

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. This document contains a proposal which, if implemented, will result in the cancellation of the listing of Wolfson Shares on the London Stock Exchange's main market for listed securities. If you are in any doubt as to the action you should take, you are recommended to seek your own independent financial advice immediately from an independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended), if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

If you sell or have sold or otherwise transferred all of your Wolfson Shares, please send this document and any accompanying documents, but not the personalised Forms of Proxy, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents must not be forwarded, distributed or transmitted in, into or from any jurisdiction in which such act would constitute a violation of the relevant laws or regulations of such jurisdiction. If you sell or have sold or transferred only part of your holding of Wolfson Shares, please retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

The release, publication or distribution of this document and/or the accompanying documents (in whole or in part) in or into jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Recommended Cash Acquisition of

Wolfson Microelectronics plc

(Incorporated in Scotland with Company Number SC089839)

by

Cirrus Logic, Inc.

(Incorporated under the laws of the State of Delaware, USA)

(to be effected by means of a scheme of arrangement
under Part 26 of the Companies Act 2006)

Circular to shareholders and Explanatory Statement under section 897 of the Companies Act 2006, Notice of Court Meeting and Notice of Wolfson General Meeting

This document (including any document incorporated into it by reference) should be read as a whole, together with the accompanying Forms of Proxy. In particular, your attention is drawn to Part One (*Letter from the Chairman of Wolfson Microelectronics plc*) of this document, which contains the unanimous recommendation of the Wolfson Directors that you vote in favour of the Scheme at the Court Meeting and the resolutions at the Wolfson General Meeting. A letter from J.P. Morgan Cazenove explaining the Scheme appears in Part Two (*Explanatory Statement*) of this document and, together with the information incorporated by reference therein, constitutes an explanatory statement in compliance with section 897 of the Companies Act.

Notices of the Court Meeting and the Wolfson General Meeting, each of which will be held at 44 Westfield Road, Edinburgh EH11 2QB on 23 June 2014, are set out in Parts Ten (*Notice of Court Meeting*) and Eleven (*Notice of Wolfson General Meeting*) of this document. The Court Meeting is scheduled to start at 2pm on that date and the Wolfson General Meeting is scheduled to start at 2.15pm, or as soon thereafter as the Court Meeting is concluded or adjourned.

Your attention is drawn to pages 3 and 4 of this document, which explain the actions you should take in relation to the Scheme. It is very important that Wolfson Shareholders use their votes so that the Court can be satisfied that there is a fair and reasonable representation of Scheme Shareholders' views at the Court Meeting.

J.P. Morgan Limited is authorised and regulated in the United Kingdom by the FCA. J.P. Morgan Securities plc is authorised in the United Kingdom by the PRA and regulated by the FCA and the PRA. J.P. Morgan Limited and J.P. Morgan Securities plc conduct their respective UK investment banking business as J.P. Morgan Cazenove. J.P. Morgan Limited is acting as financial adviser and J.P. Morgan Securities plc is acting as corporate broker exclusively for Wolfson and no one else in connection with the matters set out in this document and will not regard any other person as their client in relation to the matters in this document and will not be responsible to anyone other than Wolfson for providing the protections afforded to clients of J.P. Morgan Limited or J.P. Morgan Securities plc, nor for providing advice in relation to any matter referred to herein.

Citigroup Global Markets Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Wolfson and for no one else in connection with the matters set out in this document and will not be responsible to anyone other than Wolfson for providing the protections afforded to its clients or for providing advice in connection with the matters set out in this document.

Goldman Sachs, which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting for Cirrus Logic and no one else in connection with the Acquisition and will not be responsible to anyone other than Cirrus Logic for providing the protections afforded to clients of Goldman Sachs, or for giving advice in connection with the Acquisition or any matter referred to herein.

IMPORTANT NOTICE

Overseas jurisdictions

The availability of the Acquisition to Wolfson Shareholders who are not resident or ordinarily resident in the United Kingdom may be affected by the laws of the jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements.

The release, publication or distribution of this document in certain jurisdictions may be restricted by law. Persons who are not resident or ordinarily resident in the United Kingdom or who are subject to the laws of other jurisdictions should inform themselves of, and observe, any applicable requirements. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This document has been prepared for the purposes of complying with UK law, the Listing Rules, the rules of the London Stock Exchange and the Code and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

The Acquisition will not be made, directly or indirectly, in, into or from any jurisdiction where to do so would violate the laws in that jurisdiction. Accordingly, copies of this document and formal documentation relating to the Acquisition will not be, and must not be, mailed or otherwise forwarded, distributed or sent in, into or from any jurisdiction where to do so would violate the laws of that jurisdiction.

Notice to US Holders of Wolfson Shares

US Holders should note that the Acquisition relates to the securities of a UK company, is subject to UK disclosure requirements (which are different from those of the US) and is proposed to be implemented under a scheme of arrangement provided for under UK company law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules under the US Exchange Act and the proxy solicitation rules under the US Exchange Act will not apply to the Acquisition. Accordingly, the Scheme will be subject to UK disclosure requirements and practices, which are different from the disclosure requirements of the US tender offer and proxy solicitation rules. The financial information in relation to Wolfson included in this document has been, or will have been, prepared in accordance with IFRS and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US. However, if Cirrus Logic were to exercise its right to implement the Acquisition of the Wolfson Shares by way of a Takeover Offer, such offer would be made in compliance with US tender offer and securities laws and regulations to the extent applicable.

The receipt of cash pursuant to the Acquisition by a US Holder as consideration for the cancellation of its Scheme Shares pursuant to the Scheme may be a taxable transaction for US federal income tax purposes

and under applicable US state and local, as well as foreign and other, tax laws. Each Wolfson Shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to him.

It may be difficult for US Holders to enforce their rights and claims arising out of the US federal securities laws, since Wolfson is located in a country other than the US, and some or all of its officers and directors may be residents of countries other than the US. US Holders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

In accordance with normal UK practice and, if Cirrus Logic were to exercise its right to implement the Acquisition by way of a Takeover Offer, pursuant to Rule 14e-5(b) of the US Exchange Act, Cirrus Logic or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Wolfson Shares outside the US, other than pursuant to the Acquisition, until the date on which the Acquisition and/or the Scheme becomes effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to the Regulatory News Service of the London Stock Exchange and will be available on the London Stock Exchange website at <http://www.londonstockexchange.com/prices-and-news/pricesnews/home.htm>.

Forward-looking statements

This document contains statements about Cirrus Logic and Wolfson that are or may be forward-looking statements. All statements other than statements of historical facts included in this document may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “should”, “could”, “would”, “may”, “anticipates”, “estimates”, “synergy”, “cost-saving”, “projects”, “goal”, “hopes”, “continues”, “strategy”, “budget”, “forecast” or “might”, or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Cirrus Logic's or Wolfson's operations and potential synergies resulting from the Acquisition; (iii) the effects of government regulation on either of Cirrus Logic's or Wolfson's business; and (iv) the expected timing of the Scheme.

Such forward-looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Due to such uncertainties and risks, no assurances can be given that such expectations will prove to have been correct and readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. None of Wolfson, Cirrus Logic or any member of the Cirrus Logic Group assumes any obligation or intends publicly to update or revise any forward-looking or other statements contained herein, except as required by applicable law.

There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are the behaviour of major customers of Cirrus Logic and Wolfson, changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions.

Not a profit forecast

Save where specifically stated, no statement in this document is intended as a profit forecast or profit estimate and no statement in this document should be interpreted to mean that the future earnings per share of Wolfson, Cirrus Logic and/or the Cirrus Logic Group as enlarged by the Acquisition for current or future financial years will necessarily match or exceed the historical or published earnings per share of Wolfson or Cirrus Logic.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30pm (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0) 20 7638 0129.

Electronic communications

Please be aware that addresses, electronic addresses and certain other information provided by Wolfson Shareholders, persons with information rights and other relevant persons for the receipt of communications from Wolfson may be provided to Cirrus Logic during the offer period as required under Section 4 of Appendix 4 to the Code to comply with Rule 2.12(c).

Publication on website and hard copies

A copy of this document is available free of charge (subject to any applicable restrictions with respect to persons resident in Restricted Jurisdictions) on Wolfson's and Cirrus Logic's websites (www.wolfsonmicro.com and www.cirrus.com, respectively).

You may request hard copies of any document published on Wolfson's website in connection with the Acquisition by contacting the Company Secretary of Wolfson during business hours on +44 (0)131 272 7000 or by submitting a request in writing to the Company Secretary of Wolfson at Westfield House, 26 Westfield Road, Edinburgh EH11 2QB. You may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.

Rounding

Certain figures included in this document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Certain words and terms used in this document are defined in Part Nine (*Definitions*) of this document. All times referred to are London time unless otherwise stated.

Unless otherwise stated in this document, £1 = \$1.68.

The date of publication of this document is 22 May 2014

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The following indicative timetable sets out the expected dates for implementation of the Acquisition:

<u>Event</u>	<u>Expected time/date⁽¹⁾</u>
Latest time for lodging Forms of Proxy for the:	
• Court Meeting (BLUE form)	2pm on 19 June 2014 ⁽²⁾
• Wolfson General Meeting (WHITE form)	2.15pm on 19 June 2014 ⁽³⁾
Scheme Voting Record Time	6.00pm on 19 June 2014 ⁽⁴⁾
Court Meeting	2pm on 23 June 2014
Wolfson General Meeting	2.15pm on 23 June 2014⁽⁵⁾
Court Hearing to sanction the Scheme	D ⁽⁶⁾
Last day of dealings in, and for registration of transfers of, and disablement in CREST of, Wolfson Shares	D+1 ⁽⁷⁾
Suspension of dealings in Wolfson Shares	By 5pm on D+1 ⁽⁷⁾
Scheme Record Time	6pm on D+1 ⁽⁷⁾
Court Hearing to confirm the Capital Reduction and authorise the Re-registration	D+2 ⁽⁷⁾
Effective Date of the Scheme	D+3 ⁽⁷⁾
Despatch of cheques in respect of Cash Price or CREST accounts credited in respect of Cash Price	By D+17 ⁽⁷⁾
Latest date by which Scheme must be implemented	31 October 2014 ⁽⁸⁾

Notes:

- (1) All times set out in this timetable refer to London time unless otherwise stated.
- (2) It is requested that BLUE Forms of Proxy for the Court Meeting be lodged by: (i) 2pm on 19 June 2014; or (ii) if the Court Meeting is adjourned, not later than 48 hours prior to the time appointed for the Court Meeting (excluding any day that is not a working day), and in each case, in accordance with the instructions on the BLUE Form of Proxy. BLUE Forms of Proxy not so lodged may be handed to Equiniti Limited (on behalf of the chairman of the Court Meeting) before the start of the Court Meeting and will still be valid.
- (3) WHITE Forms of Proxy for the Wolfson General Meeting must be lodged by: (i) 2.15pm on 19 June 2014; or (ii) if the Wolfson General Meeting is adjourned, not later than 48 hours prior to the time appointed for the Wolfson General Meeting (excluding any day that is not a working day), and, in each case, in accordance with the instructions on the WHITE Form of Proxy. If the WHITE Form of Proxy is not so lodged, it will be invalid.
- (4) If either the Court Meeting or the Wolfson General Meeting is adjourned, the Scheme Voting Record Time for the relevant adjourned meeting will be 6pm on the day falling two Business Days before the date of the adjourned meeting.
- (5) Or as soon thereafter as the Court Meeting shall have concluded or been adjourned.
- (6) This date is subject to change but is expected to be on or around 26 August 2014.
- (7) These times and dates are indicative only and will depend on, among other things, the dates upon which (a) the Court sanctions the Scheme and confirms the Capital Reduction; and (b) the Conditions are satisfied or (where applicable) waived.
- (8) The latest date by which the Scheme must be implemented may be extended by agreement between Wolfson and Cirrus Logic, subject to the Code and/or with the consent of the Panel and the Court (if required).

To the extent any of the above expected dates or times change, Wolfson and Cirrus Logic will give notice of any such changes and details of the revised dates and/or times to Wolfson Shareholders by issuing an announcement through a Regulatory Information Service.

ACTION TO BE TAKEN

It is very important that you vote.

If you are a certificated Wolfson Shareholder, please check that you have received the following with this document:

- (1) a BLUE Form of Proxy for use in respect of the Court Meeting; and
- (2) a WHITE Form of Proxy for use in respect of the Wolfson General Meeting.

If you have not received these documents, please contact the relevant helpline telephone number indicated at the bottom of page 4.

To vote at the Meetings using the Forms of Proxy

Whether or not you plan to attend the Meetings, please:

- (1) complete and return the BLUE Form of Proxy, in accordance with the instructions printed thereon, by post or (during normal business hours only) by hand so as to be received by Equiniti at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to arrive as soon as possible but in any event by no later than 2pm on 19 June 2014 or, if the Court Meeting is adjourned, by no later than 48 hours prior to the time appointed for the Court Meeting (excluding any day that is not a working day); and
- (2) complete and return the WHITE Form of Proxy, in accordance with the instructions printed thereon, by post or (during normal business hours only) by hand so as to be received by Equiniti at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to arrive as soon as possible but in any event by no later than 2.15pm on 19 June 2014 or, if the Wolfson General Meeting is adjourned, by no later than 48 hours prior to the time appointed for the Wolfson General Meeting (excluding any day that is not a working day).

Alternatively, BLUE Forms of Proxy not so lodged may be handed to Equiniti Limited (on behalf of the chairman of the Court Meeting) before the start of the Court Meeting and will still be valid.

However, in the case of the Wolfson General Meeting, the WHITE Form of Proxy will be valid only if it is returned by the time indicated above.

The completion and return of the Forms of Proxy will not prevent eligible registered Wolfson Shareholders from attending and voting at the Court Meeting or the Wolfson General Meeting, or any adjournment thereof.

To vote at the Meetings using an electronic proxy appointment:

Wolfson Shareholders may register their proxy appointments electronically via the www.sharevote.co.uk website, where full details of the procedure are given. Wolfson Shareholders who are not registered to vote electronically will need to enter the Voting ID, Task ID and Shareholder Reference Number set out in their personalised Forms of Proxy which accompany this document. Alternatively Wolfson Shareholders who have already registered with Equiniti's Shareview Service can appoint a proxy by logging on to their portfolio at www.shareview.co.uk and clicking on the link to vote. The onscreen instructions give details on how to complete the appointment process. In order to be valid, such appointments and directions must be registered by no later than 2pm on 19 June 2014 (in the case of the Court Meeting) or 2.15pm on 19 June 2014 (in the case of the Wolfson General Meeting) (or, in the case of an adjourned meeting, by no later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any day that is not a working day)). Wolfson Shareholders are advised to read the terms and conditions of use carefully. Electronic communication facilities are available to all Wolfson Shareholders.

To vote at the Meetings using a proxy appointment through CREST:

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with

Euroclear's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Wolfson's agent, Equiniti (participant ID RA19) by 2pm on 19 June 2014 (in the case of the Court Meeting) or 2.15pm on 19 June 2014 (in the case of the Wolfson General Meeting) or, in the case of any adjournment, not later than 48 hours before the time fixed for the holding of the adjourned Meeting (excluding any day that is not a working day). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. CREST members and, where applicable, their CREST sponsors or voting system providers, are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Wolfson may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR AND REASONABLE REPRESENTATION OF SCHEME SHAREHOLDER OPINION. YOU ARE THEREFORE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY, OR APPOINT A PROXY ELECTRONICALLY, AS SOON AS POSSIBLE, WHETHER OR NOT YOU INTEND TO ATTEND THE MEETINGS IN PERSON.

YOUR ATTENTION IS DRAWN TO THE NOTES TO THE FORMS OF PROXY AND THE NOTICE OF THE WOLFSON GENERAL MEETING ABOUT THE APPOINTMENT OF PROXIES, IN PARTICULAR ABOUT THE APPOINTMENT OF MORE THAN ONE PROXY, SET OUT IN THE NOTES TO THE FORMS OF PROXY AND THE NOTES IN RESPECT OF THE APPOINTMENT OF MULTIPLE PROXIES SET OUT IN THE NOTICE OF THE WOLFSON GENERAL MEETING.

FOR FURTHER INFORMATION a helpline is available as follows:

0871 384 2473 or +44 (0) 121 415 0817 if calling from outside the UK

Calls to the 0871 number cost 8 pence per minute (excluding VAT) plus network extras. Lines are open from 8.30am to 5.30pm Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline is available to answer questions regarding this document, the Meetings or the completion and return of the Forms of Proxy. However, it cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

PART ONE
LETTER FROM THE CHAIRMAN OF WOLFSON MICROELECTRONICS PLC

Westfield House
26 Westfield Road
Edinburgh
EH11 2QB

Wolfson Directors

Michael Ruetters, *Chairman*
J. Michael Hickey, *Chief Executive Officer and Managing Director*
Mark Cubitt, *Chief Financial Officer and Financial Director*
John Grant, *Non-Executive Director*
Robert Laurence Eckelmann, *Non-Executive Director*
Ross King Graham, *Non-Executive Director*
Glenn Collinson, *Non-Executive Director*
Charlotta Ginman, *Non-Executive Director*

22 May 2014

To the holders of Wolfson Shares and, for information only, to participants in the Wolfson Share Schemes

Dear Wolfson Shareholder,

Recommended cash acquisition of Wolfson by Cirrus Logic

1. Introduction

On 29 April 2014, Wolfson and Cirrus Logic announced that agreement had been reached on the terms of a recommended cash acquisition by which the entire issued, and to be issued, ordinary share capital of Wolfson will be acquired by Cirrus Logic.

The Acquisition is being effected by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act. This requires the approval of Wolfson Shareholders at the Meetings and the sanction of the Court, as set out in more detail below.

I am writing to you on behalf of the Wolfson Board to explain the background to, and the terms of, the Acquisition and to encourage you to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the Wolfson General Meeting required to implement the Scheme, as those Wolfson Directors who hold Wolfson Shares have irrevocably undertaken to do in respect of their entire beneficial holdings of Wolfson Shares. I will also explain why the Wolfson Board is unanimously recommending that Wolfson Shareholders vote at the Meetings in favour of the resolutions to be put to the Meetings.

Details of the actions you should take are set out on pages 3 and 4 of this document. The recommendation of the Wolfson Directors is set out in paragraph 13 of this letter.

2. Summary of the terms of the Acquisition

Under the terms of the Acquisition, which is subject to the Conditions and further terms set out in Part Four (*Conditions and certain further terms of the Scheme and the Acquisition*) of this document, Wolfson Shareholders will be entitled to receive:

235 pence in cash per Wolfson Share

The Acquisition price per Wolfson Share represents a premium of approximately:

- 75.4 per cent. to the Closing Price per Wolfson Share of 134.00 pence on 28 April 2014 (being the last Dealing Day prior to the date of the Press Announcement);

- 73.7 per cent. to the average Closing Price of approximately 135.30 pence per Wolfson Share for the one month period ending on 28 April 2014 (being the last Dealing Day prior to the date of the Press Announcement); and
- 72.6 per cent. to the average Closing Price of approximately 136.14 pence per Wolfson Share for the six month period ending on 28 April 2014 (being the last Dealing Day prior to the date of the Press Announcement).

The Acquisition values the entire issued, and to be issued, ordinary share capital of Wolfson at approximately £291 million (\$488 million) on the basis of a fully diluted share capital of 123.7 million Wolfson Shares (net of option proceeds) (assuming that rights in respect of in-the-money options under the Wolfson Share Schemes are exercised on the basis explained in this document). The Acquisition implies an enterprise value of Wolfson of approximately £278 million (\$467 million).

The consideration payable under the Acquisition will be funded through a combination of existing cash and cash equivalents on Cirrus Logic's balance sheet and debt funding from Wells Fargo. Goldman Sachs, financial adviser to Cirrus Logic, is satisfied that sufficient cash resources are available to Cirrus Logic to enable it to satisfy in full the consideration payable to Wolfson Shareholders in connection with the Acquisition.

The Scheme requires the approval of Scheme Shareholders at the Court Meeting and of Wolfson Shareholders at the Wolfson General Meeting. You are strongly encouraged to vote at both of these Meetings in person or by proxy.

The purpose of the Court Meeting is to allow Scheme Shareholders to consider and, if thought fit, approve the Scheme. At the Court Meeting, voting will be by poll and each Scheme Shareholder present in person (including through a corporate representative) or by proxy will be entitled to one vote for each Scheme Share held. The resolutions at the Court Meeting must be approved by a majority in number of the holders of Scheme Shares present and voting, either in person or by proxy, representing three-quarters or more in value of the Scheme Shares.

The Wolfson General Meeting has been convened to consider and, if thought fit, to pass the resolutions to approve: (i) the authorisation of the Wolfson Directors to take all actions necessary or appropriate to bring the Scheme into effect; (ii) the Re-registration; (iii) the Capital Reduction; (iv) the subsequent issue of new Wolfson Shares in accordance with the terms of the Scheme; and (v) certain amendments to Wolfson's articles of association in accordance with the terms of the Scheme.

It is currently expected that (subject to satisfaction or (where applicable) waiver of the Conditions) the Sanction Hearing to sanction the Scheme will be held on 26 August 2014 and the Reduction Hearing to confirm the Capital Reduction will be held on 28 August 2014 and that the Scheme will become effective in accordance with its terms on 29 August 2014.

If the Scheme becomes effective, it will be binding on all Wolfson Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or Wolfson General Meeting (and, if they attended and voted, whether or not they voted in favour), and all of the Scheme Shares will be cancelled and new Wolfson Shares will be allotted and issued to Cirrus Logic. Wolfson will thus become a wholly-owned private subsidiary of Cirrus Logic.

Upon the Scheme becoming effective, cheques in respect of the Cash Price made out in Sterling will be despatched, at the Scheme Shareholder's own risk, to Scheme Shareholders (or, where appropriate, in the case of Scheme Shareholders who hold their Scheme Shares in uncertificated form (that is, through CREST), credited to their CREST accounts) within 14 days of the Effective Date.

Further details of the Court Meeting, the Wolfson General Meeting, the Sanction Hearing and the Reduction Hearing are set out in paragraph 7 of this letter and in paragraph 12 of Part Two (*Explanatory Statement*) of this document.

3. Background to and reasons for the recommendation of the Acquisition

Whilst the Wolfson Directors are confident of the future growth prospects of Wolfson, particularly in the next generation Audio Hubs and micro-electro-mechanical systems (MEMS) microphones, they believe that Cirrus Logic's proposal is at a level which substantially recognises the growth potential in the medium term whilst providing certainty, in cash, to Wolfson Shareholders.

The Wolfson Directors' unanimous recommendation that Wolfson Shareholders vote in favour of the Acquisition follows a thorough assessment of the terms of the Acquisition by the Wolfson Directors, including taking financial advice from J.P. Morgan Cazenove as referred to in this document. In arriving at their decision to recommend the Acquisition, the Wolfson Directors have considered the standalone prospects of Wolfson.

Following careful consideration of the above factors, the Wolfson Directors unanimously recommend that Wolfson Shareholders vote in favour of the Acquisition, as they have each irrevocably undertaken to do in respect of their entire respective beneficial holdings of Wolfson Shares.

4. Irrevocable undertakings

Cirrus Logic has received irrevocable undertakings from each of the Wolfson Directors to vote in favour of the Scheme at the Court Meeting and in favour of the General Meeting Resolutions, in respect of a total of 1,349,020 Wolfson Shares, representing approximately 1.15 per cent. of the ordinary share capital of Wolfson in issue on 21 May 2014 (being the latest practicable date prior to publication of this document). The irrevocable undertakings given by the Wolfson Directors will remain in full force and effect if the Acquisition is effected by way of a Takeover Offer but will cease to be binding in the circumstances described in paragraph 7.2 of Part Eight (*Additional Information*) of this document.

Cirrus Logic has also received an irrevocable undertaking from Odey Asset Management LLP, an institutional shareholder of Wolfson, to vote in favour of the Scheme at the Court Meeting and the General Meeting Resolutions, in respect of a total of 7,135,240 Wolfson Shares, representing approximately 6.10 per cent. of the ordinary share capital of Wolfson in issue on 21 May 2014 (being the latest practicable date prior to publication of this document).

The irrevocable undertaking from Odey Asset Management LLP described in the Press Announcement had been in respect of 6,865,240 Wolfson Shares, representing approximately 5.88 per cent. of the ordinary share capital of Wolfson in issue on 28 April 2014 (being the latest practicable date prior to the Press Announcement). In a letter from Odey Asset Management LLP to Cirrus Logic dated 16 May 2014, Odey Asset Management LLP (i) advised Cirrus Logic that at the time of publication of the Press Announcement Odey Asset Management LLP's interest in Wolfson was an economic one held through a derivative contract rather than being a holding of Wolfson Shares but that it had subsequently converted the derivative instrument into 6,865,240 Wolfson Shares, (ii) advised Cirrus Logic that since 29 April 2014 it had acquired a further economic interest in Wolfson through a derivative contract which was equivalent to 270,000 Wolfson Shares and that this interest had also been converted into Wolfson Shares, (iii) confirmed to Cirrus Logic that it is now the registered and beneficial owner of 7,135,240 shares in the Company, representing approximately 6.11 per cent. of the ordinary share capital of Wolfson in issue on 28 April 2014 (being the latest practicable date prior to the Press Announcement), which are subject to the irrevocable undertaking from Odey Asset Management LLP and (iv) confirmed that it would exercise all voting rights attaching to these shares in Wolfson to vote in favour of the Scheme at the Court Meeting and in favour of the resolutions at the Wolfson General Meeting.

This irrevocable undertaking will cease to be binding in certain circumstances, such as where a competing offer is announced under Rule 2.7 of the Code which has a value of 10 per cent. or more above the value of the consideration offered under the Acquisition as at the date on which such competing offer is announced, unless Cirrus Logic has announced an improvement to the terms of the Acquisition within seven days of the competing offer being announced, on terms at least as favourable as under the competing offer.

In aggregate, therefore, Cirrus Logic has received irrevocable undertakings in respect of a total of 8,484,260 Wolfson Shares, representing approximately 7.26 per cent. of the share capital of Wolfson in issue on 21 May 2014 (being the latest practicable date prior to publication of this document).

Further details of the irrevocable undertakings are set out in paragraph 7 of Part Eight (*Additional Information*) of this document.

Copies of the irrevocable undertakings and the letter from Odey Asset Management LLP to Cirrus Logic described above are on display on Wolfson's and Cirrus Logic's websites (www.wolfsonmicro.com and www.cirrus.com, respectively) until the Effective Date or the date on which the Scheme lapses or is withdrawn, whichever is earlier.

5. Management, employees, pensions and locations

Cirrus Logic and Wolfson share a common belief that people are a vital cornerstone for the ongoing success of the combined business. Consequently, the Cirrus Logic Board attaches great importance to the skills and experience of Wolfson's executive team and employees and believes that they will benefit from greater opportunities within the combined company. Cirrus Logic has great respect for Wolfson's 30-year audio heritage and deep engineering expertise, and believes that Cirrus Logic's engineering-driven culture will provide a natural home for Wolfson's employees. However, Cirrus Logic also recognises that, in order to achieve the expected benefits of the transaction, operational and administrative restructuring will be required following the completion of the Acquisition.

Cirrus Logic intends to form an internal integration team to carry out a detailed review of the combined group's operations and to begin planning for the integration of Wolfson within Cirrus Logic's business. No decisions have been made by Cirrus Logic in relation to that integration and only preliminary discussions have been held between Cirrus Logic and Wolfson in this regard. Until such review occurs, Cirrus Logic cannot be certain what repercussions there will be on the employment of the management and employees of the combined group, or the location of their places of business or any redeployment of assets, although it is expected that this review will result in a reduction in the headcount of the combined group and some rationalisation of locations. Based on the preliminary analysis completed to date, Cirrus Logic can confirm that:

- following completion of the Acquisition, it is envisaged that Mike Hickey will remain with the combined company in a leadership role for up to 12 months to help drive the integration of the two businesses. Mike Hickey has led Wolfson as Chief Executive Officer since 2009 and Cirrus Logic recognises the outstanding achievements he has delivered as Chief Executive Officer and in his role in the Acquisition. Details of Mike Hickey's employment are given in paragraph 5 of Part Eight (*Additional Information*) of this document;
- Mark Cubitt is also expected to continue with the combined group on a similar interim basis in an advisory role to assist with a smooth integration. Mark Cubitt has had an important role in Wolfson's development as the Chief Financial Officer since 2007 and Cirrus Logic recognises his significant contribution in this role and in his role in the Acquisition. Details of Mark Cubitt's employment are given in paragraph 5 of Part Eight (*Additional Information*) of this document;
- Cirrus Logic intends to position Edinburgh and Newbury as key European development centres for the combined business;
- as part of the integration phase, Cirrus Logic will investigate whether there is an opportunity to combine sales teams that are located in the same region of the world and who may have overlapping sales areas and customers;
- the combined business is expected to benefit from reduced manufacturing costs due to certain supply chain efficiencies as a result of the scale of the combined business rather than any material headcount reductions;
- Wolfson will provide Cirrus Logic with a world-class engineering team and unique intellectual property. These assets will enable Cirrus Logic to generate certain savings with respect to its future research and development expenses through lowering anticipated increases in Cirrus Logic's costs related to a planned expansion of Cirrus Logic's engineering team. The majority of research and development synergies are therefore expected to be achieved through avoiding planned expenditure within Cirrus Logic rather than actual headcount reduction;
- areas of overlap in corporate, sales, operational and support functions have been identified. Cirrus Logic intends to drive available cost synergies in these areas and anticipates that these efforts may result in a reduction of 7-10 per cent. of the headcount of the combined business. At this stage, no specific roles have been identified but it is anticipated that these reductions will be implemented over the first 12 months following completion of the Acquisition;
- following completion of the Acquisition, Cirrus Logic will also seek to reduce costs where appropriate which have historically been related to Wolfson's status as a listed company; and
- Ross Graham has announced his retirement from the Wolfson Board on 31 July 2014, which is expected to be prior to the Effective Date, but he will resign on the Effective Date should that occur before 31 July 2014 and, in such event, he will receive payment of his fees and properly incurred

expenses up to 31 July 2014. The other non-executive directors intend to resign as Wolfson Directors on completion of the Acquisition (and will each receive payment in lieu of one month's notice, in line with the termination provisions of their respective letters of appointment, and other accrued but unpaid fees and properly incurred expenses up to that date).

The Cirrus Logic Board has assured the Wolfson Board that existing employment rights, including pension entitlements, of all Wolfson employees will be fully respected following completion of the Acquisition. Cirrus Logic is considering the options in relation to the benefit plans available to employees of Wolfson following completion of the Acquisition and intends, where possible, to allow employees of Wolfson to participate in Cirrus Logic's local benefit plans which are equivalent to their existing benefits.

The Wolfson Directors have given due consideration to Cirrus Logic's stated intentions and assurances noted above in deciding to recommend the Acquisition.

6. Wolfson Share Schemes and other incentive matters

Details of the effect of the Acquisition on the Wolfson Share Schemes and the choices and arrangements available to participants in those schemes will be set out in separate letters to be sent to participants on or around the date of this Scheme Document.

In summary, however, it is intended that the above arrangements will allow holders of options under the 2003 Wolfson Microelectronics plc Executive Share Scheme and 2003 Wolfson Microelectronics plc All Employee Share Scheme (which are already exercisable) to exercise their options with the benefit of a cashless exercise facility.

Unless the options lapse for other reasons, holders of options under the Wolfson Microelectronics plc Approved SAYE Scheme will be able to exercise their options to the extent of their savings under the relevant savings contract until the day after the Effective Date (and any such options which are not currently exercisable will become capable of being exercised on the date of the Sanction Court Order). Cirrus Logic has also agreed to make an additional cash payment to such optionholders equivalent to the gain which they would have made had they been able to exercise those options in full.

All awards under the Wolfson Microelectronics 2009 Staff Share Award Plan and the Wolfson Microelectronics 2008 Staff Performance Share Plan (none of which is subject to performance targets) will vest in full on the Effective Date and participants will receive a cash payment in respect of their entitlements under those plans.

Awards under the Wolfson Microelectronics 2006 Performance Share Plan (which are subject to performance targets) will lapse on the Effective Date, save for nil cost option awards granted in 2013 and those contingent share awards granted in 2013 and 2014 which will vest in full. Cirrus Logic has agreed that it will make new grants of share-settled phantom stock awards ("RSUs") under its 2006 stock incentive plan to holders of nil cost options granted under the Wolfson Microelectronics 2006 Performance Share Plan in 2014 whose nil cost options have not vested in full subject to certain conditions, as applicable, regarding the amendment of their service contracts (which conditions are detailed in the Co-operation Agreement). Those RSUs will normally vest annually in equal tranches over a three year period and will be lost only if an individual voluntarily leaves the employment of Cirrus Logic or his employment is terminated for cause. The other terms of the RSUs are detailed in the Co-operation Agreement.

All outstanding entitlements under the Wolfson Microelectronics 2010 Senior Executive Deferred Bonus Plan will vest and/or be released in full on the Effective Date (subject only to time apportionment in the case of matching awards).

J.P. Morgan Cazenove has advised the Wolfson Directors that the arrangements set out above are fair and reasonable. In providing its advice, J.P. Morgan Cazenove has taken into account the commercial assessments of the Wolfson Directors.

In acknowledgement of the substantial time and effort which Mike Hickey and Mark Cubitt, Wolfson's CEO and CFO, respectively, have devoted to Wolfson's affairs during the period leading up to this document, the Wolfson Remuneration Committee (constituted by certain non-executive Wolfson Directors) has elected to make one-off cash payments at completion of the Acquisition to Mike Hickey and Mark Cubitt of £500,000 and £250,000, respectively. The Panel has consented and Cirrus Logic has not objected to these payments.

7. Meetings and action to be taken by Wolfson Shareholders

Notices convening the Court Meeting and the Wolfson General Meeting are set out in Parts Ten (*Notice of Court Meeting*) and Eleven (*Notice of Wolfson General Meeting*), respectively, of this document.

Please see pages 3 and 4 of this document for details of the actions to be taken by Wolfson Shareholders in relation to voting at the Meetings.

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of Scheme Shareholder opinion. You are therefore strongly urged to complete, sign and return your Forms of Proxy or, alternatively, submit your proxy by electronic means or through CREST, for both the Court Meeting and the Wolfson General Meeting, as soon as possible.

8. Current trading and prospects

On 4 March 2014, Wolfson published its audited financial statements for the period ended 29 December 2013. On 29 April 2014, Wolfson published its unaudited financial information for the three months ended 30 March 2014. Further details are contained in Part 6 (*Financial Information Relating To Wolfson*) of this document.

9. Suspension and de-listing

It is intended that dealings in, and registration of transfers of, Wolfson Shares will be suspended from the Official List and from the London Stock Exchange's main market for listed securities at 5pm London time on the Business Day prior to the Effective Date.

It is further intended that applications will be made to the London Stock Exchange for Wolfson Shares to cease to be admitted to trading on its main market for listed securities and to the UK Listing Authority for the cancellation of the listing of Wolfson Shares on the Official List, in each case to take effect as of or shortly after the Effective Date.

On the Effective Date, share certificates in respect of Wolfson Shares will cease to be valid and should be destroyed or, at the request of Wolfson, delivered up to Wolfson or to any person appointed by Wolfson to receive the same. In addition, entitlements to Scheme Shares held within the CREST system will be cancelled.

10. Overseas shareholders

The release, publication or distribution of this document in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements.

The Acquisition relates to the shares of a Scottish company and is proposed to be effected by means of a scheme of arrangement under the laws of Scotland. Neither the proxy solicitation rules nor (unless implemented by means of a Takeover Offer) the tender offer rules under the US Exchange Act will apply to the Acquisition. Moreover, the Acquisition is subject to the disclosure requirements and practices applicable in the United Kingdom and under the Code to schemes of arrangement, which differ from the disclosure requirements of the US proxy solicitation rules and tender offer rules. However, if Cirrus Logic were to exercise its right to implement the Acquisition of the Wolfson Shares by way of a Takeover Offer, such offer would be made in compliance with US tender offer and securities laws and regulations to the extent applicable. Financial information relating to Wolfson included in this document has been or will have been prepared in accordance with accounting standards applicable in the United Kingdom that may not be comparable with financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

Unless otherwise determined by Cirrus Logic or required by the Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this document and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this document

and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction.

The availability of the Acquisition to Wolfson Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements.

Wolfson Shareholders who are in any doubt regarding such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

This document does not constitute an offer for sale for any securities or an offer or an invitation to purchase any securities. Wolfson Shareholders are advised to read carefully this document and the Forms of Proxy. In particular, overseas Wolfson Shareholders should refer to the section of this document entitled "IMPORTANT NOTICE" on page ii and paragraph 17 of Part Two (*Explanatory Statement*) of this document.

11. Action to be taken

Your attention is drawn to pages 3 and 4 of this document, which sets out in full the actions you should take in respect of voting on the Acquisition and the Scheme.

12. Further information

Your attention is drawn to the letter from J.P. Morgan Cazenove set out in Part Two (*Explanatory Statement*) of this document, which gives further details about the Acquisition and the terms of the Scheme. Part Three (*Frequently Asked Questions and Answers*) of this Document contains some frequently asked questions and answers concerning the Acquisition. You should, however, read the whole of this document and not just rely on the information contained in this letter, in Part Two (*Explanatory Statement*) or in Part Three (*Frequently Asked Questions and Answers*) of this document.

Your attention is also drawn to the information which is incorporated by reference into this document, details of which can be found in Part Six (*Financial Information Relating to Wolfson*) and Part Seven (*Financial Information Relating to Cirrus Logic*) of this document. A shareholder helpline is also available to answer any further questions that you may have, the details of which are set out in full on page 4 of this document.

13. Recommendation

The Wolfson Directors, who have been so advised by J.P. Morgan Cazenove, consider the terms of the Acquisition to be fair and reasonable. In providing advice to the Wolfson Directors, J.P. Morgan Cazenove has taken into account the commercial assessments of the Wolfson Directors.

The Wolfson Directors believe that the terms of the Acquisition (including the Scheme) are in the best interests of Wolfson Shareholders as a whole and unanimously recommend Wolfson Shareholders to vote in favour of the Scheme at the Court Meeting and in favour of the resolutions to be proposed at the Wolfson General Meeting, as each of the Wolfson Directors has irrevocably undertaken so to do in respect of his/her own beneficial holdings of 1,349,020 Wolfson Shares, representing, in aggregate, approximately 1.15 per cent. of the ordinary share capital of Wolfson in issue on 21 May 2014 (being the latest practicable date prior to publication of this document). Further details of these irrevocable undertakings are contained in Part Eight (*Additional Information*) of this document.

Yours faithfully,

Michael Ruetters
Chairman

PART TWO
EXPLANATORY STATEMENT
(In compliance with section 897 of the Companies Act)

J.P.Morgan CAZENOVE

22 May 2014

To Wolfson Shareholders and, for information only, to participants in the Wolfson Share Schemes

Dear Wolfson Shareholder,

Recommended cash acquisition of Wolfson by Cirrus Logic

1. Introduction

On 29 April 2014, Wolfson and Cirrus Logic announced that agreement had been reached on the terms of a recommended cash acquisition by which the entire issued, and to be issued, ordinary share capital of Wolfson will be acquired by Cirrus Logic. The Acquisition is being effected by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

Your attention is drawn to Part One (*Letter from the Chairman of Wolfson Microelectronics plc*) of this document, which forms part of this Explanatory Statement. The letter contains, among other things, (a) information on the reasons for and benefits of the Acquisition and (b) the unanimous recommendation by the Wolfson Directors to Wolfson Shareholders to vote in favour of the Scheme at the Court Meeting and the resolutions at the Wolfson General Meeting. The letter also states that the Wolfson Directors, who have been so advised by J.P. Morgan Cazenove, consider the terms of the Acquisition to be fair and reasonable. In providing its advice, J.P. Morgan Cazenove has taken into account the commercial assessments of the Wolfson Directors.

We have been authorised by the Wolfson Directors to write to you to explain the terms of the Acquisition and the Scheme and to provide you with other relevant information. Statements made in paragraphs 4 and 7 of this letter, which refer to the background to, and reasons for, the Acquisition and Cirrus Logic's intentions with regard to the management, employees, pensions and locations of the Wolfson business, reflect the views of the Cirrus Logic Directors.

The terms of the Scheme are set out in full in Part Five (*The Scheme of Arrangement*) of this document. Your attention is also drawn to the other parts of this document, including the information in Part Eight (*Additional Information*) of this document.

The Scheme is subject to the Conditions set out in Part Four (*Conditions and certain further terms of the Scheme and the Acquisition*) of this document being satisfied or (where applicable) waived.

Wolfson Shareholders should read the whole of this document before deciding whether or not to vote in favour of the Scheme at the Meetings.

2. Summary of the terms of the Acquisition

Under the terms of the Acquisition, which is subject to the Conditions and further terms set out in Part Four (*Conditions and certain further terms of the Scheme and the Acquisition*) of this document, Wolfson Shareholders will be entitled to receive:

235 pence in cash per Wolfson Share

The Acquisition price per Wolfson Share represents a premium of approximately:

- 75.4 per cent. to the Closing Price per Wolfson Share of 134.00 pence on 28 April 2014 (being the last Dealing Day prior to the date of the Press Announcement);
- 73.7 per cent. to the average Closing Price of approximately 135.30 pence per Wolfson Share for the one month period ending on 28 April 2014 (being the last Dealing Day prior to the date of the Press Announcement); and

- 72.6 per cent. to the average Closing Price of approximately 136.14 pence per Wolfson Share for the six month period ending on 28 April 2014 (being the last Dealing Day prior to the date of the Press Announcement).

The Acquisition values the entire issued, and to be issued, ordinary share capital of Wolfson at approximately £291 million (\$488 million) on the basis of a fully diluted share capital of 123.7 million Wolfson Shares (net of option proceeds) (assuming that rights in respect of in-the-money options under the Wolfson Share Schemes are exercised on the basis explained in this document). The Acquisition implies an enterprise value of Wolfson of approximately £278 million (\$467 million).

The consideration payable under the Acquisition will be funded through a combination of existing cash and cash equivalents on Cirrus Logic's balance sheet and debt funding from Wells Fargo. Goldman Sachs, financial adviser to Cirrus Logic, is satisfied that sufficient cash resources are available to Cirrus Logic to enable it to satisfy in full the consideration payable to Wolfson Shareholders in connection with the Acquisition.

The Scheme requires the approval of Scheme Shareholders at the Court Meeting and Wolfson Shareholders at the Wolfson General Meeting. You are strongly encouraged to vote at both of these Meetings in person or by proxy.

It is expected that (subject to satisfaction or (where applicable) waiver of the Conditions) the Sanction Hearing will be held on 26 August 2014 and the Reduction Hearing will be held on 28 August 2014 and that the Scheme will become effective in accordance with its terms on 29 August 2014.

If the Scheme becomes effective, it will be binding on all Wolfson Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the Wolfson General Meeting, and all of the Scheme Shares will be cancelled and new Wolfson Shares will be allotted and issued to Cirrus Logic. Wolfson will thus become a wholly-owned subsidiary of Cirrus Logic.

Upon the Scheme becoming effective, cheques in respect of the Cash Price made out in Sterling will be despatched, at the Scheme Shareholder's own risk, to Scheme Shareholders (or, where appropriate, in the case of Scheme Shareholders who hold their Scheme Shares in uncertificated form (that is, through CREST), credited to their CREST accounts) within 14 days of the Effective Date.

The Scheme will not become effective unless all the Conditions and certain further terms set out in Part Four (*Conditions and certain further terms of the Scheme and the Acquisition*) of this document are satisfied or, where applicable, waived by 31 October 2014 or such later date (if any) as Wolfson and Cirrus Logic may agree, subject to the Code and/or with the consent of the Panel and the Court (if required).

3. Irrevocable undertakings

Cirrus Logic has received irrevocable undertakings from each of the Wolfson Directors to vote in favour of the Scheme at the Court Meeting and in favour of the General Meeting Resolutions, in respect of a total of 1,349,020 Wolfson Shares, representing approximately 1.15 per cent. of the ordinary share capital of Wolfson in issue on 21 May 2014 (being the latest practicable date prior to publication of this document). The irrevocable undertakings given by the Wolfson Directors will remain in full force and effect if the Acquisition is effected by way of a Takeover Offer and will cease to be binding in the circumstances described in paragraph 7.2 of Part Eight (*Additional Information*) of this document.

Cirrus Logic has also received an irrevocable undertaking from Odey Asset Management LLP, an institutional shareholder of Wolfson, to vote in favour of the Scheme at the Court Meeting and the General Meeting Resolutions, in respect of a total of 7,135,240 Wolfson Shares, representing approximately 6.10 per cent. of the ordinary share capital of Wolfson in issue on 21 May 2014 (being the latest practicable date prior to publication of this document).

The irrevocable undertaking from Odey Asset Management LLP described in the Press Announcement had been in respect of 6,865,240 Wolfson Shares, representing approximately 5.88 per cent. of the ordinary share capital of Wolfson in issue on 28 April 2014 (being the latest practicable date prior to the Press Announcement). In a letter from Odey Asset Management LLP to Cirrus Logic dated 16 May 2014, Odey Asset Management LLP (i) advised Cirrus Logic that at the time of publication of the Press Announcement Odey Asset Management LLP's interest in Wolfson was an economic one held through a derivative contract rather than being a holding of Wolfson Shares but that it had subsequently converted the derivative instrument into 6,865,240 Wolfson Shares, (ii) advised Cirrus Logic that since 29 April 2014 it had acquired a further economic interest in Wolfson through a derivative contract which was equivalent

to 270,000 Wolfson Shares and that this interest had also been converted into Wolfson Shares, (iii) confirmed to Cirrus Logic that it is now the registered and beneficial owner of 7,135,240 shares in the Company, representing approximately 6.11 per cent. of the ordinary share capital of Wolfson in issue on 28 April 2014 (being the latest practicable date prior to the Press Announcement), which are subject to the irrevocable undertaking from Odey Asset Management LLP and (iv) confirmed that it would exercise all voting rights attaching to these shares in Wolfson to vote in favour of the Scheme at the Court Meeting and in favour of the resolutions at the Wolfson General Meeting.

This irrevocable undertaking will cease to be binding in certain circumstances, such as where a competing offer is announced under Rule 2.7 of the Code which has a value of 10 per cent. or more above the value of the consideration offered under the Acquisition as at the date on which such competing offer is announced, unless Cirrus Logic has announced an improvement to the terms of the Acquisition within seven days of the competing offer being announced, on terms at least as favourable as under the competing offer.

In aggregate, therefore, Cirrus Logic has received irrevocable undertakings in respect of a total of 8,484,260 Wolfson Shares, representing approximately 7.26 per cent. of the share capital of Wolfson in issue on 21 May 2014 (being the latest practicable date prior to publication of this document).

Further details of the irrevocable undertakings are set out in paragraph 7 of Part Eight (*Additional Information*) of this document.

Copies of the irrevocable undertakings and the letter from Odey Asset Management LLP to Cirrus Logic described above will be on display on Wolfson's and Cirrus Logic's websites (www.wolfsonmicro.com and www.cirrus.com, respectively) until the Effective Date or the date on which the Scheme lapses or is withdrawn, whichever is earlier.

4. Background to and reasons for the Acquisition

Cirrus Logic strongly believes that the acquisition of Wolfson represents an attractive opportunity to expand its development capacity and strengthen its technology portfolio.

The increasing demand for high performance audio and voice capabilities driven by the high growth in smart connected devices has created an attractive opportunity. To address this opportunity, Cirrus Logic believes that the enhanced scale and resources of the combined company would strengthen each team's ability to compete in the exciting growth markets of smartphones, tablets, wearables and other devices with audio interfaces. In addition, Cirrus Logic believes the Acquisition positions it to be a global leader in audio signal processing across the entire audio signal chain with a portfolio of world-class codecs, DSPs, amplifiers and micro-electro-mechanical system (MEMS) microphones, and the combination of Cirrus Logic and Wolfson helps to accelerate Cirrus Logic's path to becoming a \$1 billion revenue business with greater customer and geographic diversification.

Cirrus Logic's engineering driven culture and focus on R&D to drive innovation would be a good fit for the Wolfson team, providing an ideal platform to deliver advanced audio solutions that address the evolving needs of customers.

The combined company expects to generate approximately £7 million (\$12 million) of ongoing annual cost savings within 12 months following completion of the Acquisition. The transaction is expected to close in the second half of 2014 and be accretive in the first full quarter following the completion of the Acquisition to Cirrus Logic's adjusted earnings per share excluding the impact of one-time integration and acquisition-related costs. Based on the timing of integration activities, one-time costs are currently estimated to be approximately £4 million (\$7 million) and expected to be incurred as the synergies are realised following the completion of the Acquisition.

5. Information relating to Wolfson

Wolfson is a leading supplier of high performance, mixed-signal semiconductor devices and audio solutions to the consumer electronics market. Wolfson designs and supplies audio products, including audio hub solutions, silicon micro-electro-mechanical system (MEMS) microphones, power management integrated circuits and noise cancellation solutions.

The Company's headquarters are located in Edinburgh, UK. Wolfson's customers are located worldwide, and so is Wolfson, with design centres, sales offices, applications teams and engineering expertise across Europe, the US, Australia and Asia.

For the twelve months ended 29 December 2013, Wolfson reported revenue of \$179.4 million and an underlying operating loss of \$12.6 million.

For the three months ended 30 March 2014, Wolfson reported (on an unaudited basis) a revenue of \$28.8 million and an underlying operating loss of \$4.5 million.

6. Information relating to Cirrus Logic

Cirrus Logic is incorporated under the laws of the State of Delaware, USA. Founded in 1984 and headquartered in Austin, Texas, Cirrus Logic develops high-precision, analogue and mixed-signal integrated circuits for a broad range of innovative customers. Building on its diverse analogue and signal-processing patent portfolio, Cirrus Logic delivers highly optimised products for a variety of audio and energy-related applications. For the financial year ended 29 March 2014, Cirrus Logic's revenue was \$714 million. Cirrus Logic Shares are listed on the NASDAQ (CRUS). As at 21 May 2014 (being the latest practicable date prior to publication of this document), Cirrus Logic had a market capitalisation of approximately \$1.4 billion (£0.8 billion).

7. Management, employees, pensions and locations

Cirrus Logic and Wolfson share a common belief that people are a vital cornerstone for the ongoing success of the combined business. Consequently, the Cirrus Logic Board attaches great importance to the skills and experience of Wolfson's executive team and employees and believes that they will benefit from greater opportunities within the combined company. Cirrus Logic has great respect for Wolfson's 30-year audio heritage and deep engineering expertise, and believes that Cirrus Logic's engineering-driven culture will provide a natural home for Wolfson's employees. However, Cirrus Logic also recognises that, in order to achieve the expected benefits of the transaction, operational and administrative restructuring will be required following the completion of the Acquisition.

Cirrus Logic intends to form an internal integration team to carry out a detailed review of the combined group's operations and to begin planning for the integration of Wolfson within Cirrus Logic's business. No decisions have been made by Cirrus Logic in relation to that integration and only preliminary discussions have been held between Cirrus Logic and Wolfson in this regard. Until such review occurs, Cirrus Logic cannot be certain what repercussions there will be on the employment of the management and employees of the combined group, or the location of their places of business or any redeployment of assets, although it is expected that this review will result in a reduction in the headcount of the combined group and some rationalisation of locations. Based on the preliminary analysis completed to date, Cirrus Logic can confirm that:

- following completion of the Acquisition, it is envisaged that Mike Hickey will remain with the combined company in a leadership role for up to 12 months to help drive the integration of the two businesses. Mike Hickey has led Wolfson as Chief Executive Officer since 2009 and Cirrus Logic recognises the outstanding achievements he has delivered as Chief Executive Officer and in his role in the Acquisition;
- Mark Cubitt is also expected to continue with the combined group on a similar interim basis in an advisory role to assist with a smooth integration. Mark Cubitt has had an important role in Wolfson's development as the Chief Financial Officer since 2007 and Cirrus Logic recognises his significant contribution in this role and in his role in the Acquisition;
- Cirrus Logic intends to position Edinburgh and Newbury as key European development centres for the combined business;
- as part of the integration phase, Cirrus Logic will investigate whether there is an opportunity to combine sales teams that are located in the same region of the world and who may have overlapping sales areas and customers;
- the combined business is expected to benefit from reduced manufacturing costs due to certain supply chain efficiencies as a result of the scale of the combined business rather than any material headcount reductions;
- Wolfson will provide Cirrus Logic with a world-class engineering team and unique intellectual property. These assets will enable Cirrus Logic to generate certain savings with respect to its future research and development expenses through lowering anticipated increases in Cirrus Logic's costs related to a planned expansion of Cirrus Logic's engineering team. The majority of research and

development synergies are therefore expected to be achieved through avoiding planned expenditure within Cirrus Logic rather than actual headcount reduction;

- areas of overlap in corporate, sales, operational and support functions have been identified. Cirrus Logic intends to drive available cost synergies in these areas and anticipates that these efforts may result in a reduction of 7-10 per cent. of the headcount of the combined business. At this stage, no specific roles have been identified but it is anticipated that these reductions will be implemented over the first 12 months following completion of the Acquisition;
- following completion of the Acquisition, Cirrus Logic will also seek to reduce costs where appropriate which have historically been related to Wolfson's status as a listed company; and
- Ross Graham has announced his retirement from the Wolfson Board on 31 July 2014, which is expected to be prior to the Effective Date, but he will resign on the Effective Date should that occur before 31 July 2014 and, in such event, he will receive payment of his fees and properly incurred expenses up to 31 July 2014. The other non-executive directors intend to resign as Wolfson Directors on completion of the Acquisition (and will each receive payment in lieu of one month's notice, in line with the termination provisions of their respective letters of appointment, and other accrued but unpaid fees and properly incurred expenses up to that date).

The Cirrus Logic Board has assured the Wolfson Board that existing employment rights, including pension entitlements, of all Wolfson employees will be fully respected following completion of the Acquisition. Cirrus Logic is considering the options in relation to the benefit plans available to employees of Wolfson following completion of the Acquisition and intends, where possible, to allow employees of Wolfson to participate in Cirrus Logic's local benefit plans which are equivalent to their existing benefits.

Cirrus Logic intends to continue the existing arrangements to fund the deficit in the Wolfson Microelectronics plc Pension Scheme. It is expected that Cirrus Logic will review and discuss the funding and investment strategy in relation to the Wolfson Microelectronics plc Pension Scheme with the trustees in the 15-month period following the next triennial actuarial valuation of the scheme. The valuation date is expected to be 28 February 2015. The Wolfson Microelectronics plc Pension Scheme was closed to new members on 2 July 2002 and closed to further accrual on 30 April 2011.

8. Wolfson Share Schemes and other incentive matters

Details of the effect of the Acquisition on the Wolfson Share Schemes and the choices and arrangements available to participants in those schemes will be set out in separate letters to be sent to participants on or around the date of this Scheme Document.

In summary, however, it is intended that the above arrangements will allow holders of options under the 2003 Wolfson Microelectronics plc Executive Share Scheme and 2003 Wolfson Microelectronics plc All Employee Share Scheme (which are already exercisable) to exercise their options with the benefit of a cashless exercise facility.

Unless the options lapse for other reasons, holders of options under the Wolfson Microelectronics plc Approved SAYE Scheme will be able to exercise their options to the extent of their savings under the relevant savings contract until the day after the Effective Date (and any such options which are not currently exercisable will become capable of being exercised on the date of the Sanction Court Order). Cirrus Logic has also agreed to make an additional cash payment to such optionholders equivalent to the gain which they would have made had they been able to exercise those options in full.

All awards under the Wolfson Microelectronics 2009 Staff Share Award Plan and the Wolfson Microelectronics 2008 Staff Performance Share Plan (none of which is subject to performance targets) will vest in full on the Effective Date and participants will receive a cash payment in respect of their entitlements under those plans.

Awards under the Wolfson Microelectronics 2006 Performance Share Plan (which are subject to performance targets) will lapse on the Effective Date, save for nil cost option awards granted in 2013 and those contingent share awards granted in 2013 and 2014, which will vest in full. Cirrus Logic has agreed that it will make new grants of share-settled phantom stock awards ("RSUs") under its 2006 stock incentive plan to holders of nil cost options granted under the Wolfson Microelectronics 2006 Performance Share Plan in 2014 whose nil cost options have not vested in full subject to certain conditions, as applicable, regarding the amendment of their service contracts (which conditions are detailed in the Co-operation Agreement). Those RSUs will normally vest annually in equal tranches over a three year period

and will be lost only if an individual voluntarily leaves the employment of Cirrus Logic or his employment is terminated for cause. The other terms of the RSUs are detailed in the Co-operation Agreement.

All outstanding entitlements under the Wolfson Microelectronics 2010 Senior Executive Deferred Bonus Plan will vest and/or be released in full on the Effective Date (subject only to time apportionment in the case of matching awards).

J.P. Morgan Cazenove has advised the Wolfson Directors that the arrangements set out above are fair and reasonable. In providing its advice, J.P. Morgan Cazenove has taken into account the commercial assessments of the Wolfson Directors.

In acknowledgement of the substantial time and effort which Mike Hickey and Mark Cubitt, Wolfson's CEO and CFO, respectively, have devoted to Wolfson's affairs during the period leading up to this document, the Wolfson Remuneration Committee (constituted by certain non-executive Wolfson Directors) has elected to make one-off cash payments at completion of the Acquisition to Mike Hickey and Mark Cubitt of £500,000 and £250,000, respectively. The Panel has consented and Cirrus Logic has not objected to these payments.

9. Wolfson Directors and the effect of the Scheme on their interests

Details of the interests of the Wolfson Directors in Wolfson Shares are set out in paragraph 3 of Part Eight (*Additional Information*) of this document. Wolfson Shares held by the Wolfson Directors will be subject to the Scheme.

Each Wolfson Director who is a Wolfson Shareholder has undertaken to vote his Wolfson Shares (or where appropriate, procure or use all reasonable endeavours to procure, the voting of relevant Wolfson Shares) in favour of the Scheme at the Court Meeting and the resolutions at the Wolfson General Meeting. Further details of these irrevocable undertakings are set out in paragraph 7 of Part Eight (*Additional Information*) of this document.

Particulars of the service contracts and letters of appointment of the Wolfson Directors are set out in paragraph 5 of Part Eight (*Additional Information*) of this document.

The effect of the Scheme on the interests of the Wolfson Directors does not differ from its effect on the like interests of any other person.

In common with other participants in the Wolfson Share Schemes, appropriate proposals will also be made to relevant Wolfson Directors in respect of their awards under the Wolfson Share Schemes. Such proposals will be made on the basis set out above and in accordance with the provisions of the Co-operation Agreement, as summarised in paragraph 8 of Part Eight (*Additional Information*) of this document.

10. Financing of the Acquisition and cash confirmation

The cash consideration payable under the Acquisition is being financed by a combination of:

- (a) existing cash and cash equivalents on Cirrus Logic's balance sheet; and
- (b) funds to be made available to Cirrus Logic pursuant to a \$225 million senior revolving credit facility dated as of 29 April 2014 between Cirrus Logic (as borrower) and Wells Fargo Bank, National Association ("Wells Fargo") (as lender and administrative agent) (the "Credit Agreement").

Goldman Sachs, financial adviser to Cirrus Logic, is satisfied that sufficient cash resources are available to Cirrus Logic to enable it to satisfy in full the consideration payable to Wolfson Shareholders in connection with the Acquisition.

A summary of the Credit Agreement is contained at paragraph 8.3 of Part Eight (*Additional Information*) of this document.

Under the Credit Agreement, Cirrus Logic has agreed, among other things, that:

- it shall not waive, amend or vary any condition of the Scheme or Takeover Offer in any respect which is material and which would reasonably be expected to be materially adverse to the interests of the Lenders (as such term is defined in the Credit Agreement) under the Credit Agreement unless such waiver, amendment or variation (1) is required by the Panel or a court of competent jurisdiction or (2) is made with the consent of Wells Fargo (acting reasonably); and

- if Cirrus Logic elects to implement the Acquisition by way of a Takeover Offer, it shall not be permitted to declare the Takeover Offer unconditional as to acceptances until it has acquired or unconditionally contracted to acquire Target Shares (as such term is defined in the Credit Agreement) carrying not less than 75 per cent. of the voting rights.

11. Financial effects of the Acquisition on Cirrus Logic

As a result of, and following completion of, the Acquisition, Cirrus Logic expects to consolidate Wolfson's assets and liabilities. As at 29 December 2013, Wolfson had net assets of \$124.9 million.

The combined company expects to generate approximately £7 million (\$12 million) of ongoing annual cost savings within 12 months of completion of the Acquisition. Cirrus Logic expects the transaction to be accretive to Cirrus Logic's adjusted earnings per share in the first full quarter following completion, excluding the impact of one-time integration and acquisition-related costs. Based on the timing of integration activities, Cirrus Logic currently estimates that one-time costs will be approximately £4 million (\$7 million) and expects these to be incurred as synergies are realised following the completion of the Acquisition.

12. Structure of the Acquisition

Introduction

The Acquisition is being effected by means of the Scheme, which is a Court-sanctioned scheme of arrangement between Wolfson and the Scheme Shareholders, under Part 26 of the Companies Act. The procedure involves, among other things, an application by Wolfson to the Court to sanction the Scheme and to confirm the cancellation of the existing Wolfson Shares, in consideration for which the Scheme Shareholders will receive cash on the basis described in paragraph 2 above. The purpose of the Scheme is to provide for Cirrus Logic to become the owner of the entire issued, and to be issued, share capital of Wolfson.

The Scheme is subject to the Conditions and certain further terms of the Scheme and the Acquisition contained in Part Four (*Conditions and certain further terms of the Scheme and the Acquisition*) of this document and will only become effective if, among other things, the following events occur on or before 31 October 2014 (or such later date (if any) as Cirrus Logic and Wolfson may, subject to the Code and/or with the consent of the Panel and the Court (if required), agree):

- a resolution to approve the Scheme is passed by a majority in number of the Scheme Shareholders present and voting (and entitled to vote) at the Court Meeting, either in person or by proxy, representing three-quarters or more in value of the Scheme Shares held by those Scheme Shareholders;
- the Special Resolution necessary to implement the Scheme and to sanction the related Capital Reduction is passed by the requisite majority of Wolfson Shareholders required to pass such a resolution at the Wolfson General Meeting;
- the Scheme is sanctioned (with or without modification, on terms agreed by Cirrus Logic and Wolfson) and the related Capital Reduction confirmed by the Court; and
- a certified copy of both the Sanction Court Order and the Reduction Court Order together with the Scheme and the Statement of Capital are delivered to the Registrar of Companies for registration and the Reduction Court Order and the Statement of Capital have been registered.

Upon the Scheme becoming effective: (i) it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the Wolfson General Meeting (and, if they attended and voted, whether or not they voted in favour); and (ii) share certificates in respect of Wolfson Shares will cease to be valid and entitlements to Wolfson Shares held within the CREST system will be cancelled.

Subject to the fulfilment of the conditions set out above, the Conditions and certain further terms contained in Part Four (*Conditions and certain further terms of the Scheme and the Acquisition*) of this document, it is expected that the Scheme will become effective on or around 29 August 2014. However, if the Scheme does not become effective on or before 31 October 2014 (or such later date (if any) as Cirrus Logic and Wolfson may, subject to the Code and/or with the consent of the Panel and the Court (if required), agree, it will lapse and the Acquisition will not proceed.

The Meetings

The Court Meeting and the Wolfson General Meeting are scheduled to be held at 2pm and 2.15pm, respectively, on 23 June 2014 at 44 Westfield Road, Edinburgh, EH11 2QB.

Notice of the Court Meeting is set out in Part Ten (*Notice of Court Meeting*) and notice of the Wolfson General Meeting is set out in Part Eleven (*Notice of Wolfson General Meeting*) of this document. Entitlement to attend and vote at the Meetings and the number of votes which may be cast at them will be determined by reference to the register of members of Wolfson at 6pm on the date which is two Business Days before the Meetings or any adjourned Meetings (as the case may be).

If the Scheme becomes effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the Wolfson General Meeting.

Any Wolfson Shares held by Cirrus Logic or any other member of the Cirrus Logic Group will not constitute Scheme Shares.

Any member of the Cirrus Logic Group which holds Wolfson Shares will not be entitled to vote at the Court Meeting in respect of the Wolfson Shares held or acquired by or for it and will not exercise the voting rights attaching to its Wolfson Shares at the Court Meeting. All Wolfson Shareholders will be entitled to vote at the Wolfson General Meeting.

Court Meeting

The Court Meeting is being held at the direction of the Court to seek the approval of Scheme Shareholders for the Scheme. At the Court Meeting, voting will be by way of poll and each Scheme Shareholder present in person (including by corporate representative) or by proxy will be entitled to one vote for each Scheme Share held. The approval required at the Court Meeting is a majority in number of the Scheme Shareholders present and voting, either in person or by proxy, representing three-quarters or more in value of the Scheme Shares held by such holders.

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of Scheme Shareholder opinion. You are therefore strongly urged to complete, sign and return your Forms of Proxy or appoint a proxy electronically, as soon as possible.

Wolfson General Meeting

The Wolfson General Meeting has been convened to consider and, if thought fit, pass the Special Resolution (which requires votes in favour representing at least 75 per cent. of the votes cast in person or by proxy) to approve:

- (i) the authorisation of the Wolfson Directors to take all actions as they may consider necessary or appropriate to bring the Scheme into effect;
- (ii) Re-registration of Wolfson as a private company and the cancellation of the Scheme Shares in accordance with the Scheme by way of the Capital Reduction;
- (iii) subject to the Capital Reduction taking effect:
 - (A) the capitalisation of the reserve arising on the Capital Reduction and the issue of New Wolfson Shares to Cirrus Logic or its nominee(s) in accordance with the Scheme; and
 - (B) the giving of authority to the Wolfson Directors pursuant to section 551 of the Companies Act to allot the new Wolfson Shares as provided for in the Scheme; and
- (iv) certain amendments to the articles of association of Wolfson as described below.

Amendments to Wolfson's articles of association

At the Wolfson General Meeting, it is proposed to amend Wolfson's articles of association to ensure that any Wolfson Shares issued between the time of adoption of Wolfson's amended articles of association and the Scheme Record Time will be subject to the Scheme. It is also proposed to amend Wolfson's articles of association so that any Wolfson Shares issued to any person other than Cirrus Logic or its nominee(s) at or after the Scheme Record Time will be automatically acquired by Cirrus Logic or its nominee(s) on the same terms as under the Scheme. This amendment will avoid any person (other than Cirrus Logic or its

nominee(s)) holding any Wolfson Shares after completion of the Acquisition. Part (4) of the Special Resolution set out in Part Eleven (*Notice of Wolfson General Meeting*) of this document seeks the approval of Wolfson Shareholders for such amendments.

The Court Hearings

Under the Companies Act, the Scheme also requires the sanction of the Court. There will be a Sanction Hearing in order to sanction the Scheme and a separate Reduction Hearing to confirm the Capital Reduction and to authorise the Re-registration.

The Sanction Hearing to sanction the Scheme and the Reduction Hearing to confirm the Capital Reduction and to authorise the Re-registration are expected to be held on 26 August 2014 and 28 August 2014, respectively, at the Court of Session, Parliament House, Parliament Square, Edinburgh EH1 1RQ. The reason for the short gap between the Sanction Hearing and the Reduction Hearing is to permit the registration, prior to the Scheme Record Time, of any Wolfson Shares issued under the terms of, and/or pursuant to the proposals relating to, the Wolfson Share Schemes upon (or immediately following) the sanctioning of the Scheme by the Court.

Any Wolfson Shareholder or other person who considers that he or she has an interest in the Scheme (each an “**Interested Party**”) and who is concerned that the Scheme may adversely affect him or her is entitled to be heard by the Court, as explained below.

If an Interested Party wishes to raise concerns in relation to the Scheme with the Court or appear at the Sanction Hearing or Reduction Hearing, he or she should seek independent legal advice and lodge written answers to the Petition with the Court at Parliament House, Parliament Square, Edinburgh EH1 1RQ within the period of time specified in the advertisement of the Petition (which is currently expected to be published on or around 27 June 2014) and pay the required fee. Written answers are a formal Court document which must comply with the rules of the Court and are normally prepared by Scottish counsel.

The Court may consider written objections which are not in the form of written answers and/or allow an Interested Party who has not lodged written answers to appear at the Sanction Hearing or Reduction Hearing. Each Interested Party should note that, although the practice of the Court is to consider informal objections made in person or in writing, the decision to do so is entirely at the discretion of the Court, and that the Court may require an Interested Party to lodge written answers in order to raise objections to the Scheme and/or appear at the Sanction Hearing or Reduction Hearing.

Cirrus Logic has confirmed that it will be represented by counsel at the Scheme Court Hearing to sanction the Scheme, so as to consent to the Scheme and to undertake to the Court to be bound thereby.

The Scheme and the Capital Reduction will become effective on the delivery of a certified copy of both the Sanction Court Order and the Reduction Court Order together with the Scheme and the Statement of Capital to the Registrar of Companies for registration and the Reduction Court Order and the Statement of Capital being registered. This is expected to occur on or around 29 August 2014.

If the Scheme becomes effective, it will be binding on all Wolfson Shareholders irrespective of whether or not they attended or voted in favour of the Scheme at the Court Meeting or in favour of the Special Resolution at the Wolfson General Meeting (and, if they attended, whether or not they voted in favour).

Unless the Scheme becomes effective on or before 31 October 2014, or such later date, if any, as Wolfson and Cirrus Logic may, subject to the Code and/or with the consent of the Panel and the Court (if required), agree, the Scheme will not become effective and the Acquisition will not be effected.

Modifications to the Scheme

The Scheme contains a provision for Wolfson and Cirrus Logic jointly to consent on behalf of all persons concerned to any modification of, or addition to, the Scheme or to any condition approved or imposed by the Court. The Court would be unlikely to approve any modification of, or addition to, or impose a condition to the Scheme which might be material to the interests of the Scheme Shareholders, unless Scheme Shareholders were informed of such modification, addition or condition. It would be a matter for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in these circumstances.

Re-registration as a private company

The Scheme includes the Court authorising the Re-registration of Wolfson as a private limited company. Such authorisation will be registered first by the Registrar of Companies and, therefore, Wolfson will be a private company at the time that the Capital Reduction is effected and when the New Wolfson Shares are subsequently issued to Cirrus Logic. Accordingly, there will be no requirement under section 593 of the Companies Act for an independent valuation of the New Wolfson Shares to be issued to Cirrus Logic.

Alternative means of implementing the Acquisition

Cirrus Logic reserves the right to elect (with the consent of the Panel) to implement the Acquisition by way of a Takeover Offer (as defined in Part 28 of the Companies Act). In such event, such offer would be implemented on the same terms, so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments, including (without limitation and subject to the consent of the Panel) an acceptance condition that is set at 90 per cent. (or such lesser percentage, as Cirrus Logic may decide) (i) in nominal value of the shares to which such offer relates; and (ii) of the voting rights attached to those shares, and that is subject to Cirrus Logic and/or (with the consent of the Panel) any of its wholly-owned subsidiaries having acquired or agreed to acquire, whether pursuant to the offer or otherwise, shares carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of Wolfson, including, for this purpose, any such voting rights attaching to Wolfson Shares that are unconditionally allotted or issued before the Takeover Offer becomes or is declared unconditional as to acceptances, whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise.

If sufficient acceptances of the Takeover Offer were received and/or sufficient Wolfson Shares were otherwise acquired, it would be the intention of Cirrus Logic to apply the provisions of section 979 of the Companies Act to acquire compulsorily any outstanding Wolfson Shares to which the Takeover Offer related.

13. Conditions

The Acquisition is subject to the Conditions and further terms set out in Part Four (*Conditions and certain further terms of the Scheme and the Acquisition*) of this document. In particular, the Acquisition is subject to the CMA confirming, in terms reasonably satisfactory to Cirrus Logic, that the Acquisition or any matter arising therefrom or related thereto or any part of it will not be subject to a reference under the Enterprise Act 2002.

14. Suspension and de-listing

It is intended that dealings in, and registration of transfers of, Wolfson Shares will be suspended from the Official List and from the London Stock Exchange's main market for listed securities at 5pm London time on the Business Day prior to the Effective Date.

It is further intended that applications will be made to the London Stock Exchange for Wolfson Shares to cease to be admitted to trading on its main market for listed securities and to the UK Listing Authority for the cancellation of the listing of Wolfson Shares on the Official List, in each case to take effect as of or shortly after the Effective Date.

On the Effective Date, share certificates in respect of Wolfson Shares will cease to be valid and should be destroyed or, at the request of Wolfson, delivered up to Wolfson or to any person appointed by Wolfson to receive the same. In addition, entitlements to Scheme Shares held within the CREST system will be cancelled.

15. Settlement of Cash Price

Subject to the Scheme becoming effective, settlement of the Cash Price to which any Scheme Shareholder is entitled under the Acquisition will be effected by the despatch of cheques or the crediting of CREST accounts as soon as practicable and, in any event, not later than 14 days after the Effective Date.

Scheme Shares held in certificated form

Where, at the Scheme Record Time, a Scheme Shareholder holds their Scheme Shares in certificated form (that is, not in CREST), settlement of the Cash Price to which such Scheme Shareholder is entitled will be despatched to the Scheme Shareholder or its appointed agents by first class post, by cheque (or by such

other method as may be approved by the Panel). All such cash payments will be made in Sterling. None of Wolfson, Cirrus Logic, any nominee(s) of Cirrus Logic or any of their respective agents shall be responsible for any loss or delay in the transmission of cheques sent in this way, and such cheques shall be sent at the risk of the person entitled thereto.

Scheme Shares held in uncertificated form

Where, at the Scheme Record Time, a Scheme Shareholder holds their Scheme Shares in uncertificated form (that is, in CREST), settlement of the Cash Price to which such Scheme Shareholder is entitled will be transferred to such person through CREST by Cirrus Logic procuring the creation of an assured payment obligation in favour of the appropriate CREST account through which the Scheme Shareholder holds such uncertificated Wolfson Shares in respect of the cash consideration due to him or her.

As from the Effective Date, each holding of Wolfson Shares credited to any stock account in CREST will be disabled and all Wolfson Shares will be removed from CREST in due course.

Cirrus Logic reserves the right to settle all or any part of the consideration referred to in this paragraph, for all or any Scheme Shareholders, in the manner for Scheme Shares held in certificated form referred to in the paragraph above if, for any reason, it wishes to do so.

Despatch by post

Cheques in respect of the Cash Price will be despatched to the address appearing on the Wolfson register of members at the Scheme Record Time (or, in the case of joint holders, to the address of that joint holder whose name stands first in the said register in respect of such joint holding). Despatch will be by first class post if the registered address is located in the same country as that in which despatch is occurring, and by international standard (formerly airmail) post if the registered address is not in the same country.

General

All documents and remittances sent by post will be sent at the risk of the person(s) entitled thereto.

Save with the consent of the Panel, settlement of the Cash Price to which any Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms set out in this Part Two (*Explanatory Statement*) without regard to any lien, right of set-off, counterclaim or other analogous right to which Cirrus Logic may otherwise be, or claim to be, entitled against any Scheme Shareholder. This is without prejudice to Cirrus Logic's entitlement to reduce the amount of consideration payable by an amount equivalent to any dividend declared or paid prior to the Effective Date and retained by any Wolfson Shareholder.

On the Effective Date, each certificate representing a holding of Scheme Shares will cease to be valid and should be destroyed, or, at the request of Wolfson, delivered up to Wolfson or to any person appointed by Wolfson to receive the same.

16. United Kingdom Taxation

The following paragraphs, which are intended as a general guide only and not a substitute for detailed tax advice, are based on current UK legislation and HMRC published practice, both of which are subject to change, possibly with retrospective effect. They summarise certain limited aspects of the UK taxation treatment of Wolfson Shareholders. They relate only to the position of Wolfson Shareholders who are resident in the UK for taxation purposes at all relevant times and who hold their Wolfson Shares beneficially as an investment (other than under a personal equity plan or an individual savings account) and who have not (and are not deemed to have) acquired their Wolfson Shares by reason of an office or employment. The comments below apply only to certain categories of person and, in particular, may not apply to such persons as market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services, to whom special rules may apply.

If you are in any doubt as to your taxation position or if you may be subject to taxation in any jurisdiction other than the United Kingdom, you should consult an appropriately qualified independent professional adviser immediately.

UK taxation of chargeable gains

A Wolfson Shareholder's liability to UK taxation of chargeable gains in respect of the disposal of Wolfson Shares pursuant to the Acquisition will depend on that shareholder's individual circumstances.

The sale of Wolfson Shares by a Wolfson Shareholder pursuant to the Acquisition will constitute a disposal of his or her shareholding. Such a disposal may give rise to a liability to UK taxation of chargeable gains depending on the Wolfson Shareholder's individual circumstances (including the availability of exemptions, reliefs and allowable losses) and, in particular, the Wolfson Shareholder's base cost in his or her holding of Wolfson Shares.

Subject to available reliefs or allowances, gains arising on a disposal of Wolfson Shares by an individual Wolfson Shareholder will be taxed at the rate of 18 per cent. except to the extent that the gain, when it is added to the Wolfson Shareholder's other taxable income and gains in the relevant tax year, exceeds the upper limit of the income tax basic rate band (£31,865 for the 2014/15 tax year), in which case it will be taxed at the rate of 28 per cent.

The capital gains tax annual exemption (£11,000 for 2014/15) may be available to individual Wolfson Shareholders to offset against chargeable gains realised on the disposal of their Wolfson Shares.

For Wolfson Shareholders within the charge to UK corporation tax (but which do not qualify for the substantial shareholdings exemption in respect of their Wolfson Shares) indexation allowance may be available in respect of the full period of ownership of the Wolfson Shares to reduce any chargeable gain arising (but not to create or increase an allowable loss) on the cancellation of their Wolfson Shares under the Scheme in return for cash.

Wolfson Share Schemes

Special tax provisions may apply to Wolfson Shareholders who have acquired or acquire their Wolfson Shares by exercise of options and/or vesting of awards under the Wolfson Share Schemes, including provisions imposing a charge to UK income tax and National Insurance contributions when such an award vests or such an option is exercised. Such Wolfson Shareholders are advised to seek independent professional advice in this regard.

Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

No UK stamp duty or SDRT will be payable by Wolfson Shareholders as a result of the Acquisition.

17. Overseas Shareholders

The release, publication or distribution of this document in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements.

The Acquisition relates to the shares of a Scottish company and is proposed to be effected by means of a scheme of arrangement under the laws of Scotland. Neither the proxy solicitation rules nor (unless implemented by means of a Takeover Offer) the tender offer rules under the US Exchange Act will apply to the Acquisition. Moreover, the Acquisition is subject to the disclosure requirements and practices applicable in the United Kingdom and under the Code to schemes of arrangement, which differ from the disclosure requirements of the US proxy solicitation rules and tender offer rules. However, if Cirrus Logic were to exercise its right to implement the Acquisition of the Wolfson Shares by way of a Takeover Offer, such offer would be made in compliance with US tender offer and securities laws and regulations to the extent applicable. Financial information relating to Wolfson included in this document has been or will have been prepared in accordance with accounting standards applicable in the United Kingdom that may not be comparable with financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

Unless otherwise determined by Cirrus Logic or required by the Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this document and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted

Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this document and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction.

The availability of the Acquisition to Wolfson Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements.

Wolfson Shareholders who are in any doubt regarding such matters should consult an appropriate independent professional advisor in the relevant jurisdiction without delay.

This document does not constitute an offer for sale for any securities or an offer or an invitation to purchase any securities. Wolfson Shareholders are advised to read carefully this document and the Forms of Proxy. In particular, overseas Wolfson Shareholders should refer to the section of this document entitled "IMPORTANT NOTICE" on page ii and this paragraph 17 of this document.

18. Action to be taken

Your attention is drawn to pages 3 and 4 of this document, which set out in full the actions you should take in respect of voting on the Acquisition and the Scheme.

19. Further information

A helpline is available for Wolfson Shareholders on 0871 384 2473 or +44 (0)121 415 0817 if calling from outside the UK. Calls to the 0871 number cost 8 pence per minute (excluding VAT) plus network extras. Lines are open from 8.30am to 5.30pm Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline is available to answer questions regarding this document, the Meetings or the completion and return of the Forms of Proxy. However, it cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

The terms of the Scheme are set out in full in Part Five (*The Scheme of Arrangement*) of this document. Your attention is also drawn to the further information contained (or incorporated by reference) in this document which forms part of this Explanatory Statement for the purposes of section 897 of the Companies Act and, in particular Part Six (*Financial Information Relating to Wolfson*) and Part Eight (*Additional Information*) of this document.

Yours faithfully,

Dwayne Lysaght
Managing Director

for and on behalf of
J.P. Morgan Cazenove

PART THREE
FREQUENTLY ASKED QUESTIONS AND ANSWERS

1. What is being proposed?

Cirrus Logic has offered to acquire the entire issued and to be issued share capital of Wolfson. Under the terms of such offer, Cirrus Logic has agreed to pay 235 pence per Scheme Share, in cash, to Wolfson Shareholders.

Further details of the terms of the Acquisition can be found at paragraph 2 of Part One (*Letter from the Chairman of Wolfson Microelectronics plc*) and paragraph 2 of Part Two (*Explanatory Statement*) of this document.

2. Who is Cirrus Logic?

Cirrus Logic is incorporated under the laws of the State of Delaware, USA. Founded in 1984 and headquartered in Austin, Texas, Cirrus Logic develops high-precision, analogue and mixed-signal integrated circuits for a broad range of innovative customers. Building on its diverse analogue and signal-processing patent portfolio, Cirrus Logic delivers highly optimised products for a variety of audio and energy-related applications. For the financial year ended 29 March 2014, Cirrus Logic's revenue was \$714 million. Cirrus Logic Shares are listed on the NASDAQ (CRUS). As at 21 May 2014 (being the latest practicable date prior to publication of this document), Cirrus Logic had a market capitalisation of approximately \$1.4 billion (£0.8 billion).

3. How is the Acquisition being effected?

It is intended that the Acquisition will be effected by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

The Scheme must be approved by Scheme Shareholders at a special meeting convened at the direction of the Court. The Scheme will also require the approval of Wolfson Shareholders at a general meeting of Wolfson Shareholders, to pass certain resolutions in connection with the Scheme.

If approved by Wolfson Shareholders, the Scheme must also be sanctioned by the Court and the Capital Reduction must be confirmed by the Court.

Further details of the structure of the Acquisition can be found at paragraph 12 of Part Two (*Explanatory Statement*) of this document.

4. When are the Meetings?

The Court Meeting has been convened for 2pm on 23 June 2014, and the Wolfson General Meeting is scheduled to commence at 2.15pm or immediately after the conclusion of the Court Meeting. The Court Meeting and the Wolfson General Meeting will be held at 44 Westfield Road, Edinburgh EH11 2QB.

5. Are there any conditions to the Acquisition?

Yes, there are. As well as Wolfson Shareholder approval, the Acquisition is subject to a number of regulatory and other conditions. Please refer to Part Four (*Conditions and certain further terms of the Scheme and the Acquisition*) of this document, where the Conditions are set out in full.

6. When will the Acquisition be completed?

It is expected that (subject to satisfaction or (if applicable) waiver of the Conditions) the Sanction Hearing to sanction the Scheme will be held on 26 August 2014 and the Reduction Hearing to confirm the Capital Reduction will be held on 28 August 2014 and that the Scheme will become effective in accordance with its terms on 29 August 2014.

If certain of the Conditions have not been satisfied by 25 August 2014, it is possible that the anticipated dates of the Sanction Hearing, the Reduction Hearing and the Effective Date will be delayed.

7. Why will the Acquisition not complete until August if shareholder approval is given in June?

As stated above, the Acquisition is conditional on a number of regulatory and other conditions, as well as the approval of the Court, which can only be obtained once such conditions are satisfied or, if applicable, waived.

8. I have recently sold my shares. Do I take any action?

If you sell or transfer or have sold or otherwise transferred all of your Wolfson Shares, please send this document and any accompanying documents, other than your personalised Forms of Proxy, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents must not be forwarded, distributed or transmitted in, into or from any jurisdiction in which such act would constitute a violation of the relevant laws or regulations of such jurisdiction. If you sell or have sold or transferred only part of your holding of Wolfson Shares, please retain the documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

9. What will be the effect of the Acquisition on my Wolfson Shares?

If the Acquisition is completed, your Wolfson Shares will be cancelled on the Effective Date and Cirrus Logic will pay you the Cash Price for your Wolfson Shares.

10. When must I be on the Wolfson register to be eligible to receive the Cash Price?

Wolfson Shareholders on the Wolfson register of members at the Scheme Record Time, which is currently expected to be 6pm on 27 August 2014, will be eligible to receive the Cash Price under the terms of the Acquisition.

11. When and how will I receive the Cash Price?

The Cash Price will be paid by Cirrus Logic either by cheque or by CREST payment, depending upon how you hold your Wolfson Shares, within 14 days of the Effective Date.

Further information on settlement of the Cash Price can be found at paragraph 15 of Part Two (*Explanatory Statement*) of this document.

12. May I buy and sell Wolfson Shares between now and the completion of the Acquisition?

Yes, you can. It is currently expected that the last day of dealings in the Wolfson Shares on the London Stock Exchange will be 27 August 2014. The Wolfson Directors and Odey Asset Management LLP are, however, restricted from buying further shares.

An expected timetable of principal events in the course of the Acquisition is set out on page 2 of this document.

13. Do I need to vote at the Meetings?

Your vote is very important.

As many votes as possible must be cast at the Court Meeting so that the Court may be satisfied that there is a fair and reasonable representation of Scheme Shareholder opinion.

If the Scheme becomes effective, it will be binding on all Wolfson Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the Wolfson General Meeting and the entire issued share capital of Wolfson will be acquired by Cirrus Logic.

You are therefore strongly urged to complete, sign and return your Forms of Proxy, appoint a proxy through CREST or vote online through www.sharevote.co.uk as soon as possible.

14. Why are the Wolfson Directors recommending that I vote in favour of the Acquisition?

The Wolfson Directors, who have been so advised by J.P. Morgan Cazenove, consider the terms of the Acquisition to be fair and reasonable. Accordingly, the Wolfson Directors recommend unanimously that Wolfson Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the Wolfson General Meeting.

Further details of and background to the Wolfson Directors' recommendation are set out in paragraphs 1 and 13 of Part One (*Letter from the Chairman of Wolfson Microelectronics plc*) of this document.

15. Has anyone announced they will be voting in favour of the Acquisition?

Cirrus Logic has received irrevocable undertakings from each of the Wolfson Directors to vote in favour of the Scheme at the Court Meeting and in favour of the General Meeting Resolutions, in respect of a total of 1,349,020 Wolfson Shares, representing approximately 1.15 per cent. of the ordinary share capital of Wolfson in issue on 21 May 2014 (being the latest practicable date prior to publication of this document). The irrevocable undertakings given by the Wolfson Directors will remain in full force and effect if the Acquisition is effected by way of a Takeover Offer and will cease to be binding in the circumstances described in paragraph 7.2 of Part Eight (*Additional Information*) of this document.

Cirrus Logic has also received an irrevocable undertaking from Odey Asset Management LLP, an institutional shareholder of Wolfson, to vote in favour of the Scheme at the Court Meeting and the General Meeting Resolutions, in respect of a total of 7,135,240 Wolfson Shares, representing approximately 6.10 per cent. of the ordinary share capital of Wolfson in issue on 21 May 2014 (being the latest practicable date prior to publication of this document).

The irrevocable undertaking from Odey Asset Management LLP described in the Press Announcement had been in respect of 6,865,240 Wolfson Shares, representing approximately 5.88 per cent. of the ordinary share capital of Wolfson in issue on 28 April 2014 (being the latest practicable date prior to the Press Announcement). In a letter from Odey Asset Management LLP to Cirrus Logic dated 16 May 2014, Odey Asset Management LLP (i) advised Cirrus Logic that at the time of publication of the Press Announcement Odey Asset Management LLP's interest in Wolfson was an economic one held through a derivative contract rather than being a holding of Wolfson Shares but that it had subsequently converted the derivative instrument into 6,865,240 Wolfson Shares, (ii) advised Cirrus Logic that since 29 April 2014 it had acquired a further economic interest in Wolfson through a derivative contract which was equivalent to 270,000 Wolfson Shares and that this interest had also been converted into Wolfson Shares, (iii) confirmed to Cirrus Logic that it is now the registered and beneficial owner of 7,135,240 shares in the Company, representing approximately 6.11 per cent. of the ordinary share capital of Wolfson in issue on 28 April 2014 (being the latest practicable date prior to the Press Announcement), which are subject to the irrevocable undertaking from Odey Asset Management LLP and (iv) confirmed that it would exercise all voting rights attaching to these shares in Wolfson to vote in favour of the Scheme at the Court Meeting and in favour of the resolutions at the Wolfson General Meeting.

This irrevocable undertaking will cease to be binding in certain circumstances, such as where a competing offer is announced under Rule 2.7 of the Code which has a value of 10 per cent. or more above the value of the consideration offered under the Acquisition as at the date on which such competing offer is announced, unless Cirrus Logic has announced an improvement to the terms of the Acquisition within seven days of the competing offer being announced, on terms at least as favourable as under the competing offer.

In aggregate, therefore, Cirrus Logic has received irrevocable undertakings in respect of a total of 8,484,260 Wolfson Shares, representing approximately 7.26 per cent. of the share capital of Wolfson in issue on 21 May 2014 (being the latest practicable date prior to publication of this document).

Further details of these irrevocable undertakings are set out in paragraph 7 of Part Eight (*Additional Information*) of this document.

Copies of the irrevocable undertakings and the letter from Odey Asset Management LLP to Cirrus Logic described above are on display on Wolfson's and Cirrus Logic's websites (www.wolfsonmicro.com and www.cirrus.com, respectively) until the Effective Date or the date on which the Scheme lapses or is withdrawn, whichever is earlier.

16. I am a registered Wolfson Shareholder, how do I vote at the Meetings?

Detailed instructions of the action that you should take are set out on pages 3 and 4 of this document.

Whether or not you intend to attend both or either of the Meetings, please complete and sign both Forms of Proxy and return them in accordance with the instructions thereon by post or (during normal business hours only) by hand to Equiniti Limited at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to arrive as soon as possible but in any event by no later than 48 hours before the time and date fixed

for the relevant Meeting (excluding any day that is not a working day) (or in the case of any adjournment, not later than 48 hours before the time fixed for the holding of the adjourned Meeting (excluding any day that is not a working day)).

Alternatively, you may register a proxy appointment electronically at www.sharevote.co.uk by following the instructions on the website. Please refer to questions 18 and 19 below.

If you hold your Wolfson Shares through CREST, you can appoint a proxy or proxies through the CREST electronic proxy appointment service by using the procedures described in the CREST Manual.

17. I want to appoint someone to attend the Meetings, how do I do this?

Please refer to Note 5 on the Forms of Proxy. If you wish to appoint a proxy other than the Chairman of the Wolfson General Meeting, please insert their name in the space provided and delete the words ‘the Chairman of the Court Meeting’ or ‘the Chairman of the Wolfson General Meeting’ as the case may be. To appoint more than one proxy, you should photocopy the Form of Proxy and indicate next to the proxy’s name the number of shares in relation to which you authorise them to act as your proxy. If you have appointed multiple proxies please also mark the box where indicated.

18. Can I vote electronically?

Proxy appointments or voting directions can be submitted electronically via the www.sharevote.co.uk website, where full details of the procedure are given. Scheme Shareholders who are not registered to vote electronically will need to enter the Voting ID, Task ID and Shareholder Reference Number set out in their personalised voting form which accompanies this document. Alternatively Scheme Shareholders who have already registered with Equiniti’s Shareview Service can appoint a proxy by logging on to their portfolio at www.shareview.co.uk and click on the link to vote. The onscreen instructions give details on how to complete the appointment process. In order to be valid, such appointments and directions must be registered by no later than 2pm on 19 June 2014 in the case of the Court Meeting, or 2.15pm on 19 June 2014 in the case of the Wolfson General Meeting, or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any day that is not a working day). Wolfson Shareholders are advised to read the terms and conditions of use carefully. Electronic communication facilities are available to all Wolfson Shareholders.

19. If I vote electronically do I still need to send the Forms of Proxy?

No, there is no need to send in the Forms of Proxy if you have voted electronically.

20. What happens if I do not return my Forms of Proxy in time?

If the BLUE Form of Proxy is not returned by the 2pm on 19 June 2014, it may be handed to Equiniti Limited (on behalf of the chairman of the Court Meeting) before the start of the Court Meeting and will still be valid.

However, in the case of the Wolfson General Meeting, the WHITE Form of Proxy will be valid only if it is returned by 2.15pm on 19 June 2014.

21. What happens if I do nothing?

If the Scheme becomes effective, it will be binding on all Wolfson Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the Wolfson General Meeting and the entire issued share capital of Wolfson will be acquired by Cirrus Logic.

22. Do I need to send in my share certificate(s) in respect of my Wolfson Shares?

If you hold your Wolfson Shares in certificated form, you do not need to send in your share certificate(s) unless requested to do so by Wolfson or its appointed representative. By operation of the Scheme, the Wolfson Shares represented by your share certificate(s) will be cancelled and the certificate(s) will no longer be valid.

23. What are the tax consequences of the acquisition of my Wolfson Shares by Cirrus Logic?

The tax consequences of the acquisition of your Wolfson Shares will depend upon your individual circumstances. Certain aspects of the expected tax consequences for certain classes of persons who are

resident for UK tax purposes in the United Kingdom are set out in paragraph 16 of Part Two (*Explanatory Statement*) of this document.

If you are in any doubt as to your taxation position or if you may be subject to taxation in any jurisdiction other than the United Kingdom, you should consult an appropriately qualified independent professional adviser immediately.

24. What if I hold my Wolfson Shares in a PEP or ISA?

Your PEP/ISA manager should notify you as to how the Acquisition affects your PEP/ISA. If you require further details you should contact your PEP/ISA manager accordingly.

25. What if I participate in a Wolfson Share Scheme?

You are being written to separately with respect to your options and/or awards granted under the Wolfson Share Schemes. For further information, please also refer to paragraph 8 of Part Two (*Explanatory Statement*) of this document.

26. What if I am resident outside the United Kingdom?

If you are resident outside the United Kingdom, you should read paragraph 17 of Part Two (*Explanatory Statement*) of this document.

27. What if I have further questions?

If you have further questions, please call the helpline on 0871 384 2473 or +44 (0)121 415 0817 if calling from outside the UK. Calls to the 0871 number cost 8 pence per minute (excluding VAT) plus network extras. Lines are open from 8.30am to 5.30pm Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline is available to answer questions regarding this document, the Meetings or the completion and return of the Forms of Proxy. However, it cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

PART FOUR

CONDITIONS AND CERTAIN FURTHER TERMS OF THE SCHEME AND THE ACQUISITION

A. CONDITIONS TO THE SCHEME AND ACQUISITION

The Acquisition is conditional upon the Scheme becoming unconditional and becoming effective, subject to the provisions of the Code, by no later than 31 October 2014, or such later date (if any) as Cirrus Logic and Wolfson may agree and the Court may allow.

- (a) The Scheme is conditional upon:
- (i) its approval by a majority in number representing not less than three-fourths in value of the Scheme Shareholders (or the relevant class or classes thereof, if applicable) present and voting, either in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court or at any adjournment of any such meeting on or before 30 June 2014 (or such later date, if any, as Cirrus Logic and Wolfson may agree and the Court may allow);
 - (ii) all resolutions necessary to approve and implement the Scheme being duly passed by the requisite majority or majorities at the Wolfson General Meeting or at any adjournment of that meeting on or before 30 June 2014 (or such later date, if any, as Cirrus Logic and Wolfson may agree and the Court may allow); and
 - (iii) the sanction of the Scheme with or without modification (but subject to any such modification being acceptable to Cirrus Logic and Wolfson) and the confirmation of the Capital Reduction by the Court on or before 31 October 2014 (or such later date, if any, as Cirrus Logic and Wolfson may agree and the Court may allow) and:
 - (1) the delivery of a copy of each of the Court Orders and of the requisite Statement of Capital to the Registrar of Companies; and
 - (2) the registration of the Reduction Court Order and the Statement of Capital by the Registrar of Companies.

In addition, Cirrus Logic and Wolfson have agreed that the Acquisition is conditional upon the following conditions and, accordingly, the necessary actions to make the Scheme effective will not be taken unless the following conditions (as amended if appropriate) have been satisfied or, where relevant, waived:

- (b) (i) insofar as the Acquisition constitutes a relevant merger situation within the meaning of the Enterprise Act 2002, the Competition and Markets Authority (the CMA) or the appropriate Minister confirming, in terms reasonably satisfactory to Cirrus Logic, that the Acquisition or any matter arising therefrom or related thereto or any part of it will not be subject to a reference under sections 33, 45 or 62 of the Enterprise Act 2002; and
- (ii) no decision, order or judgement of any court or governmental, statutory or regulatory body having been issued or made prior to the Effective Date, and no legal or regulatory requirements remaining to be satisfied, which would have the effect of making unlawful or otherwise prohibiting the Acquisition;
- (c) there being no provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Wolfson Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, which in consequence of the Acquisition or because of a change in the control or management of Wolfson or otherwise, would or might reasonably be expected to result in (in any such case to an extent which is material in the context of the Wider Wolfson Group as a whole):
- (i) any moneys borrowed by or any other indebtedness (actual or contingent) of, or grant available to any such member, being or becoming repayable or capable of being declared repayable immediately or earlier than their or its stated maturity date or repayment date or the ability of any such member to borrow moneys or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
 - (ii) any such agreement, arrangement, licence, permit or instrument or the rights, liabilities, obligations or interests of any such member thereunder being terminated or modified or affected or any obligation or liability arising or any action being taken or arising thereunder;

- (iii) any assets or interests of any such member being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged;
- (iv) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any such member;
- (v) the rights, liabilities, obligations or interests of any such member in, or the business of any such member with, any person, firm or body (or any arrangement or arrangements relating to any such interest or business) being terminated, adversely modified or affected;
- (vi) the value of any such member or its financial or trading position or prospects being prejudiced or adversely affected;
- (vii) any such member ceasing to be able to carry on business under any name under which it presently does so; or
- (viii) the creation of any liability, actual or contingent, by any such member,

and no event having occurred which, under any provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Wolfson Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, would or might reasonably be expected to result in any of the events or circumstances as are referred to in sub-paragraphs (i) to (viii) of this condition;

- (d) no Third Party having decided to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or enacted, made or proposed any statute, regulation, decision or order, or having taken any other steps which would or might reasonably be expected to:
 - (i) require, prevent or delay the divestiture, or materially alter the terms envisaged for any proposed divestiture by any member of the Wider Cirrus Logic Group or any member of the Wider Wolfson Group of all or any portion of their respective businesses, assets or property or impose any limitation on the ability of any of them to conduct their respective businesses (or any of them) or to own any of their respective assets or properties or any part thereof which, in any such case, is material in the context of the Wider Cirrus Logic Group or the Wider Wolfson Group in either case taken as a whole;
 - (ii) require, prevent or materially delay the divestiture by any member of the Wider Cirrus Logic Group of any shares or other securities in Wolfson;
 - (iii) impose any limitation on, or result in a material delay in, the ability of any member of the Wider Cirrus Logic Group directly or indirectly to acquire or to hold or to exercise effectively any rights of ownership in respect of shares or loans or securities convertible into shares or any other securities (or the equivalent) in any member of the Wider Wolfson Group or the Wider Cirrus Logic Group or to exercise management control over any such member;
 - (iv) otherwise affect the business, assets, profits or prospects of any member of the Wider Cirrus Logic Group or of any member of the Wider Wolfson Group in a manner which is adverse to and material in the context of the Cirrus Logic Group or the Wolfson Group in either case taken as a whole;
 - (v) make the Acquisition void, illegal, and/or unenforceable under the laws of any jurisdiction, or otherwise, directly or indirectly, restrain, restrict, prohibit, materially delay or otherwise materially interfere with the same, or impose additional and onerous conditions or onerous obligations with respect thereto;
 - (vi) except pursuant to sections 974 to 991 of the 2006 Act, require any member of the Wider Cirrus Logic Group or the Wider Wolfson Group to offer to acquire any shares or other securities (or the equivalent) or interest in any member of the Wider Wolfson Group or the Wider Cirrus Logic Group owned by any third party;
 - (vii) impose any limitation on the ability of any member of the Wider Wolfson Group to co-ordinate its business, or any part of it, with the businesses of any other members which is adverse to and material in the context of the group concerned taken as a whole; or

(viii) result in any member of the Wider Wolfson Group ceasing to be able to carry on business under any name under which it presently does so,

and all applicable waiting and other time periods during which any such Third Party could institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or any other step under the laws of any jurisdiction in respect of the Acquisition having expired, lapsed or been terminated;

- (e) all necessary filings or applications having been made in connection with the Acquisition and all material statutory or regulatory obligations in any jurisdiction having been complied with in connection with the Acquisition and all authorisations, orders, recognitions, grants, consents, licences, confirmations, clearances, permissions and approvals reasonably deemed necessary or appropriate by Cirrus Logic or any member of the Wider Cirrus Logic Group for or in respect of the Acquisition having been obtained in terms and in a form reasonably satisfactory to Cirrus Logic from all appropriate Third Parties or persons with whom any member of the Wider Wolfson Group has entered into contractual arrangements and all such authorisations, orders, recognitions, grants, consents, licences, confirmations, clearances, permissions and approvals together with all material authorisations orders, recognitions, grants, licences, confirmations, clearances, permissions and approvals necessary or appropriate to carry on the business of any member of the Wider Wolfson Group which is material in the context of the Cirrus Logic Group or the Wolfson Group as a whole remaining in full force and effect and all filings necessary for such purpose having been made and there being no notice or intimation of any intention to revoke or not to renew any of the same at the time at which the Acquisition becomes effective;
- (f) except as publicly announced by Wolfson in accordance with the Listing Rules or the Disclosure Rules and Transparency Rules prior to 29 April 2014 or as Fairly Disclosed, no member of the Wider Wolfson Group having, since 29 December 2013:
- (i) save as between Wolfson and wholly-owned subsidiaries of Wolfson or for Wolfson Shares issued pursuant to the exercise of options and/or the vesting of awards granted under the Wolfson Share Schemes, issued, authorised or proposed the issue of additional shares of any class;
 - (ii) save as between Wolfson and wholly-owned subsidiaries of Wolfson or for the grant of options and/or awards under the Wolfson Share Schemes, issued or agreed to issue, authorised or proposed the issue of securities convertible into shares of any class or rights, warrants or options to subscribe for, or acquire, any such shares or convertible securities;
 - (iii) other than to another member of the Wolfson Group, recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution whether payable in cash or otherwise;
 - (iv) save for intra-Wolfson Group transactions, merged or demerged with any body corporate or acquired or disposed of or transferred, mortgaged or charged or created any security interest over any assets or any right, title or interest in any asset (including shares and trade investments) or authorised or proposed or announced any intention to propose any merger, demerger, acquisition or disposal, transfer, mortgage, charge or security interest, in each case, other than in the ordinary course of business;
 - (v) save for intra-Wolfson Group transactions, made or authorised or proposed or announced an intention to propose any change in its loan capital;
 - (vi) issued, authorised or proposed the issue of any debentures or (save for intra-Wolfson Group transactions), save in the ordinary course of business, incurred or materially increased any indebtedness or become subject to any material contingent liability;
 - (vii) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect to the matters mentioned in sub-paragraph (i) above, made any other change to any part of its share capital;
 - (viii) implemented, or authorised, proposed or announced its intention to implement, any reconstruction, amalgamation, scheme, commitment or other transaction or arrangement otherwise than in the ordinary course of business or entered into or changed the terms of any contract with any director or senior executive;

- (ix) entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, onerous or unusual nature or magnitude or which is or would be materially restrictive on the businesses of any member of the Wider Wolfson Group or the Wider Cirrus Logic Group or which involves or would involve an obligation of such a nature or magnitude or which is other than in the ordinary course of business and which is material in the context of the Wider Wolfson Group taken as a whole;
- (x) (other than in respect of a member which is dormant and was solvent at the relevant time) taken any corporate action or had any legal proceedings started or threatened against it for its winding-up, dissolution or reorganisation or for the appointment of a receiver, administrative receiver, administrator, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or had any such person appointed;
- (xi) entered into any contract, transaction or arrangement which would be restrictive on the business of any member of the Wider Wolfson Group or the Wider Cirrus Logic Group other than to a nature and extent which is normal in the context of the business concerned;
- (xii) waived or compromised any claim (otherwise than in the ordinary course of business) where such waiver or compromise would have a material adverse effect on the financial position of the Wider Wolfson Group taken as a whole;
- (xiii) entered into any contract, commitment, arrangement or agreement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced any intention to, or to propose to, effect any of the transactions, matters or events referred to in this condition;
- (xiv) except in relation to changes made or agreed to be made as required by legislation or changes to legislation, having made or agreed or consented to any change to:
 - (1) the terms of the trust deeds constituting the pension scheme(s) established by any member of the Wider Wolfson Group for its directors, employees or their dependents;
 - (2) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder;
 - (3) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
 - (4) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued or made;
- (xv) except as agreed with Cirrus Logic pursuant to the terms of the Co-operation Agreement, proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any person employed by the Wider Wolfson Group; or
- (xvi) having taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Wolfson Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Code,

and, for the purposes of paragraphs (iii), (iv), (v) and (vi) of this condition, the term “Wolfson Group” shall mean Wolfson and its wholly-owned subsidiaries;

- (g) except as Fairly Disclosed, since 29 December 2013, and in any such case to an extent which is material in the context of the Wider Wolfson Group taken as a whole:
 - (i) no adverse change or deterioration having occurred in the business, assets, financial or trading position or profits or prospects of any member of the Wider Wolfson Group;
 - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider Wolfson Group is or may become a party (whether as a plaintiff, defendant or otherwise) and no investigation by any Third Party against or in respect of any member of the Wider Wolfson Group having been instituted announced or threatened by or against or remaining outstanding in respect of any member of the Wider Wolfson Group which

in any such case might reasonably be expected to adversely affect any member of the Wider Wolfson Group;

- (iii) no contingent or other liability having arisen or become apparent to Cirrus Logic which would be likely to adversely affect any member of the Wider Wolfson Group; and
 - (iv) no steps having been taken which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Wolfson Group which is necessary for the proper carrying on of its business;
- (h) except as Fairly Disclosed, Cirrus Logic not having discovered:
- (i) that any financial, business or other information concerning the Wider Wolfson Group as contained in the information publicly disclosed at any time by or on behalf of any member of the Wider Wolfson Group is materially misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not materially misleading;
 - (ii) that any member of the Wider Wolfson Group partnership, company or other entity in which any member of the Wider Wolfson Group has a significant economic interest and which is not a subsidiary undertaking of Wolfson is subject to any liability (contingent or otherwise) which is material in the context of the Wider Wolfson Group taken as a whole; or
 - (iii) any information which affects the import of any information disclosed at any time by or on behalf of any member of the Wider Wolfson Group and which is material in the context of the Wider Wolfson Group taken as a whole; and
- (i) Cirrus Logic not having discovered that:
- (i) any past or present member of the Wider Wolfson Group has failed to comply with any and/or all applicable legislation or regulation, of any jurisdiction with regard to the disposal, spillage, release, discharge, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or harm human health or animal health or otherwise relating to environmental matters, or that there has otherwise been any such disposal, spillage, release, discharge, leak or emission (whether or not the same constituted a non-compliance by any person with any such legislation or regulations, and wherever the same may have taken place) any of which disposal, spillage, release, discharge, leak or emission would be likely to give rise to any liability (actual or contingent) on the part of any member of the Wider Wolfson Group and which is material in the context of the Wider Wolfson Group taken as a whole; or
 - (ii) there is, or is likely to be, for that or any other reason whatsoever, any liability (actual or contingent) of any past or present member of the Wider Wolfson Group to make good, repair, reinstate or clean up any property or any controlled waters now or previously owned, occupied, operated or made use of or controlled by any such past or present member of the Wider Wolfson Group, under any environmental legislation, regulation, notice, circular or order of any government, governmental, quasi-governmental, state or local government, supranational, statutory or other regulatory body, agency, court, association or any other person or body in any jurisdiction and which is material in the context of the Wider Wolfson Group taken as a whole.

Cirrus Logic reserves the right to waive, in whole or in part, all or any of conditions (a) to (i) above, except for condition (a), which cannot be waived.

Conditions (b) to (i) (inclusive) must be fulfilled or waived by, no later than 11.59pm on the date immediately preceding the date of the Sanction Hearing, failing which the Scheme will lapse. Cirrus Logic shall be under no obligation to waive or treat as satisfied any of conditions (b) to (i) (inclusive) by a date earlier than the latest date specified above for the fulfilment or waiver thereof, notwithstanding that the other conditions of the offer may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such conditions may not be capable of fulfilment.

If Cirrus Logic is required by the Panel to make an offer for Wolfson Shares under the provisions of Rule 9 of the Code, Cirrus Logic may make such alterations to any of the above conditions as are necessary to comply with the provisions of that Rule.

Cirrus Logic reserves the right to elect (with the consent of the Panel) to implement the Acquisition by way of a takeover offer (as defined in Part 28 of the Companies Act). In such event, such offer will

be implemented on the same terms, so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments, including (without limitation and subject to the consent of the Panel) an acceptance condition that is set at 90 per cent. (or such lesser percentage, as Cirrus Logic may decide) (i) in nominal value of the shares to which such offer relates; and (ii) of the voting rights attached to those shares, and that is subject to Cirrus Logic and/or (with the consent of the Panel) any of its wholly-owned subsidiaries having acquired or agreed to acquire, whether pursuant to the offer or otherwise, shares carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of Wolfson, including, for this purpose, any such voting rights attaching to Wolfson Shares that are unconditionally allotted or issued before the takeover offer becomes or is declared unconditional as to acceptances, whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise.

The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.

This Acquisition will be governed by Scots law and be subject to the jurisdiction of the Court and to the conditions set out in this document. The Acquisition will comply with the applicable rules and regulations of the FCA and the London Stock Exchange and the Code.

Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

B. CERTAIN FURTHER TERMS OF THE SCHEME AND THE ACQUISITION

If the Acquisition is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Acquisition will not be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone, internet or email) of interstate or foreign commerce of, or of any facility of a national securities exchange of, any jurisdiction where we to do so would violate the laws of that jurisdiction.

Wolfson Shares which will be acquired under the Acquisition will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the date of the Press Announcement.

The Acquisition will lapse and the Scheme will not become effective if there is a Phase 2 CMA reference or, as the case may be, if Phase 2 European Commission proceedings are initiated or there is a Phase 2 CMA reference following a referral by the European Commission under Article 9(1) to a competent authority in the United Kingdom, in any such case before the date of the Court Meeting.

PART FIVE
THE SCHEME OF ARRANGEMENT
IN THE COURT OF SESSION

No. 469 of 2014

SCHEME OF ARRANGEMENT
(under Part 26 of the Companies Act 2006)

BETWEEN

WOLFSON MICROELECTRONICS PLC

AND

SCHEME SHAREHOLDERS
(as hereinafter defined)

PRELIMINARY

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

“£”, “Sterling” or “pence”	the lawful currency of the UK
“Business Day”	a day on which the London Stock Exchange is open for the transaction of business
“Capital Reduction”	the proposed reduction of Wolfson’s share capital under Chapter 10 of Part 17 of the Companies Act, by cancellation of the Scheme Shares to be effected as part of the Scheme
“certificated form” or “in certificated form”	a share or other security which is not in uncertificated form (that is, not in CREST)
“Cirrus Logic”	Cirrus Logic, Inc., incorporated under the laws of the State of Delaware, USA
“Cirrus Logic Group”	Cirrus Logic, its subsidiaries and subsidiary undertakings
“Close of Business”	6pm on a relevant Business Day
“Code”	the City Code on Takeovers and Mergers
“Companies Act”	the Companies Act 2006, as amended from time to time
“the Company” or “Wolfson” . . .	Wolfson Microelectronics plc, incorporated in Scotland with registered number SC089839 and whose registered office is at Westfield House, 26 Westfield Road, Edinburgh EH11 2QB, Scotland
“Court”	the Court of Session in Edinburgh
“Court Meeting”	the meeting of the Scheme Shareholders convened by order of the Court pursuant to section 896 of the Companies Act to consider and, if thought fit, approve this Scheme (with or without modification), and any adjournment of that meeting

“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations) in accordance with which securities may be held and transferred in uncertificated form
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755)
“Effective Date”	the date upon which this Scheme becomes effective in accordance with its terms
“Euroclear”	Euroclear UK & Ireland Limited, a limited company incorporated in England and Wales with registered number 02878738
“Excluded Shares”	(a) any Wolfson Shares beneficially owned by Cirrus Logic or any other member of the Cirrus Logic Group (or their nominees); and (b) any other Wolfson Shares which Cirrus Logic and Wolfson agree will not be subject to the Scheme
“Meeting(s)”	the Court Meeting and the Wolfson General Meeting, together or individually as the context requires
“New Wolfson Shares”	new ordinary shares of 0.1 pence each in the capital of Wolfson
“Panel”	the Panel on Takeovers and Mergers
“Petition”	the application to the Court for it to sanction the Scheme, confirm the Capital Reduction and authorise the Re-registration
“Press Announcement”	the joint announcement of the acquisition of Wolfson by Cirrus Logic, dated 29 April 2014, by Cirrus Logic and Wolfson in accordance with Rule 2.7 of the Code
“Reduction Court Order”	the order of the Court authorising the Re-registration and confirming the Capital Reduction
“Reduction Hearing”	the hearing at which the Court’s confirmation of the Capital Reduction and authorisation of the Re-registration will be sought
“Registrar of Companies”	the Registrar of Companies in Scotland
“Re-registration”	the proposed re-registration of Wolfson as a private company under section 651 of the Companies Act and as provided for by this Scheme
“Sanction Court Order”	the order of the Court to be granted at the Sanction Hearing, sanctioning the Scheme under Part 26 of the Companies Act
“Sanction Hearing”	the hearing by the Court of the application to sanction the Scheme under Part 26 of the Companies Act
“Scheme”	this scheme of arrangement in its present form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by Wolfson and Cirrus Logic
“Scheme Document”	the document in respect of the Scheme sent to (among others) Wolfson Shareholders containing and setting out, among other things, the full terms and conditions of the Scheme and containing the notices convening the Court Meeting and Wolfson General Meeting
“Scheme Record Time”	6pm on the Business Day immediately prior to the Reduction Hearing
“Scheme Shareholder” or “Scheme Shareholders”	holders of Scheme Shares

“Scheme Shares”	<p>Wolfson Shares:</p> <p>(a) in issue as at the date of this document;</p> <p>(b) (if any) issued after the date of this document and prior to the Scheme Voting Record Time; and</p> <p>(c) (if any) issued on, or after, the Scheme Voting Record Time and at or prior to the Scheme Record Time, either on terms that the original or any subsequent holders thereof shall be bound by the Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by the Scheme,</p> <p>in each case other than the Excluded Shares</p>
“Scheme Voting Record Time”	in respect of the Court Meeting, 6pm (London time) on the day which is two Business Days before the date of such meeting or adjournment thereof (as the case may be)
“Statement of Capital”	the statement of capital (approved by the Court) showing, with respect to Wolfson’s share capital, as altered by the Sanction Court Order, the information required by section 649 of the Companies Act
“uncertificated form” or “in uncertificated form”	a share or other security recorded on the relevant register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“Wolfson General Meeting”	the general meeting of Wolfson to be convened in connection with the Scheme and the Capital Reduction, including any adjournment thereof
“Wolfson Shareholders”	the registered holders of Wolfson Shares from time to time
“Wolfson Shares”	the existing unconditionally allotted, or issued, and fully paid ordinary shares of 0.1 pence each in the capital of Wolfson and any such further ordinary shares which are unconditionally allotted before the Effective Date.

- (B) References to clauses are to clauses of this Scheme.
- (C) The issued share capital of the Company as at the close of business on 21 May 2014 (the latest practicable date prior to publication of the Scheme Document) was £116,875.48, divided into 116,875,483 Wolfson Shares, all of which were credited as fully paid.
- (D) As at 21 May 2014 (the latest practicable date prior to publication of the Scheme Document), no member of the Cirrus Logic Group beneficially owned any Wolfson Shares.
- (E) Cirrus Logic has agreed to appear by counsel at the hearing of the Petition to sanction this Scheme, and to submit to be bound by, and to undertake to the Court to be bound by, this Scheme, to confirm satisfaction of the conditions to which the Scheme is subject (or, if such conditions are not satisfied, that they are waived) and to execute and do, or procure to be executed and done, all such documents, acts or things as may be necessary or desirable to be executed or done by them or on their behalf for the purpose of giving effect to the Scheme.
- (F) The provisions of this Scheme are subject to the subsequent authorisation by the Court of the Re-registration and confirmation by the Court of the Capital Reduction and, accordingly, they may not be implemented until a certified copy of both the Sanction Court Order and the Reduction Court Order together with the Scheme and the Statement of Capital are delivered to the Registrar of Companies for registration and the Reduction Court Order and the Statement of Capital have been registered.

1. Re-registration of Wolfson as a private company; Cancellation of Scheme Shares

- 1.1 Immediately before the Capital Reduction referred to in sub-clause 1.2 below takes effect, Wolfson shall be re-registered as a private limited company pursuant to section 651 of the Companies Act and Wolfson's articles of association shall be amended accordingly.
- 1.2 The share capital of the Company shall be reduced by cancelling all of the Scheme Shares.
- 1.3 Subject to the Capital Reduction taking effect as referred to in clause 1.2 above (and notwithstanding anything to the contrary in the Company's articles of association), the reserve arising in the books of account of the Company as a result of the Capital Reduction shall be capitalised and applied in paying up in full at par such number of New Wolfson Shares as is equal to the aggregate number of Scheme Shares cancelled pursuant to clause 1.2, which shall be allotted and issued credited as fully paid (free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever and together with all rights attaching thereto) to Cirrus Logic and/or its nominee(s) (as Cirrus Logic may direct) and shall be registered in the name of Cirrus Logic and/or its nominee(s) in the register of members of the Company in consideration for the sums to be paid by Cirrus Logic as set out in clause 2.

2. Consideration for the cancellation of Scheme Shares

- 2.1 In consideration of the cancellation of the Scheme Shares and the allotment and issue of the New Wolfson Shares to Cirrus Logic (and/or its nominee(s)) as provided in clause 1, Cirrus Logic shall provide or procure that there shall be paid to or for the account of each Scheme Shareholder whose name appears in the register of members of Wolfson at the Scheme Record Time, in accordance with the provisions of clause 3:

for each Scheme Share

235 pence in cash

- 2.2 While no such dividend is envisaged or permitted under the conditions set out in Part Four of the Scheme Document, if Wolfson declares or pays a dividend after the date of the Press Announcement and prior to the Effective Date and such dividend is retained by any Wolfson Shareholder in respect of any Wolfson Shares, Cirrus Logic shall be entitled to reduce the amount of consideration payable by an amount equivalent to such dividend in respect of such Wolfson Shares.

3. Settlement

- 3.1 As soon as practicable after the Effective Date and in any event not more than 14 days thereafter, Cirrus Logic shall:
 - (a) in the case of Scheme Shares which at the Scheme Record Time are in certificated form, despatch or procure the despatch to the persons entitled thereto, or as they may direct, in accordance with the provisions of clause 3.3, cheques for the sums payable to them in accordance with clause 2; and
 - (b) in the case of Scheme Shares which at the Scheme Record Time are in uncertificated form, ensure that an assured payment obligation in respect of the sums payable in accordance with clause 2 to the persons entitled thereto is created in accordance with CREST assured payment arrangements **PROVIDED** that Cirrus Logic reserves the right to make payment of the consideration by cheque in accordance with the provisions of clause 3.1(a) if, for any reason it wishes to do so.
- 3.2 All deliveries of cheques and certificates required to be made pursuant to this Scheme shall be effected by sending the same by first class post (or airmail, if overseas) in pre-paid envelopes addressed to the persons entitled thereto at their respective addresses as appearing in the register of members of Wolfson at the Scheme Record Time (or, in the case of joint holders, at the address of that one of the joint holders whose name stands first in the said register in respect of such joint holding at such time) or in accordance with any special instructions regarding communications, and neither Cirrus Logic, nor Wolfson nor their respective agents or nominees shall be responsible for any loss or delay in the transmission of cheques or certificates sent in accordance with this clause 3.2 which shall be sent at the risk of the person entitled thereto.
- 3.3 All cheques shall be in Sterling and shall be made payable to the person to whom, in accordance with the foregoing provisions of this clause 3, the envelope containing the same is addressed, and the

encashment of any such cheque shall be a complete discharge of Cirrus Logic's obligation under this Scheme to pay for the monies represented thereby.

3.4 In respect of payments through CREST, Cirrus Logic shall ensure that an assured payment obligation is created in accordance with the CREST assured payment arrangements. The creation of such an assured payment arrangement shall be a complete discharge of Cirrus Logic's obligations under this Scheme with reference to payments through CREST.

3.5 The provisions of this clause 3 shall take effect subject to any prohibition or condition imposed by law.

4. Share certificates and cancellation of CREST entitlements

With effect from, and including, the Effective Date:

- (a) all certificates representing Scheme Shares shall cease to have effect as evidence of title to the Scheme Shares comprised therein and every Scheme Shareholder shall be bound at the request of the Company to deliver up the same for cancellation to the Company, or, as it may direct, to destroy the same;
- (b) Euroclear shall be instructed to cancel the entitlements to Scheme Shares of Scheme Shareholders in uncertificated form; and
- (c) as regards certificated Scheme Shares, appropriate entries will be made in the register of members of the Company with effect from the Effective Date to reflect their cancellation.

5. The Effective Date

5.1 This Scheme, including the Capital Reduction, shall become effective in accordance with their terms as soon as a certified copy of each of the Sanction Court Order and the Reduction Court Order, together with the Scheme and the Statement of Capital, are delivered to the Registrar of Companies for registration and the Reduction Court Order and the Statement of Capital have been registered. This is expected to occur on or around 29 August 2014.

5.2 Unless this Scheme shall become effective on or before 31 October 2014 or such later date, if any, as Wolfson and Cirrus Logic may agree and the Panel and the Court may allow, this Scheme shall not become effective.

6. Modification

The Company and Cirrus Logic may, at any hearing to sanction the Scheme, jointly consent on behalf of all persons concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose. Any such modification or addition may require the consent of the Panel.

7. Governing Law

This Scheme is governed by the law of Scotland and is subject to the jurisdiction of the Court. The rules of the Code will, so far as they are appropriate, apply to this Scheme.

Dated 22 May 2014

PART SIX
FINANCIAL INFORMATION RELATING TO WOLFSON

1. Information incorporated by reference

The following sets out financial information in respect of Wolfson as required by Rule 24.3 of the Code. The documents referred to below (or parts thereof), the contents of which have previously been announced through a Regulatory Information Service, are incorporated by reference into this document pursuant to Rule 24.15 of the Code.

<u>Information incorporated by reference</u>	<u>Hyperlinks</u>	<u>Page numbers</u>
Annual Report and Accounts 2011	http://www.wolfsonmicro.com/ resource_centre/investor/annual_report/	62 to 66 (inc.)
Annual Report and Accounts 2012	http://www.wolfsonmicro.com/ resource_centre/investor/annual_report/	76 to 80 (inc.)
Annual Report and Accounts 2013	http://www.wolfsonmicro.com/ resource_centre/investor/annual_report/	87 to 91 (inc.)
First Quarter Results to 30 March 2014	http://www.wolfsonmicro.com/ media_centre/item/ first_quarter_results_to_30_march_2014/	

The information above is available free of charge in a read only, printable format from the hyperlinks set out above.

2. Q1 results

On 29 April 2014, Wolfson released its Q1 results for the period ended 30 March 2014. Included in the results, was the following statement, which for the purposes of the Code constitutes a profit forecast:

“Outlook:

1. Q2 2014 revenue is expected to be in the range of \$28m–\$36m depending on customer new product introduction timing and sell-through
2. Gross margin in Q2 2014 is expected to be between 45% and 47%, depending on product mix.”

Assumptions

The Wolfson Directors have prepared the profit forecast on the basis of the following assumptions:

- that customers take delivery of product in line with both volume and mix as per the forecasts they have provided to Wolfson
- that there is no unusual manufacturing yield losses impacting on gross margin
- that there is no catastrophic disruption to supply chains through natural disaster and no war or conflict in territories where major customers or suppliers are based,

as well as, and including the factors detailed in the Principal risks and uncertainties section of the Wolfson 2013 annual report, published 4 March 2014.

The Wolfson Directors hereby confirm that:

- the forecast remains valid;
- the forecast has been properly compiled on the basis of the assumptions stated; and
- the basis of accounting used is consistent with the company’s accounting policies.

3. Ratings information

There are no current ratings or outlooks publicly accorded to Wolfson by rating agencies.

4. Availability of hard copies

A person who has received this document may request a copy of any documents or information incorporated by reference into this document. A copy of any such documents or information incorporated by reference into this document will not be provided unless requested from the Company's registrars at Equiniti Limited, Aspect House, Spencer Road, Lancing West Sussex BN99 6DA or by telephone to the helpline on 0871 384 2473 if calling from within the United Kingdom or +44 (0)121 415 0817 if calling from outside the United Kingdom. Lines are open from 8.30am to 5.30pm (London time) Monday to Friday (except UK public holidays). Calls to the helpline from within the United Kingdom cost 8 pence per minute (excluding VAT) plus network extras. Calls to the helpline from outside the United Kingdom will be charged at applicable international rates. Calls may be recorded and monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

5. No incorporation of website information

Save as set out above, neither the content of Wolfson's website, nor the content of any website accessible from hyperlinks on Wolfson's website, is incorporated into, or forms part of, this document.

PART SEVEN
FINANCIAL INFORMATION RELATING TO CIRRUS LOGIC

1. Information incorporated by reference

The following sets out financial information in respect of the Cirrus Logic Group as required by Rule 24.3 of the Code. The documents referred to below (or parts thereof), are incorporated by reference into this document pursuant to Rule 24.15 of the Code.

<u>Information incorporated by reference</u>	<u>Hyperlinks</u>	<u>Page numbers</u>
Annual Report and Financial Statements 2012	http://investor.cirrus.com/financial-information/annual-reports/default.aspx	37 to 40 (inc.)
Annual Report and Financial Statements 2013	http://investor.cirrus.com/financial-information/annual-reports/default.aspx	37 to 40 (inc.)
Press Release containing Preliminary Statement of Financial Results for Q4 2014 (Jan-Mar 2014)	http://investor.cirrus.com/financial-information/quarterly-results/default.aspx	4 to 6 (inc.)*
Form 10-Q Preliminary Statement of Financial Results for Q3 2014 (Oct-Dec 2013)	http://investor.cirrus.com/financial-information/quarterly-results/default.aspx	3 to 5 (inc.)
Form 10-Q Preliminary Statement of Financial Results for Q2 2014 (Jul-Sep 2013)	http://investor.cirrus.com/financial-information/quarterly-results/default.aspx	3 to 5 (inc.)
Form 10-Q Preliminary Statement of Financial Results for Q1 2014 (Apr-Jun 2013)	http://investor.cirrus.com/financial-information/quarterly-results/default.aspx	3 to 5 (inc.)

* These pages are unnumbered.

The information above is available free of charge in a read only, printable format from the hyperlinks set out above.

2. Ratings information

There are no current ratings or outlooks publicly accorded to the Cirrus Logic Group by rating agencies.

3. Availability of hard copies

A person who has received this document may request a copy of any documents or information incorporated by reference into this document. A copy of any such documents or information incorporated by reference into this document will not be provided unless requested from the Company's registrars at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA or by telephone to the helpline on 0871 384 2473 if calling from within the United Kingdom or +44 (0)121 415 0817 if calling from outside the United Kingdom. Lines are open from 8.30am to 5.30pm (London time) Monday to Friday (except UK public holidays). Calls to the helpline from within the United Kingdom cost 8 pence per minute (excluding VAT) plus network extras. Calls to the helpline from outside the United Kingdom will be charged at applicable international rates. Calls may be recorded and monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

4. No incorporation of website information

Save as set out above, neither the content of Cirrus Logic's website, nor the content of any website accessible from hyperlinks on Cirrus Logic's website, is incorporated into, or forms part of, this document.

PART EIGHT
ADDITIONAL INFORMATION

1. Responsibility

- 1.1 The Wolfson Directors, whose names are set out in paragraph 2.1 below, each accept responsibility for the information contained in this document other than the information for which responsibility is taken by others pursuant to paragraph 1.2 below. To the best of the knowledge and belief of the Wolfson Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The Cirrus Logic Directors, whose names are set out paragraph 2.2 below, each accept responsibility for the information contained in this document relating to Cirrus Logic, the Cirrus Logic Group and themselves and their immediate families, related trusts and connected persons. To the best of the knowledge and belief of the Cirrus Logic Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information. Neither Cirrus Logic nor any of the Cirrus Logic Directors take responsibility for the information for which the Wolfson Directors take responsibility.

2. Directors

- 2.1 The Wolfson Directors and their respective positions are:

<u>Name</u>	<u>Position</u>
Michael Ruetters	Chairman and Non-Executive Director
J. Michael Hickey	Chief Executive Officer and Managing Director
Mark Cubitt	Chief Financial Officer and Financial Director
John Grant	Senior Independent Director
Robert Laurence Eckelmann	Non-Executive Director
Ross King Graham	Non-Executive Director
Glenn Collinson	Non-Executive Director
Charlotta Ginman	Non-Executive Director

Wolfson's registered office is at Westfield House, 26 Westfield Road, Edinburgh EH11 2QB, Scotland.

Wolfson's Company Secretary is Jill Goldsmith.

- 2.2 The Cirrus Logic Directors and their respective positions are:

<u>Name</u>	<u>Position</u>
Jason Rhode	President, Chief Executive Officer and Director
John C. Carter	Director
Christine King	Director
Susan Wang	Director
Alan R. Schuele	Chairman and Director
Timothy R Dehne	Director
William D. Sherman	Director

Cirrus Logic's registered office is 1209 Orange Street, Wilmington, DE 19801, United States of America.

Cirrus Logic's principal executive office is at 800 West 6th Street, Austin, TX 78701, United States of America.

Cirrus Logic's Corporate Secretary is Scott Thomas.

3. Interests and dealings in relevant Wolfson securities

Definitions

3.1 For the purposes of this Part Eight:

acting in concert with a party means any person acting or deemed to be acting in concert with that party for the purposes of the Code in respect of the Acquisition;

arrangement includes an indemnity or option arrangement, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or to refrain from dealing but excludes irrevocable commitments and letters of intent;

connected persons means those persons in whose interests in securities the Wolfson Directors (or the Cirrus Logic Directors, as the case may be) are taken to be interested in pursuant to Part 22 of the Companies Act;

dealing or dealt includes:

- (a) the acquisition or disposal of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to securities, or of general control of relevant securities;
- (b) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any relevant securities;
- (c) subscribing or agreeing to subscribe for relevant securities;
- (d) the exercise or conversion, whether in respect of new or existing relevant securities, of any securities carrying conversion or subscription rights;
- (e) the acquisition, disposal, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to relevant securities;
- (f) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and
- (g) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;

derivative includes any financial product the value of which, in whole or in part, is determined directly or indirectly by reference to the price of an underlying security;

disclosure date means 21 May 2014 (being the latest practicable date prior to the date of publication of this document);

disclosure period means the period commencing on 29 April 2013 (the date 12 months prior to the commencement of the Offer Period) and ending on the disclosure date;

to have an **interest** in relevant securities means to have a long economic exposure, whether absolute or conditional, to changes in the price of such securities. A person who only has a short position in relevant securities will not be treated as interested in those securities. In particular, a person will be treated as having an interest in relevant securities if he:

- (a) owns relevant securities;
- (b) has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to the relevant securities or has general control of them;
- (c) by virtue of any agreement to purchase, option or derivative, has the right or option to acquire relevant securities or call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
- (d) is party to any derivative whose value is determined by reference to their price and which results, or may result, in his having a long position in them;

relevant securities means (A) Wolfson Shares or, as the context requires, Cirrus Logic Shares; (B) equity share capital of Wolfson or, as the context requires, Cirrus Logic; and (C) any securities convertible into or exchangeable for rights to subscribe for Wolfson Shares or as the context requires, Cirrus Logic Shares, described in (A) and (B) above and securities convertible into, rights to subscribe, or options (including traded options) in respect of derivatives referenced to any of the foregoing; and

short position means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

Interests

3.2 As at the disclosure date, the Wolfson Directors and their respective immediate families, related trusts and connected persons had an interest in, a right to subscribe for or a short position in (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery of, relevant Wolfson securities as follows.

Issued share capital

<u>Name</u>	<u>Interest</u>	<u>Number of Wolfson Shares</u>
Michael Ruettggers	Legal and beneficial ownership	479,317
J. Michael Hickey	Legal and beneficial ownership	346,132
Mark Cubitt	Legal and beneficial ownership	92,942
John Grant	Legal and beneficial ownership	50,000
Robert Laurence Eckelmann	Legal and beneficial ownership	20,680
Ross King Graham	Legal and beneficial ownership	171,775 ⁽¹⁾
Glenn Collinson	Legal and beneficial ownership	181,150
Charlotta Ginman	Legal and beneficial ownership	7,024

Note:

(1) A trust, of which Ross Graham is a trustee but not a beneficiary, holds a total of 51,708 Wolfson Shares. These shares are not included in the table above as Mr Graham does not hold a beneficial interest in such Wolfson Shares.

3.3 As at the disclosure date, the Wolfson Directors and their respective immediate families, related trusts and any other connected persons were interested in options and awards over Wolfson Shares under the Wolfson Share Schemes as follows:

<u>Name</u>	<u>Name of Wolfson Share Scheme</u>	<u>Number of Wolfson Shares over which options and/or awards are held</u>	<u>Award date</u>	<u>Vesting date</u>
J. Michael Hickey	The Wolfson Microelectronics 2006 Performance Share Plan	788,279	10 March 2014	10 March 2018
	Wolfson Microelectronics plc Approved SAYE Scheme	7,894	27 November 2013	1 January 2017
	The Wolfson Microelectronics 2006 Performance Share Plan	435,750	22 March 2013	22 March 2016
	The Wolfson Microelectronics 2006 Performance Share Plan	421,335	15 March 2012	15 March 2015
	2003 Wolfson Microelectronics plc Executive Share Scheme—Part A	16,304	19 March 2009	Vested
	2003 Wolfson Microelectronics plc Executive Share Scheme—Part B	68,478	19 March 2009	Vested

<u>Name</u>	<u>Name of Wolfson Share Scheme</u>	<u>Number of Wolfson Shares over which options and/or awards are held</u>	<u>Award date</u>	<u>Vesting date</u>
Mark Cubitt	The Wolfson Microelectronics 2006 Performance Share Plan	382,385	10 March 2014	10 March 2018
	Wolfson Microelectronics plc Approved SAYE Scheme	7,894	27 November 2013	1 January 2017
	The Wolfson Microelectronics 2006 Performance Share Plan	211,377	22 March 2013	22 March 2016
	The Wolfson Microelectronics 2010 Senior Executive Deferred Bonus Plan	5,220	15 March 2012	15 March 2015
	The Wolfson Microelectronics 2006 Performance Share Plan	204,384	15 March 2012	15 March 2015
	2003 Wolfson Microelectronics plc Executive Share Scheme—Part A	16,304	19 March 2009	Vested
	2003 Wolfson Microelectronics plc Executive Share Scheme—Part B	40,761	19 March 2009	Vested

3.4 As at the disclosure date, neither Cirrus Logic nor any person acting in concert with it was legally or beneficially interested in any Wolfson Shares.

Dealings

3.5 As at the disclosure date, the following persons deemed to be acting in concert with Wolfson have dealt for value in relevant Wolfson securities during the disclosure period:

<u>Name</u>	<u>Date of dealing</u>	<u>Nature of transaction</u>	<u>Number of Wolfson relevant securities</u>	<u>Price (£)</u>
J. Michael Hickey .	10 March 2014	Grant of nil cost share option award under a Wolfson Share Scheme	788,279	0.0
J. Michael Hickey .	27 November 2013	Grant of share option under Save As You Earn Scheme	7,894	1.1400 ⁽¹⁾ per share
J. Michael Hickey .	28 June 2013	Gift of shares	7,500	N/A
J. Michael Hickey .	28 June 2013	Gift of shares	7,500	N/A
J. Michael Hickey .	28 June 2013	Gift of shares	7,500	N/A
Mark Cubitt	10 March 2014	Grant of nil cost share option award under a Wolfson Share Scheme	382,385	0.0
Mark Cubitt	27 November 2013	Grant of share option under Save As You Earn scheme	7,894	1.1400 ⁽¹⁾ per share
Ross King Graham	17 May 2013	Purchase	22,446	2.2275
Glenn Collinson . .	30 April 2013	Purchase	50,000	2.006 per share
Glenn Collinson . .	31 July 2013	Purchase	33,300	1.5356 per share
Charlotta Ginman .	13 August 2013	Purchase	7,024	1.63 per share

Note:

(1) No price was payable on grant. The price indicated is payable on exercise.

3.6 Save as disclosed in this paragraph 3, as at the disclosure date:

(a) none of:

(i) Wolfson;

(ii) the Wolfson Directors or their respective immediate families, related trusts or (so far as the Wolfson Directors are aware having made due and careful enquiry) other connected persons;

- (iii) any person acting in concert with Wolfson; and
- (iv) any person who is a party to an arrangement with Wolfson, or any person acting in concert with Wolfson, of the kind referred to in Note 11 on the definition of acting in concert in the Code,

had any interest in or right to subscribe for any relevant securities of Wolfson (or, in the case of Wolfson or the Wolfson Directors and their respective immediate families, related trusts and any other connected persons, relevant securities of Cirrus Logic) or any short position in any relevant securities of Wolfson (or in the case of Wolfson or the Wolfson Directors and their respective immediate families, related trusts and any other connected persons, any relevant securities of Cirrus Logic) nor has any such person dealt in any relevant securities of Wolfson (or, in the case of Wolfson and the Wolfson Directors and their immediate families, related trusts and any other connected persons, relevant securities of Cirrus Logic) during the Offer Period;

(b) none of:

- (i) Cirrus Logic;
- (ii) any member of the Cirrus Logic Group;
- (iii) the Cirrus Logic Directors or members of their respective immediate families, related trusts or (so far as the Cirrus Logic Directors are aware having made due and careful enquiry) other connected persons;
- (iv) any person acting in concert with Cirrus Logic; and
- (v) any person who is a party to an arrangement with Cirrus Logic, or any person acting in concert with Cirrus Logic, of the kind referred to in Note 11 on the definition of acting in concert in the Code (save for the irrevocable undertakings described in paragraph 7 of this Part Eight),

had any interest in or right to subscribe for or any short position in any relevant securities of Wolfson, nor had any agreements to sell or any delivery obligations or rights to require another person to purchase or take any delivery of any relevant securities of Wolfson nor, save for any borrowed shares which have either been on-lent or sold, had borrowed or lent any relevant securities of Wolfson (including for these purposes any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Code) nor has any such person dealt in any Wolfson relevant securities during the disclosure period;

- (c) neither Wolfson nor any person acting in concert with Wolfson has borrowed or lent any Wolfson relevant securities (including for these purposes any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6) except for any borrowed shares which have either been on-lent or sold;
- (d) Wolfson has not redeemed, purchased or exercised any option over any Wolfson Shares or any securities convertible into rights to subscribe for or options in respect of or derivatives referenced to Wolfson Shares during the disclosure period; and
- (e) save for the irrevocable undertakings as described in paragraph 7 of this Part Eight, there is no arrangement relating to relevant Wolfson securities which exists between any member of the Cirrus Logic Group or any person acting in concert with Cirrus Logic and any other person nor between Wolfson or any other person acting in concert with Wolfson and any other person.

4. Persons acting in concert

4.1 In addition to the Wolfson Directors, for the purposes of the Code, the persons who are acting in concert with Wolfson are:

<u>Name</u>	<u>Type</u>	<u>Registered office</u>	<u>Relationship to Wolfson</u>
J.P. Morgan Cazenove	Financial Services	25 Bank Street, Canary Wharf, London E14 5JP	Financial Adviser
Citigroup Global Markets Limited	Financial Services	Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB	Corporate Broker

4.2 In addition to the Cirrus Logic Directors, for the purposes of the Code, the persons who are acting in concert with Cirrus Logic are:

<u>Name</u>	<u>Type</u>	<u>Registered office</u>	<u>Relationship to Cirrus Logic</u>
Goldman Sachs	Financial Services	Peterborough Court, 133 Fleet Street, London EC4A 2BB	Financial Adviser

5. Directors' service contracts and emoluments

5.1 Executive directors

J Michael Hickey's service contract, dated 6 September 2008, provides for his employment to continue unless or until terminated by himself or Wolfson. Under the terms of the contract, Mr Hickey is currently entitled to an annual salary of £284,109, to be reviewed by the remuneration committee at least once a year. The contract is terminable on 12 months' notice. Under the terms of the contract, Mr Hickey is entitled to a payment for early termination equivalent to his basic salary over the unexpired period of notice.

Mark Cubitt's service contract, dated 20 December 2006, provides for his employment to continue unless or until terminated by himself or Wolfson. Under the terms of the contract, Mr Cubitt is currently entitled to an annual salary of £206,727. The contract is terminable on 12 months' notice. Under the terms of the contract, Mr Cubitt is entitled to a payment for early termination equivalent to his basic salary over the unexpired period of notice.

Each of Mr Hickey and Mr Cubitt are entitled to a bonus under Wolfson's cash bonus scheme and incentives under Wolfson's long term incentive plan based on performance objectives.

In addition, each of Mr Hickey and Mr Cubitt are entitled to receive life assurance, private healthcare for themselves and employer contributions to a Group Personal Pension Scheme.

It is anticipated that, following completion of the Acquisition, the notice periods under Mr Hickey's and Mr Cubitt's respective service contracts will be varied as part of the arrangements surrounding the grant, by Cirrus Logic, of share-settled phantom stock awards under its 2006 incentive stock plan to certain participants in the Wolfson Microelectronics 2006 Performance Share Plan. Further information in relation to this matter is set out in paragraph 8 of Part Two (*Explanatory Statement*) of this document and the Co-operation Agreement.

5.2 Non-executive directors

<u>Name</u>	<u>Date of Appointment</u>	<u>Current annual fee⁽¹⁾</u>
Michael Ruetters	1 January 2008	£105,000
John Grant	1 September 2011	£51,500
Robert Laurence Eckelmann	1 November 2004	£35,000
Ross King Graham	25 September 2003	£35,000
Glenn Collinson	1 September 2008	£46,500
Charlotta Ginman	1 July 2013	£40,000

Note:

(1) Including committee fees.

- 5.3 The non-executive directors are entitled to one month's notice of termination of their appointment. Each non-executive director also has a fixed term of appointment. In respect of the appointments of Michael Ruetters and Robert Eckelmann this is until the date that Wolfson's annual general meeting is held in 2015. In respect of the appointment of Ross Graham this is until 31 July 2014. In respect of the appointments of John Grant and Glenn Collinson this is until 31 August 2014. In respect of the appointment of Charlotta Ginman this is until 30 June 2016.
- 5.4 Save as disclosed above, the Wolfson Directors' service contracts and/or letters of appointment (as the case may be) do not contain any provisions relating to early termination.
- 5.5 Save as disclosed above and in paragraph 8 of Part Two (*Explanatory Statement*) of this document, there are no service contracts between any Wolfson Director and Wolfson and no such contract has been entered into or amended or any Wolfson Director's remuneration increased within the six months immediately prior to the date of publication of this Scheme Document.
- 5.6 Save for Ross Graham (who is retiring from the Wolfson Board on 31 July 2014, which is expected to be prior to the Effective Date, but who will retire on the Effective Date should that occur before 31 July 2014), the non-executive directors will resign on completion of the Acquisition.

6. Market quotations

The following table shows the closing middle market prices for Wolfson Shares as derived from the Daily Official List for the first Dealing Day of each of the six months immediately prior to the date of publication of this Scheme Document, for 28 April 2014 (being the last Business Day prior to the commencement of the Offer Period) and the disclosure date:

<u>Date</u>	<u>Price per Wolfson Share (p)</u>
2 December 2013	147.75
2 January 2014	146.25
3 February 2014	131.50
3 March 2014	125.00
1 April 2014	137.75
28 April 2014	134.00
1 May 2014	233.00
21 May 2014	233.00

7. Irrevocable undertakings and other confirmations

- 7.1 The following Wolfson Directors who are Wolfson Shareholders have given irrevocable undertakings: (i) to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the Wolfson General Meeting in relation to the following Wolfson Shares; or (ii) if the Scheme is subsequently structured as a Takeover Offer, to accept the Takeover Offer:

Wolfson Directors

<u>Name</u>	<u>Number of Wolfson Shares*</u>	<u>Percentage of issued share capital as at the disclosure date</u>
Michael Ruetters	479,317	0.41 per cent.
J. Michael Hickey	346,132	0.30 per cent.
Mark Cubitt,	92,942	0.08 per cent.
John Grant	50,000	0.04 per cent.
Robert Laurence Eckelmann	20,680	0.02 per cent.
Ross King Graham	171,775	0.15 per cent.
Glenn Collinson	181,150	0.15 per cent.
Charlotta Ginman	7,024	0.01 per cent.
Total	1,349,020	1.15 per cent.

* The undertakings and numbers referred to in this table refer only to those Wolfson Shares to which the relevant Wolfson Director is beneficially entitled and any Wolfson Shares such Wolfson Director is otherwise able to control the exercise in terms of rights attracting to such Wolfson Share, including the ability to procure the transfer of such Wolfson Share. This number includes the number of Wolfson Shares (if any) held by family members/trusts/nominees of the relevant director to which the irrevocable also relates.

- 7.2 The irrevocable undertakings given by the Wolfson Directors will cease to be binding if:
- (a) where the Acquisition is implemented by way of a Takeover Offer, the offer document (as defined by the Code) has not been posted within 28 days of the publication of the Press Announcement announcing the change of structure (or such other period as the Panel may require); or
 - (b) the Acquisition is withdrawn or lapses in accordance with its terms, or the long stop date of 31 October 2014 is reached, whichever is earlier.

Institutional Shareholders

<u>Name</u>	<u>Number of Wolfson Shares</u>	<u>Percentage of issued share capital as at the disclosure date</u>
Odey Asset Management LLP	7,135,240	6.10 per cent.

- 7.3 The irrevocable undertaking received from Odey Asset Management will cease to be binding if:
- (a) where the Acquisition is implemented by way of a Takeover Offer, the offer document (as defined by the Code) has not been posted within 28 days of the publication of the press announcement announcing the change of structure (or such other period as the Panel may require); or
 - (b) the Acquisition is withdrawn or lapses in accordance with its terms, or long stop date of 31 October 2014 is reached, whichever is earlier; or
 - (c) a third party announces in accordance with Rule 2.7 of the Code a firm intention to make or makes a competing offer (howsoever structured) without preconditions where the consideration is payable entirely in cash on terms which represent an improvement of 10 per cent. or more on the value of the consideration offered under the Acquisition as at the date on which such competing offer is announced unless Cirrus Logic has announced an improvement to the terms of the Acquisition within seven days of such competing offer being made such that the terms of the improved Acquisition are at least as favourable as under the competing offer.

8. Material contracts

Wolfson

8.1 Save for those contracts summarised in this paragraph 8.1 below, Wolfson has not entered into any contracts otherwise than in the ordinary course of business since 29 April 2012 (being the date two years prior to the commencement of the Offer Period) which are or may be material:

- (a) Confidentiality Agreement

Wolfson and Cirrus Logic entered into a confidentiality agreement on 28 April 2014 with effect from 2 April 2014 (the “Confidentiality Agreement”), pursuant to which, amongst other things, each party (the “Receiving Party”) has undertaken, unless the other party (the “Disclosing Party”) gives its express consent in writing, (i) to keep confidential certain non-public information relating to the Disclosing Party Group; (ii) to use such information solely for the purpose of evaluating or implementing a potential transaction; and (iii) not to disclose such information to third parties (other than certain permitted disclosees) unless permitted by the terms of the Confidentiality Agreement.

The Receiving Party has further undertaken that it will not, and will procure that none of its group entities will, without the Disclosing Party’s prior written consent, for a period of 12 months from the date of the Confidentiality Agreement, solicit directly any of the Disclosing Party’s then current employees involved in discussions with the Receiving Party and/or its group undertakings in their consideration of a potential transaction with the Disclosing Party, provided that the placing of an advertisement of a post available to members of the public generally and the employment of any persons pursuant to any such advertisement or of such persons who contacted the Receiving Party on its own initiative or was approached by the Receiving Party prior to the date of the Confidentiality Agreement shall not be considered as a breach of the Confidentiality Agreement.

Pursuant to the terms of the Confidentiality Agreement, as a result of Cirrus Logic’s announcement of a firm intention to make an offer for Wolfson pursuant to Rule 2.7 of the Code

and the fact that such offer is recommended by the board of directors of Wolfson, these standstill provisions are no longer applicable. The remaining undertakings set out in the Confidentiality Agreement (other than the non-solicitation provisions) terminate on 28 April 2016, provided that if any offer made by Cirrus Logic (or any company controlled by it) for Wolfson becomes or is declared unconditional in all respects, all obligations contained in the Confidentiality Agreement shall terminate.

(b) Co-operation Agreement

Wolfson and Cirrus Logic entered into a cooperation agreement on 29 April 2014 in connection with the Acquisition (the “Co-operation Agreement”).

Pursuant to the Co-operation Agreement, (i) Wolfson and Cirrus Logic have each agreed to co-operate in relation to the obtaining of any and all consents, clearances, permissions and waivers as may be necessary, and the making of all filings as may be necessary, from or under the law, regulations or practices applied by any applicable regulatory authority in connection with the Acquisition; and (ii) Wolfson and Cirrus Logic have each agreed to work together to prepare and implement certain appropriate proposals in relation to the Wolfson Share Schemes and the employment benefits more fully detailed in paragraph 6 of Part One (*Letter from Chairman of Wolfson Microelectronics plc*) and paragraph 8 of Part Two (*Explanatory Statement*) of this document above.

Cirrus Logic

8.2 Save for the Confidentiality Agreement and the Co-operation Agreement, summaries of which are set out at paragraphs 8.1(a) and 8.1(b) above, and the Credit Agreement, a summary of which is set out in paragraph 8.3 below, respectively, Cirrus Logic has not entered into any contracts otherwise than in the ordinary course of business since 29 April 2012 (being the date two years prior to the commencement of the Offer Period) which are or may be material.

8.3 Credit Agreement

Under the terms of the Credit Agreement, Wells Fargo has agreed to make available to Cirrus Logic a \$225 million senior revolving credit facility. The proceeds of the credit facility shall be used for working capital and general corporate purposes of Cirrus Logic and its subsidiaries, including, without limitation, the Acquisition and fees and expenses incurred in connection therewith.

The Credit Agreement has a term of 270 days (from the date of the Credit Agreement) and any outstanding loans are due and repayable by Cirrus Logic at the end of such term (or the Credit Agreement must be refinanced on or prior to such date).

At the election of Cirrus Logic, loans under the Credit Agreement shall bear interest either at the Base Rate plus the Applicable Margin or the LIBOR Rate plus the Applicable Margin (in each case, as defined in the Credit Agreement). The Credit Agreement contains detailed mechanics for calculating the Base Rate, LIBOR Rate and the Applicable Margin. The Applicable Margin is 1.75 per cent. in respect of LIBOR Rate loans and 0 per cent. in respect of Base Rate loans until the Calculation Date (as defined in the Credit Agreement) following the fiscal quarter ending 28 June 2014 (expected to be on or about 21 August 2014). Thereafter, the Applicable Margin shall vary between 1.75 per cent. and 2.25 per cent. in the case of LIBOR Rate loans and 0 per cent. and 0.25 per cent. in the case of Base Rate loans, in each case depending on Cirrus Logic’s Consolidated Leverage Ratio (as defined in the Credit Agreement). If such ratio is: (i) less than 0.75 to 1.00, then the Applicable Margin for LIBOR Rate loans will be 1.75 per cent. and 0 per cent. for Base Rate loans, (ii) greater than or equal to 0.75 to 1.00, but less than 1.25 to 1.00, then the Applicable Margin for LIBOR Rate loans will be 2.00 per cent. and 0 per cent. for Base Rate loans, or (iii) greater than or equal to 1.25 to 1.00, then the Applicable Margin for LIBOR Rate loans will be 2.25 per cent. and 0.25 per cent. for Base Rate loans.

Cirrus Logic has agreed to pay a Commitment Fee at a rate per annum equal to the Applicable Margin on the average daily unused portion of the commitments. The Applicable Margin for the purpose of the Commitment Fee shall be 0.30 per cent. until the Calculation Date following the fiscal quarter ending 28 June 2014 and thereafter shall vary between 0.30 per cent. and 0.40 per cent. according to Cirrus Logic’s Consolidated Leverage Ratio, further details of which are set out in the Credit Agreement. Cirrus Logic also paid an upfront fee in an amount equal to 1.25 per cent. of Wells Fargo’s \$225,000,000 commitment.

The Credit Agreement contains customary negative covenants limiting the ability of Cirrus Logic and its subsidiaries subject to certain exceptions to (i) incur indebtedness, (ii) incur, assume or suffer to exist certain liens, (iii) make certain investments, (iv) merge or consolidate, (v) make certain asset disposals, (vi) pay dividends and make other distributions on, or redeem or purchase, capital stock or make certain other restricted payments, (vii) enter into transactions with affiliates or (viii) change the nature of its business. The Credit Agreement also contains other customary negative covenants, as well as customary representations and warranties, affirmative covenants and events of default. The Credit Agreement contains two financial covenants, namely that Cirrus Logic will not: (i) at the end of any fiscal quarter, permit the Consolidated Leverage Ratio to be greater than 1.75 to 1.00 and (ii) at any time, permit the sum of cash and cash equivalents of Cirrus Logic and its subsidiaries on a consolidated basis to be less than \$75,000,000.

Under the Credit Agreement, Cirrus Logic has also agreed, among other things, that:

- it shall not waive, amend or vary any condition of the Scheme or Takeover Offer in any respect which is material and which would reasonably be expected to be materially adverse to the interests of the Lenders (as such term is defined in the Credit Agreement) under the Credit Agreement unless such waiver, amendment or variation (1) is required by the Panel or a court of competent jurisdiction or (2) is made with the consent of Wells Fargo (acting reasonably); and
- if Cirrus Logic elects to implement the Acquisition by way of a Takeover Offer, it shall not declare the Takeover Offer unconditional as to acceptances until Cirrus Logic has acquired or unconditionally contracted to acquire Wolfson Shares carrying not less than 75 per cent. of the voting rights.

Cirrus Logic's obligations under the Credit Agreement are secured by a security and pledge agreement dated as of 29 April 2014 between Cirrus Logic and Wells Fargo (as administrative agent) (the "Collateral Agreement"). Under the terms of the Collateral Agreement, Cirrus Logic has granted a security interest in all of its right, title and interest in, to and under certain property, including all (a) Accounts, (b) Deposit Accounts, (c) Documents, (d) Equipment, (e) General Intangibles (other than Contracts and Intellectual Property), (f) Government Approvals, (g) Instruments, (h) Inventory, (i) Investment Property and (j) its other tangible and intangible personal property, but excluding the Excluded Property (in each case, as defined in the Collateral Agreement). Under the terms of the Collateral Agreement, a security interest will be granted in 65 per cent. of the New Wolfson Shares, once acquired by Cirrus Logic.

The Credit Agreement is governed by the laws of the State of New York.

As the Credit Agreement is dollar denominated but the cash consideration payable in respect of the Acquisition is payable in Sterling Cirrus Logic has entered into certain FX hedging arrangements with Wells Fargo to hedge its exposure to US dollar/Sterling exchange rates in relation to the cash consideration payable in respect of the Acquisition.

9. Significant change

Save as disclosed in this document, the Wolfson Directors are not aware of any significant change in the financial or trading position of Wolfson which has occurred since 29 December 2013 (being the date to which the last audited financial statements of Wolfson were prepared).

10. Other information

- 10.1 Save as disclosed in this document, no dividends will be paid or declared by Wolfson between the date of this document and the Effective Date.
- 10.2 J.P. Morgan Cazenove has given and has not withdrawn its written consent to the issue of this Scheme Document and the inclusion herein of the references to its name in the form and context in which they are included.
- 10.3 Goldman Sachs has given and has not withdrawn its written consent to the issue of this Scheme Document and the inclusion herein of the references to its name in the form and context in which they are included.
- 10.4 Save as disclosed in this document, no agreement, arrangement or understanding (including any compensation arrangement) exists between Cirrus Logic or any person acting in concert with it for the purposes of the Acquisition, and any of the Wolfson Directors, recent directors of Wolfson,

Wolfson Shareholders or recent shareholders of Wolfson, or any person interested or recently interested in Wolfson Shares, having any connection with, or dependence upon, the Acquisition.

- 10.5 No agreement, arrangement or understanding exists whereby the legal or beneficial ownership of any of the Wolfson Shares to be acquired by Cirrus Logic pursuant to the Acquisition will be transferred to any other person, save in relation to the security arrangements described in paragraph 8.3 of this Part Eight (*Additional Information*) and that Cirrus Logic reserves the right to transfer any such shares to any other member of the Cirrus Logic Group.
- 10.6 Settlement of the consideration under the Acquisition to which each Scheme Shareholder is entitled will be implemented in full in accordance with the terms of the Acquisition without regard to any right of lien, right of set off, counterclaim or other analogous right to which Cirrus Logic may otherwise be, or claim to be, entitled against such Wolfson Shareholder. This is without prejudice to Cirrus Logic's entitlement to reduce the amount of consideration payable by an amount equivalent to any dividend declared or paid prior to the Effective Date and retained by any Wolfson Shareholder.
- 10.7 The aggregate fees and expenses which are expected to be incurred by Wolfson in connection with the Acquisition are estimated to amount to approximately £5,170,000 (excluding applicable VAT). This aggregate number consists of the following categories:
- (a) financial and corporate broking advice: approximately £4,600,000 (excluding applicable VAT);
 - (b) legal advice: approximately £500,000 (excluding applicable VAT);⁽¹⁾
 - (c) public relations advice: £10,000 (excluding applicable VAT); and
 - (d) other costs and expenses (including registrars/receiving agent fees and printing costs): approximately £60,000 (excluding applicable VAT).

(1) These services are charged by reference to hourly or daily rates. Amounts included here reflect the time incurred up to the latest practicable date prior to the date of publication of this document and an estimate of further time required.

- 10.8 The aggregate fees and expenses which are expected to be incurred⁽¹⁾ by Cirrus Logic in connection with the Acquisition are estimated to amount to approximately £6,124,500 to £7,356,500 (excluding applicable VAT). This aggregate number consists of the following categories:
- (a) financing arrangements: approximately £1,700,000 (excluding applicable VAT);⁽²⁾
 - (b) financial and corporate broking advice: approximately £2,678,000 to £3,572,000 (excluding applicable VAT);
 - (c) accounting advice: approximately £268,000 (excluding applicable VAT);
 - (d) legal advice: approximately £1,309,000 to £1,607,000 (excluding applicable VAT);⁽³⁾
 - (e) public relations advice: approximately £5,500 (excluding applicable VAT);
 - (f) other professional services: nil; and
 - (g) other costs and expenses: approximately £164,000 to £204,000 (excluding applicable VAT).⁽⁴⁾

(1) Where fees are incurred in US dollars, these have, for illustrative purposes, been converted into Sterling at a rate of £1: \$1.68.

(2) Further details relating to the financing of the Acquisition are set out in paragraph 8.3 above.

(3) Amounts included here reflect the time incurred up to the latest practicable date prior to the date of publication of this document and an estimate of further time required. Non-English legal advice is being charged based on hourly rates.

(4) This includes, amongst other things, payments in lieu of notice to non-executive directors.

- 10.9 Save as disclosed in this document, the emoluments of Wolfson Directors and the Cirrus Logic Directors will not be affected by the Acquisition or any other associated transaction.

- 10.10 Save as disclosed in this document, there is no agreement or arrangement to which Cirrus Logic is a party which relates to the circumstances in which it may or may not invoke a condition to the Acquisition.

10.11 There are no arrangements of the kind referred to in Note 11 on the definition of acting in concert in the Code which exist between any member of the Cirrus Logic Group, or any person acting in concert with Cirrus Logic, and any other person.

11. No set-off of consideration

Except with the consent of the Panel, settlement of the consideration to which any Wolfson Shareholder is entitled under the Acquisition will be implemented in full in accordance with the terms of the Acquisition without regard to any lien, right of set-off, counterclaim or other analogous right to which Cirrus Logic may otherwise be, or claim to be, entitled against such Wolfson Shareholder.

12. Cash Confirmation

Goldman Sachs, financial adviser to Cirrus Logic, has confirmed that it is satisfied that sufficient financial resources are available to Cirrus Logic to enable it to satisfy, in full, the cash consideration payable to Wolfson Shareholders under the terms of the Acquisition.

13. Bases of calculations and sources of information

In this document, unless otherwise stated, or the context otherwise requires, the following bases and sources have been used:

13.1 Financial information relating to:

- Wolfson is extracted (without adjustment) from the audited consolidated financial statements for the Wolfson Group for the financial year ended 29 December 2013; and
- Cirrus Logic is extracted (without adjustment) from the unaudited consolidated financial statements of Cirrus Logic for the financial year ended 29 March 2014.

13.2 The value of the Acquisition is calculated on the basis of the fully diluted number of Wolfson Shares (at the Acquisition price) in issue referred to in paragraph 13.4 below. The implied enterprise value of Wolfson is based on the value of Wolfson's fully diluted share capital (as calculated in paragraph 13.4 below) at the Acquisition price less Wolfson's net cash of \$21 million, based on a gross cash balance of \$25 million and a defined benefit pension obligation of \$4 million, as at 30 March 2014.

13.3 As at the Close of Business on 21 May 2014, being the latest practicable date before the date of this document, Wolfson had in issue 116,875,483 Wolfson Shares. The International Securities Identification Number for Wolfson Shares is GB0033563130.

13.4 The fully diluted share capital of Wolfson (being 123,722,339 Wolfson Shares) is calculated on the basis of 116,787,489 Wolfson Shares in issue on 28 April 2014 (being the latest practicable date prior to the Press Announcement), and in addition up to an equivalent of 6,934,850 further Wolfson Shares which may be issued on or after the date of the Press Announcement following the exercise of options, or settled via alternative means, which have a price of 235 pence or less, or via the vesting of awards under the Wolfson Share Schemes.

13.5 Unless otherwise stated, all prices and closing prices for Wolfson Shares are closing middle market quotations derived from the Daily Official List.

13.6 The premium calculations per Wolfson Shares have been calculated by reference to:

- a price of 134.00 pence per Wolfson Share on 28 April 2014 (being the last Dealing Day prior to the date of the Press Announcement);
- the average Closing Price per Wolfson Share of approximately 135.30 pence for the one month period ending on 28 April 2014 (being the last Dealing Day prior to the Press Announcement); and
- the average Closing Price per Wolfson Share of approximately 136.14 pence for the six month period ending on 28 April 2014 (being the last Dealing Day prior to the Press Announcement).

Unless otherwise stated in this document £1 = \$1.68.

14. Documents available for inspection

- 14.1 Up to and including the Effective Date (or the date on which the Scheme lapses or is withdrawn, whichever is earlier), copies of the following documents can be viewed on Wolfson's website which can be accessed directly at the address www.wolfsonmicro.com and will be available for inspection during normal business hours on Monday to Friday of each week (public holidays excepted) at the offices of Shepherd and Wedderburn LLP, 5th Floor, 1 Exchange Crescent, Conference Square, Edinburgh EH3 8UL:
- (a) the articles of association of Wolfson;
 - (b) a draft of the articles of association of Wolfson as proposed to be amended at the Wolfson General Meeting;
 - (c) the Wolfson financial information incorporated by reference;
 - (d) the irrevocable undertakings referred to in paragraph 7 above (and Odey Asset Management LLP's related confirmation letter);
 - (e) the material contracts referred to in paragraphs 8.1(a) and (b) above;
 - (f) the relevant written consent referred to in paragraph 10 above; and
 - (g) this document and the Forms of Proxy.
- 14.2 Up to and including the Effective Date (or the date on which the Scheme lapses or is withdrawn, whichever is earlier), copies of the following documents can be viewed on Cirrus Logic's website which can be accessed directly at the address www.cirrus.com:
- (a) the by-laws of Cirrus Logic;
 - (b) the Cirrus Logic financial information incorporated by reference;
 - (c) the irrevocable undertakings referred to in paragraph 7 above (and Odey Asset Management LLP's related confirmation letter);
 - (d) the material contracts referred to in paragraph 8.2 above and the documents in connection with the financing of the Acquisition;
 - (e) the relevant written consent referred to in paragraph 10 above; and
 - (f) this document.

15. Date of publication

This document is published on 22 May 2014.

PART NINE
DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise.

“£”, “Sterling” or “pence”	the lawful currency of the UK
“\$” or “US dollars”	the lawful currency of the US
“Acquisition”	the proposed acquisition of the entire issued, and to be issued, share capital of Wolfson by Cirrus Logic (other than Wolfson Shares already held by Cirrus Logic, if any) to be effected by means of the Scheme or (should Cirrus Logic so elect, and subject to the consent of the Panel) by way of the Takeover Offer
“Business Day”	a day on which the London Stock Exchange is open for the transaction of business
“Capital Reduction”	the proposed reduction of Wolfson’s share capital under Chapter 10 of Part 17 of the Companies Act, by cancellation of the Scheme Shares to be effected as part of the Scheme
“Cash Price”	the 235 pence payable by Cirrus Logic to Wolfson Shareholders in respect of each Scheme Share held by them at the Scheme Record Time, in accordance with the terms of the Acquisition
“certificated form” or “in certificated form”	a share or other security which is not in uncertificated form (that is, not in CREST)
“Cirrus Logic”	Cirrus Logic, Inc., incorporated under the laws of the State of Delaware, USA
“Cirrus Logic Board”	the board of directors of Cirrus Logic
“Cirrus Logic Directors”	the persons set out in paragraph 2.2 of Part Eight (<i>Additional Information</i>) of this document
“Cirrus Logic Group”	Cirrus Logic, its subsidiaries and subsidiary undertakings
“Cirrus Logic Shares”	common stock of \$0.001 par value in the capital of Cirrus Logic
“Close of Business”	6pm on a relevant Business Day
“Closing Price”	(a) in respect of a Wolfson Share on any particular day, the closing middle market quotation thereof as derived from the Daily Official List on that day; or (b) in respect of average closing prices for certain periods, the average closing price for the relevant period as derived from Bloomberg
“CMA”	the Competition and Markets Authority in the United Kingdom
“Code”	the City Code on Takeovers and Mergers
“Companies Act”	the Companies Act 2006, as amended from time to time
“the Company” or “Wolfson”	Wolfson Microelectronics plc, incorporated in Scotland with registered number SC089839 and whose registered office is at Westfield House, 26 Westfield Road, Edinburgh EH11 2QB, Scotland
“Conditions”	the conditions to the implementation of the Acquisition (including the Scheme) as set out in Part Four (<i>Conditions and certain further terms of the Scheme and the Acquisition</i>) of this document

“Confidentiality Agreement”	the confidentiality agreement between Wolfson and Cirrus Logic dated 28 April 2014, with effect from 2 April 2014, a summary of which is set out in paragraph 8.1(a) of Part Eight (<i>Additional Information</i>) of this document
“Co-operation Agreement”	the agreement between Wolfson and Cirrus Logic dated 29 April 2014, a summary of which is set out in paragraph 8.1(b) of Part Eight (<i>Additional Information</i>) of this document
“Court”	the Court of Session in Edinburgh
“Court Meeting”	the meeting of the Scheme Shareholders to be convened by order of the Court pursuant to section 896 of the Companies Act, notice of which is set out in Part Ten (<i>Notice of Court Meeting</i>) of this document, for the purpose of approving the Scheme, including any adjournment thereof
“Court Orders”	together, the Sanction Court Order and the Reduction Court Order
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations) in accordance with which securities may be held and transferred in uncertificated form
“CREST Manual”	the CREST Manual referred to in agreements entered into by Euroclear
“CREST member”	a person who is, in relation to CREST, a system member (as defined in the CREST Regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755)
“CREST sponsor”	a person who is, in relation to CREST, a sponsoring system participant (as defined in the CREST Regulations)
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member under the sponsorship of a CREST sponsor
“Daily Official List”	the daily official list of the London Stock Exchange
“Dealing Day”	a day on which dealing in domestic securities may take place on, and with the authority of the London Stock Exchange
“Dealing Disclosure”	an announcement pursuant to Rule 8 of the Code containing details of dealings in interests in relevant securities of a party to an offer
“Disclosure Rules and Transparency Rules”	the disclosure rules and transparency rules made by the UK Listing Authority under the FSMA and contained in the UK Listing Authority’s publication of the same name, as amended from time to time
“Effective Date”	the date upon which the Scheme becomes effective in accordance with its terms
“Equiniti”	Wolfson’s registrar, Equiniti Limited
“Euroclear”	Euroclear UK & Ireland Limited, a limited company incorporated in England and Wales with registered number 02878738
“Excluded Shares”	(a) any Wolfson Shares beneficially owned by Cirrus Logic or any other member of the Cirrus Logic Group; and (b) any other Wolfson Shares which Cirrus Logic and Wolfson agree will not be subject to the Scheme

“Fairly Disclosed”	information: (a) which has been fairly disclosed in writing by or on behalf of Wolfson to Cirrus Logic or its advisers prior to the date of the Press Announcement; (b) which has been Publicly Announced; or (c) set out in the Press Announcement
“FCA”	the Financial Conduct Authority
“Forms of Proxy”	the forms of proxy in connection with each of the Court Meeting and the Wolfson General Meeting
“FSMA”	the Financial Services and Markets Act 2000, as amended
“General Meeting Resolutions”	the resolutions to be proposed at the Wolfson General Meeting
“Goldman Sachs”	Goldman Sachs International
“HMRC”	Her Majesty’s Revenue and Customs
“IFRS”	International Financial Reporting Standards
“J.P. Morgan Cazenove”	each of J.P. Morgan Limited, in its capacity as financial adviser to Wolfson, and J.P. Morgan Securities plc, in its capacity as corporate broker to Wolfson, as applicable, who each conduct their UK investment banking business as J.P. Morgan Cazenove
“Listing Rules”	the rules and regulations made by the FCA in its capacity as the UK Listing Authority under the FSMA and contained in the UK Listing Authority’s publication of the same name
“London Stock Exchange”	London Stock Exchange plc
“Meetings”	the Court Meeting and the Wolfson General Meeting
“New Wolfson Shares”	new ordinary shares of 0.1 pence each in the capital of Wolfson
“Offer Period”	the offer period (as defined in the Code) relating to Wolfson, which commenced on 29 April 2014
“Official List”	the official list of the London Stock Exchange
“Opening Position Disclosure”	has the same meaning as in Rule 8 of the Code
“Panel”	the Panel on Takeovers and Mergers
“Petition”	the application to the Court for it to sanction the Scheme, confirm the Capital Reduction and authorise the Re-registration
“Phase 2 CMA reference”	a reference of the Acquisition to the chair of the CMA for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013
“Phase 2 European Commission proceedings”	proceedings initiated by the European Commission under Article 6(1)(c) of Council Regulation 139/2004/EC in respect of the Acquisition
“PRA”	the Prudential Regulation Authority
“Press Announcement”	the joint announcement of the Acquisition, dated 29 April 2014, by Cirrus Logic and Wolfson in accordance with Rule 2.7 of the Code
“Reduction Court Order”	the order of the Court authorising the Re-registration and confirming the Capital Reduction
“Reduction Hearing”	the hearing at which the Court’s confirmation of the Capital Reduction and authorising of the Re-registration will be sought

“Registrar of Companies”	the Registrar of Companies in Scotland
“Regulatory Information Service” . . .	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements
“Re-registration”	The proposed re-registration of Wolfson as a private Company under section 651 of the Companies Act and as provided for by this Scheme
“Restricted Jurisdiction”	any jurisdiction where the extension or availability of the Scheme or Takeover Offer would breach any applicable law
“Sanction Court Order”	the order of the Court to be granted at the Scheme Court Hearing, sanctioning the Scheme under Part 26 of the Companies Act
“Sanction Hearing”	the hearing by the Court of the application to sanction the Scheme under Part 26 of the Companies Act
“Scheme” or “Scheme of Arrangement”	the scheme of arrangement proposed to be made under Part 26 of the Companies Act between Wolfson and the Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by Wolfson and Cirrus Logic
“Scheme Document”	this document sent to (among others) Scheme Shareholders containing and setting out, among other things, the full terms and conditions of the Scheme and containing the notices convening the Court Meeting and Wolfson General Meeting
“Scheme Record Time”	6pm on the Business Day immediately prior to the Reduction Hearing
“Scheme Shareholders”	holders of Scheme Shares
“Scheme Shares”	Wolfson Shares: <ul style="list-style-type: none"> (a) in issue as at the date of this document; (b) (if any) issued after the date of this document and prior to the Scheme Voting Record Time; and (c) (if any) issued on or after the Scheme Voting Record Time and at or prior to the Scheme Record Time either on terms that the original or any subsequent holders thereof shall be bound by the Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by the Scheme, but in each case other than the Excluded Shares
“Scheme Voting Record Time”	in respect of the Court Meeting, 6pm (London time) on the day which is two Business Days before the date of such meeting or adjournment thereof (as the case may be)
“Special Resolution”	the special resolution to be proposed at the Wolfson General Meeting in connection with, among other things: (i) the approval of the Scheme and confirmation of the Capital Reduction; (ii) the alteration of Wolfson’s articles of association; (iii) the allotment and issue of New Wolfson Shares to Cirrus Logic and/or its nominees; and (iv) and such other matters as may be necessary to implement the Scheme

“ Statement of Capital ”	the statement of capital (approved by the Court) showing, with respect to Wolfson’s share capital, as altered by the Sanction Court Order, the information required by section 649 of the Companies Act
“ Substantial Interest ”	a direct or indirect interest in 20 per cent. or more of the voting equity capital of an undertaking
“ Takeover Offer ”	if (subject to the consent of the Panel) Cirrus Logic elects to effect the Acquisition by way of a takeover offer, the offer to be made by or on behalf of Cirrus Logic to acquire the entire issued and to be issued ordinary share capital of Wolfson on the terms and subject to the conditions to be set out in the related offer document
“ Third Party ”	each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution or any other body or person whatsoever (including for the avoidance of doubt any security agency) in any jurisdiction
“ uncertificated form ” or “ in uncertificated form ”	a share or other security recorded on the relevant register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“ United Kingdom ” or “ UK ”	the United Kingdom of Great Britain and Northern Ireland
“ UK Listing Authority ”	the FCA, acting in its capacity as the competent authority for listing under FSMA
“ United States of America ”, “ United States ”, “ US ” or “ USA ”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
“ US Exchange Act ”	the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (as amended)
“ US Holders ”	holders of Wolfson Shares ordinarily resident in the US or with a registered address in the US, and any custodian, nominee or trustee holding Wolfson Shares for persons in the US or with a registered address in the US
“ Wells Fargo ”	Wells Fargo Bank, National Association
“ Wider Cirrus Logic Group ”	Cirrus Logic and the subsidiaries and subsidiary undertakings of Cirrus Logic and associated undertakings (including any joint venture, partnership, firm or company in which any member of the Cirrus Logic Group is interested or any undertaking in which Cirrus Logic and such undertakings (aggregating their interests) have a Substantial Interest)
“ Wider Wolfson Group ”	Wolfson and the subsidiaries and subsidiary undertakings of Wolfson and associated undertakings (including any joint venture, partnership, firm or company in which any member of the Wolfson Group is interested or any undertaking in which Wolfson and such undertakings (aggregating their interests) have a Substantial Interest)
“ Wolfson Board ”	the board of Wolfson Directors
“ Wolfson Directors ”	the directors of Wolfson as at the date of this document

“ Wolfson General Meeting ”	the general meeting of Wolfson to be convened in connection with the Scheme and the Capital Reduction, notice of which is set out in Part Eleven (<i>Notice of Wolfson General Meeting</i>) of this document, including any adjournment thereof
“ Wolfson Group ”	Wolfson, its subsidiaries and subsidiary undertakings
“ Wolfson Share Schemes ”	the 2003 Wolfson Microelectronics plc All Employee Share Scheme (Parts A and B), the 2003 Wolfson Microelectronics plc Executive Share Scheme (Parts A and B), the Wolfson Microelectronics 2006 Performance Share Plan, the Wolfson Microelectronics 2008 Staff Performance Share Plan, the Wolfson Microelectronics 2009 Staff Share Award Plan, the Wolfson Microelectronics plc Approved Save As You Earn (SAYE) Scheme and the Wolfson Microelectronics 2010 Senior Executive Deferred Bonus Plan
“ Wolfson Shareholders ”	the registered holders of Wolfson Shares from time to time
“ Wolfson Shares ”	the existing unconditionally allotted, or issued, and fully paid ordinary shares of 0.1 pence each in the capital of Wolfson and any such further ordinary shares which are unconditionally allotted before the Effective Date

For the purposes of this document, “subsidiary”, “subsidiary undertaking”, “undertaking” and “associated undertaking” have the meanings given by the Companies Act.

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of this document. All references to time in this document are to London time unless otherwise stated. Words importing the singular shall include the plural and vice versa.

PART TEN
NOTICE OF COURT MEETING

WOLFSON MICROELECTRONICS PLC

(Incorporated in Scotland with Company Registration Number SC089839)

NOTICE IS HEREBY GIVEN that, by an order dated 21 May 2014 (the “**Order**”), the Court of Session in Edinburgh has directed that a meeting (the “**Court Meeting**”) be convened of the “Scheme Shareholders” (as defined in the Scheme of Arrangement referred to below) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement (the “**Scheme of Arrangement**”) pursuant to Part 26 of the Companies Act 2006 (the “**Companies Act**”) proposed to be made between Wolfson Microelectronics plc (the “**Company**”) and the Scheme Shareholders and that such Court Meeting will be held at 44 Westfield Road, Edinburgh, EH11 2QB on 23 June 2014 at 2pm, at which place and time all Scheme Shareholders are requested to attend.

At the Court Meeting, the following resolution will be proposed:

“That the scheme of arrangement dated 22 May 2014 (the “**Scheme**”), between the Company and the Scheme Shareholders (as defined in the Scheme), a print of which has been produced to this meeting and, for the purposes of identification, signed by the chairman hereof in its original form or with or subject to any modification, addition or condition approved or imposed by the Court, be approved and the directors of the Company be authorised to take all such actions as they consider necessary or appropriate for carrying the Scheme into effect.”

Voting on the resolution will be by poll which may be conducted as the chairman of the Court Meeting shall determine. For the Court Meeting (or any adjournment thereof) to be properly convened, a quorum of two persons entitled to vote on the business to be transacted, each being a Scheme Shareholder, the proxy of a Scheme Shareholder or (where the Scheme Shareholder is a corporation) a duly authorised representative must be present.

A copy of the Scheme of Arrangement and a copy of the explanatory statement required to be furnished pursuant to section 897 of the Companies Act are incorporated in the document of which this notice forms part.

By the Order, the Court has appointed Michael Ruetters or, failing him, Glenn Collinson, or, failing him, Robert Eckelmann to act as chairman of the Court Meeting and has directed the chairman of the Court Meeting to report the result thereof to the Court.

The Scheme of Arrangement will be subject to the subsequent sanction of the Court.

Dated: 22 May 2014

Shepherd and Wedderburn LLP

1 Exchange Crescent
Conference Square
Edinburgh EH3 8UL

Solicitors for the Company

Notes:

- (i) Entitlement to attend and vote at the Court Meeting (or if it is adjourned, at any adjourned meeting) (and the number of votes which may be cast thereat) will be determined by reference to the number of Scheme Shares registered in the name of a Scheme Shareholder in the register of members of the Company at 6pm on 19 June 2014 or, in the case of an adjourned meeting, at 6pm on the day which is two business days before the date of the adjourned meeting. In each case, changes to the register of members of the Company after 6pm on the relevant date will be disregarded in determining the right to attend and vote at the Court Meeting.
- (ii) In the case of Scheme Shareholders who hold their Scheme Shares jointly (“**Joint Holders**”), the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other Joint Holder(s) and, for this purpose, seniority will be determined by the order in which the names in respect of the joint holding stand in the register of members of the Company.
- (iii) Scheme Shareholders may vote in person at the Court Meeting or they may appoint another person, whether a member of the Company or not and whether a Scheme Shareholder or not, as their proxy to attend, speak and vote on their behalf. A BLUE Form of Proxy for use at the Court Meeting accompanies this notice. Completion and return of a BLUE Form of Proxy will not prevent a Scheme Shareholder from attending and voting at the Court Meeting, or any adjournment thereof, in person if he or she wishes to do so.
- (iv) Scheme Shareholders are entitled to appoint a proxy in respect of some or all of their Scheme Shares. Scheme Shareholders are also entitled to appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to at least one different Scheme Share. In order to be valid completed and signed BLUE Forms of Proxy must be lodged with Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA by no later than 2pm on 19 June 2014 or, in the case of an adjourned meeting, no later than the relevant deadline for the return of forms of proxy on the day two working days before the day of the adjourned meeting all in accordance with the instructions printed on the BLUE Form of Proxy. If BLUE Forms of Proxy are not so lodged or sent, they may be handed to Equiniti on behalf of the chairman of the Court Meeting at the Court Meeting before the taking of the poll, or if the Court Meeting is adjourned, at that adjourned meeting.
- (v) Scheme Shareholders may register their proxy appointments electronically via the www.sharevote.co.uk website, where full details of the procedure are given. Scheme Shareholders who are not registered to vote electronically will need to enter the Voting ID, Task ID and Shareholder Reference Number set out in their personalised BLUE Form of Proxy which accompanies this document. Alternatively Scheme Shareholders who have already registered with Equiniti’s Shareview Service can appoint a proxy by logging on to their portfolio at www.shareview.co.uk and clicking on the link to vote under their Wolfson Microelectronics plc details. The onscreen instructions give details on how to complete the appointment process. In order to be valid, such appointments and directions must be registered by no later than 2pm on 19 June 2014 (or, in the case of an adjourned meeting, by no later than 2pm on the day two working days before the day of the adjourned meeting). Scheme Shareholders are advised to read the terms and conditions of use carefully. Electronic communication facilities are available to all Scheme Shareholders.
- (vi) Scheme Shareholders who hold Scheme Shares through CREST and who wish to appoint a proxy or proxies through the CREST Electronic Proxy Service may do so for the Court Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual, which can be viewed at www.euroclear.com. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
- (vii) In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Voting Instruction**”) must be properly authenticated in accordance with the specifications of Euroclear UK & Ireland Limited (“**Euroclear**”) and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Equiniti (participant ID RA19) by no later than 2pm on 19 June 2014 (or, in the case of an adjourned meeting, no later than 2pm on the day two working days before the day of the adjourned meeting). For this purpose, the time of receipt will be taken as the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which Equiniti are able to

retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

- (viii) CREST members and, where applicable, their CREST sponsor or voting service provider, should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Voting Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his or her CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In connection with this, CREST members and, where applicable, their CREST sponsor or voting service provider are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Voting Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.*
- (ix) Any corporation which is a member can appoint one or more corporate representatives in writing (which written appointment the Company may require to be produced to Equiniti before the start of the Court Meeting) who may exercise on its behalf all of its powers as a member provided that (i) no more than one corporate representative is appointed over each Scheme Share and (ii) only one corporate representative is to be counted in determining, under section 899(1) of the Companies Act, whether a majority in number of the Scheme Shareholders has approved the Scheme.*

PART ELEVEN
NOTICE OF WOLFSON GENERAL MEETING

WOLFSON MICROELECTRONICS PLC

Notice is hereby given that a general meeting of Wolfson Microelectronics plc (the “**Company**”) will be held at 44 Westfield Road, Edinburgh, EH11 2QB on 23 June 2014 at 2.15pm (or as soon thereafter as the Court Meeting (as defined in the document of which this notice forms part, being the “**Scheme Document**”) convened for 2pm (on the same day and at the same place) shall have concluded or been adjourned) for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as a special resolution:

SPECIAL RESOLUTION

THAT, for the purpose of giving effect to the scheme of arrangement (the “**Scheme**”) dated 22 May 2014 between the Company and the holders of Scheme Shares (as defined in the Scheme), a print of which has been produced to this meeting and for the purposes of identification signed by the chairman hereof, in its original form or subject to such modification, addition or condition as may be agreed between the Company and Cirrus Logic (“**Cirrus Logic**”) and approved or imposed by the Court:

- (1) the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into full effect;
- (2) the Company be re-registered as a private company and the share capital of the Company be reduced by cancelling the Scheme Shares;
- (3) subject to and forthwith upon the reduction of share capital referred to in paragraph (2) above taking effect and notwithstanding anything to the contrary in the articles of association of the Company:
 - (a) the reserve arising in the accounting records of the Company as a result of the reduction of share capital referred to in paragraph (2) above be capitalised and applied in paying up in full at par such number of new ordinary shares of 0.1 pence each in the capital of the Company (the “**New Wolfson Shares**”) as shall be equal to the aggregate number of ordinary shares of 0.1 pence each cancelled pursuant to paragraph (2) above, such New Wolfson Shares to be allotted and issued credited as fully paid (free from any liens, charges, equitable interests, encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever and together with all rights attaching thereto) to Cirrus Logic and/or its nominee(s) in accordance with the Scheme; and
 - (b) the directors of the Company be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006, as amended from time to time (the “**Companies Act**”) to allot the New Wolfson Shares referred to in paragraph (3)(a), provided that:
 - (i) the maximum aggregate nominal amount of the shares that may be allotted under this authority shall be the aggregate nominal amount of the New Wolfson Shares created pursuant to paragraph (3)(a) above;
 - (ii) this authority shall expire (unless previously revoked, varied or renewed) on the fifth anniversary of the date on which this resolution is passed; and
 - (iii) this authority shall be in addition, and without prejudice, to any other authority under section 551 of the Companies Act previously granted and in force on the date on which this resolution is passed;

- (4) with effect from the passing of this resolution, the articles of association of the Company be and are hereby amended by the adoption and inclusion of the following new article 148 after article 147 (and amending the remainder of the articles and any cross references thereto accordingly):

“148 Scheme of Arrangement

- (A) In this Article 148, references to the Scheme are to the scheme of arrangement dated 22 May 2014 under Part 26 of the Companies Act 2006 between the Company and the holders of Scheme Shares (as defined in the Scheme) as it may be modified or amended in accordance with its terms, and expressions defined in the Scheme shall have the same meanings in this Article 148.
- (B) Notwithstanding either any other provision of these Articles or the terms of any resolution whether ordinary or special passed by the Company in general meeting, if the Company issues any ordinary shares (other than to Cirrus Logic or its nominee(s)) on or after the adoption of this Article 148 and on or prior to the Scheme Record Time (as defined in the Scheme), such shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the original or any subsequent holder or holders of such ordinary shares shall be bound by the Scheme accordingly.
- (C) Notwithstanding any other provision of these Articles, if any ordinary shares are issued to any person (other than Cirrus Logic or its nominee(s)) (the “**New Member**”) after the Scheme Record Time, such New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) will, provided the Scheme shall have become effective, be obliged to immediately transfer all the ordinary shares held by the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) (the “**Disposal Shares**”) to Cirrus Logic (or as Cirrus Logic may otherwise direct) who shall be obliged to acquire all of the Disposal Shares in consideration of and conditional on the payment by or on behalf of Cirrus Logic to the New Member of an amount in cash for each Disposal Share equal to the consideration that the New Member would have been entitled to had each Disposal Share been a Scheme Share.
- (D) On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation), the value of the consideration per Disposal Share to be paid under paragraph (C) above shall be adjusted by the Directors in such manner as the auditors of the Company or an independent investment bank selected by the Company may determine to be fair and reasonable to the New Member to reflect such reorganisation or alteration. References in this Article 148 to ordinary shares shall, following such adjustment, be construed accordingly.
- (E) To give effect to any transfer required by this Article 148, the Company may appoint any person as attorney for the New Member to execute and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) in favour of Cirrus Logic and do all such other things and execute and deliver all such documents as may in the opinion of the attorney be necessary or desirable to vest the Disposal Shares in Cirrus Logic and pending such vesting to exercise all such rights to the Disposal Shares as Cirrus Logic may direct. If an attorney is so appointed, the New Member shall not thereafter (except to the extent that the attorney fails to act in accordance with the directions of Cirrus Logic) be entitled to exercise any rights attaching to the Disposal Shares unless so agreed by Cirrus Logic. The Company may give good receipt for the purchase price of the Disposal Shares and may register Cirrus Logic as holder thereof and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member for any Disposal Shares. Cirrus Logic shall send a cheque drawn on a UK clearing bank (or shall procure that such a cheque is sent) in favour of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) for the purchase price of such Disposal Shares within 14 days of the date on which the Disposal Shares are issued, to the New Member.
- (F) If the Scheme shall not have become effective by the date referred to in clause 5.2 of the Scheme, (or such later date, if any, as Cirrus Logic and the Company may agree and the Court and the Panel on Takeovers and Mergers may allow, if such consent is required) this Article 148 shall be of no effect.

(G) Notwithstanding any other provision of these Articles, both the Company and the Directors may refuse to register the transfer of any Scheme Shares effected between the Scheme Record Time and the Effective Date.

(H) Notwithstanding any other provision of these Articles, both the Company and the Directors may refuse to register the transfer of any ordinary shares other than as provided by this Article 148.”

22 May 2014

By Order of the Board

Registered Office:

Westfield House

26 Westfield Road

Edinburgh EH11 2QB

Registered in Scotland, Company Registration No. SC089839

Notes:

- (i) *A shareholder who is entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and speak and vote on his/her behalf. A shareholder may appoint more than one proxy provided that each proxy is appointed to exercise rights attached to different shares. A shareholder may not appoint more than one proxy to exercise rights attached to any one share. A proxy need not be a shareholder of Wolfson. In the case of a shareholder which is a company, the Form of Proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.*
- (ii) *A WHITE Form of Proxy for use by shareholders in connection with the meeting is enclosed with this document. To be valid, the WHITE Form of Proxy should be completed and signed and sent or delivered, together with any power of attorney or other authority (if any) under which it is signed or an extract from the Books of Council and Session or a notarially certified copy or a copy certified in accordance with the Powers of Attorney Act 1971 of such power or authority, in accordance with the instructions contained therein, so as to reach Wolfson's registrar, Equiniti Limited, at the address stated thereon, not later than 2.15pm on 19 June 2014. Shareholders may also vote or lodge their proxy electronically via the internet or through CREST in accordance with notes (iii) and (iv) below.*
- (iii) *Shareholders may register their proxy appointments electronically via the www.sharevote.co.uk website, where full details of the procedure are given. Scheme Shareholders who are not registered to vote electronically will need to enter the Voting ID, Task ID and Shareholder Reference Number set out in their personalised WHITE Form of Proxy which accompanies this document. Alternatively Scheme Shareholders who have already registered with Equiniti's Shareview Service can appoint a proxy by logging on to their portfolio at www.shareview.co.uk and clicking on the link to vote under their Wolfson Microelectronics plc details. The onscreen instructions give details on how to complete the appointment process. In order to be valid, such appointments and directions must be registered by no later than 2.15pm on 19 June 2014 (or, in the case of an adjourned meeting, by no later than the relevant deadline for the return of forms of proxy on the day two days before the day of the adjourned meeting, excluding any part of a day that is not a working day). Scheme Shareholders are advised to read the terms and conditions of use carefully. Electronic communication facilities are available to all Scheme Shareholders.*
- (iv) *Registered shareholders who are CREST members who are entitled to attend and vote at the meeting and who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting, or any adjournment of it, by utilising the procedures described in the CREST Manual (www.euroclear.com). CREST Personal Members or other CREST Sponsored Members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.*

In order for a proxy appointment or instruction made by means of the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy, or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Wolfson's agent, Equiniti (participant ID RA19), by 2.15pm on 19 June 2014. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Wolfson's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is therefore the responsibility of the CREST member concerned to take (or procure the taking of) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Wolfson may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

- (v) *Completing and returning a WHITE Form of Proxy will not prevent a shareholder from attending in person at the meeting referred to above and voting should he or she wish to do so.*
- (vi) *Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001 (as amended) and for the purposes of section 360B of the Companies Act 2006, Wolfson specifies that only those ordinary shareholders entered on the register of members of Wolfson as at 6pm on 19 June 2014 or, in the event that the meeting is adjourned, on the register of members at 6pm on the day falling two business days before the date of any adjourned meeting, shall be entitled to attend or vote at the meeting in respect of the number of ordinary shares registered in their name at that time. Changes to the entries on the register of members after 6pm on 19 June 2014 or, in the event that the meeting is adjourned, on the register of members at 6pm (UK time) on the day falling two business days before the date of any adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting, notwithstanding any provisions in any enactment, the articles of association of Wolfson or other instrument to the contrary.*
- (vii) *If you are not a member of Wolfson but you have been nominated by a member of Wolfson to enjoy information rights, you do not have a right to appoint a proxy. See note (viii) below.*
- (viii) *If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights:*
 - (a) *you may have a right under an agreement between you and the member of Wolfson who has nominated you (“**Relevant Member**”) to have information rights to be appointed or to have someone else appointed as a proxy for the meeting;*
 - (b) *if you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to the exercise of voting rights.*
- (ix) *Any corporation which is a member can appoint one or more corporate representatives in writing (which written appointment the Company may require to be produced to Equiniti before the start of the meeting) who may exercise on its behalf all of its powers as a member provided that no more than one corporate representative is appointed over each Wolfson Share.*
- (x) *Any member attending the meeting has the right to ask questions. Wolfson must cause to be answered any question relating to the business being dealt with at the meeting put by a member attending the meeting. However, members should note that no answer need be given in the following circumstances:*
 - (a) *if to do so would interfere unduly with the preparation of the meeting or would involve a disclosure of confidential information;*
 - (b) *if the answer has already been given on a website in the form of an answer to a question; or*
 - (c) *if it is undesirable in the interests in Wolfson or the good order of the meeting that the question be answered.*
- (xi) *If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes the subject of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in Wolfson’s securities already held by the Chairman, result in the Chairman holding such number of voting rights that he has a notifiable obligation under the Disclosure and Transparency Rules, the Chairman will make the necessary notifications to Wolfson and the Financial Conduct Authority. As a result, any member holding 3 per cent. or more of the voting rights in Wolfson who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure and Transparency Rules, need not make a separate notification to Wolfson and the Financial Conduct Authority.*
- (xii) *As at 21 May 2014 (being the latest practicable date prior to publication of this Notice), Wolfson’s issued share capital consisted of 116,875,483 ordinary shares of 0.1 pence each, carrying one vote each. Therefore, total voting rights in Wolfson as at 21 May 2014 are 116,875,483.*
- (xiii) *This Notice, together with information about the total numbers of shares in Wolfson in respect of which members are entitled to exercise voting rights at the meeting as at 21 May 2014, being the latest practicable date prior to the publication of this Notice, can be found on Wolfson’s website www.wolfsonmicro.com.*
- (xiv) *A member may not use any electronic address provided either in this Notice of Wolfson General Meeting or any related documents to communicate with Wolfson for any purpose other than those expressly stated.*

