
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): February 15, 2022

Analog Devices, Inc.
(Exact name of Registrant as Specified in its Charter)

| | | |
|---|--|---|
| Massachusetts (State or Other Jurisdiction of Incorporation) | 1-7819 (Commission File Number) | 04-2348234 (IRS Employer Identification No.) |
| One Analog Way Wilmington, MA (Address of Principal Executive Offices) | | 01887 (Zip Code) |

Registrant's telephone number, including area code: (781) 935-5565

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|------------------------------|--|
| Common Stock \$0.16 2/3 par value per share | ADI | Nasdaq Global Select Market |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition

On February 16, 2022, Analog Devices, Inc. (the “Registrant”) announced its financial results for its fiscal first quarter ended January 29, 2022. The full text of the press release issued by the Registrant concerning the foregoing results is furnished herewith as Exhibit 99.2.

The information contained herein and in the accompanying exhibit shall not be incorporated by reference into any filing of the Registrant, whether made before or after the date hereof, regardless of any general incorporation language in such filing, unless expressly incorporated by specific reference to such filing. The information in this report, including the exhibit hereto, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended.

Item 8.01. Other Events

On February 15, 2022, the Registrant announced that its Board of Directors declared a quarterly cash dividend of \$0.76 per outstanding share of common stock, an increase from the previously paid dividend of \$0.69 per outstanding share of common stock. The dividend will be paid on March 8, 2022 to all shareholders of record at the close of business on February 25, 2022. A copy of the Registrant's press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|--|
| 99.1 | Press release dated February 15, 2022 |
| 99.2 | Press release dated February 16, 2022 |
| 101.INS | The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the inline XBRL document.** |
| 101.SCH | Inline XBRL Schema Document.** |
| 101.CAL | Inline XBRL Calculation Linkbase Document.** |
| 101.LAB | Inline XBRL Labels Linkbase Document.** |
| 101.PRE | Inline XBRL Presentation Linkbase Document.** |
| 101.DEF | Inline XBRL Definition Linkbase Document.** |
| 104 | Cover page Interactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101). |
| ** | Submitted electronically herewith. |

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 16, 2022

ANALOG DEVICES, INC.

By: /s/ Prashanth Mahendra-Rajah
Prashanth Mahendra-Rajah
Senior Vice President, Finance and
Chief Financial Officer

Analog Devices Raises Quarterly Dividend By 10%

WILMINGTON, Mass.--(BUSINESS WIRE)--Feb. 15, 2022--Analog Devices, Inc. (NASDAQ: ADI) today announced that its Board of Directors has voted to increase its quarterly dividend from \$0.69 per outstanding share of common stock to \$0.76, which is the equivalent of \$3.04 annually. The new dividend represents an increase of 10% and marks the Company's 19th increase in the last 18 years. ADI has paid a dividend for 73 consecutive quarters, totaling more than \$8 billion of cash returned to shareholders through dividends.

“Our resilient operating model has passed the test of time, producing positive free cash flow every year for more than two decades. This durability enables us to return 100% of free cash flow to shareholders which we balance between a consistently growing dividend and quarterly share repurchases,” said Vincent Roche, President and CEO. “I am confident that our highly diversified business model and alignment with key secular growth trends position us to drive long-term profitable growth.”

The increase is effective with the dividend payable on March 8, 2022 to shareholders of record as of the close of business on February 25, 2022. The payment of any future quarterly dividends, or a future increase in the quarterly dividend amount, will be at the discretion of the Board and will be dependent upon ADI's financial position, results of operations, outlook, liquidity, and other factors deemed relevant by the Board.

About Analog Devices

Analog Devices, Inc. (Nasdaq: ADI) operates at the center of the modern digital economy, converting real-world phenomena into actionable insight with its comprehensive suite of analog and mixed signal, power management, radio frequency (RF), and digital and sensor technologies. ADI serves 125,000 customers worldwide with more than 75,000 products in the industrial, communications, automotive, and consumer markets. ADI is headquartered in Wilmington, MA. Visit <http://www.analog.com>.

Forward Looking Statements

This press release contains forward-looking statements regarding, among other things, the timing and amount of cash dividends and any share repurchases, as well as free cash flow and financial position in the future. Statements that are not historical facts, including statements about our beliefs, plans and expectations, are forward-looking statements. Such statements are based on our current expectations and are subject to a number of factors and uncertainties, which could cause actual results to differ materially from those described in the forward-looking statements. The following important factors and uncertainties, among others, could cause actual results to differ materially from those described in these forward-looking statements: the uncertainty as to the extent of the duration, scope and impacts of the COVID-19 pandemic; political and economic uncertainty, including any faltering in global economic conditions or the stability of credit and financial markets; erosion of consumer confidence and declines in customer spending; unavailability of raw materials, services, supplies or manufacturing capacity; changes in geographic, product or customer mix; changes in export classifications,

import and export regulations or duties and tariffs; changes in our estimates of our expected tax rates based on current tax law; adverse results in litigation matters, including the potential for litigation related to the Maxim acquisition; the risk that we will be unable to retain and hire key personnel; unanticipated difficulties or expenditures relating to integrating Maxim; uncertainty as to the long-term value of our common stock; the diversion of management time on integrating Maxim's business and operations; our ability to successfully integrate acquired businesses and technologies, including Maxim; and the risk that expected benefits, synergies and growth prospects of acquisitions, including our acquisition of Maxim, may not be fully achieved in a timely manner, or at all. For additional information about factors that could cause actual results to differ materially from those described in the forward-looking statements, please refer to our filings with the Securities and Exchange Commission ("SEC"), including the risk factors contained in our most recent Quarterly Report on Form 10-Q and Annual Report on Form 10-K. Forward-looking statements represent management's current expectations and are inherently uncertain. Except as required by law, we do not undertake any obligation to update forward-looking statements made by us to reflect subsequent events or circumstances.

Analog Devices and the Analog Devices logo are registered trademarks or trademarks of Analog Devices, Inc. All other trademarks mentioned in this document are the property of their respective owners

Contact

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(ADI-WEB)

Analog Devices Reports Record First Quarter Fiscal 2022 Results

- Revenue of \$2.68 billion with double digit year-over-year growth across all end markets
- Operating cash flow of \$3.16 billion and free cash flow of \$2.78 billion or 33% of revenue on a trailing twelve-month basis
- Completed \$2.5 billion accelerated share repurchase program, retiring 14.4 million shares
- Announced 10% dividend increase, marking 19th raise in the past 18 years

WILMINGTON, Mass.--(BUSINESS WIRE)--February 16, 2022--Analog Devices, Inc. (Nasdaq: ADI), a leading global high-performance analog technology company, today announced financial results for its first quarter of fiscal 2022, which ended January 29, 2022.

“ADI delivered its fourth consecutive quarter of record revenue with momentum across all end markets and geographies. The growing demand for our solutions and our commitment to operational excellence enabled adjusted gross margin, operating margin and EPS to achieve new highs,” said Vincent Roche, President and CEO. “With higher bookings and backlog as well as additional capacity investments, I am confident we will sustain this level of performance throughout 2022.”

Roche continued, “Our high-performance analog, mixed signal and power technologies are increasingly vital to our customer’s digitalization journeys. Through years of strategic investment, both organic and inorganic, we’ve built an unparalleled performance-leading portfolio equipped to capitalize on the increasing demand surrounding secular megatrends such as automation, electrification, and advanced connectivity. Our unwavering commitment to innovation will play a pivotal role in accelerating these trends, ultimately delivering value to our customers and shareholders.”

Performance for the First Quarter of Fiscal 2022

Results Summary⁽¹⁾

(in millions, except per-share amounts and percentages)

| | Three Months Ended | | |
|----------------------------|--------------------|---------------|-------------|
| | Jan. 29, 2022 | Jan. 30, 2021 | Change |
| Revenue | \$ 2,684 | \$ 1,558 | 72 % |
| Gross margin | \$ 1,402 | 1,045 | 34 % |
| Gross margin percentage | 52.2 % | 67.1 % | (1,490 bps) |
| Operating income | \$ 365 | \$ 464 | (21)% |
| Operating margin | 13.6 % | 29.8 % | (1,620 bps) |
| Diluted earnings per share | \$ 0.53 | \$ 1.04 | (49)% |

Adjusted Results

| | | | |
|-------------------------------------|----------|----------|---------|
| Adjusted gross margin | \$ 1,931 | \$ 1,090 | 77 % |
| Adjusted gross margin percentage | 71.9 % | 70.0 % | 190 bps |
| Adjusted operating income | \$ 1,228 | \$ 635 | 93 % |
| Adjusted operating margin | 45.8 % | 40.7 % | 510 bps |
| Adjusted diluted earnings per share | \$ 1.94 | \$ 1.44 | 35 % |

Cash Generation

| | Three Months Ended | Trailing Twelve Months |
|---|--------------------|------------------------|
| | Jan. 29, 2022 | Jan. 29, 2022 |
| Net cash provided by operating activities | \$ 856 | \$ 3,164 |
| % of revenue | 32 % | 37 % |
| Capital expenditures | \$ (111) | \$ (387) |
| Free cash flow | \$ 745 | \$ 2,776 |
| % of revenue | 28 % | 33 % |

Cash Return

| | Three Months Ended | Trailing Twelve Months |
|-----------------------|--------------------|------------------------|
| | Jan. 29, 2022 | Jan. 29, 2022 |
| Dividend paid | \$ (363) | \$ (1,243) |
| Stock repurchases (2) | (576) | (3,024) |
| Total cash returned | \$ (939) | \$ (4,267) |

(1) The sum and/or computation of the individual amounts may not equal the total due to rounding.

(2) Includes \$500 million of stock repurchases, which were prepaid in the fourth quarter of fiscal 2021 as part of our accelerated share repurchase program.

Outlook for the Second Quarter of Fiscal Year 2022

For the second quarter of fiscal 2022, we are forecasting revenue of \$2.80 billion, +/- \$100 million. At the midpoint of this revenue outlook, we expect reported operating margin of approximately 26.5%, +/-150 bps, and adjusted operating margin of approximately 46.5%, +/-70 bps. We are planning for reported EPS to be \$1.14, +/- \$0.10, and adjusted EPS to be \$2.07, +/- \$0.10.

Our second quarter fiscal 2022 outlook is based on current expectations and actual results may differ materially, as a result of, among other things, the important factors discussed at the end of this release. These statements supersede all prior statements regarding our business outlook set forth in prior ADI news releases, and ADI disclaims any obligation to update these forward-looking statements.

The adjusted results and adjusted anticipated results above are financial measures presented on a non-GAAP basis. Reconciliations of these non-GAAP financial measures to their most directly comparable GAAP financial measures are provided in the financial tables included in this press release. See also "Non-GAAP Financial Information" section for additional information.

Dividend Payment

The ADI Board of Directors has declared a quarterly cash dividend of \$0.76 per outstanding share of common stock. The dividend will be paid on March 8, 2022 to all shareholders of record at the close of business on February 25, 2022.

Conference Call Scheduled for Today, Wednesday, February 16, 2022 at 10:00 am ET

ADI will host a conference call to discuss our first quarter fiscal 2022 results and short-term outlook today, beginning at 10:00 am ET. Investors may join via webcast, accessible at investor.analog.com, or by telephone. The participant dial-in for both domestic and international callers will be available ten minutes before the call begins by calling 833-423-0297. International participants may provide the passcode 8334230297.

A replay will be available two hours after the completion of the call. The replay may be accessed for up to two weeks by dialing 855-859-2056 (replay only) and providing the conference ID: 2584663, or by visiting investor.analog.com.

Non-GAAP Financial Information

This release includes non-GAAP financial measures that are not in accordance with, nor an alternative to, generally accepted accounting principles (GAAP) and may be different from non-GAAP measures presented by other companies. In addition, these non-GAAP measures are not based on any comprehensive set of accounting rules or principles. These non-GAAP measures have material limitations in that they do not reflect all of the amounts associated with the Company's results of operations as determined in accordance with GAAP and should not be considered in isolation from, or as a substitute for, the Company's financial results presented in accordance with GAAP. The Company's use of non-GAAP measures, and the underlying methodology when including or excluding certain items, is not necessarily an indication of the results of operations that may be expected in the future, or that the Company will not, in fact, record such items in future periods. You are cautioned not to place undue reliance on these non-GAAP measures. Reconciliations of these non-GAAP measures to the most directly comparable financial measures calculated and presented in accordance with GAAP are provided in the financial tables included in this release.

Management uses non-GAAP measures internally to evaluate the Company's operating performance from continuing operations against past periods and to budget and allocate resources in future periods. These non-GAAP measures also assist management in evaluating the Company's core business and trends across different reporting periods on a consistent basis. Management also uses these non-GAAP measures as the primary performance measurement when communicating with analysts and investors regarding the Company's earnings results and outlook and believes that the presentation of these non-GAAP measures is useful to investors because it provides investors with the operating results that management uses to manage the Company and enables investors and analysts to evaluate the Company's core business. Management also believes that the non-GAAP liquidity measure free cash flow is useful both internally and to investors because it provides information about the amount of cash generated after capital expenditures that is then available to repay debt obligations, make investments and fund acquisitions, and for certain other activities.

The non-GAAP financial measures referenced by ADI in this release include: adjusted gross margin, adjusted gross margin percentage, adjusted operating expenses, adjusted operating expenses percentage, adjusted operating income, adjusted operating margin, adjusted nonoperating expense (income), adjusted income before income taxes, adjusted provision for income taxes, adjusted tax rate, adjusted diluted earnings per share (EPS), free cash flow, and free cash flow margin percentage.

Adjusted gross margin is defined as gross margin, determined in accordance with GAAP, excluding certain *acquisition related expenses*¹, which are described further below. Adjusted gross margin percentage represents adjusted gross margin divided by revenue.

Adjusted operating expenses is defined as operating expenses, determined in accordance with GAAP, excluding: certain *acquisition related expenses*¹, *acquisition related transaction costs*² and *special charges, net*³, which are described further below. Adjusted operating expenses percentage represents adjusted operating expenses divided by revenue.

Adjusted operating income is defined as operating income, determined in accordance with GAAP, excluding: *acquisition related expenses*¹, *acquisition related transaction costs*² and *special charges, net*³, which are described further below. Adjusted operating margin represents adjusted operating income divided by revenue.

Adjusted nonoperating expense (income) is defined as nonoperating expense (income), determined in accordance with GAAP, excluding: *acquisition related expenses*¹, which is described further below.

Adjusted income before income taxes is defined as income before income taxes, determined in accordance with GAAP, excluding: *acquisition related expenses*¹, *acquisition related transaction costs*², and *special charges, net*³, which are described further below.

Adjusted provision for income taxes is defined as provision for income taxes, determined in accordance with GAAP, excluding *tax related items*⁴, which are described further below. Adjusted tax rate represents adjusted provision for income taxes divided by adjusted income before income taxes.

Adjusted diluted EPS is defined as diluted EPS, determined in accordance with GAAP, excluding: *acquisition related expenses*¹, *acquisition related transaction costs*², *special charges, net*³, and *tax related items*⁴, which are described further below.

Free cash flow is defined as net cash provided by operating activities, determined in accordance with GAAP, less additions to property, plant and equipment, net. Free cash flow margin percentage represents free cash flow divided by revenue.

¹*Acquisition Related Expenses*: Expenses incurred as a result of current and prior period acquisitions and primarily include expenses associated with the fair value adjustments to debt, inventory, property, plant and equipment and amortization of acquisition related intangibles, which

include acquired intangibles such as purchased technology and customer relationships. Expenses also include fair value adjustments associated with the replacement of share-based awards related to the Maxim Integrated Products, Inc. (Maxim) and Linear Technology Corporation (Linear) acquisitions. We excluded these costs from our non-GAAP measures because they relate to specific transactions and are not reflective of our ongoing financial performance.

²*Acquisition Related Transaction Costs*: Costs directly related to the proposed Maxim Integrated Products, Inc. acquisition, including legal, accounting and other professional fees as well as integration-related costs. We excluded these costs from our non-GAAP measures because they relate to a specific transaction and are not reflective of our ongoing financial performance.

³*Special Charges, net*: Expenses, net, incurred in connection with facility closures, consolidation of manufacturing facilities, severance, other accelerated stock-based compensation expense and other cost reduction efforts or reorganizational initiatives. We excluded these expenses from our non-GAAP measures because apart from ongoing expense savings as a result of such items, these expenses have no direct correlation to the operation of our business in the future.

⁴*Tax Related Items*: Income tax effect of the non-GAAP items discussed above. We excluded the income tax benefit effect of these tax related items from our non-GAAP measures because they are not associated with the tax expense on our current operating results.

About Analog Devices

Analog Devices, Inc. (Nasdaq: ADI) operates at the center of the modern digital economy, converting real-world phenomena into actionable insight with its comprehensive suite of analog and mixed signal, power management, radio frequency (RF), and digital and sensor technologies. ADI serves 125,000 customers worldwide with more than 75,000 products in the industrial, communications, automotive, and consumer markets. ADI is headquartered in Wilmington, MA. Visit <http://www.analog.com>.

Forward Looking Statements

This press release contains forward-looking statements, which address a variety of subjects including, for example, our statements regarding the economic recovery, demand and supply; the impact of the COVID-19 pandemic on our business, financial condition and results of operations; expected revenue, operating margin, tax rate, earnings per share, and other financial results; expected market trends, market share gains, operating leverage, production and inventory levels; expected customer demand and order rates for our products and expected product offerings; product development; and marketing position. Statements that are not historical facts, including statements about our beliefs, plans and expectations, are forward-looking statements. Such statements are based on our current expectations and are subject to a number of factors and uncertainties, which could cause actual results to differ materially from those described in the forward-looking statements. The following important factors and uncertainties, among others, could cause actual results to differ materially from those described in these forward-looking statements: the uncertainty as to the extent of the duration, scope and impacts of the COVID-19 pandemic; political and economic uncertainty, including any faltering in global economic conditions or the stability of credit and financial markets; erosion of consumer confidence and declines in customer spending; unavailability of raw materials, services, supplies or manufacturing capacity; changes in geographic, product or customer mix; changes in export classifications, import and export regulations or duties and tariffs; changes in our estimates of our expected tax rates based on current tax law; adverse results in litigation matters, including the potential for litigation related to the Maxim acquisition; the risk that we will be unable to retain and hire key personnel; unanticipated difficulties or expenditures relating to integrating Maxim; uncertainty as to the long-term value of our common stock;

the diversion of management time on integrating Maxim's business and operations; our ability to successfully integrate acquired businesses and technologies, including Maxim; and the risk that expected benefits, synergies and growth prospects of acquisitions, including our acquisition of Maxim, may not be fully achieved in a timely manner, or at all. For additional information about factors that could cause actual results to differ materially from those described in the forward-looking statements, please refer to our filings with the Securities and Exchange Commission ("SEC"), including the risk factors contained in our most recent Quarterly Report on Form 10-Q and Annual Report on Form 10-K. Forward-looking statements represent management's current expectations and are inherently uncertain. Except as required by law, we do not undertake any obligation to update forward-looking statements made by us to reflect subsequent events or circumstances.

Analog Devices and the Analog Devices logo are registered trademarks or trademarks of Analog Devices, Inc. All other trademarks mentioned in this document are the property of their respective owners.

ANALOG DEVICES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(In thousands, except per share amounts)

| | Three Months Ended | |
|--|---------------------------|----------------------|
| | Jan. 29, 2022 | Jan. 30, 2021 |
| Revenue | \$ 2,684,293 | \$ 1,558,458 |
| Cost of sales | 1,282,296 | 513,087 |
| Gross margin | 1,401,997 | 1,045,371 |
| Operating expenses: | | |
| Research and development | 426,780 | 288,150 |
| Selling, marketing, general and administrative | 297,365 | 185,275 |
| Amortization of intangibles | 253,367 | 107,648 |
| Special charges, net | 59,728 | 438 |
| Total operating expenses | 1,037,240 | 581,511 |
| Operating income | 364,757 | 463,860 |
| Nonoperating expense (income): | | |
| Interest expense | 51,964 | 42,479 |
| Interest income | (218) | (209) |
| Other, net | (10,544) | (15,028) |
| Total nonoperating expense (income) | 41,202 | 27,242 |
| Income before income taxes | 323,555 | 436,618 |
| Provision for income taxes | 43,478 | 48,099 |
| Net income | \$ 280,077 | \$ 388,519 |
| Shares used to compute earnings per common share - basic | 525,291 | 369,203 |
| Shares used to compute earnings per common share - diluted | 530,142 | 373,106 |
| Basic earnings per common share | \$ 0.53 | \$ 1.05 |
| Diluted earnings per common share | \$ 0.53 | \$ 1.04 |

ANALOG DEVICES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(In thousands)

| | Jan. 29, 2022 | Oct. 30, 2021 |
|---------------------------------------|----------------------|----------------------|
| Cash & cash equivalents | \$ 1,790,399 | \$ 1,977,964 |
| Accounts receivable | 1,636,928 | 1,459,056 |
| Inventories | 972,571 | 1,200,610 |
| Other current assets | 236,797 | 740,687 |
| Total current assets | 4,636,695 | 5,378,317 |
| Net property, plant and equipment | 2,037,290 | 1,979,051 |
| Goodwill | 26,940,594 | 26,918,470 |
| Intangible assets, net | 14,762,722 | 15,267,170 |
| Deferred tax assets | 2,317,301 | 2,267,269 |
| Other assets | 521,012 | 511,794 |
| Total assets | \$ 51,215,614 | \$ 52,322,071 |
| Other current liabilities | \$ 2,221,906 | \$ 2,253,649 |
| Debt, current | — | 516,663 |
| Long-term debt | 6,253,575 | 6,253,212 |
| Deferred income taxes | 3,952,185 | 3,938,830 |
| Other non-current liabilities | 1,360,636 | 1,367,175 |
| Shareholders' equity | 37,427,312 | 37,992,542 |
| Total liabilities & equity | \$ 51,215,614 | \$ 52,322,071 |

ANALOG DEVICES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

| | Three Months Ended | |
|--|---------------------------|----------------------|
| | Jan. 29, 2022 | Jan. 30, 2021 |
| Cash flows from operating activities: | | |
| Net income | \$ 280,077 | \$ 388,519 |
| Adjustments to reconcile net income to net cash provided by operations: | | |
| Depreciation | 65,165 | 56,309 |
| Amortization of intangibles | 504,645 | 145,044 |
| Stock-based compensation expense | 86,939 | 36,638 |
| Cost of goods sold for inventory acquired | 271,396 | — |
| Deferred income taxes | (34,651) | (27,275) |
| Other | (1,748) | (14,553) |
| Changes in operating assets and liabilities | (315,410) | (156,741) |
| Total adjustments | 576,336 | 39,422 |
| Net cash provided by operating activities | 856,413 | 427,941 |
| Cash flows from investing activities: | | |
| Additions to property, plant and equipment | (111,133) | (67,388) |
| Other | 7,824 | (7,683) |
| Net cash used for investing activities | (103,309) | (75,071) |
| Cash flows from financing activities: | | |
| Early termination of debt | (519,116) | — |
| Dividend payments to shareholders | (362,645) | (229,179) |
| Repurchase of common stock | (76,019) | (157,057) |
| Proceeds from employee stock plans | 8,471 | 19,920 |
| Other | 12,041 | 2,493 |
| Net cash used for financing activities | (937,268) | (363,823) |
| Effect of exchange rate changes on cash | (3,401) | 3,156 |
| Net decrease in cash and cash equivalents | (187,565) | (7,797) |
| Cash and cash equivalents at beginning of period | 1,977,964 | 1,055,860 |
| Cash and cash equivalents at end of period | \$ 1,790,399 | \$ 1,048,063 |

ANALOG DEVICES, INC.
REVENUE TRENDS BY END MARKET
(Unaudited)
(In thousands)

The categorization of revenue by end market is determined using a variety of data points including the technical characteristics of the product, the “sold to” customer information, the “ship to” customer information and the end customer product or application into which our product will be incorporated. As data systems for capturing and tracking this data and our methodology evolves and improves, the categorization of products by end market can vary over time. When this occurs, we reclassify revenue by end market for prior periods. Such reclassifications typically do not materially change the sizing of, or the underlying trends of results within, each end market.

| | Three Months Ended | | | | | |
|----------------------|---------------------------|---------------------------------|-------------|-------------------------|---------------------------------|--|
| | January 29, 2022 | | | January 30, 2021 | | |
| | Revenue | % of Revenue¹ | Y/Y% | Revenue | % of Revenue¹ | |
| Industrial | \$ 1,341,113 | 50% | 57% | \$ 856,186 | 55% | |
| Automotive | 552,671 | 21% | 124% | 246,504 | 16% | |
| Communications | 412,397 | 15% | 46% | 281,726 | 18% | |
| Consumer | 378,112 | 14% | 117% | 174,042 | 11% | |
| Total revenue | \$ 2,684,293 | 100% | 72% | \$ 1,558,458 | 100% | |

1) The sum of the individual percentages may not equal the total due to rounding.

ANALOG DEVICES, INC.
RECONCILIATION OF GAAP TO NON-GAAP RESULTS
(Unaudited)
(In thousands, except per share amounts)

| | Three Months Ended | |
|--|---------------------------|----------------------|
| | Jan. 29, 2022 | Jan. 30, 2021 |
| Gross margin | \$ 1,401,997 | \$ 1,045,371 |
| Gross margin percentage | 52.2 % | 67.1 % |
| Acquisition related expenses | 528,614 | 44,997 |
| Adjusted gross margin | <u>\$ 1,930,611</u> | <u>\$ 1,090,368</u> |
| Adjusted gross margin percentage | 71.9 % | 70.0 % |
| Operating expenses | \$ 1,037,240 | \$ 581,511 |
| Percent of revenue | 38.6 % | 37.3 % |
| Acquisition related expenses | (262,200) | (110,300) |
| Acquisition related transaction costs | (12,891) | (15,236) |
| Special charges, net | (59,728) | (438) |
| Adjusted operating expenses | <u>\$ 702,421</u> | <u>\$ 455,537</u> |
| Adjusted operating expenses percentage | 26.2 % | 29.2 % |
| Operating income | \$ 364,757 | \$ 463,860 |
| Operating margin | 13.6 % | 29.8 % |
| Acquisition related expenses | 790,814 | 155,297 |
| Acquisition related transaction costs | 12,891 | 15,236 |
| Special charges, net | 59,728 | 438 |
| Adjusted operating income | <u>\$ 1,228,190</u> | <u>\$ 634,831</u> |
| Adjusted operating margin | 45.8 % | 40.7 % |
| Nonoperating expense (income) | 41,202 | 27,242 |
| Acquisition related expenses | 2,299 | — |
| Adjusted nonoperating expense (income) | <u>\$ 43,501</u> | <u>\$ 27,242</u> |
| Income before income taxes | \$ 323,555 | \$ 436,618 |
| Acquisition related expenses | 788,515 | 155,297 |
| Acquisition related transaction costs | 12,891 | 15,236 |
| Special charges, net | 59,728 | 438 |
| Adjusted income before income taxes | <u>\$ 1,184,689</u> | <u>\$ 607,589</u> |
| Provision for income taxes | \$ 43,478 | \$ 48,099 |
| Effective tax rate | 13.4 % | 11.0 % |
| Income tax effect of adjustments above | 114,389 | 22,796 |
| Adjusted provision for income taxes | <u>\$ 157,867</u> | <u>\$ 70,895</u> |
| Adjusted tax rate | 13.3 % | 11.7 % |
| Diluted EPS | \$ 0.53 | \$ 1.04 |
| Acquisition related expenses | 1.49 | 0.42 |
| Acquisition related transaction costs | 0.02 | 0.04 |
| Special charges, net | 0.11 | 0.00 |
| Income tax effect of adjustments above | (0.22) | (0.06) |
| Adjusted diluted EPS* | <u>\$ 1.94</u> | <u>\$ 1.44</u> |

* The sum of the individual per share amounts may not equal the total due to rounding.

ANALOG DEVICES, INC.
RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO FREE CASH FLOW
(Unaudited)
(In thousands)

| | Trailing Twelve Months | Three Months Ended | | | |
|---|-------------------------------|---------------------------|----------------------|----------------------|--------------------|
| | Jan. 29, 2022 | Jan. 29, 2022 | Oct. 30, 2021 | Jul. 31, 2021 | May 1, 2021 |
| Revenue | \$ 8,444,121 | \$ 2,684,293 | \$ 2,339,568 | \$ 1,758,853 | \$ 1,661,407 |
| Net cash provided by operating activities | \$ 3,163,541 | \$ 856,413 | \$ 940,726 | \$ 630,041 | \$ 736,361 |
| % of Revenue | 37 % | 32 % | 40 % | 36 % | 44 % |
| Capital expenditures | \$ (387,421) | \$ (111,133) | \$ (130,777) | \$ (86,341) | \$ (59,170) |
| Free cash flow | \$ 2,776,120 | \$ 745,280 | \$ 809,949 | \$ 543,700 | \$ 677,191 |
| % of Revenue | 33 % | 28 % | 35 % | 31 % | 41 % |

ANALOG DEVICES, INC.
RECONCILIATION OF PROJECTED GAAP TO NON-GAAP RESULTS
(Unaudited)

| | Three Months Ending April 30, 2022 | |
|----------------------|---|--------------------------------------|
| | Reported | Adjusted |
| Revenue | \$2.8 Billion (+/- \$100 Million) | \$2.8 Billion (+/- \$100 Million) |
| Operating margin | 26.5% (+/-150 bps) | 46.5% (1) (+/-70 bps) |
| Nonoperating expense | ~ \$50 Million | ~ \$50 Million |
| Tax rate | 13% | 13% (2) |
| Earnings per share | \$1.14 (+/- \$.10) | \$2.07 (3) (+/- \$.10) |

(1) Includes \$520 million of adjustments related to acquisition related expenses and \$40 million of adjustments related to special charges, net and acquisition related transaction costs as previously defined in the Non-GAAP Financial Information section of this press release.

(2) Includes \$73 million of tax effects associated with the adjustments for acquisition related expenses, special charges, net and acquisition related transaction costs noted above.

(3) Includes \$0.93 of adjustments related to the net impact of acquisition related expenses, special charges, net and acquisition related transaction costs, as well as the tax effects on those items.

(ADI-WEB)

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