

# Fact Sheet – Q3 FY20

## PROFILE:

- Founded 1984
- Listed on NASDAQ: CRUS
- Core technology: analog and digital signal processing
- Extensive IP portfolio (over 3,430 pending/issued patents)
- One customer contributed 83% revenue in Q3 FY20
- Portable accounted for 92% of total revenue, Non-Portable & Other contributed 8%

## PRODUCTS & APPLICATIONS:

- Smart codecs
- Audio amplifiers
- Haptic drivers
- Voice processors
- Applications: flagship/mid-tier smartphones, tablets, automotive, smart accessories/wearables & smart home

## CORE STRENGTHS:

- Ultra-low power, low-latency analog and mixed-signal processing components and the associated software algorithms
- Execution and supply chain management
- Strong customer relationships
- Focused on market leading customers. Currently shipping in:
  - 8 of top 10 smartphone OEMs (including top 4)
  - 4 of top 5 headset brands
  - Top 2 smart home OEMs

## GROWTH STRATEGY:

- Expanding content with existing customers – adding features/functionality to components, and targeting new form factors
- Increasing penetration of Android market – new customers and expanding across product tiers with boosted amplifiers and haptic drivers
- Leveraging expertise to maintain and grow SAM:
  - Core audio market
  - Haptic, voice and other user experience processing
  - Other real-time edge processing opportunities

## Q4 FY20 OUTLOOK

Revenue: \$250 to \$290M

Gross Margin: 51 - 53%

R&D and SG&A: \$115 to \$121M

(includes \$14M stock-based comp, \$3M amortization,)

Restructuring charge: \$22M

## Q3 FY20 RESULTS

Revenue: \$374.7M

Gross Margin: 52.7%

GAAP EPS: \$1.13

Non-GAAP EPS: \$1.41

## FY19 RESULTS

Revenue: \$1.19B

Gross Margin: 50.4%

GAAP EPS: \$1.46

Non-GAAP EPS: \$2.64

## USE OF CASH

Priorities include M&A and share repurchases

\$606M in cash, no debt

In FY20 YTD, we have used \$70M to repurchase ~1.4M shares at an average price of \$48.37

~\$170M remaining in current repurchase program

## SAFE HARBOR STATEMENT

Except for historical information contained herein, the matters set forth in this document contain forward-looking statements including our statements about our future growth opportunities, along with estimates for the fourth quarter fiscal year 2020 revenue, gross margin, combined research and development and selling, general and administrative expense levels, share-based compensation expense, amortization of acquired intangibles, and restructuring charges. These forward-looking statements are based on our current expectations, estimates, and assumptions and are subject to certain risks and uncertainties that could cause actual results to differ materially. These risks and uncertainties include, but are not limited to, the following: the level of orders and shipments during the fourth quarter of fiscal year 2020, customer cancellations of orders, or the failure to place orders consistent with forecasts, along with the risk factors listed in our Form 10-K for the year ended March 30, 2019 and in our other filings with the Securities and Exchange Commission, which are available at [www.sec.gov](http://www.sec.gov). The foregoing information concerning our business outlook represents our outlook as of the date of this news release, and we undertake no obligation to update or revise any forward-looking statements, whether as a result of new developments or otherwise.

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

Non-GAAP financial information is not meant as a substitute for GAAP results, but is included because management believes such information is useful to our investors for informational and comparative purposes. In addition, certain non-GAAP financial information is used internally by management to evaluate and manage the company. As a note, the non-GAAP financial information used by Cirrus Logic may differ from that used by other companies. These non-GAAP measures should be considered in addition to, and not as a substitute for, the results prepared in accordance with GAAP.

	Three Months Ended	Fiscal Year Ended
	Dec. 28, 2019	Mar. 30, 2019
<i>Earnings Per Share Reconciliation</i>		
<b>GAAP Diluted earnings per share</b>	<b>\$ 1.13</b>	<b>\$ 1.46</b>
Effect of Amortization of acquisition intangibles	0.11	0.67
Effect of Stock-based compensation expense	0.23	0.81
Effect of Restructuring costs	0.02	-
Effect of U.K. pension settlement	-	0.22
Effect of Gain on asset sale	-	(0.08)
Effect of Adjustment to income taxes	(0.08)	(0.44)
<b>Non-GAAP Diluted earnings per share</b>	<b>\$ 1.41</b>	<b>\$ 2.64</b>

\*Complete GAAP to non-GAAP reconciliation also available at [investor.cirrus.com](http://investor.cirrus.com)