SVB Financial Group

(SVB Alliant of Palo Alto, Calif. represented Clarity Technologies, Inc. in this transaction)

CSR plc Acquisition of Clarity Technologies Inc.

Cambridge, UK — March 14, 2005 CSR plc (LSE: CSR.L), ("CSR") a wireless solutions provider and leading supplier of Bluetooth technology, today announces the acquisition of Clarity Technologies, Inc. ("Clarity") for a consideration of $17.1 million payable in cash.

Clarity is a leading provider of software and services for improving the audio quality and performance of voice-based communications systems and products. Its voice extraction and echo cancellation software is based on its proprietary Clear Voice Capture technology ("CVC®"), which enhances the audio performance of any voice-based product or system, including wireless headsets, wireless handsets and automotive hands free systems.

CSR is the leading Bluetooth provider having a unit market share of 51% of Bluetooth devices shipped in Q4 2004 and having won 69% of all Bluetooth end products and modules qualified by customers in 2004, nine times that of CSR's nearest competitor. In 2004, CSR was also the leading Bluetooth silicon supplier in the top three sectors of the Bluetooth industry with 55% of the design wins in Mobile Phones, 85% of the design wins in Wireless Headsets and 83% of the Bluetooth design wins in PCs. CSR is the only company with customers who have qualified products to the new Bluetooth V2.0 + EDR (Enhanced Data Rate) specification and with its fourth generation BC4 device is the only company shipping production quantities to this specification.

As the market migrates to higher audio quality for both mono (telephony) Bluetooth headsets and in-car handsfree systems today and stereo (music playing) Bluetooth headsets and HiFi connections tomorrow, Bluetooth audio connections will become, by far, the most important application for all of these segments.

Two years ago, CSR completed the development of the world's first Bluetooth ICs with integrated DSP co-processors and Audio Codecs to enable higher quality audio and these are now in volume production.

The combination of CSR, the world's leading Bluetooth technology provider, with Clarity, the world's leading provider of echo and noise cancellation software, will allow CSR to increase further the superiority of its audio solutions at a time of continuing consolidation in the industry with fewer Bluetooth hardware providers.

Commenting on the acquisition, John Hodgson, CEO of CSR said:
"This is an exciting acquisition for us. Not only does Clarity give us access to leading customers in the US automotive sector but its patented software will give us a key competitive advantage in audio, which we believe will continue to be the largest Bluetooth application into the future. Bluetooth products, such as next generation wireless telephony stereo headphones for PCs and MP3 players, will demand better quality noise reduction and echo cancellation and in our view CVC is the best software in the market to provide this."

About CSR
CSR plc (Cambridge Silicon Radio) is a leading provider of single-chip radio devices for short-range wireless communication. CSR offers developed hardware/software solutions for Bluetooth based around BlueCore, a fully integrated 2.4 GHz radio, baseband and microcontroller. BlueCore features in over 60 per cent of all qualified Bluetooth enabled products and modules listed on the Bluetooth website with industry leaders including Nokia, Dell, Panasonic, Sharp, Motorola, IBM, Apple, NEC, Toshiba, RIM and Sony using BlueCore devices in their range of Bluetooth products.

CSR is now producing its fourth generation BlueCore devices to support the recently released Enhanced Data Rate standard. In November 2004 CSR announced the first single chip IEEE802.11a, b, g embedded solution specifically targeting the mobile phone and consumer electronics markets.

CSR has its headquarters in Cambridge, UK, and offices in Richardson, Texas, USA; Tokyo, Japan; Seoul, Korea; Taipei, Taiwan; Aalborg, Denmark; and Lund, Sweden.

More information can be found at www.csr.com and the partner web site www.btdesigner.com

More information about Bluetooth technology can be found on the SIG web site at www.bluetooth.com

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