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EDITED TRANSCRIPT

CRUS - Q2 2017 Cirrus Logic Inc Earnings Call

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OVERVIEW:

Co. reported 2Q17 revenue of \$428.6m.



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CORPORATE PARTICIPANTS

Thurman Case *Cirrus Logic Inc. - VP of Finance/Treasurer & CFO*

Jason Rhode *Cirrus Logic Inc. - President & CEO*

Chelsea Heffernan *Cirrus Logic Inc. - IR*

CONFERENCE CALL PARTICIPANTS

Matt Ramsey *Canaccord Genuity - Analyst*

Tore Svanberg *Stifel Nicolaus - Analyst*

Charlie Anderson *Dougherty and Company - Analyst*

Blayne Curtis *Barclays Capital - Analyst*

Rick Schafer *Oppenheimer & Co. - Analyst*

Rajvindra Gill *Needham & Company - Analyst*

PRESENTATION

Operator

Ladies and gentlemen, thank you for standing by. Welcome to the Cirrus Logic second-quarter FY 17 financial results Q&A session. At this time, all participants are in a listen-only mode. After a brief statement we will open up the call for questions from analysts.

(Operator Instructions)

As a reminder, this conference call is being recorded for replay purposes. I would now like to turn the conference call over to Mr. Thurman Case, Chief Financial Officer. Mr. Case, you may begin.

Thurman Case - *Cirrus Logic Inc. - VP of Finance/Treasurer & CFO*

Thank you, and good afternoon. Joining me on today's call is Jason Rhode, Cirrus Logic's President and Chief Executive Officer; and Chelsea Heffernan, our Director of Investor Relations.

Today, we announced our financial results for the second quarter of FY17, at approximately 4:30 PM Eastern. The shareholder letter discussing our financial results, the Earnings Press Release, including a reconciliation of non-GAAP financial information to the most directly comparable GAAP information, along with the webcast of this Q&A session are all available at the Company's Investor Relations website at investor.Cirrus.com.

This call will feature questions from the analysts covering our Company, as well as questions submitted to us via email at investor.relations@Cirrus.com.

Please note that during this session, we may make other projections and other forward-looking statements that are subject to risks and uncertainties that may cause actual results to differ materially from projections.

By providing this information, the Company undertakes no obligation to update or revise any projections or forward-looking statements, whether as a result of new developments or otherwise. Please refer to the press release issued today, which is available on the Cirrus Logic website, the latest form 10-K and 10-Q, as well as other corporate filings made with the Securities and Exchange Commission for additional discussion of risk factors that could cause actual results to differ materially from current expectations.

Now, I'd like to turn the call over to Jason.



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Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Thank you, Thurman. Before we begin taking questions, I'd like to make a few comments. For a detailed account of our financial results, please read the Shareholder Letter posted on our Investor Relations website. Cirrus Logic reported Q2 revenue of \$428.6 million above the high end of guidance as demand for certain portable audio products exceeded our expectations.

We are delighted with our progress in this September quarter. The Company began volume shipments of our first digital headset solutions and a new boosted amplifier. We are also excited to have broadened our penetration in mid-tier smartphones as we recently began shipment of a smart codec at another leading customer.

While we are proud of our success, we remain focused on the strategic initiatives that we believe are essential to drive opportunities in FY 18 and beyond. With a diverse portfolio of products that address a wide range of technical and cost requirements, we are participating in markets that are in the early stage of development and have the potential to foster growth for multiple years.

We are incredibly excited to be a leading supplier of innovative audio and voice technology, and believe the Company's future is bright.

Before we begin the Q&A, I would also like to note that while we understand there is intense interest related to our largest customer, in accordance with our policy, we do not discuss specifics about our business relationship.

Operator, we're now ready to take questions.

QUESTIONS AND ANSWERS

Operator

Thank you. (Operator Instructions) Matt Ramsey; Canaccord Genuity.

Matt Ramsey - *Canaccord Genuity - Analyst*

Thank you very much. Good afternoon guys. Jason, I wanted to ask if we could get a little bit of an update on your MEMS microphone business. Obviously, there's been tremendous progress that you've made in recent product cycles with your core Codec and amplifier business, but it seems to me that the next step in the Company's transformation and continued growth is on the microphone side, particularly as ANC headsets ramp in the market.

Maybe you could give a little bit of a progress report about how the microphone business is trending and how close you feel you might be to a point where you guys could sole source microphones in a ANC headset design regardless of vendor.

Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Sure, yes. I don't know that I would say that it's the next step. We're still working through it and making good progress. If I look at the list of technical challenges we had this time last year versus now, it's a lot shorter than it was. So I'm really pleased with the progress the team has made there.

That said, microphones are very, very challenging and our goal, we think the first major value proposition we can bring there is delivering the same sort of no-surprises kind of product to our customers that they come to expect in our silicon.



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As it relates to single source, there are certainly volumes and opportunities where we can single source microphones, particularly for headsets, where we can support that kind of volume pretty reasonably and if we have a yield issue, we obviously don't want to put ourselves in a position where you're going to be reading about our microphones in the newspaper.

So we're still approaching that pretty cautiously. That's -- of the various different growth vectors that we believe we have, it's probably one of the ones that's further out there. I do expect that we can continue to make progress and ship more microphones in the coming years than we do currently and certainly the opportunity is out there in a pretty meaningful way long-term.

Again, it's really a multi-step process. I think I've talked about this on past calls and meetings that we first need to solidify the microphones around vendors that we believe can support big volumes and make sure that we are able to, again, deliver no-surprises type of products. And then after that, we need to take and modify them, or come to market with products that have our own IP embedded within.

We really feel like being the supplier of the microphone and the Codec on the other end of the wire is a significant advantage, and that's what will allow us to get the kind of margins that we're excited about delivering. So it's kind of a multi-step roadmap. I'm pleased with the progress the guys are making, and just stay tuned on that I guess.

Matt Ramsey - *Canaccord Genuity - Analyst*

Thanks for the color there. Thurman, maybe for my follow-up, the non-GAAP gross margin in the quarter was up almost three full points over last year and obviously, a quarter where you're very customer-concentrated with the big ramp of a new product. So maybe you could just walk us through the pieces of that gross margin expansion and how sustainable we should think about that type of margin expansion for the Company on a year-over-year basis going forward. Thank you.

Thurman Case - *Cirrus Logic Inc. - VP of Finance/Treasurer & CFO*

Well, there's a lot of moving parts in margins, and as we talked about, the September quarter, we had some supply chain efficiencies and high volumes that helped push that a little bit above the high end of our guidance.

When we look at this quarter, we're comfortable with the guidance that we gave as based on the visibility that we have. And we would note that on a longer term, our sustainable basis, we still believe that our margin profile really looks at the 46% to 48% over the long-term.

Matt Ramsey - *Canaccord Genuity - Analyst*

All right, thanks very much. I'll get back in cue.

Thurman Case - *Cirrus Logic Inc. - VP of Finance/Treasurer & CFO*

Thanks, Matt.

Operator

Tore Svanberg; Stifel.



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Tore Svanberg - *Stifel Nicolaus - Analyst*

Yes, thank you and congratulations on the strong results. My first question, you mentioned in the Shareholder Letter that you launched the new ultra-low power smart codec with an innovative voice feature. So I was hoping you could elaborate a little bit on that product, and is this a product that's mainstream and targeted at specific customers?

Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Yes, so we actually did a press release about that a few weeks back. So search back on that; that's the device we're talking about. There's a fair -- and you can find it on our website as well for really gory details, but it's a flagship-level smart codec, a bunch of DSP cores, a lot of memory.

It can be used to run, basically, the whole voice suite that we provide along with third party algorithms and stuff from our customers. It's well supported with our standard tools as well. It's another one of the products in the product line where they all use the same DSP core, the same tools, and they support the same library of algorithms as one another.

So if a customer is using say a mid-tier smart codec, they can easily reuse that software and integration investment with this newer device, or if they -- if the customer takes the plunge with this device first, then they can leverage that investment in their mid-tier product line as well.

So, a tremendously powerful product for doing all manner of audio and voice signal processing. We think it delivers a really difficult-to-beat power consumption from an always-on voice type of standpoint, and then a very efficient solution for the rest of the audio and voice suite as well. So definitely something we're excited about.

Tore Svanberg - *Stifel Nicolaus - Analyst*

Very good. Then as my follow-up, now that there's more digital interface smartphones out there, how is the design activity changed since then? And I guess what I'm trying to get to here is, is the world, kind of, not looking back anymore and just going all in on digital and obviously getting rid of the traditional audio jack?

Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Well, I guess I'd hesitate to call it completely all-in, but probably not too far from that. A big part of today's market is fast followers, and once they know what it is they're supposed to be following, they do it. They seem to try to do it pretty quickly.

So yes, there's a lot of design activity both based around the referenced design that we announced a while back, as well as folks in the Android space trying to figure out to implement similar functionality and similar products in the USB-C space.

So that's, like we said in the opening remarks, it's a vector that we expect to play out over a number of years. A lot of interest there, particularly there's interest in the ANC stuff, but there is especially in the basic digital headsets. I think people get the value of getting rid of the headphone jack and now. So they're trying to figure out okay, what's step one in replacing the headset functionality that exists today, and then look to expand from there.

Tore Svanberg - *Stifel Nicolaus - Analyst*

Phenomenal execution guys. I'll get back in cue. Thank you.

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Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Thanks, Tore.

Operator

Charlie Anderson; Dougherty and Company.

Charlie Anderson - *Dougherty and Company - Analyst*

I actually think you grabbed some really strong results.

Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Thanks.

Charlie Anderson - *Dougherty and Company - Analyst*

There was a comment on the Shareholder Letter about a new customer. I think this was in the three through ten area that's going to be in new models with multiple smart codecs. I wonder if you could provide a little color on that new customer, maybe regionally, and just the situation where maybe you broke the bundle and the (inaudible)?

Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Yes, I think -- well, yes, actually it was a -- it's a new customer in the mid-tier space, so it's not necessarily a new customer overall, but one that we're excited to be having -- have uptake on the mid-tier codecs. And yes, that's something we're definitely excited about.

So we -- there's a couple of variance there as it stands right this minute. I forget which one is shipping where, but anyway, there's a couple of different options there, both of which look like they'd progress for the mid-tier strategy.

Charlie Anderson - *Dougherty and Company - Analyst*

Great. And then, just in terms of competition, I've got a couple questions related to that. So one is, just, Jason, what do you see in real-time in terms of other people having solutions for either ANC or for digital headsets? And then secondarily, your -- I guess you could say your largest codec competitor merged with buying one of your largest amp competitors. Any long-term view on them, what that means for the (inaudible)?

Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Sure. Sure. Yes, so let's see. I guess I'll take the last and the first. I don't have a -- I mean, who knows? These integrations are very, very challenging. I don't know that the amp competitor was done digesting their last acquisition, so we'll see how that all goes.

I mean, the reality for us, from a competition point-of-view, is that certainly Calcom is the largest competitor we face as it relates to smart codec types of functions. Their chips are usually partitioned pretty differently than ours, which makes sense in their case, but at the end of the day, we're just a different proposition.

If you're making a phone or some sort of audio product, and you're using our device, it's because you're looking to differentiate versus what they do -- versus rather than wrapping plastic around one of their referenced designs, which a good fraction of the market works that way or wants to

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work that way, and that's fine. But when customers are looking to differentiate on the audio and voice experience, that's where we usually have good opportunities.

So as it relates to amps and just putting the two together make them tremendously more compelling. I don't see that in a short term. In the short term, I suspect it might not be an amazing place to work for a while, so we'll certainly see if we can take advantage of that as we still got a fair amount of hiring to do on the engineering side.

Operator

Blayne Curtis; Barclays.

Blayne Curtis - Barclays Capital - Analyst

Hey, you guys, (inaudible) and great results. I was just curious; in your letter you mentioned the ANC being a (inaudible). You also said it would be product in the market in the March quarter. I was just curious, in terms of your December guidance, how much ANC business is in that guide, or is that more a March ship date?

Jason Rhode - Cirrus Logic Inc. - President & CEO

Yes, we expect to see products in March, and we're certainly not trying to imply that that's going to take us to the moon or be a huge part of the headset business right out of the gate. Like I said a minute ago, we expect the headset business to be driven, in the near-ish term future be driven by the conversion of basic headsets over to the digital format and high-quality digital headsets in general.

But we do expect to see ANC headsets on the market with our solution in the March quarter. So it's certainly not a huge impact in the current quarter. As it relates to ANC, we remain very convinced, with a lot of good data, that our solution is the best device on the market.

There are competitors out there, but they kind of are along the lines of the types of ANC that have been around for years. So it's -- there's certainly -- like a lot of the products that we sell, there's less expensive ways to solve their problem. We don't think there's anything that's even close to as capable as what we have.

Blayne Curtis - Barclays Capital - Analyst

Thanks. And then you mentioned the (inaudible) design, and then I was just curious, as you look at the accessory market, is there any way to gauge, now the phone has been out for a little bit, in terms of the attach rate of customers buying it, either additional adaptors or other accessories that are powered off the lightning port? Is there any way you can think about what that attachment could be? And then could you just talk about, it's an exclusive right now for you, do you envision that you're the only supplier from IC (inaudible)?

Jason Rhode - Cirrus Logic Inc. - President & CEO

Let's see. So, yes, we don't generally participate in things that are where it's a second-source type of arrangement. I'm sure there are folks that can use -- there are other folks that could take that module and wrap different mix signal on the other side of it that, frankly, is still good for us, and given our familiarity with the technology, I think we've got a pretty good advantage there.

But certainly other folks are free to take that module and design whatever other sorts of headsets they might design around it, but obviously, we've certainly got a good relationship there and very, very good opportunities.

(multiple speakers)



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Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Yes, sure. Sure.

Blayne Curtis - *Barclays Capital - Analyst*

(Inaudible), it seems like you're starting to see more and more wireless headsets. I was just curious what you view as your opportunity in those types of devices?

Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Over the long term, I think it's a good opportunity. The challenge with a lot of the existing Bluetooth headsets is that it's difficult to do stereo well, in particular, without wires. Meaning it's a challenging thing if you give your spouse a wireless headset for Christmas, actually which I don't recommend, but if they're connected together by a wire, they kind of look at you like well, hey, that's not a wireless headset. And that's a difficult problem to solve with traditional Bluetooth.

BTLE -- once the BTLE audio spec is ratified sometime in the future, we expect that to change the demand for wireless headphones pretty radically because it contemplates the notion that the phone has to broadcast to a left and a right ear at the same time. So, some of our customers have means of solving that problem on their own. I think, broadly, the market out there, currently today, does not have a great solution for that. And I believe Bluetooth headphones, broadly speaking, will probably remain fairly niche as they have been over the past handful of years.

Blayne Curtis - *Barclays Capital - Analyst*

Thank you.

Operator

Rick Schafer; Oppenheimer.

Rick Schafer - *Oppenheimer & Co. - Analyst*

Thanks, guys, and I'll add my congratulations on a great quarter.

Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Thank you.

Rick Schafer - *Oppenheimer & Co. - Analyst*

Since we're talking about headsets, I was just curious if you could frame or compare what Sears potential content is in, say a standard digital headset versus how big of a step up is it when you move to an ANC headset?



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Jason Rhode - *Cirrus Logic Inc. - President & CEO*

For overall kind of -- the interface and codec-type functionality that we provide in the basic digital headset, we've kind of given the color that that's on the order of a dollar from us, whereas an ANC codec is more along the lines of \$250.

In the longer term, if we're able to get the full attach with the microphones, typically for an ANC headset, you would need five microphones, so at least one independent if not two, for a noise-suppression type transmit function, as well as two in each ear bud. So five or six microphones in the round numbers of \$0.30 per, that's a pretty good incremental ASP increase.

And you certainly don't need to use our microphones to use our ANC device, so there's all shades of gray in between those kind of goal posts, I guess.

Rick Schafer - *Oppenheimer & Co. - Analyst*

Got it. And would it be fair to say -- I know you mentioned that the MEMS mic got the bulk of that maybe a little further out. What are some of the bigger, nearer-term opportunities? I mean, would it be the standard digital headset? I'm just looking for areas where you guys -- you had a great content story the last couple of years, sort of what that next leg is if we look to 2017, 2018?

Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Sure. Well, the big -- it's a bit of a broken record because our strategy doesn't change too often, but we're looking for continued success in the digital headset space, initially, again, driven by the basic digital -- the conversion of the basic headsets to digital format. The amplifiers are another big thread for us. ANC we expect to do good things for us over time.

We're continuing to make progress on broadening out our business in the flagship devices. There's more customers out there either from a smart codec perspective, or we got a new, very high-performance D/A converter on the market, which in China, there's a lot of interest. For a variety of reasons, there's a lot of interest in ultra-high performance audio devices, so we've got a pretty compelling device on the market there.

And then, of course, migrating all of these things down from flagships to the mid-tier we think is another good thread for us that will play out over a number of years. We're making good progress there, but the challenge, of course, is most of the folks that have a meaningful volume of mid-tier handsets, they're pretty fragmented. So it's kind of a lot of base-hit type design wins, which frankly is a really compliment to the business that we have today.

Rick Schafer - *Oppenheimer & Co. - Analyst*

All right, got it. And maybe one I could squeeze in with Thurman; op margins look great in the quarter. I mean, what's the flexibility there to continue to grow those op margins? I mean, I guess maybe, basically, how should we think about OPEX growth relative to your top line?

Thurman Case - *Cirrus Logic Inc. - VP of Finance/Treasurer & CFO*

Well, the OPEX is -- we'll continue to grow R&D as we move along. We're investing in R&D and that will continue to happen. SG&A, we said, will grow slightly over on a quarter-over-quarter basis in the future, but not nearly at the rate that R&D will be. We will continue to strive to push up, obviously, our top line and maintain our margins as high as possible to keep the operating profit as high as we can.

Yes, in summary, I would say we should have good leverage there. I mean, obviously, the quarter that we just finished, the quarter we're in, they're kind of the two of the stronger quarters in a given year, so you wouldn't -- if you extrapolated what our op margin might be for the December quarter, you wouldn't want to probably use that for the whole year. But versus the historical kind of run rate on an annual basis in the 20% range, we hopefully should have some good leverage there.



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Rick Schafer - *Oppenheimer & Co. - Analyst*

Okay, thanks.

Thurman Case - *Cirrus Logic Inc. - VP of Finance/Treasurer & CFO*

Sure. Thank you.

Operator

Rajvindra Gill; Needham & Company.

Rajvindra Gill - *Needham & Company - Analyst*

Yes, thank you for taking my questions and congratulations on excellent results. I joined a little bit late, so I apologize if this question was asked before. But it seems like there are several vectors of growth as you go into calendar 2017 above and beyond what you're experiencing this year, which was still excellent growth. If you look at the penetration of digital headsets and then ultimately ANC headsets and the Android headset market, a lot of that is dependent on USB-C attach rates accelerating first, and then ultimately, removing the analog port for the headset and then putting a digital headset port.

Can you talk a little bit about how you're seeing the penetration in the Android market for digital headsets? And did you agree that this is correlated to the attach rates for -- digital headsets is correlated to the USB-C adoption for the interface?

Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Yes, I mean, the existing -- the historical USB mini or I mean, micro, it's just not practically usable as a headphone interface. So yes, we do see that. We see a tremendous -- again, a ton of the Android market is composed of varying degrees of fast followers. They know what they're copying now; there's a lot of interest in copying it.

And USB-C itself does pose some challenges, just in the ways that it's implemented in the handsets themselves but that's something that our customers are working through, and we see good opportunities to grow the USB-C headset side of the headphone business, both for basic digital headsets as well as noise cancellation.

Rajvindra Gill - *Needham & Company - Analyst*

And in the amplifier business, you talked about expanding your amplifier business outside of your main customer in Android. Maxim and XPI can remain the dominant audio amplifiers in the smartphone market. You have kind of negligible share. You can talk a little bit about the dollar content per phone that you can generate as you go into audio amplifier as your main customer? Any thoughts in terms of how you intend to gain share, and what your cost advantages you migrate to 65 nanometer from 108 nanometer on the (inaudible)?

Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Sure.



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Rajvindra Gill - *Needham & Company - Analyst*

Thank you.

Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Yes, that ties a whole lot of stuff together for me. Thanks. Yes, the amplifiers, you can think about them. They vary a little bit, but -- and there's a slide that relates to that in the latest investor deck on the website, but they're on the order of \$0.50 per. Obviously, again, on the full fast-follower theme, there's a lot of interest now, and amazingly enough in stereo. So that could potentially be a good vector.

Amps are something that are -- once the amplifier migrated out from the smart codec into being a stand-alone boosted amplifier, that drags with it the requirement to do really clever speaker protection which is kind of what made that product line interesting for us. So it's really -- we don't love competing in space where the only ideas that -- or the only way we have to differentiate is on cost.

We think we've got some good cost leverage given the scale that we're at, but we want to turn up with the best solution, and the best integrated software package and speaker protection package that rolls along with that, and sounds great to boot, and does, in the case where somebody wants to do a stereo, does a great job of managing the speaker protection as well as stereo at the same time.

So to your point that we are in the middle of migrating our product line down from 180 nanometer to 55, which we think gives us a lot of opportunities to embed more and more digital into the amplifiers. We think that gives us a great cost advantage as well as a board space advantage which becomes even more important when you migrate towards stereo.

So that's -- the 55 nanometer migrations are a work-in-progress, but it's going very well, and we're excited about what we think that will do for our business.

Rajvindra Gill - *Needham & Company - Analyst*

Thank you, and congratulations.

Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Sure. Thanks, Raj.

Operator

Tore Svanberg; Stifel.

Tore Svanberg - *Stifel Nicolaus - Analyst*

Yes, I just had a follow-up on some of the long-term stuff. You talked about biometrics or voice-by-metrics. You also mention in your Shareholder Letter, virtual reality headsets being an opportunity. Could you just elaborate a little bit on those two? And is this sort of a 2018 opportunity or is it beyond that?

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Jason Rhode - *Cirrus Logic Inc. - President & CEO*

There's chances for getting these kinds of things designed in that time frame. I mean, virtual reality, we have winds with the existing smart codec product line in various different VR or AR type headsets. None of them are moving enough volume to make a huge difference, but if you used one, some of them are pretty amazing.

But the one thing, that if you play with them for a while, from my perspective, that is that jumps out at you is the audio is not, in a lot of cases, is not caught up with the video or doesn't match it perfectly. It gives you kind of that strange sensation where what your eyes are telling you is not the same thing as what your ears are telling you, which can be a little disorienting.

So we think it's a good example of where the usual case for what we can differentiate on; one of them is latency of audio signal processing. So it's a good opportunity over the long term for us as that market develops.

Voice-by-metrics is out there a little ways. It's definitely one of the sci-fi type investments we've made, but we're making great progress. We still expect to take the device out in our first calendar quarter of the new year. We're targeting a single chip, match-on chip, voice identification device that works very similar to the thumb print sensors you're familiar with working with today. Just, it does it with your voice.

So, a well-architected solution fits in with the FIDO-type Security Alliance type stuff. We think we can achieve very similar false-accept versus false-reject ratios as thumb print does today.

We don't have the illusion that we're going to replace thumb print sensors in a phone because it's a very, very handy interaction with your phone when it's in your hand. But we do think, as an augmentation, for hands-for-use cases, it's really valuable versus leaving them unsecured or securing them in a fairly rudimentary way which is done a lot today.

And then beyond that, voice-by-metrics, we think, is a really good technology that is along the lines of our strategy of migrating things we've done for phones out of the other phone factors. So whether that's the connected home, or smart accessories, where you may not have a screen or a track pad or some other user interface, if voice is going to be a primary interface, we think having local security to lock the device to the user, it would be a wise thing to have and a really useful bit of functionality for us to add.

So we're really excited about that. It's still out there a ways, but it's on track, and something we're driving really hard.

Tore Svanberg - *Stifel Nicolaus - Analyst*

Very helpful, thank you.

Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Thanks, Tore.

Operator

(Operator Instructions) There are no further questions at this time.

Ms. Chelsea Heffernan, I turn the call back over to you.

Chelsea Heffernan - *Cirrus Logic Inc. - IR*

Thank you, Operator. We will conclude the call with a question that we received via email this afternoon.



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Given the high guidance for the December quarter, can you provide some color on how we should think of the March quarter?

Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Well, I can try. Like we said last quarter, our crystal ball gets kind of fuzzy when you get too far out. There's all manner of events between now and then that we don't have any control over, so for those reasons, we don't give guidance further out than that.

My advice, if you're just thinking about the range of opportunities for us, if you look at what's happened historically going from the December quarter to the March quarter, and look over the last handful of years, and then model something conservative relative to that, that will probably keep all -- that still is a great number for us and a great result. And it, ideally, will keep any surprises on the positive side.

So that's -- if you're looking at it, trying to figure out what the downside might be, that's one way to kind of guard-bound it and then hopefully all the various things that might happen go better than that, and we'll all be happy.

Chelsea Heffernan - *Cirrus Logic Inc. - IR*

Thanks, Jason. That was the final question.

Jason Rhode - *Cirrus Logic Inc. - President & CEO*

Great. In conclusion, Q2 was another great quarter for Cirrus Logic. The sales of our new digital headset devices as well as boosted amplifiers drove revenue above guidance.

We are extremely pleased with our financial performance over the past few years. And given the breadth of our product portfolio, our robust product roadmap, and the expanding demand for compelling audio and voice solutions, we believe the Company is well positioned to capitalize on a wide range of growth factors in coming years.

I'd also like to note that we will be presenting at the Nasdaq Conference in London on November 30 and the Barclays Conference in San Francisco on December 7. A live webcast of these events will be available at investor.Cirrus.com.

If you have any questions that were not addressed today, you can submit them to us via the Ask-the-CEO section of our Investor website. I'd like to thank everyone for participating today. Goodbye.

Operator

Thank you, ladies and gentlemen. This concludes today's conference call. You may now disconnect.



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