equivalents, restricted investments, marketable securities, long-term marketable securities, and trade accounts receivable. We are exposed to credit risk to the extent of the amounts recorded on the balance sheet. By policy, our cash equivalents, restricted investments, marketable securities, and long-term marketable securities are subject to certain nationally recognized credit standards, issuer concentrations, sovereign risk, and marketability or liquidity considerations.

In evaluating our trade receivables, we perform credit evaluations of our major customers' financial condition and monitor closely all of our receivables to limit our financial exposure by limiting the length of time and amount of credit extended. We sell a significant amount of products in the Asian countries. In certain situations, we may require payment in advance or utilize letters of credit to reduce credit risk. By policy, we establish a reserve for trade accounts receivable based on the type of business in which a customer is engaged, the length of time a trade account receivable is outstanding, and other knowledge that we may possess relating to the probability that a trade receivable is at risk for non-payment.

The following table summarizes the receivable balance of distributors and customers that represented more than 10 percent of consolidated gross accounts receivable:

	Year Ended	
	March 27, 2010	**March 28, 2009**
Futaihua Industrial	20%	**
Avnet, Inc.	17%	21%
Hon Hai Precision Industry Co., LTD.	**	11%

** Less than 10 percent for the period presented

No other distributors or customers had receivable balances that represented more than 10 percent of consolidated gross accounts receivable as of the end of fiscal years 2010 and 2009.

Since the components we produce are largely proprietary and generally not available from second sources, we consider our end customer to be the entity specifying the use of our component in their design. These end customers may then purchase our products directly from us, from a distributor, or through a third party manufacturer contracted to produce their end product. For fiscal years 2010 and 2009, our ten largest customers represented approximately 54 percent and 36 percent of our sales. We had one end customer that purchased through multiple contract manufacturers and represented approximately 36 percent and 16 percent of the Company's total sales for fiscal years 2010 and 2009, respectively. Further, we had one distributor that represented 26 percent, 33 percent, and 27 percent of our sales for fiscal years 2010, 2009, and 2008 respectively. No other customer or distributor represented more than 10 percent of net sales in fiscal years 2010, 2009, or 2008.

Revenue Recognition

We recognize revenue in accordance with FASB ASC Topic 605, "*Revenue Recognition.*" Revenue from products sold directly to international customers and to certain international distributors is recognized upon title passage of inventory. For sales made directly to international customers and to international distributors, title generally passes at the port of destination. For sales made directly to domestic customers, title generally passes upon shipment. Sales made to domestic distributors and certain international distributors are recorded as deferred revenue until the final sale to the end customer has occurred. Generally, distributor agreements allow certain rights of return and price protection. License and royalty revenue is recognized as it is earned per unit shipped or when a contractual milestone is reached.

Warranty Expense

We warrant that our products, when delivered, will be free from defects in material workmanship under normal use and service. Our obligations are generally limited to replacing, repairing or giving credit for, at our option, any products that are returned within one year after the date of shipment and if notice is given to us in writing within 30 days of the customer learning of such problem. Warranty expense was not significant for any period presented.

Shipping Costs

Our shipping and handling costs are included in cost of sales for all periods presented.

Advertising Costs

Advertising costs are expensed as incurred. Advertising costs were $1.0 million, $1.5 million, and $1.2 million in fiscal years 2010, 2009, and 2008, respectively.

Stock-Based Compensation

Stock-based compensation is measured at the grant date based on the grant-date fair value of the awards and is recognized as an expense, on a ratable basis, over the vesting period, which is generally four years. Determining the amount of stock-based compensation to be recorded requires the Company to develop estimates used in calculating the grant-date fair value of stock options. The Company calculates the grant-date fair value using the Black-Scholes valuation model. The use of valuation models requires the Company to make estimates of assumptions such as expected volatility, expected term, risk-free interest rate, expected dividend yield, and forfeiture rates. See Note 12 — "*Stockholders' Equity*" for additional information relating to stock-based compensation.

Income Taxes

We report income taxes in accordance with FASB ASC Topic 740, "*Income Taxes,*" which provides 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.

We adopted FASB Financial Interpretation No. (FIN) 48, *"Accounting for Uncertainty in Income Taxes,"* now codified as FASB ASC Topic 740, "*Income Taxes,"* at the beginning of fiscal year 2008. As a result of the adoption of this accounting literature, we recognize liabilities for uncertain tax positions based on the two-step process prescribed by the interpretation. The first step requires us to determine if the weight of available evidence indicates that the tax position has met the threshold for recognition; therefore, we must evaluate whether it is more likely than not that the position will be sustained on audit, including resolution of any related appeals or litigation processes. The second step requires us to measure the tax benefit of the tax position taken, or expected to be taken, in an income tax return as the largest amount that is more than 50 percent likely of being realized upon ultimate settlement. We reevaluate the uncertain tax positions each quarter based on factors including, but not limited to, changes in facts or circumstances, changes in tax law, effectively settled issues under audit, and new audit activity. Depending on the jurisdiction, such a change in recognition or measurement may result in the recognition of a tax benefit or an additional charge to the tax provision in the period.

Net Income (Loss) Per Share

Basic net income (loss) per share is based on the weighted effect of common shares issued and outstanding and is calculated by dividing net income (loss) by the basic weighted average shares outstanding during the period. Diluted net income (loss) per share is calculated by dividing net income (loss) by the weighted average number of common shares used in the basic net income (loss) per share calculation, plus the equivalent number of common shares that would be issued assuming exercise or conversion of all potentially dilutive common shares outstanding. These potentially dilutive items consist primarily of outstanding stock options and restricted stock awards.

Incremental weighted average common shares attributable to the assumed exercise of outstanding options of 181,000 shares for the year ended March 29, 2008, were excluded from the computation of diluted net income (loss) per share because the effect would be anti-dilutive due to our loss position during the year. The weighted outstanding options excluded from our diluted calculation for the years ended March 27, 2010, March 28, 2009, and March 29, 2008, were 8,043,000, 7,796,000, and 5,623000, respectively, as the exercise price exceeded the average market price during the period.

Accumulated Other Comprehensive Income (loss)

We report our accumulated other comprehensive income (loss) based upon FASB ASC Topic 220, "*Comprehensive Income*." Our accumulated other comprehensive loss is comprised of foreign currency translation adjustments from prior years when we had subsidiaries whose functional currency was not the U.S. Dollar, as well as unrealized gains and losses on investments classified as available-for-sale. See Note 13 — "*Accumulated Other Comprehensive Income (Loss)*" for additional discussion.

Recently Issued Accounting Pronouncements

In January 2010, the FASB issued Accounting Standards Update ("ASU") No. 2010-06, *"Fair Value Measurements and Disclosures (Topic 820): Improving Disclosures about Fair Value Measurements"* ("ASU 2010-06"), which amends the disclosure guidance with respect to fair value measurements. Specifically, the new guidance requires disclosure of amounts transferred in and out of Levels 1 and 2 fair value measurements, a reconciliation presented on a gross basis rather than a net basis of activity in Level 3 fair value measurements, greater disaggregation of the assets and liabilities for which fair value measurements are presented and more robust disclosure of the valuation techniques and inputs used to measure Level 2 and 3 fair value measurements. ASU 2010-06 was effective for interim and annual reporting periods beginning after December 15, 2009, with the exception of the new guidance around the Level 3 activity reconciliations, which is effective for fiscal years beginning after December 15, 2010. The adoption of this guidance with respect to Levels 1 and 2 fair value measurements did not have a material impact on our consolidated financial position, results of operations, or cash flows. The adoption of this guidance with respect to Level 3 fair value measurements is not anticipated to have a material impact on our consolidated financial position, results of operations, or cash flows.

In May 2009, the FASB issued guidance now codified as FASB ASC Topic 855, "*Subsequent Events*," which establishes general standards of accounting for, and disclosures of, events that occur after the balance sheet date but before financial statements are issued or are available to be issued. This pronouncement is effective for interim or fiscal periods ending after June 15, 2009. Accordingly, the Company adopted these provisions of FASB ASC Topic 855 on March 29, 2009. The adoption of this pronouncement did not have a material impact on our consolidated financial position, results of operations or cash flows. However, the provisions of FASB ASC Topic 855 resulted in additional disclosures with respect to subsequent events. See Note 17, *Subsequent Event,* for this additional disclosure.

In April 2009, the FASB issued guidance now codified as FASB ASC Topic 820 "*Fair Value Measurements and Disclosures"* to address challenges in estimating fair value when the volume and level of activity for an asset or liability have significantly decreased. The guidance emphasizes that even if there has been a significant decrease in the volume and level of activity for the asset or liability and regardless of the valuation technique(s) used, the objective of a fair value measurement remains the same. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. It is effective for interim and annual reporting periods ending after June 15, 2009. Our adoption of this pronouncement during the first quarter of fiscal year 2010 did not have an impact on our consolidated financial position, results of operations, or cash flows.

In April 2009, the FASB issued guidance now codified as FASB ASC Topic 825, "*Financial Instruments,"* which amends previous Topic 825 guidance to require disclosures about fair value of financial instruments in interim as well as annual financial statements. This pronouncement is effective for periods ending after June 15, 2009. Accordingly, the Company adopted these provisions of FASB ASC Topic 825 on March 29, 2009. The adoption of this pronouncement did not have a material impact on our consolidated financial position, results of operations, or cash flows. However, these provisions of FASB ASC Topic 825 resulted in additional disclosures with respect to the fair value of the Company's financial instruments. See Note 9, *Fair Value Measurements,* for these additional disclosures.

In April 2009, the FASB issued guidance now codified as FASB ASC Topic 320, "*Investments — Debt and Equity Securities*" and Topic 325 "*Investments — Other,*" which is designed to create greater clarity and consistency in accounting for and presenting impairment losses on securities. The pronouncement is effective for periods ending after June 15, 2009. Accordingly, the Company adopted this pronouncement on March 29, 2009. The adoption of this guidance did not have a material impact on our consolidated financial position, results of operations, or cash flows. However, the provisions of FASB ASC Topic 320 resulted in additional disclosures with respect to the fair value of the Company's investments with unrealized losses that are not deemed other-than-temporarily impaired. See Note 9, *Fair Value Measurements,* for these additional disclosures.

In June 2008, the FASB issued FASB ASC 260-10-45, formerly FSP Emerging Issues Task Force (EITF) 03-6-1, "*Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities."* FASB ASC 260-10-45 provides that unvested share-based payment awards that contain nonforfeitable rights to dividends or dividend equivalents (whether paid or unpaid) are participating securities and shall be included in the computation of earnings per share pursuant to the two-class method described in FASB ASC 260, "*Earnings per Share*." FASB ASC 260-10-45 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those years on a retrospective basis. The Company adopted FASB ASC 260-10-45 at the beginning of fiscal 2010. The adoption did not have a material impact on the Company's financial statements.

In September 2006, the FASB issued guidance now codified as FASB ASC Topic 820, *"Fair Value Measurements and Disclosures,"* which defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. The pronouncement was effective for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. In February 2008, the FASB released additional guidance now codified under FASB ASC Topic 820, which provides for delayed application of certain guidance related to non-financial assets and non-financial liabilities, except for items that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually), until fiscal years beginning after November 15, 2008, and interim periods within those years. The Company adopted certain provisions of FASB ASC Topic 820 effective March 30, 2008 (see Note 9, *Fair Value Measurements*, to the Condensed Consolidated Financial Statements for additional information). Pursuant to the requirements of FASB ASC Topic 820, the Company adopted the provisions of Topic 820 with respect to our non-financial assets and non-financial liabilities effective March 29, 2009. The implementation of this pronouncement did not have a material impact on our consolidated financial position, results of operations or cash flows.

2. Marketable Securities

The Company's investments that have original maturities greater than 90 days have been classified as available-for-sale securities in accordance with FASB ASC Topic 320, "*Investments — Debt and Equity Securities*." Marketable securities are categorized on the consolidated balance sheet as restricted investments and marketable securities, as appropriate.

The following table is a summary of available-for-sale securities (in thousands):

As of March 27, 2010:	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value (Net Carrying Amount)
Corporate securities – U.S.	$ 57,283	$133	$(55)	$ 57,361
U.S. Government securities	44,423	44	(6)	44,461
Agency discount notes	15,946	7	(7)	15,946
Commercial Paper	7,744	5	—	7,749
Total securities	$125,396	$189	$(68)	$125,517

The Company's specifically identified gross unrealized losses of $68 thousand relates to thirty different securities with a total amortized cost of approximately $46.2 million at March 27, 2010. Because the Company does not intend to sell the investments at a loss and the Company will not be required to sell the investments before recovery of its amortized cost basis, it did not consider the investment in these securities to be other-than-temporarily impaired at March 27, 2010. Further, the securities with gross unrealized losses had been in a continuous unrealized loss position for less than 12 months as of March 27, 2010.

As of March 28, 2009:	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value (Net Carrying Amount)
Corporate securities – U.S.	$29,585	$ 40	$(153)	$29,472
Corporate securities – government guaranteed	4,600	7	—	4,607
U.S. Government securities	32,886	157	(2)	33,041
Agency discount notes	21,463	147	(2)	21,608
Total securities	$88,534	$351	$(157)	$88,728

The Company's specifically identified gross unrealized losses of $157 thousand relates to fourteen different securities with amortized costs of approximately $20.5 million at March 28, 2009. Because the Company does not intend to sell the investments at a loss and the Company will not be required to sell the investments before recovery of its amortized cost basis, it did not consider the investment in these securities to be other-than-temporarily impaired at March 28, 2009. Further, the securities with gross unrealized losses had been in a continuous unrealized loss position for less than 12 months as of March 28, 2009.

The cost and estimated fair value of available-for-sale investments by contractual maturity were as follows:

	March 27, 2010		March 28, 2009	
	Amortized Cost	Estimated Fair Value	Amortized Cost	Estimated Fair Value
Within 1 year	$ 91,096	$ 91,239	$84,901	$85,101
After 1 year	34,300	34,278	3,633	3,627
	$125,396	$125,517	$88,534	$88,728

The increase in available-for-sale investments during fiscal year 2010 is primarily attributable to cash generated from operations during the period.

3. Accounts Receivable, net

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

	March 27, 2010	March 28, 2009
Gross accounts receivable	$24,451	$11,265
Less: Allowance for doubtful accounts	(488)	(451)
Accounts receivable, net	$23,963	$10,814

The increase in accounts receivable balances at March 27, 2010, as compared to March 28, 2009, is consistent with revenue growth experienced at the end of fiscal year 2010 versus the end of fiscal year 2009.

The following table summarizes the changes in the allowance for doubtful accounts (in thousands):

Balance, March 29, 2008	$(404)
Write-off of uncollectible accounts, net of recoveries	(47)
Balance, March 28, 2009	(451)
Write-off of uncollectible accounts, net of recoveries	(37)
Balance, March 27, 2010	$(488)

During the fourth quarter of fiscal year 2010, we received a $0.1 million payment associated with claims in a bankruptcy case for past-due receivables that had been written off in a prior fiscal year.

4. Non-Marketable Securities

In the third quarter of fiscal year 2010, as part of a convertible note financing round for Magnum Semiconductor, Inc. ("Magnum"), a company that we previously had an investment in, we received proceeds of $500 thousand from Magnum as consideration for our ownership interest in Magnum securities which we determined had been fully impaired in fiscal year 2008. The proceeds were recorded as a separate line item on the consolidated statement of operations in operating expenses under the caption *"Impairment of (proceeds from) non-marketable securities."*

As of March 27, 2010, we had no remaining investments in non-marketable securities.

5. Acquisitions

On December 8, 2008, we executed an asset purchase agreement with Thaler Corporation of Tucson, Arizona, an entity specializing in the manufacture of precision analog and mixed signal devices. The purchase price of the acquisition was $1.1 million, which consisted primarily of intangible assets and inventory. The intangible assets, which were $0.8 million of the purchase price, are being amortized over a period of 5 years. Fifty percent of the purchase price, or $550 thousand, was paid in cash at closing, and the remaining balance was paid on April 8, 2009. This remaining balance of $550 thousand was recorded as *"Other accrued liabilities"* on the consolidated balance sheet as of March 28, 2009.

On July 24, 2007, we acquired 100 percent of the outstanding stock of 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 PWM's and power amplifiers. These precision amplifiers are used for driving motors and piezoelectric devices, programmable power supplies and other devices requiring high power and precision control. The acquisition was undertaken to strengthen and diversify our existing product lines. 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. The purchase price was allocated to the estimated fair value of assets acquired and liabilities assumed based on independent appraisals and management estimates. 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. The acquisition resulted in a purchase price that was in excess of the fair value of the net assets acquired and, as a result, the Company recorded goodwill of $6.2 million. During fiscal year 2009, we received approximately $0.2 million in proceeds from a tax settlement that reduced the goodwill recognized on this purchase. The goodwill will not be deductible for tax purposes. Approximately $1.8 million of the purchase price was allocated to IPR&D and was expensed upon completion of the acquisition, which was recorded as a separate line item on the Statement of Operations under the caption "*Acquired in-process research and development*" in operating expenses.

6. Intangibles, net

The following information details the gross carrying amount and accumulated amortization of our intangible assets (in thousands):

	March 27, 2010		March 28, 2009	
	Gross Amount	**Accumulated Amortization**	**Gross Amount**	**Accumulated Amortization**
Core technology	$ 1,390	$ (1,377)	$ 1,390	$ (1,223)
License agreements	440	(436)	440	(387)
Existing technology	17,235	(5,325)	17,235	(4,328)
Trademarks	2,758	(320)	2,758	(320)
Non-compete agreements	398	(99)	398	(20)
Customer relationships	4,682	(844)	4,682	(508)
Technology licenses	16,125	(12,731)	14,950	(11,758)
	$43,028	$(21,132)	$41,853	$(18,544)

In the fourth quarter of fiscal year 2009, we noted several impairment indicators surrounding our patents acquired from Tripath in June, 2007. We performed an impairment analysis under FASB ASC Topic 360 and noted that the undiscounted cash flows estimated to be generated from these patents were less than the carrying amount of the assets. We then compared the estimated fair value of these assets to their carrying amount and recognized an impairment loss of $2.1 million. The impairment was recorded as a separate line item on the statement of operations in operating expenses under the caption *"Impairment of intangible assets."*

Amortization expense for all intangibles in fiscal years 2010, 2009, and 2008 was $3.6 million, $3.5 million, and $3.9 million, respectively. The following table details the estimated aggregate amortization expense for all intangibles owned as of March 27, 2010 for each of the five succeeding fiscal years (in thousands):

For the year ended March 26, 2011	$2,988
For the year ended March 31, 2012	$2,746
For the year ended March 30, 2013	$1,722
For the year ended March 29, 2014	$1,422
For the year ended March 28, 2015	$1,303

7. Commitments and Contingencies

Facilities and Equipment Under Operating Lease Agreements

With the exception of the Apex facility in Tucson, Arizona, we lease our facilities and certain equipment under operating lease agreements, some of which have renewal options. Certain of these arrangements provide for lease payment increases based upon future fair market rates. As of May 1, 2010, our principal leased facilities, located in Austin, Texas, consisted of approximately 214,000 square feet of office space. This leased space includes our headquarters and engineering facility, which has 197,000 square feet with lease terms that extend into calendar year 2012, excluding lease extension options, and 17,000 square feet of leased space at our failure analysis facility with lease terms that extend into calendar year 2013. We have subleased approximately 38,000 square feet of space at our Austin headquarters with sublease terms that extend into calendar year 2012.

The aggregate minimum future rental commitments under all operating leases, net of sublease income, for the following fiscal years are (in thousands):

	Facilities	Subleases	Net Facilities Commitments	Equipment Commitments	Total Commitments
2011	$ 5,372	$ 922	$ 4,450	$13	$ 4,463
2012	4,828	907	3,921	7	3,928
2013	2,045	382	1,663	6	1,669
2014	38	—	38	6	44
2015	—	—	—	2	2
Thereafter	—	—	—	—	—
Total minimum lease payments	$12,283	$2,211	$10,072	$34	$10,106

Total rent expense was approximately $4.4 million, $5.9 million, and $7.3 million, for fiscal years 2010, 2009, and 2008, respectively. Sublease rental income was $1.2 million, $2.1 million, and $3.0 million, for fiscal years 2010, 2009, and 2008, respectively. During fiscal years 2010, 2009, and 2008 we recorded approximately $0.4 million, $0.1 million, and $0.8 million in rent expense reductions, respectively, to adjust our loss contingency accrual for a change in sublease assumptions with regards to our facilities in Austin, Texas and Fremont, California.

As of March 27, 2010, a total of $1.6 million related to vacated leases remained accrued, of which $1.0 million has been classified as long-term. These amounts are included in the table above. The $1.3 million in facilities restructuring accruals that existed for these leases as of March 27, 2010 are discussed in greater detail in Note 10 — *Restructuring Costs and Other.*

On January 29, 2008, Cirrus Investments, L.P. ("Cirrus Investments"), an entity unrelated to the Company, filed suit against the Company, and others, in the Superior Court of California, County of Santa Clara, alleging breach of commercial leases and holdover rent with respect to two properties we leased from Cirrus Investments in Fremont, California. Cirrus Investments' complaint primarily related to alleged violations of certain restoration obligations that the Company had at the end of the lease term of these two properties.

Cirrus Logic settled this matter on October 8, 2008, via execution of a Settlement Agreement for payment of approximately $1.0 million to Cirrus Investments.

Wafer, Assembly and Test Purchase Commitments

We rely primarily on third-party foundries for our wafer manufacturing needs. As of March 27, 2010, we had agreements with multiple foundries for the manufacture of wafers. None of these foundry agreements have volume purchase commitments or "take or pay" clauses. The agreements provide for purchase commitments based on purchase orders. Cancellation fees or other charges may apply and are generally dependent upon whether wafers have been started or the stage of the manufacturing process at which the notice of cancellation is given. As of March 27, 2010, we had foundry commitments of $16.4 million.

In addition to our wafer supply arrangements, we contract with third-party assembly vendors to package the wafer die into finished products. Assembly vendors provide fixed-cost-per-unit pricing, as is common in the semiconductor industry. We had non-cancelable assembly purchase orders with numerous vendors totaling $2.6 million at March 27, 2010.

We have transitioned the majority of our test services to outside third party contractors. Test vendors provide fixed-cost-per-unit pricing, as is common in the semiconductor industry. Our total non-cancelable commitment for outside test services as of March 27, 2010 was $3.3 million.

Other open purchase orders as of March 27, 2010 amount to $1.0 million and primarily relate to raw materials costs incurred in our facility in Tucson, Arizona, which continues to serve as the assembly and test facility for our Apex products.

8. 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 was reached in the District Court actions described below.

Two additional lawsuits arising out of the same claims were filed in federal court in the United States District Court for the Western District of Texas — Austin Division. Between March 19, 2007, and March 30, 2007, two 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 December 19, 2008, a Stipulation of Settlement (the "Original Stipulation") between the parties was filed with the federal court. The Original Stipulation provided for the proposed settlement of all pending stockholder derivative lawsuits relating to the Company's historical stock option granting practices. The terms of the settlement included: (1) the adoption by Cirrus Logic of a variety of corporate governance measures, including measures that relate to and address many of the underlying issues in the derivative lawsuits; (2) a release of claims against all defendants and the dismissal of the derivative lawsuits with prejudice; and (3) the payment by the Company's Directors' and Officers' insurer of $2.85 million to the plaintiffs' lawyers in payment in full of plaintiffs' claims for attorney's fees and expenses. As part of the Original Stipulation, the defendants denied any wrongdoing or liability against them as it relates to the claims and contentions alleged by the plaintiffs in the lawsuits. On December 30, 2008, the federal court denied the parties' proposed stipulation.

On March 13, 2009, a Revised Stipulation of Settlement (the "Revised Stipulation") was filed with the federal court. The Revised Stipulation modified the terms of the Original Stipulation to address the concerns of the Court raised in the Court's denial of the Original Stipulation. Specifically, the terms of the Revised Stipulation include: (1) the extension of the term of the proposed corporate governance changes to seven years rather than four years, and the extension of governance changes specifically regarding stock options to remain in effect indefinitely, subject to stockholder approved changes after seven years; (2) a release of claims against all defendants and the dismissal of the derivative lawsuits with prejudice; (3) the payment by the Company's Directors' and Officers' insurer of $2.85 million to the Company; and (4) the withdrawal by plaintiffs of any request for an award of their attorneys' fees and expenses.

The Court approved the Revised Stipulation on May 28, 2009 and entered judgment thereon. On June 17, 2009, the Company received proceeds of a net $2.7 million dollars from its insurance carrier as part of the final settlement of this litigation. The parties dismissed the remaining state district court action on July 27, 2009.

Silvaco Data Systems

On December 8, 2004, Silvaco Data Systems ("Silvaco") filed suit against us, and others, in Santa Clara County Superior Court (the "Court"), 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 Semantic'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.

On February 12, 2008, we settled our cross-complaint against Silvaco, whereby Silvaco agreed to pay Cirrus $30,000 as full and final restitution of all claims that could have been alleged in the cross-complaint.

Based on these orders and the settlement of the cross-complaint, the Court entered judgment in our favor on Silvaco's complaint and our cross-complaint on March 4, 2008. As a result of the favorable judgment, on May 16, 2008, the court awarded approximately $59,000 for our expenses in defending the suit.

On April 7, 2008, Silvaco filed a notice of appeal on these matters. The appeal was heard by the Court of Appeal of the State of California, Sixth Appellate District on April 13, 2010. On April 29, 2010, the appellate court affirmed the judgment of the district court, finding that the district court did not err by granting summary judgment in favor of Cirrus Logic. Silvaco has until June 8, 2010, to petition the California Supreme Court for review of the case.

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.

9. Fair Value Measurements

The Company adopted certain provisions of FASB ASC Topic 820 as of March 30, 2008, the beginning of fiscal year 2009, to measure the fair value of certain of its financial assets required to be measured on a recurring basis. Under FASB ASC Topic 820, based on the observability of the inputs used in the valuation techniques, the Company is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

- Level 1 — Quoted prices in active markets for identical assets or liabilities.
- Level 2 — Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

As of March 27, 2010, the Company's cash equivalents and restricted investments of $22.0 million, and short and long-term investments of $119.7 million, are all valued using quoted prices generated by market transactions involving identical assets, or Level 1 assets as defined under FASB ASC Topic 820.

Effective in fiscal year 2009, the Company adopted a new accounting standard which defines fair value, establishes a framework for measuring fair value and expands on required disclosures regarding fair value measurements. This standard applies to reported balances that are required or permitted to be measured at fair value under existing accounting pronouncements accordingly, but does not require any new fair value measurements of previously reported balances. The following table summarizes the carrying amount and fair value of the Company's financial instruments as of March 27, 2010 (in thousands):

Financial instruments	Carrying Amount	Fair Value
Cash and cash equivalents	$ 16,109	$ 16,109
Restricted investments	5,855	5,855
Marketable securities	85,384	85,384
Long term marketable securities	34,278	34,278
	$141,626	$141,626

Financial assets and liabilities with carrying amounts approximating fair value include cash and cash equivalents, restricted investments, and marketable securities. The carrying amount of these financial assets and liabilities approximates fair value because of their short maturity. The fair values of long-term marketable securities are valued using quoted prices generated by market transactions involving identical assets.

10. Restructuring Costs and Other

During fiscal year 2010, we recorded net restructuring charges of $0.5 million as a separate line item on the statement of operations in operating expenses under the caption *"Restructuring costs and other, net."* The restructuring charge primarily relates to a change in sublease assumptions for the Company's corporate offices in Austin, Texas.

During fiscal year 2008, we recorded net restructuring charges of $10.5 million as a separate line item on the statement of operations in operating expenses under the caption *"Restructuring costs and other, net."* This net charge was comprised primarily of two separate steps taken to improve our competitive cost structure. First, we committed to a plan to close Caretta, a subsidiary based in Shanghai, China. This action eliminated approximately 30 positions in China during the Company's fourth fiscal quarter, and resulted in the Company recording a charge of approximately $11.1 million, which consisted primarily of non-cash charges of

$6.5 million for goodwill and $3.6 million related to intangibles, as well as approximately $0.9 million in cash payments for the affected employees. These charges reduced the carrying value of the Caretta-related intangible assets to zero, an amount that reflects the Company's decision to no longer market Caretta's power management IC's for the single-cell lithium ion battery market. Also in the fourth quarter of fiscal year 2008, we made a strategic decision to streamline our organization structure, which resulted in a further worldwide headcount reduction of 61 employees. The restructuring charge associated with this activity was $0.9 million, and was primarily related to employee severance costs. Also in fiscal year 2008, in connection with the expiration of a lease agreement in Fremont, California in December 2007, we recorded a $1.5 million reduction to the fiscal year 2004 and 2006 restructuring liabilities to reduce the accrual to the estimated final settlement amounts.

The following table sets forth the activity in our fiscal year 2004 restructuring accrual (in thousands):

	Severance	Facilities Abandonment	Total
Balance, March 29, 2003	$ —	$ —	$ —
Fiscal year 2004 provision	1,688	6,205	7,893
Cash payments, net	(1,514)	(908)	(2,422)
Balance, March 27, 2004	174	5,297	5,471
Fiscal year 2005 provision	—	178	178
Cash payments, net	(174)	(944)	(1,118)
Balance, March 26, 2005	—	4,531	4,531
Fiscal year 2006 provision	—	627	627
Cash payments, net	—	(954)	(954)
Balance, March 25, 2006	—	4,204	4,204
Fiscal year 2007 provision	—	214	214
Cash payments, net	—	(1,124)	(1,124)
Balance, March 31, 2007	—	3,294	3,294
Fiscal year 2008 provision	—	14	14
Cash payments, net	—	(1,069)	(1,069)
Balance, March 29, 2008	—	2,239	2,239
Fiscal year 2009 provision	—	147	147
Cash payments, net	—	(423)	(423)
Balance, March 28, 2009	—	1,963	1,963
Fiscal year 2010 provision	—	604	604
Cash payments, net	—	(1,226)	(1,226)
Balance, March 27, 2010	$ —	$ 1,341	$ 1,341

Fiscal year 2010 activity reflected a net reduction in the 2004 restructuring accrual of $0.6 million, which included an increase in the provision for a $0.5 million restructuring charge brought about by a change in sublease assumptions, as well as normal accretion of $0.1 million for the period. Fiscal year 2009 activity reflected a net reduction in the 2004 restructuring accrual of $0.3 million, which included an increase in the provision for normal accretion for the period. The fiscal year 2008 provision included a $0.3 million reduction to the facilities abandonment accrual in recognition of the end of the lease term in December 2007, which was offset by additions to the accrual for accretion during the period.

As of March 27, 2010, we have a remaining restructuring accrual of $1.3 million, primarily related to net lease expenses that will be paid over the respective lease terms through fiscal year 2013, along with other anticipated lease termination costs. We have classified the short-term portion of our restructuring activities, $0.7 million, as *"Other accrued liabilities."*

11. Employee Benefit Plans

We have a 401(k) Profit Sharing Plan (the "Plan") covering all of our qualifying domestic employees. Under the Plan, employees may elect to contribute any percentage of their annual compensation up to the annual IRS limitations. We match 50 percent of the first 6 percent of the employees' annual contribution to the plan. We made matching employee contributions of $0.9 million, $0.9 million, and $0.8 million during fiscal years 2010, 2009, and 2008, respectively.

12. Stockholders' Equity

Share Repurchase Program

On January 29, 2009, we publicly announced that our Board authorized a share repurchase program of up to $20 million. The repurchases will be funded from existing cash and may be effected from time to time depending on general market and economic conditions and in accordance with applicable securities laws. As of March 27, 2010, no share repurchases have occurred under this share repurchase program.

On January 30, 2008, we announced that our Board authorized a share repurchase program of up to $150 million. The Company repurchased 13.3 million shares of its common stock for $71.1 million during fiscal year 2008, which included $8.3 million of accrued share repurchases that were cash-settled in fiscal year 2009. During the first quarter of fiscal year 2009, we continued our stock repurchase activity by repurchasing a total of 11.2 million shares of our common stock for $78.9 million as part of this program. As of April 28, 2008, the share repurchase program was completed, with a cumulative 24.5 million shares acquired at a total cost of $150 million. All of these shares were repurchased in the open market and were funded from existing cash. All shares of our common stock that were repurchased were cancelled as of June 28, 2008.

Employee Stock Purchase Plan

In March 1989, we adopted the 1989 Employee Stock Purchase Plan ("ESPP"). The plan had a 20 year duration, and expired under its own terms effective May 26, 2009.

Preferred Stock

On May 24, 2005, the Board approved an amendment (the "Amendment") to the Amended and Restated Rights Agreement, dated as of February 17, 1999, between the Company and BankBoston, N.A., as Rights Agent. The Amendment accelerated the termination of the Company's preferred stock purchase rights (the "Rights") from the close of business on May 4, 2008, to the close of business on May 26, 2005. On May 25, 2005, the Chief Financial Officer ("CFO") signed a Certificate of Elimination that was subsequently filed with the Secretary of State of the State of Delaware which had the effect of eliminating from the Company's Certificate of Incorporation all references to the Series A Participating Preferred Stock of the Company and returning these shares to the status of undesignated shares of authorized Preferred Stock of the Company. We have not issued any of the authorized 1.5 million shares of Series A Participating Preferred Stock.

Stock Compensation Expense

The following table summarizes the effects of stock-based compensation on cost of goods sold, research and development, sales, general and administrative, pre-tax income (loss), and net income after taxes for options granted under the Company's equity incentive plans (in thousands, except per share amounts; unaudited):

	Fiscal Years Ended		
	March 27, 2010	**March 28, 2009**	**March 29, 2008**
Cost of sales	$ 212	$ 212	$ 190
Research and development	1,882	1,923	1,897
Sales, general and administrative	3,224	3,031	3,187
Effect on pre-tax income (loss)	5,318	5,166	5,274
Income Tax Benefit	—	—	—
Total share based compensation expense (net of taxes)	$5,318	$5,166	$5,274
Share based compensation effects on basic earnings (loss) per share	$ 0.08	$ 0.08	$ 0.06
Share based compensation effects on diluted earnings (loss) per share	$ 0.08	$ 0.08	$ 0.06
Share based compensation effects on operating activities cash flow	5,318	5,166	5,274
Share based compensation effects on financing activities cash flow	—	—	—

The total share based compensation expense included in the table above and which is attributable to restricted stock awards was $0.1 million, $0.2 million, and $0.2 million for fiscal years 2010, 2009, and 2008, respectively.

During fiscal year 2010, we received a net $2.0 million from the exercise of options granted under the Company's Stock Plans.

The total intrinsic value of options exercised during fiscal year 2010, 2009, and 2008 was $0.8 million, $0.9 million, and $2.1 million, respectively. Intrinsic value represents the difference between the market value of Cirrus Logic common stock at the time of exercise and the strike price of the option.

As of March 27, 2010, there was $11.6 million of compensation cost related to non-vested stock option awards granted under the Company's equity incentive plans not yet recognized in the Company's financial statements. The unrecognized compensation cost is expected to be recognized over a weighted average period of 1.37 years.

The Company currently is granting equity awards from the 2006 Stock Incentive Plan (the "Plan"), which was approved by stockholders in July 2006. The Plan provides for granting of stock options, restricted stock awards, performance awards, phantom stock awards, and bonus stock awards, or any combination of the foregoing. To date, the Company has granted stock options and restricted stock awards under the Plan. Stock options generally vest over a four-year period and are exercisable for a period of ten years from the date of grant. Restricted stock awards generally vest ratably over a period of four years.

As of March 27, 2010, approximately 20.3 million shares of common stock were reserved for issuance under the Option Plans. Additional information with respect to stock option activity is as follows (in thousands, except per share amounts):

	Options Available for Grant	Outstanding Options Number	Outstanding Options Weighted Average Exercise Price
Balance, March 31, 2007	16,706	9,020	$ 8.54
Option plans terminated	(2,311)	—	—
Options granted	(3,072)	3,011	6.71
Options exercised	—	(1,006)	5.50
Options forfeited	2,489	(525)	7.00
Options expired	—	(1,964)	12.43
Balance, March 29, 2008	13,812	8,536	$ 7.94
Option plans terminated	(652)	—	—
Options granted	(2,117)	2,068	5.18
Options exercised	—	(501)	4.72
Options forfeited	1,061	(436)	6.71
Options expired	—	(604)	9.31
Balance, March 28, 2009	12,104	9,063	$ 7.45
Option plans terminated	(477)	—	—
Options granted	(2,471)	2,471	5.53
Options exercised	—	(401)	5.01
Options forfeited	774	(264)	5.44
Options expired	—	(490)	9.63
Balance, March 27, 2010	9,930	10,379	$ 6.74

Additional information with regards to outstanding options that are vesting, expected to vest, or exercisable as of March 27, 2010 is as follows:

	Number of Options (thousands)	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (thousands)
Vested and expected to vest	9,956	$6.78	6.77	$18,098
Exercisable	5,933	$7.55	5.40	$ 9,109

The following table summarizes information regarding outstanding and exercisable options as of March 27, 2010:

Range of Exercise Prices	Options Outstanding Number (in thousands)	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Options Exercisable Number Exercisable (in thousands)	Weighted Average Exercise Price
$1.83 - $ 5.02	1,039	5.53	$ 4.07	726	$ 4.01
$5.14 - $ 5.20	638	4.79	5.16	611	5.16
$5.25 - $ 5.25	1,542	8.52	5.25	528	5.25
$5.27 - $ 5.53	274	9.00	5.47	124	5.47
$5.55 - $ 5.55	1,864	9.53	5.55	0	0.00
$5.66 - $ 6.20	532	7.07	5.78	346	5.81
$6.51 - $ 6.51	1,278	7.44	6.51	765	6.51
$6.56 - $ 7.26	1,514	5.57	7.06	1,319	7.10
$7.32 - $ 8.41	1,054	6.19	7.84	877	7.86
$8.48 - $44.13	644	1.27	18.78	637	18.90
	10,379	6.86	$ 6.74	5,933	$ 7.55

As of March 27, 2010, and March 28, 2009, the number of options exercisable was 5.9 million and 5.2 million, respectively.

In accordance with the provisions of FASB ASC Topic 718, "*Compensation — Stock Compensation,*" options outstanding that are expected to vest are presented net of estimated future option forfeitures, which are estimated as compensation costs are recognized. Options with a fair value of $4.5 million, $4.3 million, and $3.9 million became vested during fiscal years 2010, 2009, and 2008, respectively.

Restricted Stock Awards

In fiscal year 2009, the Company granted restricted stock awards to select employees. The grant date for these awards is equal to the measurement date. These awards are valued as of the measurement date and amortized over the requisite vesting period. A summary of the activity for restricted stock awards in fiscal years 2010, 2009 and 2008, which is a subset of the stock option information presented above, is presented below (in thousands, except for per share amounts):

	Number of Shares	Weighted Average Grant Date Fair Value (per share)	Aggregate Intrinsic value(1)
March 31, 2007	—	—	
Granted	61	$7.75	
Vested	—	—	—
Forfeited	—	—	
March 29, 2008	61	7.75	
Granted	48	5.73	
Vested	(15)	—	86
Forfeited	(21)	—	
March 28, 2009	73	$6.86	
Granted	—	—	
Vested	(11)	—	55
Forfeited	(13)	—	
March 27, 2010	49	$6.20	

(1) Represents the value of Cirrus stock on the date that the restricted stock vested.

Stock-Based Compensation

We estimated the fair value of each option grant on the date of grant using the Black-Scholes option-pricing model using a dividend yield of zero and the following additional assumptions:

	Year Ended		
	March 27, 2010	March 28, 2009	March 29, 2008
Expected stock price volatility	50.71-56.59%	47.23-59.22%	39.13-50.08%
Risk-free interest rate	1.80-2.25%	1.48-2.99%	2.26-4.95%
Expected lives (in years)	4.33-4.64	4.08-4.23	2.51-3.19

Using the Black-Scholes option valuation model, the weighted average estimated fair values of employee stock options granted in fiscal years 2010, 2009, and 2008, were $2.89, $2.82, and $2.70, respectively.

13. Accumulated Other Comprehensive Income (Loss)

Our accumulated other comprehensive income (loss) is comprised of foreign currency translation adjustments and unrealized gains and losses on investments classified as available-for-sale. The foreign currency translation adjustments are not currently adjusted for income taxes because they relate to indefinite investments in non-U.S. subsidiaries that have since changed from a foreign functional currency to a U.S dollar functional currency.

The following table summarizes the changes in the components of accumulated other comprehensive income (loss) (in thousands):

	Foreign Currency	Unrealized Gains (Losses) on Securities	Total
Balance, March 29, 2008	$(770)	$ 546	$(224)
Current-period activity	—	(352)	(352)
Balance, March 28, 2009	(770)	194	(576)
Current-period activity	—	(73)	(73)
Balance, March 27, 2010	$(770)	$ 121	$(649)

14. Income Taxes

Income (loss) before income taxes consisted of (in thousands):

	Year Ended		
	March 27, 2010	March 28, 2009	March 29, 2008
United States	$24,289	$3,739	$ 9,606
Non-U.S.	2,394	2,418	(12,407)
	$26,683	$6,157	$ (2,801)

The provision (benefit) for income taxes consists of (in thousands):

	Year Ended		
	March 27, 2010	March 28, 2009	March 29, 2008
Current:			
Federal	$ (75)	$ (142)	$ —
State	8	6	—
Non-U.S.	264	167	258
Total current tax provision (benefit)	$ 197	$ 31	$ 258
Deferred:			
U.S.	$(11,787)	$2,660	$ 4,568
Non-U.S.	(125)	(9)	(1,781)
Total deferred tax provision (benefit)	(11,912)	2,651	2,787
Total tax provision (benefit)	$(11,715)	$2,682	$ 3,045

The provision (benefit) for income taxes differs from the amount computed by applying the statutory federal rate to pretax income (loss) as follows (in percentages):

	Year Ended		
	March 27, 2010	March 28, 2009	March 29, 2008
Expected income tax provision (benefit) at the U.S. federal statutory rate	35.0	35.0	(35.0)
Foreign earnings repatriation	—	—	82.5
In-process research and development	—	—	22.0
Valuation allowance changes affecting the provision of income taxes	(80.5)	(12.4)	(98.0)
Foreign taxes at different rates	(2.7)	(11.6)	108.4
Foreign earnings taxed in the U.S.	0.2	6.6	1.5
Refundable R&D credit	(0.3)	(2.3)	—
Stock compensation	4.2	17.3	26.4
Nondeductible expenses	0.4	11.3	2.0
Other	(0.2)	(0.3)	(1.1)
Provision (benefit) for income taxes	(43.9)	43.6	108.7

Significant components of our deferred tax assets and liabilities are (in thousands):

	Year Ended March 27, 2010	Year Ended March 28, 2009
Deferred tax assets:		
Inventory valuation	$ 2,617	$ 3,123
Accrued expenses and allowances	3,127	2,949
Net operating loss carryforwards	168,832	174,418
Research and development tax credit carryforwards	33,552	36,278
State tax credit carryforwards	532	539
Capitalized research and development	20,353	27,980
Depreciation and Amortization	315	442
Other	15,287	13,859
Total deferred tax assets	$ 244,615	$ 259,588
Valuation allowance for deferred tax assets	(226,213)	(252,551)
Net deferred tax assets	$ 18,402	$ 7,037
Deferred tax liabilities:		
Acquisition intangibles	$ 6,393	$ 6,960
Total deferred tax liabilities	$ 6,393	$ 6,960
Total net deferred tax assets	$ 12,009	$ 77

As of March 27, 2010, we have $12.0 million of net deferred tax assets. We have classified $12.5 million on the consolidated balance sheet within current assets as "*Deferred tax assets,*" $0.3 million as long-term assets under *"Other assets,"* and $0.9 million as *"Other long term liabilities."*

The valuation allowance decreased by $25.9 million in fiscal year 2010 and increased by $1.4 million in fiscal year 2009. During fiscal year 2010, $11.8 million of the decrease was related to a release of the valuation allowance associated with the U.S. deferred tax asset. This decrease was based on an evaluation of the deferred tax assets that we consider being more likely than not to be utilized. At March 27, 2010, we had federal net operating loss carryforwards of $461.5 million. Of that amount, $64.4 million relates to companies we acquired during fiscal year 2002 and are, therefore, subject to certain limitations under Section 382 of the Internal Revenue Code. In addition, approximately $32.8 million of the federal net operating loss is attributable to employee stock option deductions, the benefit from which will be allocated to additional paid-in capital rather than current earnings if subsequently realized. We have net operating losses in various states that total $107 million. The federal net operating loss carryforwards expire in fiscal years 2011 through 2030. The state net operating loss carryforwards expire in fiscal years 2011 through 2030. We also have non-U.S. net operating losses of $4.1 million, of which $1.8 million does not expire. The remaining $2.3 million expires in calendar years 2010 through 2013.

There are federal research and development credit carryforwards of $18.9 million that expire in fiscal years 2011 through 2030. There are $14.7 million of state research and development credits. Of that amount, $3.0 million will expire in fiscal years 2022 through 2027. The remaining $11.7 million of state research and development credits are not subject to expiration. The state investment credits of $0.3 million will expire in fiscal year 2011.

We have approximately $327 thousand of cumulative undistributed earnings in certain non-U.S. subsidiaries. We have not recognized a deferred tax liability on these undistributed earnings because the Company currently intends to reinvest these earnings in operations outside the U.S. The unrecognized deferred tax liability on these earnings is approximately $118 thousand. With our current tax attributes, if the earnings were distributed, we would most likely not accrue any additional current income tax expense because this income would be offset by our net operating loss carryforwards and other future deductions.

We adopted the provisions of FIN 48, now codified as ASC Topic 740, on April 1, 2007. As a result of the adoption of this 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. A reconciliation of the beginning and ending amounts of unrecognized tax benefits is as follows (in thousands):

Balance at March 28, 2009	$ 85
Additions based on tax positions related to the current year	—
Reductions for tax positions of prior years	—
Settlements	—
Reductions related to expirations of statutes of limitation	—
Balance at March 27, 2010	$ 85

All of the unrecognized tax benefits are associated with tax carryforwards that, if recognized, would have no effect on the effective tax rate because of the valuation allowance that has been placed on the majority all of our U.S. deferred tax assets. The Company does not believe that its unrecognized tax benefits will significantly increase or decrease during the next 12 months.

We accrue interest and penalties related to unrecognized tax benefits as a component of the provision for income taxes. We did not record any interest or penalties during fiscal year 2010.

The Company and its subsidiaries are subject to U.S. federal income tax as well as income tax in multiple state and foreign jurisdictions. Fiscal years 2006 through 2010 remain open to examination by the major taxing jurisdictions to which we are subject. During fiscal year 2010, the Internal Revenue Service issued a "no change" letter in connection with the audit of our fiscal year 2006 federal income tax return.

15. Segment Information

We are focused on becoming a leader in high-precision analog and mixed-signal ICs for a broad range of audio and energy markets. We sell audio converters, audio interface devices, audio processors and audio amplification products for these markets, as well as hybrids and modules for high-power applications. We also provide complete system reference designs based on our technology that enable our customers to bring products to market in a timely and cost-effective manner. We determine our operating segments in accordance with FASB ASC Topic 280, *"Segment Reporting."* Our Chief Executive Officer ("CEO") has been identified as the chief operating decision maker as defined by FASB ASC Topic 280.

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. Therefore, there is no complete, discrete financial information maintained for these product lines. Commencing with fiscal year 2009, we report revenue in two product categories: audio products and energy products. The energy product category had previously been referred to as "industrial," but has been revised to reflect our focus on integrated circuits designed for a variety of energy exploration, measurement and control applications.

	Year Ended		
	March 27, 2010	March 28, 2009	March 29, 2008
Audio products	$ 153,661	$ 97,293	$ 100,097
Energy products	67,328	77,349	81,788
Total	$ 220,989	$ 174,642	$ 181,885

Geographic Area

The following illustrates revenues by geographic locations based on the sales office location (in thousands):

	Year Ended		
	March 27, 2010	March 28, 2009	March 29, 2008
United States	$ 47,936	$ 53,309	$ 68,219
European Union	15,819	25,580	13,727
United Kingdom	1,337	426	4,400
China	103,992	46,266	29,169
Hong Kong	5,611	5,937	9,518
Japan	12,335	10,062	14,972
South Korea	10,134	7,021	6,347
Taiwan	10,585	10,862	13,888
Other Asia	12,381	12,408	12,811
Other non-U.S. countries	859	2,771	8,834
Total consolidated revenues	$220,989	$174,642	$181,885

The following illustrates property, plant and equipment, net, by geographic locations, based on physical location (in thousands):

	Year Ended	
	March 27, 2010	March 28, 2009
United States	$18,449	$19,058
United Kingdom	9	2
China	104	183
Hong Kong	10	30
Japan	23	19
South Korea	25	43
Taiwan	38	9
Other Asia	16	23
Total consolidated property, plant and equipment, net	$18,674	$19,367

16. Quarterly Results (Unaudited)

The following quarterly results have been derived from our audited annual consolidated financial statements. In the opinion of management, this unaudited quarterly information has been prepared on the same basis as the annual consolidated financial statements and includes all adjustments, including normal recurring adjustments, necessary for a fair presentation of this quarterly information. This information should be read along with the financial statements and related notes. The operating results for any quarter are not necessarily indicative of results to be expected for any future period.

The unaudited quarterly statement of operations data for each quarter of fiscal years 2010 and 2009 were as follows (in thousands, except per share data):

	Fiscal Year 2010			
	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
	(5)		(4)	(3)
Net sales	$62,639	$65,162	$55,674	$37,514
Gross margin	35,284	34,886	28,974	19,587
Net income	20,358	11,055	6,764	221
Basic income per share	$ 0.31	$ 0.17	$ 0.10	$ —
Diluted income per share	0.31	0.17	0.10	—

	Fiscal Year 2009			
	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
	(2)		(1)	
Net sales	$33,520	$43,833	$53,278	$44,011
Gross margin	18,469	24,078	29,986	24,651
Net income (loss)	(7,768)	2,750	6,355	2,138
Basic income (loss) per share	$ (0.12)	$ 0.04	$ 0.10	$ 0.03
Diluted income (loss) per share	(0.12)	0.04	0.10	0.03

(1) Net income was impacted by a $1.8 million provision for litigation expenses.

(2) Net income (loss) was impacted by a $2.7 million charge to tax expense to increase the valuation allowance on our U.S. deferred tax assets, a $2.1 million charge for the impairment of intangible assets, and a $0.4 million provision for litigation expenses.

(3) Net income was favorably impacted by a $2.7 million benefit for litigation expenses related to the receipt of proceeds from our insurance carrier as part of the final settlement of the derivative lawsuits described in Note 8, *Legal Matters*.

(4) Net income was favorably impacted by the receipt of $1.4 million from a Patent Purchase Agreement for the sale of certain Company owned patents.

(5) Net income was favorably impacted by an $11.8 million benefit to tax expense to decrease the valuation allowance on our U.S. deferred tax assets.

17. Subsequent Event

The Company entered into a Purchase and Sale Agreement with Fortis Communities-Austin, L.P. relating to the purchase by the Company of certain real property for a planned new headquarters facility on March 24, 2010. Pursuant to the Purchase Agreement, the Company agreed to purchase the land for $9.62 million, of which $100,000 was placed in escrow on March 24th. The Company is provided a Feasibility Period through June 7, 2010, whereby it may terminate, in its sole and absolute discretion, the Purchase Agreement if the Company discovers any aspect of the property to be unsatisfactory for any reason whatsoever. On April 27, 2010, the Company announced that it plans to build a new headquarters at 800 West Sixth St., Austin, Texas. The new facility is expected to begin construction late in 2010 and be completed by the summer of 2012.

ITEM 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

None.

Item 9A. ***Controls and Procedures***

Disclosure Controls and Procedures

The Company's management carried out an evaluation, under the supervision and with the participation of the CEO and CFO, of the effectiveness of the design and operation of Company's disclosure controls and procedures (as defined in Securities Exchange Act of 1934 Rules 13a-15(e) and 15d-15(e)) as of March 27, 2010. Based on that evaluation, the Company's CEO and CFO have concluded that such disclosure controls and procedures were effective in alerting them in a timely manner to material information relating to the Company required to be included in its periodic reports filed with the SEC.

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined under Rule 13a-15(f). Under the supervision and with the participation of our management, including our CEO and CFO, we assessed the effectiveness of our internal control over financial reporting as of the end of the period covered by this report based on the framework in "Internal Control-Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Because of its inherent limitation, internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions and that the degree of compliance with the policies or procedures may deteriorate.

Based on its assessment of internal control over financial reporting, management has concluded that our internal control over financial reporting was effective as of March 27, 2010, to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of our financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

Our independent registered public accounting firm, Ernst & Young LLP, has issued an attestation report on management's updated assessment of our internal control over financial reporting as of March 27, 2010, included in Item 8 of this report.

Changes in Internal Control Over Financial Reporting

There has been no change in the Company's internal control over financial reporting during the quarter ended March 27, 2010, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART III

ITEM 10. ***Directors and Executive Officers of the Registrant***

The information set forth in the Proxy Statement to be delivered to stockholders in connection with our Annual Meeting of Stockholders to be held on July 23, 2010 under the headings *Corporate Governance — Board Meetings and Committees, Corporate Governance — Audit Committee, Proposals to be Voted on — Proposal No. 1 — Election of Directors, Executive Compensation — Executive Officers, and Section 16(a) Beneficial Ownership Reporting Compliance* is incorporated herein by reference.

ITEM 11. ***Executive Compensation***

The information set forth in the Proxy Statement under the headings *Compensation Discussion and Analysis* and *Compensation Committee Report* is incorporated herein by reference.

ITEM 12. *Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters*

The information set forth in the Proxy Statement under the headings *Equity Compensation Plan Information* and *Ownership of Securities* is incorporated herein by reference.

ITEM 13. *Certain Relationships and Related Transactions*

The information set forth in the Proxy Statement under the headings *Certain Relationships and Related Transactions* and *Corporate Governance* is incorporated herein by reference.

ITEM 14. *Principal Accountant Fees and Services*

The information set forth in the Proxy Statement under the heading *Audit and Non-Audit Fees and Services* is incorporated herein by reference.

PART IV

ITEM 15. *Exhibit and Financial Statement Schedules*

(a) The following documents are filed as part of this Report:

1. *Consolidated Financial Statements*

- Reports of Ernst & Young LLP, Independent Registered Public Accounting Firm.
- Consolidated Balance Sheets as of March 27, 2010, and March 28, 2009.
- Consolidated Statements of Operations for the fiscal years ended March 27, 2010, March 28, 2009, and March 29, 2008.
- Consolidated Statements of Cash Flows for the fiscal years ended March 27, 2010, March 28, 2009, and March 29, 2008.
- Consolidated Statements of Stockholders' Equity for the fiscal years ended March 27, 2010, March 28, 2009, and March 29, 2008.
- Notes to Consolidated Financial Statements.

2. *Financial Statement Schedules*

All schedules have been omitted since the required information is not present or not present in amounts sufficient to require submission of the schedule, or because the information required is included in the consolidated financial statements or notes thereto.

3. *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	Amended and Restated Bylaws of Registrant. (2)
10.1+	1990 Directors' Stock Option Plan, as amended. (3)
10.2+	Cirrus Logic, Inc. 1996 Stock Plan, as amended and restated as of December 4, 2007. (4)
10.3+	2002 Stock Option Plan, as amended. (5)
10.4+	Cirrus Logic, Inc. 2006 Stock Incentive Plan. (6)
10.5+	Form of Stock Option Agreement for options granted under the Cirrus Logic, Inc. 2006 Stock Incentive Plan. (6)
10.6+	Form of Notice of Grant of Stock Option for options granted under the Cirrus Logic, Inc. 2006 Stock Incentive Plan. (6)
10.7+	Form of Stock Option Agreement for Outside Directors under the Cirrus Logic, Inc. 2006 Stock Incentive Plan. (7)
10.8+	Form of Restricted Stock Award Agreement under the Cirrus Logic, Inc. 2006 Stock Incentive Plan. (8)
10.9+	2007 Executive Severance and Change of Control Plan, effective as of October 1, 2007. (9)
10.10+	2007 Management and Key Individual Contributor Incentive Plan, as amended on February 15, 2008. (10)

10.11	Lease Agreement by and between Desta Five Partnership, Ltd. and Registrant, dated November 10, 2000, for 197,000 square feet located at 2901 Via Fortuna, Austin, Texas. (1)
10.12	Amendment No. 1 to Lease Agreement by and between Desta Five Partnership, Ltd. and Registrant dated November 10, 2000. (11)
10.13	Amendment No. 2 to Lease Agreement by and between Desta Five Partnership, Ltd. and Registrant dated November 10, 2000. (5)
10.14	Amendment No. 3 to Lease Agreement by and between Desta Five Partnership, Ltd. and Registrant dated November 10, 2000. (12)
10.15	The Revised Stipulation of Settlement dated March 10, 2009 (13)
10.16*	Purchase and Sale Agreement by and between Fortis Communities-Austin, L.P. and Registrant dated March 24, 2010.
10.17*	First Amendment to Purchase and Sale Agreement by and between Fortis Communities-Austin, L.P. and Registrant dated May 14, 2010.
14	Code of Conduct. (14)
23.1*	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm.
24.1*	Power of Attorney (see signature page).
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.

+ Indicates a management contract or compensatory plan or arrangement.

* Filed with this Form 10-K.

(1) Incorporated by reference from Registrant's Report on Form 10-K for the fiscal year ended March 31, 2001, filed with the SEC on June 22, 2001 (Registration No. 000-17795).

(2) Incorporated by reference from Registrant's Report on Form 8-K filed with the SEC on September 21, 2005.

(3) Incorporated by reference from Registrant's Registration Statement on Form S-8 filed with the SEC on August 8, 2001 (Registration No. 333-67322).

(4) Incorporated by reference from Registrant's Report on Form 10-Q filed with the SEC on January 30, 2008.

(5) Incorporated by reference from Registrant's Report on Form 10-K for the fiscal year ended March 29, 2003, filed with the SEC on June 13, 2003 (Registration No. 000-17795).

(6) Incorporated by reference from Registration's Statement on Form S-8 filed with the SEC on August 1, 2006.

(7) Incorporated by reference from Registrant's Report on Form 10-Q filed with the SEC on August 1, 2007.

(8) Incorporated by reference from Registrant's Report on Form 10-Q filed with the SEC on November 5, 2007.

(9) Incorporated by reference from Registrant's Report on Form 8-K filed with the SEC on October 3, 2007.

(10) Incorporated by reference from Registrant's Report on Form 10-K for the fiscal year ended March 29, 2008, filed with the SEC on May 29, 2008 (Registration No. 000-17795).

(11) Incorporated by reference from Registrant's Report on Form 10-K for the fiscal year ended March 30, 2002, filed with the SEC on June 19, 2002 (Registration No. 000-17795).

(12) Incorporated by reference from Registrant's Report on Form 10-K for the fiscal year ended March 25, 2006 filed with the SEC on May 25, 2006.

(13) Incorporated by reference from Registrant's Report on Form 10-Q filed with the SEC on April 1, 2009.

(14) Incorporated by reference from Registrant's Report on Form 10-K for the fiscal year ended March 27, 2004, filed with the SEC on June 9, 2004 (Registration No. 000-17795).

Signatures

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.

By: /s/ THURMAN K. CASE

Thurman K. Case
Vice President, Chief Financial Officer and
Chief Accounting Officer
June 1, 2010

KNOW BY THESE PRESENT, that each person whose signature appears below constitutes and appoints Thurman K. Case, his attorney-in-fact, with the power of substitution, for him in any and all capacities, to sign any amendments to this report on Form 10-K and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that each of the attorney-in-fact, or his substitute or substitutes, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, the following persons on behalf of the Registrant, in the capacities and on the dates indicated have signed this report below:

Signature	Title	Date
/s/ MICHAEL L. HACKWORTH Michael L. Hackworth	Chairman of the Board and Director	June 1, 2010
/s/ JASON P. RHODE Jason P. Rhode	President and Chief Executive Officer	June 1, 2010
/s/ THURMAN K. CASE Thurman K. Case	Vice President, Chief Financial Officer and Chief Accounting Officer	June 1, 2010
/s/ JOHN C. CARTER John C. Carter	Director	June 1, 2010
/s/ TIMOTHY R. DEHNE Timothy R. Dehne	Director	June 1, 2010
/s/ D. JAMES GUZY D. James Guzy	Director	June 1, 2010
/s/ WILLIAM D. SHERMAN William D. Sherman	Director	June 1, 2010
/s/ ROBERT H. SMITH Robert H. Smith	Director	June 1, 2010

Exhibit Index

(a) The following exhibits are filed as part of this Report:

Number	Description
10.16	Purchase and Sale Agreement by and between Fortis Communities-Austin, L.P. and Registrant dated March 24, 2010.
10.17	First Amendment to Purchase and Sale Agreement by and between Fortis Communities-Austin, L.P. and Registrant dated May 14, 2010.
23.1	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm.
24.1	Power of Attorney (see signature page).
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.

CIRRUS LOGIC®

JASON P. RHODE
President and Chief Executive Officer

June 1, 2010

To our Stockholders:

I am pleased to invite you to attend the annual meeting of stockholders of Cirrus Logic, Inc. to be held on Friday, July 23, 2010, at 1:00 p.m. at Cirrus Logic, Inc., 2901 Via Fortuna, Austin, Texas 78746.

Details regarding admission to the meeting and the business to be conducted are more fully described in the accompanying Notice of Annual Meeting of Stockholders and Proxy Statement.

We are also pleased to be furnishing proxy materials to our stockholders using the Internet. We believe this process expedites stockholders' receipt of proxy materials and lowers the cost of our annual meeting. Instead of mailing a paper copy of our proxy materials to our stockholders, we are mailing a notice with instructions for accessing the proxy materials and voting via the Internet. The notice also provides information on how stockholders may obtain paper copies of our proxy materials if they so choose.

Your vote is important. Whether or not you plan to attend the annual meeting, I hope you will vote as soon as possible. Although you may vote in person at the annual meeting, you may also vote over the Internet, as well as by telephone, or by mailing a proxy card. Voting over the Internet, by telephone, or by written proxy will ensure your representation at the annual meeting if you do not attend in person. Please review the instructions on the Notice of Internet Availability or the proxy card regarding each of these voting options.

Cirrus Logic values the participation of its stockholders. Your vote is an important part of our system of corporate governance and I strongly encourage you to participate.

Sincerely,

Jason P. Rhode
President and Chief Executive Officer

TABLE OF CONTENTS

A copy of Cirrus Logic, Inc.'s Annual Report on Form 10-K is included with this Proxy Statement. Copies of these documents are available on our Web site at www.cirrus.com. You also may receive copies of these documents at no charge upon request directed to:

Cirrus Logic Investor Relations
2901 Via Fortuna, Austin, Texas 78746
telephone: (512) 851-4125; email: InvestorRelations@cirrus.com

CIRRUS LOGIC®

Annual Stockholders' Meeting

July 23, 2010
YOUR VOTE IS IMPORTANT

Notice

Cirrus Logic, Inc. (the "Company") will hold its 2010 Annual Meeting of Stockholders as follows:

Friday, July 23, 2010
1:00 P.M. (Central Daylight Time)
Cirrus Logic, Inc.
2901 Via Fortuna
Austin, Texas 78746

At the meeting, stockholders will vote on the following matters:

(i) the election of seven Company directors for one-year terms;

(ii) the ratification of the appointment of Ernst &Young LLP ("Ernst & Young") as our independent registered public accounting firm; and

(iii) such other business as may properly come before the meeting.

You can vote four different ways. You can vote by attending the meeting, by telephone, by the Internet, or by proxy card. For specific voting information, please see "Questions and Answers about the Proxy Materials, the Annual Meeting, and Voting Procedures" on page 2.

Stockholders of record at the close of business on May 26, 2010 (the "Record Date"), are entitled to vote. On that day, approximately 67.2 million shares of the Company common stock were outstanding. Each share entitles the holder to one vote.

The Board of Directors of the Company ("the Board") asks you to vote in favor of each of the proposals. This proxy statement provides you with detailed information about each proposal. We are also using this proxy statement to discuss our corporate governance and compensation practices and philosophies.

We encourage you to read this proxy statement carefully. In addition, you may obtain information about the Company from the Annual Report to Stockholders and from other documents that we have filed with the Securities and Exchange Commission (the "SEC").

PROXY STATEMENT

2010 ANNUAL MEETING OF STOCKHOLDERS
To Be Held Friday, July 23, 2010

Cirrus Logic, Inc.
2901 Via Fortuna
Austin, Texas 78746
www.cirrus.com

These proxy materials are furnished to you in connection with the solicitation of proxies by the Board of Directors ("Board") of Cirrus Logic, Inc. for use at our 2010 Annual Meeting of Stockholders and any adjournments or postponements of the meeting (the "Annual Meeting"). The Annual Meeting will be held on July 23, 2010, at 1:00 p.m., central time, at our principal executive offices, 2901 Via Fortuna, Austin, Texas 78746.

Beginning on or about June 7, 2010, Cirrus has made available on the Internet or delivered paper copies of these proxy materials by mail in connection with the solicitation of proxies by the Board of Cirrus for proposals to be voted on at the Company's Annual Meeting.

QUESTIONS AND ANSWERS ABOUT THE PROXY MATERIALS, THE ANNUAL MEETING, AND VOTING PROCEDURES

Q: Why am I receiving these materials?

A: Our Board, on behalf of the Company, is soliciting your proxy for the annual meeting of stockholders to take place on July 23, 2010. As a stockholder, you are invited to attend the meeting and are entitled to and requested to vote on the proposals described in this proxy statement.

Q: What information is contained in these materials?

A: The information included in this proxy statement relates to the proposals to be voted on at the meeting, the voting process, the compensation of directors and our most highly paid executive officers, and certain other required information. Our 2010 Annual Report to Stockholders on Form 10-K for the fiscal year ended March 27, 2010, is also included.

If you requested and received a copy of these materials by mail or e-mail, then the proxy materials also include a proxy card or a voting instruction card for the Annual Meeting.

Q: Why did I receive a notice in the mail regarding the Internet availability of the proxy materials instead of a paper copy of the proxy materials?

A: We are complying with the U.S. Securities and Exchange Commission (the "SEC") rule that allows companies to furnish their proxy materials over the Internet. As a result, we are mailing to our stockholders a notice about the Internet availability of the proxy materials instead of a paper copy of the proxy materials. All stockholders receiving the notice will have the ability to access the proxy materials over the Internet and request to receive a copy of the proxy materials by mail or e-mail.

Q. How can I access the proxy materials over the Internet?

A: Your notice about the Internet availability of the proxy materials contains instructions regarding how to:

- view our proxy materials for the Annual Meeting on the Internet;
- request a paper copy of our proxy materials for the Annual Meeting; and
- instruct us to send our future proxy materials to you electronically by e-mail.

Q: How may I obtain a paper copy of the proxy materials?

A: Stockholders receiving a notice about the Internet availability of the proxy materials will find instructions regarding how to obtain a paper copy of the proxy materials in their notice.

Q: What should I do if I receive more than one notice about the Internet availability of the proxy materials or more than one paper copy of the proxy materials?

A: It means your shares are registered differently or are in more than one account. To vote all your shares by proxy, you must vote for all notices you receive, or for all proxy cards and voting instruction cards you received upon request.

Q: What proposals will be voted on at the meeting?

A: There are two proposals scheduled to be voted on at the meeting:

- the election of seven directors; and
- the ratification of the appointment of Ernst & Young, LLP as our independent registered public accounting firm.

Q: What is Cirrus Logic's voting recommendation?

A: Our Board recommends that you vote your shares "FOR" each of the director nominees, and "FOR" the ratification of the appointment of Ernst & Young, LLP as our independent registered public accounting firm.

Q: Who is entitled to vote at the Annual Meeting?

A: Stockholders of record at the close of business on May 26, 2010 (the "Record Date") are entitled to vote.

Q: What shares owned by me can be voted?

A: All shares owned by you as of the close of business on the Record Date may be voted by you. These shares include (1) shares held directly in your name as the *stockholder of record*, including shares purchased through the Company's Employee Stock Purchase Plan, and (2) shares held for you as the *beneficial owner* through a stockbroker or bank.

Q: What is the difference between holding shares as a stockholder of record and as a beneficial owner?

A: Most stockholders of the Company hold their shares through a stockbroker, bank, or other nominee rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and those owned beneficially.

Stockholder of Record

If your shares are registered directly in your name with the Company's transfer agent, Computershare Investor Services, you are considered, with respect to those shares, the *stockholder of record,* and you have the right to vote by proxy by following the instructions in the Notice of Internet Availability of the proxy materials or to vote in person at the meeting.

Beneficial Owner

If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the *beneficial owner* of shares held *in street name*, and your broker or nominee is considered, with respect to those shares, the *stockholder of record*. As the beneficial owner, you have the right to direct your broker or nominee how to vote and are also invited to attend the meeting. However, since you are not the *stockholder of record*, you may not vote these shares at the meeting unless you obtain a signed proxy from your broker or nominee giving you the right to vote the shares.

Q: How can I vote my shares in person at the meeting?

A: Shares held directly in your name as the *stockholder of record* may be voted in person at the annual meeting. If you choose to do so, please bring the enclosed proxy card or proof of identification.

Even if you currently plan to attend the annual meeting, we recommend that you also submit your proxy in advance of the meeting so that your vote will be counted if you later decide not to attend the meeting. Shares held in street name may be voted in person by you only if you obtain a signed proxy from your broker or nominee giving you the right to vote the shares.

Q: How can I vote my shares without attending the meeting?

A: Whether you hold shares directly as the stockholder of record or beneficially in street name, you may direct your vote without attending the meeting. You may vote by granting a proxy or by submitting voting instructions to your broker or other nominee for shares held in street name. In most instances, you will be able to do this over the Internet, by telephone, or by mail. If you are the stockholder of record, please refer to the summary instructions below and those included on your Notice of Internet Availability of the proxy materials. If you hold shares in street name, you should refer to the voting instruction card included by your broker or nominee. Stockholders who have requested and received a paper copy of a proxy card or voting instruction card by mail may also vote over the Internet by following the instructions on the proxy card or voting instruction card.

BY INTERNET— If you have Internet access, you may vote by following the instructions on the Notice of Internet Availability of the proxy materials. If you have requested and received a paper copy of a proxy card or voting instruction card, you may also vote over the Internet by following the instructions on the proxy card or voting instruction card.

BY TELEPHONE— If you have requested and received a paper copy of a proxy card or voting instruction card, you may vote by telephone by following the instructions on the proxy card. You will need to have the control number that appears on your Notice of Internet Availability of the proxy materials available when voting by telephone.

BY MAIL— If you have requested and received a paper copy of a proxy card or voting instruction card by mail, you may submit a proxy by signing your proxy card and mailing it in the enclosed, postage prepaid and addressed envelope. If you sign but do not provide instructions, your shares will be voted as described in "How Are Votes Counted?" below.

Q: What if I hold shares in street name and do not transmit voting instructions before the stockholder meeting to my broker or nominee?

A: Effective January 1, 2010, your broker no longer is permitted to vote on your behalf on non-routine matters, including the election of directors, if you are a beneficial owner of shares held in street name and you do not transmit your voting instructions before the stockholder meeting to your broker or nominee. On non-routine matters, your vote will be counted as "broker non-votes" as further described in the response to "How are abstentions and broker non-votes counted?" below.

Q: Can I revoke my proxy?

A: You may revoke your proxy instructions at any time prior to the vote at the annual meeting. For shares held directly in your name, you may revoke your proxy instructions by granting a new proxy bearing a later date (that automatically revokes the earlier proxy) or by attending the annual meeting and voting in person. Attendance at the annual meeting will not cause your previously granted proxy to be revoked unless you specifically request it to be revoked. For shares held beneficially by you, you may revoke your proxy by submitting a new proxy to your broker or nominee.

Q: What is the quorum requirement for the meeting?

A: The quorum requirement for holding the meeting and transacting business is the presence, either in person or represented by proxy, of the holders of a majority of the outstanding shares entitled to be voted at the Annual Meeting. For this year's annual meeting, both abstentions and broker non-votes are counted as present for the purpose of determining the presence of a quorum.

Q: How are votes counted?

A: In the election of directors, you may vote "FOR" all of the nominees or your vote may be "WITHHELD" with respect to one or more of the nominees. For the proposal to ratify the selection of Ernst & Young, you may vote "FOR," "AGAINST," or "ABSTAIN." If you "ABSTAIN," it has the same effect as a vote "AGAINST." If you sign your proxy card with no further instructions, your shares will be voted in accordance with the recommendations of the Board ("FOR" all of the Company's nominees to the Board and "FOR" the ratification of Ernst & Young to serve as our independent registered public accounting firm).

Q: What is the voting requirement to approve each of the proposals?

A: In the election of directors, the seven persons receiving the highest number of "FOR" votes will be elected. All other proposals require the affirmative "FOR" vote of a majority of those shares present, either in person or represented by proxy, and entitled to vote. If you are a beneficial owner and do not provide your broker or nominee with voting instructions on a non-routine matter such as a director election, your shares may constitute broker non-votes, as described in "How are abstentions and broker non-votes counted?" below. In tabulating the voting results for any particular proposal, shares that constitute broker non-votes are not considered entitled to vote on that proposal.

Q: How are abstentions and broker non-votes counted?

A: Abstentions are counted as present for purposes of determining the shares present and entitled to vote. However, an abstention is not a vote cast for purposes of counting votes, and therefore the effect of an abstention will be the same effect as a vote against a proposal as described in "How are votes counted?" above. Broker non-votes are not counted as shares present and entitled to be voted with respect to a matter on which the beneficial owner has expressly not voted. Generally, broker non-votes occur when shares held by a broker for a beneficial owner are not voted with respect to a particular proposal because the broker has not received voting instructions from the beneficial owner and the broker lacks discretionary voting power to vote the shares.

Q: How can I obtain an admission ticket for the meeting?

A: Two cut-out admission tickets are included on the back of this proxy statement. A limited number of tickets are available for additional joint owners. To request additional tickets, please contact the Company's Corporate Secretary at our headquarters. If you forget to bring an admission ticket, you will be admitted to the meeting only if you are listed as a *stockholder of record* as of the close of business on the Record Date, and you bring proof of identification. If you hold your shares through a broker or other nominee and fail to bring an admission ticket, you will need to provide proof of ownership by bringing either a copy of the Notice of Internet Availability of the proxy materials or a copy of a brokerage statement showing your share ownership as of the Record Date.

Q: Where can I find the voting results of the meeting?

A: We will announce preliminary voting results at the meeting and will file with the Securities and Exchange Commission via EDGAR a Current Report on Form 8-K within 4 days of the meeting with the final voting results. If final voting results are not available at the time of such filing, the Company intends to disclose preliminary vote results at the time of the filing and file an amended Form 8-K within four business days after obtaining the final results.

Q: What happens if additional proposals are presented at the meeting?

A: Other than the proposals described in this proxy statement, we do not expect any matters to be presented for a vote at the annual meeting. If you grant a proxy, the persons named as proxy holders, Scott Thomas, our Corporate Secretary, and Thurman Case, our Chief Financial Officer, will have the discretion to vote your shares on any additional matters properly presented for a vote at the meeting. If for any unforeseen reason any of our nominees is not available as a candidate for director, the persons named as proxy holders will vote your shares for such other candidate or candidates as may be nominated by the Board.

Q: What classes of shares are entitled to be voted?

A: Each share of our common stock outstanding as of the Record Date is entitled to one vote on each item being voted upon at the annual meeting. On the Record Date, we had approximately 67.2 million shares of common stock outstanding.

Q: Is cumulative voting permitted for the election of directors?
A: No.

Q: Who will count the votes?
A: A representative of Broadridge Investor Communications Solutions will tabulate the votes. A representative of the Company will act as the inspector of the election.

Q: Is my vote confidential?
A: Proxy instructions, ballots, and voting tabulations that identify individual stockholders are handled in a manner that protects your voting privacy. Your vote will not be disclosed either within the Company or to third parties except (1) as necessary to meet applicable legal requirements, (2) to allow for the tabulation of votes and certification of the vote, or (3) to facilitate a successful proxy solicitation by our Board.

Q: Who will bear the cost of soliciting votes for the meeting?
A: The Company will pay the entire cost of soliciting proxies to be voted, along with the costs of preparing, assembling, printing, mailing, and distributing these proxy materials. If you choose to access the proxy materials and/or submit your proxy over the Internet or by telephone, however, you are responsible for Internet access or telephone charges you may incur. In addition to the mailing of these proxy materials, the solicitation of proxies or votes may be made by our directors, officers, and employees, either in person, by telephone, or by electronic communication. Our directors, officers and employees will not receive any additional compensation for the solicitation activities. We will also reimburse brokerage houses and other custodians, nominees, and fiduciaries for their reasonable out-of-pocket expenses for forwarding proxy and solicitation materials to our stockholders.

Q: May I propose actions for consideration at next year's annual meeting of stockholders or nominate individuals to serve as directors?
A: You may make nominations and submit proposals for consideration at future stockholder meetings. Any proposal that a stockholder wishes to include in the Company's proxy materials for the 2011 annual meeting of stockholders, in accordance with the regulations of the SEC, must be received by no later than February 7, 2011. The written proposal will need to comply with the regulations of the SEC under Rule 14a-8 regarding the inclusion of stockholder proposals in company-sponsored proxy materials. Any proposal or nomination for election of directors that a stockholder wishes to propose for consideration at the 2011 annual meeting of stockholders, whether or not the stockholder wishes to include such proposal or nomination in our proxy statement under the applicable SEC rules, must be submitted in accordance with our Bylaws, and must be received at our principal executive offices no later than February 7, 2011. Any such proposal or nomination must comply with the procedures and contain the information set forth in our Bylaws. Proposals and nominations should be addressed to: Corporate Secretary, Cirrus Logic, Inc., 2901 Via Fortuna, Austin, Texas 78746.

Copy of Bylaw Provisions: You may contact the Company's Corporate Secretary at our headquarters for a copy of the relevant Bylaw provisions regarding the requirements for making stockholder proposals and nominating director candidates.

CORPORATE GOVERNANCE

Board Meetings and Committees

During the fiscal year ended March 27, 2010, the Board held 6 meetings. Each director is expected to attend each meeting of the Board and the committees on which he serves. No director attended less than 75% of the aggregate of (i) the total number of board meetings; and (ii) the total number of meetings held by all committees of the Board on which he served. Directors are also expected to attend the Company's annual meeting of stockholders absent a valid reason. All of the directors attended the Company's 2009 annual meeting of stockholders.

We have three Board committees: Audit, Compensation, and Governance and Nominating. Each member of the Audit, Compensation, and Governance and Nominating Committees is independent in accordance with the applicable Nasdaq listing standards. Each committee has a written charter that has been approved by the Board. The members of each committee are identified in the following table, and the function of each committee is described below.

On occasion, the Board may appoint special committees or designate directors to undertake special assignments on behalf of the Board.

Name of Director	Independent	Audit	Compensation	Governance and Nominating
John C. Carter	Yes	X	X	X
Timothy R. Dehne	Yes		X	X
D. James Guzy	Yes	X		X
Michael L. Hackworth	Yes			
Jason P. Rhode	No			
William D. Sherman	Yes		Chair	Chair
Robert H. Smith	Yes	Chair	X	X
Number of Meetings Held in Fiscal Year Ended March 27, 2010		9	5	2

Audit Committee

The Audit Committee is currently composed of three directors, each of whom is independent under applicable Nasdaq listing standards. The responsibilities of the Committee include:

- selecting, retaining, compensating, overseeing, evaluating and, where appropriate, terminating the Company's independent auditors;
- resolving any disagreements between management and the independent auditors regarding financial reporting;
- adopting and implementing pre-approval policies and procedures for audit and non-audit services to be rendered by the independent auditors;
- reviewing with management and the independent auditors the financial information and the Management's Discussion and Analysis proposed to be included in each of the Company's Quarterly Reports on Form 10-Q prior to their filing;
- reviewing before release the unaudited interim financial results in the Company's quarterly earnings release;
- reviewing with management and the independent auditors, at the completion of the annual audit, the audited financial statements and the Management's Discussion and Analysis proposed to be included in the Company's Annual Report on Form 10-K prior to its filing and provide or review judgments about the quality, not only the acceptability, of accounting principles, and such other matters required to be discussed with the independent auditors under generally accepted auditing standards;
- reviewing and approving, if appropriate, material changes to the Company's auditing and accounting principles and practices as suggested by the independent auditors or management;
- establishing procedures for (i) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and

- evaluating the professional competency of the financial staff and the internal auditors, as well as the quality of their performance in discharging their respective responsibilities.

The Board has determined that each of the members of the Audit Committee is able to read and understand fundamental financial statements and is independent under applicable Securities and Exchange Commission rules and applicable Nasdaq listing standards. The Board has determined that Robert H. Smith is an “audit committee financial expert” as defined under applicable Securities and Exchange Commission rules.

For additional information relating to the Audit Committee, see the Report of the Audit Committee of the Board on page 42 of this proxy statement and the Audit Committee Charter, which is available under the Corporate Governance section of our “Investors” page on our Web site at *www.cirrus.com*.

Compensation Committee

The Compensation Committee is composed of four directors, each of whom is independent under applicable Nasdaq listing standards. The Committee reviews and approves salaries and other matters relating to executive compensation, and administers the Company’s stock incentive plans, including reviewing and granting stock incentive awards to executive officers and other employees and reviewing and approving policies and procedures for awarding grants under these plans. The Compensation Committee also reviews and recommends to the Board for approval various other Company compensation plans, policies, and matters related to the Company’s non-employee directors. For additional information relating to the Compensation Committee, see the Compensation Committee Charter, which is available under the Corporate Governance section of our “Investors” page on our Web site at *www.cirrus.com*.

Governance and Nominating Committee

The Governance and Nominating Committee is composed of five directors, each of whom is independent under the applicable Nasdaq listing standards. This Committee provides counsel to the Board with respect to Board organization, membership, and function, as well as committee structure and membership. The Committee is also responsible for defining the qualifications for candidates for director positions, evaluating qualified candidates, recommending candidates to the Board for election as directors, and proposing a slate of directors for election by stockholders at each annual meeting. For more information relating to the Governance and Nominating Committee, see the Governance and Nominating Committee Charter, which is available under the Corporate Governance section of our “Investors” page on our Web site at *www.cirrus.com*.

The Governance and Nominating Committee annually reviews the needs of the Board for various skills, experience, expected contributions, and other characteristics in determining the director candidates to be nominated at the annual meeting. The Governance and Nominating Committee will evaluate candidates for directors proposed by directors, stockholders, or management in light of the Committee’s views of the current needs of the Board for certain skills; the candidate’s background, skills, experience, or other characteristics; and the expected contributions and the qualification standards established from time to time by the Governance and Nominating Committee. If the Committee believes that the Board requires additional candidates for nomination, the Committee may engage a third party search firm to assist in identifying qualified candidates. All directors and nominees will submit a completed form of directors’ and officers’ questionnaire as part of the nominating process. The process may also include interviews and additional background and reference checks for non-incumbent nominees, at the discretion of the Governance and Nominating Committee. Although the Board does not have a formal policy specifying how diversity should be considered in making determinations regarding nominations of directors, the Governance and Nominating Committee does take into account the benefits of diverse backgrounds, viewpoints, and experiences, as well as the benefits of a constructive working relationship among directors, when evaluating candidates for the Board.

The Governance and Nominating Committee believes that members of the Board should possess certain basic personal and professional qualities in order to properly discharge their fiduciary duties to stockholders, provide effective oversight of the management of the Company, and monitor the Company's adherence to principles of sound corporate governance. Therefore, the Committee has determined that nominees for election as director should have the following qualifications: (i) possess the highest personal and professional ethics, integrity and values; (ii) be committed to representing the long-term interests of the Company's stockholders; (iii) have an inquisitive and objective perspective and mature judgment; (iv) possess strong business and financial acumen and judgment acquired through education, training or experience; (v) possess experience at policy-making levels in business, government, education or technology, and in areas that are relevant to the Company's global business activities; (vi) have experience in matters of corporate governance; (vii) have experience in positions with a high degree of responsibility in the companies or institutions with which they are affiliated; and (viii) be prepared to devote appropriate time and attention to the Board and Committee duties required of a public company board member. Additionally, for non-employee director candidates, the nominees should have personal and business circumstances that permit them to serve on one or more of the various Committees of the Board.

These are not meant to be the exclusive criteria, however, and the Committee will also consider the contributions that a candidate can be expected to make to the collective functioning of the Board based upon the totality of the candidate's credentials, experience, and expertise; the composition of the Board at the time; and other relevant circumstances.

Stockholders are able to recommend individuals to the Governance and Nominating Committee for consideration as potential director nominees by submitting their names, together with appropriate biographical information and background materials, and a statement as to whether the stockholder or group of stockholders making the recommendation has beneficially owned more than 5% of the Company's common stock for at least one year as of the date such recommendation is made. An eligible stockholder wishing to recommend a candidate must submit the following not less than 120 calendar days prior to the anniversary of the date the proxy was released to the stockholders in connection with the previous year's annual meeting: (A) a recommendation that identifies the candidate and provides contact information; (B) the written consent of the candidate to serve as a director of the Company, if elected; and (C) documentation establishing that the stockholder making the recommendation is an eligible stockholder. Recommendations should be submitted to:

Governance and Nominating Committee
c/o Corporate Secretary
Cirrus Logic, Inc.
2901 Via Fortuna
Austin, Texas 78746

The Committee will consider stockholder-recommended candidates pursuant to the Nominations Process outlined in the Company's Corporate Governance Guidelines.

Stockholders also have the right under the Company's Bylaws to nominate candidates for election as directors by following the procedures, providing the information and conforming to the submission deadlines specified in the Company's Bylaws. Please see "Questions and Answers about the Proxy Materials, the Annual Meeting and Voting Procedures – May I propose actions for consideration at next year's annual meeting of stockholders or nominate individuals to serve as directors?" for further information.

Determination of Independence

The Board, which currently consists of seven directors, has determined that six directors, as indicated in the table on page 7, are independent as defined by The Nasdaq Stock Market, Inc. (the "Nasdaq") applicable listing standards. Specifically, the Governance and Nominating Committee has reviewed the independence of each director and determined that Messrs. Carter, Dehne, Guzy, Hackworth, Sherman, and Smith qualify as independent directors under this standard.

Corporate Governance Guidelines

On an annual basis, the Company reviews its corporate governance practices in light of any changes to applicable law, the rules of the SEC, and the Nasdaq listing standards. On May 1, 2009, the Company modified its Corporate Governance Guidelines to include a number of corporate governance changes that the Company agreed to as part of a proposed settlement of derivative lawsuits related to the Company's historic stock option practices. Among other matters, the Guidelines include the following:

- Two-thirds of the members of the Board must be independent directors as defined in the Company's Corporate Governance Guidelines.
- The positions of Chairman of the Board and Chief Executive Officer ("CEO") shall be held by separate individuals, and the CEO shall be the only member of the Board who is an executive officer of the Company.
- If the Chairman of the Board is not an independent director as defined in Exhibit A to the Company's Corporate Governance Guidelines, the Board will designate a "lead independent director."
- Directors shall retire at the age of 75.
- The Board will have an Audit Committee, Compensation Committee, and Governance and Nominating Committee, each of which shall consist solely of independent directors.
- The independent directors shall meet in executive session either before or after each regularly scheduled Board meeting.
- In considering stockholder proposals and candidates recommended by stockholders for the Board, the Governance and Nominating Committee will follow the procedures outlined in the Corporate Governance Guidelines.

For additional details, see the Company's Corporate Governance Guidelines, which are available under the Corporate Governance section of our "Investors" page on our Web site at *www.cirrus.com*.

Board Leadership Structure

The Board of Directors is committed to maintaining an independent Board comprised primarily of independent directors. To enhance the independence of the Board from management, we separate the roles of our Chief Executive Officer and Chairman of the Board. In addition, we have appointed a Lead Independent Director, Robert H. Smith, who is responsible for coordinating the activities of the independent directors of the Board. This leadership structure demonstrates our commitment to good corporate governance and benefits our stockholders by enhancing the oversight of management by the Board, balancing power on our Board, and encouraging balanced decision making.

Board's Role in Risk Oversight

Although management is responsible for identifying, assessing, and managing the material risks facing the Company, our entire Board plays an ongoing and active role in the oversight of the Company's risk management processes, along with the oversight of the most significant strategic and operational risks faced by the Company and management's efforts to mitigate those risks. Our Board is involved in the setting of the Company's business strategy, which necessarily entails a determination of what constitutes an appropriate level of risk for the Company. In addition, at least annually, the Board discusses material risks related to the Company's overall business strategy. Further, our CEO reports to the Board on a quarterly basis the status of management's efforts to manage what the management team believes are the Company's most material risks.

Each of our Board committees also considers risk within the committee's area of responsibility. Our Audit Committee regularly reviews with management the Company's major financial and regulatory risk exposures and the steps management has taken to monitor and control such exposures. Also, in designing our compensation programs and structuring awards, the Compensation Committee considers whether such compensation programs may lead to undue risk taking.

Code of Conduct

The Company has adopted a Code of Conduct that applies to all of its directors, officers (including its chief executive officer, chief financial officer, chief accounting officer, controller and any person performing similar functions), and employees. A copy of the Code of Conduct is incorporated as Exhibit 14 to the Company's Annual Report on Form 10-K and is accessible on its Web site at *www.cirrus.com*. The Code of Conduct, as applied to the Company's senior financial officers, constitutes the Company's "code of ethics" within the meaning of Section 406 of the Sarbanes-Oxley Act of 2002 and constitutes the Company's "code of conduct" under the Nasdaq listing standards.

DIRECTOR COMPENSATION ARRANGEMENTS

Non-employee directors receive a combination of cash and equity-based compensation. Directors who are employed by the Company do not receive any additional compensation for their Board activities. Independent directors may not receive consulting, advisory, or other compensatory fees from the Company in addition to their Board compensation.

On May 1, 2009, the independent directors of the Board approved modifications to the retainer fees and equity compensation for the non-employee directors based on the recommendation by the Company's Compensation Committee, which had analyzed the Company's director compensation compared to the Company's Proxy Group (as defined below in the section of this proxy statement entitled *"Compensation Discussion and Analysis – Benchmarking Information*"). In particular, the independent directors of the Board approved the following modifications:

- the Quarterly Director Retainer was reduced from $12,500 to $11,250; and
- upon reelection to the Board, the number of fully vested options to purchase shares of common stock at a strike price equal to the fair market value on the date of grant that each non-employee director will receive was increased from 10,000 shares to 25,000 shares.

In addition, on May 22, 2009, based on a similar analysis of the Company's initial director grant upon election to the Board compared to the Company's Proxy Group, the independent directors determined that each non-employee director should receive an option to purchase 40,000 shares of common stock of the Company (increased from an option to purchase 25,000 shares of common stock) at an exercise price equal to fair market value on the date of grant upon becoming a director, with 25% vesting after one year and the remainder vesting ratably each month over the following 36 months.

The following table sets forth the quarterly cash payments paid to non-employee directors for Board service during the fiscal year ended March 27, 2010:

Director Compensation	
Quarterly Director Retainer	$11,250
Board Chairman Quarterly Retainer	$ 3,750
Audit Chair Quarterly Retainer	$ 5,000
Audit Committee Member Quarterly Retainer	$ 2,000
Compensation Committee Chair Quarterly Retainer	$ 2,000
Compensation Committee Member Quarterly Retainer	$ 1,000
Nominating and Governance Committee Chair Quarterly Retainer	$ 1,500
Nominating and Governance Committee Quarterly Retainer	$ 750

The Company also reimburses directors for all reasonable out of pocket expenses incurred for attending board and committee meetings.

The following table sets forth the information regarding the cash fees and equity compensation paid to our non-employee directors for services as members of the Board or any committee of the Board during fiscal year 2010.

DIRECTOR COMPENSATION TABLE FOR FISCAL YEAR 2010

Name (a)	Fees Earned or Paid in Cash (1) ($) (b)	Option Awards (2) ($) (d)	Total ($) (h)
Michael L. Hackworth	$ 61,250	$ 59,843 (3)	$ 121,093
John C. Carter	$ 38,679	$114,562 (4)	$ 153,241
Timothy R. Dehne	$ 35,286	$114,562 (5)	$ 149,848
D. James Guzy	$ 57,250	$ 59,843 (6)	$ 117,093
Walden C. Rhines (9)	$ 22,646	-	$ 22,646
William D. Sherman	$ 65,321	$ 59,843 (7)	$ 125,164
Robert H. Smith	$ 81,250	$ 59,843 (8)	$ 141,093

(1) Represents fees earned or paid in cash for services as a director during the fiscal year ended March 27, 2010, including quarterly retainer fees and committee chairmanship and membership retainer fees.

(2) On July 24, 2009, the date of the Company's 2009 Annual Meeting, a fully vested option grant to purchase 25,000 shares of common stock of the Company at an exercise price equal to the fair market value of the Company's common stock on the date of grant was awarded to each of Messrs. Hackworth, Guzy, Smith, and Sherman upon their re-election as directors. On July 24, 2009, as newly elected directors, Messrs. Carter and Dehne each received an option to purchase 40,000 shares of common stock of the Company at an exercise price equal to the fair market value of the Company's common stock on the date of grant, with 25% of the award vesting after one year and the remainder vesting ratably each month over the following 36 months. The value disclosed for the option awards represents the aggregate grant date fair value of the options calculated in accordance with ASC 718.

(3) At the end of fiscal year 2010, Mr. Hackworth had 105,000 options outstanding.

(4) At the end of fiscal year 2010, Mr. Carter had 40,000 options outstanding.

(5) At the end of fiscal year 2010, Mr. Dehne had 40,000 options outstanding.

(6) At the end of fiscal year 2010, Mr. Guzy had 110,000 options outstanding.

(7) At the end of fiscal year 2010, Mr. Sherman had 120,000 options outstanding.

(8) At the end of fiscal year 2010, Mr. Smith had 110,000 options outstanding.

(9) Dr. Rhines did not stand for re-election to the Board at the Company's 2009 Annual Meeting.

PROPOSALS TO BE VOTED ON

Proposal No. 1

ELECTION OF DIRECTORS

The Board has approved seven nominees for election to the Board this year. All of the nominees have served as a director since the last annual meeting. Information regarding the business experience of each nominee and the particular experience, qualifications, attributes, or skills that qualify that person to serve as a director of the Company is provided below. All directors are elected annually to serve until the next annual meeting and until their respective successors are elected, or until their earlier resignation or removal. There are no family relationships among the Company's executive officers and directors.

Vote Required
In the election of directors, the seven persons receiving the highest number of "FOR" votes will be elected.

Information About Nominees

MICHAEL L. HACKWORTH
Director since 1985
Mr. Hackworth, age 69, is currently Chairman of the Board of the Company, a position he has held since July 1997. Between March 5, 2007, and May 16, 2007, Mr. Hackworth was the Company's Acting President and Chief Executive Officer ("CEO"). Mr. Hackworth continued to support Dr. Rhode as an employee of the Company until July 27, 2007, and acted as a consultant to the Company until September 30, 2007. He previously served as President and CEO of the Company from January 1985 to June 1998, and continued to serve as CEO until February 1999.

Mr. Hackworth was also the co-founder of Tymphany Corporation, a provider of audio transducers for loudspeakers. He served as Chief Executive Officer between 2002 and May 2007, and as a director and Chairman of the Board from 2002 until October 2008. In addition, Mr. Hackworth has been a director since March 2000 of Virage Logic Corporation, a publicly traded provider of semiconductor intellectual property platforms and development tools, and a director since November 2007 of Epicor Software Corporation, a publicly traded vendor of enterprise business software products. Prior to working at Cirrus Logic, Mr. Hackworth spent 31 years serving in positions of increasing responsibility with Signetics Corp., a subsidiary of N.V. Philips, Motorola Semiconductor, and Fairchild Semiconductor. Mr. Hackworth holds a B.S. in Engineering from the University of Santa Clara.

As a long tenured Company executive and member of the Company's Board, Mr. Hackworth has the benefit of the Company's complete history. The Nominating and Governance Committee believes that this benefit, taken together with his technical and analytical skills, vast executive experience, and over four decades of experience in the semiconductor industry, make him well qualified to be the Chairman of the Company's Board of Directors.

JOHN C. CARTER
Director since 2009
Mr. Carter, age 55, is currently a Principal at TCGen, which is a management consulting and advisory services firm that Mr. Carter founded in 2002 and is located in Menlo Park, California. Between November 2007 and January 2008, Mr. Carter was an Executive in Residence at Vantage Point Venture Partners in San Bruno, California, where he assisted in the management of several portfolio companies. Mr. Carter also served as Chief Technical Officer at Klipsch Group in Indianapolis, Indiana, between February 2005 and October 2007. Prior to working at Klipsch Group, he was Chief Operating Officer and Chief Technical Officer at Aurora Worldwide, Inc., a private

equity investment and holding company focused on the consumer audio market between April 2004 and February 2005. Mr. Carter began his career as an engineer at Bose Corporation in 1978, later becoming its Chief Engineer. Mr. Carter holds a B.S. in Engineering from Harvey Mudd College in Claremont, CA, and a Master's in Electrical Engineering from the Massachusetts Institute of Technology.

The Nominating and Governance Committee believes that Mr. Carter's extensive management experience with companies in the consumer audio market along with his knowledge of that market, in addition to his background in venture and private equity investment transactions, make him well qualified to be on our Board of Directors. Mr. Carter also has relevant prior engineering and technical experiences in the markets we serve.

TIMOTHY R. DEHNE
Director since 2009
Mr. Dehne, age 44, is currently Vice President of Systems Research and Development at Luminex Corporation, an Austin-based company that develops, manufactures, and markets innovative biological testing technologies with applications throughout the life science and diagnostic industries. He previously worked at National Instruments Corporation, an Austin-based supplier of measurement and automation products used by engineers and scientists in a wide range of industries. Mr. Dehne spent over 21 years at National Instruments where he held many leadership positions while helping to significantly grow the Company to more than 4,000 employees and over $800 million in annual revenue. He most recently held the position of Senior Vice President, Research & Development. Prior to his role as Senior Vice President, Research & Development at National Instruments, Mr. Dehne served in various executive positions in marketing and engineering. Mr. Dehne holds a B.S. in Electrical Engineering from Rice University and serves on the Board of Directors for Asset Intertech, a privately held company, where he also serves on its Compensation Committee.

The Nominating and Governance Committee believes that Mr. Dehne is well qualified to be on our Board of Directors based on his extensive leadership experience in all aspects of managing a high technology company in Austin, Texas, and his unique insight into significantly growing revenues at a high technology company while maintaining an innovative corporate culture and a great work environment. His leadership skills, experience in creating and capturing business opportunities, and experience in scaling up a business to enable growth, will be valuable to the Company and the Board of Directors.

D. JAMES GUZY
Director since 1984
Mr. Guzy, age 74, has been Chairman of Arbor Company, a limited partnership engaged in the electronics and computer industry, since 1969. Mr. Guzy has also been Chairman of the Board of PLX Technology, Inc., a developer and supplier of data transfer semiconductor devices, since 1986, and a director at Alliance Bernstein. He is also Director Emeritus of Novellus Systems, Inc., a developer and manufacturer of systems used in the fabrication of integrated circuits. Mr. Guzy also served as a director of Intel Corporation, a semiconductor chip maker, until May 20, 2008. Mr. Guzy received a B.S. from the University of Minnesota and an M.S. from Stanford University.

As a long-time executive and director of companies in the semiconductor industry, Mr. Guzy has vast experience with issues faced by a public company and is well informed on trends and developments in the semiconductor industry. Through his experience at Alliance Bernstein, he also has an extensive background in equity capital markets. The Governance and Nominating Committee believes that his historic industry knowledge and extensive experience position him to contribute financial, operational, and industry expertise to the Board of Directors.

JASON P. RHODE
Director since 2007
Dr. Rhode, age 40, was appointed President and CEO, and as a director of the Company in May 2007. Dr. Rhode joined the Company in 1995 and served in various engineering positions until he became Director of Marketing for analog and mixed-signal products in November 2002. He was appointed Vice President, General Manager, Mixed-Signal Audio Products, in December 2004, a role he served in until his appointment as President and CEO. Dr. Rhode holds a B.S. in electrical engineering from San Diego State University, as well as M.S. and doctorate degrees in electrical engineering from North Carolina State University.

The Governance and Nominating Committee believes that Dr. Rhode's prior experience as a semiconductor designer and his current role as Chief Executive Officer of Cirrus Logic make him well qualified to be on our Board of Directors based on his detailed and unique knowledge of the Company's operations, opportunities, and challenges. In addition, the Governance and Nominating Committee believes that having Dr. Rhode serve on the Board of Directors helps to bridge the gap between the Company's Board of Directors and management, to facilitate the regular flow of information between management and the Board, and to ensure that the Board of Directors and management act with a common purpose to execute our strategic initiatives and business plans.

WILLIAM D. SHERMAN
Director since 2001
Mr. Sherman, age 67, is Senior Counsel in the law firm of Morrison & Foerster LLP, where he has worked since 1987, specializing in corporate and corporate securities practice. He has extensive experience working with public companies, the Securities and Exchange Commission, and the Financial Industry Regulatory Authority, formerly known as the National Association of Securities Dealers. Mr. Sherman is also a recognized specialist on corporate governance matters by way of his representation of various public and private companies, and he regularly participates in panel discussions on executive compensation and corporate governance topics. In 1972, Mr. Sherman received a law degree from the University of California – Berkeley, School of Law, and an MBA degree from the Haas School of Business at the University of California – Berkeley.

Through his position with Morrison & Foerster LLP, Mr. Sherman has extensive experience with the legal, regulatory, and governance issues faced by a public company. The Governance and Nominating Committee believes that his background and experience position him to contribute significant corporate governance expertise to the Board of Directors and to serve as chairman of the Company's Governance and Nominating Committee.

ROBERT H. SMITH
Director since 1990
Mr. Smith, age 73, retired in August 2002 from the position of Executive Vice President of Administration of Novellus Systems, Inc., a developer and manufacturer of systems used in the fabrication of integrated circuits, where he also served on the Board of Directors. Mr. Smith held a number of positions at Novellus Systems, Inc., including Executive Vice President, Finance & Administration and Chief Financial Officer from October 1996 to January 2002. Previously, Mr. Smith held a number of executive positions in operations, finance, and administration with such companies as Memorex Corporation, Control Data Corporation, R.R. Donnelley & Sons Company, and Maxwell Graphics. He has also served on the Board of Directors of Epicor Software Corporation, an enterprise and e-business software solutions company, since 2003; PLX Technology, Inc., a developer and supplier of data transfer semiconductor devices, since 2002; Virage Logic Corporation, a provider of semiconductor intellectual property platforms and development tools, since 2003; and ON Semiconductor, a supplier of power components and systems to designers of computers, communications, consumer, and industrial systems, since 2005. Mr. Smith holds a B.S. in Business Administration from Oklahoma City University.

Mr. Smith has extensive experience with public and financial accounting matters, especially with respect to high-technology and semiconductor companies. The Governance and Nominating Committee believes that these experiences, along with his experience as a director dealing with issues faced by other public companies, make him well qualified to provide valuable insights relating to the semiconductor industry to our Board of Directors and to play a meaningful role in the oversight of our financial reporting and accounting practices as chairman of the Company's Audit Committee.

The Board recommends a vote FOR the election to the Board of each of the foregoing nominees.

Proposal No. 2

RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee of the Board has appointed Ernst & Young LLP ("Ernst & Young") as the Company's independent registered public accounting firm to audit the Company's consolidated financial statements for the fiscal year ending March 26, 2011. During fiscal year ended March 27, 2010, Ernst & Young served as the Company's independent registered public accounting firm and also provided certain tax services.

The Audit Committee pre-approves and reviews all audit and non-audit services provided by Ernst & Young. In considering the services to be provided by Ernst & Young, the Audit Committee considers whether the provision of non-audit services is compatible with maintaining the independence of Ernst & Young.

For additional information relating to the Audit Committee, see the Report of the Audit Committee of the Board on page 42 of this proxy statement, as well as the Audit Committee Charter, which is available under the Corporate Governance section of our "Investors" page on our Web site at *www.cirrus.com*.

A representative of Ernst & Young is expected to attend our annual meeting and be available to respond to questions and, if he or she desires, to make a statement.

The Board recommends a vote FOR the ratification of the appointment of Ernst & Young as the Company's independent registered public accounting firm for the fiscal year ending March 26, 2011.

If the appointment is not ratified, the Audit Committee will consider this an indication to select other auditors for the following fiscal year. Ratification of the appointment of Ernst & Young as the Company's independent registered public accounting firm for the fiscal year ending March 26, 2011, requires the affirmative vote of a majority of the shares of common stock present or represented by proxy and entitled to vote at the meeting.

OTHER MATTERS

The Company knows of no other matters that will be presented for consideration at the annual meeting. If any other matters properly come before the annual meeting, it is the intention of the persons named in the Proxy to vote the shares they represent as the Board may recommend. Discretionary authority with respect to such other matters is granted by the execution of the Proxy.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table contains information regarding the beneficial ownership of our common stock as of May 14, 2010 by:

- The stockholders we know to beneficially own more than 5% of our outstanding common stock;
- Each director and director nominee named in this proxy statement;
- Each executive officer named in the Summary Compensation Table included in this proxy statement; and
- All of our directors and executive officers as a group.

The Company's common stock is the only class of voting securities issued by the Company. Unless otherwise indicated in the footnotes, the beneficial owner has sole voting and investment power with respect to the securities beneficially owned, subject only to community property laws, if applicable.

Beneficial Owner	Shares Beneficially Owned Number	Shares Beneficially Owned Percent[1]
5% or Greater Stockholders:		
Bank of America Corporation[2] 100 North Tryon Street, Floor 25, Bank of America Corporate Center Charlotte, NC 28255	4,020,272	6.0%
Blackrock, Inc.[3] 40 East 52nd Street New York, NY 10022	3,643,273	5.4%
Mark Teo, Teren Handelman, Alpha Industries, Inc. [4] P.O. Box 808 Lyndhurst, New Jersey 07071	3,450,000	5.2%
Royce & Associates, LLC[5] 745 Fifth Avenue New York, NY 10151	3,411,966	5.1%
Directors and Named Executive Officers:		
Jason P. Rhode, President and Chief Executive Officer[6]	490,568	*
Gregory Scott Thomas, Vice President, General Counsel, and Corporate Secretary[7]	306,563	*
D. James Guzy, Director[8]	272,782	*
Michael L. Hackworth, Director[9]	228,825	*
Thurman K. Case, Vice President and Chief Financial Officer[10]	222,260	*
Scott A. Anderson, Senior Vice President and General Manager, Mixed-Signal Audio Products[11]	193,081	*
Robert H. Smith, Director[12]	113,071	*
Timothy R. Turk, Vice President, Worldwide Sales[13]	98,499	*
William D. Sherman, Director[14]	70,405	*
Timothy R. Dehne, Director	2,000	*
John C. Carter, Director	0	*
All current directors and executive officers as a group (15 persons)[15]	2,142,090	3.1%

* Less than 1% of the outstanding common stock

(1) Percentage ownership is based on 67,151,357 shares of common stock issued and outstanding on May 14, 2010. Shares of common stock, issuable under stock options that are currently

exercisable or will become exercisable within 60 days after May 14, 2010, are deemed outstanding for computing the percentage of the person or group holding such options, but are not deemed outstanding for computing the percentage of any other person or group.

(2) Based on a Schedule 13G filed January 28, 2010, Bank of America Corporation is the beneficial owner and has shared dispositive power of 4,020,272 shares and has shared voting power as to 3,451,572 shares. Bank of America, NA is the beneficial owner of 4,012,312 shares and has sole voting and dispositive power for 500 shares, shared voting power as to 3,443,112 shares, and shared dispositive power as to 4,011,812 shares. Columbia Management Advisors, LLC is the beneficial owner of 4,011,812 shares and has sole voting power as to 3,443,112 shares, and sole dispositive power as to 4,001,002 shares, and shared dispositive power as to 10,810 shares. IQ Investment Advisors LLC is the beneficial owner of 7,700 shares with no sole or shared voting power,and has shared dispositive power as to the 7,700 shares. Merrill Lynch, Pierce, Fenner & Smith, Inc. is the beneficial owner of 260 shares and has sole voting and dispositive power as to those 260 shares.

(3) Based on a Schedule 13G filed January 29, 2010, BlackRock, Inc., through its acquisition of Barclay's Global Investors and certain of its affiliates, is the beneficial owner and has sole voting and dispositive power as to 3,643,273 shares.

(4) Based on information contained in a Schedule 13D filed by the stockholder with the SEC on June 23, 2008. The filing indicates that Mark Teo has sole voting and dispositive power for 2,750,000 shares, with sole power to vote or direct the vote, dispose of or direct the disposition of shares held in the name of Alfred Teo, Annie Teo, Lambda Financial Service Corp., and Great Eastern Acquisition Corp., and that Teren Handelman has sole voting and dispositive power for 700,000 shares held in the name of MAAA Trust.

(5) Based on a Schedule 13G filed January 22, 2010, Royce & Associates, LLC is the beneficial owner and has sole voting power as to 3,411,966 shares.

(6) Includes 483,256 shares issuable upon exercise of options held by Dr. Rhode and 7,312 shares held directly.

(7) Includes 294,369 shares issuable upon exercise of options held by Mr. Thomas and 12,167 shares held directly.

(8) Includes 110,000 shares issuable upon exercise of options held by Mr. Guzy, 30,000 shares held by Mr. Guzy directly, and 132,782 shares held by Arbor Company, of which Mr. Guzy is President.

(9) Includes 105,000 shares issuable upon exercise of options held by Mr. Hackworth, 7,588 shares held by Mr. Hackworth directly, and 116,237 shares held by Mr. Hackworth as Trustee UTD August 1, 1988.

(10) Consists of 222,260 shares issuable upon exercise of options held by Mr. Case.

(11) Includes 163,081 shares issuable upon exercise of options held by Mr. Anderson and 30,000 shares held directly.

(12) Includes 110,000 shares issuable upon exercise of options held by Mr. Smith and 3,071 shares held directly.

(13) Consists of 98,499 shares issuable upon exercise of options held by Mr. Turk.

(14) Includes 70,000 shares issuable upon exercise of options held by Mr. Sherman and 405 shares held directly.

(15) Includes options held by all executive officers and directors to purchase an aggregate of 1,785,325 shares of our Common Stock that are exercisable within 60 days of May 14, 2010.

EXECUTIVE OFFICERS

Scott A. Anderson – Senior Vice President and General Manager, Mixed-Signal Audio Products
Mr. Anderson, age 56, was appointed Senior Vice President and General Manager in October 2007. Prior to joining the Company, Mr. Anderson served as the president and chief operating officer of Freescale Semiconductor between March 2004 and February 2005, and as president and chief executive officer of Motorola Semiconductor Products Sector ("SPS") between February 2003 and December 2003.

Jo-Dee M. Benson – Vice President, Corporate Marketing Communications and Human Resources
Ms. Benson, age 50, was appointed Vice President, Corporate Marketing Communications and Human Resources in February 2005. Previously, she had served as Vice President of Corporate Communications since December 2000.

Gregory L. Brennan – Vice President and General Manager, Apex Precision Power
Mr. Brennan, age 48, was appointed Vice President and General Manager, Apex Precision Power, in April 2008. Between July 2007, when the Company acquired Apex Microtechnology, and April 2008, Mr. Brennan served as Director of Marketing, Industrial Products Division. Prior to July 2007, Mr. Brennan had served as Vice President, Marketing and Sales for Apex Microtechnology.

Randy Carlson – Vice President of Supply Chain
Mr. Carlson, age 44, was appointed Vice President of Supply Chain in February 2010. Mr. Carlson previously worked as Director of Supply Chain between May 2008 and February 2010. Prior to joining the Company in May 2008, Mr. Carlson held various management positions at STATS ChipPAC between 2003 and April 2008.

Thurman K. Case – Vice President, Chief Financial Officer and Principal Accounting Officer
Mr. Case, age 53, was appointed Chief Financial Officer ("CFO") on February 14, 2007. He joined the Company in October 2000 and was appointed Vice President, Treasurer, Financial Planning & Analysis, in September 2004. Prior to being appointed to his current position, Mr. Case also served as Vice President, Finance between June 2002 and September 2004, and Director of Finance between October 2000 and June 2002.

Jason P. Rhode – President and Chief Executive Officer, and Director Nominee
Dr. Rhode, age 40, was appointed President and CEO of the Company in May 2007. Dr. Rhode joined the Company in 1996 and served in various engineering positions until he became Director of Marketing for analog and mixed-signal products in November 2002. He was appointed Vice President, General Manager, Mixed-Signal Audio Products, in December 2004, a role he served in until his appointment as President and CEO.

Thomas Stein – Vice President and General Manager, EXL Products
Mr. Stein, age 38, became Vice President and General Manager of the Company's Energy, Exploration, and Lighting ("EXL") group in September 2008. Prior to September 2008, Mr. Stein held various leadership positions in sales and marketing since joining the Company in 1995.

Gregory Scott Thomas – Vice President, General Counsel and Corporate Secretary
Mr. Thomas, age 44, was appointed Vice President, General Counsel and Corporate Secretary in December 2003. He joined the Company in December 2000 as Vice President and Associate General Counsel, Intellectual Property.

Timothy R. Turk – Vice President, Worldwide Sales
Mr. Turk, age 53, was appointed Vice President, Worldwide Sales in August 2007. Prior to joining Cirrus Logic, Mr. Turk was Vice President of Sales at Avnera Corporation. Mr. Turk also served 20 years in sales and operations with Cypress Semiconductor, including as Vice President of Worldwide Sales and Sales Operations from 2004 through 2006.

COMPENSATION DISCUSSION AND ANALYSIS

The following discussion of executive compensation contains descriptions of various employee compensation and benefit plans. These descriptions are qualified in their entirety by reference to the full text or detailed descriptions of the plans that are filed as exhibits to the Company's 2010 Annual Report on Form 10-K for the fiscal year ended March 27, 2010.

General Philosophy. We provide the Company's executive officers with compensation opportunities that are based upon their personal performance, the financial performance of the Company, and their contribution to that performance, through a mix of salary, equity, and non-equity incentive compensation. These opportunities are designed to be competitive enough to attract and retain highly skilled individuals, and to align management's incentives with the long-term interests of our stockholders.

We believe that payments under the compensation programs for our executive officers should reflect the Company's performance and the value created for the Company's stockholders. In addition, the compensation programs should balance the short- and long-term strategic goals and values of the Company and reward individual contribution to the Company's success. We are engaged in a very competitive industry, and the Company's success depends on its ability to attract and retain qualified executives through the competitive compensation packages we offer to these individuals.

Consideration of Risk. The Compensation Committee structures our executive compensation programs with an eye toward providing incentives to appropriately reward executives without undue risk taking. Our approach is similar for the compensation practices and polices applicable to all employees throughout the Company and, accordingly, we believe that our compensation programs are not reasonably likely to have a material adverse effect on our Company. In general, we attempt to align our compensation programs with the long-term interests of the Company and its stockholders and mitigate the likelihood of inducing excessive risk-taking behavior. More specifically, we believe the following efforts help to mitigate the likelihood of inducing excessive risk-taking behavior:

- The Compensation Committee hires an independent compensation consultant and uses market data, when available, to inform our focus on pay for performance.
- The Company pays a mix of fixed and variable compensation, with variable compensation tied both to short-term objectives and the long-term value of our stock price.
- Our annual incentive programs are based on a mix of bottom-line objectives (i.e., operating profit goals) and top-line objectives (i.e., revenue growth) in order to avoid the risk of excessive focus on one goal or performance measure.
- To prevent the risk that our annual incentive program pays bonuses despite weak short-term performance, no payout may occur without a threshold level of operating profit performance.
- Our executive and leadership team annual incentive program payout is capped at a percentage of overall operating profit to prevent the risk of excessive payout of the Company's operating profit.
- Our executive and leadership team annual incentive program is further capped so that no participant may receive a payout of greater than 250% of the target payout to further prevent excessive payouts.
- Long-term incentives are awarded in the form of equity that vests over a period of time, typically four years. The vesting period is intended to align the interests of executives with the long-term interests of stockholders.
- Long-term incentives are typically granted annually so executives will have unvested awards that could decrease in value if our business is not managed for the long term.

Use of a Compensation Consultant. To support the Compensation Committee in fulfilling its duties, the Committee has hired independent consultants in the field of executive compensation to assist with its design and evaluation of CEO and executive officer compensation. Pursuant to the Compensation Committee's charter, the Committee is authorized to retain and terminate any consultant, as well as approve the consultant's fees and other terms of retention. During fiscal year 2010, the Compensation Committee retained the services of Mercer Human Resource Consulting ("Mercer"), a market leader for advice and analysis on executive compensation practices, to assist with a comprehensive review of the CEO's and other executive officers' compensation. In addition to discussing their review with our Compensation Committee, Mercer also contacted members of senior management and employees in our human resources and legal departments to obtain historical data and insight into the Company's business strategy and compensation practices. The Compensation Committee considered Mercer's recommendations, along with the recommendations of Company management, in setting our executives' fiscal year 2010 total overall compensation. Although Mercer provided analysis and recommendations to the Compensation Committee, Mercer did not decide or approve any compensation-related actions. Mercer performed no other services for the Company in fiscal year 2010. Additionally, the Committee has established procedures to ensure that Mercer's advice to the Committee remains objective and is not influenced by the Company's management. These procedures include: a direct reporting relationship of the Mercer consultant to the Committee; a provision in the Committee's engagement letter with Mercer specifying the information, data, and recommendations that can and cannot be shared with management; and an annual update to the Committee on Mercer's financial relationship with the Company, including a summary of the work performed for the Company during the preceding 12 months.

In November 2009, the Compensation Committee engaged DolmatConnell & Partners, Inc. ("DolmatConnell") to provide executive and director compensation consulting services for fiscal year 2011. At the direction of the Compensation Committee, DolmatConnell reviewed the Company's current incentive plans and compensation programs. As part of that review, DolmatConnell interviewed members of the Compensation Committee and members of management to ensure understanding of the Company's strategy, culture, current compensation plans, and compensation philosophy. DolmatConnell further reviewed the Company's annual performance award plan and provided analysis of management's recommendations in setting the performance criteria under the plan for the first half of fiscal year 2011. Although DolmatConnell provided analysis of the plan to the Compensation Committee, DolmatConnell did not decide or approve the setting of the performance targets. In order to maintain its independence from management, DolmatConnell maintains a direct reporting relationship with the Compensation Committee and does not perform any other services for the Company.

Targeted Overall Compensation. The Compensation Committee annually reviews and establishes each executive officer's total compensation package. The Committee considers a broad range of facts and circumstances in setting executive compensation, including Company performance, individual performance, external pay practices of competitors and similarly-situated companies, the strategic importance of the executive's position, as well as internal pay equity and the executive's time in the position. The weight given to each of these factors by the Committee may differ from year to year, and among the individual executive officers. The Company's executive pay program is heavily weighted toward performance-based compensation that rewards achievement of short- and long-term corporate goals and objectives of the Company. In setting target compensation for the Company's executives, the Compensation Committee seeks to strike a balance between providing compensation that is in-line with the compensation paid to executives of peer companies, while ensuring that a significant percentage of compensation is coupled to stock price appreciation, as well as Company and individual performance.

Benchmarking Information. As part of the Committee's annual compensation review, Mercer provided competitive information from Radford Surveys, considering compensation survey data specific to companies in the semiconductor industry with revenues less than $1 billion per year (the

"Survey Group"). In addition to the Survey Group, the Committee reviewed data from the proxy statements of particular companies that are considered comparable to the Company (the "Proxy Group"). The Proxy Group generally consists of public companies in the semiconductor industry that share similar operating and financial characteristics with the Company. Those characteristics include a company's revenue, location, number of employees, one-year revenue growth, market cap, correlation of stock price movement, inclusion as a peer in published equity analyst reports, and similarity of business model and product lines.

In the spring of 2008, Mercer analyzed the Company's compensation peer group and recommended several changes. After reviewing Mercer's recommendations, the Committee adopted the following group of 15 companies for its Proxy Group: Actel Corp.; Advanced Analogic Technologies, Inc.; Applied Micro Circuits Corp.; Integrated Silicon Solutions, Inc.; Micrel, Inc.; Microtune, Inc.; Monolithic Power Systems, Inc.; Pericom Semiconductor Corp.; Power Integrations, Inc.; Semtech Corp.; Silicon Image, Inc.; Silicon Laboratories, Inc.; Silicon Storage Technology, Inc.; Standard Microsystems Corp.; and Supertex, Inc. Because there had been no significant changes in the character of the peer group companies in the spring of 2009, the Committee determined that no changes were necessary to the peer group for use in setting compensation in fiscal year 2010.

From the data derived from the Survey Group and the Proxy Group, Mercer developed market composite data reflecting a 50/50 blend of the data from each group (the "Market Composite Data"). In some cases, the Committee made an adjustment upward to the Market Composite Data for executives who perform responsibilities in addition to the responsibilities associated with the jobs included in the Survey Group. Compensation recommendations for Company management are examined in light of this information, with the intent of establishing competitive compensation levels.

Elements of Compensation and Target Market Positioning. Each executive officer's compensation package is comprised of the following elements: (i) base salary that is competitive with the market and reflects individual performance, (ii) annual non-equity performance awards tied to the Company's achievement of performance goals, (iii) long-term incentive awards designed to strengthen the mutuality of interests among the executive officers and the Company's stockholders, and (iv) post-employment compensation.

In general, we have attempted to establish a strong relationship between total cash compensation, our performance, and individual executive performance by targeting base salaries at approximately the 50^{th} percentile compared to the Market Composite Data, and by providing additional incentive opportunities so that the target total cash compensation (salary plus target annual cash incentive compensation) approaches the 50^{th} percentile levels, with the potential to earn in the 75^{th} percentile level for higher levels of performance. The Company also provides additional long-term incentives in the form of stock option grants so that an executive's total direct compensation is targeted at the 50th percentile level (i.e., the size of the stock option grant is a function of the difference between the 50^{th} percentile total direct compensation and the 50^{th} percentile total cash compensation). These percentages are intended as guidelines for evaluating each executive officer's compensation and are not applied on a formulaic basis. The Compensation Committee exercises discretion over each executive officer's total compensation package.

Executive officers are also eligible to receive certain severance benefits upon termination of their employment other than for cause. In addition, executive officers may also receive 401(k) retirement and health and welfare benefits that are generally available to all employees of the Company.

Executive Compensation. For several years prior to 2007, our Compensation Committee annually reviewed our executives' compensation at a regularly scheduled Committee meeting in February. Annual stock option awards and any changes to an executive's base salary or annual incentive targets were typically made at this time. However, in order to align the Committee's review of our executives' annual option grants with the timing of our annual review and grant of equity to our key employees that occurs in October each year, the Committee reviewed and approved awards of long-term equity incentives at the Committee's September 2007 meeting. Beginning in 2008, in order to align the review of all aspects of an executive's compensation at one meeting, the Committee determined that any proposed changes to compensation, in addition to awards of long-term equity awards, should also be reviewed at a regularly scheduled Committee meeting in September. The Committee intends to continue to review any future proposed changes to compensation or annual grants of long-term incentive awards for its executives in September of each year.

Base Salary

The base salary for each executive officer is designed to be commensurate with the salary levels for comparable positions within a comparative group of companies, to reflect each individual's personal performance during the year, to take into consideration the individual's responsibilities within the Company, and to be consistent with our internal salary alignment. The relative weight given to each factor varies with each executive and is within the discretion of the Compensation Committee. In setting base salaries, the Compensation Committee reviews (i) the Market Composite Data; (ii) recommendations from Dr. Rhode, the Company's CEO; and (iii) the executive officer's personal performance for the year. The Company's performance and profitability may also be a factor in determining the base salaries of executive officers. The Committee utilizes a largely discretionary approach for determining any changes to an individual executive officer's base salary and looks collectively at all of these factors. Ultimately, the Committee's decision to adjust any executive officer's base salary is subjective and made in the sole discretion of the Committee.

On May 16, 2007, Dr. Jason P. Rhode was appointed by the Board as President and CEO of the Company. In connection with his appointment, the Company's Compensation Committee approved an annual base salary of $335,000 per year. This annual base salary was approximately at the 25th percentile of the base salary levels of other chief executive officers at the companies in the Market Composite Data. In setting his base salary, the Company reviewed the Market Composite Data and considered Dr. Rhode's level of prior experience in General Manager positions, along with other factors, including his then current base salary of $235,000 per year. This salary increase reflected the additional demands and responsibilities of Dr. Rhode as he assumed the role of CEO, while also recognizing our intended strategy of moving Dr. Rhode's compensation over time towards the 50th percentile of base salary levels of chief executive officers of comparable companies based on his performance in his new role. At a meeting on September 10, 2008, as part of its annual review of executive compensation, the Compensation Committee approved an increase in the annual base salary for Dr. Rhode to $390,000. The Committee increased Dr. Rhode's base salary in recognition of his performance and the Committee's previously stated intent to move Dr. Rhode's salary over time towards the 50th percentile of base salary levels of Chief Executive Officers of comparable companies. After the increase, Dr. Rhode's base salary was slightly below the 50th percentile of base salary levels of CEOs in the Market Composite Data. At a meeting on September 22, 2009, as part of its annual review of executive compensation, the Committee determined that in light of the economic situation and the recent financial performance of the Company, that Dr. Rhode's annual base salary would remain at $390,000 – approximately 6% below the 50th percentile of base salary levels of Chief Executive Officers comprising the Market Composite Data.

At its meeting on September 22, 2009, the Compensation Committee also reviewed the compensation of its other executive officers, including the Company's Named Executive Officers as defined in Regulation S-K, Item 402(a)(3) and shown in the Summary of Executive Compensation table on page 32. Based on this review, the Committee concluded that the base salary levels of our executive officers are generally positioned competitively against the Market Composite Data, with some executives at or above the market 75th percentile. In light of the economic situation and the recent financial performance of the Company, the Compensation Committee made no changes to the base salary of any Named Executive Officer. In addition, based on its review of the competitive salary information, each officer's personal performance over the previous year, and the responsibilities of each executive officer, the Compensation Committee increased on an aggregate basis the compensation of its executive officers, excluding our Named Executive Officers, by approximately 1.5% from the previous year. In general, these increases were intended to recognize the performance of certain executive officers during the previous year and to increase certain executive officer's base salary towards the 50th percentile of base salary levels of executives in similar positions at comparable companies.

Annual Performance Awards

Other than our Vice President, Worldwide Sales, who participated in a sales commission plan, our executives participated in the Company's 2007 Management and Key Individual Contributor Incentive Plan (the "Incentive Plan"). The Incentive Plan is designed to provide employees who are in management or leadership positions in the Company, or who are key individual contributors whose efforts potentially have a material impact on the Company's performance, with incentives to improve the Company's financial performance through the achievement of semi-annual performance goals.

Pursuant to the Incentive Plan, participants (including the Company's CEO, CFO, and the other currently employed Named Executive Officers) are eligible for semi-annual cash bonus payments. The Incentive Plan sets our CEO's target bonus for a semi-annual period at 37.5% of his annual base salary, and certain other executive officers' target bonuses for a semi-annual period, including our CFO and other named executive officers, at 25% of their annual base salary. Payments are determined based on the achievement of certain internal performance goals for operating profit margin and revenue growth set by the Company's Compensation Committee prior to the commencement of each semi-annual period. For purposes of the Incentive Plan, "Operating Profit Margin" is defined as the Company's consolidated GAAP operating income excluding Incentive Plan and other bonus accruals and any non-recurring items such as gains on sales of assets not otherwise included in revenue, losses on sales of assets, restructuring charges, merger-related costs including amortization or impairments of acquisition-related intangible assets, deferred tax adjustments, asset write-offs, write-downs, and impairment charges, and such other items as the Compensation Committee may determine in its sole discretion.

These performance goals are designed to balance short- and long-term financial and strategic objectives for building stockholder value and are further based on a review of the operating results of other peer companies. The Committee sets these goals so that participants will achieve their target bonuses when the Company's Operating Profit Margin and revenue growth goals are achieved. In determining the amount of a bonus payment for an individual participant, the Plan provides that the Committee will set forth a formula for each Plan Cycle for determining the pay-out percentage (the "Incentive Plan Pay-Out Percentage") based on the actual performance of the Company relative to its semi-annual performance goals. The Incentive Plan further provides that payments may exceed the target payouts when the Company's financial performance exceeds the achievement of the semi-annual performance goals. Payments under the Incentive Plan may not exceed 250% of a participant's target bonus for any applicable payout period. The Incentive Plan further provides that no payments may be made unless certain Operating Profit Margin thresholds are met. If, in the event of a change of control of the Company, the Incentive Plan is not assumed or replaced with a comparable plan by the Company's successor, each participant under the Incentive Plan will receive a pro rata cash payment for their target bonus, based upon the number of calendar days completed in the current semi-annual period, multiplied by an Incentive Plan pay-out percentage of 100%.

For the first semi-annual performance period in fiscal year 2010, the performance targets were set such that a participant would receive 100% of his or her target bonus if the Company achieved an Operating Profit Margin of 15% and an annual revenue growth between 0% and 15% during the semi-annual period. Specifically, the formula for determining the Incentive Plan Pay-Out Percentage was set by the Committee as follows:

(1) An operating profit payout percentage is determined based on the Company's Operating Profit Margin for the performance period. If the Company fails to achieve a threshold

Operating Profit Margin of 7%, then no bonuses would be paid to the CEO or executive officers.

(2) At the threshold Operating Profit Margin of 7%, the operating profit payout percentage would be 25%. At the target Operating Profit Margin of 15%, the operating profit payout percentage would be 100%. For Operating Profit Margin performance by the Company between the threshold of 7% and the target of 15%, the operating profit percentage payout would be determined by using straight-line interpolation between the threshold and target points. For example, if the Company achieved an Operating Profit Margin of 10%, the operating profit payout percentage would be calculated as 53% (25% + (3/8 x 75%)).

(3) For performance above the target Operating Profit Margin of 15%, the operating profit payout percentage would increase linearly by 10% for each percentage point of Operating Profit Margin in excess of 15%. For example, if the Company achieved an Operating Profit Margin of 20%, the operating profit payout percentage would be calculated as 150% (100% + (5 x 10%)).

(4) Once the operating profit payout percentage is determined, the Incentive Plan Pay-out Percentage is calculated by multiplying the operating profit payout percentage by a revenue growth multiplier.

(5) For the first semi-annual period of fiscal year 2010, the revenue growth multiplier was set at 50% for revenue growth below -5% and 100% for target revenue growth between 0% and 15%. For revenue growth performance between -5% and 0%, the revenue growth multiplier would be determined using straight-line interpolation between these points. For example, if the Company achieved -4% revenue growth during the period, the revenue growth multiplier would be calculated as 60% (50% + (1/5 x 50%).

(6) For performance levels above the target revenue growth between 0% and 15%, the revenue growth multiplier would increase linearly by 5% for each percentage point of revenue growth in excess of 15%. For example, if the Company achieved annual revenue growth of 20% in the relevant period, the revenue growth multiplier would be calculated as 125% (100% + (5% x 5)).

As a result of the Company's performance in the first half of the fiscal year, no payments were made to the CEO or any executive officer under the Incentive Plan because the Company did not achieve the required 7% Operating Profit Margin threshold for that period.

For the second semi-annual performance period in fiscal year 2010, the Committee maintained the same Operating Profit Margin targets and thresholds for executive officers as the first semi-annual period. The revenue growth multiplier was set at 50% for revenue growth during the period below 5%, and 100% for target revenue growth of 15%. For revenue growth between 5% and 15% during the period, the revenue growth multiplier would be determined using straight-line interpolation between those two points. For performance levels above the target revenue growth of 15%, the revenue growth multiplier would increase linearly by 5% for each percentage point of revenue growth in excess of 15%. In addition, the Committee set an overall cap on total payments under the Company's variable compensation plans (including the Incentive Plan) to 12% of the Company's non-GAAP operating profit. The Committee instituted a cap because it determined that the proposed targets and thresholds under the Inventive Plan created a risk that a large percentage of the Company's operating profit for the period would be paid out as bonuses due to the anticipated revenue growth of the Company for the period. The Committee set the cap at 12% based on its desire to provide a reasonable payout for performance to the Company's performance targets while maintaining a reasonable cap on payouts as a percentage of non-GAAP operating profit under all of the Company's variable compensation plans. As a result of the Company's performance in the second semi-annual performance period, executive officers, including our CEO, CFO, and named executive officers, earned payments of approximately 133% of each individual's target bonus for the semi-annual period.

The performance goals for the first six months of fiscal year 2011 were set by the Committee at its January 2010 meeting. The Committee maintained the same target Operating Profit Margin (15%) and target annual revenue growth (15%) as fiscal year 2010. The Committee also increased the threshold Operating Profit Margin to 10% and maintained the overall cap on total payments under the Company's variable compensation plans (including the Incentive Plan) of 12% of the Company's non-GAAP operating profit.

The following table summarizes the thresholds, targets, and actual performance and payouts under the Company's Incentive Plan for fiscal year 2010, and the thresholds and targets for the first semi-annual period of fiscal year 2011:

Plan Cycle	Threshold Operating Profit Margin	Target Operating Profit Margin	Target Revenue Growth	Cap (as % of operating profit)	Company Operating Profit Margin	Company Revenue Growth	Incentive Plan Payout Percentage
1HFY10	7%	15%	15%	N/A	4.4%	–4.0%	0%
2HFY10	7%	15%	15%	12%	18%	65.2%	133%
1HFY11	10%	15%	15%	12%	-	-	-

Instead of participating in the Incentive Plan during fiscal year 2009, our Vice President of Worldwide Sales, Mr. Turk, participated in a sales commission plan with a target commission of $37,500 per quarter ($150,000 annual commission target) (the "Commission Plan"). The Commission Plan provided Mr. Turk incentives to increase stockholder value through the achievement of a combination of quarterly revenue, design wins, and individual and organization performance goals. Specifically, the Commission Plan provides that 50% of Mr. Turk's commission is based on the Company's product revenue performance (excluding non-product revenue adjustments) compared to the target revenue performance set forth in the Company's annual operating plan, 30% is based on the Company's generation of design wins (in dollars) compared to the target revenue design wins for each quarter, and 20% is based on performance objectives and goals as described below. Payments under the Commission Plan are made quarterly based on the performance to current quarter performance objectives and goals, and on year to date performance to revenue and design win dollar goals as set forth in the Company's annual operating plan. Quarterly payments for the first three quarters will not exceed 25% of the annual commission target. In addition, the design win component and performance objective component are capped at 100% payment for the full year. However, the revenue component of the commission payment may exceed 100% for full year revenue performance in excess of the annual operating plan.

For fiscal year 2010, the target product revenue performance for each quarter was set based on the Company's annual operating plan, which had been developed and finalized prior to the beginning of fiscal year 2010. At target performance, Mr. Turk would receive 100% of the portion of the commission based on product revenue performance. Below 50% performance to the target, Mr. Turk would receive no payout. At 75% performance to target, Mr. Turk would receive 25% of the portion of the commission based on product revenue performance. For performance levels between each of these three points (50%, 75%, and 100%), the revenue growth payout percentage for each quarter would be determined using straight-line interpolation between those points. For annual revenue performance in excess of the target revenue performance for the full year, Mr. Turk would receive an addition 0.5% payout for each percentage point of performance in excess of the annual revenue performance target. For example, for product revenue performance at 120% of the target annual product revenue performance as set forth in the Company's annual operating plan, Mr. Turk would be entitled to a 110% payout of the portion of his commission based on revenue performance.

The target product revenue performance for Mr. Turk's commission plan for fiscal year 2010 is summarized below:

Period	Target Product Revenue (cumulative in thousands of dollars)
Q1FY10	$ 38,134
Q2FY10	$ 82,841
Q3FY10	$135,798
Q4FY10	$179,082

For the design win component of Mr. Turk's commission, the target design win performance for each quarter was set based on a review of the Company's annual operating plan, an evaluation of the Company's current design win funnel, and an analysis of the design win funnel required to support the Company's long-term strategic goal of 15% annual revenue growth rate. The overall method for determining the targets for the design win component involves the use of a proprietary model developed internally for measuring the Company's design win funnel and a subjective analysis of the various factors evaluated in setting the design win target. At target performance, the design win component of Mr. Turk's commission would pay out at 100%. For performance below target, the design win performance component would pay out at the same percentage as the percentage of design wins achieved to target design wins. For example, if the Company achieved 90% performance to its target design win goals, Mr. Turk would receive 90% of the portion of his target commission based on design wins. Performance in excess of the target annual design wins would not result in any additional payouts because the design win component payout is capped at 100% payment to target payout for the full year. For fiscal year 2010, the Committee believed that it was likely that Mr. Turk would achieve the target payment based on the Company's design win funnel at the time the target was set.

For the performance objective component of Mr. Turk's commission, the target objectives are set at the beginning of the fiscal year based on individual and organizational goals that are evaluated on a quarterly basis by our CEO. The percentage payout was determined by the actual percentage completion for each performance objective as evaluated by our CEO. Performance in excess of the target performance objectives would not result in any additional payouts because the performance objective component payout is capped at 100% payment to target payout for each quarter.

For fiscal year 2010, Mr. Turk's performance objectives included the target performance objectives summarized below. The target objectives were set so that there was a reasonable likelihood that Mr. Turk would achieve 100% payment to target payouts for each quarter. The target performance objectives that (i) relate to detailed aspects of the Company's internal operations and long-term strategic plans, the disclosure of which would result in competitive harm, and (ii) are not publicly disclosed, are indicated below as "Confidential."

Performance Objective	Weight	Target
Quarterly operating profit (excluding non-recurring items)	15%	15%
Cost of sales	20%	8.8%
Quarterly Gross Margin	20%	Performance to annual operating plan (Confidential)
Strategic Account Revenue	20%	Performance to annual operating plan (Confidential)
Customer Satisfaction	10%	Confidential
Design win funnel and revenue growth in Japan	15%	Confidential

Based upon Mr. Turk's and the Company's performance toward these goals, Mr. Turk earned the following quarterly commissions for fiscal year 2010 as summarized below:

Quarter	Target Commission	Revenue Component Payout	Design Win Component Payout	Performance Objective Component Payout	Total Commission Payout
Q1FY10	$37,500	$18,562	$ 9,968	$2,048	$30,578
Q2FY10	$37,500	$20,369	$12,533	$4,598	$37,500
Q3FY10	$37,500	$19,500	$11,250	$6,750	$37,500
Q4FY10	$37,500	$52,868	$11,250	$6,000	$70,118

Long-Term Incentives

Generally, stock option grants are made annually by the Compensation Committee to each of the Company's executive officers. While other stock-based compensation vehicles have been considered, we have selected the use of stock options because of our belief that there is a near universal expectation by employees in our industry that they will receive stock option grants. Options also provide an effective compensation opportunity for companies focused on growth. Each grant is designed to align the interests of the executive officer with those of the stockholders and provide each individual with a significant incentive to manage the Company from the perspective of an owner with an equity stake in the business. Each grant allows the officer to acquire shares of the

Company's common stock at a fixed price per share (the market price on the grant date) over a specified period of time (up to ten years). Each option becomes exercisable in a series of installments over a defined period, contingent upon the officer's continued employment with the Company. Accordingly, the option will provide a return to the executive officer only if he or she remains employed by the Company during the vesting period, and then only if the market price of the shares appreciates over the option term.

In September 2008, in conjunction with the Committee's annual review of executive compensation, the Committee requested Mercer to develop recommendations for market competitive long-term incentive grant guidelines for ongoing annual grants for executives. To develop the recommended guidelines, Mercer considered the following: competitive market data, the Company's internal organizational tiers, the Company's historical stock option grant history, and stockholder dilution. Mercer also factored in the Company's efforts to target an executive's total direct compensation at the 50th percentile of the Market Composite Data. Based on its analysis, Mercer recommended target grant values stated as a multiple of each executive officer's base salary. In order to take into account the volatility of the Company's share price in the calculation of the recommended annual grant guideline, Mercer used a Black Scholes adjusted share price at the date of grant based on a three-month-average share price and a 49% Black Scholes percentage. Based on its analysis, Mercer suggested guidelines with the following ranges: 2.5 – 3.0 times base salary for the CEO and 0.8 – 1.2 times base salary for all other executive officers.

In addition to the suggested annual grant guidelines, the Compensation Committee also takes into account the number and current value of options held by the executive officer in order to maintain an appropriate level of equity incentive for that individual. The Committee further considers the Company's current equity burn rate and dilution in setting the number of options available for grant to executive officers. The size of the option grant to each executive officer is set by the Compensation Committee at a level that is intended to create a meaningful opportunity for stock price appreciation based upon the individual's position with the Company, current performance, anticipated future contribution based on that performance, and ability to affect corporate and/or business unit results. The Committee utilizes a largely discretionary approach for determining the amount of equity awards awarded to an individual executive officer and looks collectively at all of these factors. Ultimately, the Committee's decision with respect to the size of equity grants is subjective and made in the sole discretion of the Committee.

For fiscal year 2010, Mercer recommended that the long-term incentive grant guidelines that had been set in September 2008 remained competitive. Based on these recommended guidelines, and the other relevant factors summarized above, the Compensation Committee approved the award of options to the Company's executive officers in conjunction with the Company's annual review of equity awards for all employees in September 2009. The relevant weight given to each of these factors varies from individual to individual. These options were awarded on the Company's Monthly Grant Date (as defined below) in October 2009. In general, the value of the stock option grants for executives in fiscal year 2010 fell below the recommended guidelines, reflecting the Company's low stock price at the time of the approval of the equity awards.

Option Granting Practices and Timing

The Compensation Committee has implemented a process whereby new employee equity grants and special stock grants are granted and priced on the first Wednesday of each calendar month (the "Monthly Grant Date"). The purpose of this process is to minimize the administrative burdens that would be created with multiple monthly grant dates and to ensure that all required approvals are obtained on or before the Monthly Grant Date. If the Monthly Grant Date occurs on a Company holiday, or on other days that the Company or Nasdaq is closed for business, the Monthly Grant Date will be the next regularly scheduled business day. The Compensation Committee does not have any program, plan or practice to time option grants to its executives in coordination with the release of material non-public information.

Post-Employment Compensation
On July 26, 2007, after a review of other companies' practices with respect to management severance plans and after considering the recommendations of Mercer, the Compensation Committee approved and adopted an Executive Severance and Change of Control Plan (the "2007 Severance Plan"). As discussed on page 36 in the section of this proxy statement entitled "*Potential Payments Upon Termination or Change of Control*," the 2007 Severance Plan provides certain severance and other benefits to eligible executive officers ("Eligible Executives"), including our CEO and Named Executive Officers, whose employment is involuntarily terminated by the Company (other than for cause) or whose employment terminates following a change of control of the Company. The Plan became effective on October 1, 2007.

The 2007 Severance Plan provides that, in the event of an Eligible Executive's involuntary termination other than for cause, an Eligible Executive will be eligible to receive: (i) a continuation of base salary for a period of up to six months (up to 12 months for the Company's CEO) following termination, and (ii) payment in full of a reasonable estimate of premiums for three months of continued health care coverage.

The 2007 Severance Plan further provides that, if an Eligible Executive's employment is terminated either by the Company without cause or by the Eligible Executive for good reason within 12 months following a change in control, the Eligible Executive will be eligible to receive (in lieu of the benefits described above): (i) a lump sum payment equal to twelve months' salary, (ii) acceleration in full of any unvested stock options or any other securities or similar incentives that have been granted or issued to the Eligible Executive as of the termination date, and (iii) payment in full of a reasonable estimate of COBRA premiums for twelve months. The Eligible Executive shall have six months from the termination date to exercise any vested options.

The 2007 Severance Plan may not be amended or terminated without the consent of any Eligible Executive during the one year prior to or following the occurrence of a change in control, if such amendment would be adverse to the interest of such Eligible Executive. In order to receive severance payments under the 2007 Severance Plan, an Eligible Executive must execute a general release of all claims against the Company. Additional details and specific terms of the Severance Plan are set forth in the section of this proxy entitled *"Potential Payments upon Termination or Change in Control."*

We continue to maintain a severance plan because we believe it is consistent with the practices of peer companies and helps ensure that we are able to attract and retain top talent. Further, we believe that our plan provides a level of stability for our executives during volatile business conditions that have historically existed in our industry so they remain focused on their responsibilities and the long-term interests of the Company during such times.

Other Benefits.
All of our employees, including executive officers, are eligible to participate in Cirrus Logic's benefit programs, including our 401(k) plan; medical, vision and dental plans; and certain other standard employee benefit plans. The Cirrus Logic, Inc. 401(k) Plan is a tax-qualified profit sharing and 401(k) plan. Under the plan, we match 50% of up to the first 6% of an employee's pre-tax deferrals, up to the IRS compensation limits.

Our CEO and other executive officers participate in the Cirrus Logic benefit programs to the same extent as all other salaried Cirrus Logic employees based in the United States. In addition to the benefits that are generally available to all of our salaried employees, we also reimburse up to $500 for an annual physical examination for each of our executive officers to the extent the physical examination is not covered under our standard health care plans.

Role of Executive Officers in Establishing Compensation. Our Human Resources and Legal departments support the Compensation Committee in its work and in fulfilling various functions in administering our compensation programs. This support generally consists of assistance with providing Survey Group data, proposals of potential ranges of various components of compensation for executive officers based on the Survey Group data, and information regarding available shares under the Company's various equity incentive plans. Regular meetings of our Compensation Committee are generally attended by our CEO, Vice President of Human Resources, and our General Counsel. Because each of the Company's executive officers (other than the CEO) reports directly to the CEO, the Compensation Committee relies upon input and recommendations from the CEO in determining an executive officer's compensation. The Compensation Committee considers and sets the compensation of the CEO when no members of management are present.

Tax Considerations

Section 162(m) of the Internal Revenue Code disallows a tax deduction to publicly held companies for compensation paid to the CEO and any of the four most highly compensated officers to the extent that compensation exceeds $1,000,000 per covered officer in any fiscal year. The limitation applies only to compensation that is not considered to be performance-based. Under the Treasury Regulations corresponding to Section 162(m) of the Internal Revenue Code, compensation received through the exercise of an option will not be subject to the $1,000,000 limit if it qualifies as "qualified performance-based compensation" within the meaning of Section 162(m). It is the Committee's objective that, so long as it is consistent with the Company's overall business, compensation, and retention objectives, the Company will endeavor, to the extent reasonable, to keep executive compensation deductible for federal income tax purposes. Although our preference is to keep executive compensation deductible for federal income tax purposes, our stockholders have not approved our Incentive Plan, or the performance goals under our Incentive Plan. Therefore, we expect that any payments under the Incentive Plan will not qualify as "performance-based compensation" under 162(m).

In fiscal year 2010, no portion of a tax deduction was disallowed under Section 162(m).

Section 280G of the Internal Revenue Code disallows the deduction of any "excess parachute payment" paid in connection with certain events. A portion of amounts payable under the 2007 Severance Plan constitute "excess parachute payments." Accordingly, the 2007 Severance Plan provides for a modified 280G cut back pursuant to which payments and benefits under the 2007 Severance Plan will be reduced in the event such reduction produces a greater after-tax benefit to the executive. See "*Potential Payments Upon Termination* or *Change of Control*" at page 36.

Compensation Committee Interlocks and Insider Participation

The Compensation Committee of the Board currently consists of Messrs. Carter, Dehne, Sherman and Smith. None of these directors was an officer or employee of the Company at any time during the fiscal year ended March 27, 2010.

None of our executive officers have ever served as a member of the board of directors or the compensation committee of another entity that has or has had, at the time of his service or during the same fiscal year, one or more executive officers serving as a member of the Company's Board or Compensation Committee.

COMPENSATION COMMITTEE REPORT

We, the Compensation Committee of the Board of Directors, have reviewed and discussed the Compensation Discussion and Analysis ("CD&A") required by Item 402(b) of Regulation S-K with management of the Company. Based on such review and discussion, we have recommended to the Board of Directors that the CD&A be included as part of this Proxy Statement.

Submitted by the Compensation Committee of the Board of Directors:

William D. Sherman, Chairman
John C. Carter
Timothy R. Dehne
Robert H. Smith

SUMMARY OF EXECUTIVE COMPENSATION

The following table provides certain summary information concerning the compensation awarded to, earned by, or paid to the following executive officers ("Named Executive Officers"): the Company's CEO, CFO, and each of the three other most highly compensated executive officers of the Company for the fiscal year ended March 27, 2010. The table sets forth compensation for services rendered by the Named Executive Officers for the fiscal years ended March 27, 2010; March 28, 2009; and March 29, 2008.

Name and Principal Position (a)	Year (b)	Salary ($) (c)	Option Awards (2) ($) (f)	Non-Equity Incentive Plan Compensation ($) (g)	All Other Compensation ($) (i)	Total ($) (j)
Jason P. Rhode, (1) President and Chief Executive Officer	2010	$390,000	$1,093,712	$ 193,971 (3)	$ 23,101 (5)	$1,700,784
	2009	364,192	770,868	25,170 (3)	7,748 (6)	1,167,978
	2008	320,769	1,092,413	36,934 (4)	6,988 (7)	1,457,104
Thurman K. Case, Chief Financial Officer, Vice President of Finance and Treasurer	2010	$245,000	$ 204,160	$ 81,236 (3)	$ 8,588 (8)	$ 538,984
	2009	237,962	145,468	10,541 (3)	8,177 (9)	402,148
	2008	230,000	200,051	25,358 (4)	6,635 (10)	462,044
Scott Anderson, Senior Vice President, General Manager, Mixed Signal Audio	2010	$275,000	$ 262,491	$ 91,183 (3)	$ 3,381 (11)	$ 632,055
	2009	275,000	197,836	11,832 (3)	4,020 (12)	488,688
Gregory S. Thomas, Vice President, General Counsel and Corporate Secretary	2010	$275,000	$ 262,491	$ 91,183 (3)	$ 25,210 (13)	$ 653,884
	2009	275,000	197,836	11,382 (3)	7,500 (14)	491,718
	2008	275,000	200,051	30,319 (4)	7,393 (15)	512,763
Timothy Turk, Vice President, Worldwide Sales	2010	$255,000	$ 204,160	$ 175,695 (16)	$ 8,673 (17)	$ 643,528
	2009	251,673	197,836	98,964 (16)	101,059 (18)	649,532

(1) Jason P. Rhode was appointed President and CEO on May 17, 2007.

(2) This column shows amounts that do not reflect compensation actually received by the Named Executive Officer, but represents the aggregate grant date fair value of all options granted in fiscal 2010 and previous fiscal years as determined pursuant to FASB ASC Topic 718. The assumptions underlying the calculation under FASB ASC Topic 718 are discussed under Note 12, Stockholders' Equity, in our Form 10-K for the fiscal year ended March 27, 2010.

(3) This amount was earned under the Company's 2007 Management and Key Individual Contributor Incentive Plan, which is described in further detail in the "*Compensation Discussion and Analysis — Annual Performance Awards*" section of these proxy materials.

(4) This amount was earned in the first half of fiscal year 2008 under the Company's Variable Compensation Plan, which was replaced for the management team, including the Company's Named Executive Officers, by the Company's 2007 Management and Key Individual Contribution Incentive Plan in September 2007. No payments were made to the Named Executive Officers pursuant to the 2007 Management and Key Individual Contribution Incentive Plan for the second half of fiscal year 2008.

(5) This amount includes $7,350 in matched contributions under our 401(k) plan, $609 associated with the value of insurance premiums paid with respect to life insurance for the benefit of Dr. Rhode, $28 in tax gross ups paid to all employees of the Company with respect to the Company's long term disability plan, and $15,114 in payment for accrued vacation made in association with changes made to the Company's vacation policy.

(6) This amount includes $7,154 in matched contributions under our 401(k) plan and $594 associated with the value of insurance premiums paid with respect to life insurance for the benefit of Dr. Rhode.

(7) This amount includes $6,415 in matched contributions under our 401(k) plan and $573 associated with the value of insurance premiums paid with respect to life insurance for the benefit of Dr. Rhode.

(8) This amount includes $7,350 in matched contributions under our 401(k) plan, $1,215 associated with the value of insurance premiums paid with respect to life insurance for the benefit of Mr. Case, and $23 in tax gross ups paid to all employees of the Company with respect to the Company's long term disability plan.

(9) This amount includes $7,004 in matched contributions under our 401(k) plan and $1,173 associated with the value of insurance premiums paid with respect to life insurance for the benefit of Mr. Case.

(10) This amount includes $5,504 in matched contributions under our 401(k) plan and $1,132 associated with the value of insurance premiums paid with respect to life insurance for the benefit of Mr. Case.

(11) This amount includes $775 in opt-out payments associated with opting out of the Company's medical plan, $2,580 associated with the value of insurance premiums paid with respect to life insurance for the benefit of Mr. Anderson, and $26 in tax gross ups paid to all employees of the Company with respect to the Company's long term disability plan.

(12) This amount includes $2,580 in opt-out payments associated with opting out of the Company's medical plan, and $1,440 associated with the value of insurance premiums paid with respect to life insurance for the benefit of Mr. Anderson.

(13) This amount includes $7,350 in matched contributions under our 401(k) plan, $669 associated with the value of insurance premiums paid with respect to life insurance for the benefit of Mr. Thomas, $25 in tax gross ups paid to all employees of the Company with respect to the Company's long term disability plan, and $17,165 in payment for accrued vacation made in association with changes made to the Company's vacation policy.

(14) This amount includes $6,900 in matched contributions under our 401(k) plan and $600 associated with the value of insurance premiums paid with respect to life insurance for the benefit of Mr. Thomas.

(15) This amount includes $6,793 in matched contributions under our 401(k) plan and $600 associated with the value of insurance premiums paid with respect to life insurance for the benefit of Mr. Thomas.

(16) Amount reflects sales commission payments earned during fiscal year 2010.

(17) This amount includes $7,379 in matched contributions under our 401(k) plan, $1,270 associated with the value of insurance premiums paid with respect to life insurance for the benefit of Mr. Turk, and $24 in tax gross ups paid to all employees of the Company with respect to the Company's long term disability plan.

(18) This amount includes $6,905 in matched contributions under our 401(k) plan and $1,256 associated with the value of insurance premiums paid with respect to life insurance for the benefit of Mr. Turk. In addition, this amount includes $1,521 in reimbursement for actual moving expenses and, a one-time payment of $91,377 in lieu of reimbursement for future housing and other living expenses, including relocation expenses.

Grants of Plan-Based Awards

The following table sets forth certain information with respect to grants of plan-based awards for the fiscal year ended March 27, 2010, to the Named Executive Officers. All of the stock options reflected in the table were granted under our 2006 Equity Incentive Plan. Each stock option has a maximum term of ten years, subject to earlier termination if the optionee's services are terminated. Unless noted, the exercisability of options vests with respect to 25% of the shares underlying the option one year after the date of grant and with respect to the remaining shares underlying the option thereafter in 36 equal monthly installments. The exercise price of each stock option is equal to the closing price of our common stock on the date of grant. The amounts reflected in the column "Estimated Future Payouts Under Non-Equity Incentive Plan Awards" set forth potential payouts under the Company's 2007 Management and Key Individual Contributor Incentive Plan, which is described further at page 24.

Name	Grant Date (1)	Approval Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Option Awards (2)
			Thresh-old ($)	Target ($)	Maxi-mum ($)			
(a)	(b)		(c)	(d)	(e)	(j)	(k)	(l)
Jason P. Rhode, President and Chief Executive Officer	10/7/2009	9/22/09	$ 0 (3)	$292,500	$731,250	375,000	$ 5.55	$1,093,712
Thurman K. Case, Vice President, Chief Financial Officer, and Principal Accounting Officer	10/7/2009	9/22/09	$ 0 (3)	$122,500	$306,250	70,000	$ 5.55	$ 204,160
Scott Anderson, Senior Vice President And General Manager, Mixed Signal Audio	10/7/2009	9/22/09	$ 0 (3)	$137,500	$343,750	90,000	$ 5.55	$ 262,491
Gregory S. Thomas, Vice President, General Counsel and Corporate Secretary	10/7/2009	9/22/09	$ 0 (3)	$137,500	$343,750	90,000	$ 5.55	$ 262,491
Timothy Turk, Vice President, Worldwide Sales	10/7/2009	9/22/09	—	$150,000(4)		70,000	$ 5.55	$ 204,160

(1) The Company's policy is to grant employee options on the first Wednesday of the month (the "Monthly Grant Date") after the Company's Compensation Committee approves the grant. If the Monthly Grant Date occurs on a Company holiday, or on other days that the Company or Nasdaq is closed for business, the Monthly Grant Date is the next regularly scheduled business day when the Company and Nasdaq are open for business.

(2) This amount represents the aggregate grant date fair value of the award computed in accordance with FASB ASC Topic 718. The assumptions underlying the calculation under FASB ASC Topic 718 are discussed under Note 12, Stockholders' Equity, in the Company's Form 10-K for the fiscal year ended March 27, 2010.

(3) Payments may be paid only if Operating Profit Margin thresholds are achieved pursuant to the Company's 2007 Management and Key Individual Contributor Incentive Plan (as described further at page 24). No bonuses may be paid under the plan if the Operating Profit Margin thresholds are not achieved.
(4) Instead of participating in the Company's 2007 Management and Key Individual Contributor Incentive Plan, Mr. Turk participates in a sales commission plan.

Outstanding Equity Awards at Fiscal Year-End

The following table provides information concerning the outstanding equity award holdings held by our Named Executive Officers as of March 27, 2010.

Name (a)	Number of Securities Underlying Unexercised Options Exercisable (1) (#) (b)	Number of Securities Underlying Unexercised Options Unexercisable (#) (c)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#) (d)	Option Exercise Price ($) (e)	Option Expiration Date (f)
Jason P. Rhode, President and Chief Executive Officer	10,000	-		$ 3.87	8/7/2012
	90,000	-		$ 4.58	3/2/2015
	30,000	-		$ 5.16	10/6/2014
	93,853	171,147		$ 5.25	10/1/2018
	-	375,000		$ 5.55	10/7/2019
	15,000	-		$ 6.97	10/24/2013
	223,437	101,563		$ 7.87	6/6/2017
	80,000	-		$ 8.06	3/1/2016
	3,400	-		$14.33	2/21/2012
	3,400	-		$15.30	8/15/2011
	10,000	-		$16.69	4/3/2010
	10,000	-		$17.15	4/3/2012
	5,000	-		$32.56	10/3/2010

Outstanding Equity Awards at Fiscal Year-End (continued from previous page)

Thurman K. Case, Vice President, Chief Financial Officer, and Principal Accounting Officer	27,159(2)	-		$3.40	6/23/2013
	25,000	-		$4.58	3/2/2015
	17,708	32,292		$5.25	10/1/2018
	-	70,000		$5.55	10/7/2019
	45,312	29,688		$6.51	10/3/2017
	30,000	-		$8.06	3/1/2016
	25,000	-		$8.17	4/7/2014
	37,499	12,501		$8.41	3/7/2017
Scott Anderson, Senior Vice President And General Manager, Mixed Signal Audio	24,083	43,917		$5.25	10/1/2018
	-	90,000		$5.55	10/7/2019
	116,666	83,334		$5.67	11/7/2017
Gregory S. Thomas, Vice President, General Counsel and Corporate Secretary	22,383(2)	-		$3.40	6/23/2013
	60,000	-		$4.58	3/2/2015
	24,083	43,917		$5.25	10/1/2018
	-	90,000		$5.55	10/7/2019
	45,312	29,688		$6.51	10/3/2017
	100,000	-		$7.53	12/18/2013
	80,000	-		$8.06	3/1/2016
Timothy Turk, Vice President, Worldwide Sales	24,083	43,917		$5.25	10/1/2018
	-	70,000		$5.55	10/7/2019
	93,749	56,251		$6.71	9/5/2017

(1) Unless otherwise noted within this column, all options vest over four years, with a one-year cliff vesting for 25% of the options and 1/36 of the remaining options vesting on a monthly basis over the following three years.

(2) Options granted on June 23, 2003, to Messrs. Case and Thomas vested over four years, with a six-month cliff vesting for 20% of the options, a 12-month cliff vesting for 20% of the options, and 1/36 of the remaining options vesting on a monthly basis over the following three years.

2010 Options Exercised and Stock Vested

During fiscal year 2010, no options were exercised and no restricted stock vested by our Named Executive Officers.

Pension Benefits and Nonqualified Deferred Compensation

The Company does not sponsor or maintain either a defined benefit pension plan or a nonqualified deferred compensation plan for the benefit of its employees.

Potential Payments upon Termination or Change of Control.

The Company does not maintain individual employment, severance, or change of control agreements with the Named Executive Officers; however, on July 26, 2007, our Compensation Committee approved and adopted an Executive Severance and Change of Control Plan (the "2007 Severance

Plan") providing certain benefits to individuals employed by the Company and its subsidiaries at the level of Chief Executive Officer and Vice President or above and reporting directly to the Chief Executive Officer ("Eligible Executives") in the event that an executive is involuntarily terminated other than for cause or whose employment terminates following a change of control of the Company. The Plan became effective on October 1, 2007.

The Company adopted and maintains the 2007 Severance Plan because we believe it helps to ensure that we are able to attract and retain top talent. Further, we believe that our plan provides a level of stability for our executives during volatile business conditions that have historically existed so that they remain focused on their responsibilities and the long-term interests of the Company during such times.

The 2007 Severance Plan provides that, in the event of an Eligible Executive's involuntary termination other than for "cause," an Eligible Executive will be eligible to receive: (i) a continuation of base salary for a period of up to 6 months (up to 12 months for the Company's Chief Executive Officer) following termination, and (ii) payment in full of a reasonable estimate of COBRA premiums for three (3) months.

The 2007 Severance Plan further provides that, if an Eligible Executive's employment is terminated either by the Company without "cause" or by the Eligible Executive for "good reason" within 12 months following a "change in control," the Eligible Executive will be eligible to receive: (i) a lump sum payment equal to twelve (12) months' salary, (ii) acceleration in full of any unvested stock options or any other securities or similar incentives that have been granted or issued to the Eligible Executive as of the termination date, and (iii) payment in full of a reasonable estimate of COBRA premiums for twelve (12) months. The Eligible Executive shall have six months from the termination date to exercise any vested options.

For purposes of the 2007 Severance Plan, the term "cause" means (i) gross negligence or willful misconduct in the performance of an executive officer's duties; (ii) a material and willful violation of any federal or state law that if made public would injure the business or reputation of the Company; (iii) a refusal or willful failure to comply with any specific lawful direction or order of the Company or the material policies and procedures of the Company including but not limited to the Company's Code of Conduct and the Company's Insider Trading Policy as well as any obligations concerning proprietary rights and confidential information of the Company; (iv) a conviction (including a plea of *nolo contendere*) of a felony, or of a misdemeanor that would have a material adverse effect on the Company's goodwill if the executive officer were to continue to be retained as an employee of the Company; or (v) a substantial and continuing willful refusal to perform duties ordinarily performed by an employee in the same position and having similar duties as the executive officer. The term "good reason" means: (i) without the executive officer's express written consent, a material reduction of the executive officer's duties, authority, or responsibilities relative to the executive's duties, authority, or responsibilities as in effect immediately prior to such reduction; (ii) a material reduction by the Company in the base salary of an executive officer as in effect immediately prior to such reduction; or (iii) the relocation of an executive officer's principal work location to a facility or a location more than fifty (50) miles from executive officer's then present principal work location. "Good reason" shall not exist unless the executive officer provides written notice of the circumstances alleged to give rise to good reason within thirty (30) days of their occurrence and we (or our successor) fails to cure such circumstances within thirty (30) days.

For purposes of the 2007 Severance Plan, the term "change of control" means the occurrence of one or more of the following with respect to the Company: (i) the acquisition by any person (or related group of persons), whether by tender or exchange offer made directly to the Company's stockholders, open market purchases or any other transaction or series of transactions, of stock of the Company that, together with stock of the Company held by such person or group, constitutes more than fifty percent (50%) of the total fair market value or total voting power of the then outstanding stock of the Company entitled to vote generally in the election of the members of the Company's Board of

Directors; (ii) a merger or consolidation in which the Company is not the surviving entity, except for a transaction in which both (A) securities representing more than fifty percent (50%) of the total combined voting power of the surviving entity are beneficially owned (within the meaning of Rule 13d-3 promulgated under the Securities Exchange Act of 1934), directly or indirectly, immediately after such merger or consolidation by persons who beneficially owned common stock immediately prior to such merger or consolidation, and (B) the members of the Board of Directors immediately prior to the transaction (the "Existing Board") constitute a majority of the Board of Directors immediately after such merger or consolidation; (iii) any reverse merger in which the Company is the surviving entity but in which either (A) persons who beneficially owned, directly or indirectly, Common Stock immediately prior to such reverse merger do not retain immediately after such reverse merger direct or indirect beneficial ownership of securities representing more than fifty percent (50%) of the total combined voting power of the Company's outstanding securities or (B) the members of the existing Board do not constitute a majority of the Board of Directors immediately after such reverse merger; or (iv) the sale, transfer or other disposition of all or substantially all of the assets of the Company (other than a sale, transfer or other disposition to one or more subsidiaries of the Company).

The 2007 Severance Plan may not be amended or terminated without the consent of any Eligible Executive during the one year prior to or following the occurrence of a change in control, if such amendment would be adverse to the interest of such Eligible Executive. If any payment or benefit under the 2007 Severance Plan would be a parachute payment (within the meaning of Section 280G of the Internal Revenue Code) and would therefore result in the imposition of an excise tax, an Eligible Executive's payments and benefits will not exceed the amount that produces the greatest after-tax benefit to the executive.

In order to receive severance payments under the 2007 Severance Plan, an Eligible Executive must execute a release of all claims against the Company.

In addition, under the Company's 2007 Management and Key Individual Contributors Incentive Plan (the "Incentive Plan"), as described further in the Compensation Discussion and Analysis of this proxy, a participant must be continuously employed through the last day of the applicable plan cycle and through the date that cash bonuses under the Incentive Plan for such plan cycle are actually paid. However, participants whose employment terminates under certain circumstances (such as without "cause" or due to death or "disability") during a plan cycle will be eligible to receive a pro rata cash bonus payment based on the number of days the participant was employed during that plan cycle and our actual performance during the plan cycle. The pro rata bonus amount will be paid to the terminated participant on or before the 15th day of the third month after the later of (i) the last day of the calendar year in which the termination occurred or (ii) the last day of our taxable year in which the termination occurred. In addition, if a change of control occurs and our successor does not assume the Incentive Plan, each participant will receive a pro rata cash bonus payment based on the number of calendar days completed in the current plan cycle multiplied by an incentive plan pay-out percentage of 100 percent. Any such payment will be made in a lump sum in cash within ten (10) days of the change of control.

For purposes of the Incentive Plan, the term "cause" means (i) gross negligence or willful misconduct in the performance of a participant's duties to us after one written warning detailing the concerns and offering the participant opportunities to cure, (ii) material and willful violation of any federal or state law, (iii) commission of any act of fraud with respect to us, (iv) conviction of a felony or any crime causing material harm to our standing and reputation, or (v) intentional and improper disclosure of our confidential or proprietary information. The term "disability" means total and permanent disability as defined in accordance with our long term disability plan.

For purposes of the Incentive Plan, the term "change in control" means (i) the sale, lease, conveyance or other disposition of all or substantially all of our assets to any person, entity or group of persons acting in concert, (ii) any person (as defined in Section 13(d) and 14(d) of the Securities

Exchange Act of 1934) becoming the beneficial owner (as defined in Rule 13d-3 under the Securities Exchange Act of 1934), directly or indirectly, of our securities representing 50% or more of the total voting power represented by our then outstanding voting securities, or (iii) a merger or consolidation of us with any other corporation, other than a merger or consolidation that would result in our voting securities outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or party outstanding immediately after such merger or consolidation).

The discussion and tables below disclose the amount of compensation and/or other benefits due to the Named Executive Officers in the event of their termination or employment and/or in the event we undergo a change in control. The amounts disclosed assume that such termination and/or the occurrence of such change of control was effective as of March 27, 2010. The amounts below have been calculated using numerous other assumptions that we believe to be reasonable and include amounts earned through March 27, 2010, and estimates to the amounts that would be paid out to the Named Executive Officers upon their respective terminations and/or upon the occurrence of a change of control. The actual amounts to be paid out are dependent on various factors, which may or may not exist at the time a Named Executive Officer is actually terminated and/or a change of control actually occurs. Therefore, such amounts and disclosures should be considered "forward looking statements."

The estimated amount of compensation payable to each of our Named Executive Officers pursuant to the 2007 Severance Plan and the Incentive Plan in the event of involuntary termination other than for cause is set forth in the table below:

Name	Salary Continuation (1)	Health Benefits (2)	Cash Bonus under Incentive Plan	Total
Jason P. Rhode, President and Chief Executive Officer	$ 390,000	$ 1,358	$ —	$ 391,358
Thurman K. Case, Vice President, Chief Financial Officer, and Principal Accounting Officer	$ 122,500	$ 4,761	$ —	$ 127,261
Scott Anderson Senior Vice President and General Manager, Mixed-Signal Audio	$ 137,500	$ 2,986	$ —	$ 140,486
Gregory S. Thomas, Vice President, General Counsel and Corporate Secretary	$ 137,500	$ 4,357	$ —	$ 141,857
Tim Turk, Vice President, Worldwide Sales	$ 127,500	$ 4,761	$ —	$ 132,261

(1) The salary continuation payment for the Chief Executive Officer represents twelve months of his base salary as in effect on March 27, 2010; for all Named Executive Officers, the amount is based on six months of base salary.
(2) The valuation of healthcare benefits is based on an estimate of the COBRA payments required for the three month period payable by the Company.

The estimated amount of compensation payable to each of our currently-employed Named Executive Officers pursuant to the 2007 Severance Plan in the event of termination following a change of control, other than for cause, is set forth in the table below. The possible application of any cutback required under the 2007 Severance Plan due to Section 280G of the Internal Revenue Code has not been included in these calculations:

Name	Salary Continuation	Accelerated Vesting of Unvested Options (1)	Health Benefits (2)	Cash Bonus Under Incentive Plan (3)	Total
Jason P. Rhode, President and Chief Executive Officer	$ 390,000	$ 2,417,220	$ 5,432	$ 146,250	$ 2,958,902
Thurman K. Case, Vice President, Chief Financial Officer, and Principal Accounting Officer	$ 245,000	$ 506,885	$ 19,042	$ 61,250	$ 832,177
Scott Anderson, Senior Vice President and General Manager, Mixed-Signal Audio	$ 275,000	$ 811,751	$ 11,943	$ 68,750	$ 1,167,444
Gregory S. Thomas, Vice President, General Counsel and Corporate Secretary	$ 275,000	$ 635,606	$ 17,427	$ 68,750	$ 996,783
Tim Turk, Vice President, Worldwide Sales	$ 255,000	$ 589,707	$ 19,042	$ —	$ 863,749

(1) The valuation of accelerated vesting is based on the estimated value that would have been realized based on the difference between the exercise price of the options that were subject to accelerated vesting and the closing price of our common stock on March 26, 2010, which was $7.89.

(2) The valuation of healthcare benefits is based on an estimate of the COBRA payments required for the 12-month period payable by the Company.

(3) Mr. Turk did not participate in the Incentive Plan.

EQUITY COMPENSATION PLAN INFORMATION

The following table provides information about the Company's common stock that may be issued upon the exercise of options, warrants, and rights under all of the Company's existing equity compensation plans as of March 27, 2010, including the 1990 Directors' Stock Option Plan, the 1996 Stock Plan, the 2002 Stock Option Plan, the 2006 Stock Incentive Plan, the ShareWave, Inc. 1996 Flexible Stock Incentive Plan, the Stream Machine Company 1996 Stock Plan, and the Stream Machine Company non-statutory stock option grants made outside of a plan (in thousands, except per share amounts):

	(A) Number of Securities to be issued upon exercise of outstanding options, warrants, and rights	(B) Weighted-average exercise price of outstanding options, warrants, and rights	(C) Number of securities remaining available for future issuance under equity compensation plans (except securities reflected in column (A))
Equity compensation plans approved by security holders (1)	8,240	$7.30	9,892 (2)
Equity compensation plans not approved by security holders (3)	2,139	$6.03	—
Total	10,379	$6.74	9,892

(1) The Company's stockholders have approved the Company's 1990 Directors' Stock Option Plan, the 1996 Stock Plan, and the 2006 Stock Incentive Plan. The following plans were assumed by the Company at the time of acquisition, and Cirrus Logic stockholder approval was not required for these plans or their respective outstanding grants, as they were approved by the acquired companies' stockholders: the ShareWave, Inc. 1996 Flexible Stock Incentive Plan, the Stream Machine Company 1996 Stock Plan, and the Stream Machine Company non-statutory stock option grants made outside of a plan.

(2) Our Board discontinued all future grants under the option plans that we assumed in connection with our past acquisitions; as a result, shares under these plans have not been included in the total shares remaining available for future issuance. As of March 27, 2010, the Company was granting equity awards only under the 2006 Stock Incentive Plan. Approximately 38,000 shares have been deducted from the shares available for future issuance under the 2006 Stock Incentive Plan due to a 1.5 full value award multiplier applied to restricted stock awards pursuant to the plan.

(3) In August 2002, the Board approved the 2002 Stock Option Plan, which permits awards of fair market value stock options to non-executive employees. As of July 2006, when our stockholders approved the adoption of the 2006 Stock Incentive Plan, we canceled all remaining options available for grant under the 2002 Stock Option plan.

REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

The Audit Committee is comprised solely of independent directors, as defined by the applicable Nasdaq listing standards and rules of the SEC, and it operates under a written charter adopted by the Board, which is available under the Corporate Governance section of our "Investors" page on our Web site at *www.cirrus.com*. The composition of the Audit Committee, the attributes of its members, and the responsibilities of the Audit Committee, as reflected in its charter, are intended to comply with applicable requirements for corporate audit committees. The Sarbanes-Oxley Act of 2002 added provisions to federal law to strengthen the authority of, and increase the responsibility of, corporate audit committees. In 2004, Nasdaq also adopted, and the SEC approved, additional rules concerning audit committee structure, membership, authority, and responsibility. The Audit Committee amended and restated its charter in response to the Sarbanes-Oxley Act and the Nasdaq listing standards, and continues to review and assess the adequacy of its charter on an annual basis, and will revise it to comply with other new rules and regulations as they are adopted.

As described more fully in its charter, the primary focus of the Audit Committee is to assist the Board in its general oversight of the Company's financial reporting, internal control, and audit functions. Management is responsible for the preparation, presentation, and integrity of the Company's financial statements; accounting and financial reporting principles; internal controls; and procedures designed to assure compliance with accounting standards, applicable laws and regulations. The Company's independent registered public accounting firm, Ernst & Young, is responsible for performing an independent audit of the consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight Board.

In accordance with the Sarbanes-Oxley Act and the Nasdaq listing standards, the Audit Committee has ultimate authority and responsibility to select, compensate, evaluate and, when appropriate, replace the Company's independent registered public accounting firm.

The Audit Committee serves an oversight role for the Board in which it provides advice, counsel, and direction to management and the auditors on the basis of the information it receives, discussions with management and the auditors, and the experience of the Audit Committee's members in business, financial and accounting matters. The Audit Committee members are not professional auditors, and their functions are not intended to duplicate or to certify the activities of management and the independent auditors, nor can the Audit Committee certify that the independent auditors are "independent" under applicable rules.

In this context, the Audit Committee has met and held discussions with management and Ernst & Young. Management represented to the Audit Committee that the audited financial statements of the Company contained in the Company's Annual Report to Stockholders for the year ended March 27, 2010, were prepared in accordance with U.S. generally accepted accounting principles, and the Audit Committee has reviewed and discussed the consolidated financial statements with management and the independent auditors. The Audit Committee discussed with Ernst & Young matters required to be discussed by Statement on Auditing Standards No. 61, as amended (AICPA, Professional Standards, Vol. 1. AU section 380), as adopted by the Public Company Accounting Oversight Board ("PCAOB") in Rule 3200T.

The Audit Committee has received and reviewed the written disclosures and the letter from Ernst & Young required by PCAOB Rule 3526 regarding the independent accountant's communications with the Audit Committee concerning independence, and the Audit Committee discussed with Ernst & Young the firm's independence. In addition, the Audit Committee has considered whether the provision of non-audit services is compatible with maintaining Ernst & Young's independence.

Based upon the Audit Committee's discussions with management and the independent auditors, and the Audit Committee's review of the representations of management, and the report of the independent auditors to the Audit Committee, the Audit Committee recommended that the Board include the audited consolidated financial statements in the Company's Annual Report on Form 10-K for the year ended March 27, 2010, as filed with the SEC.

Submitted by the Audit Committee of the Board:

Robert H. Smith, Chairman
John C. Carter
D. James Guzy

AUDIT AND NON-AUDIT FEES AND SERVICES

Audit and Related Fees

The following table shows the fees paid or accrued by the Company for the audit and other services provided by Ernst & Young, LLP for fiscal years 2010 and 2009.

	2010	2009
Audit Fees	$395,160	$402,500
Audit-Related Fees	0	2,000
Tax Fees	10,043	13,750
All Other Fees	0	0
TOTAL	$405,203	$418,250

Audit Fees. Audit services consisted of the audit of the Company's consolidated financial statements and of management's assessment of the operating effectiveness of internal control over financial reporting included in the Company's annual report on Form 10-K, the review of the Company's financial statements included in its quarterly reports on Form 10-Q, and statutory audits required internationally.

Audit-Related Fees. Audit-related services generally include fees for accounting consultations and registration statements filed with the SEC.

Tax Fees. Tax services include tax compliance services, technical tax advice, administrative fees, as well as certain expatriate services.

All Other Fees. There were no other fees during fiscal year 2010 or 2009.

Pre-Approval Policies and Procedures

The Audit Committee has adopted a policy for the pre-approval of audit, audit-related, and non-audit services provided by the Company's independent registered public accounting firm.

For audit and audit-related services, the independent auditor will provide the Audit Committee with an engagement letter and estimated budget for formal acceptance and approval at the beginning of the fiscal year. A list of non-audit services and estimated budget for such services for the upcoming fiscal year shall be submitted to the Audit Committee by Company management for pre-approval. To ensure prompt handling of unexpected non-budgeted non-audit related services, the Audit

Committee has delegated to its Chair the authority to amend or modify the list of approved permissible non-audit services and fees if the cost of the service is less than $100,000. Any such unexpected services for which the cost is more than $100,000 shall be approved by the Audit Committee. If the Chair takes any action, the Chair will report such action to the Audit Committee at the next Audit Committee meeting.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Indemnification and Insurance. Our Bylaws require us to indemnify our directors and executive officers to the fullest extent permitted by Delaware law. We have entered into indemnification agreements with all of our directors and executive officers and have purchased directors' and officers' liability insurance.

Procedures for Review, Approval, and Ratification of Related Party Transactions. The Board recognizes that Related Party Transactions (as defined below) can present conflicts of interest and questions as to whether transactions are in the best interests of the Company. Accordingly, the Board has documented and implemented certain procedures for the review, approval, or ratification of Related Party Transactions. Pursuant to these procedures, the Audit Committee must review, approve, or ratify any transactions with Related Parties (as defined below). When it is impractical to wait for a scheduled Audit Committee meeting, a proposed related-party transaction may be submitted to the Audit Committee Chair for approval and then subsequently reported to the Committee at the next Committee meeting.

This procedure seeks to ensure that Company decisions are based on the merits of the transaction and the interests of the Company and its stockholders. It is the Company's preference to avoid Related Party Transactions but when, in the course of business, transactions with related parties are unavoidable, this procedure sets forth a methodology for considering a proposed Related Party Transaction. The standard to be applied when evaluating a proposed Related Party Transaction is whether such transactions are at arms length and on terms comparable to those terms provided to other unrelated entities in the marketplace.

For these purposes, a "Related Party" is any person who: (1) is, or at any time since the beginning of the company's last fiscal year, was a director or executive officer of the Company or a nominee to become a director of the Company; (2) is known to be the beneficial owner of more than 5% of any class of the Company's voting securities; (3) is an immediate family member of any of the foregoing persons of the director, executive officer, nominee or more than 5% beneficial owner, and any person sharing the household of such director, executive officer, nominee or more than 5% beneficial owner; and (4) any firm, corporation, or other entity in which any of the foregoing persons is employed, is a 5% beneficial owner, or is a partner, principal, or in a similar position of control or in which such person has a substantial ownership interest or control of the entity.

For these purposes, a "Related Party Transaction" is any transaction, arrangement, or relationship (or any series of similar transactions, arrangements or relationships) in which the Company (including any of its subsidiaries) was, is, or will be a participant and in which a Related Party had, has, or will have a direct interest. The Company has not established a materiality limit for purposes of defining a Related Party Transaction.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's executive officers and directors and persons who own more than 10% of a registered class of the Company's equity securities to file an initial report of ownership on Form 3 and changes in ownership on Form 4 or 5 with the SEC. Executive officers, directors, and greater than ten percent stockholders are also required by the federal securities rules to furnish the Company with copies of all Section 16(a) forms they file.

Based solely on a review of copies of the Forms 3, 4, and 5 received by the Company or representations from certain reporting persons, the Company believes that, during the fiscal year 2010, all Section 16(a) filing requirements applicable to its officers, directors, and 10% stockholders were met in a timely manner.

HOUSEHOLDING

The Securities and Exchange Commission has adopted rules that permit companies and intermediaries (such as brokers) to implement a delivery procedure called "householding." Under this procedure, multiple stockholders who reside at the same address may receive a single copy of our annual report and proxy materials, including the Notice of Internet Availability of Proxy materials, unless the affected stockholder has provided contrary instructions. This procedure reduces printing costs and postage fees.

This year, we expect that a number of brokers with account holders who beneficially own our common stock will be "householding" our annual report and proxy materials, including the Notice of Internet Availability of Proxy Materials. A single Notice of Internet Availability of Proxy Materials and, if applicable, a single set of annual report and other proxy materials will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker that it will be "householding" communications to your address, "householding" will continue until you are notified otherwise or until you revoke your consent. Stockholders may revoke their consent at any time by contacting Broadridge ICS, either by calling toll-free (800) 542-1061, or by writing to Broadridge ICS, Householding Department, 51 Mercedes Way, Edgewood, New York, 11717.

We will promptly deliver to you a separate copy of our annual report and proxy materials for the 2010 Annual Meeting and for future meetings if you so request. Please also contact Broadridge ICS if you wish to request delivery of a single copy of materials if you currently receive multiple copies.

COMMUNICATING WITH US

Communicating with the Board

If you would like to contact the Board, including a committee of the Board, you may write to the following address:

Board of Directors
c/o Corporate Secretary
Cirrus Logic, Inc.
2901 Via Fortuna
Austin, Texas 78746

The Corporate Secretary or chair of the Governance and Nominating Committee, as appropriate, reviews all correspondence addressed to the Board and regularly forwards to the Board a summary of all such correspondence that, in the opinion of the Corporate Secretary or chair of the Governance and Nominating Committee, deals with the functions of the Board or the Board Committees. Directors may at any time review a log of all correspondence received by the Company that is addressed to the Board or individual Board members. Concerns relating to accounting, internal controls, or auditing issues will be immediately brought to the attention of the chair of the Audit Committee.

Other Communications
If you would like to receive information about the Company, you may use one of these convenient methods:

1. To have information such as our latest Annual Report on Form 10-K or Form 10-Q mailed to you, please call our Investor Relations Department at (512) 851-4125.
2. To view our home page on the Internet, use our Web site address: *www.cirrus.com*. Our home page provides you access to product, marketing and financial data, job listings, and an on-line version of this proxy statement, our Annual Report on Form 10-K, and other filings with the SEC.

If you would like to write to us, please send your correspondence to the following address:

Cirrus Logic, Inc.
Attention: Investor Relations
2901 Via Fortuna
Austin, TX 78746

If you would like to inquire about stock transfer requirements, lost certificates, and change of stockholder address, please contact our transfer agent, Computershare Investor Services, at (781) 575-2879 or by email to shareholder@computershare.com. You may also visit their Web site at *www.computershare.com* for step-by-step transfer instructions.

If you would like to report any inappropriate, illegal, or criminal conduct by any employee, agent, or representative of the Company; any violation of the Company's Code of Conduct; or any complaint or concern regarding accounting, internal accounting controls or auditing matters, you may file an anonymous and confidential report by contacting EthicsPoint, an independent reporting system provider, by telephone at 1-866-384-4277 (1-866-ETHICSP), or through its website at www.ethicspoint.com.

ANNUAL REPORT

On June 1, 2010, we filed with the SEC an Annual Report on Form 10-K for the fiscal year ended March 27, 2010. The Annual Report on Form 10-K has been provided concurrently with this proxy Statement to all stockholders entitled to notice of, and to vote at, the Annual Meeting.

Stockholders may also obtain a copy of the Annual Report on Form 10-K and any of our other SEC reports, free of charge, (1) from the SEC's website at www.sec.gov, (2) from our website at www.cirrus.com, or (3) by writing to Investor Relations, Cirrus Logic, Inc., 2901 Via Fortuna, Austin, TX 78746. The Annual Report on Form 10-K is not incorporated into this proxy statement and is not considered proxy solicitation material.

BY ORDER OF THE BOARD OF DIRECTORS

Jason P. Rhode
President and Chief Executive Officer
Austin, Texas
June 1, 2010

Annual Meeting of Stockholders
Cirrus Logic, Inc.
2901 Via Fortuna
Austin, Texas 78746
July 23, 2010
1:00 P.M.

ADMIT ONE

Annual Meeting of Stockholders
Cirrus Logic, Inc.
2901 Via Fortuna
Austin, Texas 78746
July 23, 2010
1:00 P.M.

ADMIT ONE

CONTACT US

For technical assistance in North America, please call:
1-800-625-4084.

For International technical assistance, please contact the Cirrus Logic office in your region.

For a complete list of Cirrus Logic's sales representatives and distributors, please visit the Contacts area at www.cirrus.com.

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LEARN MORE AT
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