

Fact Sheet – Q2 FY21

PROFILE:

- Founded 1984
- Listed on NASDAQ: CRUS
- Core technology: analog and digital signal processing
- Extensive IP portfolio (over 3,530 pending/issued patents)
- One customer contributed 82% revenue in Q2 FY21
- Portable accounted for 90% of total revenue, Non-Portable & Other contributed 10%

PRODUCTS & APPLICATIONS:

- Smart codecs / voice processors
- Audio amplifiers
- Haptic driver and sensing solutions
- Closed-loop controllers
- Applications: flagship/mid-tier smartphones, tablets, automotive, smart accessories/wearables and 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:
 - Top 7 smartphone OEMs
 - 2 of top 3 truly wireless 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
 - Haptic driver and sensing solutions, voice and other user experience processing
 - Other incremental non-audio low-power signal processing

Q3 FY21 OUTLOOK

Revenue: \$440 to \$480M
Gross Margin: 50 - 52%
R&D and SG&A: \$121 to \$127M
(includes \$15M stock-based comp, \$3M amortization)

Q2 FY21 RESULTS

Revenue: \$347.3M
Gross Margin: 51.9%
GAAP EPS: \$0.99
Non-GAAP EPS: \$1.26

FY20 RESULTS

Revenue: \$1.28B
Gross Margin: 52.6%
GAAP EPS: \$2.64
Non-GAAP EPS: \$3.99

USE OF CASH

Priorities include M&A and share repurchases
\$612M in cash, no debt
In FY20, we used \$120M to repurchase ~2M shares at an average price of \$56.32
~\$90M 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, expanding content with existing customers, and increasing penetration of the Android market, along with estimates for the third quarter fiscal year 2021 revenue, gross margin, combined research and development and selling, general and administrative expense levels, share-based compensation expense, and amortization of acquired intangibles. 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 effects of the global COVID-19 outbreak and the measures taken to limit the spread of COVID-19, including any disruptions to our business that could result from measures to contain the outbreak that may be taken by governmental authorities in the jurisdictions in which we and our supply chain operate; the susceptibility of the markets we address to economic downturns, including as a result of the COVID-19 outbreak and the actions taken to mitigate the spread of COVID-19; the risks of doing business internationally, including increased import/export restrictions and controls (e.g., the effect of the U.S. Bureau of Industry and Security of the U.S. Department of Commerce placing Huawei Technologies Co., Ltd. and certain of its affiliates on the Bureau's Entity List), imposition of trade protection measures (e.g., tariffs or taxes), security and health risks, possible disruptions in transportation networks, and other economic, social, military and geo-political conditions in the countries in which we, our customers or our suppliers operate; the level of orders and shipments during the third quarter of fiscal year 2021, 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 28, 2020 and in our other filings with the Securities and Exchange Commission, which are available at www.sec.gov. The foregoing information concerning our business outlook represents our outlook as of the date of this news release, and we expressly disclaim any 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
	Sep. 26, 2020	Mar. 28, 2020
<i>Earnings Per Share Reconciliation</i>		
GAAP Diluted earnings per share	\$ 0.99	\$ 2.64
Effect of Amortization of acquisition intangibles	0.05	0.39
Effect of Stock-based compensation expense	0.26	0.89
Effect of Restructuring costs	-	0.36
Effect of Adjustment to income taxes	(0.04)	(0.29)
Non-GAAP Diluted earnings per share	\$ 1.26	\$ 3.99

*Complete GAAP to non-GAAP reconciliation also available at investor.cirrus.com