EQUITY RESEARCH · INITIATION OF COVERAGE · PRE-PRINT

September 24, 2026 · Technology · Mixed-Signal Semiconductors · Thomas Starzecki

Cirrus Logic, Inc. (CRUS)

Cheap on Paper, Fair on Cash Flow — Initiate at Neutral, $125 PT

We initiate at **Neutral** with a **$125 price target** (+5%). Cirrus is a high-quality, cash-rich franchise, but FY27 is an earnings-down year, and most of the "cheap" multiple is cash on the balance sheet and stock comp left out of adjusted EPS.

- **Opex is outrunning revenue.** FY27E sales +2.7% (Q1 actual plus the FQ2 guide midpoint) against non-GAAP opex +12.5% as engineering headcount grows for the first time in ~3 years. Adj. EPS falls to $8.83 from $9.26 before recovering to $9.43 in FY28E (Exhibits 4–5).
- **HPMS carries the growth.** High-Performance Mixed-Signal grew 26% y/y in FQ1 and reaches 45% of FY27E sales. But the largest customer's share of revenue rose to 91% in FY26 from 87% in FY24, so diversification isn't showing up yet (Exhibits 2–3).
- **Valuation.** DCF $114 (SBC counted as a cost, 10.8% WACC); comps $135–137 after a 20% concentration discount; blended $125. Scenarios $92 / $125 / $151, probability-weighted $123 (Exhibits 7–13).
- **Below the ~$151 Street average** because we charge SBC, discount peer multiples for single-customer exposure, and let the FY27 opex step-up flow through to EPS.
- **Catalyst:** FQ2 print and December-quarter guide on Nov 3. We move to Buy if the target clears ~$137, which needs a December-quarter guide of $600M+ with HPMS growing 20%+, or if the stock falls below ~$109.

NEUTRAL	
Price (Sep 24, 2026)	**$118.80**
12-month price target	**$125.00**
Implied upside / (downside)	**5%**
Time horizon	**12 months**
52-week range	$106.26 – $180.42
Market cap (FD)	$6.2B
Enterprise value	$5.1B
FD shares	51.9M
Net cash (no debt)	$1.1B ($21.51/sh)
Short interest	7.7% of float
Street avg. PT (9 analysts)	$150.71
Next earnings	Nov 3, 2026

Exhibit 1: Estimates summary

$M, FYE Mar	FY26A	FY27E	FY28E	FY29E
Net sales	1,997	2,052	2,185	2,311
Growth	*5.3%*	*2.7%*	*6.5%*	*5.8%*
Adj. EBITDA	594	561	583	621
Adj. EPS	**$9.26**	**$8.83**	**$9.43**	**$10.33**
P/E @ $118.80	12.8x	13.5x	12.6x	11.5x
Free cash flow	636	449	469	509

Non-GAAP EPS on the company basis (excludes SBC and acquisition amortization). FY26A as reported. Source: company filings, Starzecki Research estimates. Street PT: MarketBeat (stockanalysis.com shows $165 on 5 analysts).

1 · Recommendation & Executive Summary

Neutral, $125 PT. Cirrus Logic came through our weekly screen (week ending Sep 18) as Under-Covered Watchlist #2. The setup: the iPhone 18 had just gone on sale, the stock was 34% below its high at ~14.5x earnings, and three brokers had cut targets after the FQ2 guide. We built the model expecting to find a Buy. We didn't. The franchise is excellent: 53% gross margin, $636M of FY26 FCF, $1.1B of net cash and no debt. But FY27 revenue is roughly flat while opex steps up 12.5%, and once SBC is counted and cash is set aside, $118.80 is close to fair. The payoff is balanced, not skewed: bear −23% vs. bull +27%.

2 · Company Overview

Two product lines, one dominant customer. Audio (58% of FY26 sales, $1,160M) sells custom boosted amplifiers and smart codecs, mostly into smartphones, plus a growing line of SDCA-based laptop codecs. **High-Performance Mixed-Signal** (42%, $837M) covers haptic drivers, camera controllers, and battery and power ICs. It grew 10% in FY26 and 26% y/y in FQ1 FY27. Cirrus is fabless (GlobalFoundries, including 55nm at Malta, NY, and TSMC) and had 1,668 employees at FY26 year-end, 71% of them in R&D.

Concentration is rising, not falling. The largest customer was ~91% of FY26 net sales, up from 89% in FY25 and 87% in FY24 (FY26 10-K). New markets (PCs, smart meters, automotive/industrial) are real programs, but PC revenue was only in the low $40Ms in FY26 (~2%

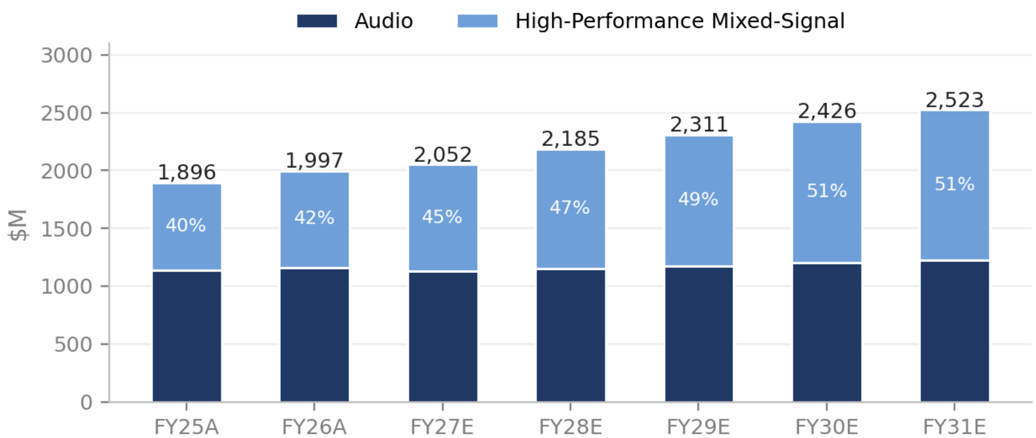
of sales), and the smart-meter front end won't be commercial until calendar 2028. Management targets a $9.0B serviceable market by 2030, up from $7.4B in 2026.

Exhibit 2: Segment revenue build — HPMS does the growing; Audio is roughly flat

$M, FYE Mar	FY25A	FY26A	FY27E	FY28E	FY29E	FY30E	FY31E
Audio	1,137	1,160	1,131	1,154	1,177	1,200	1,224
Growth		*2.0%*	*(2.5%)*	*2.0%*	*2.0%*	*2.0%*	*2.0%*
HPMS	759	837	921	1,032	1,135	1,226	1,299
Growth		*10.3%*	*10.0%*	*12.0%*	*10.0%*	*8.0%*	*6.0%*
Net sales	**1,896**	**1,997**	**2,052**	**2,185**	**2,311**	**2,426**	**2,523**
Growth		*5.3%*	*2.7%*	*6.5%*	*5.8%*	*4.9%*	*4.0%*
HPMS % of sales	**40.0%**	**41.9%**	**44.9%**	**47.2%**	**49.1%**	**50.5%**	**51.5%**

Source: Company filings, stockanalysis.com, Starzecki Research estimates.

Exhibit 3: Revenue mix ($M) — HPMS rises from 40% of sales in FY25A to ~51% by FY31E



Source: Company filings, stockanalysis.com, Starzecki Research estimates.

3 · Industry & Competitive Positioning

- **Demand:** smartphone units are mature. Cirrus grows through content per device at its largest customer, not unit growth. The iPhone 18 went on sale in mid-September; an Evercore survey showed 61% of respondents planning to buy, with Pro Max at 32%. Management also flagged "supply-side pressures at its largest customer" and memory shortages that are delaying PC launches.
- **The real competitor is in-house silicon.** The largest customer has already brought modems and much of power management in-house. Cirrus's defense is the analog-digital boundary: precision, tight control loops, and low power. Management frames its camera and power road map as linear rather than step-function content growth.
- **External competition** is fragmented (large analog houses in power and battery, Android-focused codec vendors). Cirrus deliberately puts little investment into Android, citing cost competition and geopolitical risk.
- **Supply:** a new GlobalFoundries agreement secures dedicated capacity and pricing for calendar 2027–28. FQ2 gross margin (52–54% guide) includes a temporary benefit from wafers bought at favorable prices under the prior agreement.
- **Macro:** the Fed hiked 25 bp to 3.75–4.00% on Sep 16, and the 10-year is near 5%. For a 1.16-beta stock with no debt, rates matter mostly through the discount rate and consumer upgrade demand.

Our judgment: the moat is real but narrow and concentrated. The same engineering intimacy that wins sockets also makes one customer's in-sourcing decisions the biggest variable in the model. A discount to diversified peers is warranted; the only question is how large.

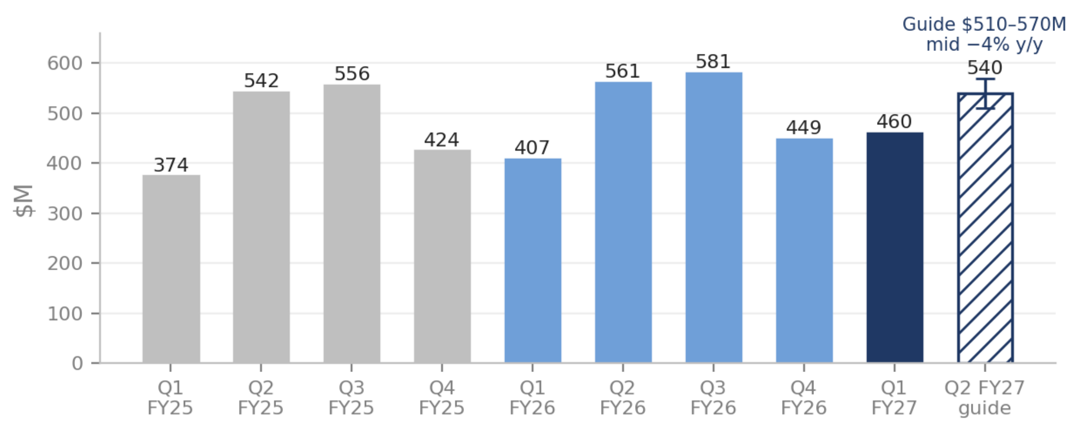
4 · Investment Thesis & Variant View

Consensus: a cheap, cash-rich content-growth story. The stock screens at ~14.5x forward earnings, and average targets of $151–165 imply 27–39% upside, although all three broker actions after the August print were cuts (Stifel $197→$160, KeyBanc $190→$170, Barclays $140→$130, Equal Weight). **Our view:** the stock is fairly valued, not cheap. The headline P/E flatters it in three ways.

- **Thesis 1: FY27 is an earnings-down year.** Seasonality is compressing. FQ1 was +13% y/y, but the FQ2 guide midpoint ($540M) is −4% y/y against a $561M prior-year quarter (Exhibit 4). We model FY27E sales of $2,052M (+2.7%). Non-GAAP opex runs ~$570M (+12.5%): FQ1 was $135M, the FQ2 guide is $140–146M, and headcount is rising for the first time in 10–12 quarters. Adj. operating margin falls from 27.5% to 25.0%, and EPS falls 5% to $8.83 (Exhibit 5).
- **Thesis 2: "cheap" is mostly cash and SBC.** At $118.80, $21.51 per share is net cash; ex-cash, the stock trades at 11.9x FY27E EPS. SBC of ~$84M a year (16% of FY27E adj. operating income) is excluded from adjusted EPS but is a real cost to holders. FCF after SBC is ~$365M in FY27E, a 5.9% yield on the market cap. That's a solid yield but not a bargain for a company with 91% customer concentration (Exhibit 6).
- **Thesis 3: HPMS is working, but it's still the same customer.** HPMS rises from 40% of sales (FY25A) to 45% (FY27E) and ~51% by FY31E in our base case (Exhibit 3). The bull case needs a step-up in FY28–29 content (the Face ID smart-power IC, next-generation camera controllers), which management has placed "a couple of years" out.

Where we agree with the bulls: the balance sheet, FCF durability, and HPMS pipeline are all real. If HPMS compounds 4 points a year faster than our base case, value rises ~$12 per share (Exhibit 14). That would be the most likely path to a Buy.

Exhibit 4: Quarterly revenue ($M) — seasonality is compressing: FQ1 +13% y/y, FQ2 guide midpoint −4% y/y



Source: Company filings (quarterly releases); FQ2 FY27 guide $510–570M from the Aug 5, 2026 release.

Exhibit 5: Adjusted P&L — FY27E opex +12.5% on +2.7% sales takes EPS down 5% before it recovers

$M except per share	FY25A	FY26A	FY27E	FY28E	FY29E	FY30E
Net sales	1,896	1,997	2,052	2,185	2,311	2,426
Non-GAAP gross profit	997	1,055	1,083	1,136	1,202	1,261
Gross margin	*52.6%*	*52.8%*	*52.8%*	*52.0%*	*52.0%*	*52.0%*
Non-GAAP opex	494	506	570	604	634	666
Opex growth		*2.5%*	*12.5%*	*6.0%*	*5.0%*	*5.0%*
Adj. operating income	**503**	**549**	**514**	**532**	**568**	**596**
Adj. op. margin	*26.5%*	*27.5%*	*25.0%*	*24.4%*	*24.6%*	*24.6%*
Interest income & other	35	36	40	49	57	65
SBC	84	82	84	88	92	96
Diluted shares (M)	55.2	52.8	52.1	51.2	50.2	49.2
Adj. EPS	**$7.54**	**$9.26**	**$8.83**	**$9.43**	**$10.33**	**$11.15**
EPS growth		*22.8%*	*(4.7%)*	*6.9%*	*9.5%*	*7.9%*
GAAP EPS	$6.00	$7.85	$7.25	$7.76	$8.58	$9.36

Non-GAAP excludes SBC and acquisition-intangible amortization. FY27E+ diluted shares on a year-end basis after buybacks.
Source: Company filings, stockanalysis.com, Starzecki Research estimates.

Exhibit 6: Cash flow and capital return — FCF after SBC of ~$365–470M a year; cash builds to ~$27/share by FY27E

$M	FY25A	FY26A	FY27E	FY28E	FY29E	FY30E
Cash from operations	444	651	501	513	556	590
Capex	(23)	(15)	(51)	(44)	(46)	(49)
Free cash flow	**421**	**636**	**449**	**469**	**509**	**541**
FCF margin	*22.2%*	*31.8%*	*21.9%*	*21.5%*	*22.0%*	*22.3%*
Less: SBC	(84)	(82)	(84)	(88)	(92)	(96)
FCF after SBC	**337**	**554**	**365**	**381**	**417**	**445**
Share repurchases	(299)	(318)	(200)	(250)	(275)	(300)
Cash & securities (YE)	835	1,154	1,403	1,623	1,857	2,098
Per diluted share	*$15.11*	*$21.84*	*$26.92*	*$31.71*	*$37.01*	*$42.68*

FY26A FCF was flattered by a $58M inventory drawdown and prepaid-wafer unwind; FY27E capex includes OSAT tester purchases.
Source: Company filings, stockanalysis.com, Starzecki Research estimates.

5 · Catalysts

Catalyst	Timing	Why it moves the stock
iPhone 18 sell-through and build reports	Sep–Oct 2026	Upgrade intent is strong; supply constraints (memory) are the offset
Largest customer's fiscal Q4 results	~late Oct 2026 (est.)	Read-through on iPhone revenue and December-quarter builds
FQ2 FY27 results + FQ3 guide	Nov 3, 2026	First quarter with iPhone 18 volumes; tests "tighter seasonality" and opex run-rate
Smart-meter AFE sampling	FQ3–FQ4 FY27	First non-smartphone HPMS proof point; commercial in CY2028
FY28 gross-margin guide	~May 2027	First look after the low-cost wafers sell through and the new GF pricing applies
Face ID smart-power IC;	FY28–FY29	The content steps the bull case depends on

next-gen camera controller		

State of play: the stock is 34% below its $180.42 high and trades below both its 50-day ($122.78) and 200-day ($139.96) averages. Short interest is 7.7% of float (4.7 days to cover). Management bought $34.5M of stock in FQ1 at an average of $163.43 and another $50.5M after the quarter at $140.53, both well above today's price. **What we expect on Nov 3:** our FY27E implies H2 revenue of ~$1.05B, +2% y/y. A December-quarter guide at or above last year's $581M would signal that seasonality is compressing rather than demand fading, and would put our numbers at risk to the upside. A guide below ~$540M would confirm the bear case's first leg.

6 · Valuation

DCF: $114. FY27E (second-half stub) through FY31E unlevered FCF, with SBC counted as a cost. The discount rate is 10.8% (all equity: 5.0% risk-free, 1.16 beta, 5.0% ERP), and terminal growth is 2.5%. Terminal value is 72% of EV. The implied multiple is 8.2x FY28E adj. EBITDA.

Exhibit 7: DCF — unlevered free cash flow build (SBC charged as a cost)

$M	FY27E	FY28E	FY29E	FY30E	FY31E
Adj. EBIT	514	532	568	596	620
Less: SBC	(84)	(88)	(92)	(96)	(100)
Taxes (17%)	(73)	(76)	(81)	(85)	(88)
Plus: depreciation	47	50	53	56	58
Less: capex	(51)	(44)	(46)	(49)	(50)
Less: change in NWC	(15)	(29)	(24)	(22)	(19)
Unlevered FCF	**338**	**347**	**377**	**400**	**420**
Share of year in window	*0.50*	*1.00*	*1.00*	*1.00*	*1.00*
PV (10.8% WACC)	165	313	307	294	279

Source: Company filings, stockanalysis.com, Starzecki Research estimates.

Exhibit 8: DCF bridge — enterprise value to value per share

DCF bridge ($M)	Value
Sum of PV, FY27E stub–FY31E	1,358
PV of terminal value (g 2.5%)	3,441
Enterprise value	**4,799**
+ Cash & securities (net of Q2 buyback)	1,117
– Debt	–
Equity value	**5,916**
÷ FD shares (M)	51.9
DCF value per share	**$113.94**
WACC	10.8%
Terminal value % of EV	71.7%
Implied EV / FY28E adj. EBITDA	8.2x

Source: Company filings, stockanalysis.com, Starzecki Research estimates.

Comps: $135–137. The peer median forward P/E is 19.3x, and the EV/EBITDA median for the three profitable peers (SWKS, QRVO, KN) is 15.5x. We apply a 20% discount for customer concentration (our judgment). Then 15.5x × FY27E EPS of $8.83 = **$137**, and 12.4x × FY27E EBITDA after SBC ($477M), plus $1.12B of net cash, = **$135**. Without the discount, comps would give $164–171.

Exhibit 9: Comparable companies — CRUS trades below every peer on P/E and EV/EBITDA despite the highest margins

Company	Mkt cap $B	Fwd P/E	EV/EBITDA	EV/Sales	Gross mgn	Op. mgn
Skyworks Solutions (SWKS)	13.8	19.3x	15.5x	3.4x	41%	10%
Qorvo (QRVO)	10.6	15.6x	12.2x	3.0x	49%	18%
Knowles (KN)	3.1	24.2x	23.9x	5.0x	45%	15%
Synaptics (SYNA)	3.7	18.4x	44.9x	3.5x	45%	(5%)
Power Integrations (POWI)	2.8	29.4x	43.6x	5.8x	54%	7%
Median — all five		**19.3x**	**23.9x**	**3.5x**	**45%**	**10%**
Median — SWKS, QRVO, KN		**19.3x**	**15.5x**	**3.4x**	**45%**	**15%**
Cirrus Logic (CRUS) @ $118.80	**6.2**	**13.5x**	**9.6x**	**2.5x**	**53%**	**27%**

Source: stockanalysis.com, Sep 21–24, 2026; Starzecki Research. CRUS fwd P/E on our FY27E EPS; EV/EBITDA on TTM EBITDA of $524.7M. SLAB excluded (negative EBITDA).

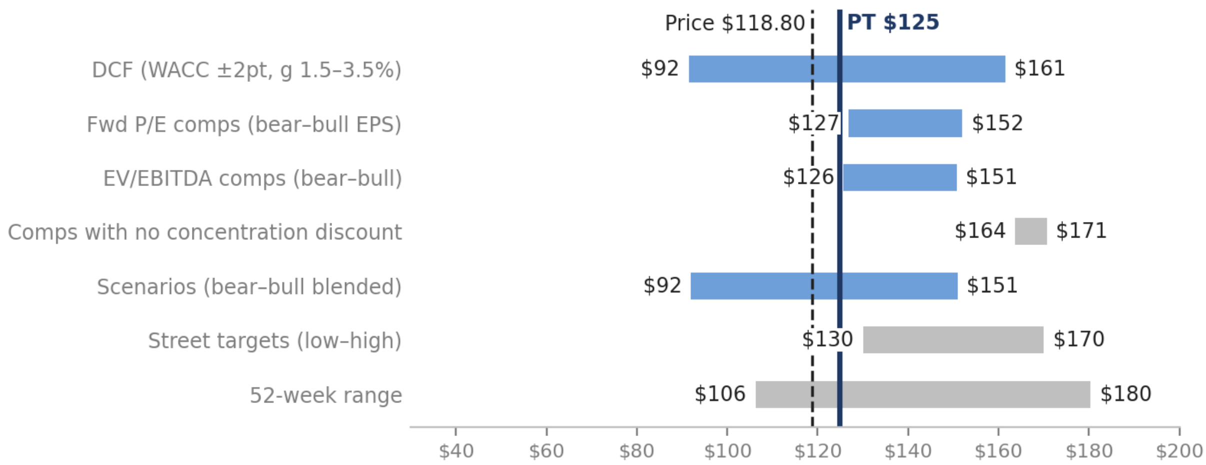
Reconciliation: the DCF sits ~16% below the comps average. It charges SBC (~$1.70 per share a year), discounts at 10.8%, and allows only 2.5% terminal growth for a franchise that depends on one customer. The comps use peers whose forward multiples are on recovering earnings (SWKS and QRVO are mid-combination). We don't pick one: we blend 50/25/25 to $125. **Versus the Street:** the $151 average (9 analysts; $165 on stockanalysis's 5) sits above ours because we count SBC, apply a concentration discount, and model the FY27 opex step-up flowing through to EPS rather than being absorbed.

Exhibit 10: Price target derivation

Method	Value	Weight	Contrib.
DCF (SBC as a cost)	$113.94	50%	$56.97
Fwd P/E 15.5x × FY27E EPS $8.83	$136.54	25%	$34.14
EV/EBITDA 12.4x × FY27E EBITDA + cash	$135.28	25%	$33.82
Blended value			**$124.92**
12-month price target			**$125**
Implied upside vs. $118.80			5.2%
Rating			**Neutral**

Source: Company filings, stockanalysis.com, Starzecki Research estimates.

Exhibit 11: Valuation range — football field



Source: Starzecki Research estimates; Street range per published targets (Barclays $130 to KeyBanc $170); 52-week range per stockanalysis.com.

7 · Financial Model Summary

- **Revenue:** FY27E is built from FQ1 actual ($459.7M) and the FQ2 midpoint ($540M), with H2 ~$1.05B. By line: Audio −2.5% and HPMS +10% in FY27E; then Audio +2% a year and HPMS +12% / +10% / +8% / +6% (Exhibit 2).
- **Margins:** non-GAAP gross margin holds at 52.8% in FY27E and steps down to 52.0% once the favorable-price wafers sell through. Opex grows 12.5% in FY27E, then 4–6% a year. Adj. operating margin stabilizes at ~24.5% (Exhibit 5). Non-GAAP tax is 17% (management range 16–18%).
- **Capital:** no debt, and cash is combined across short- and long-term securities. Buybacks run $200M in FY27E, rising to $300M, at an assumed price that starts 5% above today's and rises 8% a year. We assume ~0.9M shares a year of employee issuance, so diluted shares fall from 52.8M to 48.3M by FY31E.
- **Confidence:** highest on FY27E revenue (half actual or guided) and the opex run-rate. Lowest on FY28E+ Audio (in-sourcing risk) and the timing of the HPMS content steps. Full statements are in Appendix Exhibits 15–17.

8 · Sensitivity & Scenario Analysis

Exhibit 12: DCF value per share — WACC × terminal growth ($)

WACC \ g	1.5%	2.0%	2.5%	3.0%	3.5%
8.8%	$129	$135	$143	$151	$161
9.8%	$116	$121	$126	$132	$140
10.8%	$106	$110	**$114**	$119	$124
11.8%	$98	$101	$104	$108	$112
12.8%	$92	$94	$96	$99	$102

Source: Company filings, stockanalysis.com, Starzecki Research estimates.

Exhibit 13: Bear / base / bull scenarios — roughly symmetric: −23% / +5% / +27%

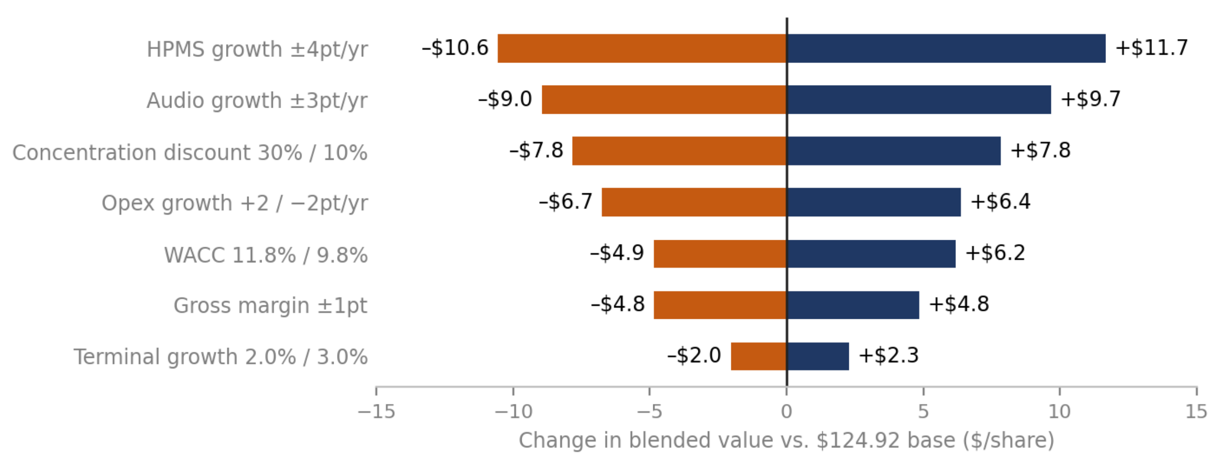
Metric	Bear	Base	Bull
FY27E revenue ($M)	2,013	2,052	2,154
FY27E growth	*0.8%*	*2.7%*	*7.9%*
FY27E adj. EPS	$8.20	$8.83	$9.82
FY28E adj. EPS	$6.60	$9.43	$11.46
FY31E revenue ($M)	1,847	2,523	2,923
FY28E FCF ($M)	372	469	555
DCF value / share	$57.60	$113.94	$151.16
P/E comps value	$126.84	$136.54	$151.99
EV/EBITDA comps value	$125.67	$135.28	$150.80
Blended value	**$92**	**$125**	**$151**
vs. $118.80	*(22.6%)*	*5.2%*	*27.1%*
Probability	25%	50%	25%

Source: Company filings, stockanalysis.com, Starzecki Research estimates.

Bear ($92): FY27 flat (FQ2 at the low end); Audio −10% in FY28 and −6% in FY29 on a lost socket or in-sourcing; HPMS stalls; gross margin falls to 50%. FY28E EPS is $6.60. **Bull ($151):** an iPhone 18 upgrade cycle lifts FY27 to +7.9%; HPMS grows +16% / +18% / +14%; gross margin reaches 53–53.5%. FY28E EPS is $11.46. **Probability-weighted:** 0.25 × $92 + 0.50 × $125 + 0.25 × $151 = $123.25 (+4%). We weight the tails equally. The in-sourcing risk is real, but so is the HPMS pipeline, and FY27 is half-visible already.

9 · Risks, Mitigants & Disconfirmers

Exhibit 14: Single-driver sensitivities — change in blended value vs. $124.92 base



Source: Starzecki Research model, base case, one driver changed at a time across FY27E–FY31E.

Risk	Mitigant
Lost socket or in-sourcing at the largest customer (Audio −3pt/yr: −$9; bear case −$33)	Multi-generation engagement; management cites demand visibility across future customer generations for amps and smart codecs

HPMS content slips (−4pt/yr: −$10.6)	Next-gen camera controller on schedule per management; Face ID power IC design win; power ICs already shipping in tablets and accessories
Opex keeps compounding (+2pt/yr: −$6.7)	Headcount was flat for ~3 years before FQ1; spend is discretionary
Gross margin after the wafer benefit (−1pt: −$4.8)	GF agreement fixes capacity and pricing for CY27–28; targeted price increases
Wider concentration discount (30%: −$7.8)	$1.1B net cash (18% of market cap) and ~$450M+ a year of FCF

True worst case: the combined bear case gives a DCF of $58 and a blended value of $92 (−23%). Net cash of $21.51 per share (18% of the price) cushions even that case.

- **We're too cautious if:** FQ2 lands at the top of the range ($570M) and the December-quarter guide is $600M+; HPMS grows 20%+ for FY27; quarterly opex holds at or below ~$146M; or the smart-meter program names a customer ahead of schedule.
- **We're too optimistic if:** the December-quarter guide is below ~$540M (a y/y decline in the peak quarter); the post-wafer-benefit gross-margin guide is below 51%; iPhone 18 teardowns show a lost Cirrus socket; or the largest customer's share rises further while HPMS growth slows.

10 · Monitoring & Review

What we track	Where	Trigger
FQ2 revenue and FQ3 guide	Nov 3 release	FQ3 guide ≥$600M → upgrade review; <$540M → cut estimates
HPMS growth y/y	Quarterly product-line table	≥20% supports the bull HPMS path; <5% → bear path
Non-GAAP gross margin	FQ2–FQ4 releases	Guide <51% after the wafer benefit → rerun bear GM
Non-GAAP opex run-rate	Quarterly	> $150M a quarter → cut FY28E EPS
iPhone 18 socket count	Teardowns (TechInsights, iFixit)	Any lost amp/codec socket → downgrade review
Customer concentration	FY27 10-K (~May 2027)	Share >91% with HPMS slowing → raise concentration discount

Rating triggers: Buy if the target clears ~$137 (+15%) or the stock falls below ~$109 with the target unchanged. Sell if the target falls below ~$107 (−10%) or the stock rises above ~$139 without estimate increases. **Scheduled review:** a dated revision note after the FQ2 print (Nov 3, 2026) regardless of outcome, then at FQ3 (~early Feb 2027).

11 · Appendix: Financial Statements

Base case. FY25A and FY26A as reported; FY27E–FY31E Starzecki Research estimates. Cash, short-term and long-term marketable securities are combined; operating leases are held flat; diluted shares are on a year-end basis after buybacks. FY25A equity is a plug to reported total assets (source rounding).

Exhibit 15: Income statement

$M except per share	FY25A	FY26A	FY27E	FY28E	FY29E	FY30E	FY31E
Audio	1,137	1,160	1,131	1,154	1,177	1,200	1,224
HPMS	759	837	921	1,032	1,135	1,226	1,299
Net sales	**1,896**	**1,997**	**2,052**	**2,185**	**2,311**	**2,426**	**2,523**
Growth		*5.3%*	*2.7%*	*6.5%*	*5.8%*	*4.9%*	*4.0%*
Non-GAAP gross profit	997	1,055	1,083	1,136	1,202	1,261	1,312
Gross margin	*52.6%*	*52.8%*	*52.8%*	*52.0%*	*52.0%*	*52.0%*	*52.0%*
Non-GAAP opex	494	506	570	604	634	666	692
Adj. operating income	**503**	**549**	**514**	**532**	**568**	**596**	**620**
Margin	*26.5%*	*27.5%*	*25.0%*	*24.4%*	*24.6%*	*24.6%*	*24.6%*
Depreciation	42	46	47	50	53	56	58
Adj. EBITDA	546	594	561	583	621	651	678
Interest income & other	35	36	40	49	57	65	73
Adj. pre-tax income	538	585	554	582	625	661	693
Non-GAAP tax	121	96	94	99	106	112	118
Non-GAAP net income	**417**	**489**	**460**	**483**	**518**	**548**	**575**
Diluted shares (M)	55.2	52.8	52.1	51.2	50.2	49.2	48.3
Non-GAAP EPS	**$7.54**	**$9.26**	**$8.83**	**$9.43**	**$10.33**	**$11.15**	**$11.91**
SBC	84	82	84	88	92	96	100
Intangible amortization	8	7	7	7	4	–	–
GAAP operating income	410	460	423	438	471	500	520
GAAP tax	113	82	86	90	98	104	110
GAAP net income	**332**	**414**	**378**	**397**	**431**	**460**	**483**
GAAP EPS	$6.00	$7.85	$7.25	$7.76	$8.58	$9.36	$10.01

Source: Company filings, stockanalysis.com, Starzecki Research estimates.

Exhibit 16: Balance sheet

$M, fiscal year-end	FY25A	FY26A	FY27E	FY28E	FY29E	FY30E	FY31E
Cash & securities	835	1,154	1,403	1,623	1,857	2,098	2,370
Receivables	216	220	226	240	254	267	278
Inventories	299	241	252	273	288	303	315
Prepaid & other current	129	85	85	85	85	85	85
PP&E incl. lease ROU	287	265	269	262	255	248	240
Goodwill	436	436	436	436	436	436	436
Intangibles	27	21	14	8	3	3	3
Deferred tax & other	98	68	68	68	68	68	68
Total assets	**2,327**	**2,489**	**2,753**	**2,995**	**3,247**	**3,508**	**3,795**
Accounts payable	63	81	82	89	94	99	103
Accrued & other current	110	94	94	94	94	94	94
Lease liabilities	144	134	134	134	134	134	134
Other long-term	61	53	53	53	53	53	53
Total liabilities	**378**	**361**	**363**	**370**	**375**	**380**	**384**
Shareholders' equity	**1,949**	**2,128**	**2,390**	**2,625**	**2,872**	**3,128**	**3,412**
Total liabilities & equity	**2,327**	**2,489**	**2,753**	**2,995**	**3,247**	**3,508**	**3,795**
DSO (days)	*42*	*40*	*40*	*40*	*40*	*40*	*40*
Inventory days	*121*	*93*	*95*	*95*	*95*	*95*	*95*

Source: Company filings, stockanalysis.com, Starzecki Research estimates.

Exhibit 17: Cash flow statement

$M	FY25A	FY26A	FY27E	FY28E	FY29E	FY30E	FY31E
GAAP net income	332	414	378	397	431	460	483
D&A	51	52	54	57	58	56	58
SBC	84	82	84	88	92	96	100
Change in receivables	(54)	(4)	(6)	(15)	(14)	(13)	(11)
Change in inventories	(72)	58	(11)	(21)	(16)	(14)	(12)
Change in payables	9	18	2	7	5	5	4
Other operating	94	30	–	–	–	–	–
Cash from operations	**444**	**651**	**501**	**513**	**556**	**590**	**623**
Capex	(23)	(15)	(51)	(44)	(46)	(49)	(50)
Free cash flow	**421**	**636**	**449**	**469**	**509**	**541**	**572**
FCF margin	*22.2%*	*31.8%*	*21.9%*	*21.5%*	*22.0%*	*22.3%*	*22.7%*
Share repurchases	(299)	(318)	(200)	(250)	(275)	(300)	(300)
Other investing & financing	12	1	–	–	–	–	–
Net change in cash & securities	135	319	249	219	234	241	272
Ending cash & securities	**835**	**1,154**	**1,403**	**1,623**	**1,857**	**2,098**	**2,370**

Source: Company filings, stockanalysis.com, Starzecki Research estimates.

12 · Sources & Disclosures

Figure	Source
FY26/FY25 results, product lines, non-GAAP reconciliation, FQ1 guide	Cirrus Logic Q4 FY26 release, May 6, 2026 (Business Wire); FY26 10-K
FQ1 FY27 results, FQ2 guide, balance sheet, FCF, buybacks	Q1 FY27 release / 8-K, Aug 5, 2026 (SEC EDGAR)

Customer share (91% / 89% / 87%), employees, fab agreements	FY26 10-K (fiscal year ended Mar 28, 2026)
Seasonality, GF agreement, opex, smart meters, post-quarter buyback	Q1 FY27 earnings call, Aug 5, 2026
PC revenue, content timing, FY26 buybacks; $9.0B SAM by 2030	Q4 FY26 earnings call (May 7, 2026) and slides
Stifel $160, KeyBanc $170, Barclays $130; Street average $150.71	Investing.com and MarketBeat, Aug 6, 2026
Price, short interest, moving averages, peer multiples	stockanalysis.com, Sep 21–24, 2026; Robinhood quote, Sep 24, 2026
iPhone 18 survey, Fed decision, rates, screen context	Starzecki Weekly Screen, week ending Sep 18, 2026