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

Form 10-Q

(Mark One)

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended May 2, 2015

OR

- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File No. 1-7819

Analog Devices, Inc.

(Exact name of registrant as specified in its charter)

Massachusetts

(State or other jurisdiction of incorporation or organization)

One Technology Way, Norwood, MA

(Address of principal executive offices)

04-2348234

(I.R.S. Employer Identification No.)

02062-9106

(Zip Code)

(781) 329-4700

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES NO

As of May 2, 2015 there were 313,541,685 shares of common stock of the registrant, \$0.16 2/3 par value per share, outstanding.

PART I - FINANCIAL INFORMATION

ITEM 1. Financial Statements

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

	Three Months Ended		Six Months Ended	
	May 2, 2015	May 3, 2014	May 2, 2015	May 3, 2014
Revenue	\$ 821,019	\$ 694,536	\$ 1,593,005	\$ 1,322,774
Cost of sales (1)	276,197	235,793	544,576	454,913
Gross margin	544,822	458,743	1,048,429	867,861
Operating expenses:				
Research and development (1)	154,233	136,203	305,939	264,794
Selling, marketing, general and administrative (1)	117,371	102,085	237,542	200,263
Amortization of intangibles	24,210	55	48,006	110
Special charges	—	—	—	2,685
	295,814	238,343	591,487	467,852
Operating income	249,008	220,400	456,942	400,009
Nonoperating expense (income):				
Interest expense	6,880	6,874	13,536	13,445
Interest income	(2,009)	(3,401)	(4,053)	(6,685)
Other, net	(1,052)	(441)	1,500	(10)
	3,819	3,032	10,983	6,750
Income before income taxes	245,189	217,368	445,959	393,259
Provision for income taxes	39,851	29,935	61,864	53,240
Net income	\$ 205,338	\$ 187,433	\$ 384,095	\$ 340,019
Shares used to compute earnings per share – basic	312,660	313,488	311,967	312,887
Shares used to compute earnings per share – diluted	317,047	318,347	316,365	318,182
Basic earnings per share	\$ 0.66	\$ 0.60	\$ 1.23	\$ 1.09
Diluted earnings per share	\$ 0.65	\$ 0.59	\$ 1.21	\$ 1.07
Dividends declared and paid per share	\$ 0.40	\$ 0.37	\$ 0.77	\$ 0.71
(1) Includes stock-based compensation expense as follows:				
Cost of sales	\$ 2,207	\$ 1,417	\$ 4,599	\$ 2,974
Research and development	\$ 6,416	\$ 4,278	\$ 13,290	\$ 9,137
Selling, marketing, general and administrative	\$ 7,478	\$ 4,847	\$ 18,583	\$ 9,838

See accompanying notes.

ANALOG DEVICES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)
(thousands)

	Three Months Ended		Six Months Ended	
	May 2, 2015	May 3, 2014	May 2, 2015	May 3, 2014
Net income	\$ 205,338	\$ 187,433	\$ 384,095	\$ 340,019
Foreign currency translation adjustments	1,389	4,600	(7,474)	3,860
Change in fair value of available-for-sale securities classified as short-term investments (net of taxes of \$92, \$98, \$120 and \$65, respectively)	527	639	221	471
Change in fair value of derivative instruments designated as cash flow hedges (net of taxes of \$7,071, \$239, \$7,821 and \$90, respectively)	17,010	2,646	(14,816)	569
Changes in pension plans including prior service cost, transition obligation, net actuarial loss and foreign currency translation adjustments, (net of taxes of \$281, \$167, \$563 and \$329 respectively)	2,640	(1,396)	19,740	(802)
Other comprehensive income (loss)	21,566	6,489	(2,329)	4,098
Comprehensive income	\$ 226,904	\$ 193,922	\$ 381,766	\$ 344,117

See accompanying notes.

ANALOG DEVICES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(thousands, except per share amounts)

	May 2, 2015	November 1, 2014
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 636,216	\$ 569,233
Short-term investments	2,438,562	2,297,235
Accounts receivable, net	408,510	396,605
Inventories (1)	394,494	367,927
Deferred tax assets	117,055	128,934
Prepaid income tax	1,707	6,633
Prepaid expenses and other current assets	49,217	45,319
Total current assets	4,045,761	3,811,886
Property, Plant and Equipment, at Cost		
Land and buildings	548,386	495,738
Machinery and equipment	1,879,364	1,880,351
Office equipment	56,667	51,477
Leasehold improvements	51,626	50,782
	2,536,043	2,478,348
Less accumulated depreciation and amortization	1,906,378	1,855,926
Net property, plant and equipment	629,665	622,422
Other Assets		
Deferred compensation plan investments	22,163	21,110
Other investments	17,524	13,397
Goodwill	1,643,614	1,642,438
Intangible assets, net	621,277	671,402
Deferred tax assets	26,263	27,249
Other assets	42,208	49,786
Total other assets	2,373,049	2,425,382
	\$ 7,048,475	\$ 6,859,690
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 156,300	\$ 138,967
Deferred income on shipments to distributors, net	295,428	278,435
Income taxes payable	32,626	62,770
Current portion of long-term debt	374,664	—
Accrued liabilities	209,201	228,884
Total current liabilities	1,068,219	709,056
Non-current liabilities		
Long-term debt	498,399	872,789
Deferred income taxes	246,866	235,791
Deferred compensation plan liability	22,163	21,110
Other non-current liabilities	248,620	263,047
Total non-current liabilities	1,016,048	1,392,737
Commitments and contingencies		
Shareholders' Equity		
Preferred stock, \$1.00 par value, 471,934 shares authorized, none outstanding	—	—
Common stock, \$0.16 2/3 par value, 1,200,000,000 shares authorized, 313,541,685 shares issued and outstanding (311,204,926 on November 1, 2014)	52,258	51,869
Capital in excess of par value	707,180	643,058
Retained earnings	4,375,625	4,231,496
Accumulated other comprehensive loss	(170,855)	(168,526)
Total shareholders' equity	4,964,208	4,757,897
	\$ 7,048,475	\$ 6,859,690

(1) Includes \$3,066 and \$3,291 related to stock-based compensation at May 2, 2015 and November 1, 2014, respectively.

See accompanying notes.

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

	Six Months Ended	
	May 2, 2015	May 3, 2014
Cash flows from operating activities:		
Net income	\$ 384,095	\$ 340,019
Adjustments to reconcile net income to net cash provided by operations:		
Depreciation	63,809	54,794
Amortization of intangibles	49,893	110
Stock-based compensation expense	36,472	21,949
Excess tax benefit-stock options	(15,777)	(12,027)
Deferred income taxes	(9,396)	(1,925)
Other non-cash activity	5,575	2,817
Changes in operating assets and liabilities	(1,987)	(9,840)
Total adjustments	128,589	55,878
Net cash provided by operating activities	512,684	395,897
Cash flows from investing activities:		
Purchases of short-term available-for-sale investments	(2,872,197)	(4,510,237)
Maturities of short-term available-for-sale investments	1,855,561	3,995,075
Sales of short-term available-for-sale investments	875,650	402,086
Additions to property, plant and equipment	(72,989)	(92,181)
Payments for acquisitions, net of cash acquired	(118)	—
Increase in other assets	(8,197)	(9,082)
Net cash used for investing activities	(222,290)	(214,339)
Cash flows from financing activities:		
Dividend payments to shareholders	(239,966)	(221,819)
Repurchase of common stock	(83,911)	(111,577)
Proceeds from employee stock plans	94,883	142,536
Contingent consideration payment	—	(1,773)
Changes in other financing activities	(7,551)	10,964
Excess tax benefit-stock options	15,777	12,027
Net cash used for financing activities	(220,768)	(169,642)
Effect of exchange rate changes on cash	(2,643)	(1,215)
Net increase in cash and cash equivalents	66,983	10,701
Cash and cash equivalents at beginning of period	569,233	392,089
Cash and cash equivalents at end of period	\$ 636,216	\$ 402,790

See accompanying notes.

Note 1 – Basis of Presentation

In the opinion of management, the information furnished in the accompanying condensed consolidated financial statements reflects all normal recurring adjustments that are necessary to fairly state the results for these interim periods and should be read in conjunction with Analog Devices, Inc.'s (the Company) Annual Report on Form 10-K for the fiscal year ended November 1, 2014 and related notes. The results of operations for the interim periods shown in this report are not necessarily indicative of the results that may be expected for the fiscal year ending October 31, 2015 or any future period.

On July 22, 2014, the Company completed its acquisition of Hittite Microwave Corporation (Hittite), a company that designed and developed high performance integrated circuits, modules, subsystems and instrumentation for radio frequency, microwave and millimeterwave applications. The total consideration paid to acquire Hittite was approximately \$2.4 billion, financed through a combination of existing cash on hand and a 90-day term loan facility of \$2.0 billion. The acquisition of Hittite is referred to as the Acquisition. See Note 16, *Acquisitions*, of these Notes to Condensed Consolidated Financial Statements for further discussion related to the Acquisition.

Certain amounts reported in previous periods have been reclassified to conform to the fiscal 2015 presentation. Such reclassified amounts are immaterial. The Company has a 52-53 week fiscal year that ends on the Saturday closest to the last day in October. Fiscal 2015 and fiscal 2014 are 52-week fiscal years.

Note 2 – Revenue Recognition

Revenue from product sales to customers is generally recognized when title passes, which is upon shipment in the U.S. and for certain foreign countries. For other foreign countries, title passes subsequent to product shipment, ordinarily within a week of shipment. Accordingly, the Company defers the revenue recognized relating to these other foreign countries until title has passed. For multiple element arrangements, the Company allocates arrangement consideration among the elements based on the relative fair values of those elements as determined using vendor-specific objective evidence or third-party evidence. The Company uses its best estimate of selling price to allocate arrangement consideration between the deliverables in cases where neither vendor-specific objective evidence nor third-party evidence is available. A reserve for sales returns and allowances for customers is recorded based on historical experience or specific identification of an event necessitating a reserve.

Revenue from contracts with the United States government, government prime contractors and some commercial customers is generally recorded on a percentage of completion basis using either units delivered or costs incurred as the measurement basis for progress towards completion. The output measure is used to measure results directly and is generally the best measure of progress toward completion in circumstances in which a reliable measure of output can be established. Estimated revenue in excess of amounts billed is reported as unbilled receivables. Contract accounting requires judgment in estimating costs and assumptions related to technical issues and delivery schedule. Contract costs include material, subcontract costs, labor and an allocation of indirect costs. The estimation of costs at completion of a contract is subject to numerous variables involving contract costs and estimates as to the length of time to complete the contract. Changes in contract performance, estimated gross margin, including the impact of final contract settlements, and estimated losses are recognized in the period in which the changes or losses are determined.

In all regions of the world, the Company defers revenue and the related cost of sales on shipments to distributors until the distributors resell the products to their customers. As a result, the Company's revenue fully reflects end customer purchases and is not impacted by distributor inventory levels. Sales to distributors are made under agreements that allow distributors to receive price-adjustment credits, as discussed below, and to return qualifying products for credit, as determined by the Company, in order to reduce the amounts of slow-moving, discontinued or obsolete product from their inventory. These agreements limit such returns to a certain percentage of the value of the Company's shipments to that distributor during the prior quarter. In addition, distributors are allowed to return unsold products if the Company terminates the relationship with the distributor.

Distributors are granted price-adjustment credits for sales to their customers when the distributor's standard cost (i.e., the Company's sales price to the distributor) does not provide the distributor with an appropriate margin on its sales to its customers. As distributors negotiate selling prices with their customers, the final sales price agreed upon with the customer will be influenced by many factors, including the particular product being sold, the quantity ordered, the particular customer, the geographic location of the distributor and the competitive landscape. As a result, the distributor may request and receive a price-adjustment credit from the Company to allow the distributor to earn an appropriate margin on the transaction.

Distributors are also granted price-adjustment credits in the event of a price decrease subsequent to the date the product was shipped and billed to the distributor. Generally, the Company will provide a credit equal to the difference between the price paid by the distributor (less any prior credits on such products) and the new price for the product multiplied by the quantity of the specific product in the distributor's inventory at the time of the price decrease.

Given the uncertainties associated with the levels of price-adjustment credits to be granted to distributors, the sales price to the distributor is not fixed or determinable until the distributor resells the products to their customers. Therefore, the Company defers revenue recognition from sales to distributors until the distributors have sold the products to their customers.

Title to the inventory transfers to the distributor at the time of shipment or delivery to the distributor, and payment from the distributor is due in accordance with the Company's standard payment terms. These payment terms are not contingent upon the distributors' sale of the products to their customers. Upon title transfer to distributors, inventory is reduced for the cost of goods shipped, the margin (sales less cost of sales) is recorded as "deferred income on shipments to distributors, net" and an account receivable is recorded. Shipping costs are charged to cost of sales as incurred.

The deferred costs of sales to distributors have historically had very little risk of impairment due to the margins the Company earns on sales of its products and the relatively long life-cycle of the Company's products. Product returns from distributors that are ultimately scrapped have historically been immaterial. In addition, price protection and price-adjustment credits granted to distributors historically have not exceeded the margins the Company earns on sales of its products. The Company continuously monitors the level and nature of product returns and is in frequent contact with the distributors to ensure reserves are established for all known material issues.

As of May 2, 2015 and November 1, 2014, the Company had gross deferred revenue of \$365.4 million and \$349.7 million, respectively, and gross deferred cost of sales of \$70.0 million and \$71.3 million, respectively. Deferred income on shipments to distributors increased in the first six months of fiscal 2015 primarily as a result of higher demand for products, as well as a mix shift in favor of higher margin products, attributable to the Acquisition, sold into the channel.

The Company generally offers a twelve-month warranty for its products. The Company's warranty policy provides for replacement of defective products. Specific accruals are recorded for known product warranty issues. Product warranty expenses during each of the three- and six-month periods ended May 2, 2015 and May 3, 2014 were not material.

Note 3 – Stock-Based Compensation

Stock-based compensation is measured at the grant date based on the grant-date fair value of the awards ultimately expected to vest, and is recognized as an expense on a straight-line basis over the vesting period, which is generally five years for stock options and three years for restricted stock units. In addition to restricted stock units with a service condition, the Company grants restricted stock units with both a market condition and a service condition (market-based restricted stock units). The number of shares of the Company's common stock to be issued upon vesting of market-based restricted stock units will range from 0% to 200% of the target amount, based on the comparison of the Company's total shareholder return (TSR) to the median TSR of a specified peer group over a three-year period. TSR is a measure of stock price appreciation plus any dividends paid during the performance period. Determining the amount of stock-based compensation to be recorded for stock options and market-based restricted stock units requires the Company to develop estimates to calculate the grant-date fair value of awards.

Modification of Awards — The Company has from time to time modified the vesting terms of its equity awards to employees and directors. The modifications made to the Company's equity awards in the first six months of fiscal 2015 or 2014 did not result in significant incremental compensation costs, either individually or in the aggregate.

Grant-Date Fair Value — The Company uses the Black-Scholes valuation model to calculate the grant-date fair value of stock option awards and the Monte Carlo simulation model to calculate the grant-date fair value of market-based restricted stock units. The use of these valuation models requires the Company to make estimates and assumptions, such as expected volatility, expected term, risk-free interest rate, expected dividend yield and forfeiture rates. The grant-date fair value of restricted stock units with only a service condition represents the value of the Company's common stock on the date of grant, reduced by the present value of dividends expected to be paid on the Company's common stock prior to vesting.

Information pertaining to the Company's stock option awards and the related estimated weighted-average assumptions to calculate the fair value of stock options using the Black-Scholes valuation model granted during the three- and six-month periods ended May 2, 2015 and May 3, 2014 are as follows:

Stock Options	Three Months Ended		Six Months Ended	
	May 2, 2015	May 3, 2014	May 2, 2015	May 3, 2014
Options granted (in thousands)	1,853	2,094	1,908	2,110
Weighted-average exercise price	\$57.28	\$51.74	\$57.11	\$51.72
Weighted-average grant-date fair value	\$10.41	\$9.00	\$10.33	\$8.99
Assumptions:				
Weighted-average expected volatility	25.9%	24.9%	25.8%	24.9%
Weighted-average expected term (in years)	5.3	5.3	5.3	5.3
Weighted-average risk-free interest rate	1.6%	1.7%	1.6%	1.7%
Weighted-average expected dividend yield	2.8%	2.9%	2.8%	2.9%

The Company utilizes the Monte Carlo simulation valuation model to value market-based restricted stock units. The Monte Carlo simulation model utilizes multiple input variables that determine the probability of satisfying the performance conditions stipulated in the award grant and calculates the fair market value for the market-based restricted stock units granted. The Monte Carlo simulation model also uses stock price volatility and other variables to estimate the probability of satisfying the performance conditions, including the possibility that the market condition may not be satisfied, and the resulting fair value of the award. Information pertaining to the Company's market-based restricted stock units and the related estimated assumptions used to calculate the fair value of the market-based restricted stock units granted during the three- and six-month periods ended May 2, 2015 and May 3, 2014 using the Monte Carlo simulation model is as follows:

Market-based Restricted Stock Units	Three and Six Months Ended	Three and Six Months Ended
	May 2, 2015	May 3, 2014
Units granted (in thousands)	75	86
Grant-date fair value	\$55.67	\$50.79
Assumptions:		
Historical stock price volatility	20.0%	23.2%
Risk-free interest rate	1.1%	0.8%
Expected dividend yield	2.8%	2.8%

Expected volatility — The Company is responsible for estimating volatility and has considered a number of factors, including third-party estimates. The Company currently believes that the exclusive use of implied volatility results in the best estimate of the grant-date fair value of employee stock options because it reflects the market's current expectations of future volatility. In evaluating the appropriateness of exclusively relying on implied volatility, the Company concluded that: (1) options in the Company's common stock are actively traded with sufficient volume on several exchanges; (2) the market prices of both the traded options and the underlying shares are measured at a similar point in time to each other and on a date close to the grant date of the employee share options; (3) the traded options have exercise prices that are both near-the-money and close to the exercise price of the employee share options; and (4) the remaining maturities of the traded options used to estimate volatility are at least one year. The Company utilizes historical volatility as an input variable of the Monte Carlo simulation to estimate the grant date fair value of market-based restricted stock units. The market performance measure of these awards is based upon the interaction of multiple peer companies. Given the Company is required to use consistent statistical properties in the Monte Carlo simulation and implied volatility is not available across the population, historical volatility must be used.

Expected term — The Company uses historical employee exercise and option expiration data to estimate the expected term assumption for the Black-Scholes grant-date valuation. The Company believes that this historical data is currently the best estimate of the expected term of a new option, and that generally its employees exhibit similar exercise behavior.

Risk-free interest rate — The yield on zero-coupon U.S. Treasury securities for a period that is commensurate with the expected term assumption is used as the risk-free interest rate.

Expected dividend yield — Expected dividend yield is calculated by annualizing the cash dividend declared by the Company's Board of Directors for the current quarter and dividing that result by the closing stock price on the date of grant. Until such time as the Company's Board of Directors declares a cash dividend for an amount that is different from the current

quarter's cash dividend, the current dividend will be used in deriving this assumption. Cash dividends are not paid on options, restricted stock or restricted stock units.

Stock-Based Compensation Expense

The amount of stock-based compensation expense recognized during a period is based on the value of the awards that are ultimately expected to vest. Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The term "forfeitures" is distinct from "cancellations" or "expirations" and represents only the unvested portion of the surrendered stock-based award. Based on an analysis of its historical forfeitures, the Company has applied an annual forfeiture rate of 4.7% to all unvested stock-based awards as of May 2, 2015. The rate of 4.7% represents the portion that is expected to be forfeited over the vesting period. This analysis will be re-evaluated quarterly and the forfeiture rate will be adjusted as necessary. Ultimately, the actual expense recognized over the vesting period will only be for those options that vest.

Additional paid-in-capital (APIC) Pool

The APIC pool represents the excess tax benefits related to share-based compensation that are available to absorb future tax deficiencies. If the amount of future tax deficiencies is greater than the available APIC pool, the Company records the excess as income tax expense in its condensed consolidated statements of income. During the three- and six-month periods ended May 2, 2015 and May 3, 2014, the Company had available APIC pool to absorb tax deficiencies recorded and as a result, these deficiencies did not affect its results of operations.

Stock-Based Compensation Activity

A summary of the activity under the Company's stock option plans as of May 2, 2015 and changes during the three- and six-month periods then ended is presented below:

<u>Activity during the Three Months Ended May 2, 2015</u>	<u>Options Outstanding (in thousands)</u>	<u>Weighted-Average Exercise Price Per Share</u>	<u>Weighted-Average Remaining Contractual Term in Years</u>	<u>Aggregate Intrinsic Value</u>
Options outstanding at January 31, 2015	12,830	\$37.72		
Options granted	1,853	\$57.28		
Options exercised	(1,581)	\$33.06		
Options forfeited	(22)	\$47.79		
Options expired	(3)	\$39.81		
Options outstanding at May 2, 2015	<u>13,077</u>	\$41.04	6.4	\$290,757
Options exercisable at May 2, 2015	<u>7,201</u>	\$33.90	4.7	\$211,483
Options vested or expected to vest at May 2, 2015 (1)	<u>12,510</u>	\$40.56	6.3	\$284,097

(1) In addition to the vested options, the Company expects a portion of the unvested options to vest at some point in the future. The number of options expected to vest is calculated by applying an estimated forfeiture rate to the unvested options.

<u>Activity during the Six Months Ended May 2, 2015</u>	<u>Options Outstanding (in thousands)</u>	<u>Weighted-Average Exercise Price Per Share</u>
Options outstanding at November 1, 2014	14,184	\$37.20
Options granted	1,908	\$57.11
Options exercised	(2,914)	\$32.79
Options forfeited	(79)	\$45.30
Options expired	(22)	\$36.52
Options outstanding at May 2, 2015	<u>13,077</u>	\$41.04

During the three and six months ended May 2, 2015, the total intrinsic value of options exercised (i.e., the difference between the market price at exercise and the price paid by the employee to exercise the options) was \$42.8 million and \$72.9 million, respectively, and the total amount of proceeds received by the Company from the exercise of these options was \$52.1 million and \$94.9 million, respectively.

During the three and six months ended May 3, 2014, the total intrinsic value of options exercised (i.e., the difference between the market price at exercise and the price paid by the employee to exercise the options) was \$42.9 million and \$87.8 million, respectively, and the total amount of proceeds received by the Company from the exercise of these options was \$62.9 million and \$142.5 million, respectively.

A summary of the Company's restricted stock unit award activity as of May 2, 2015 and changes during the three- and six-month periods then ended is presented below:

	Restricted Stock Units Outstanding (in thousands)	Weighted- Average Grant- Date Fair Value Per Share
Activity during the Three Months Ended May 2, 2015		
Restricted stock units outstanding at January 31, 2015	2,966	\$43.37
Units granted	680	\$53.02
Restrictions lapsed	(756)	\$37.57
Forfeited	(20)	\$46.33
Restricted stock units outstanding at May 2, 2015	2,870	\$47.17
Activity during the Six Months Ended May 2, 2015		
Restricted stock units outstanding at November 1, 2014	3,188	\$43.46
Units granted	776	\$51.91
Restrictions lapsed	(1,006)	\$39.27
Forfeited	(88)	\$45.13
Restricted stock units outstanding at May 2, 2015	2,870	\$47.17

As of May 2, 2015, there was \$141.5 million of total unrecognized compensation cost related to unvested share-based awards comprised of stock options and restricted stock units. That cost is expected to be recognized over a weighted-average period of 1.5 years. The total grant-date fair value of shares that vested during the three- and six-month periods ended May 2, 2015 was approximately \$42.1 million and \$58.8 million, respectively. The total grant-date fair value of shares that vested during the three- and six-month periods ended May 3, 2014 was approximately \$12.7 million and \$52.2 million, respectively.

Note 4 – Common Stock Repurchase

The Company's common stock repurchase program has been in place since August 2004. In the aggregate, the Board of Directors has authorized the Company to repurchase \$5.6 billion of the Company's common stock under the program. Under the program, the Company may repurchase outstanding shares of its common stock from time to time in the open market and through privately negotiated transactions. Unless terminated earlier by resolution of the Company's Board of Directors, the repurchase program will expire when the Company has repurchased all shares authorized under the program. As of May 2, 2015, the Company had repurchased a total of approximately 138.3 million shares of its common stock for approximately \$4.9 billion under this program. As of May 2, 2015, an additional \$684.3 million remains available for repurchase of shares under the current authorized program. The repurchased shares are held as authorized but unissued shares of common stock. The Company also, from time to time, repurchases shares in settlement of employee minimum tax withholding obligations due upon the vesting of restricted stock units or the exercise of stock options. The withholding amount is based on the employee's minimum statutory withholding requirement. Any future common stock repurchases will be dependent upon several factors, including the Company's financial performance, outlook, liquidity and the amount of cash the Company has available in the United States.

Note 5 – Accumulated Other Comprehensive Income (Loss)

The following table provides the changes in accumulated other comprehensive income (loss) (OCI) by component and the related tax effects during the first six months of fiscal 2015.

	Foreign currency translation adjustment	Unrealized holding gains on available for sale securities classified as short- term investments	Unrealized holding (losses) on available for sale securities classified as short- term investments	Unrealized holding gains (losses) on derivatives	Pension plans	Total
November 1, 2014	\$ (5,132)	\$ 518	\$ (306)	\$ 659	\$ (164,265)	\$ (168,526)
Other comprehensive income (loss) before reclassifications	(7,474)	149	192	(34,494)	16,555	(25,072)
Amounts reclassified out of other comprehensive income (loss)	—	—	—	11,857	3,748	15,605
Tax effects	—	(24)	(96)	7,821	(563)	7,138
Other comprehensive income (loss)	(7,474)	125	96	(14,816)	19,740	(2,329)
May 2, 2015	\$ (12,606)	\$ 643	\$ (210)	\$ (14,157)	\$ (144,525)	\$ (170,855)

The amounts reclassified out of accumulated other comprehensive income (loss) with presentation location during each period were as follows:

Comprehensive Income Component	Three Months Ended		Six Months Ended		Location
	May 2, 2015	May 3, 2014	May 2, 2015	May 3, 2014	
Unrealized holding (losses) gains on derivatives					
Currency forwards	\$ 2,980	\$ (207)	\$ 5,342	\$ 105	Cost of sales
	1,841	(384)	3,236	(773)	Research and development
	2,803	(356)	5,293	(298)	Selling, marketing, general and administrative
	—	—	(1,466)	—	(a)
Treasury rate lock	(274)	(274)	(548)	(548)	Interest expense
	7,350	(1,221)	11,857	(1,514)	Total before tax
	(851)	194	(1,397)	292	Tax
	<u>\$ 6,499</u>	<u>\$ (1,027)</u>	<u>\$ 10,460</u>	<u>\$ (1,222)</u>	Net of tax
Amortization of pension components					
Transition obligation	\$ 5	\$ 5	\$ 10	\$ 10	(b)
Prior service credit	(62)	(62)	(124)	(122)	(b)
Actuarial losses	1,924	1,165	3,862	2,300	(b)
	1,867	1,108	3,748	2,188	Total before tax
	(281)	(167)	(563)	(329)	Tax
	<u>\$ 1,586</u>	<u>\$ 941</u>	<u>\$ 3,185</u>	<u>\$ 1,859</u>	Net of tax
Total amounts reclassified out of accumulated other comprehensive income (loss), net of tax					
	<u>\$ 8,085</u>	<u>\$ (86)</u>	<u>\$ 13,645</u>	<u>\$ 637</u>	

a) The gain related to a fixed asset purchase was reclassified out of accumulated other comprehensive income (loss) to fixed assets which will depreciate into earnings over its expected useful life.

b) The amortization of pension components is included in the computation of net periodic pension cost. For further information see Note 13, *Retirement Plans*, contained in Item 8 of the Annual Report on Form 10-K for the fiscal year ended November 1, 2014.

The Company estimates \$7.1 million of net derivative unrealized holding losses included in OCI will be reclassified into earnings within the next twelve months. There was no ineffectiveness in the three- and six-month periods ended May 2, 2015 and May 3, 2014.

Unrealized gains and losses on available-for-sale securities classified as short-term investments at May 2, 2015 and November 1, 2014 are as follows:

	May 2, 2015	November 1, 2014
Unrealized gains on securities classified as short-term investments	\$ 690	\$ 541
Unrealized losses on securities classified as short-term investments	(215)	(407)
Net unrealized gains (losses) on securities classified as short-term investments	<u>\$ 475</u>	<u>\$ 134</u>

As of May 2, 2015, the Company held 77 investment securities, 15 of which were in an unrealized loss position with gross unrealized loss of \$0.2 million and an aggregate fair value of \$562.4 million. As of November 1, 2014, the Company held 66 investment securities, 18 of which were in an unrealized loss position with gross unrealized loss of \$0.4 million and an aggregate fair value of \$694.7 million. These unrealized losses were primarily related to corporate obligations that earn lower interest rates than current market rates. None of these investments have been in a loss position for more than twelve months. As the Company does not intend to sell these investments and it is unlikely that the Company will be required to sell the

investments before recovery of their amortized basis, which will be at maturity, the Company does not consider those investments to be other-than-temporarily impaired at May 2, 2015 and November 1, 2014.

Realized gains or losses on investments are determined based on the specific identification basis and are recognized in nonoperating expense (income). There were no material net realized gains or losses from the sales of available-for-sale investments during any of the fiscal periods presented.

Note 6 – Earnings Per Share

Basic earnings per share is computed based only on the weighted average number of common shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of common shares outstanding during the period, plus the dilutive effect of potential future issuances of common stock relating to stock option programs and other potentially dilutive securities using the treasury stock method. In calculating diluted earnings per share, the dilutive effect of stock options is computed using the average market price for the respective period. In addition, the assumed proceeds under the treasury stock method include the average unrecognized compensation expense of stock options that are in-the-money and restricted stock units. This results in the “assumed” buyback of additional shares, thereby reducing the dilutive impact of in-the-money stock options. Potential shares related to certain of the Company’s outstanding stock options were excluded because they were anti-dilutive. Those potential shares, determined based on the weighted average exercise prices during the respective periods, related to the Company’s outstanding stock options could be dilutive in the future.

The following table sets forth the computation of basic and diluted earnings per share:

	Three Months Ended		Six Months Ended	
	May 2, 2015	May 3, 2014	May 2, 2015	May 3, 2014
Net Income	\$ 205,338	\$ 187,433	\$ 384,095	\$ 340,019
Basic shares:				
Weighted-average shares outstanding	312,660	313,488	311,967	312,887
Earnings per share basic:	\$ 0.66	\$ 0.60	\$ 1.23	\$ 1.09
Diluted shares:				
Weighted-average shares outstanding	312,660	313,488	311,967	312,887
Assumed exercise of common stock equivalents	4,387	4,859	4,398	5,295
Weighted-average common and common equivalent shares	317,047	318,347	316,365	318,182
Earnings per share diluted:	\$ 0.65	\$ 0.59	\$ 1.21	\$ 1.07
Anti-dilutive shares related to:				
Outstanding stock options	1,879	2,981	2,042	2,611

Note 7 – Special Charges

The Company monitors global macroeconomic conditions on an ongoing basis and continues to assess opportunities for improved operational effectiveness and efficiency, as well as a better alignment of expenses with revenues. As a result of these assessments, the Company has undertaken various restructuring actions over the past several years. These actions are described below.

The following tables display the special charges taken for ongoing actions and a roll-forward from November 1, 2014 to May 2, 2015 of the employee separation and exit cost accruals established related to these actions.

<u>Statements of Income</u>	<u>Reduction of Operating Costs</u> <u>Fiscal 2014</u>
Workforce reductions	\$ 37,873
Facility closure costs	459
Non-cash impairment charge	433
Change in estimates	(1,443)
Total Charges	\$ 37,322
<u>Accrued Restructuring</u>	<u>Reduction of Operating Costs</u>
Balance at November 1, 2014	\$ 40,503
Facility closure costs	(366)
Non-cash impairment charge	(433)
Severance payments	(14,795)
Effect of foreign currency on accrual	(447)
Balance at January 31, 2015	\$ 24,462
Facility closure costs	(36)
Severance payments	(9,155)
Effect of foreign currency on accrual	(71)
Balance at May 2, 2015	\$ 15,200

Reduction of Operating Costs

During fiscal 2014, the Company recorded special charges of approximately \$37.3 million. These special charges included \$37.9 million for severance and fringe benefit costs in accordance with the Company's ongoing benefit plan or statutory requirements at foreign locations for 341 manufacturing, engineering and selling, marketing, general and administrative (SMG&A) employees; \$0.5 million for lease obligation costs for facilities that the Company ceased using during the fourth quarter of fiscal 2014; and \$0.4 million for the impairment of assets that have no future use located at closed facilities. The Company reversed approximately \$1.4 million of its severance accrual related to charges taken in fiscal 2013 primarily due to severance costs being lower than the Company's estimates. As of May 2, 2015, the Company still employed 28 of the 341 employees included in these cost reduction actions. These employees must continue to be employed by the Company until their employment is involuntarily terminated in order to receive the severance benefit.

Note 8 – Segment Information

In the first quarter of 2015, the Company implemented organizational changes designed to accelerate the Company's growth by increasing the speed and impact of its technological innovation. The organizational changes combine the Company's market and technology teams to better position engineers with customers in order to address the evolving needs of the markets the Company serves. As a result of these organizational changes, the Company re-evaluated its reporting structure under the new organization and concluded that the Company continues to operate in one reportable segment based on the aggregation of six operating segments. The Company designs, develops, manufactures and markets a broad range of integrated circuits. The Chief Executive Officer has been identified as the Company's Chief Operating Decision Maker. The Company has determined that all of the Company's operating segments share the following similar economic characteristics, and therefore meet the criteria established for operating segments to be aggregated into one reportable segment, namely:

- The primary source of revenue for each operating segment is the sale of integrated circuits.
- The integrated circuits sold by each of the Company's operating segments are manufactured using similar semiconductor manufacturing processes and raw materials in either the Company's own production facilities or by third-party wafer fabricators using proprietary processes.
- The Company sells its products to tens of thousands of customers worldwide. Many of these customers use products spanning all operating segments in a wide range of applications.

- The integrated circuits marketed by each of the Company's operating segments are sold globally through a direct sales force, third-party distributors, independent sales representatives and via our website to the same types of customers.

All of the Company's operating segments share a similar long-term financial model as they have similar economic characteristics. The causes for variation in operating and financial performance are the same among the Company's operating segments and include factors such as (i) life cycle and price and cost fluctuations, (ii) number of competitors, (iii) product differentiation and (iv) size of market opportunity. Additionally, each operating segment is subject to the overall cyclical nature of the semiconductor industry. Lastly, the number and composition of employees and the amounts and types of tools and materials required for production of products are similar for each operating segment.

Revenue Trends by End Market

The following table summarizes revenue by end market. 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 the Company's product will be incorporated. As data systems for capturing and tracking this data evolve and improve, the categorization of products by end market can vary over time. When this occurs, the Company reclassifies 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				
	May 2, 2015			May 3, 2014	
	Revenue	% of Revenue	Y/Y%	Revenue	% of Revenue
Industrial	\$ 390,712	48%	20%	\$ 325,950	47%
Automotive	139,707	17%	3%	135,998	20%
Consumer	109,032	13%	40%	77,644	11%
Communications	181,568	22%	17%	154,944	22%
Total revenue	\$ 821,019	100%	18%	\$ 694,536	100%

	Six Months Ended				
	May 2, 2015			May 3, 2014	
	Revenue	% of Revenue*	Y/Y%	Revenue	% of Revenue*
Industrial	\$ 742,415	47%	21%	\$ 614,771	46%
Automotive	263,747	17%	1%	260,666	20%
Consumer	204,141	13%	34%	152,057	11%
Communications	382,702	24%	30%	295,280	22%
Total revenue	\$ 1,593,005	100%	20%	\$ 1,322,774	100%

* The sum of the individual percentages does not equal the total due to rounding.

Revenue Trends by Geographic Region

Revenue by geographic region, based on the primary location of the Company's customers' design activity for its products, for the three- and six-month periods ended May 2, 2015 and May 3, 2014 were as follows:

Region	Three Months Ended		Six Months Ended	
	May 2, 2015	May 3, 2014	May 2, 2015	May 3, 2014
United States	\$ 276,193	\$ 193,608	\$ 510,840	\$ 375,906
Rest of North and South America	22,200	25,431	45,360	44,867
Europe	251,402	232,299	489,983	432,986
Japan	82,238	74,591	164,906	145,682
China	126,449	109,583	257,168	210,067
Rest of Asia	62,537	59,024	124,748	113,266
Total revenue	\$ 821,019	\$ 694,536	\$ 1,593,005	\$ 1,322,774

In the three- and six-month periods ended May 2, 2015 and May 3, 2014, the predominant country comprising “Rest of North and South America” is Canada; the predominant countries comprising “Europe” are Germany, Sweden, France and the United Kingdom; and the predominant countries comprising “Rest of Asia” are South Korea and Taiwan.

Note 9 – Fair Value

The Company defines fair value as the price that would be received to sell an asset or be paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company applies the following fair value hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Level 1 — Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 — Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 — Level 3 inputs are unobservable inputs for the asset or liability in which there is little, if any, market activity for the asset or liability at the measurement date.

The tables below set forth by level the Company’s financial assets and liabilities, excluding accrued interest components, that are accounted for at fair value on a recurring basis as of May 2, 2015 and November 1, 2014. The tables exclude cash on hand and assets and liabilities that are measured at historical cost or any basis other than fair value. As of May 2, 2015 and November 1, 2014, the Company held \$109.2 million and \$121.3 million, respectively, of cash and held-to-maturity investments that were excluded from the tables below.

May 2, 2015

	Fair Value measurement at Reporting Date using:			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)	
Assets				
Cash equivalents:				
Available-for-sale:				
Institutional money market funds	\$ 188,633	\$ —	\$ —	\$ 188,633
Corporate obligations (1)	—	338,377	—	338,377
Short - term investments:				
Available-for-sale:				
Securities with one year or less to maturity:				
Corporate obligations (1)	—	2,233,377	—	2,233,377
Floating rate notes, issued at par	—	40,073	—	40,073
Floating rate notes (1)	—	65,203	—	65,203
Securities with greater than one year to maturity:				
Floating rate notes, issued at par	—	99,909	—	99,909
Other assets:				
Deferred compensation investments	22,573	—	—	22,573
Total assets measured at fair value	\$ 211,206	\$ 2,776,939	\$ —	\$ 2,988,145
Liabilities				
Forward foreign currency exchange contracts (2)	—	10,415	—	10,415
Contingent consideration	—	—	4,741	4,741
Interest rate swap agreements	—	19,733	—	19,733
Total liabilities measured at fair value	\$ —	\$ 30,148	\$ 4,741	\$ 34,889

(1) The amortized cost of the Company's investments classified as available-for-sale as of May 2, 2015 was \$2.4 billion.

(2) The Company has a master netting arrangement by counterparty with respect to derivative contracts. See Note 10, *Derivatives*, for more information related to the Company's master netting arrangements.

November 1, 2014

	Fair Value measurement at Reporting Date using:			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)	
Assets				
Cash equivalents:				
Available-for-sale:				
Institutional money market funds	\$ 178,067	\$ —	\$ —	\$ 178,067
Corporate obligations (1)	—	269,901	—	269,901
Short - term investments:				
Available-for-sale:				
Securities with one year or less to maturity:				
Corporate obligations (1)	—	2,122,120	—	2,122,120
Floating rate notes, issued at par	—	85,061	—	85,061
Floating rate notes (1)	—	50,010	—	50,010
Securities with greater than one year to maturity:				
Floating rate notes, issued at par	—	40,044	—	40,044
Other assets:				
Deferred compensation investments	21,393	—	—	21,393
Interest rate swap agreements	—	1,723	—	1,723
Total assets measured at fair value	\$ 199,460	\$ 2,568,859	\$ —	\$ 2,768,319
Liabilities				
Contingent consideration	—	—	4,806	4,806
Forward foreign currency exchange contracts (2)	—	10,093	—	10,093
Total liabilities measured at fair value	\$ —	\$ 10,093	\$ 4,806	\$ 14,899

- (1) The amortized cost of the Company's investments classified as available-for-sale as of November 1, 2014 was \$2.3 billion.
(2) The Company has a master netting arrangement by counterparty with respect to derivative contracts. See Note 10, *Derivatives*, for more information related to the Company's master netting arrangements.

The following methods and assumptions were used by the Company in estimating its fair value disclosures for financial instruments:

Cash equivalents and short-term investments — These investments are adjusted to fair value based on quoted market prices or are determined using a yield curve model based on current market rates.

Deferred compensation plan investments — The fair value of these mutual fund, money market fund and equity investments are based on quoted market prices.

Forward foreign currency exchange contracts — The estimated fair value of forward foreign currency exchange contracts, which includes derivatives that are accounted for as cash flow hedges and those that are not designated as cash flow hedges, is based on the estimated amount the Company would receive if it sold these agreements at the reporting date taking into consideration current interest rates as well as the creditworthiness of the counterparty for assets and the Company's creditworthiness for liabilities. The fair value of these instruments is based upon valuation models using current market information such as strike price, spot rate, maturity date and volatility.

Interest rate swap agreements — The fair value of interest rate swap agreements is based on the quoted market price for the same or similar financial instruments.

Contingent consideration — The fair value of the contingent consideration was estimated utilizing the income approach and is based upon significant inputs not observable in the market. The income approach is based on two steps. The first step involves a projection of the cash flows that is based on the Company's estimates of the timing and probability of achieving the defined milestones. The second step involves converting the cash flows into a present value equivalent through discounting. The discount rate reflects the Baa costs of debt plus the relevant risk associated with the asset and the time value of money.

The fair value measurement of the contingent consideration encompasses the following significant unobservable inputs:

Unobservable Inputs	Range
Estimated contingent consideration payments	\$5,000
Discount rate	0% - 10%
Timing of cash flows	1 year
Probability of achievement	100%

Changes in the fair value of the contingent consideration subsequent to the acquisition date that are primarily driven by assumptions pertaining to the achievement of the defined milestones will be recognized in operating income in the period of the estimated fair value change. Significant increases or decreases in any of the inputs in isolation may result in a fluctuation in the fair value measurement.

The following table summarizes the change in the fair value of the contingent consideration measured using significant unobservable inputs (Level 3) from November 1, 2014 to May 2, 2015:

	Contingent Consideration
Balance as of November 1, 2014	\$ 4,806
Fair value adjustment (1)	67
Effect of foreign currency	(132)
Balance as of May 2, 2015	\$ 4,741

(1) Recorded in research and development expense in the Company's condensed consolidated statements of income.

Financial Instruments Not Recorded at Fair Value on a Recurring Basis

On April 4, 2011, the Company issued \$375.0 million aggregate principal amount of 3.0% senior unsecured notes due April 15, 2016 (the 2016 Notes) with semi-annual fixed interest payments due on April 15 and October 15 of each year, commencing October 15, 2011. Based on quotes received from third-party banks, the fair value of the 2016 Notes as of May 2, 2015 and November 1, 2014 was \$383.0 million and \$386.3 million, respectively, and is classified as a Level 1 measurement according to the fair value hierarchy.

On June 3, 2013, the Company issued \$500.0 million aggregate principal amount of 2.875% senior unsecured notes due June 1, 2023 (the 2023 Notes) with semi-annual fixed interest payments due on June 1 and December 1 of each year, commencing December 1, 2013. Based on quotes received from third-party banks, the fair value of the 2023 Notes as of May 2, 2015 and November 1, 2014 was \$495.3 million and \$483.5 million, respectively, and is classified as a Level 1 measurement according to the fair value hierarchy.

Note 10 – Derivatives

Foreign Exchange Exposure Management — The Company enters into forward foreign currency exchange contracts to offset certain operational and balance sheet exposures from the impact of changes in foreign currency exchange rates. Such exposures result from the portion of the Company's operations, assets and liabilities that are denominated in currencies other than the U.S. dollar, primarily the Euro; other significant exposures include the Philippine Peso, the Japanese Yen and the British Pound. These foreign currency exchange contracts are entered into to support transactions made in the normal course of business, and accordingly, are not speculative in nature. The contracts are for periods consistent with the terms of the underlying transactions, generally one year or less. Hedges related to anticipated transactions are designated and documented at the inception of the respective hedges as cash flow hedges and are evaluated for effectiveness monthly. Derivative instruments are employed to eliminate or minimize certain foreign currency exposures that can be confidently identified and quantified. As the terms of the contract and the underlying transaction are matched at inception, forward contract effectiveness is calculated by comparing the change in fair value of the contract to the change in the forward value of the anticipated transaction, with the effective portion of the gain or loss on the derivative reported as a component of accumulated OCI in shareholders' equity and reclassified into earnings in the same period during which the hedged transaction affects earnings. Any residual change in fair value of the instruments, or ineffectiveness, is recognized immediately in other (income) expense. Additionally, the Company enters into forward foreign currency contracts that economically hedge the gains and losses generated by the re-measurement of certain recorded assets and liabilities in a non-functional currency. Changes in the fair value of these undesignated hedges are recognized in other (income) expense immediately as an offset to the changes in the fair value of the asset or liability being hedged. As of May 2, 2015 and November 1, 2014, the total notional amount of these undesignated hedges was \$41.9 million and \$45.2 million, respectively. The fair value of these undesignated hedges in the Company's condensed consolidated balance sheets as of May 2, 2015 and November 1, 2014 was immaterial.

The total notional amounts of forward foreign currency derivative instruments designated as hedging instruments of cash flow hedges denominated in Euros, British Pounds, Philippine Pesos and Japanese Yen as of May 2, 2015 and November 1, 2014 was \$178.4 million and \$183.5 million, respectively. The fair values of forward foreign currency derivative instruments designated as hedging instruments in the Company's condensed consolidated balance sheets as of May 2, 2015 and November 1, 2014 were as follows:

	Balance Sheet Location	Fair Value At	
		May 2, 2015	November 1, 2014
Forward foreign currency exchange contracts	Accrued liabilities	\$ 10,402	\$ 10,584

Interest Rate Exposure Management — The Company's current and future debt may be subject to interest rate risk. The Company utilizes interest rate derivatives to alter interest rate exposure in an attempt to reduce the effects of these changes.

On October 28, 2014, the Company entered into forward starting interest rate swap transactions to hedge its exposure to the variability in future cash flows due to changes in interest rates for debt issuances expected to occur in the future. Amounts reported in OCI related to these derivatives will be reclassified from OCI to earnings as interest expense is incurred on the forecasted hedged fixed-rate debt, adjusting interest expense to reflect the fixed-rate entered into by the forward starting swaps. These cash flow instruments hedge forecasted interest payments to be made through 2025. These forward starting swaps will be terminated on the day the hedged forecasted debt issuances occur, but no later than December 1, 2015, if the hedged forecasted debt issuances do not occur. The total notional value of these hedges as of May 2, 2015 and November 1, 2014 was \$500.0 million. The fair value of these hedges was \$19.7 million as of May 2, 2015, included in accrued liabilities, and \$1.7 million as of November 1, 2014, included in other assets, in the Company's condensed consolidated balance sheet.

On April 24, 2013, the Company entered into a treasury rate lock agreement with Bank of America. This agreement allowed the Company to lock a 10-year US Treasury rate of 1.7845% through June 14, 2013 for its anticipated issuance of the 2023 Notes. The Company designated this agreement as a cash flow hedge. On June 3, 2013, the Company terminated the treasury rate lock simultaneously with the issuance of the 2023 Notes which resulted in a gain of approximately \$11.0 million. This gain is being amortized into interest expense over the 10-year term of the 2023 Notes. See Note 5, *Accumulated Other Comprehensive Income (Loss)*, for more information relating to the amortization of the treasury rate lock into interest expense.

The market risk associated with the Company's derivative instruments results from currency exchange rate or interest rate movements that are expected to offset the market risk of the underlying transactions, assets and liabilities being hedged. The counterparties to the agreements relating to the Company's derivative instruments consist of a number of major international financial institutions with high credit ratings. Based on the credit ratings of the Company's counterparties as of May 2, 2015, nonperformance is not perceived to be a significant risk. Furthermore, none of the Company's derivatives are subject to collateral or other security arrangements and none contain provisions that are dependent on the Company's credit ratings from any credit rating agency. While the contract or notional amounts of derivative financial instruments provide one measure of the

volume of these transactions, they do not represent the amount of the Company's exposure to credit risk. The amounts potentially subject to credit risk (arising from the possible inability of counterparties to meet the terms of their contracts) are generally limited to the amounts, if any, by which the counterparties' obligations under the contracts exceed the obligations of the Company to the counterparties. As a result of the above considerations, the Company does not consider the risk of counterparty default to be significant.

The Company records the fair value of its derivative financial instruments in its condensed consolidated financial statements in other current assets, other assets or accrued liabilities, depending on their net position, regardless of the purpose or intent for holding the derivative contract. Changes in the fair value of the derivative financial instruments are either recognized periodically in earnings or in shareholders' equity as a component of OCI. Changes in the fair value of cash flow hedges are recorded in OCI and reclassified into earnings when the underlying contract matures. Changes in the fair values of derivatives not qualifying for hedge accounting or the ineffective portion of designated hedges are reported in earnings as they occur.

For information on the unrealized holding gains (losses) on derivatives included in and reclassified out of accumulated other comprehensive income into the condensed consolidated statement of income related to forward foreign currency exchange contracts, see Note 5, *Accumulated Other Comprehensive Income (Loss)*.

All of the Company's derivative financial instruments are subject to master netting arrangements that allow the Company and its counterparties to net settle amounts owed to each other. Derivative assets and liabilities that can be net settled under these arrangements have been presented in the Company's consolidated balance sheet on a net basis. As of May 2, 2015 and November 1, 2014, none of the master netting arrangements involved collateral. The following table presents the gross amounts of the Company's derivative assets and liabilities and the net amounts recorded in our consolidated balance sheet:

	May 2, 2015	November 1, 2014
Gross amount of recognized liabilities	\$ (11,119)	\$ (10,736)
Gross amounts recognized assets offset in the consolidated balance sheet	704	643
Net liabilities presented in the consolidated balance sheet	<u>\$ (10,415)</u>	<u>\$ (10,093)</u>

Note 11 – Goodwill and Intangible Assets

Goodwill

The Company evaluates goodwill for impairment annually, as well as whenever events or changes in circumstances suggest that the carrying value of goodwill may not be recoverable. The Company tests goodwill for impairment at the reporting unit level (operating segment or one level below an operating segment) on an annual basis on the first day of the fourth quarter (on or about August 1) or more frequently if indicators of impairment exist. In the first quarter of 2015, the Company implemented organizational changes designed to accelerate the Company's growth by increasing the speed and impact of its technological innovation. The organizational changes combine the Company's market and technology teams to address the evolving needs of the markets and customers the Company serves. The Company performed an impairment analysis immediately prior to and subsequent to the reorganization and evaluated goodwill for impairment as of the date of reorganization. The Company identified its reporting units to be its six operating segments. The performance of the test involves a two-step process. The first step of the impairment test involves comparing the fair values of the applicable reporting units with their aggregate carrying values, including goodwill. The Company determines the fair value of its reporting units using the income approach methodology of valuation that includes the discounted cash flow method, as well as other generally accepted valuation methodologies. If the carrying amount of a reporting unit exceeds the reporting unit's fair value, the Company performs the second step of the goodwill impairment test to determine the amount of impairment loss. The second step of the goodwill impairment test involves comparing the implied fair value of the affected reporting unit with the carrying value of that reporting unit. Based on this analysis, no impairment was identified. The Company's next annual impairment assessment will be performed as of the first day of the fourth quarter of fiscal 2015 unless indicators arise that would require the Company to re-evaluate at an earlier date. The following table presents the changes in goodwill during the first six months of fiscal 2015:

	Six Months Ended	
	May 2, 2015	
Balance as of November 1, 2014	\$	1,642,438
Goodwill adjustment related to acquisition of Hittite (Note 16)		3,757
Goodwill adjustment related to acquisition of Metroic Limited (1)		118
Foreign currency translation adjustment		(2,699)
Balance as of May 2, 2015	\$	1,643,614

(1) Represents changes to goodwill as a result of finalizing working capital adjustments related to this acquisition.

Intangible Assets

The Company reviews finite-lived intangible assets for impairment whenever events or changes in circumstances indicate that the carrying value of assets may not be recoverable. Recoverability of these assets is determined by comparison of their carrying value to future undiscounted cash flows the assets are expected to generate over their remaining economic lives. If such assets are considered to be impaired, the impairment to be recognized in earnings equals the amount by which the carrying value of the assets exceeds their fair value determined by either a quoted market price, if any, or a value determined by utilizing a discounted cash flow technique. As of May 2, 2015 and November 1, 2014, the Company's finite-lived intangible assets consisted of the following:

	May 2, 2015		November 1, 2014	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Customer relationships	\$ 624,900	\$ 54,196	\$ 624,900	\$ 19,473
Technology-based	16,200	4,047	16,200	1,627
Backlog	25,500	19,904	25,500	7,154
Total	<u>\$ 666,600</u>	<u>\$ 78,147</u>	<u>\$ 666,600</u>	<u>\$ 28,254</u>

For the three- and six-month periods ended May 2, 2015, amortization expense related to finite-lived intangible assets was \$25.2 million and \$49.9 million, respectively. For each of the three- and six-month periods ended May 3, 2014, amortization expense related to finite-lived intangible assets was \$0.1 million. The remaining amortization expense will be recognized over an estimated weighted average life of approximately 4.1 years.

The Company expects annual amortization expense for intangible assets to be:

<u>Fiscal Year</u>	<u>Amortization Expense</u>
Remainder of fiscal 2015	\$42,200
2016	\$73,208
2017	\$73,208
2018	\$72,149
2019	\$69,433
2020	\$69,433

Indefinite-lived intangible assets are tested for impairment on an annual basis on the first day of the fourth quarter (on or about August 1) or more frequently if indicators of impairment exist. The impairment test involves the comparison of the fair values of the intangible assets with their carrying amount. No impairment of intangible assets resulted from the impairment tests in any of the fiscal years presented.

Intangible assets, excluding in-process research and development (IPR&D), are amortized on a straight-line basis over their estimated useful lives or on an accelerated method of amortization that is expected to reflect the estimated pattern of economic use. IPR&D assets are considered indefinite-lived intangible assets until completion or abandonment of the associated research and development (R&D) efforts. Upon completion of the projects, the IPR&D assets will be amortized over their estimated useful lives.

Indefinite-lived intangible assets consisted of \$32.8 million and \$33.1 million of IPR&D as of May 2, 2015 and November 1, 2014, respectively.

Note 12 – Pension Plans

The Company has various defined benefit pension and other retirement plans for certain non-U.S. employees that are consistent with local statutory requirements and practices. The Company's funding policy for its foreign defined benefit pension plans is consistent with the local requirements of each country. The plans' assets consist primarily of U.S. and non-U.S. equity securities, bonds, property and cash.

Net periodic pension cost of non-U.S. plans is presented in the following table:

	Three Months Ended		Six Months Ended	
	May 2, 2015	May 3, 2014	May 2, 2015	May 3, 2014
Service cost	\$ 4,056	\$ 3,436	\$ 8,880	\$ 6,834
Interest cost	3,008	3,577	6,590	7,107
Expected return on plan assets	(3,504)	(3,463)	(7,669)	(6,879)
Amortization of initial net obligation	5	5	10	10
Amortization of prior service cost	(62)	(62)	(124)	(122)
Amortization of net loss	1,924	1,165	3,862	2,300
Net periodic pension cost	\$ 5,427	\$ 4,658	\$ 11,549	\$ 9,250

Pension contributions of \$3.4 million and \$7.9 million were made by the Company during the three- and six-month periods ended May 2, 2015, respectively. The Company presently anticipates contributing an additional \$5.9 million to fund its defined benefit pension plans in fiscal year 2015 for a total of \$13.8 million.

Note 13 – Revolving Credit Facility

On December 19, 2012, the Company entered into a five-year, \$500.0 million senior unsecured revolving credit facility with certain institutional lenders (the Credit Agreement). In June 2014, the Company amended this credit facility to temporarily increase the amount of allowed subsidiary indebtedness related to the financing of the Acquisition. To date, the Company has not borrowed under this credit facility but the Company may borrow in the future and use the proceeds for repayment of existing indebtedness, stock repurchases, acquisitions, capital expenditures, working capital and other lawful corporate purposes. Revolving loans under the Credit Agreement (other than swing line loans) bear interest, at the Company's option, at either a rate equal to (a) the Eurodollar Rate (as defined in the Credit Agreement) plus a margin based on the Company's debt rating or (b) the Base Rate (defined as the highest of (i) the Bank of America prime rate, (ii) the Federal Funds Rate (as defined in the Credit Agreement) plus .50% or (iii) one month Eurodollar Rate plus 1.00%) plus a margin based on the Company's debt rating. The terms of the facility impose restrictions on the Company's ability to undertake certain transactions, to create certain liens on assets and to incur certain subsidiary indebtedness. In addition, the Credit Agreement contains a consolidated leverage ratio covenant of total consolidated funded debt to consolidated earnings before interest, taxes, depreciation, and amortization (EBITDA) of not greater than 3.0 to 1.0. As of May 2, 2015, the Company was compliant with these covenants.

Note 14 – Debt

On April 4, 2011, the Company issued \$375.0 million aggregate principal amount of 3.0% senior unsecured notes due April 15, 2016 (the 2016 Notes) with semi-annual fixed interest payments due on April 15 and October 15 of each year, commencing October 15, 2011. The sale of the 2016 Notes was made pursuant to the terms of an underwriting agreement, dated March 30, 2011, between the Company and Credit Suisse Securities (USA) LLC and Merrill Lynch, Pierce, Fenner and Smith Incorporated, as representative of the several underwriters named therein. The net proceeds of the offering were \$370.5 million, after issuing at a discount and deducting expenses, underwriting discounts and commissions, which will be amortized over the term of the 2016 Notes. The indenture governing the 2016 Notes contains covenants that may limit the Company's ability to: incur, create, assume or guarantee any debt for borrowed money secured by a lien upon a principal property; enter into sale and lease-back transactions with respect to a principal property; and consolidate with or merge into, or transfer or lease all or substantially all of its assets to, any other party. As of May 2, 2015, the Company was compliant with these covenants. The 2016 Notes are subordinated to any future secured debt and to the other liabilities of the Company's subsidiaries.

On June 3, 2013, the Company issued \$500.0 million aggregate principal amount of 2.875% senior unsecured notes due June 1, 2023 (the 2023 Notes) with semi-annual fixed interest payments due on June 1 and December 1 of each year, commencing December 1, 2013. Prior to issuing the 2023 Notes, on April 24, 2013, the Company entered into a treasury rate

lock agreement with Bank of America. This agreement allowed the Company to lock a 10-year US Treasury rate of 1.7845% through June 14, 2013 for its anticipated issuance of the 2023 Notes. Upon issuing the 2023 Notes, the Company simultaneously terminated the treasury rate lock agreement resulting in a gain of approximately \$11.0 million. This gain will be amortized into interest expense over the 10-year term of the 2023 Notes. The sale of the 2023 Notes was made pursuant to the terms of an underwriting agreement, dated as of May 22, 2013, among the Company and J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Credit Suisse Securities (USA) LLC, as the representatives of the several underwriters named therein. The net proceeds of the offering were \$493.9 million, after discount and issuance costs. Debt discount and issuance costs will be amortized through interest expense over the term of the 2023 Notes. The indenture governing the 2023 Notes contains covenants that may limit the Company's ability to: incur, create, assume or guarantee any debt for borrowed money secured by a lien upon a principal property; enter into sale and lease-back transactions with respect to a principal property; and consolidate with or merge into, or transfer or lease all or substantially all of its assets to, any other party. As of May 2, 2015, the Company was compliant with these covenants. The notes are subordinated to any future secured debt and to the other liabilities of the Company's subsidiaries.

On July 22, 2014, the Company entered into a 90-day term loan facility in an aggregate principal amount of \$2.0 billion with Credit Suisse AG, as Administrative Agent, and each lender from time to time party thereto (the Term Loan Agreement) to finance the Acquisition. The outstanding balance due under the Term Loan Agreement was repaid on August 29, 2014. Loans under the Term Loan Agreement bore interest at the Eurodollar Rate (as defined in the Term Loan Agreement) plus 1.00% (1.16% as of August 2, 2014). Payments of the principal amounts of revolving loans under the Term Loan Agreement were due no later than October 20, 2014 and did not require interim amortization. Expenses incurred related to the debt were amortized over the 90-day term. The Term Loan Agreement contained customary representations and warranties and affirmative and negative covenants, including, among others, limitations on liens, indebtedness of subsidiaries, mergers and other fundamental changes, sales and other dispositions of property or assets and transactions with affiliates. The Term Loan Agreement contained a consolidated leverage ratio covenant of total consolidated funded debt to consolidated earnings before interest, taxes, depreciation, and amortization (EBITDA) of not greater than 3.0 to 1.0.

The Company's principal payments related to its debt obligations are as follows: \$375.0 million in fiscal 2016 and \$500.0 million in fiscal 2023.

Note 15 – Inventories

Inventories are valued at the lower of cost (first-in, first-out method) or market. The valuation of inventory requires the Company to estimate obsolete or excess inventory as well as inventory that is not of saleable quality. The Company employs a variety of methodologies to determine the net realizable value of its inventory. While a portion of the calculation to record inventory at its net realizable value is based on the age of the inventory and lower of cost or market calculations, a key factor in estimating obsolete or excess inventory requires the Company to estimate the future demand for its products. If actual demand is less than the Company's estimates, impairment charges, which are recorded to cost of sales, may need to be recorded in future periods. Inventory in excess of saleable amounts is not valued, and the remaining inventory is valued at the lower of cost or market. Approximately \$3.0 million of raw materials have been classified as non-current and are presented within the condensed consolidated balance sheet as other assets as the Company does not expect this inventory to be sold within one year. This inventory was purchased as part of a planned transition from a principal foundry supplier and was acquired by the Company through the Acquisition. The larger than normal purchase was made to maintain an adequate supply of the raw material for customers, which has a natural life of five to ten years.

Inventories at May 2, 2015 and November 1, 2014 were as follows:

	May 2, 2015	November 1, 2014
Raw materials	\$ 47,982	\$ 47,267
Work in process	230,622	216,765
Finished goods	115,890	103,895
Total inventories	\$ 394,494	\$ 367,927
Non-current inventories	\$ 2,981	\$ 8,793

Note 16 – Acquisitions

Hittite Microwave Corporation

On July 22, 2014, the Company completed its acquisition of Hittite Microwave Corporation (Hittite), a company that designed and developed high performance integrated circuits, modules, subsystems and instrumentation for radio frequency, microwave and millimeterwave applications. The total consideration paid to acquire Hittite was approximately \$2.4 billion, financed through a combination of existing cash on hand and a 90-day term loan facility of \$2.0 billion. The Acquisition is expected to expand the Company's technology position in high performance signal processing solutions and drive growth in key markets. The Company completed the Acquisition through a cash tender offer (the Offer) by BBAC Corp., a wholly-owned subsidiary of the Company, for all of the outstanding shares of common stock, par value \$0.01 per share, of Hittite at a purchase price of \$78.00 per share, net to the seller in cash, without interest, less any applicable withholding taxes. After completion of the Offer, BBAC Corp. merged with and into Hittite, with Hittite continuing as the surviving corporation and a wholly-owned subsidiary of the Company.

During the first six months of fiscal 2015, the Company recorded an acquisition accounting adjustment of \$3.8 million to deferred income taxes and goodwill. The Acquisition accounting is not complete and additional information that existed at the acquisition date may become known to the Company during the remainder of the measurement period. As of the filing date of this Quarterly Report on Form 10-Q, the Company is still in the process of valuing the assets acquired of Hittite's business, including inventory and deferred income taxes.

The following unaudited pro forma consolidated financial information presents the Company's combined results of operations after giving effect to the Acquisition and assumes that the Acquisition, which closed on July 22, 2014, was completed on November 4, 2012 (the first day of the Company's 2013 fiscal year). The pro forma consolidated financial information has been calculated after applying the Company's accounting policies and includes adjustments for amortization expense of acquired intangible assets and the consequential tax effects.

These pro forma results have been prepared for comparative purposes only and do not purport to be indicative of the operating results of the Company that would have been achieved had the Acquisition actually taken place on November 4, 2012. In addition, these results are not intended to be a projection of future results and do not reflect events that may occur after the Acquisition, including but not limited to revenue enhancements, cost savings or operating synergies that the combined Company may achieve as a result of the Acquisition.

(thousands, except per share data)

	Three Months Ended		Six Months Ended	
	May 3, 2014		May 3, 2014	
Revenue	\$	768,969	\$	1,465,858
Net income	\$	194,065	\$	350,737

Note 17 – Income Taxes

The Company has provided for potential tax liabilities due in the various jurisdictions in which the Company operates. Judgment is required in determining the worldwide income tax expense provision. In the ordinary course of global business, there are many transactions and calculations where the ultimate tax outcome is uncertain. Some of these uncertainties arise as a consequence of cost reimbursement arrangements among related entities. Although the Company believes its estimates are reasonable, no assurance can be given that the final tax outcome of these matters will not be different from that which is reflected in the historical income tax provisions and accruals. Such differences could have a material impact on the Company's income tax provision and operating results in the period in which such determination is made.

The Company's effective tax rate reflects the applicable tax rate in effect in the various tax jurisdictions around the world where our income is earned. The Company's effective tax rate for all periods presented is lower than the U.S. federal statutory rate of 35%, primarily due to lower statutory tax rates applicable to the Company's operations in jurisdictions in which the Company earns a portion of its income.

The Company has filed a petition with the U.S. Tax Court for one open matter for fiscal years 2006 and 2007 that pertains to Section 965 of the Internal Revenue Code related to the beneficial tax treatment of dividends paid from foreign owned companies under The American Jobs Creation Act. The Company recorded a \$36.5 million reserve for this potential liability in the fourth quarter of fiscal 2013.

All of the Company's U.S. federal tax returns prior to fiscal year 2011 are no longer subject to examination.

All of the Company's Ireland tax returns prior to fiscal year 2010 are no longer subject to examination.

Unrealized Tax Benefits

The following table summarizes the changes in the total amounts of unrealized tax benefits for the six months ended May 2, 2015.

	Unrealized Tax Benefits
Balance as of November 1, 2014	\$ 65,464
Additions for tax positions related to current year	215
Additions for tax positions related to prior years	4,074
Reductions for tax positions related to settlements with taxing authorities	(1,186)
Reductions due to lapse of applicable statute of limitations	(766)
Balance as of May 2, 2015	\$ 67,801

Note 18 – New Accounting Pronouncements

Standards Implemented

Income Taxes

In July 2013, the Financial Accounting Standards Board (FASB) issued ASU No. 2013-11 (ASU No. 2013-11), *Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists*. ASU No. 2013-11 requires that an unrecognized tax benefit, or a portion of an unrecognized tax benefit, should be presented as a reduction to a deferred tax asset for a net operating loss carryforward, a similar tax loss or a tax credit carryforward, with certain exceptions. ASU No. 2013-11 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2013, which is the Company's first quarter of fiscal year 2015. Early adoption is permitted. The adoption of ASU No. 2013-11 in the first quarter of fiscal 2015 did not impact the Company's financial condition or results of operations.

Standards to be Implemented

Compensation - Retirement Benefits

In April, 2015, the FASB issued ASU No. 2015-04 (ASU 2015-04), *Practical Expedient for the Measurement Date of an Employer's Defined Benefit Obligation and Plan Assets*, which provides a practical expedient for entities with a fiscal year-end that does not coincide with a month-end, that permits the entity to measure defined benefit plan assets and obligations using the month-end that is closest to the entity's fiscal year-end and apply that practical expedient consistently from year to year. Entities are required to disclose the accounting policy election and the date used to measure defined benefit plan assets and obligations. ASU 2015-04 is effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2015. Early application is permitted. Amendments should be applied prospectively. The adoption of ASU 2015-04 in the first quarter of fiscal 2017 is not expected to have a material impact on the Company's financial condition or results of operations.

Interest - Imputation of Interest

In April, 2015, the FASB issued ASU No. 2015-03 (ASU 2015-03), *Simplifying the Presentation of Debt Issuance Costs*, which requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. ASU 2015-03 is effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2015. Early adoption is permitted. An entity should apply the new guidance on a retrospective basis, wherein the balance sheet of each individual period presented should be adjusted to reflect the period-specific effects of applying the new guidance. The adoption of ASU 2015-03 in the first quarter of fiscal 2017 is not expected to have a material impact on the Company's financial condition or results of operations.

Consolidation

In February, 2015, the FASB issued ASU No. 2015-02 (ASU 2015-02), *Amendments to the Consolidation Analysis*. ASU 2015-02 affects reporting entities that are required to evaluate whether they should consolidate certain legal entities. ASU 2015-02 modifies the evaluation of whether limited partnerships and similar legal entities are variable interest entities (VIEs) or voting interest entities, eliminates the presumption that a general partner should consolidate a limited partnership and affects the consolidation analysis of reporting entities that are involved with VIEs, particularly those that have fee arrangements and related party relationships. ASU 2015-02 is effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2015. Early adoption is permitted. A reporting entity may apply the amendments in this guidance

using a modified retrospective approach by recording a cumulative-effect adjustment to equity as of the beginning of the fiscal year of adoption. A reporting entity also may apply the amendments retrospectively. The adoption of ASU 2015-02 in the first quarter of fiscal 2017 is not expected to have a material impact on the Company's financial condition or results of operations.

Stock Compensation

In June 2014, the FASB issued ASU No. 2014-12 (ASU 2014-12), *Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period*, which requires that a performance target that affects vesting and that could be achieved after the requisite service period be treated as a performance condition. ASU 2014-12 is effective for annual periods and interim periods within those annual periods beginning after December 15, 2015, which is the Company's first quarter of fiscal year 2017. Early adoption is permitted. The adoption of ASU 2014-12 in the first quarter of fiscal 2017 is not expected to have a material impact on the Company's financial condition or results of operations.

Revenue Recognition

In May 2014, the FASB issued ASU No. 2014-09 (ASU 2014-09), *Revenue from Contracts with Customers*, which supersedes nearly all existing revenue recognition guidance under U.S. GAAP. The core principle of ASU 2014-09 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Additionally, the guidance requires improved disclosures to help users of financial statements better understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. ASU 2014-09 is effective for annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. However, in early April 2015, the FASB voted to propose to defer the effective date of the new revenue recognition standard by one year, as a result, public entities would apply the new revenue standard to annual reporting periods beginning after December 31, 2017. This proposal is still being evaluated and final determination of the effective date is expected by the end of 2015. Early application is not permitted. The guidance allows for the amendment to be applied either retrospectively to each prior reporting period presented or retrospectively as a cumulative-effect adjustment as of the date of adoption. The Company is in the process of evaluating the impact of adoption on its consolidated financial statements.

Discontinued Operations

In April 2014, the FASB issued ASU No. 2014-08 (ASU 2014-08), *Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360): Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity*, which raises the threshold for disposals to qualify as discontinued operations. Under the new guidance, a disposal representing a strategic shift that has (or will have) a major effect on an entity's financial results or a business activity classified as held for sale, should be reported as discontinued operations. ASU 2014-08 also expands the disclosure requirements for discontinued operations and adds new disclosures for individually significant dispositions that do not qualify as discontinued operations. ASU 2014-08 is effective prospectively for fiscal years, and interim reporting periods within those years, beginning after December 15, 2014, which is the Company's first quarter of fiscal year 2016. Early adoption is permitted, but only for disposals (or classifications as held for sale) that have not been reported in the financial statements previously issued or available for issuance. As of May 2, 2015, there have been no disposals or classifications as held for sale that would be subject to ASU 2014-08. As such, the Company will consider the adoption of this standard upon the earlier of a disposal or classification as held for sale.

Note 19 – Subsequent Events

On May 18, 2015, the Board of Directors of the Company declared a cash dividend of \$0.40 per outstanding share of common stock. The dividend will be paid on June 9, 2015 to all shareholders of record at the close of business on May 29, 2015.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This information should be read in conjunction with the unaudited condensed consolidated financial statements and related notes included in Item 1 of this Quarterly Report on Form 10-Q and the audited consolidated financial statements and related notes and Management's Discussion and Analysis of Financial Condition and Results of Operations contained in our Annual Report on Form 10-K for the fiscal year ended November 1, 2014.

This Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements regarding future events and our future results that are subject to the safe harbor created under the Private Securities Litigation Reform Act of 1995 and other safe harbors under the Securities Act of 1933 and the Securities Exchange Act of 1934. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. These statements are based on current expectations, estimates, forecasts, and projections about the industries in which we operate and the beliefs and assumptions of our management. Words such as "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," "continues," "may," "could" and "will," and variations of such words and similar expressions are intended to identify such forward-looking statements. In addition, any statements that refer to projections regarding our future financial performance; our anticipated growth and trends in our businesses; our future capital needs and capital expenditures; our future market position and expected competitive changes in the marketplace for our products; our ability to pay dividends or repurchase stock; our ability to service our outstanding debt; our expected tax rate; the effect of new accounting pronouncements; our ability to successfully integrate acquired businesses and technologies; and other characterizations of future events or circumstances are forward-looking statements. Readers are cautioned that these forward-looking statements are only predictions and are inherently subject to risks, uncertainties, and assumptions that are difficult to predict, including those identified in Part II, Item 1A. "Risk Factors" and elsewhere herein. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. We undertake no obligation to revise or update any forward-looking statements, including to reflect events or circumstances occurring after the date of the filing of this report, except to the extent required by law.

Results of Operations

(all tabular amounts in thousands except per share amounts and percentages)

Overview

	Three Months Ended			
	May 2, 2015	May 3, 2014	\$ Change	% Change
Revenue	\$ 821,019	\$ 694,536	\$ 126,483	18%
Gross margin %	66.4%	66.1%		
Net income	\$ 205,338	\$ 187,433	\$ 17,905	10%
Net income as a % of revenue	25.0%	27.0%		
Diluted EPS	\$ 0.65	\$ 0.59	\$ 0.06	10%

	Six Months Ended			
	May 2, 2015	May 3, 2014	\$ Change	% Change
Revenue	\$ 1,593,005	\$ 1,322,774	\$ 270,231	20%
Gross margin %	65.8%	65.6%		
Net income	\$ 384,095	\$ 340,019	\$ 44,076	13%
Net income as a % of revenue	24.1%	25.7%		
Diluted EPS	\$ 1.21	\$ 1.07	\$ 0.14	13%

On July 22, 2014, we completed the acquisition of Hittite Microwave Corporation (Hittite), a company that designed and developed high performance integrated circuits, modules, subsystems and instrumentation for radio frequency, microwave and millimeterwave applications. The total consideration paid to acquire Hittite was approximately \$2.4 billion, financed through a combination of existing cash on hand and a 90-day term loan facility of \$2.0 billion. The acquisition of Hittite is referred to as the Acquisition. See Note 16, *Acquisitions*, of the Notes to the Condensed Consolidated Financial Statements contained in Item 1 of this Quarterly Report on Form 10-Q for further discussion related to the Acquisition. The results of operations for the six-month period ended May 2, 2015 are inclusive of the Acquisition.

Revenue Trends by End Market

The following table summarizes revenue by end market. 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 evolve and improve, 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				
	May 2, 2015			May 3, 2014	
	Revenue	% of Revenue	Y/Y%	Revenue	% of Revenue
Industrial	\$ 390,712	48%	20%	\$ 325,950	47%
Automotive	139,707	17%	3%	135,998	20%
Consumer	109,032	13%	40%	77,644	11%
Communications	181,568	22%	17%	154,944	22%
Total revenue	\$ 821,019	100%	18%	\$ 694,536	100%

	Six Months Ended				
	May 2, 2015			May 3, 2014	
	Revenue	% of Revenue*	Y/Y%	Revenue	% of Revenue*
Industrial	\$ 742,415	47%	21%	\$ 614,771	46%
Automotive	263,747	17%	1%	260,666	20%
Consumer	204,141	13%	34%	152,057	11%
Communications	382,702	24%	30%	295,280	22%
Total revenue	\$ 1,593,005	100%	20%	\$ 1,322,774	100%

* The sum of the individual percentages does not equal the total due to rounding.

Industrial end market revenue increased in each of the three- and six-month periods ended May 2, 2015 as compared to the same periods of the prior fiscal year as a result of the Acquisition, as well as a broad-based increase in demand in this end market. Consumer end market revenue increased in each of the three- and six-month periods ended May 2, 2015 as compared to the same periods of the prior fiscal year primarily as a result of increased demand for products sold into the portable sector of this end market. Communications end market revenue increased in each of the three- and six-month periods ended May 2, 2015 as compared to the same periods of the prior fiscal year primarily as a result of the Acquisition.

Revenue Trends by Geographic Region

Revenue by geographic region, based upon the primary location of our customers’ design activity for our products for the three- and six-month periods ended May 2, 2015 and May 3, 2014 were as follows:

Region	Three Months Ended			
	May 2, 2015	May 3, 2014	\$ Change	% Change
United States	\$ 276,193	\$ 193,608	\$ 82,585	43 %
Rest of North and South America	22,200	25,431	(3,231)	(13)%
Europe	251,402	232,299	19,103	8 %
Japan	82,238	74,591	7,647	10 %
China	126,449	109,583	16,866	15 %
Rest of Asia	62,537	59,024	3,513	6 %
Total revenue	\$ 821,019	\$ 694,536	\$ 126,483	18 %

Region	Six Months Ended			
	May 2, 2015	May 3, 2014	\$ Change	% Change
United States	\$ 510,840	\$ 375,906	\$ 134,934	36%
Rest of North and South America	45,360	44,867	493	1%
Europe	489,983	432,986	56,997	13%
Japan	164,906	145,682	19,224	13%
China	257,168	210,067	47,101	22%
Rest of Asia	124,748	113,266	11,482	10%
Total revenue	\$ 1,593,005	\$ 1,322,774	\$ 270,231	20%

In the three- and six-month periods ended May 2, 2015 and May 3, 2014, the predominant country comprising “Rest of North and South America” is Canada; the predominant countries comprising “Europe” are Germany, Sweden, France and the United Kingdom; and the predominant countries comprising “Rest of Asia” are South Korea and Taiwan.

On a regional basis, the sales increase in each of the three- and six-month periods ended May 2, 2015 as compared to the same periods of the prior fiscal year in most regions was a result of the Acquisition and an increase in demand in most end markets.

Gross Margin

	Three Months Ended				Six Months Ended			
	May 2, 2015	May 3, 2014	\$ Change	% Change	May 2, 2015	May 3, 2014	\$ Change	% Change
Gross margin	\$ 544,822	\$ 458,743	\$ 86,079	19%	\$ 1,048,429	\$ 867,861	\$ 180,568	21%
Gross margin %	66.4%	66.1%			65.8%	65.6%		

Gross margin percentage increased by 30 and 20 basis points in the three- and six-month periods ended May 2, 2015, respectively, as compared to the three- and six-month periods ended May 3, 2014, respectively, primarily as a result of a mix shift in favor of higher margin products being sold as a result of the Acquisition, partially offset by amortization of purchased inventory and intangibles as a result of the Acquisition.

Research and Development (R&D)

	Three Months Ended				Six Months Ended			
	May 2, 2015	May 3, 2014	\$ Change	% Change	May 2, 2015	May 3, 2014	\$ Change	% Change
R&D expenses	\$ 154,233	\$ 136,203	\$ 18,030	13%	\$ 305,939	\$ 264,794	\$ 41,145	16%
R&D expenses as a % of revenue	18.8%	19.6%			19.2%	20.0%		

R&D expenses increased in each of the three- and six-month periods ended May 2, 2015, as compared to the same periods of fiscal 2014, primarily as a result of increases in R&D employee and related benefit expenses, as well as other operational spending resulting from the Acquisition and, to a lesser extent, an increase in variable compensation expense linked to our overall profitability and revenue growth.

R&D expenses as a percentage of revenue will fluctuate from year-to-year depending on the amount of revenue and the success of new product development efforts, which we view as critical to our future growth. We have hundreds of R&D projects underway, none of which we believe are material on an individual basis. We expect to continue the development of innovative technologies and processes for new products. We believe that a continued commitment to R&D is essential to maintain product leadership with our existing products, as well as to provide innovative new product offerings, and we expect to continue to make significant R&D investments in the future.

Selling, Marketing, General and Administrative (SMG&A)

	Three Months Ended				Six Months Ended			
	May 2, 2015	May 3, 2014	\$ Change	% Change	May 2, 2015	May 3, 2014	\$ Change	% Change
SMG&A expenses	\$ 117,371	\$ 102,085	\$ 15,286	15%	\$ 237,542	\$ 200,263	\$ 37,279	19%
SMG&A expenses as a % of revenue	14.3%	14.7%			14.9%	15.1%		

SMG&A expenses increased in the three-month period ended May 2, 2015, as compared to the same period of fiscal 2014 as a result of increases in SMG&A employee and related benefit expenses, other operational spending resulting from the Acquisition, an increase in variable compensation expense linked to our overall profitability and revenue growth and as a result of recording of approximately \$2.0 million of Acquisition-related transition costs.

SMG&A expenses increased in the six-month period ended May 2, 2015, as compared to the same period of fiscal 2014 as a result of increases in SMG&A employee and related benefit expenses, as well as other operational spending resulting from the Acquisition, and an increase in variable compensation expense linked to our overall profitability and revenue growth. In addition, SMG&A expenses increased as a result of an increase in stock based compensation expense of approximately \$3.0 million due to the accelerated vesting of equity awards granted to a former executive officer in accordance with the terms of the applicable equity award agreements and the recording of approximately \$5.1 million of Acquisition-related transition costs.

Amortization of Intangibles

During the three- and six-month periods ended May 2, 2015, we recognized approximately \$24.2 million and \$48.0 million, respectively, of amortization expense within operating expenses, primarily resulting from the \$665.5 million of amortizable intangible assets related to the Acquisition. These amortizable intangible assets are being amortized on a straight-line basis over their estimated useful lives.

Operating Income

	Three Months Ended				Six Months Ended			
	May 2, 2015	May 3, 2014	\$ Change	% Change	May 2, 2015	May 3, 2014	\$ Change	% Change
Operating income	\$ 249,008	\$ 220,400	\$ 28,608	13%	\$ 456,942	\$ 400,009	\$ 56,933	14%
Operating income as a % of revenue	30.3%	31.7%			28.7%	30.2%		

The year-over-year increase in operating income in the three-month period ended May 2, 2015 was primarily the result of an increase in revenue of \$126.5 million and a 30 basis point increase in gross margin percentage, partially offset by a \$24.2 million increase in amortization of intangibles, a \$18.0 million increase in R&D expenses and a \$15.3 million increase in SMG&A expenses, as more fully described above under the headings *Amortization of Intangibles*, *Research and Development (R&D)* and *Selling, Marketing, General and Administrative (SMG&A)*.

The year-over-year increase in operating income in the six-month period ended May 2, 2015 was primarily the result of an increase in revenue of \$270.2 million and a 20 basis point increase in gross margin percentage, partially offset by a \$47.9 million increase in amortization of intangibles, a \$41.1 million increase in R&D expenses and a \$37.3 million increase in SMG&A expenses, as more fully described above under the headings *Amortization of Intangibles*, *Research and Development (R&D)* and *Selling, Marketing, General and Administrative (SMG&A)*.

Provision for Income Taxes

	Three Months Ended			Six Months Ended		
	May 2, 2015	May 3, 2014	\$ Change	May 2, 2015	May 3, 2014	\$ Change
Provision for income taxes	\$ 39,851	\$ 29,935	\$ 9,916	\$ 61,864	\$ 53,240	\$ 8,624
Effective income tax rate	16.3%	13.8%		13.9%	13.5%	

Our effective tax rate reflects the applicable tax rate in effect in the various tax jurisdictions around the world where our income is earned.

The tax rate for all periods presented was below the U.S. federal statutory tax rate of 35%, primarily due to lower statutory tax rates applicable to our operations in the foreign jurisdictions in which we earn income. Income from non-U.S. jurisdictions accounted for approximately 76.7% of our total revenues for the six-month period ended May 2, 2015, resulting in a material portion of our pretax income being earned and taxed outside the U.S., primarily in Bermuda and Ireland, at rates ranging from 0% to 35%. The impact on our provision for income taxes of income earned in foreign jurisdictions being taxed at rates different than the U.S. statutory rate was a benefit of approximately \$55.1 million and a foreign effective tax rate of approximately 11.2% in the three-month period ended May 2, 2015, compared to a benefit of approximately \$46.7 million and a foreign effective tax rate of approximately 5.0% in the three-month period ended May 3, 2014. The impact on our provision for income taxes of income earned in foreign jurisdictions being taxed at rates different than the U.S. statutory rate was a benefit of approximately \$91.4 million and a foreign effective tax rate of approximately 11.2% for the six-month period ended May 2, 2015, compared to a benefit of approximately \$84.9 million and a foreign effective tax rate of approximately 7.1% for the six-month period ended May 3, 2014. A reduction in the ratio of domestic taxable income to worldwide taxable income effectively lowers the overall tax rate, due to the fact that the tax rates in the majority of foreign jurisdictions where we earn income are significantly lower than the U.S. statutory rate. In addition, our effective income tax rate can be impacted each year by discrete factors or events. Our effective tax rate for the six-month period ended May 2, 2015 included a tax benefit of \$7.0 million from the reinstatement of the U.S. federal research and development tax credit in December 2014 retroactive to January 1, 2014 and a tax benefit of \$3.8 million as a result of an acquisition accounting adjustment. Our effective tax rate for the six-month period ended May 3, 2014 was not significantly impacted by discrete items.

Net Income

	Three Months Ended				Six Months Ended			
	May 2, 2015	May 3, 2014	\$ Change	% Change	May 2, 2015	May 3, 2014	\$ Change	% Change
Net Income	\$ 205,338	\$ 187,433	\$ 17,905	10%	\$ 384,095	\$ 340,019	\$ 44,076	13%
Net Income as a % of revenue	25.0%	27.0%			24.1%	25.7%		
Diluted EPS	\$ 0.65	\$ 0.59			\$1.21	\$1.07		

Net income increased 10% in the three-month period ended May 2, 2015 as compared to the same period of fiscal 2014 primarily as a result of the \$28.6 million increase in operating income, partially offset by the \$9.9 million increase in provision for income taxes.

Net income increased 13% in the six-month period ended May 2, 2015 as compared to the same period of fiscal 2014 primarily as a result of the \$56.9 million increase in operating income, partially offset by the \$8.6 million increase in provision for income taxes.

Liquidity and Capital Resources

At May 2, 2015, our principal source of liquidity was \$3.1 billion of cash and cash equivalents and short-term investments, of which approximately \$764.0 million was held in the United States. The balance of our cash and cash equivalents and short-term investments was held outside the United States in various foreign subsidiaries. As we intend to reinvest our foreign earnings indefinitely, this cash held outside the United States is not available to meet our cash requirements in the United States, including cash dividends and common stock repurchases. Our cash and cash equivalents consist of highly liquid investments with maturities of three months or less at the time of acquisition and our short-term investments consist primarily of corporate obligations, such as commercial paper and floating rate notes and bonds. We maintain these balances with high credit quality counterparties, continually monitor the amount of credit exposure to any one issuer and diversify our investments in order to minimize our credit risk.

We believe that our existing sources of liquidity and cash expected to be generated from future operations, together with existing and anticipated available long-term financing, will be sufficient to fund operations, capital expenditures, research and development efforts, dividend payments (if any) and repurchases of our stock (if any) under our stock repurchase program in the immediate future and for at least the next twelve months.

	Six Months Ended	
	May 2, 2015	May 3, 2014
Net cash provided by operating activities	\$ 512,684	\$ 395,897
Net cash provided by operations as a % of revenue	32.2%	29.9%
Net cash used for investing activities	\$ (222,290)	\$ (214,339)
Net cash used for financing activities	\$ (220,768)	\$ (169,642)

At May 2, 2015, cash and cash equivalents totaled \$636.2 million. The following changes contributed to the net increase in cash and cash equivalents of \$67.0 million in the six-month period ended May 2, 2015 as compared to the same period in fiscal 2014.

Operating Activities

During the six-month period ended May 2, 2015, we generated cash from operating activities of \$512.7 million, an increase of \$116.8 million compared to the \$395.9 million generated during the six-month period ended May 3, 2014. Results of operations, after non-cash adjustments to net income, contributed \$514.6 million compared to a contribution of \$405.7 million for the first six months of fiscal 2014.

Investing Activities

During the six-month period ended May 2, 2015, cash provided by investing activities was comprised of \$141.0 million in cash received from the net sales of available-for-sale short term investments, partially offset by \$73.0 million of cash payments for property, plant and equipment additions.

Financing Activities

During the six-month period ended May 2, 2015, cash used for financing activities included distributions of \$240.0 million to our shareholders in dividend payments and \$83.9 million for the repurchase of 1.6 million shares of our common stock, partially offset by proceeds of \$94.9 million received from the exercise of employee stock options.

Working Capital

	May 2, 2015	November 1, 2014	\$ Change	% Change
Accounts receivable, net	\$ 408,510	\$ 396,605	\$ 11,905	3%
Days sales outstanding*	45	44		
Inventory	\$ 394,494	\$ 367,927	\$ 26,567	7%
Days cost of sales in inventory*	126	109		

* We use the average of the current quarter and prior quarter ending net accounts receivable and ending inventory balance in our calculation of days sales outstanding and days cost of sales in inventory, respectively.

The increase in accounts receivable in dollars and in days was primarily the result of higher product shipments made to our distributors in the final month of the second quarter of fiscal 2015 as compared to the final month of the fourth quarter of fiscal 2014.

The increase in inventory in dollars and in days was primarily as a result of continued manufacturing production to support anticipated higher sales demand. Our inventory levels are impacted by our need to support forecasted sales demand and variations between those forecasts and actual demand.

Current liabilities increased to \$1,068.2 million at May 2, 2015 from \$709.1 million at the end of fiscal 2014. The increase was primarily the result of the classification of our 2016 Notes as current and, to a lesser extent, increases in accounts payable and deferred income on shipments to distributors as more fully described below. These increases were partially offset by decreases in income taxes payable and accrued liabilities.

As of May 2, 2015 and November 1, 2014, we had gross deferred revenue of \$365.4 million and \$349.7 million, respectively, and gross deferred cost of sales of \$70.0 million and \$71.3 million, respectively. Deferred income on shipments to distributors increased in the first six months of fiscal 2015 primarily as a result of higher demand for products, as well as a mix shift in favor of higher margin products, attributable to the Acquisition, sold into the channel. Sales to distributors are made under agreements that allow distributors to receive price-adjustment credits and to return qualifying products for credit, as

determined by us, in order to reduce the amounts of slow-moving, discontinued or obsolete product from their inventory. Given the uncertainties associated with the levels of price-adjustment credits to be granted to distributors, the sales price to the distributors is not fixed or determinable until the distributors resell the products to their customers. Therefore, we defer revenue recognition from sales to distributors until the distributors have sold the products to their customers. The amount of price-adjustments is dependent on future overall market conditions, and therefore the levels of these adjustments could fluctuate significantly from period to period. To the extent that we experience a significant increase in the amount of credits we issue to our distributors, there could be a material impact on the ultimate revenue and gross margin recognized relating to these transactions.

Debt

As of May 2, 2015, we had \$873.1 million of carrying value outstanding on our long and short term debt. The difference in the carrying value of the debt and the principal is due to the unamortized discount on these instruments that will accrete to face value of the debt over the term of the debt. Our debt obligations consist of the following:

\$375.0 Million Aggregate Principal Amount of 3.0% Senior Unsecured Notes (2016 Notes)

On April 4, 2011, we issued \$375.0 million aggregate principal amount of 3.0% senior unsecured notes due April 15, 2016 (the 2016 Notes) with semi-annual fixed interest payments due on April 15 and October 15 of each year, commencing October 15, 2011.

\$500.0 Million Aggregate Principal Amount of 2.875% Senior Unsecured Notes (2023 Notes)

On June 3, 2013, we issued \$500.0 million aggregate principal amount of 2.875% senior unsecured notes due June 1, 2023 (the 2023 Notes) with semi-annual fixed interest payments due on June 1 and December 1 of each year, commencing December 1, 2013.

The indentures governing the 2016 Notes and the 2023 Notes contain covenants that may limit our ability to: incur, create, assume or guarantee any debt for borrowed money secured by a lien upon a principal property; enter into sale and lease-back transactions with respect to a principal property; and consolidate with or merge into, or transfer or lease all or substantially all of our assets to, any other party. As of May 2, 2015, we were compliant with these covenants. See Note 14, *Debt*, of the Notes to our Condensed Consolidated Financial Statements contained in Item 1 of this Quarterly Report on Form 10-Q for further information on our outstanding debt.

Revolving Credit Facility

On December 19, 2012, we entered into a five year, \$500.0 million senior unsecured revolving credit facility with certain institutional lenders. To date, we have not borrowed under this credit facility, but we may borrow in the future and use the proceeds for repayment of existing indebtedness, stock repurchases, acquisitions, capital expenditures, working capital and other lawful corporate purposes. The terms of the facility impose restrictions on our ability to undertake certain transactions, to create certain liens on assets and to incur certain subsidiary indebtedness. In addition, the credit agreement contains a consolidated leverage ratio covenant of total consolidated funded debt to consolidated earnings before interest, taxes, depreciation, and amortization (EBITDA) of not greater than 3.0 to 1.0. As of May 2, 2015, we were compliant with these covenants.

Stock Repurchase Program

Our common stock repurchase program has been in place since August 2004. As of May 2, 2015, in the aggregate, our Board of Directors has authorized us to repurchase \$5.6 billion of our common stock under the program. Under the program, we may repurchase outstanding shares of our common stock from time to time in the open market and through privately negotiated transactions. Unless terminated earlier by resolution of our Board of Directors, the repurchase program will expire when we have repurchased all shares authorized under the program. As of May 2, 2015, we had repurchased a total of approximately 138.3 million shares of our common stock for approximately \$4.9 billion under this program. As of May 2, 2015, an additional \$684.3 million remains available for repurchase of shares under the current authorized program. The repurchased shares are held as authorized but unissued shares of common stock. We also from time to time repurchase shares in settlement of employee tax withholding obligations due upon the vesting of restricted stock units or the exercise of stock options, or in certain limited circumstances to satisfy the exercise price of options granted to our employees under our equity compensation plans. Any future common stock repurchases will be based on several factors, including our financial performance, outlook, liquidity and the amount of cash we have available in the United States.

Capital Expenditures

Net additions to property, plant and equipment were \$73.0 million in the first six months of fiscal 2015 and were funded with a combination of cash on hand and cash generated from operations. We expect capital expenditures for fiscal 2015 to be in the range of \$160.0 million to \$165.0 million, of which approximately \$15.0 million relates to new facilities and upgrades to existing facilities. These capital expenditures will be funded with a combination of cash on hand and cash generated from operations.

Dividends

On May 18, 2015, our Board of Directors declared a cash dividend of \$0.40 per outstanding share of common stock. The dividend will be paid on June 9, 2015 to all shareholders of record at the close of business on May 29, 2015 and is expected to total approximately \$125.4 million. We currently expect quarterly dividends to continue at \$0.40 per share, although they remain subject to determination and declaration by our Board of Directors. The payment of future dividends, if any, will be based on several factors, including our financial performance, outlook and liquidity.

Contractual Obligations

During the second quarter of fiscal 2015 we entered into a non-cancelable inventory purchase obligation for certain raw materials through March 31, 2016 as part of a planned transition from a principal foundry supplier as a result of the Acquisition. As a result of this purchase obligation, the total amount reflected in the contractual obligations table contained in "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Annual Report on Form 10-K for the fiscal year ended November 1, 2014 has increased by \$10.0 million.

There have not been any material changes during the six-month period ended May 2, 2015 to the amounts presented in the table summarizing our contractual obligations included in our Annual Report on Form 10-K for the fiscal year ended November 1, 2014.

New Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board (FASB) that are adopted by us as of the specified effective date. Unless otherwise discussed, management believes that the impact of recently issued standards will not have a material impact on our future financial condition and results of operations. See Note 18, *New Accounting Pronouncements*, of the Notes to our Condensed Consolidated Financial Statements contained in Item 1 of this Quarterly Report on Form 10-Q for a description of recently issued and adopted accounting pronouncements, including the dates of adoption and impact on our historical financial condition and results of operations.

Revenue Recognition

In May 2014, the FASB issued ASU No. 2014-09 (ASU 2014-09), *Revenue from Contracts with Customers*, which supersedes nearly all existing revenue recognition guidance under U.S. GAAP. The core principle of ASU 2014-09 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Additionally, the guidance requires improved disclosures to help users of financial statements better understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. ASU 2014-09 is effective for annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. However, in early April 2015, the FASB voted to propose to defer the effective date of the new revenue recognition standard by one year, as a result, public entities would apply the new revenue standard to annual reporting periods beginning after December 31, 2017. This proposal is still being evaluated and final determination of the effective date is expected by the end of 2015. Early application is not permitted. The guidance allows for the amendment to be applied either retrospectively to each prior reporting period presented or retrospectively as a cumulative-effect adjustment as of the date of adoption. We are in the process of evaluating the impact of adoption on our consolidated financial statements.

Critical Accounting Policies and Estimates

There were no material changes in the six-month period ended May 2, 2015 to the information provided under the heading "Critical Accounting Policies and Estimates" included in our Annual Report on Form 10-K for the fiscal year ended November 1, 2014.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk

There were no material changes in the six-month period ended May 2, 2015 to the information provided under Item 7A. “Quantitative and Qualitative Disclosures about Market Risk” set forth in our Annual Report on Form 10-K for the fiscal year ended November 1, 2014.

ITEM 4. Controls and Procedures

(a) *Evaluation of Disclosure Controls and Procedures.* Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of May 2, 2015. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (“Exchange Act”), means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission’s (SEC) rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of May 2, 2015, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

(b) *Changes in Internal Control over Financial Reporting.* No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the quarter ended May 2, 2015 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1A. Risk Factors

Set forth below and elsewhere in this report and in other documents we file with the SEC are descriptions of certain risks and uncertainties that could cause our actual results to differ materially from the results contemplated by the forward-looking statements contained in this report. Additional risks and uncertainties not presently known to us or that we presently deem less significant may also adversely affect our business. The description below includes any material changes to and supersedes the description of the risk factors affecting our business previously discussed in “Part I, Item 1A Risk Factors” of our Annual Report on Form 10-K for the fiscal year ended November 1, 2014.

Disruptions in global credit and financial markets could materially and adversely affect our business and results of operations.

There is significant continuing uncertainty regarding the stability of global credit and financial markets. These economic uncertainties may lead consumers and businesses to postpone spending, which may cause our customers to cancel, decrease or delay their existing and future orders for our products and make it difficult for us to accurately forecast and plan our future business activities. Significant disruption to global credit and financial markets may also adversely affect our ability to access external financing sources on acceptable terms. Financial difficulties experienced by our customers could result in nonpayment or payment delays for previously purchased products, thereby increasing our credit risk exposure. Uncertainty regarding the future stability of the global credit and financial markets could cause the value of the currency in the affected markets to deteriorate, thus reducing the purchasing power of those customers. In addition, financial difficulties experienced by our suppliers or distributors could result in product delays, increased accounts receivable defaults and inventory challenges. During the past few years, many governments adopted stimulus or spending programs designed to ease the economic impact of the crisis. Some of our businesses benefited from these stimulus programs but there can be no assurance that such programs will continue in the future. If economic conditions deteriorate, we may record additional charges relating to restructuring costs or the impairment of assets and our business and results of operations could be materially and adversely affected.

Our future revenue, gross margins, operating results, net income and earnings per share are difficult to predict and may materially fluctuate.

Our future revenue, gross margins, operating results, net income and earnings per share are difficult to predict and may be materially affected by a number of factors, including:

- the effects of adverse economic conditions in the markets in which we sell our products;
- changes in customer demand for our products and/or for end products that incorporate our products;
- our ability to effectively manage our cost structure in both the short term and over a longer duration;
- changes in geographic, product or customer mix;
- changes in our effective tax rates in the United States, Ireland or worldwide;
- the timing of new product announcements or introductions by us, our customers or our competitors;
- competitive pricing pressures;
- fluctuations in manufacturing yields, adequate availability of wafers and other raw materials, and manufacturing, assembly and test capacity;
- the ability of our third-party suppliers, subcontractors and manufacturers to supply us with sufficient quantities of raw materials, products and/or components;
- a decline in infrastructure spending by foreign governments, including China;
- a decline in the U.S. Government defense budget, changes in spending or budgetary priorities, a prolonged U.S. Government shutdown or delays in contract awards;
- any significant decline in our backlog;
- the timing, delay, reduction or cancellation of significant customer orders and our ability to manage inventory;
- our ability to recruit, hire, retain and motivate adequate numbers of engineers and other qualified employees to meet the demands of our customers;
- the increasing costs of providing employee benefits, including health insurance, pension plan contributions and retirement benefits;
- our ability to utilize our manufacturing facilities at efficient levels;
- potential significant litigation-related costs or product warranty and/or indemnity claims, including those not covered by our suppliers or insurers;
- the difficulties inherent in forecasting future operating expense levels, including with respect to costs associated with labor, utilities, transportation and raw materials;
- the costs related to compliance with increasing worldwide government, environmental and social responsibility regulations; and
- the effects of public health emergencies, natural disasters, widespread travel disruptions, security risks, terrorist activities, international conflicts, government sanctions and other events beyond our control.

In addition, the semiconductor market has historically been cyclical and subject to significant economic upturns and downturns. Our business is also subject to rapid technological changes and there can be no assurance (i) that products stocked in our inventory will not be rendered obsolete before we ship them, or (ii) that we will be able to design, develop and produce products in a timely fashion to accommodate changing customer demand. As a result of these and other factors, we may experience material fluctuations in future revenue, gross margins, operating results and net income on a quarterly or annual basis. Our historical financial performance and results of operations should not be relied upon as indicators of future performance or results. In addition, if our revenue, gross margins, operating results and net income do not meet the expectations of securities analysts or investors, the market price of our common stock may decline.

Increases in our effective tax rate and exposure to additional tax liabilities may adversely impact our results of operations.

Our effective tax rate reflects the applicable tax rate in effect in the various tax jurisdictions around the world where our income is earned. Our effective tax rate in 2014 was below the U.S. federal statutory tax rate of 35%, primarily due to lower statutory tax rates applicable to our operations in the foreign jurisdictions in which we earn income. A number of factors may increase our future effective tax rate, including: new or revised tax laws or legislation (including proposed revisions to Irish tax laws) or the interpretation of such laws or legislation by governmental authorities; increases in tax rates in various jurisdictions;

variation in the mix of jurisdictions in which our profits are earned and taxed; repatriation of non-U.S. earnings; any adverse resolution of ongoing tax audits or adverse rulings from taxing authorities worldwide; changes in the valuation of our deferred tax assets and liabilities; adjustments to income taxes upon finalization of various tax returns; increases in expenses not deductible for tax purposes, including executive compensation subject to the limitations of Section 162(m) of the Internal Revenue Code and amortization of assets acquired in connection with strategic transactions; decreased availability of tax deductions for stock-based compensation awards worldwide; and changes in available tax credits. Any significant increase in our future effective tax rate could adversely impact our net income during future periods.

Long-term contracts are not typical for us and incorrect forecasts or reductions, cancellations or delays in orders for our products could adversely affect our operating results.

We typically do not have long-term sales contracts with our customers. In certain markets where end-user demand may be particularly volatile and difficult to predict, some customers place orders that require us to manufacture product and have it available for shipment, even though the customer is unwilling to make a binding commitment to purchase all, or even any, of the product. In other instances, we manufacture product based on forecasts of customer demands. Additionally, our U.S. government contracts and subcontracts may be funded in increments over a number of government budget periods and typically can be terminated by the government for its convenience. As a result, we may incur inventory and manufacturing costs in advance of anticipated sales, and we are subject to the risk of lower than expected orders or cancellations of orders, leading to a sharp reduction of sales and backlog. Further, orders or forecasts for products that meet the customer's unique requirements and that are canceled or unrealized orders would, in addition, result in an inventory of unsaleable products, causing potential inventory write-offs, and we may be unable to recover all of our costs incurred or committed. As a result of lengthy manufacturing cycles for certain of the products that are subject to these uncertainties, the amount of unsaleable product could be substantial. Incorrect forecasts, or reductions, cancellations or delays in orders for our products could adversely affect our operating results.

Our future success depends upon our ability to execute our business strategy, continue to innovate, improve our existing products, design, develop, produce and market new products, and identify and enter new markets.

Our future success significantly depends on our continued ability to execute our business strategy, continue to improve our existing products and design, develop, produce and market innovative new products. Product design, development, innovation and enhancement is often a complex, time-consuming and costly process involving significant investment in research and development, with no assurance of return on investment. There can be no assurance that we will be able to develop and introduce new and improved products in a timely or efficient manner or that new and improved products, if developed, will achieve market acceptance. Our products generally must conform to various evolving and sometimes competing industry standards, which may adversely affect our ability to compete in certain markets or require us to incur significant costs. In addition, our customers generally impose very high quality and reliability standards on our products, which often change and may be difficult or costly to satisfy. Any inability to satisfy customer quality and reliability standards or comply with industry standards and technical requirements may adversely affect demand for our products and our results of operations. In addition, our growth is dependent on our continued ability to identify and penetrate new markets where we have limited experience and competition is intense. Some of our customers in these markets are less established, which could subject us to increased credit risk. There can be no assurance that the markets we serve and/or target based on our business strategy will grow in the future, that our existing and new products will meet the requirements of these markets, that our products will achieve customer acceptance in these markets, that competitors will not force price reductions or take market share from us, or that we can achieve or maintain adequate gross margins or profits in these markets. Furthermore, a decline in demand in one or several of our end-user markets could have a material adverse effect on the demand for our products and our results of operations.

We may not be able to compete successfully in markets within the semiconductor industry in the future.

We face intense technological and pricing competition in the semiconductor industry, and we expect this competition to increase in the future, including from companies located outside of the United States. Many companies have sufficient financial, manufacturing, technical, sales and marketing resources to develop and market products that compete with our products. Some of our competitors may have more advantageous supply or development relationships with our current and potential customers or suppliers. Our competitors also include emerging companies selling specialized products in markets we serve and entities outside of the U.S. Competition is generally based on design and quality of products, product performance, features and functionality, and product pricing, availability and capacity, with the relative importance of these factors varying among products, markets and customers. Existing or new competitors may develop products or technologies that more effectively address the demands of our customers and markets with enhanced performance, features and functionality, lower power requirements, greater levels of integration or lower cost. Increased competition in certain markets has resulted in and may continue to result in declining average selling prices, reduced gross margins and loss of market share in those markets.

There can be no assurance that we will be able to compete successfully in the future against existing or new competitors, or that our operating results will not be adversely affected by increased competition.

We rely on third-party suppliers, subcontractors and manufacturers for some industry-standard wafers, manufacturing processes, assembly and test services, and transportation, and we generally cannot control their availability or conditions of supply.

We rely, and plan to continue to rely, on suppliers, assembly and test subcontractors, freight carriers, and third-party wafer fabricators to supply most of our wafers that can be manufactured using industry-standard submicron processes. This reliance involves several risks, including reduced control over availability, capacity utilization, delivery schedules, manufacturing yields, and costs. We currently source approximately 50% of our wafer requirements annually from third-party wafer fabrication foundries, primarily Taiwan Semiconductor Manufacturing Company, or TSMC. In addition, these suppliers often provide manufacturing services to our competitors and therefore periods of increased industry demand may result in capacity constraints. In certain instances, the third-party supplier is the sole source of highly specialized processing services. Additionally, our recently acquired Hittite business utilizes foundries that provide the advanced gallium arsenide, or GaAs, processes that currently account for most of its wafer purchases. The number of foundries that can provide the GaAs process is limited, and Hittite is currently in the process of transitioning away from one of its principal GaAs foundries. If our suppliers are unable or unwilling to manufacture and deliver components to us on the time schedule and of the quality or quantity that we require or provide us with required manufacturing processes, we may be forced to seek to engage additional or replacement suppliers, which could result in additional expenses and delays in product development or shipment of product to our customers. If additional or replacement suppliers or manufacturing processes are not available, we may also experience delays in product development or shipment which could, in turn, result in the temporary or permanent loss of customers.

The markets for semiconductor products are cyclical, and increased production may lead to overcapacity and lower prices, and conversely, we may not be able to satisfy unexpected demand for our products.

The cyclical nature of the semiconductor industry has resulted in periods when demand for our products has increased or decreased rapidly. If we expand our operations and workforce too rapidly or procure excessive resources in anticipation of increased demand for our products, and that demand does not materialize at the pace at which we expect, or declines, or if we overbuild inventory in a period of decreased demand, our operating results may be adversely affected as a result of increased operating expenses, reduced margins, underutilization of capacity or asset impairment charges. These capacity expansions by us and other semiconductor manufacturers could also lead to overcapacity in our target markets which could lead to price erosion that would adversely impact our operating results. Conversely, during periods of rapid increases in demand, our available capacity may not be sufficient to satisfy the demand. In addition, we may not be able to expand our workforce and operations in a sufficiently timely manner, procure adequate resources and raw materials, or locate suitable third-party suppliers, to respond effectively to changes in demand for our existing products or to the demand for new products requested by our customers, and our current or future business could be materially and adversely affected.

Our semiconductor products are complex and we may be subject to product warranty and indemnity claims, which could result in significant costs and damage to our reputation and adversely affect the market acceptance of our products.

Semiconductor products are highly complex and may contain defects when they are first introduced or as new versions are developed. We generally warrant our products to our customers for one year from the date title passes from us. We invest significant resources in the testing of our products; however, if any of our products contain defects, we may be required to incur additional development and remediation costs, pursuant to warranty and indemnification provisions in our customer contracts and purchase orders. These problems may divert our technical and other resources from other product development efforts and could result in claims against us by our customers or others, including liability for costs associated with product recalls, which may adversely impact our operating results. We may also be subject to customer indemnity claims. Our customers have on occasion been sued, and may be sued in the future, by third parties alleging infringement of intellectual property rights, or damages resulting from use of our products. Those customers may seek indemnification from us under the terms and conditions of our sales contracts with them. In certain cases, our potential indemnification liability may be significant. If any of our products contains defects, or has reliability, quality or compatibility problems, our reputation may be damaged, which could make it more difficult for us to sell our products to existing and prospective customers and could also adversely affect our operating results.

We have manufacturing processes that utilize a substantial amount of technology as the fabrication of integrated circuits is a highly complex and precise process. Minute impurities, contaminants in the manufacturing environment, difficulties in the fabrication process, defects in the masks used in the wafer manufacturing process, manufacturing equipment failures, wafer breakage or other factors can cause a substantial percentage of wafers to be rejected or numerous dice on each wafer to be nonfunctional. While we have significant expertise in semiconductor manufacturing, it is possible that some processes could

become unstable. This instability could result in manufacturing delays and product shortages, which could have a material adverse effect on our operating results.

We are involved in frequent litigation, including claims regarding intellectual property rights, which could be costly to bring or defend and could require us to redesign products or pay significant royalties.

The semiconductor industry is characterized by frequent claims and litigation involving patent and other intellectual property rights, including claims arising under our contractual obligations to indemnify our customers. Other companies or individuals have obtained patents covering a variety of semiconductor designs and processes, and we might be required to obtain licenses under some of these patents or be precluded from making and selling infringing products, if those patents are found to be valid and infringed by us. In the event a third party makes a valid intellectual property claim against us and a license is not available to us on commercially reasonable terms, or at all, we could be forced either to redesign or to stop production of products incorporating that intellectual property, and our operating results could be materially and adversely affected. Litigation may be necessary to enforce our patents or other of our intellectual property rights or to defend us against claims of infringement, and this litigation could be costly and divert the attention of our key personnel. We could also be subject to litigation or arbitration disputes arising under our contractual obligations, as well as indemnity, warranty or product liability claims that could lead to significant costs and expenses as we defend those claims or pay damage awards. There can be no assurance that we are adequately insured to protect against all claims and potential liabilities. We may incur costs and expenses relating to a recall of our customers' products due to an alleged failure of components we supply. An adverse outcome in litigation or arbitration could have a material adverse effect on our financial position or on our operating results or cash flows in the period in which the dispute is resolved.

We may be unable to adequately protect our proprietary intellectual property rights, which may limit our ability to compete effectively.

Our future success depends, in part, on our ability to protect our intellectual property. We primarily rely on patent, mask work, copyright, trademark and trade secret laws, as well as nondisclosure agreements and other methods, to protect our proprietary technologies and processes. Despite our efforts to protect our intellectual property, it is possible that competitors or other unauthorized third parties may obtain, copy, reverse engineer, use or disclose our technologies, products and processes. Moreover, the laws of foreign countries in which we design, manufacture, market and sell our products may afford little or no effective protection of our proprietary intellectual property.

There can be no assurance that the claims allowed in our issued patents will be sufficiently broad to protect our technology. In addition, any of our existing or future patents may be challenged, invalidated or circumvented. As such, any rights granted under these patents may not provide us with adequate protection. We may not be able to obtain foreign patents or pending applications corresponding to our U.S. patents and applications. Even if foreign patents are granted, effective enforcement in foreign countries may not be available. If our patents and mask works do not adequately protect our technology, our competitors may be able to offer products similar to ours. Our competitors may also be able to develop similar technology independently or design around our patents.

We generally enter into confidentiality agreements with our employees, consultants and strategic partners. We also try to control access to and distribution of our technologies, documentation and other proprietary information. Despite these efforts, internal or external parties may attempt to copy, disclose, obtain or use our products or technology without our authorization. Also, former employees may seek employment with our business partners, customers or competitors, and there can be no assurance that the confidential nature of our proprietary information will be maintained in the course of such future employment.

A significant disruption in, or breach in security of, our information technology systems could materially and adversely affect our business or reputation.

We rely on information technology systems throughout our Company to keep financial records and customer data, process orders, manage inventory, coordinate shipments to customers, maintain confidential and proprietary information, assist in semiconductor engineering and other technical activities and operate other critical functions such as internet connectivity, network communications and email. Our information technology systems may be susceptible to damage, disruptions or shutdowns due to power outages, hardware failures, telecommunication failures, user errors, catastrophes or other unforeseen events. If we were to experience a prolonged disruption in the information technology systems that involve our internal communications or our interactions with customers or suppliers, it could result in the loss of sales and customers and significant incremental costs, which could adversely affect our business. We may also be subject to security breaches caused by computer viruses, illegal break-ins or hacking, sabotage, or acts of vandalism by third parties. Our security measures or those of our third party service providers may not detect or prevent security breaches. In addition, we provide our confidential and proprietary information to our strategic partners in certain cases where doing so is necessary to conduct our business. While we

employ confidentiality agreements to protect such information, nonetheless those third parties may also be subject to security breaches or otherwise compromise the protection of such information. Security breaches of our information technology systems or those of our partners could result in the misappropriation or unauthorized disclosure of confidential and proprietary information belonging to us or to our employees, partners, customers or suppliers, which could result in our suffering significant financial or reputational damage.

If we do not retain our key personnel, our ability to execute our business strategy will be adversely affected.

Our continued success depends to a significant extent upon the recruitment, retention and effective succession of our executive officers and key management and technical personnel, particularly our experienced engineers. The competition for these employees is intense. The loss of the services of one or more of our key personnel could have a material adverse effect on our operating results. In addition, there could be a material adverse effect on our business should the turnover rates for engineers and other key personnel increase significantly or if we are unable to continue to attract and retain qualified personnel. We do not maintain any key person life insurance policy on any of our officers or employees.

To remain competitive, we may need to invest in or acquire other companies, purchase or license technology from third parties, or enter into other strategic transactions in order to introduce new products or enhance our existing products.

An element of our business strategy involves expansion through the acquisitions of businesses, assets, products or technologies that allow us to complement our existing product offerings, diversify our product portfolio, expand our market coverage, increase our engineering workforce or enhance our technological capabilities. We may not be able to find businesses that have the technology or resources we need and, if we find such businesses, we may not be able to invest in, purchase or license the technology or resources on commercially favorable terms or at all. Acquisitions, investments and technology licenses are difficult to identify and complete for a number of reasons, including the cost of potential transactions, competition among prospective buyers and licensees, the need for regulatory approvals, and difficulties related to integration efforts. Both in the U.S. and abroad, governmental regulation of acquisitions, including anti-trust reviews and approvals, has become more complex, increasing the costs and risks of undertaking and consummating significant acquisitions. In order to finance a potential transaction, we may need to raise additional funds by issuing securities or borrowing money. We may not be able to obtain financing on favorable terms, and the sale of our stock may result in the dilution of our existing shareholders or the issuance of securities with rights that are superior to the rights of our common shareholders.

Acquisitions also involve a number of risks, including:

- difficulty or delay integrating acquired technologies, operations and personnel with our existing businesses;
- diversion of management's attention in connection with both negotiating the transaction and integrating the assets;
- strain on managerial and operational resources as management tries to oversee larger or more complex operations;
- the future funding requirements for acquired companies, which may be significant;
- potential loss of key employees;
- exposure to unforeseen liabilities of acquired companies;
- higher than expected or unexpected costs relating to or associated with an acquisition;
- difficulty realizing synergies and growth prospects of an acquisition in a timely manner or at all; and
- increased risk of costly and time-consuming litigation.

If we are unable to successfully address these risks, we may not realize some or all of the expected benefits of the acquisition, which may have an adverse effect on our business strategy, plans and operating results.

We rely on supplies, services and manufacturing capacity located in geologically unstable areas, which could affect our ability to produce products.

We, like many companies in the semiconductor industry, rely on supplies, services, internal manufacturing capacity, wafer fabrication foundries and other subcontractors in geologically unstable locations around the world. Earthquakes, tsunamis, flooding or other natural disasters may disrupt local semiconductor-related businesses and adversely affect manufacturing capacity, availability and cost of key raw materials, utilities and equipment, and availability of key services, including transport of our products worldwide. Our insurance may not adequately cover losses resulting from such disruptions. Any prolonged inability to utilize one of our manufacturing facilities, or those of our subcontractors or third-party wafer fabrication foundries, as a result of fire, flood, natural disaster, unavailability of utilities or otherwise, could result in a

temporary or permanent loss of customers for affected products, which could have a material adverse effect on our results of operations and financial condition.

We are exposed to business, economic, political, legal, regulatory and other risks through our significant worldwide operations, which could adversely affect our business, financial condition and results of operations.

We have significant operations and manufacturing facilities outside the United States, including in Ireland and the Philippines. A significant portion of our revenue is derived from customers in international markets, and we expect that international sales will continue to account for a significant portion of our revenue in the future. Risks associated with our international business operations include the following:

- political, legal and economic changes or instability and civil unrest in foreign markets;
- currency conversion risks and exchange rate and interest rate fluctuations;
- limitations on the repatriation of earnings;
- economic disruption from terrorism and threats of terrorism and the response to them by the U.S. and its allies;
- increased managerial complexities, including different employment practices and labor issues;
- greater difficulty enforcing intellectual property rights and weaker laws protecting such rights;
- complex and varying government regulations and legal standards, particularly with respect to price protection, competition practices, export control regulations, customs and tax requirements, anti-boycott regulations, data privacy, intellectual property, anti-corruption and environmental compliance, including U.S. customs and export regulations, including International Traffic in Arms Regulations and the Foreign Corrupt Practices Act;
- natural disasters or pandemics;
- transportation disruptions and delays and increases in labor and transportation costs;
- changes to foreign taxes, tariffs and freight rates;
- trade and travel restrictions or government sanctions, including restrictions imposed by the U.S. government on trading with parties in foreign countries;
- fluctuations in raw material costs and energy costs;
- greater difficulty in accounts receivable collections and longer collection periods; and
- costs associated with our foreign defined benefit pension plans.

Any of these risks, or any other risks related to international business operations, could materially adversely affect our business, financial condition and results of operations.

Many of these risks are present in China. While we expect to continue to expand our business and operations in China, our success in the Chinese markets may be adversely affected by China's continuously evolving laws and regulations, including those relating to taxation, import and export tariffs, currency controls, the environment, indigenous innovation, and intellectual property rights and enforcement and protection of those rights. Enforcement of existing laws or agreements may be inconsistent. In addition, changes in the political environment, governmental policies or U.S.-China relations could result in revisions to laws or regulations or their interpretation and enforcement, exposure of our proprietary intellectual property, increased taxation, and restrictions on imports, import duties or currency revaluations, which could have an adverse effect on our business plans and operating results.

At May 2, 2015, our principal source of liquidity was \$3.1 billion of cash and cash equivalents and short-term investments, of which approximately \$764.0 million was held in the United States and the remaining balance was held outside the United States in various foreign subsidiaries. As we intend to reinvest our foreign earnings indefinitely, this cash held outside the United States is not readily available to meet our cash requirements in the United States. We require a substantial amount of cash in the United States for operating requirements, stock repurchases, cash dividends and acquisitions. If we are unable to address our U.S. cash requirements through operations, borrowings under our current credit facility, future debt or equity offerings or other sources of cash obtained at an acceptable cost, it may be necessary for us to consider repatriation of earnings that are permanently reinvested, and we may be required to pay additional taxes under current tax laws, which could have a material adverse effect on our results of operations and financial condition.

Our operating results are dependent on the performance of independent distributors.

A significant portion of our sales are through independent distributors that are not under our control. These independent distributors generally represent product lines offered by several companies and thus could reduce their sales efforts applied to our products or they could terminate their representation of us. We generally do not require letters of credit from our distributors and are not protected against accounts receivable default or declarations of bankruptcy by these distributors. Our inability to collect open accounts receivable could adversely affect our operating results. Termination of a significant distributor or a group of distributors, whether at our initiative or the distributor's initiative or through consolidation in the distribution industry, could disrupt our current business, and if we are unable to find suitable replacements, our operating results could be adversely affected.

We are subject to environmental, health and safety (EHS) regulations, which could increase our expenses and affect our operating results.

Our industry is subject to EHS requirements, particularly those environmental requirements that control and restrict the sourcing, use, transportation, emission, discharge, storage and disposal of certain chemicals, minerals, elements and materials used or produced in the semiconductor manufacturing process. Public attention to environmental, sustainability and social responsibility concerns continues to increase, and our customers routinely include stringent environmental and other standards in their contracts with us. Changes in EHS laws or regulations may require us to invest in costly equipment or alter the way our products are made and may adversely affect the sourcing, supply and pricing of materials used in our products. In addition, we use hazardous and other regulated materials that subject us to risks of strict liability for damages caused by potential or actual releases of such materials. Any failure to control such materials adequately or to comply with existing or future EHS statutory or regulatory standards, requirements or contractual obligations could result in liability for damages and remediation; the imposition of regulatory penalties and civil and criminal fines; the suspension or termination of the development, manufacture, sale or use of certain of our products; changes to our manufacturing processes or a need to substitute materials that may cost more or be less available; damage to our reputation; and/or increased expenses associated with compliance, each of which could have a material adverse effect on our business and operating results.

If we fail to comply with government contracting regulations, we could suffer a loss of revenue or incur price adjustments or other penalties.

Some of our revenue is derived from contracts with agencies of the United States government and subcontracts with its prime contractors. As a United States government contractor or subcontractor, we are subject to federal contracting regulations, including the Federal Acquisition Regulations, which govern the allowability of costs incurred by us in the performance of United States government contracts. Certain contract pricing is based on estimated direct and indirect costs, which are subject to change. Additionally, the United States government is entitled after final payment on certain negotiated contracts to examine all of our cost records with respect to such contracts and to seek a downward adjustment to the price of the contract if it determines that we failed to furnish complete, accurate and current cost or pricing data in connection with the negotiation of the price of the contract.

In connection with our United States government business, we are also subject to government audits and to review and approval of our policies, procedures, and internal controls for compliance with procurement regulations and applicable laws. In certain circumstances, if we do not comply with the terms of a contract or with regulations or statutes, we could be subject to downward contract price adjustments or refund obligations or could in extreme circumstances be assessed civil and criminal penalties or be debarred or suspended from obtaining future contracts for a specified period of time. Any such suspension or debarment or other sanction could have an adverse effect on our business.

Under some of our government subcontracts, we are required to maintain secure facilities and to obtain security clearances for personnel involved in performance of the contract, in compliance with applicable federal standards. If we were unable to comply with these requirements, or if personnel critical to our performance of these contracts were unable to obtain or maintain their security clearances, we might be unable to perform these contracts or compete for other projects of this nature, which could adversely affect our revenue.

If we are unable to generate sufficient cash flow, we may not be able to service our debt obligations, including making payments on our outstanding senior unsecured notes.

In April 2011, we issued in a public offering \$375.0 million aggregate principal amount of 3.0% senior unsecured notes due April 15, 2016 (the 2016 Notes). In June 2013, we issued in a public offering \$500.0 million aggregate principal amount of 2.875% senior unsecured notes due June 1, 2023 (the 2023 Notes and together with the 2016 Notes, the Notes). Our ability to make payments of principal and interest on our indebtedness when due depends upon our future performance, which will be subject to general economic conditions, industry cycles and financial, business and other factors affecting our consolidated operations, many of which are beyond our control. If we are unable to generate sufficient cash flow from operations in the future to service our outstanding debt, we may be required to, among other things:

- seek additional financing in the debt or equity markets;
- refinance or restructure all or a portion of our indebtedness, including the Notes;
- borrow under our existing revolving credit facility;
- divert funds that would otherwise be invested in our operations;
- repatriate earnings at higher tax rates that are permanently reinvested in foreign locations;
- sell selected assets; or
- reduce or delay planned capital expenditures or operating expenditures.

Such measures might not be sufficient to enable us to service our debt, including the Notes, which could negatively impact our financial results. In addition, any such financing, refinancing or sale of assets might not be possible on economically favorable terms.

Restrictions in our revolving credit facility and outstanding debt instruments may limit our activities.

Our current revolving credit facility and our outstanding senior unsecured notes impose, and future debt instruments to which we may become subject may impose, restrictions that limit our ability to engage in activities that could otherwise benefit our Company, including to undertake certain transactions, to create certain liens on our assets and to incur certain subsidiary indebtedness. Our ability to comply with these financial restrictions and covenants is dependent on our future performance, which is subject to prevailing economic conditions and other factors, including factors that are beyond our control such as foreign exchange rates, interest rates, changes in technology and changes in the level of competition. In addition, our revolving credit facility requires us to maintain compliance with specified financial ratios. If we breach any of the covenants under our revolving credit facility or the indentures governing our outstanding notes and do not obtain appropriate waivers, then, subject to applicable cure periods, our outstanding indebtedness thereunder could be declared immediately due and payable or we may be restricted from further borrowing under our revolving credit facility.

Our stock price may be volatile.

The market price of our common stock has been volatile in the past and may be volatile in the future, as it may be significantly affected by factors including:

- global economic conditions generally;
- crises in global credit, debt and financial markets;
- actual or anticipated fluctuations in our revenue and operating results;
- changes in financial estimates or other statements made by securities analysts or others in analyst reports or other publications or our failure to perform in line with those estimates or statements or our published guidance;
- changes in market valuations of other semiconductor companies;
- announcements by us or our competitors of significant new products, technical innovations, material transactions, acquisitions or dispositions, litigation or capital commitments;
- departures of key personnel;
- alleged noncompliance with laws, regulations or ethics standards by us or any of our employees, officers or directors; and
- negative media publicity targeting us or our suppliers, customers or competitors.

The stock market has historically experienced volatility, especially within the semiconductor industry, that often has been unrelated to the performance of particular companies. These market fluctuations may cause our stock price to fall regardless of our operating results.

Our directors and executive officers periodically sell shares of our common stock in the market, including pursuant to Rule 10b5-1 trading plans. Regardless of the individual's reasons for such sales, securities analysts and investors could view such sales as a negative indicator and our stock price could be adversely affected as a result.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased (a)	Average Price Paid Per Share (b)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (c)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
February 1, 2015 through February 28, 2015	168,891	\$ 53.74	161,281	\$ 684,540,540
March 1, 2015 through March 28, 2015	244,927	\$ 58.76	3,500	\$ 684,342,220
March 29, 2015 through May 2, 2015	12,813	\$ 62.82	—	\$ 684,342,220
Total	426,631		164,781	\$ 684,342,220

- (a) Includes 261,850 shares withheld by us from employees to satisfy minimum employee tax obligations upon vesting of restricted stock units granted to our employees under our equity compensation plans.
- (b) The average price paid per share of stock repurchased under the stock repurchase program includes the commissions paid to the brokers. The average price paid for shares in connection with vesting of restricted stock are averages of the closing stock price at the vesting date which is used to calculate the number of shares to be withheld.
- (c) Shares repurchased pursuant to the stock repurchase program publicly announced on August 12, 2004. On February 17, 2014, our Board of Directors authorized the repurchase by us of an additional \$570.0 million of our common stock, increasing the total amount of our common stock that we are authorized to repurchase under the program to \$5.6 billion. Under the repurchase program, we may repurchase outstanding shares of our common stock from time to time in the open market and through privately negotiated transactions. Unless terminated earlier by resolution of our Board of Directors, the repurchase program will expire when we have repurchased all shares authorized for repurchase under the repurchase program.

ITEM 6. Exhibits

The exhibits listed in the Exhibit Index immediately preceding the exhibits are filed as part of this Quarterly Report on Form 10-Q and such Exhibit Index is incorporated herein by reference.

SIGNATURES

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 thereunto duly authorized.

ANALOG DEVICES, INC.

Date: May 19, 2015

By: /s/ VINCENT T. ROCHE

Vincent T. Roche
President and Chief Executive Officer
(Principal Executive Officer)

Date: May 19, 2015

By: /s/ DAVID A. ZINSNER

David A. Zinsner
Senior Vice President, Finance
and Chief Financial Officer
(Principal Financial Officer)

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
10.1†	Form of Global Non-Qualified Stock Option Agreement for Employees for usage under the Analog Devices, Inc. Amended and Restated 2006 Stock Incentive Plan.
10.2†	Form of Global Restricted Stock Unit Agreement for Employees for usage under the Analog Devices, Inc. Amended and Restated 2006 Stock Incentive Plan.
10.3†	Form of Performance Restricted Stock Unit Agreement for Employees for usage under the Analog Devices, Inc. Amended and Restated 2006 Stock Incentive Plan.
10.4†	Form of Global Non-Qualified Stock Option Agreement for Directors for usage under the Analog Devices, Inc. Amended and Restated 2006 Stock Incentive Plan.
10.5†	Form of Restricted Stock Unit Agreement for Directors for usage under the Analog Devices, Inc. Amended and Restated 2006 Stock Incentive Plan.
31.1†	Certification Pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Chief Executive Officer).
31.2†	Certification Pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Chief Financial Officer).
32.1†	Certification Pursuant to 18 U.S.C. Section 1350 (Chief Executive Officer).
32.2†	Certification Pursuant to 18 U.S.C. Section 1350 (Chief Financial Officer).
101.INS	XBRL Instance Document.**
101.SCH	XBRL Schema Document.**
101.CAL	XBRL Calculation Linkbase Document.**
101.LAB	XBRL Labels Linkbase Document.**
101.PRE	XBRL Presentation Linkbase Document.**
101.DEF	XBRL Definition Linkbase Document.**
†	Filed or furnished herewith.
**	Submitted electronically herewith.

Attached as Exhibit 101 to this report are the following formatted in XBRL (Extensible Business Reporting Language): (i) Condensed Consolidated Statements of Income for the three and six months ended May 2, 2015 and May 3, 2014, (ii) Condensed Consolidated Statements of Comprehensive Income for the three and six months ended May 2, 2015 and May 3, 2014, (iii) Condensed Consolidated Balance Sheets at May 2, 2015 and November 1, 2014, (iv) Condensed Consolidated Statements of Cash Flows for the three months ended May 2, 2015 and May 3, 2014 and (v) Notes to Condensed Consolidated Financial Statements for the three and six months ended May 2, 2015.

**AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
GLOBAL NON-QUALIFIED STOCK OPTION AGREEMENT****Private & Confidential (Addressee Only)**

{EMPNAME}

{EMPNUM}

We are pleased to advise the Optionee (the "Optionee") that Analog Devices, Inc., a Massachusetts corporation (the "Company"), has granted to the Optionee an option to purchase that number of shares of Common Stock set forth below (the "Option") subject to the terms and conditions of the Analog Devices, Inc. Amended and Restated 2006 Stock Incentive Plan (the "Plan"), and this Global Non-Qualified Stock Option Agreement, including Appendix A, which includes any applicable country-specific provisions (this agreement, together with Appendix A, the "Agreement"). The grant of this Option reflects the Company's confidence in the Optionee's commitment and contributions to the success and continued growth of the Company.

All terms not defined herein shall have the meanings assigned to such terms in the Plan.

1. Grant of Option. Subject to the terms and conditions of the Plan and this Agreement, the Company has granted to the Optionee an Option to purchase that number of shares of the Company's Common Stock (the "Option Shares") effective on the Date of Grant set forth below:

Date of Grant: {GRANTDATE}

Number of Option Shares Granted: {SOSHARESGRANTED}

Option Exercise Price Per Share: {EXERCISEPRICE}

2. Vesting and Exercise of Option. Subject to the Optionee's continued employment with the Company or the Employer (as defined in 3(h) below) and other limitations set forth in this Agreement and the Plan, the Option will vest as to a set number of shares on each of the vesting dates set out in the following schedule:

{SOVESTSCHED}

The right of exercise is cumulative, so that an Option, once vested, may be exercised, in whole or in part, at any time up to {EXPDATE}, the expiration date, or such earlier date as provided in Section 3 below or in the country-specific provisions in Appendix A.

3. Term of Option; Termination of Employment.

- (a) The term of the Option is ten (10) years after the Date of Grant, subject, however, to the early termination provisions set forth herein.
- (b) Except as otherwise provided herein, the Option shall be exercisable by the Optionee (or his/her successor in interest) following the termination of the Optionee's employment only to the extent that the Option was vested on or prior to the date of such termination.
- (c) The vesting of the Option shall terminate on the date the Optionee voluntarily terminates employment with the Company or the Employer (as defined in Section 3(h)) (except by reason of retirement after attaining age 60 as provided below) or on the date his/her employment is terminated by the Company or the Employer without "Cause" (as defined in paragraph d), but any Option Shares that are vested on the date of such termination shall continue to be exercisable for a period of three (3) months following such termination date.
- (d) The Option shall terminate on the date the Optionee's employment with the Company or the Employer is terminated by the Company or one of its subsidiaries for "Cause", and all Option Shares that are then vested shall forthwith cease to be exercisable. "Cause" for this purpose means unsatisfactory job performance (as determined by the Company), willful misconduct, fraud, gross negligence, disobedience or dishonesty, or as otherwise determined under applicable law.

- (e) Upon the death of the Optionee while he/she is an employee of the Company or the Employer, the Option shall become immediately vested in full as to all shares on the date of death and shall continue to be exercisable (by the Optionee's successor in interest) over the remaining term of the Option.
 - (f) If the Optionee's employment with the Company or the Employer terminates by reason of the retirement of the Optionee after attaining age 60, the vesting of the Option shall terminate on the date of such retirement, but any Option Shares that are vested on the date of such retirement shall continue to be exercisable over the remaining term of the Option; provided that all then-exercisable Option Shares held by such Optionee shall immediately cease to be exercisable in the event that such Optionee becomes an employee of any competitor of the Company or the Employer (as determined in the sole discretion of the Company).
 - (g) If the Optionee becomes Disabled, regardless of whether Optionee terminates employment with the Company or the Employer, the Option shall vest and become exercisable in full on the date the Optionee is determined to be Disabled and shall continue to be exercisable until the date that is ten (10) years after the Date of Grant, at which time the Option shall terminate. "Disabled" with respect to the Optionee means, when and if, as a result of disease, injury or mental disorder, the Optionee is incapable of engaging in regular service or occupation with the Company or the Employer (as defined in paragraph h) which has lasted or can be expected to last for a continuous period of not less than 12 months, as determined by the Company.
 - (h) For purposes of this Agreement, employment shall include being an employee with the Company. Employment shall also include being an employee with any direct or indirect parent or subsidiary of the Company, or any successor to the Company or any such parent or subsidiary of the Company (the "Employer"). Should an Optionee transfer employment to become a director, consultant or advisor to the Company or the Employer following the Date of Grant, he or she will be considered employed for vesting purposes until he or she ceases to provide services to the Company or any direct or indirect parent or subsidiary of the company, or any successor to the Company or any such parent or subsidiary of the Company.
 - (i) Notwithstanding the provisions in this Section 3, if the Company or the Employer develops a good faith belief that any provision in this Section 3 may be found to be unlawful, discriminatory or against public policy in any relevant jurisdiction, then the Company in its sole discretion may choose not to apply such provision to this Option, nor any Option grant in the Optionee's jurisdiction.
4. Payment of Exercise Price. The following payment methods may be used to purchase Option Shares:
- (a) A cashless exercise in a manner described in Section 5(f)(2) of the Plan.
 - (b) Cash or check payable to the Company.
 - (c) Delivery by the Optionee of shares of Common Stock of the Company (by actual delivery or attestation) in accordance with Section 5(f)(3) of the Plan.
 - (d) Any combination of the above methods.
5. Non-Transferability of Option. Except in the event of death (whether by beneficiary designation or by will or the laws of descent and distribution) or as permitted by the Plan, this Option is personal and no rights granted hereunder shall be transferred, assigned, pledged, or hypothecated in any way (whether by operation of law or otherwise), nor shall any such rights be subject to execution, attachment or similar process.
6. Adjustment. This Option is subject to adjustment (including with respect to vesting of the Option Shares) upon certain changes in the Company's common stock and certain other events, including a Change in Control Event or a Reorganization Event, as provided in Section 11 of the Plan.
7. Withholding Taxes. Regardless of any action the Company or the Employer, if different, takes with respect to any or all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax related items related to the Optionee's participation in the Plan and legally applicable to the Optionee ("Tax-Related Items"), the Optionee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Optionee's responsibility and may exceed the amount actually withheld by the Company or the Employer. The Optionee further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Option, including, but not limited to, the grant, vesting or exercise of the Option, the subsequent sale of Option Shares acquired pursuant to such exercise and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Option to reduce or eliminate the Optionee's liability for Tax-Related Items

or achieve any particular tax result. Further, if the Optionee has become subject to Tax-Related Items in more than one jurisdiction between the Date of Grant and the date of any relevant taxable or tax withholding event, as applicable, the Optionee acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to the relevant taxable or tax withholding event, as applicable, the Optionee will pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, the Optionee authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following: (i) withholding from the Optionee's wages or other cash compensation paid to the Optionee by the Company and/or the Employer; or (ii) withholding from proceeds of the sale of Option Shares acquired at exercise of the Option either through a voluntary sale or through a mandatory sale arranged by the Company (on the Optionee's behalf pursuant to this authorization). The Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates. No fractional Option Shares will be issued pursuant to the grant of the Option and the issuance of Option Shares hereunder.

Finally, the Optionee shall pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Optionee's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the shares or the proceeds of the sale of Option Shares, if the Optionee fails to comply with the Optionee's obligations in connection with the Tax-Related Items.

8. Nature of Grant. In accepting the Option, the Optionee acknowledges, understands and agrees that:
- (a) the Plan is established voluntarily by the Company, it is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
 - (b) the grant of the Option is voluntary and occasional and does not create any contractual or other right to receive future grants of options, or benefits in lieu of options, even if options have been granted repeatedly in the past;
 - (c) all decisions with respect to future option grants, if any, will be at the sole discretion of the Company;
 - (d) the Optionee's participation in the Plan shall not create a right to further employment with the Employer and shall not interfere with the ability of the Employer to terminate the Optionee's employment or service relationship (if any) at any time;
 - (e) the Optionee is voluntarily participating in the Plan;
 - (f) the Option and any Option Shares acquired under the Plan and the income and value of same, are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or the Employer;
 - (g) the Option grant and the Optionee's participation in the Plan will not be interpreted to form an employment or service contract or relationship with the Company or the Employer;
 - (h) the future value of the Option Shares underlying the Option is unknown, indeterminable, and cannot be predicted with certainty;
 - (i) if the underlying Option Shares do not increase in value, the Option will have no value;
 - (j) if the Optionee exercises the Option and acquires Option Shares, the value of such Option Shares may increase or decrease in value, even below the Exercise Price;
 - (k) for Optionees who reside outside the U.S., the following additional provisions shall apply:
 - a. the Option and any Option Shares acquired under the Plan are not intended to replace any pension rights or compensation;

- b. the Option and any Option Shares acquired under the Plan are extraordinary items that do not constitute compensation of any kind for services of any kind rendered to the Company or the Employer, and which is outside the scope of the Optionee's employment or service contract, if any;
 - c. the Optionee acknowledges and agrees that neither the Company nor the Employer shall be liable for any foreign exchange rate fluctuation between the Optionee's local currency and the United States Dollar that may affect the value of the Option or of any amounts due to the Optionee pursuant to the exercise of the Option or the subsequent sale of any Option Shares acquired upon exercise; and
 - d. no claim or entitlement to compensation or damages shall arise from forfeiture of the Option resulting from termination of the Optionee's employment by the Company or the Employer (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Participant is employed or the terms of Participant's employment agreement, if any) and in consideration of the grant of the Option to which the Optionee is otherwise not entitled, the Optionee irrevocably agrees never to institute any claim against the Company or the Employer, waive his or her ability, if any, to bring any such claim, and release the Company and the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Optionee shall be deemed irrevocably to have agreed not to pursue such claim and agree to execute any and all documents necessary to request dismissal or withdrawal of such claims.
9. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Optionee's participation in the Plan, or the Optionee's acquisition or sale of the underlying Option Shares. The Optionee is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.
10. **Data Privacy.** *This Section 10 applies if the Optionee resides outside the U.S.: The Optionee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Optionee's personal data as described in this Agreement and any other Option grant materials by and among, as applicable, the Employer, the Company and its subsidiaries for the exclusive purpose of implementing, administering and managing the Optionee's participation in the Plan.*
- The Optionee understands that the Company and the Employer may hold certain personal information about the Optionee, including, but not limited to, the Optionee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all Options or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in the Optionee's favor, for the exclusive purpose of implementing, administering and managing the Plan ("Data").*
- The Optionee understands that Data will be transferred to such other stock plan service provider as may be selected by the Company that assists the Company with the implementation, administration and management of the Plan. The Optionee understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than the Optionee's country. The Optionee understands that he or she may request a list with the names and addresses of any potential recipients of the Data by contacting the Optionee's local human resources representative. The Optionee authorizes the Company, the stock plan service provider, and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purpose of implementing, administering and managing his or her participation in the Plan. The Optionee understands that Data will be held only as long as is necessary to implement, administer and manage the Optionee's participation in the Plan. The Optionee understands that he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. The Optionee understands, however, that refusing or withdrawing his or her consent may affect the Optionee's ability to participate in the Plan. For more information on the consequences of the Optionee's refusal to consent or withdrawal of consent, the Optionee understands that he or she may contact his or her local human resources representative.*
11. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the Company and the Optionee and his or her respective heirs, executors, administrators, legal representatives, successors and assigns, subject to the restrictions on transfer set forth in Section 5 of this Agreement.
12. **Notice.** Each notice relating to this Award shall be in writing (which shall include electronic form) and delivered in person, electronically or by first class mail, postage prepaid, to the address as hereinafter provided. Each notice shall be deemed to have been given on the date it is received. Each notice to the Company shall be addressed to it at its offices at Analog Devices, Inc., One Technology Way, Norwood, Massachusetts, 02062 U.S.A., Attention: Stock Plan Administrator, Treasury Department.

Each notice to the Optionee shall be addressed to the Optionee at the Optionee's last known mailing or email address, as applicable, on the records of the Company.

13. Pronouns. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa.
14. Entire Agreement. This Agreement and the Plan constitute the entire understanding between the parties, and supersede all prior agreements and understandings, relating to the subject matter of these documents.
15. Governing Law. This Agreement shall be construed, interpreted and enforced in accordance with the internal laws of the Commonwealth of Massachusetts without regard to any applicable conflicts of laws.
16. Compliance with Law. Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the Option Shares, the Company shall not be required to deliver any shares issuable upon exercise of the Option prior to the completion of any registration or qualification of the Option Shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission ("SEC") or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Optionee understands that the Company is under no obligation to register or qualify the Option Shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Option Shares. Further, the Optionee agrees that the Company shall have unilateral authority to amend the Plan and this Agreement without the Optionee's consent to the extent necessary to comply with securities or other laws applicable to issuance of Option Shares.
17. Interpretation. The interpretation and construction of any terms or conditions of this Agreement or the Plan, or other matters related to the Plan, by the Compensation Committee of the Board of the Company shall be final and conclusive.
18. Optionee's Acceptance. The Optionee is urged to read this Agreement carefully and to consult with his or her own legal counsel regarding the terms and consequences of this Agreement and the legal and binding effect of this Agreement. By virtue of his or her acceptance of this Option, the Optionee is deemed to have accepted and agreed to all of the terms and conditions of this Agreement and the provisions of the Plan.
19. Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Optionee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
20. Language. If the Optionee has received this Agreement, or any other document related to the Option and/or the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
21. Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.
22. Appendix. The Option shall be subject to any special provisions set forth in the Appendix for the Optionee's country of residence, if any. If the Optionee relocates to one of the countries included in the Appendix during the life of the Option, the special provisions for such country shall apply to the Optionee, to the extent the Company determines that the application of such provisions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Appendix constitutes part of this Agreement.
23. Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Option and the Option Shares purchased upon exercise of the Option, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Optionee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.
24. Private Placement. The Company has submitted filings in the United States in connection with the stock incentive plan under which this Option was made. The Company has not submitted any registration statement, prospectus or other filings with other local securities authorities (unless otherwise required under such local law), and the grant of the Option is not intended to be a public offering of securities in any other jurisdiction or subject to the supervision of other local securities authorities.

25. Insider Trading Restrictions/Market Abuse Laws. The Optionee acknowledges that, depending on his or her country of residence, the Optionee may be subject to insider trading restrictions and/or market abuse laws, which may affect Optionee's ability to acquire or sell Option Shares or rights to Option Shares under the Plan during such times as Optionee is considered to have "inside information" regarding the Company (as defined by the laws in the Optionee's country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Optionee acknowledges that it is his or her responsibility to comply with any applicable restrictions, and the Optionee is advised to speak to his or her personal advisor on this matter.
26. Waiver. The Optionee acknowledges that a waiver by the Company or breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Optionee or any other optionee.

A copy of the Plan prospectus is available on the Company's Intranet at <http://signals.corpnt.analog.com/default.aspx>. (From Signals home page, click Knowledge Centers, HR, Employee Stock Programs. The related documents can be found in the right-hand column.) If the Optionee is unable to access this information via the Intranet, the Company's or the Optionee's regional stock plan administrator can provide the Optionee with copies.

Ray Stata Vincent Roche
Chairman of the Board President & Chief Executive Officer

APPENDIX A TO

AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
GLOBAL NON-QUALIFIED STOCK OPTION AGREEMENT

This Appendix A includes additional terms and conditions that govern the Options granted to the Optionee if the Optionee resides in one of the countries listed herein. These terms and conditions are in addition to, or, if so indicated, in place of, the terms and conditions set forth in the Agreement. Capitalized terms used but not defined shall have the same meanings as set forth in the Plan and/or the Agreement.

This Appendix A also includes certain issues of which the Optionee should be aware with respect to his or her participation in the Plan. The information is based on the securities, exchange control, income tax and other laws in effect in the respective countries as of February 2015. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Optionee not rely on the information noted herein as the only source of information relating to the consequences of participation in the Plan because the information may be out of date when the Optionee exercises the Options or when the Option Shares purchased under the Plan are subsequently sold.

In addition, the information is general in nature and may not apply to the Optionee's particular situation, and the Company is not in a position to assure the Optionee of any particular result. Therefore, the Optionee is advised to seek appropriate professional advice as to how the relevant laws in the Optionee's country may apply to his or her situation.

Finally, the Optionee understands that if he or she is a citizen or resident of a country other than the one in which the Optionee is currently working, transfers employment after the Date of Grant, or is considered a resident of another country for local law purposes, the information contained herein may not apply to the Optionee, and the Company shall, in its discretion, determine to what extent the terms and conditions contained herein shall apply.

AUSTRIA

Consumer Protection Information. The Optionee may be entitled to revoke acceptance of the Agreement on the basis of the Austrian Consumer Protection Act (the "Act") under the conditions listed below, if the Act is considered to be applicable to the Agreement and the Plan:

(i) The revocation must be made within one (1) week after acceptance of the Agreement.

(ii) The revocation must be in written form to be valid. It is sufficient if the Optionee returns the Agreement to the Company or the Company's representative with language which can be understood as a refusal to conclude or honor the Agreement, provided the revocation is sent within the period discussed above.

Exchange Control Information. If the Optionee holds Option Shares acquired under the Plan outside Austria (even if he or she holds them outside Austria with an Austrian bank), then the Optionee understands that he or she must submit an annual report to the Austrian National Bank using the form "*Standmeldung/Wertpapiere*." An exemption applies if the value of the securities held outside Austria as of December 31 does not exceed €5,000,000 or the value of the securities as of any quarter does not exceed €30,000,000. If the former threshold is exceeded, then the annual reporting obligations are imposed, whereas if the latter threshold is exceeded, then quarterly reports must be submitted. The deadline for filing the annual report is January 31 of the following year.

When the Option Shares are sold, there may be exchange control obligations if the cash received is held outside Austria, as a separate ongoing reporting requirement may apply to non-Austrian accounts. If the transaction value of all cash accounts abroad is less than €3,000,000, then no ongoing reporting requirements apply. However, if the transaction volume of all of the Optionee's cash accounts abroad exceeds €3,000,000, then the movements and the balance of all accounts must be reported monthly, as of the last day of the month, on or before the 15th day of the following month, using the form "*Meldungen SI-Forderungen und/oder SI-Verpflichtungen*."

BELGIUM

Taxation of Option. The Option must be accepted in writing either (i) within 60 days of the offer (for tax at offer), or (ii) after 60 days of the offer (for tax at exercise). The Optionee has received a separate offer letter, acceptance form and undertaking form in addition to the Agreement. The Optionee should refer to the offer letter for a more detailed description of the tax consequences of choosing to accept the Option. The Optionee should consult with his or her personal tax advisor regarding completion of the additional forms.

Foreign Asset / Account Reporting Information. The Optionee is required to report any securities (e.g., Option Shares) or bank accounts opened and maintained outside Belgium on his or her annual tax return.

CANADA

Form of Acceptance. This Option grant is conditioned upon the Optionee's written acceptance of the terms of the Agreement, including this Appendix A, and the Plan. The Company will provide the Optionee with an acceptance form that must be signed and returned to the Company. If Company does not receive the Optionee's signed acceptance form within the deadline set forth therein, the Option will terminate and will become null and void.

Securities Law Information. The Optionee is permitted to sell Option Shares acquired through the Plan through the designated broker appointed under the Plan, if any (or any other broker acceptable to the Company), provided the resale of Option Shares acquired under the Plan takes place outside Canada through the facilities of a stock exchange on which the Option Shares are listed. The Option Shares are currently listed on the NASDAQ Global Select Market.

Payment of Exercise Price and Withholding Taxes. Notwithstanding anything in the Agreement or the Plan, the Optionee agrees to pay the Exercise Price and any Tax-Related Items solely by means of (i) cash, which may be paid by check, or other instrument acceptable to the Company or (ii) a broker-assisted cashless exercise, whereby the broker sells some or all of the Option Shares to be issued upon exercise to pay the Exercise Price, brokerage fees and any applicable Tax-Related Items. To the extent that tax regulatory requirements change, the Company reserves the right to permit the Optionee to exercise the Option and pay the Exercise Price and any applicable Tax-Related Items in Option Shares to the extent permitted by the Plan.

Termination of Employment. The following supplements Section 3 of the Agreement (except Section 3(g) regarding disability) as well as any other section required to give effect to the same:

In the event of termination of the Optionee's employment for any reason (other than by reason of the Optionee's death), either by the Optionee or by the Employer, with or without cause, the Optionee's right to vest or to continue to vest in the Option under the Plan, if any, will terminate as of the actual Date of Termination. For this purpose, "Date of Termination" shall mean the last day on which the Optionee is actively employed by the Employer, and shall not include or be extended by any period following such day during which the Optionee is in receipt of or eligible to receive any notice of termination, pay in lieu of notice of termination, severance pay or any other payments or damages, whether arising under statute, contract or at common law.

Foreign Asset / Account Reporting Information. If the total value of the Optionee's foreign property (including cash held outside Canada or Option Shares) exceeds C\$100,000 at any time during the year, the Optionee must report all of his or her foreign property on Form T1135 (Foreign Income Verification Statement) by April 30 of the following year. Foreign property may also include the unvested portion of the Options. The Optionee should consult with his or her personal tax advisor to determine the reporting requirements.

The following terms and conditions apply if the Optionee is in Quebec:

Data Privacy. This provision supplements Section 10 of the Agreement:

The Optionee hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. The Optionee further authorizes the Company and the administrator of the Plan to disclose and discuss the Plan with their advisors. The Optionee further authorizes the Company and the Employer to record such information and to keep such information in the Optionee's employee file.

French Language Acknowledgment. This provision supplements Section 20 of the Agreement:

The parties acknowledge that it is their express wish that this Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de cette convention, ainsi que de tous documents, avis et procédures judiciaires, exécutés, donnés ou intentés en vertu de, ou liés directement ou indirectement à, la présente convention.

CHINA

Payment of Exercise Price. The following supplements Section 4 of the Agreement:

Due to regulatory requirements in the PRC, the Optionee will be required to exercise the Option using a broker assisted cashless sell-all exercise method pursuant to which all Option Shares subject to the exercised Option will be sold immediately upon exercise and the proceeds of sale, less any broker's fees or commissions, will be remitted to the Optionee. The Optionee will not be permitted to hold Option Shares after exercise. The Optionee understands and agrees that the Tax-Related Items with respect to the exercise of the Options may be taken by the Employer from the Optionee's salary or other cash compensation. The Optionee acknowledges that the Company's designated broker is under

no obligation to arrange for the sale of the Option Shares pursuant to the cashless sell-all exercise method at any particular price. The Company reserves the right to provide additional methods of exercise depending on the development of local law.

Exchange Control Requirements. Due to exchange control laws in the PRC, if the Optionee is a PRC national he or she will be required to repatriate the proceeds from the cashless sell-all exercise to the PRC. The Optionee understands and agrees that such cash proceeds must be repatriated to the PRC through a special exchange control account established by the Company, the Employer, or a subsidiary of the Company, and the Optionee hereby consents and agrees that any proceeds from the sale of Option Shares may be transferred to such special account prior to being delivered to the Optionee.

Further, notwithstanding Section 3(e) or 3(g) of the Agreement, if the Optionee terminates employment with the Company or the Employer due to death or the Optionee becomes Disabled as determined by the Company, the vesting of the Option shall accelerate on the date of such termination or determination of disability, and the Option shall continue to be exercisable for a period of three (3) months following the termination date due to death or disability. If the Optionee or the Optionee's heirs do not exercise the Option within three (3) months of the Optionee's death or date of termination in the event of disability, the Option will be forfeited and the Optionee or the Optionee's heirs will not be able to exercise the Option.

The Optionee understands and agrees that there will be a delay between the date the Option Shares are sold and the date the cash proceeds are distributed to the Optionee. The Optionee also understands and agrees that the Company is not responsible for any currency fluctuation that may occur between the date the Option Shares are sold and the date the cash proceeds are distributed to the Optionee. The Optionee further agrees to comply with any other requirements that may be imposed by the Company in the future to facilitate compliance with exchange control requirements in the PRC.

DENMARK

Danish Stock Option Act. By participating in the Plan, the Optionee acknowledges that he or she received an Employer Statement translated into Danish, which is being provided to comply with the Danish Stock Option Act. To the extent more favorable to the Optionee and required to comply with the Stock Option Act, the terms set forth in the Employer Statement will apply to the Optionee's participation in the Plan.

Notice of Grant. This provision supplements Section 8 in the Agreement:

By accepting the Option, the Optionee acknowledges, understands and agrees that this grant relates to future services to be performed and is not a bonus or compensation for past services.

Exchange Control and Tax Information. The Optionee may hold Option Shares acquired under the Plan in a safety-deposit account (e.g., a brokerage account) either with a Danish bank or with an approved foreign broker or bank. If the Option Shares are held with a non-Danish broker or bank, the Optionee is required to inform the Danish Tax Administration about the safety-deposit account. For this purpose, the Optionee must file a Declaration V (Erklaering V) with the Danish Tax Administration. The Form V must be signed by the Optionee and may be signed by the bank/broker. In the event that the applicable broker or bank with which the safety-deposit account is held does not wish to, or, pursuant to the laws of the country in question, is not allowed to assume such obligation to report, the Optionee acknowledges that he or she is solely responsible for providing certain details regarding the foreign brokerage or bank account and any Option Shares acquired at vesting and held in such account to the Danish Tax Administration as part of the Optionee's annual income tax return. By signing the Declaration V, the Optionee at the same time authorizes the Danish Tax Administration to examine the account. A sample of the Declaration V can be found at the following website: www.skat.dk/getFile.aspx?Id=47392.

In addition, if the Optionee opens a deposit account or brokerage account for the purpose of holding cash outside Denmark, the bank or brokerage account, as applicable, will be treated as a deposit account because cash can be held in the account. Therefore, the Optionee must also file a Declaration K (Erklaering K) with the Danish Tax Administration. Both the Optionee and the bank/broker must sign the Declaration K, unless an exemption from the broker/bank signature requirement is granted by the Danish Tax Administration. It is possible to seek the exemption on the Form K, which the Optionee should do at the time he or she submits the Form K. By signing the Declaration K, the Optionee (and the bank/broker to the extent the exemption is not granted) undertakes an obligation, without further request each year (no later than on February 1 of the year following the calendar year to which the information relates), to forward certain information to the Danish Tax Administration concerning the content of the deposit account. In the event that the applicable financial institution (broker or bank) with which the account is held, does not wish to, or, pursuant to the laws of the country in question, is not allowed to assume such obligation to report, the Optionee acknowledges that he or she is solely responsible for providing certain details regarding the foreign brokerage or bank account to the Danish Tax Administration as part of the Optionee's annual income tax return. By signing the Declaration K, the Optionee at the same time authorizes the Danish Tax Administration to examine the account. A sample of Declaration K can be found at the following website: www.skat.dk/getFile.aspx?Id=42409&newwindow=true.

Foreign Asset / Account Reporting Information. If the Optionee establishes an account holding Option Shares or cash outside Denmark, the Optionee must report the account to the Danish Tax Administration. The form which should be used in this respect can be obtained from a local bank. (Please note that these obligations are separate from and in addition to the obligations described above.)

EGYPT

Exchange Control Information. If the Optionee transfers funds out of or into Egypt in connection with the exercise of the Option or remits proceeds from the sale of Option Shares, the Optionee is required to transfer the funds through a registered bank in Egypt.

FINLAND

There are no country-specific provisions.

FRANCE

French Qualified Option. This Option is intended to qualify for favorable tax and social security treatment applicable to stock options granted under Section L.225-177 to L.225-186-1 of the French Commercial Code, as amended and in accordance with the relevant provisions set forth by the French tax and social security laws and the French tax and social security administrations. The Company does not undertake to maintain the qualified status of this Option. The Optionee understands and agrees that he or she will be responsible for paying personal income tax and the Optionee's portion of social security contributions resulting from the exercise of this Option in the event this Option loses its qualified status and the Optionee will not be entitled to any damages if the Option no longer qualifies as French-qualified Option.

Plan Terms. The Options are subject to the terms and conditions of the Plan and the Rules of the Analog Devices, Inc. Amended and Restated 2006 Stock Incentive Plan for Grants of Options to Optionees in France (the "French Sub-plan"). To the extent that any term is defined in both the Plan and the French Sub-plan, for purposes of this grant of a French-qualified Option, the definitions in the French Sub-plan shall prevail.

Option Exercise Price Per Share. With respect to Section 1 of the Agreement, the Date of Grant shall be the Effective Grant Date set forth in the French Sub-plan and the Option Exercise Price Per Share as of the Effective Grant Date shall be no less than the minimum amount required under French law as set forth in the French Sub-plan.

Expiration. This provision replaces Section 3(a) of the Agreement:

Notwithstanding Section 3(a) of the Agreement, the Option will expire 9½ years after the Effective Grant Date ({FRENCHEXPDATE}), as defined in the French Sub-plan.

Termination Upon Death. This provision replaces Section 3(e) of the Agreement:

If the Optionee's employment is terminated because of death, the unvested portion of the Optionee's Option will immediately vest and become exercisable by the Optionee's estate or heirs on the termination date for a period of six (6) months following the Optionee's death. If the Optionee's heirs do not exercise the Option within six (6) months of the Optionee's death, the Option will be forfeited and the Optionee's heirs will not be able to exercise the Option.

Language Consent. By accepting this Option, the Optionee confirms having read and understood the documents relating to this Option (e.g., the Plan, the French Sub-plan, and the Agreement, including Appendix A) which were provided in the English language. The Optionee accordingly accepts the terms of those documents.

Consentement a la Langue. En signant et renvoyant cet Accord, ou par acceptant autrement l'Accord, le Titulaire de l'Option confirme ainsi avoir lu et compris les documents relatifs à l'Option, (c'est-à-dire, Le Plan, Le Plan pour la France et cet Accord) qui ont été fournis en langue anglaise. Le Titulaire de l'Option accepte les termes de ces documents en connaissance de cause.

GERMANY

Exchange Control Information. Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank. In case of payments in connection with the exercise of the Options or sale of Option Shares acquired under the Plan, the report must be filed electronically by the 5th day of the month following the month in which the payment was received. The form of report ("*Allgemeine Meldeportal Statistik*") can be accessed via the Bundesbank's website (www.bundesbank.de) and is available in both German and English.

INDIA

Payment of Exercise Price. This provision supplements Section 4 of the Agreement:

Notwithstanding anything to the contrary in the Agreement, due to legal restrictions in India, the Optionee will not be permitted to pay the Exercise Price by (i) delivery of shares of Common Stock (as set forth in Section 4(c) of the Agreement) or (ii) a broker assisted partial cashless exercise such that a certain number of Option Shares subject to the exercised Option are sold immediately upon exercise and the proceeds of the sale remitted to the Company to cover the aggregate Exercise Price and any Tax-Related Items. However, payment of the Exercise Price may be made by any of the other methods of payment set forth in Section 4 of the Agreement. The Company reserves the right to provide the Optionee with this method of payment depending on the development of local law.

Exchange Control Notification. If the Optionee remits funds out of India to purchase Option Shares, it is the Optionee's responsibility to comply with applicable exchange control laws. Regardless of the method of exercise used to purchase the Option Shares, the Optionee understands that he or she must repatriate any proceeds from the sale of Option Shares acquired under the Plan and any dividends received in relation to the Option Shares to India and convert the funds into local currency within ninety (90) days of receipt. The Optionee must obtain a foreign inward remittance certificate ("FIRC") from the bank where the Optionee deposits the foreign currency and maintains the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Employer requests proof of repatriation.

Foreign Asset / Account Reporting Information. The Optionee is required to declare any foreign bank accounts and assets (including Shares acquired under the Plan) on his or her annual tax return. The Optionee should consult with his or her personal tax advisor to determine his or her reporting requirements.

IRELAND

Labor Law Acknowledgment. This provision supplements Section 8 of the Agreement:

By accepting the Option, the Optionee acknowledges, understands, and agrees that the benefits received under the Plan will not be taken into account for any redundancy or unfair dismissal claim.

Director Notification. If the Optionee is a director, shadow director or secretary of an Irish subsidiary of the Company, the Optionee is subject to certain notification requirements under Section 53 of the Companies Act, 1990. Among these requirements is an obligation to notify the Irish affiliate in writing within five (5) business days when the Optionee receives an interest (e.g., Options, Option Shares) in the Company and the number and class of shares or rights to which the interest relates. In addition, the Optionee must notify the Irish subsidiary within five (5) business days when the Optionee sells Option Shares acquired under the Plan. This notification requirement also applies to any rights or Option Shares acquired by the Optionee's spouse or children (under the age of 18).

Restriction on Type of Shares Issued to Directors. If the Optionee is a director of an Irish subsidiary of the Company, the Option will be granted over newly issued shares only. In no event will treasury shares be issued pursuant to the exercise of the Option. This restriction also applies to a shadow director of an Irish subsidiary.

ISRAEL

Trust Arrangement. The Optionee understands and agrees that the Options are offered subject to and in accordance with the terms of the Israeli Sub-Plan (the "Sub-Plan") under the 102 Capital Gains Track (as defined in the Sub-Plan), the Trust Agreement among the trustee appointed by Analog Devices (Israel) Ltd. and Analog Development (Israel) 1996 Ltd., and the Agreement. This includes the option exercise price per share and any other requirements set out in the Sub-plan. In the event of any inconsistencies among the Sub-Plan, the Agreement and/or the Plan, the Sub-Plan will govern the Options granted to the Optionee in Israel.

If the Optionee resides in Israel and has not already signed an Israeli Appendix in connection with grants made under the Plan, then the Optionee must print, sign and deliver the signed copy of the Israeli Appendix within 45 days to: Stock Plan Administrator, Treasury Department, Analog Devices, Inc., One Technology Way, Norwood, Massachusetts, 02062 U.S.A. If Analog Devices, (Israel) Ltd. or Analog Devices, Inc. does not receive the signed Israeli Appendix within 45 days, the Options shall terminate and will become null and void.

Payment of Exercise Price. This provision supplements Section 4 of the Agreement:

Due to regulatory requirements and notwithstanding any terms or conditions of the Plan or the Agreement to the contrary, the Optionee will be restricted to a broker assisted cashless sell-all method of exercise with respect to the Options. To complete a cashless sell-all exercise, the Optionee should instruct the broker to: (i) sell all of the Option Shares issued upon exercise; (ii) use the proceeds to pay the Exercise Price, brokerage fees and any Tax-Related Items; and (iii) remit the balance in cash to the Optionee. In the event of changes in regulatory requirements,

the Company reserves the right to eliminate the cashless sell-all method of exercise requirement and, in its sole discretion, to permit cash exercise or cashless sell-to-cover exercise.

ITALY

Payment of Exercise Price. This provision supplements Section 4 of the Agreement:

Due to regulatory requirements and notwithstanding any terms or conditions of the Plan or the Agreement to the contrary, the Optionee will be restricted to a broker assisted cashless sell-all method of exercise with respect to the Options. To complete a cashless sell-all exercise, the Optionee should instruct the broker to: (i) sell all of the Option Shares issued upon exercise; (ii) use the proceeds to pay the Exercise Price, brokerage fees and any Tax-Related Items; and (iii) remit the balance in cash to the Optionee. In the event of changes in regulatory requirements, the Company reserves the right to eliminate the cashless sell-all method of exercise requirement and, in its sole discretion, to permit cash exercise or cashless sell-to-cover exercise.

Data Privacy. This provision replaces Section 10 of the Agreement:

The Optionee understands that the Employer, the Company and any subsidiary as a data processor of the Company may hold certain personal information about the Optionee, including, but not limited to, the Optionee's name, home address and telephone number, date of birth, social insurance or other identification number, salary, nationality, job title, any Option Shares or directorships held in the Company or any subsidiary, details of all Options, or any other entitlement to Option Shares awarded, canceled, exercised, vested, unvested or outstanding in the Optionee's favor, and that the Company and the Employer will process said data and other data lawfully received from third party ("Data") for the exclusive purpose of implementing, managing and administering the Plan and complying with applicable laws, regulations and community legislation.

The Optionee also understands that providing the Company with Data is mandatory for compliance with laws and is necessary for the performance of the Plan and that the Optionee's refusal to provide such Data would make it impossible for the Company to perform its contractual obligations and may affect the Optionee's ability to participate in the Plan. The Controller of personal data processing is Analog Devices, Inc., with registered offices at Analog Devices, Inc., One Technology Way, Norwood, Massachusetts, 02062 U.S.A. and, pursuant to Legislative Decree no. 196/2003, its Representative in Italy for privacy purposes is Analog Devices SRL with its registered offices at Centro Direzionale Milano 2, Palazzo Bernini 20090 Segrate, Milan, Italy.

The Optionee understands that Data will not be publicized, but it may be accessible by the Employer as the data processor of the Company and within the Employer's organization by its internal and external personnel in charge of processing. Furthermore, Data may be transferred to banks, other financial institutions, or brokers involved in the management and administration of the Plan. The Optionee understands that Data may also be transferred to the independent registered public accounting firm engaged by the Company, and also to the legitimate addresses under applicable laws. The Optionee further understands that the Company and/or any subsidiary will transfer Data among themselves as necessary for the purpose of implementing, administering and managing the Optionee's participation in the Plan, and that the Company and/or any subsidiary may each further transfer Data to third parties assisting the Company in the implementation, administration, and management of the Plan, including any requisite transfer of Data to a broker or other third party with whom the Optionee may elect to deposit any Option Shares acquired at exercise of the Option. Such recipients may receive, possess, use, retain, and transfer Data in electronic or other form, for the purposes of implementing, administering, and managing the Optionee's participation in the Plan. The Optionee understand that these recipients may be acting as controllers, processors, or persons in charge of processing, as the case may be, according to applicable privacy laws, and that they may be located in or outside the European Economic Area, such as in Japan or the United States or elsewhere, in countries that do not provide an adequate level of data protection as intended under Italian privacy law. Should the Company exercise its discretion in suspending all necessary legal obligations connected with the management and administration of the Plan, it will delete Data as soon as it has completed all the necessary legal obligations connected with the management and administration of the Plan.

The Optionee understands that Data processing related to the purposes specified above shall take place under automated or non-automated conditions, anonymously when possible, that comply with the purposes for which Data is collected and with confidentiality and security provisions, as set forth by applicable laws and regulations, with specific reference to Legislative Decree no. 196/2003.

The processing activity, including communication, the transfer of Data abroad, including outside of the European Economic Area, as herein specified and pursuant to applicable laws and regulations, does not require the Optionee's consent thereto, as the processing is necessary to performance of law and contractual obligations related to implementation, administration, and management of the Plan. The Optionee understands that, pursuant to Section 7 of the Legislative Decree no. 196/2003, the Optionee has the right at any moment to, including but not limited to, obtain confirmation that Data exist or not, access, verify their content, origin and accuracy, delete, update, integrate, correct, block or terminate, for legitimate reason, the Data processing. To exercise privacy rights the Optionee should address the Employer.

Furthermore, the Optionee is aware that Data will not be used for direct-marketing purposes. In addition, Data provided can be reviewed and questions or complaints can be addressed by contacting the Optionee's local human resources representative.

Plan Document Acknowledgment. In accepting the Option, the Optionee acknowledges a copy of the Plan was made available to the Optionee, and that the Optionee has reviewed the Plan and the Agreement, including Appendix A, in their entirety and fully understand and accept all provisions of the Plan, the Agreement and Appendix A.

The Optionee further acknowledges that he or she has read and specifically and expressly approves the following provision in the Agreement: Term of Option; Termination of Employment; Withholding Taxes; Nature of Grant; Imposition of Other Requirement; and the Data Privacy provision in this Appendix A.

Foreign Asset Tax. The value of the financial assets held outside Italy by individuals resident of Italy is subject to a foreign asset tax. Beginning in 2014, such tax is levied at an annual rate of 2 per thousand (0.2%). The taxable amount will be the fair market value of the financial assets (e.g., Option Shares) assessed at the end of the calendar year.

Foreign Asset / Account Reporting Information. If the Optionee holds investments abroad or foreign financial assets (e.g., cash, Option Shares, Options) that may generate income taxable in Italy, the Optionee is required to report them on his or her annual tax returns (UNICO Form, RW Schedule) or on a special form if no tax return is due, irrespective of their value. The same reporting duties apply to the Optionee if he or she is a beneficial owner of the investments, even if the Optionee does not directly hold investments abroad or foreign assets.

JAPAN

Foreign Asset / Account Reporting Information. The Optionee will be required to report details of any assets held outside Japan as of December 31st to the extent such assets have a total net fair market value exceeding ¥50,000,000. This report is due by March 15th each year. The Optionee should consult with his or her personal tax advisor as to whether the reporting obligation applies to him or her and whether the requirement extends to any outstanding Options or Option Shares acquired under the Plan.

KOREA

Exchange Control Information. Exchange control laws require Korean residents who realize US\$500,000 or more (in a single transaction) from the sale of Option Shares to repatriate the sale proceeds back to Korea within 18 months of the sale.

Foreign Asset / Account Reporting Information. Korean residents must declare all foreign financial accounts (i.e., non-Korean bank accounts, brokerage accounts, and so on) to the Korean tax authority and file a report with respect to such accounts if the value of such accounts exceeds KRW 1 billion (or an equivalent amount in foreign currency). The Optionee should consult with his or her personal tax advisor to determine any personal reporting obligations.

MALAYSIA

Payment of Tax-Related Items. This provision supplements Section 7 of the Agreement:

The Employer, the Company or one of its subsidiaries may withhold taxes in connection with the Options to satisfy the Optionee's Tax-Related Items liability in Malaysia. Should withholding not occur, however, the Optionee acknowledges that he or she is ultimately responsible for paying any Tax-Related Items legally due by him or her in connection with the Options to the Inland Revenue Board of Malaysia.

Director Notification. If the Optionee is a director of a subsidiary or other related company in Malaysia, then the Optionee is subject to certain notification requirements under the Malaysian Companies Act, 1965. Among these requirements is an obligation to notify the Malaysian subsidiary in writing when the Optionee receives an interest (e.g., Options, Option Shares) in the Company or any related companies. In addition, the Optionee must notify the Malaysian subsidiary when he or she sells Shares of the Company or any related company (including when the Optionee sells Option Shares acquired under the Plan). These notifications must be made within fourteen (14) days of acquiring or disposing of any interest in the Company or any related company.

Data Privacy. The following provision replaces Section 10 of the Agreement:

The Optionee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of his or her personal data as described in this document by and among, as applicable, the Employer, and the Company and its subsidiaries for the exclusive purpose of implementing, administering and managing the Optionee's participation in the Plan.

The Optionee understands that the Company and the Employer may hold certain personal information about the Optionee, including, but not limited to, his or her name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in the Optionee's favor, for the purpose of implementing, administering and managing the Plan ("Data"). The source of the Data is the Employer as well as information the Optionee is providing to the Company and the Employer in connection with the Option. The Optionee understands that Data may be transferred to Fidelity or any other third parties as may be selected by the Company in the future, which are assisting in the implementation, administration and management of the Plan, that these recipients may be located in the Optionee's country or elsewhere and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than the Optionee's country. The Optionee understands that he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Optionee authorizes the Company, Fidelity and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Optionee may elect to deposit any Shares acquired upon exercise of this Option. The Optionee understands that Data will be held only as long as is necessary to implement, administer and manage the Optionee's participation in the Plan. The Optionee understands that he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. The Optionee understands, however, that refusing or withdrawing his or her consent may affect the Optionee's ability to participate in the Plan. For more information on the consequences of a refusal to consent or withdrawal of consent, the Optionee understands that he or she may contact his or her regional stock plan administrator at Stock_Plan_Admin@Analog.com.

Pemegang Opsyen dengan ini secara eksplisit, secara sukarela dan tanpa sebarang keraguan mengizinkan pengumpulan, penggunaan dan pemindahan, dalam bentuk elektronik atau lain-lain, data peribadinya seperti yang dinyatakan dalam dokumen ini, oleh dan di antara, sebagaimana yang berkenaan, Majikan, Syarikat, dan mana-mana Anak Syarikatnya bagi tujuan eksklusif untuk membantu dalam pelaksanaan, pentadbiran dan pengurusan penyertaan Pemegang Opsyen dalam Pelan.

Pemegang Opsyen memahami bahawa Syarikat dan Majikan mungkin memegang maklumat peribadi tertentu tentang Pemegang Opsyen, termasuk, tetapi tidak terhad kepada, namanya, alamat rumah dan nombor telefon, tarikh lahir, nombor insurans sosial atau nombor pengenalan lain, gaji, kewarganegaraan, jawatan, apa-apa syer dalam saham atau jawatan pengarah yang dipegang dalam Syarikat, butir-butir semua opsyen atau apa-apa hak lain untuk syer dalam saham yang dianugerahkan, dibatalkan, dilaksanakan, terletak hak, tidak diletak hak ataupun yang belum dijelaskan bagi faedah Pemegang Opsyen, untuk tujuan eksklusif bagi melaksanakan, mentadbir dan menguruskan Pelan ("Data"). Sumber Data adalah daripada Majikan dan juga daripada maklumat yang dibekalkan oleh Pemegang Opsyen kepada Syarikat dan Majikan berkenaan dengan Opsyen. Pemegang Opsyen juga memahami bahawa Data mungkin dipindahkan kepada Fidelity atau mana-mana pihak ketiga yang mungkin dipilih oleh Syarikat pada masa depan, yang membantu dalam pelaksanaan, pentadbiran dan pengurusan Pelan, bahawa penerima-penerima ini mungkin berada di negara Pemegang Opsyen atau di tempat lain, dan bahawa negara penerima (contohnya, Amerika Syarikat) mungkin mempunyai undang-undang privasi data dan perlindungan yang berbeza daripada negara Pemegang Opsyen. Pemegang Opsyen memahami bahawa dia boleh meminta senarai nama dan alamat mana-mana penerima Data dengan menghubungi wakil sumber manusia tempatannya. Pemegang Opsyen memberi kuasa kepada Syarikat, Fidelity, dan mana-mana penerima lain yang mungkin membantu Syarikat (masa sekarang atau pada masa depan) untuk melaksanakan, mentadbir dan menguruskan penyertaan Pemegang Opsyen dalam Pelan untuk menerima, memiliki, menggunakan, mengekalkan dan memindahkan Data, dalam bentuk elektronik atau lain-lain, semata-mata dengan tujuan untuk melaksanakan, mentadbir dan menguruskan penyertaan Pemegang Opsyen dalam Pelan, termasuk apa-apa pemindahan Data yang diperlukan kepada broker atau pihak ketiga dengan siapa Pemegang Opsyen mungkin pilih untuk menandatangani apa-apa Saham yang diperolehi di atas pelaksanaan Opsyen ini. Pemegang Opsyen memahami bahawa Data akan dipegang hanya untuk tempoh yang diperlukan untuk melaksanakan, mentadbir dan menguruskan penyertaannya dalam Pelan tersebut. Pemegang Opsyen memahami bahawa dia boleh, pada bila-bila masa, melihat data, meminta maklumat tambahan mengenai penyimpanan dan pemrosesan Data, meminta bahawa pindaan-pindaan dilaksanakan ke atas Data atau menolak atau menarik balik persetujuan dalam ini, dalam mana-mana kes, tanpa kos, dengan menghubungi secara bertulis wakil sumber manusia tempatannya. Pemegang Opsyen memahami bahawa keengganan atau penarikan balik persetujuannya boleh menjejaskan keupayaannya untuk mengambil bahagian dalam Pelan. Untuk maklumat lanjut mengenai akibat keenggannya untuk memberikan keizinan atau penarikan balik keizinan, Pemegang Opsyen fahami bahawa dia boleh menghubungi pentadbir pelan saham serantau di Stock_Plan_Admin@Analog.com.

NETHERLANDS

Nature of Grant. This provision supplements Section 8 of the Agreement:

By accepting the Option, the Optionee acknowledges that the Option is intended as an incentive for the Optionee to remain employed with the Employer and is not intended as remuneration for labor performed.

PHILIPPINES

Securities Law Information. The securities being offered or sold herein have not been registered with the Philippines Securities and Exchange Commission ("PSEC") under its Securities Regulation Code (the "SRC").

The grant of Options is being made pursuant to an exemption from registration under Section 10.2 of the SRC that has been approved by the PSEC.

The Optionee should be aware of the risks of participating in the Plan, which include (without limitation) the risk of fluctuation in the price of the Option Shares on the NASDAQ Global Select Market (“NASDAQ”) and the risk of currency fluctuations between the U.S. Dollar and the Optionee’s local currency. In this regard, the Optionee should note that the value of any Option Shares he or she may acquire under the Plan may decrease, and fluctuations in foreign exchange rates between his or her local currency and the U.S. Dollar may affect the value of the Options or any amounts due to him or her pursuant to the exercise of Options or the subsequent sale of any Option Shares acquired by him or her. The Company is not making any representations, projections or assurances about the value of the Option Shares now or in the future.

For further information on risk factors impacting the Company’s business that may affect the value of the Option Shares, the Optionee should refer to the risk factors discussion in the Company’s Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, which are filed with the U.S. Securities and Exchange Commission and are available online at www.sec.gov, as well as on the Company’s website at <http://investor.analog.com/sec.cfm>.

The Optionee should also note that the sale or disposal of Option Shares acquired under the Plan may be subject to certain restrictions under Philippines securities laws. Those restrictions should not apply if the offer and resale of Option Shares takes place outside of the Philippines through the facilities of a stock exchange on which the Option Shares are listed. The Option Shares are currently listed on NASDAQ. The Company’s designated broker should be able to assist the Optionee in the sale of Option Shares on NASDAQ. *If the Optionee has questions with regard to the application of Philippines securities laws to the disposal or sale of Option Shares acquired under the Plan the Optionee should consult with his or her legal advisor.*

ROMANIA

Exchange Control Information. If the Optionee deposits the proceeds from the sale of Option Shares acquired at exercise of the Option in a bank account in Romania, the Optionee may be required to provide the Romanian bank with appropriate documentation explaining the source of the funds. The Optionee should consult his or her personal advisor to determine whether he or she will be required to submit such documentation to the Romanian bank.

SINGAPORE

Securities Law Information. The Options were granted to the Optionee pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) (“SFA”). The Agreement and the Plan have not been lodged or registered as a prospectus with the Monetary Authority of Singapore. The Optionee should note that the Optionee’s Options are subject to section 257 of the SFA and the Optionee will not be able to make any subsequent sale in Singapore, or any offer of such subsequent sale of the Option Shares unless such sale or offer in Singapore is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA.

Director Notification. If the Optionee is a director, associate director or shadow director of a subsidiary or other related company in Singapore, the Optionee is subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Singapore subsidiary in writing when the Optionee receives an interest (e.g., Options, Option Shares) in the Company or any related company. In addition, the Optionee must notify the Singapore subsidiary when the Optionee sells Option Shares of the Company or any related company (including when the Optionee sells Option Shares acquired under the Plan). These notifications must be made within two (2) business days of acquiring or disposing of any interest in the Company or any related company. In addition, a notification must be made of the Optionee’s interests in the Company or any related company within two (2) business days of becoming a director.

SPAIN

No Entitlement for Claims or Compensation. In accepting the Options, the Optionee acknowledges that he or she consents to participation in the Plan and has received a copy of the Plan. The Optionee understands that the Company has unilaterally, gratuitously and in its sole discretion decided to grant Options under the Plan to individuals who may be employees of the Company or its subsidiaries throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any Options will not economically or otherwise bind the Company or any of its subsidiaries on an ongoing basis. Consequently, the Optionee understands that the Options are granted on the assumption and condition that the Options and the underlying Option Shares acquired upon exercise shall not become a part of any employment contract (either with the Company or any of its subsidiaries) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Optionee understands that the Option would not have been granted to the Optionee but for the assumptions and conditions referred to above; thus, the Optionee acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any Options shall be null and void.

Further, and except as provided in Section 3(g) of the Agreement in the event Optionee becomes Disabled, the vesting of the Option is expressly conditioned on the Optionee's continued rendering of service, such that if the Optionee's employment terminates for any reason whatsoever, the Options will cease vesting immediately, in whole or in part, effective on the date of the Optionee's termination of employment (unless otherwise specifically provided in Section 3 of the Agreement). This will be the case, for example, even if (1) the Optionee is considered to be unfairly dismissed without Cause (i.e., subject to a "*despido improcedente*"); (2) the Optionee is dismissed for disciplinary or objective reasons or due to a collective dismissal; (3) the Optionee terminates service due to a change of work location, duties or any other employment or contractual condition; (4) the Optionee terminates service due to a unilateral breach of contract by the Company or the Employer; or (5) the Optionee's employment terminates for any other reason whatsoever. Consequently, upon termination of the Optionee's employment for any of the above reasons, the Optionee will automatically lose any rights to Options that were not vested on the date of the Optionee's termination of employment, as described in the Plan and the Agreement. The Optionee understands that the Option grant would not be made to the Optionee but for the assumptions and conditions referred to above; thus, the Optionee acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any Option grant shall be null and void.

The Optionee acknowledges that he or she has read and specifically accepts the conditions referred to in Section 3 of the Agreement.

Securities Law Notification. The grant of Options and the Option Shares issued upon exercise of the Option are considered a private placement outside of the scope of Spanish laws on public offerings and issuances of securities.

Exchange Control Notification. The Optionee acknowledges that he or she must declare any Option Shares that are acquired under the Plan to the *Dirección General de Comercio e Inversiones* of the Ministry of Economy and Competitiveness (the "DGCI"). After the initial declaration, the declaration must be filed with the DGCI on an annual basis each January while the Option Shares are owned; however, if the value of the Option Shares or the sale proceeds exceed a certain amount, a declaration must be filed within one month of the acquisition or sale, as applicable.

Foreign Asset / Account Reporting Information. To the extent that the Optionee holds assets (e.g., cash or Option Shares held in a bank or brokerage account) outside Spain with a value in excess of €50,000 per type of asset (e.g., Option Shares, cash, and so on) as of December 31 each year, the Optionee will be required to report information on such assets on his or her tax return for such year (tax form 720). After such assets are initially reported, the reporting obligation will only apply for subsequent years if the value of any previously-reported assets increases by more than €20,000. The reporting must be completed by March 31. Failure to comply with this reporting requirement may result in penalties to the Optionee. Accordingly, the Optionee is advised to consult with his or her personal tax and legal advisors to ensure that he or she is properly complying with his or her reporting obligations.

Further, the Optionee is required to declare to the Bank of Spain any securities accounts (including brokerage accounts held abroad), as well as the securities held in such accounts if the value of the transactions for all such accounts during the prior tax year or the balances in such accounts as of December 31 of the prior tax year exceeds €1,000,000.

SWEDEN

Automatic Cashless Exercise and Sale. This Option grant is conditioned upon the Optionee's consent to the automatic cashless exercise, which the Company will provide to the Optionee. If the Company does not receive the Optionee's signed consent within the deadline set forth therein, the Option will terminate and will become null and void.

TAIWAN

Exchange Control Information. Individuals may acquire foreign currency (including proceeds from the sale of Option Shares) into Taiwan up to US\$5,000,000 per year without justification.

There is no need to aggregate all remittances into Taiwan when calculating the limitation. If the transaction amount is TWD\$500,000 or more in a single transaction, the Optionee must submit a Foreign Exchange Transaction Form and also provide supporting documentation to the satisfaction of the remitting bank.

TURKEY

Securities Law Information. Under Turkish law, the Optionee is not permitted to sell any Option Shares acquired under the Plan in Turkey. The Option Shares are currently traded on the NASDAQ Global Select Market, under the ticker symbol "ADI" and the Option Shares may be sold through this exchange.

Exchange Control Information. The Optionee may be required to engage a Turkish financial intermediary to assist with the sale of Option Shares acquired under the Plan. As the Optionee is solely responsible for complying with any applicable financial intermediary requirements, the Optionee should consider consulting his or her personal legal advisor prior to the exercise of the Options or any sale of Option Shares to ensure compliance.

UNITED KINGDOM

Joint Election. As a condition of the Optionee's participation in the Plan and the exercise of the Option, the Optionee agrees to accept any liability for secondary Class 1 National Insurance contributions which may be payable by the Company and/or the Employer in connection with the Option and any event giving rise to Tax-Related Items (the "Employer's Liability"). Without prejudice to the foregoing, the Optionee agrees to enter into a joint election with the Company, the form of such joint election being formally approved by HMRC (the "Joint Election"), and any other required consent or elections. The Optionee further agrees to enter into such other Joint Elections as may be required between the Optionee and any successor to the Company and/or the Employer. The Optionee further agrees that the Company and/or the Employer may collect the Employer's Liability from the Optionee by any of the means set forth in Section 7 of the Agreement.

If the Optionee does not enter into the Joint Election prior to the exercise of the Option, the Optionee will forfeit the Option and any Option Shares that have been issued will be returned to the Company at no cost to the Company, without any liability to the Company and/or the Employer.

If the Optionee has signed a Joint Election in the past with respect to Options granted to him or her by the Company and that Joint Election applies to all grants made under the Plan, the Optionee need not sign another Joint Election in connection with this Option grant

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VERSION 2/15 APPENDIX A - 11

**AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
GLOBAL RESTRICTED STOCK UNIT AGREEMENT**

Private & Confidential (Addressee Only)

{EMPNAME}

{EMPNUM}

We are pleased to advise you (the "Participant") that Analog Devices, Inc., a Massachusetts corporation (the "Company"), has granted to the Participant that number of Restricted Stock Units ("RSUs") set forth below, subject to the terms and conditions of the Analog Devices, Inc. Amended and Restated 2006 Stock Incentive Plan (the "Plan") and this Global Restricted Stock Unit Agreement, including Appendix A, which includes any applicable country-specific provisions (this agreement, together with Appendix A, the "Agreement"). The grant of RSUs reflects the Company's confidence in the Participant's commitment and contributions to the success and continued growth of the Company. All terms not defined in this Agreement shall have the meaning set forth in the Plan.

1. Grant of Restricted Stock Unit.

Subject to the terms and conditions of the Plan and this Agreement, the Company has granted to the Participant that number of RSUs (the "Award") effective on the Date of Grant set forth below:

Date of Grant: {GRANTDATE}
Number of RSUs: {RSSHARESGRANTED}
{RSVESTDESC} {RSVESTSCHED}

Each one (1) RSU shall, if and when it vests in accordance with this Agreement, automatically convert into one (1) share of common stock, US\$0.16 2/3 par value, of the Company ("Common Stock") issuable as provided below. The RSUs are subject to the vesting provisions set forth in Section 2, the restrictions on transfer set forth in Section 3 and the right of the Company to retain Shares (as defined below) pursuant to Section 6 and to any special terms and conditions for countries outside the U.S. set forth in Appendix A.

2. Vesting and Conversion.

- (a) Subject to the terms of the Plan and this Agreement, the RSUs shall vest in accordance with the schedule set forth in Section 1. For purposes of this Agreement, RSUs that have not vested as of any particular time in accordance with this Section 2(a) are referred to as "Unvested RSUs." The shares of Common Stock that are issuable upon the vesting and conversion of the RSUs are referred to in this Agreement as "Shares." As soon as administratively practicable after the issuance of any Shares upon the vesting and conversion of RSUs, and subject to the terms and conditions set forth herein, the Company shall deliver or cause to be delivered evidence (which may include a book entry by the Company's transfer agent) of the Shares so issued in the name of the Participant to the brokerage firm designated by the Company to maintain the brokerage account established for the Participant. Notwithstanding the foregoing, the Company shall not be obligated to issue Shares to or in the name of the Participant upon the vesting and conversion of any RSUs unless the issuance of such Shares shall comply with all relevant provisions of law and other legal requirements including, without limitation, any applicable securities laws and the requirements of any stock exchange upon which shares of Common Stock may then be listed.
- (b) In the event the Participant's employment with the Company or the Employer (as defined in Section 2(e)) is terminated either by the Participant, the Company, or the Employer for any reason or no reason (other than due to death or disability or as otherwise provided in the Plan or below), then in each such case, all of the Unvested RSUs as of the date of termination shall terminate and be cancelled immediately and automatically and the Participant shall have no further rights with respect to such Unvested RSUs.
- (c) In the event the Participant's employment with the Company or the Employer is terminated by reason of the Participant's death, all Unvested RSUs shall vest in full as of the date of the Participant's death.
- (d) In the event the Participant becomes Disabled, regardless of whether the Participant terminates employment with the Company or the Employer, all Unvested RSUs shall vest in full as of the date the Participant is determined to be Disabled. "Disabled" with respect to the Participant means, when and if, as a result of disease, injury or mental disorder, the Participant is incapable of engaging in regular service or occupation with the Company or the Employer (as defined in paragraph e) which has lasted or can be expected to last for a continuous period of not less than 12 months, as determined by the Company.

(e) For purposes of this Agreement, employment shall include being an employee with the Company. Employment shall also include being an employee with any direct or indirect parent or subsidiary of the Company, or any successor to the Company or any such parent or subsidiary of the Company (the "Employer"). Should a Participant transfer employment to become a director, consultant or advisor to the Company or the Employer following the Date of Grant, he or she will still be considered employed for vesting purposes until he or she ceases to provide services to the Company or any direct or indirect parent or subsidiary of the Company, or any successor to the Company or any such parent or subsidiary of the Company.

3. Restrictions on Transfer.

- (a) The Participant shall not sell, assign, transfer, pledge or otherwise encumber any RSUs, either voluntarily or by operation of law.
- (b) The Company shall not be required (i) to transfer on its books any of the RSUs which have been transferred in violation of any of the provisions set forth herein or (ii) to treat as the owner of such RSUs any transferee to whom such RSUs have been transferred in violation of any of the provisions contained herein.

4. Not a Shareholder. The RSUs represent an unfunded, unsecured promise by the Company to deliver Shares upon vesting and conversion of the RSUs, and until vesting of the RSUs and issuance of the Shares, the Participant shall not have any of the rights of a shareholder with respect to the Shares underlying the RSUs. For the avoidance of doubt, the Participant shall have no right to receive any dividends and shall have no voting rights with respect to the Shares underlying the RSUs for which the record date is on or before the date on which the Shares underlying the RSUs are issued to the Participant.

5. Provisions of the Plan. The RSUs and Shares, including the grant and issuance thereof, are subject to the provisions of the Plan. A copy of the Plan prospectus is available on the Company's Intranet at <http://signals.corpnt.analog.com/default.aspx>. (From Signals home page, click Knowledge Centers, HR, Employee Stock Programs. The related documents can be found in the right-hand column). If the Participant is unable to access this information via the Intranet, the Company's or the Participant's regional stock plan administrator can provide the Participant with copies.

6. Withholding Taxes.

- (a) Regardless of any action the Company and/or the Employer, if different, takes with respect to any or all income tax (including U.S. federal, state and local taxes and/or non-U.S. taxes), social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related withholding ("Tax-Related Items"), the Participant acknowledges that the ultimate liability for all Tax-Related Items legally applicable to the Participant is and remains the Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer. The Participant further acknowledges that the Company and the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSUs, including the grant of the RSUs, the vesting of the RSUs, the subsequent sale of any Shares acquired pursuant to the RSUs and the receipt of any dividends; and (ii) do not commit to structure the terms of the grant or any aspect of the RSUs to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if the Participant becomes subject to Tax-Related Items in more than one jurisdiction between the Date of Grant and the date of any relevant taxable or tax withholding event, as applicable, the Participant acknowledges that the Company and/or the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction.
- (b) Prior to any relevant taxable or tax withholding event, as applicable, the Participant will pay or make adequate arrangements satisfactory to the Company to satisfy all Tax-Related Items. In this regard, the Participant authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the methods set forth below:
- (i) the Company may withhold a sufficient number of whole Shares otherwise issuable upon the vesting of the RSUs that have an aggregate Fair Market Value (as defined under the Plan) sufficient to pay the minimum Tax-Related Items required to be withheld with respect to the Shares. The cash equivalent of the Shares withheld will be used to settle the obligation to withhold the Tax-Related Items (determined by reference to the closing price of the Common Stock on the NASDAQ Global Select Market on the applicable vesting date).
- (ii) the Company may, in its discretion, withhold any amount necessary to pay the Tax-Related Items from the Participant's salary or other amounts payable to the Participant; or
- (iii) the Company may withhold from proceeds of the sale of Shares either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant's behalf pursuant to this authorization).

To avoid negative accounting treatment, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. If the obligation for Tax-Related Items is

satisfied by withholding in Shares, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the vested RSU, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

In the event the withholding requirements are not satisfied through the withholding of Shares or through the Participant's salary or other amounts payable to the Participant, no Shares will be issued upon vesting of the RSUs unless and until satisfactory arrangements (as determined by the Compensation Committee of the Board) have been made by the Participant with respect to the payment of any Tax-Related Items which the Company and/or the Employer determine, in each of its sole discretion, must be withheld or collected with respect to such RSUs. No fractional Shares will be withheld or issued pursuant to the grant of the RSUs and the issuance of Shares hereunder. By accepting this grant of RSUs, the Participant expressly consents to the withholding of Shares and/or cash as provided for hereunder. All other Tax-Related Items related to the RSUs and any Shares delivered in payment thereof are the Participant's sole responsibility.

7. Option of Company to Deliver Cash. Notwithstanding any of the other provisions of this Agreement, and except as set forth in Appendix A, where share settlement is otherwise prohibited under local law or may present adverse tax consequences to the Participant, at the time the RSUs vest, the Company may elect, in the sole discretion of the Compensation Committee of the Board, to deliver by wire transfer to the Participant in lieu of Shares an equivalent amount of cash (determined by reference to the closing price of the Common Stock on the NASDAQ Global Select Market on the applicable vesting date). If the Company elects to deliver cash to the Participant, the Company is authorized to retain such amount as is sufficient in the opinion of the Company to satisfy the Tax-Related Items withholding obligations of the Company pursuant to Section 6 herein.
8. Data Privacy. *This Section 8 applies if the Participant resides outside the U.S.: The Company hereby notifies the Participant of the following in relation to the Participant's personal data and the collection, processing and transfer of such data in relation to the grant of the RSUs and the Participant's participation in the Plan, pursuant to applicable personal data protection laws. The collection, processing and transfer of the Participant's personal data is necessary for the Company's administration of the Plan and the Participant's participation in the Plan, and the Participant's denial and/or objection to the collection, processing and transfer of personal data may affect the Participant's ability to participate in the Plan. As such, the Participant voluntarily acknowledges, consents and agrees (where required under applicable law) to the collection, use, processing and transfer of personal data as described herein.*

The Company holds certain personal information about the Participant, including the Participant's name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all RSUs or any other entitlement to Shares awarded, canceled, purchased, vested, unvested or outstanding in the Participant's favor, for the purpose of managing and administering the Plan ("Data"). The Data may be provided by the Participant or collected, where lawful, from third parties, and the Company will process the Data for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan. The data processing will take place through electronic and non-electronic means according to logistics and procedures strictly correlated to the purposes for which the Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Participant's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. The Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and for the Participant's participation in the Plan.

The Company will transfer Data as necessary for the purpose of implementation, administration and management of the Participant's participation in the Plan, and the Company may further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Plan. These recipients may be located in the United States, the European Economic Area, or elsewhere throughout the world. The Participant hereby authorizes (where required under applicable law) the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Participant's participation in the Plan, including any requisite transfer of such Data as may be required for the administration of the Plan and/or the subsequent holding of Shares on the Participant's behalf to a broker or other third party with whom the Participant may elect to deposit any Shares acquired pursuant to the Plan.

The Participant may, at any time, exercise the Participant's rights provided under applicable personal data protection laws, which may include the right to (a) obtain confirmation as to the existence of the Data, (b) verify the content, origin and accuracy of the Data, (c) request the integration, update, amendment, deletion, or blockage (for breach of applicable laws) of the Data, and (d) to oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the implementation, administration and/or operation of the Plan and the Participant's participation in the Plan. The Participant may seek to exercise these rights by contacting the Participant's local HR manager.

9. Repatriation and Other Legal Requirements. The Participant agrees as a condition of the grant of the RSUs, as applicable, to repatriate all payments attributable to the Shares and/or cash acquired under the Plan (including, but not limited to, dividends and any proceeds derived from the sale of the Shares acquired pursuant to the RSUs) in accordance with all foreign exchange rules and regulations applicable

to the Participant. In addition, the Participant also agrees to take any and all actions, and consent to any and all actions taken by the Company and its subsidiaries, as may be required to allow the Company and its subsidiaries to comply with all laws, rules and regulations applicable to the Participant. Finally, the Participant agrees to take any and all actions as may be required to comply with the Participant's personal legal and tax obligations under all laws, rules and regulations applicable to the Participant.

10. Miscellaneous.

- (a) No Rights to Employment. The grant of the RSUs shall not confer upon the Participant any right to continue in the employ of the Company or the Employer, nor limit in any way the right of the Company or the Employer to terminate the Participant's employment at any time. Except in the event of disability or a termination of employment due to death, the vesting of the RSUs pursuant to Section 2 hereof is earned only by satisfaction of the performance conditions, if any, and continuing service as an employee at the will of the Company or the Employer (not through the act of being hired or engaged or being granted the RSUs hereunder).
- (b) Discretionary Nature. The Participant acknowledges and agrees that the Plan is discretionary in nature and may be amended, cancelled, or terminated by the Company at any time, to the extent permitted under the Plan. The Participant's participation in the Plan is voluntary. The grant of the RSUs under the Plan is a one-time benefit and does not create any contractual or other right to receive a grant of RSUs or any other award under the Plan or other benefits in lieu thereof in the future. Future grants, if any, will be at the sole discretion of the Company, including, but not limited to, the form and timing of any grant, the number of Shares subject to the grant, and the vesting provisions. Any amendment, modification or termination of the Plan shall not constitute a change or impairment of the terms and conditions of the Participant's employment with the Company or the Employer. The RSUs and income from such RSUs shall not be included in any calculation of severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments.
- (c) Exclusion from Termination Indemnities and Other Benefits. This Section 10(c) applies if the Participant resides outside the U.S.: The value of the RSUs and any other awards granted under the Plan is an extraordinary item of compensation outside the scope of the Participant's employment with the Company or the Employer (and the Participant's employment contract, if any). Any grant under the Plan, including the grant of the RSUs and the income and value of same, is not part of normal or expected compensation. Further, the RSUs and the Shares are not intended to replace any pension rights or compensation.
- (d) No Entitlement. This Section 10(d) applies if the Participant resides outside the U.S.: In consideration of the grant of RSUs, no claim or entitlement to compensation or damages shall arise from forfeiture of the RSUs resulting from termination of the Participant's employment with the Company or the Employer (regardless of the reason for such termination and whether or not later to be found invalid or in breach of employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment contract, if any) and the Participant irrevocably releases the Company from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, the Participant shall be deemed irrevocably to have waived the Participant's entitlement to pursue such claim.
- (e) Exchange Rates. This Section 10(e) applies if the Participant resides outside the U.S.: The Participant acknowledges and agrees that neither the Company nor the Employer shall be liable for any foreign exchange rate fluctuation between the Participant's local currency and the United States Dollar that may affect the value of the RSUs or of any amounts due to the Participant pursuant to the vesting and settlement of the RSUs or the subsequent sale of any Shares.
- (f) Future Value of Shares. The future value of the underlying Shares is unknown, indeterminable, and cannot be predicted with certainty.
- (g) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.
- (h) Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Company and the Participant and his or her respective heirs, executors, administrators, legal representatives, successors and assigns, subject to the restrictions on transfer set forth in Section 3 of this Agreement.
- (i) Notice. Each notice relating to this Award shall be in writing (which shall include electronic form) and delivered in person, electronically or by first class mail, postage prepaid, to the address as hereinafter provided. Each notice shall be deemed to have been given on the date it is received. Each notice to the Company shall be addressed to it at its offices at Analog Devices, Inc., One Technology Way, Norwood, Massachusetts, 02062 U.S.A., Attention: Stock Plan Administrator, Treasury Department. Each notice to the Participant shall be addressed to the Participant at the Participant's last known mailing or email address, as applicable, on the records of the Company.

- (j) Pronouns. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa.
- (k) Entire Agreement. This Agreement and the Plan constitute the entire understanding between the parties, and supersede all prior agreements and understandings, relating to the subject matter of these documents.
- (l) Governing Law. This Agreement shall be construed, interpreted and enforced in accordance with the internal laws of the Commonwealth of Massachusetts without regard to any applicable conflicts of laws.
- (m) Compliance with Laws. Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the Shares, the Company shall not be required to deliver any Shares prior to the completion of any registration or qualification of the Shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission (“SEC”) or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Participant understands that the Company is under no obligation to register or qualify the Shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. Further, the Participant agrees that the Company shall have unilateral authority to amend the Plan and the Agreement without the Participant’s consent to the extent necessary to comply with securities or other laws applicable to issuance of Shares.
- (n) Interpretation. The interpretation and construction of any terms or conditions of this Agreement or the Plan, or other matters related to the Plan, by the Compensation Committee of the Board of the Company shall be final and conclusive.
- (o) Participant’s Acceptance. The Participant is urged to read this Agreement carefully and to consult with his or her own legal counsel regarding the terms and consequences of this Agreement and the legal and binding effect of this Agreement. By virtue of his or her acceptance of this Award, the Participant is deemed to have accepted and agreed to all of the terms and conditions of this Agreement and the provisions of the Plan.
- (p) Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to the RSUs or other awards granted to the Participant under the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
- (q) English Language. The Participant acknowledges and agrees that it is the Participant’s express intent that this Agreement, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the RSUs, be drawn up in English. If the Participant has received this Agreement, the Plan or any other documents related to the RSUs translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version shall control.
- (r) Appendix A. Notwithstanding any provisions herein to the contrary, if the Participant transfers the Participant’s residence and/or employment to a country other than the United States, the RSUs shall be subject to any special terms and conditions for such country as may be set forth in Appendix A to this Agreement. Moreover, if the Participant relocates to one of the countries included in Appendix A, the special terms and conditions for such country will apply to the Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. Appendix A constitutes part of this Agreement.
- (s) Additional Requirements. The Company reserves the right to impose other requirements on the RSUs, any Shares acquired pursuant to the RSUs, and the Participant’s participation in the Plan, to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable for legal or administrative reasons. Such requirements may include (but are not limited to) requiring the Participant to sign any agreements or undertakings that may be necessary to accomplish the foregoing.
- (t) Private Placement. The Company has submitted filings in the United States in connection with the stock incentive plan under which this Award was made. The Company has not submitted any registration statement, prospectus or other filings with other local securities authorities (unless otherwise required under such local law), and the grant of the Award is not intended to be a public offering of securities in any other jurisdiction or subject to the supervision of other local securities authorities.
- (u) Changes in Capitalization. In the event of any stock split, reverse stock split, stock dividend, recapitalization, combination of shares, reclassification of shares, spin-off or other similar change in capitalization or event, or any non-cash distribution to holders of Common Stock, the number of RSUs, and Shares issuable upon vesting and conversion thereof, shall be appropriately adjusted in such manner as shall be determined by the Compensation Committee of the Board of the Company.

- (v) No Advice Regarding Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan, or the Participant's acquisition or sale of Shares. The Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.
- (w) Insider Trading Restrictions/Market Abuse Laws. The Participant acknowledges that, depending on his or her country of residence, the Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect Participant's ability to acquire or sell Shares or rights to Shares under the Plan during such times as Participant is considered to have "inside information" regarding the Company (as defined by the laws in the Participant's country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Participant acknowledges that it is his or her responsibility to comply with any applicable restrictions, and the Participant is advised to speak to his or her personal advisor on this matter.
- (x) Waiver. The Participant acknowledges that a waiver by the Company or breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant or any other participant.

Ray Stata Vincent Roche
Chairman of the Board President & Chief Executive Officer

**APPENDIX A TO
AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
GLOBAL RESTRICTED STOCK UNIT AGREEMENT**

This Appendix A includes additional terms and conditions that govern the RSUs granted to the Participant if the Participant resides in one of the countries listed herein. These terms and conditions are in addition to, or, if so indicated, in place of, the terms and conditions set forth in the Agreement. Capitalized terms used but not defined in this Appendix A shall have the meanings set forth in the Plan and/or the Agreement.

This Appendix A also includes certain issues of which the Participant should be aware with respect to his or her participation in the Plan. The information is based on the securities, exchange control, income tax and other laws in effect in the respective countries as of February 2015. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Participant not rely on the information noted herein as the only source of information relating to the consequences of participation in the Plan because the information may be out of date when the RSUs vest or Shares acquired under the Plan subsequently are sold.

In addition, the information is general in nature and may not apply to the Participant's particular situation, and the Company is not in a position to assure the Participant of any particular result. Therefore, the Participant is advised to seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to his or her situation.

Finally, the Participant understands that if he or she is a citizen or resident of a country other than the one in which the Participant is currently working, transfers employment after the Date of Grant, or is considered a resident of another country for local law purposes, the information contained herein may not apply to the Participant, and the Company shall, in its discretion, determine to what extent the terms and conditions contained herein shall apply.

AUSTRALIA

Australian Offer Document. This offer of Restricted Stock Units is intended to comply with the provisions of the Corporations Act 2001, ASIC Regulatory Guide 49 and ASIC Class Order CO 14/1000. Additional details are set forth in the Offer Document for the offer of Restricted Stock Units to Australian resident employees, which will be provided to the Participant with the Agreement.

Securities Law Information. If the Participant acquires Shares pursuant to the Plan and the Participant offers his or her Shares for sale to a person or entity resident in Australia, the Participant's offer may be subject to disclosure requirements under Australian law. The Participant should obtain legal advice on his or her disclosure obligations prior to making any such offer.

Exchange Control Information. Exchange control reporting is required for cash transactions exceeding A\$10,000 and international fund transfers. The Australian bank assisting with the transaction will file the report. If there is no Australian bank involved in the transfer, then the Participant will be required to file the report.

AUSTRIA

Consumer Protection Information. The Participant may be entitled to revoke acceptance of the Agreement on the basis of the Austrian Consumer Protection Act (the "Act") under the conditions listed below, if the Act is considered to be applicable to the Agreement and the Plan:

- (i) The revocation must be made within one (1) week after acceptance of the Agreement.
- (ii) The revocation must be in written form to be valid. It is sufficient if the Participant returns the Agreement to the Company or the Company's representative with language which can be understood as a refusal to conclude or honor the Agreement, provided the revocation is sent within the period discussed above.

Exchange Control Information. If the Participant holds Shares acquired under the Plan outside Austria (even if he or she holds them outside Austria with an Austrian bank), then the Participant understands that he or she must submit an annual report to the Austrian National Bank using the form "*Standmeldung/Wertpapiere*." An exemption applies if the value of the securities held outside Austria as of December 31 does not exceed €5,000,000 or the value of the securities as of any quarter does not exceed €30,000,000. If the former threshold is exceeded, then the annual reporting obligations are imposed, whereas if the latter threshold is exceeded, then quarterly reports must be submitted. The deadline for filing the annual report is January 31 of the following year.

When the Shares are sold, there may be exchange control obligations if the cash received is held outside Austria, as a separate ongoing reporting requirement may apply to non-Austrian accounts. If the transaction value of all cash accounts abroad is less than €3,000,000, then no ongoing reporting requirements apply. However, if the transaction volume of all of the Participant's cash accounts abroad exceeds €3,000,000, then

APPENDIX A TO
AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
GLOBAL RESTRICTED STOCK UNIT AGREEMENT

the movements and the balance of all accounts must be reported monthly, as of the last day of the month, on or before the 15th day of the following month, using the form “Meldungen SI-Forderungen und/oder SI-Verpflichtungen.”

BELGIUM

Foreign Asset / Account Reporting Information. The Participant is required to report any securities (e.g., Shares) or bank accounts opened and maintained outside Belgium on his or her annual tax return.

CANADA

Form of Acceptance. This RSU grant is conditioned upon the Participant’s written acceptance of the terms of the Agreement, including this Appendix A, and the Plan. The Company will provide the Participant with an acceptance form that must be signed and returned to the Company. If Company does not receive the Participant’s signed acceptance form within the deadline set forth therein, the RSUs will terminate and will become null and void.

Securities Law Information. The Participant is permitted to sell Shares acquired through the Plan through the designated broker appointed under the Plan, if any (or any other broker acceptable to the Company), provided the resale of Shares acquired under the Plan takes place outside Canada through the facilities of a stock exchange on which the Shares are listed. The Shares are currently listed on the NASDAQ Global Select Market.

Termination of Employment. The following supplements Section 2 of the Agreement (except Section 2(d) regarding disability) as well as any other section required to give effect to the same:

In the event of termination of the Participant’s employment for any reason (other than by reason of death), either by the Participant or by the Employer, with or without cause, the Participant’s right to vest or to continue to vest in the RSUs and receive Shares under the Plan, if any, will terminate as of the actual Date of Termination. For this purpose, “Date of Termination” shall mean the last day on which the Participant is actively employed by the Employer, and shall not include or be extended by any period following such day during which the Participant is in receipt of or eligible to receive any notice of termination, pay in lieu of notice of termination, severance pay or any other payments or damages, whether arising under statute, contract or at common law.

Foreign Asset / Account Reporting Information. If the total value of the Participant’s foreign property (including cash held outside Canada or Shares) exceeds C\$100,000 at any time during the year, the Participant must report all of his or her foreign property on Form T1135 (Foreign Income Verification Statement) by April 30 of the following year. Foreign property may also include the unvested portion of the RSUs. The Participant should consult with his or her personal tax advisor to determine the reporting requirements.

The following terms and conditions apply if the Participant is in Quebec:

Data Privacy. This provision supplements Section 8 of the Agreement:

The Participant hereby authorizes the Company and the Company’s representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. The Participant further authorizes the Company and the administrator of the Plan to disclose and discuss the Plan with their advisors. The Participant further authorizes the Company and any parent, subsidiary or affiliate of the Company to record such information and to keep such information in the Participant’s employee file.

French Language Acknowledgment. This provision supplements Section 10(q) of the Agreement:

The parties acknowledge that it is their express wish that this Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de cette convention, ainsi que de tous documents, avis et procédures judiciaires, exécutés, donnés ou intentés en vertu de, ou liés directement ou indirectement à, la présente convention.

CHINA

The following provision applies if the Participant is a People’s Republic of China (“PRC”) national residing in the PRC:

**APPENDIX A TO
AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
GLOBAL RESTRICTED STOCK UNIT AGREEMENT**

Exchange Control Requirements. Due to exchange control laws in the PRC, Shares acquired through RSU vestings must be maintained in the Fidelity (or any successor broker designated by the Company) brokerage account until the Shares are sold. When the Shares are sold, all proceeds must be repatriated to the PRC and held in a special exchange control account maintained by the Company, the Employer or one of the Company's subsidiaries in the PRC. To the extent that the Participant holds any Shares on the date that is 90 calendar days after the date of the Participant's termination of employment with the Company or the Employer, the Participant authorizes Fidelity (or any successor broker designated by the Company) to sell such Shares on the Participant's behalf at that time or as soon as is administratively practical thereafter.

The Participant further is required to repatriate to the PRC any dividends or dividend equivalents paid to the Participant in relation to RSUs through a special exchange control account established by the Company, the Employer, or one of the Company's subsidiaries in the PRC. The Participant hereby agrees that any cash proceeds from the Participant's participation in the Plan may be transferred to such special account prior to being delivered to the Participant.

The Participant also understands and agrees that there will be a delay between the date the Shares are sold and the date the cash proceeds are distributed to the Participant. The Participant agrees to bear any currency fluctuation risk between the time the Shares are sold and the time the cash proceeds are distributed to the Participant through the special account described above. The Participant further agrees to comply with any other requirements that may be imposed by the Company in the future in order to facilitate compliance with exchange control requirements in the PRC.

Tax Liability. Taxes are due at the time of vesting of the RSUs. The Participant understands and agrees that Tax-Related Items may be taken by the Employer from the Participant's salary or other cash compensation.

DENMARK

Danish Stock Option Act. By participating in the Plan, the Participant acknowledges that he or she received an Employer Statement translated into Danish, which is being provided to comply with the Danish Stock Option Act. To the extent more favorable to the Participant and required to comply with Stock Option Act, the terms set forth in the Employer Statement will apply to the Participant's participation in the Plan.

Exclusion from Termination Indemnities and Other Benefits. This provision supplements Section 10(c) in the Agreement:

By accepting the RSUs, the Participant acknowledges that he/she understands and agrees that this grant relates to future services to be performed and is not a bonus or compensation for past services.

Exchange Control and Tax Information. The Participant may hold Shares acquired under the Plan in a safety-deposit account (*e.g.*, a brokerage account) either with a Danish bank or with an approved foreign broker or bank. If the Shares are held with a non-Danish broker or bank, the Participant is required to inform the Danish Tax Administration about the safety-deposit account. For this purpose, the Participant must file a Declaration V (Erklæring V) with the Danish Tax Administration. The Form V must be signed by the Participant and may be signed by the bank/broker. In the event that the applicable broker or bank with which the safety-deposit account is held does not wish to, or, pursuant to the laws of the country in question, is not allowed to assume such obligation to report, the Participant acknowledges that he or she is solely responsible for providing certain details regarding the foreign brokerage or bank account and any Shares acquired at vesting and held in such account to the Danish Tax Administration as part of the Participant's annual income tax return. By signing the Declaration V, the Participant at the same time authorizes the Danish Tax Administration to examine the account. A sample of the Declaration V can be found at the following website: www.skat.dk/getFile.aspx?Id=47392.

In addition, if the Participant opens a deposit account or brokerage account for the purpose of holding cash outside Denmark, the bank or brokerage account, as applicable, will be treated as a deposit account because cash can be held in the account. Therefore, the Participant must also file a Declaration K (Erklæring K) with the Danish Tax Administration. Both the Participant and the bank/broker must sign the Declaration K, unless an exemption from the broker/bank signature requirement is granted by the Danish Tax Administration. It is possible to seek the exemption on the Form K, which the Participant should do at the time he or she submits the Form K. By signing the Declaration K, the Participant (and the bank/broker to the extent the exemption is not granted) undertakes an obligation, without further request each year (no later than on February 1 of the year following the calendar year to which the information relates), to forward certain information to the Danish Tax Administration concerning the content of the deposit account. In the event that the applicable financial institution (broker or bank) with which the account is held, does not wish to, or, pursuant to the laws of the country in question, is not allowed to assume such obligation to report, the Participant acknowledges that he or she is solely responsible for providing certain details regarding the foreign brokerage or bank account to the Danish Tax Administration as part of the Participant's annual income tax return. By signing the Declaration K, the Participant at the same time authorizes the Danish Tax Administration to examine the account. A sample of Declaration K can be found at the following website: www.skat.dk/getFile.aspx?Id=42409&newwindow=true.

APPENDIX A TO
AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
GLOBAL RESTRICTED STOCK UNIT AGREEMENT

Foreign Asset / Account Reporting Information. If the Participant establishes an account holding Shares or cash outside Denmark, the Participant must report the account to the Danish Tax Administration. The form which should be used in this respect can be obtained from a local bank. (Please note that these obligations are separate from and in addition to the obligations described above.)

EGYPT

Exchange Control Information. If the Participant transfers funds into Egypt in connection with the sale of Shares, the Participant is required to transfer the funds through a registered bank in Egypt.

FINLAND

There are no country-specific provisions.

FRANCE

French-Qualified RSUs. The RSUs are intended to qualify for the favorable tax and social security regime in France under Section L. 225-197-1 to L. 225-197-6-1 of the French Commercial Code, as amended. Certain events may affect the status of the RSUs as French-qualified RSUs, and the French-qualified RSUs may be disqualified in the future. The Company does not make any undertaking or representation to maintain the qualified status of the RSUs. If the RSUs no longer qualify as French-qualified RSUs, the favorable tax and social security treatment will not apply, and the Participant will be required to pay his or her portion of social security contributions resulting from the RSUs (as well as any income tax that is due).

Plan Terms. The RSUs are subject to the terms and conditions of the Plan and the Rules of the Analog Devices, Inc. Amended and Restated 2006 Stock Incentive Plan for Grants to Participant in France (the "French Sub-plan"). To the extent that any term is defined in both the Plan and the French Sub-plan, for purposes of this grant of a French-qualified RSUs, the definitions in the French Sub-plan shall prevail.

Vesting. This provision supplements Section 2 in the Agreement:

Except in the event of the Participant's death or disability (as defined in the French Sub-plan and as determined under Section 2(d) of the Agreement) to benefit from the favorable tax and social security regime, no vesting shall occur prior to the second anniversary of the Date of Grant, or such other minimum period as required for the vesting period applicable to French-qualified RSUs under Section L.225-197-1 of the French Commercial Code, as amended, or relevant Sections of the French Tax Code or the French Social Security Code, as amended.

Disability. This provision supplements Section 2(d) in the Agreement:

In the event the Participant becomes Disabled (as defined in the French Sub-plan and as determined under Section 2(d) of the Agreement), the Unvested RSUs as of the date of the Participant's termination shall vest in full as of the date of the termination.

Restriction on Transfer and Sale of Shares. This provision supplements Section 3 in the Agreement:

The Participant may not sell or transfer the Shares issued at vesting of the RSUs prior to the second anniversary of each of the respective vesting date, or such other period as is required to comply with the minimum mandatory holding period applicable to French-qualified RSUs under Section L. 225-197-1 of the French Commercial Code, the relevant sections of the French Tax Code or of the French Social Security Code, as amended, to benefit from the favorable tax and social security regime. Notwithstanding the above, the Participant's heirs, in the case of the Participant's death, or the Participant, in the case of disability (as defined under the French Sub-plan), are not subject to this restriction on the sale of Shares. To ensure compliance with these restrictions, the Shares the Participant receives at vesting of the RSUs will be held with a broker designated by the Company (or according to any procedure implemented by the Company to ensure compliance with the restrictions) until such Shares are sold. These restrictions will apply even after the Participant is no longer employed by the Employer, the Company or one its subsidiaries.

Further, as long as the RSUs and the Shares acquired at vesting of the RSUs maintain their French-qualified status, the Shares cannot be sold during certain "Closed Periods" as provided for by Section L. 225-197-1 of the French Commercial Code, as amended, and as interpreted by the French administrative guidelines, so long as these Closed Periods are applicable to Shares issued pursuant to French-qualified RSUs, and to the extent applicable. Notwithstanding the above, the Participant's heirs, in the case of the Participant's death, or the Participant, in the case of disability (as defined under the French Sub-plan), are not subject to the restriction on the sale of Shares during Closed Periods.

APPENDIX A TO
AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
GLOBAL RESTRICTED STOCK UNIT AGREEMENT

Changes in Capitalization. This provision supplements Section 10(u) in the Agreement:

Certain adjustments may disqualify the RSUs, in which case they may no longer benefit from favorable tax and social security treatment in France.

Language Consent. If the Participant received this Agreement or any other document related to the Plan or the French Sub-plan translated into French and if the translated version differs from the English version, the English version shall control.

By accepting this grant, the Participant confirms having read and understood the documents relating to the grant (the Plan, the French Sub-plan, and this Agreement) which were provided in English language. The Participant accepts the terms of those documents accordingly.

Consentement a la Langue. En acceptant cette attribution, le Participant confirme ainsi avoir lu et compris les documents relatifs à l'attribution (le Plan, le Sous-plan pour la France, et ce Contrat) qui ont été communiqués en langue anglaise. Le Participant accepte les termes en connaissance de cause.

GERMANY

Exchange Control Information. Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank. In case of payments in connection with the sale of Shares acquired under the Plan, the report must be filed electronically by the 5th day of the month following the month in which the payment was received. The form of report ("*Allgemeine Meldeportal Statistik*") can be accessed via the Bundesbank's website (www.bundesbank.de) and is available in both German and English.

INDIA

Exchange Control Notification. The Participant understands that he or she must repatriate any proceeds from the sale of Shares acquired under the Plan and any dividends received in relation to the Shares to India and convert the funds into local currency within ninety (90) days of receipt. The Participant must obtain a foreign inward remittance certificate ("FIRC") from the bank where the Participant deposits the foreign currency and maintains the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the Employer requests proof of repatriation.

Foreign Asset / Account Reporting Information. The Participant is required to declare any foreign bank accounts and assets (including Shares acquired under the Plan) on his or her annual tax return. The Participant should consult with his or her personal tax advisor to determine his or her reporting requirements.

IRELAND

Manner of Payment. This provision replaces Section 7 of the Agreement:

Notwithstanding any discretion in the Plan or the Agreement to the contrary, upon vesting of the RSUs, Shares will be issued to the Participant. In no event will the Award be paid to Participant in the form of cash.

Exclusion from Termination Indemnities and Other Benefits. This provision supplements Section 10(c) of the Agreement:

By accepting the RSUs, the Participant acknowledges, understands, and agrees that the benefits received under the Plan will not be taken into account for any redundancy or unfair dismissal claim.

Director Notification. If the Participant is a director, shadow director or secretary of an Irish subsidiary of the Company, the Participant is subject to certain notification requirements under Section 53 of the Companies Act, 1990. Among these requirements is an obligation to notify the Irish affiliate in writing within five (5) business days when the Participant receives an interest (e.g., RSUs, Shares) in the Company and the number and class of shares or rights to which the interest relates. In addition, the Participant must notify the Irish subsidiary within five (5) business days when the Participant sells Shares acquired under the Plan. This notification requirement also applies to any rights or Shares acquired by the Participant's spouse or children (under the age of 18).

**APPENDIX A TO
AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
GLOBAL RESTRICTED STOCK UNIT AGREEMENT**

ISRAEL

Trust Arrangement. The Participant hereby understands and agrees that the RSUs are offered subject to and in accordance with the terms of the Israeli Sub-Plan (the “Sub-Plan”) under the 102 Capital Gains Track (as defined in the Sub-Plan), the Trust Agreement between the trustee appointed by Analog Devices, (Israel) Ltd. (the “Trustee”), the Agreement, and the Plan. In the event of any inconsistencies among the Sub-Plan, the Agreement and/or the Plan, the Participant agrees that the Sub-Plan will govern the RSUs granted to the Participant in Israel.

If the Participant resides in Israel has not already signed an Israeli Appendix in connection with grants made under the Plan, then the Participant must print, sign and deliver the signed copy of the Israeli Appendix within 45 days to: Stock Plan Administrator, Treasury Department, Analog Devices, Inc., One Technology Way, Norwood, Massachusetts, 02062 U.S.A. If Analog Devices, (Israel) Ltd. or Analog Devices, Inc. does not receive the signed Israeli Appendix within 45 days, the RSUs shall terminate and will become null and void.

Vesting. This provision supplements Section 2(a) in the Agreement:

The Shares issued upon vesting of the RSUs will be registered in the name of the Trustee as required by law to qualify under Section 102 (as defined under the Sub-plan), for the benefit of the Participant, unless otherwise approved in writing by the Israeli Tax Authority. Furthermore, the Participant hereby understands and agrees he or she will not require the Trustee to release or sell the Shares during the Holding Period (as defined under the Sub-Plan), unless permitted under Israeli tax law.

Restrictions on Transfer. This provision supplements Section 3(a) in the Agreement:

The Trustee shall not alienate, sale, exchange, transfer, assign, pledge, or otherwise encumber the RSUs or the Shares for the Participant, except as permitted under the Sub-Plan and the terms of Section 102 (as defined in the Sub-Plan), or in the case of death, the Participant’s heirs, except by will or by the laws of descent and distribution.

Manner of Payment. This provision replaces Section 7 of the Agreement:

Notwithstanding any discretion in the Plan or the Agreement to the contrary, upon vesting of the RSUs, Shares will be issued to the Participant. In no event will the Award be paid to Participant in the form of cash.

ITALY

Data Privacy. This provision replaces in its entirety Section 8 of the Agreement:

The Participant understands that the Employer, the Company and any subsidiary as a data processor of the Company may hold certain personal information about the Participant, including, but not limited to, the Participant’s name, home address and telephone number, date of birth, social insurance or other identification number, salary, nationality, job title, any Shares or directorships held in the Company or any subsidiary, details of all RSUs, or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in the Participant’s favor, and that the Company and the Employer will process said data and other data lawfully received from third party (“Data”) for the exclusive purpose of implementing, managing and administering the Plan and complying with applicable laws, regulations and community legislation.

The Participant also understands that providing the Company with Data is mandatory for compliance with laws and is necessary for the performance of the Plan and that the Participant’s refusal to provide such Data would make it impossible for the Company to perform its contractual obligations and may affect the Participant’s ability to participate in the Plan. The Controller of personal data processing is Analog Devices, Inc., with registered offices at Analog Devices, Inc., One Technology Way, Norwood, Massachusetts, 02062 U.S.A. and, pursuant to Legislative Decree no. 196/2003, its Representative in Italy for privacy purposes is Analog Devices SRL with its registered offices at Centro Direzionale Milano 2, Palazzo Bernini 20090 Segrate, Milan, Italy.

The Participant understands that Data will not be publicized, but it may be accessible by the Employer as the data processor of the Company and within the Employer’s organization by its internal and external personnel in charge of processing. Furthermore, Data may be transferred to banks, other financial institutions, or brokers involved in the management and administration of the Plan. The Participant understands that Data may also be transferred to the independent registered public accounting firm engaged by the Company, and also to the legitimate addresses under applicable laws. The Participant further understands that the Company and/or any subsidiary will transfer Data among themselves as necessary for the purpose of implementing, administering and managing the Participant’s participation in the Plan, and that the Company and/or any subsidiary may each further transfer Data to third parties assisting the Company in the

APPENDIX A TO
AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
GLOBAL RESTRICTED STOCK UNIT AGREEMENT

implementation, administration, and management of the Plan, including any requisite transfer of Data to a broker or other third party with whom the Participant may elect to deposit any Shares acquired at vesting of the RSU. Such recipients may receive, possess, use, retain, and transfer Data in electronic or other form, for the purposes of implementing, administering, and managing the Participant's participation in the Plan. The Participant understands that these recipients may be acting as controllers, processors, or persons in charge of processing, as the case may be, according to applicable privacy laws, and that they may be located in or outside the European Economic Area, such as in the United States or elsewhere, in countries that do not provide an adequate level of data protection as intended under Italian privacy law. Should the Company exercise its discretion in suspending all necessary legal obligations connected with the management and administration of the Plan, it will delete Data as soon as it has completed all the necessary legal obligations connected with the management and administration of the Plan.

The Participant understands that Data processing related to the purposes specified above shall take place under automated or non-automated conditions, anonymously when possible, that comply with the purposes for which Data is collected and with confidentiality and security provisions, as set forth by applicable laws and regulations, with specific reference to Legislative Decree no. 196/2003.

The processing activity, including communication, the transfer of Data abroad, including outside of the European Economic Area, as herein specified and pursuant to applicable laws and regulations, does not require the Participant's consent thereto, as the processing is necessary to performance of law and contractual obligations related to implementation, administration, and management of the Plan. The Participant understands that, pursuant to Section 7 of the Legislative Decree no. 196/2003, the Participant has the right at any moment to, including but not limited to, obtain confirmation that Data exist or not, access, verify their content, origin and accuracy, delete, update, integrate, correct, block or terminate, for legitimate reason, the Data processing. To exercise privacy rights the Participant should address the Employer.

Furthermore, the Participant is aware that Data will not be used for direct-marketing purposes. In addition, Data provided can be reviewed and questions or complaints can be addressed by contacting the Participant's local human resources representative.

Plan Document Acknowledgment. In accepting the RSU, the Participant acknowledges that a copy of the Plan was made available to the Participant, and that the Participant has reviewed the Plan and the Agreement, including Appendix A, in their entirety and fully understand and accept all provisions of the Plan, the Agreement and Appendix A.

The Participant further acknowledges that he or she has read and specifically and expressly approves the following provision in the Agreement: Vesting and Conversion, Withholding Taxes, Miscellaneous, and the Data Privacy provision set forth in this Appendix A.

Foreign Asset Tax. The value of the financial assets held outside Italy by individuals resident of Italy is subject to a foreign asset tax. Beginning in 2014, such tax is levied at an annual rate of 2 per thousand (0.2%). The taxable amount will be the fair market value of the financial assets (e.g., Shares) assessed at the end of the calendar year.

Foreign Asset / Account Reporting Information. If the Participant holds investments abroad or foreign financial assets (e.g., cash, Shares, RSUs) that may generate income taxable in Italy, the Participant is required to report them on his or her annual tax returns (UNICO Form, RW Schedule) or on a special form if no tax return is due, irrespective of their value. The same reporting duties apply to the Participant if he or she is a beneficial owner of the investments, even if the Participant does not directly hold investments abroad or foreign assets.

JAPAN

Foreign Asset / Account Reporting Information. The Participant will be required to report details of any assets held outside Japan as of December 31st to the extent such assets have a total net fair market value exceeding ¥50,000,000. This report is due by March 15th each year. The Participant should consult with his or her personal tax advisor as to whether the reporting obligation applies to him or her and whether the requirement extends to any outstanding RSUs or Shares acquired under the Plan.

KOREA

Exchange Control Information. Exchange control laws require Korean residents who realize US\$500,000 or more (in a single transaction) from the sale of Shares to repatriate the sale proceeds back to Korea within 18 months of the sale.

Foreign Asset / Account Reporting Information. Korean residents must declare all foreign financial accounts (i.e., non-Korean bank accounts, brokerage accounts, and so on) to the Korean tax authority and file a report with respect to such accounts if the value of such accounts exceeds

APPENDIX A TO
AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
GLOBAL RESTRICTED STOCK UNIT AGREEMENT

KRW 1 billion (or an equivalent amount in foreign currency). The Participant should consult with his or her personal tax advisor to determine any personal reporting obligations.

MALAYSIA

Payment of Tax-Related Items. This provision supplements Section 6 of the Agreement:

The Employer, the Company or one of its subsidiaries may withhold taxes in connection with the RSUs to satisfy the Participant's Tax-Related Items liability in Malaysia. Should withholding not occur, however, the Participant acknowledges that he or she is ultimately responsible for paying any Tax-Related Items legally due by him or her in connection with the RSUs to the Inland Revenue Board of Malaysia.

Director Notification. If the Participant is a director of a subsidiary or other related company in Malaysia, then the Participant is subject to certain notification requirements under the Malaysian Companies Act, 1965. Among these requirements is an obligation to notify the Malaysian subsidiary in writing when the Participant receives an interest (e.g., RSUs, Shares) in the Company or any related companies. In addition, the Participant must notify the Malaysian subsidiary when he or she sells Shares of the Company or any related company (including when the Participant sells Shares acquired under the Plan). These notifications must be made within fourteen (14) days of acquiring or disposing of any interest in the Company or any related company.

APPENDIX A TO

AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
GLOBAL RESTRICTED STOCK UNIT AGREEMENT

Data Privacy. The following provision replaces Section 12 of the Agreement:

<p>The Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of his or her personal data as described in this document by and among, as applicable, the Employer, and the Company and its subsidiaries for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan.</p>	<p>Peserta dengan ini secara eksplisit, secara sukarela dan tanpa sebarang keraguan mengizinkan pengumpulan, penggunaan dan pemindahan, dalam bentuk elektronik atau lain-lain, data peribadinya seperti yang dinyatakan dalam dokumen ini, oleh dan di antara, sebagaimana yang berkenaan, Majikan, Syarikat, dan mana-mana anak Syarikatnya bagi tujuan eksklusif untuk membantu dalam pelaksanaan, pentadbiran dan pengurusan penyertaan Peserta dalam Pelan.</p>
<p>The Participant understands that the Company and the Employer may hold certain personal information about the Participant, including, but not limited to, his or her name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all RSUs or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in the Participant's favor, for the purpose of implementing, administering and managing the Plan ("Data"). The source of the Data is the Employer as well as information the Participant is providing to the Company and the Employer in connection with the RSUs. The Participant understands that Data may be transferred to Fidelity or any other third parties as may be selected by the Company in the future, which are assisting in the implementation, administration and management of the Plan, that these recipients may be located in the Participant's country or elsewhere and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than the Participant's country. The Participant understands that he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Participant authorizes the Company, Fidelity and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Participant may elect to deposit any Shares acquired upon settlement of the Award. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage the Participant's participation in the Plan. The Participant understands that he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. The Participant understands, however, that refusing or withdrawing his or her consent may affect the Participant's ability to participate in the Plan. For more information on the consequences of a refusal to consent or withdrawal of consent, the Participant understands that he or she may contact his or her regional stock plan administrator at Stock_Plan_Admin@Analog.com.</p>	<p>Peserta memahami bahawa Syarikat dan Majikan mungkin memegang maklumat peribadi tertentu tentang Peserta, termasuk, tetapi tidak terhad kepada, namanya, alamat rumah dan nombor telefon, tarikh lahir, nombor insurans sosial atau nombor pengenalan lain, gaji, kewarganegaraan, jawatan, apa-apa syer dalam saham atau jawatan pengarah yang dipegang dalam Syarikat, butir-butir semua RSUs atau apa-apa hak lain untuk syer dalam saham yang dianugerahkan, dibatalkan, dilaksanakan, terletak hak, tidak diletak hak ataupun yang belum dijelaskan bagi faedah Peserta, untuk tujuan eksklusif bagi melaksanakan, mentadbir dan menguruskan Pelan ("Data"). Sumber Data adalah daripada Majikan dan juga daripada maklumat yang dibekalkan oleh Peserta kepada Syarikat dan Majikan berkenaan dengan RSUs. Penerima Anugerah juga memahami bahawa Data mungkin dipindahkan kepada Fidelity atau mana-mana pihak ketiga yang mungkin dipilih oleh Syarikat pada masa depan, yang membantu dalam pelaksanaan, pentadbiran dan pengurusan Pelan, bahawa penerima-penerima ini mungkin berada di negara Peserta atau di tempat lain, dan bahawa negara penerima (contohnya, Amerika Syarikat) mungkin mempunyai undang-undang privasi data dan perlindungan yang berbeza daripada negara Peserta. Peserta memahami bahawa dia boleh meminta senarai nama dan alamat mana-mana penerima Data dengan menghubungi wakil sumber manusia tempatannya. Peserta memberi kuasa kepada Syarikat, Fidelity, dan mana-mana penerima lain yang mungkin membantu Syarikat (masa sekarang atau pada masa depan) untuk melaksanakan, mentadbir dan menguruskan penyertaan Peserta dalam Pelan untuk menerima, memiliki, menggunakan, mengekalkan dan memindahkan Data, dalam bentuk elektronik atau lain-lain, semata-mata dengan tujuan untuk melaksanakan, mentadbir dan menguruskan penyertaan Peserta dalam Pelan, termasuk apa-apa pemindahan Data yang diperlukan kepada broker atau pihak ketiga dengan siapa Peserta mungkin pilih untuk menandatangani apa-apa Saham yang diperolehi di atas penyelesaian Anugerah. Peserta memahami bahawa Data akan dipegang hanya untuk tempoh yang diperlukan untuk melaksanakan, mentadbir dan menguruskan penyertaannya dalam Pelan tersebut. Peserta memahami bahawa dia boleh, pada bila-bila masa, melihat data, meminta maklumat tambahan mengenai penyimpanan dan pemrosesan Data, meminta bahawa pindaan-pindaan dilaksanakan ke atas Data atau menolak atau menarik balik persetujuan dalam ini, dalam mana-mana kes, tanpa kos, dengan menghubungi secara bertulis wakil sumber manusia tempatannya. Peserta memahami bahawa keengganan atau penarikan balik persetujuannya boleh menjejaskan keupayaannya untuk mengambil bahagian dalam Pelan. Untuk maklumat lanjut mengenai akibat keengganan untuk memberikan keizinan atau penarikan balik keizinan, Peserta fahami bahawa dia boleh menghubungi pentadbir pelan saham serantau di Stock_Plan_Admin@Analog.com.</p>

**APPENDIX A TO
AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
GLOBAL RESTRICTED STOCK UNIT AGREEMENT**

NETHERLANDS

No Entitlement. This provision supplements Section 10(d) of the Agreement:

By accepting the RSU, the Participant acknowledges that the RSU is intended as an incentive for the Participant to remain employed with the Employer and is not intended as remuneration for labor performed.

PHILIPPINES

Securities Law Information. The securities being offered or sold herein have not been registered with the Philippines Securities and Exchange Commission (“PSEC”) under its Securities Regulation Code (the “SRC”).

The grant of RSUs is being made pursuant to an exemption from registration under Section 10.2 of the SRC that has been approved by the PSEC.

The Participant should be aware of the risks of participating in the Plan, which include (without limitation) the risk of fluctuation in the price of the Shares on the NASDAQ Global Select Market (“NASDAQ”) and the risk of currency fluctuations between the U.S. Dollar and his or her local currency. In this regard, the Participant should note that the value of any Shares he or she may acquire under the Plan may decrease, and fluctuations in foreign exchange rates between his or her local currency and the U.S. Dollar may affect the value of the Shares or any amounts due to the Participant pursuant to the vesting of the RSUs or the subsequent sale of any Shares acquired by the Participant. The Company is not making any representations, projections or assurances about the value of the Shares now or in the future.

For further information on risk factors impacting the Company’s business that may affect the value of the Shares, the Participant should refer to the risk factors discussion in the Company’s Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, which are filed with the U.S. Securities and Exchange Commission and are available online at www.sec.gov, as well as on the Company’s website at <http://investor.analog.com/sec.cfm>.

The Participant should also note that the sale or disposal of Shares acquired under the Plan may be subject to certain restrictions under Philippines securities laws. Those restrictions should not apply if the offer and resale of Shares takes place outside of the Philippines through the facilities of a stock exchange on which the Shares are listed. The Shares are currently listed on NASDAQ. The Company’s designated broker should be able to assist the Participant in the sale of Shares on NASDAQ. *If the Participant has questions with regard to the application of Philippines securities laws to the disposal or sale of Shares acquired under the Plan the Participant should consult with his or her legal advisor.*

ROMANIA

Exchange Control Information. If the Participant deposits the proceeds from the sale of Shares issued at vesting and settlement of the RSUs in a bank account in Romania, the Participant may be required to provide the Romanian bank with appropriate documentation explaining the source of the funds. The Participant should consult his or her personal advisor to determine whether he or she will be required to submit such documentation to the Romanian bank.

SINGAPORE

Securities Law Information. The RSUs were granted to the Participant pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) (“SFA”). The Agreement and the Plan have not been lodged or registered as a prospectus with the Monetary Authority of Singapore. The Participant should note that the Participant’s RSUs are subject to section 257 of the SFA and the Participant will not be able to make any subsequent sale in Singapore, or any offer of such subsequent sale of the Shares unless such sale or offer in Singapore is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA.

Director Notification. If the Participant is a director, associate director or shadow director of a subsidiary or other related company in Singapore, the Participant is subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Singapore subsidiary in writing when the Participant receives an interest (e.g., RSUs, Shares) in the Company or any related company. In addition, the Participant must notify the Singapore subsidiary when the Participant sells Shares of the Company or any related company (including when the Participant sells Shares acquired under the Plan). These notifications must be made within two (2) business

APPENDIX A TO
AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
GLOBAL RESTRICTED STOCK UNIT AGREEMENT

days of acquiring or disposing of any interest in the Company or any related company. In addition, a notification must be made of the Participant's interests in the Company or any related company within two (2) business days of becoming a director.

SPAIN

No Entitlement. This provision supplements Section 10(d) of the Agreement:

In accepting the RSUs, the Participant acknowledges that he or she consents to participation in the Plan and has received a copy of the Plan. The Participant understands that the Company has unilaterally, gratuitously and in its sole discretion decided to grant RSUs under the Plan to individuals who may be employees of the Company or its subsidiaries throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any RSUs will not economically or otherwise bind the Company or any of its subsidiaries on an ongoing basis. Consequently, the Participant understands that the RSUs are granted on the assumption and condition that the RSUs or the Shares acquired upon settlement shall not become a part of any employment contract (either with the Company or any of its subsidiaries) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Participant understands that the RSU grant would not be made to the Participant but for the assumptions and conditions referred to above; thus, the Participant acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any RSUs shall be null and void.

Further, and except as provided in Section 2(d) of the Agreement in the event the Participant becomes Disabled, the vesting of the RSUs is expressly conditioned on the Participant's continued rendering of service, such that if the Participant's employment terminates for any reason whatsoever, the RSUs will cease vesting immediately, in whole or in part, effective on the date of the Participant's termination of employment (unless otherwise specifically provided in Section 2 of the Agreement in the event of death). This will be the case, for example, even if (1) the Participant is considered to be unfairly dismissed without good (i.e., subject to a "*despido improcedente*"); (2) the Participant is dismissed for disciplinary or objective reasons or due to a collective dismissal; (3) the Participant terminates service due to a change of work location, duties or any other employment or contractual condition; (4) the Participant terminates service due to a unilateral breach of contract by the Company or a subsidiary; or (5) the Participant's employment terminates for any other reason whatsoever. Consequently, upon termination of the Participant's employment for any of the above reasons, the Participant will automatically lose any rights to RSUs that were not vested on the date of the Participant's termination of employment, as described in the Plan and the Agreement. The Participant understands that the RSU grant would not be made to the Participant but for the assumptions and conditions referred to above; thus, the Participant acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any RSU grant shall be null and void.

The Participant acknowledges that he or she has read and specifically accepts the conditions referred to in Section 2 of the Agreement.

Securities Law Notification. The grant of RSUs and the Shares issued upon vesting of the RSUs are considered a private placement outside the scope of Spanish laws on public offerings and issuances of securities.

Exchange Control Notification. The Participant acknowledges that he or she must declare any Shares that are acquired under the Plan to the *Dirección General de Comercio e Inversiones* of the Ministry of Economy and Competitiveness (the "DGCI"). After the initial declaration, the declaration must be filed with the DGCI on an annual basis each January while the shares are owned; however, if the value of the Shares or the sale proceeds exceed a certain amount, a declaration must be filed within one month of the acquisition or sale, as applicable.

Foreign Asset / Account Reporting Information. To the extent that the Participant holds assets (e.g., cash or Shares held in a bank or brokerage account) outside Spain with a value in excess of €50,000 per type of asset (e.g., Shares, cash, and so on) as of December 31 each year, the Participant will be required to report information on such assets on his or her tax return for such year (tax form 720). After such assets are initially reported, the reporting obligation will only apply for subsequent years if the value of any previously-reported assets increases by more than €20,000. The reporting must be completed by March 31. Failure to comply with this reporting requirement may result in penalties to the Participant. Accordingly, the Participant is advised to consult with his or her personal tax and legal advisors to ensure that he or she is properly complying with his or her reporting obligations.

Further, the Participant is required to declare to the Bank of Spain any securities accounts (including brokerage accounts held abroad), as well as the securities held in such accounts if the value of the transactions for all such accounts during the prior tax year or the balances in such accounts as of December 31 of the prior tax year exceeds €1,000,000.

APPENDIX A TO
AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
GLOBAL RESTRICTED STOCK UNIT AGREEMENT

SWEDEN

There are no country-specific provisions.

TAIWAN

Exchange Control Information. Individuals may acquire foreign currency (including proceeds from the sale of Shares) into Taiwan up to US\$5,000,000 per year without justification.

There is no need to aggregate all remittances into Taiwan when calculating the limitation. If the transaction amount is TWD\$500,000 or more in a single transaction, the Participant must submit a Foreign Exchange Transaction Form and also provide supporting documentation to the satisfaction of the remitting bank.

TURKEY

Securities Law Information. Under Turkish law, the Participant is not permitted to sell any Shares acquired under the Plan in Turkey. The Shares are currently traded on the NASDAQ Global Select Market, under the ticker symbol "ADI" and the Shares may be sold through this exchange.

Exchange Control Information. The Participant may be required to engage a Turkish financial intermediary to assist with the sale of Shares acquired under the Plan. As the Participant is solely responsible for complying with any applicable financial intermediary requirements, the Participant should consider consulting his or her personal legal advisor prior to the vesting of the RSUs or any sale of Shares to ensure compliance.

UNITED KINGDOM

Manner of Payment. This provision replaces Section 7 of the Agreement:

Notwithstanding any discretion in the Plan or the Agreement to the contrary, upon vesting of the RSUs, Shares will be issued to the Participant. In no event will the Award be paid to Participant in the form of cash.

Furthermore, notwithstanding any provision of the Plan or the Agreement to the contrary, the Participant will not be entitled to receive any Shares pursuant to the vesting of the RSUs unless and until the Participant has executed a Joint Election (as defined below) in connection with the RSUs.

Joint Election. As a condition of the grant of RSUs, the Participant agrees to accept any liability for secondary Class 1 National Insurance contributions (the "Employer NICs") which may be payable by the Company or the Employer with respect to the vesting of the RSUs or otherwise payable with respect to a benefit derived in connection with the RSUs.

Without limitation to the foregoing, the Participant agrees to execute a joint election between the Company and/or the Employer and Participant (the "Joint Election"), the form of such Joint Election being formally approved by HMRC, and any other consent or election required to accomplish the transfer of the Employer NICs to the Participant. The Participant further agrees to execute such other joint elections as may be required between the Participant and any successor to the Company and/or the Employer. If the Participant does not enter into a Joint Election, no Shares shall be issued to the Participant without any liability to the Company and/or the Employer. The Participant further agrees that the Company and/or the Employer may collect the Employer NICs from the Participant by any of the means set forth in Section 6 of the Agreement.

If the Participant has signed a Joint Election in the past with respect to an RSU award granted to him or her by the Company and that Joint Election applies to all grants made under the Plan, the Participant need not sign another Joint Election in connection with this RSU grant.

**AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT****Private & Confidential (Addressee Only)**

{EMPNAME}

{EMPNUM}

We are pleased to advise you (the "Participant") that Analog Devices, Inc., a Massachusetts corporation (the "Company"), has granted to the Participant that number of Performance Restricted Stock Units ("Performance RSUs") set forth below, subject to the terms and conditions of the Analog Devices, Inc. Amended and Restated 2006 Stock Incentive Plan (the "Plan") and this Performance Restricted Stock Unit Agreement, including Appendix A, which includes additional performance-based vesting conditions, and Appendix B, which includes any applicable country-specific provisions (this agreement, together with Appendix A and Appendix B, the "Agreement"). The grant of Performance RSUs reflects the Company's confidence in the Participant's commitment and contributions to the success and continued growth of the Company. All terms not defined in this Agreement shall have the meaning set forth in the Plan.

1. Performance Restricted Stock Unit.

Subject to the terms and conditions of the Plan and this Agreement, the Company has granted to the Participant that number of Performance RSUs (the "Award") effective on the Date of Grant set forth below:

Date of Grant: {GRANTDATE}

Number of Performance RSUs ("Initial Grant Number"): {PERFSHARESGRANTED}

Vesting Date: {PERFVESTDATE}

Each one (1) Performance RSU shall, if and when it vests in accordance with this Agreement, automatically convert into one (1) share of common stock, US\$0.16 2/3 par value, of the Company ("Common Stock") issuable as provided below. The Performance RSUs are subject to the vesting provisions set forth in Section 2 (including any performance-based vesting conditions set forth in Appendix A), the restrictions on transfer set forth in Section 3, and the right of the Company to retain Shares (as defined below) pursuant to Section 7.

2. Vesting and Conversion.

- (a) Subject to the terms of the Plan and this Agreement, the Performance RSUs shall vest in accordance with the vesting conditions set forth in Section 1 and the performance-based vesting conditions set forth in Appendix A. For purposes of this Agreement, Performance RSUs that have not vested as of the Vesting Date in accordance with this Section 2(a) and Appendix A are referred to as "Unvested Performance RSUs." The shares of Common Stock that are issuable upon the vesting and conversion of the Performance RSUs are referred to in this Agreement as "Shares." As soon as administratively practicable after the issuance of any Shares upon the vesting and conversion of Performance RSUs, and subject to the terms and conditions set forth in the Agreement, the Company shall deliver or cause to be delivered evidence (which may include a book entry by the Company's transfer agent) of the Shares so issued in the name of the Participant to the brokerage firm designated by the Company to maintain the brokerage account established for the Participant or the Participant's heirs, in the case of Section 2(c). Notwithstanding the foregoing, the Company shall not be obligated to issue Shares to or in the name of the Participant upon the vesting and conversion of any Performance RSUs unless the issuance of such Shares shall comply with all relevant provisions of law and other legal requirements including, without limitation, any applicable securities laws and the requirements of any stock exchange upon which shares of Common Stock may then be listed.
- (b) In the event the Participant's employment with the Company or the Employer (as defined in Section 2(e)) is terminated either by the Participant, the Company, or the Employer for any reason or no reason (other than due to death or Disability), then in each such case, all of the Unvested Performance RSUs as of the date of termination shall terminate and be cancelled immediately and automatically and the Participant shall have no further rights with respect to such Unvested Performance RSUs.
- (c) As set forth in Appendix A, in the event of the Participant's death prior to the end of the Performance Period, the Unvested Performance RSUs shall vest immediately upon death with respect to the Initial Grant Number of Shares underlying the Performance RSUs, notwithstanding that the Participant was not employed as of the Vesting Date. In the event of the Participant's death after the end of the Performance Period, the Unvested Performance RSUs shall vest with respect to the number of Shares underlying the Performance RSUs that would have vested in accordance with Appendix A had the Participant continued employment through the Vesting Date had he or she not died.

- (d) As set forth in Appendix A, in the event the Participant becomes Disabled prior to the end of the Performance Period, the Unvested Performance RSUs shall vest immediately as of the date the Participant is determined to be Disabled with respect to the Initial Grant Number of Shares underlying the Performance RSUs, regardless of whether the Participant terminates employment prior to the Vesting Date. In the event the Participant becomes Disabled after the end of the Performance Period, the Unvested Performance RSUs shall vest with respect to the number of Shares underlying the Performance RSUs that would have vested in accordance with Appendix regardless of whether the Participant continues employment through the Vesting Date. "Disabled" with respect to the Participant means, when and if, as a result of disease, injury or mental disorder, the Participant is incapable of engaging in regular service or occupation with the Company or the Employer (as defined in paragraph e) which has lasted or can be expected to last for a continuous period of not less than 12 months, as determined by the Company.
- (e) For purposes of this Agreement, employment shall include being an employee with the Company. Employment shall also include being an employee with any direct or indirect parent or subsidiary of the Company, or any successor to the Company or any such parent or subsidiary of the Company (the "Employer"). Should a Participant transfer employment to become a director, consultant or advisor to the Company or the Employer following the Date of Grant, he or she will still be considered employed for vesting purposes until he or she ceases to provide services to the Company or any direct or indirect parent or subsidiary of the Company, or any successor to the Company or any such parent or subsidiary of the Company.
3. Restrictions on Transfer.
- (a) The Participant shall not sell, assign, transfer, pledge or otherwise encumber any Performance RSUs, either voluntarily or by operation of law.
- (b) The Company shall not be required (i) to transfer on its books any of the Performance RSUs which have been transferred in violation of any of the provisions set forth herein or (ii) to treat as the owner of such Performance RSUs any transferee to whom such Performance RSUs have been transferred in violation of any of the provisions contained herein.
4. Not a Shareholder. The Performance RSUs represent an unfunded, unsecured promise by the Company to deliver Shares upon vesting and conversion of the Performance RSUs, and until vesting of the Performance RSUs and issuance of the Shares, the Participant shall not have any of the rights of a shareholder with respect to the Shares underlying the Performance RSUs. For the avoidance of doubt, the Participant shall have no right to receive any dividends and shall have no voting rights with respect to the Shares underlying the Performance RSUs for which the record date is on or before the date on which the Shares underlying the Performance RSUs are issued to the Participant.
5. Provisions of the Plan. The Performance RSUs and Shares, including the grant and issuance thereof, are subject to the provisions of the Plan. A copy of the Plan prospectus is available on the Company's Intranet at <http://signals.corpnt.analog.com/default.aspx>. (From Signals home page, click Knowledge Centers, HR, Employee Stock Programs. The related documents can be found in the right-hand column.) If the Participant is unable to access this information via the Intranet, the Company's or the Participant's regional stock plan administrator can provide the Participant with copies.
6. Withholding Taxes.
- (a) Regardless of any action the Company and/or the Employer, if different, takes with respect to any or all income tax (including U.S. federal, state and local taxes and/or non-U.S. taxes), social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related withholding ("Tax-Related Items"), the Participant acknowledges that the ultimate liability for all Tax-Related Items legally applicable to the Participant is and remains the Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer. The Participant further acknowledges that the Company and the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Performance RSUs, including the grant of the Performance RSUs, the vesting of the Performance RSUs, the subsequent sale of any Shares acquired pursuant to the Performance RSUs and the receipt of any dividends; and (ii) do not commit to structure the terms of the grant or any aspect of the Performance RSUs to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if the Participant becomes subject to Tax-Related Items in more than one jurisdiction between the Date of Grant and the date of any relevant taxable or tax withholding event, as applicable, the Participant acknowledges that the Company and/or the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction.
- (b) Prior to any relevant taxable or tax withholding event, as applicable, the Participant will pay or make adequate arrangements satisfactory to the Company to satisfy all Tax-Related Items. In this regard, the Participant authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the methods set forth below:
- (i) the Company may withhold a sufficient number of whole Shares otherwise issuable upon the vesting of the Performance RSUs that have an aggregate Fair Market Value (as defined under the Plan) sufficient to pay the minimum Tax-Related Items required

to be withheld with respect to the Shares. The cash equivalent of the Shares withheld will be used to settle the obligation to withhold the Tax-Related Items (determined by reference to the closing price of the Common Stock on the NASDAQ Global Select Market on the applicable vesting date).

- (ii) the Company may, in its discretion, withhold any amount necessary to pay the Tax-Related Items from the Participant's salary or other amounts payable to the Participant; or
- (iii) the Company may withhold from proceeds of the sale of Shares either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant's behalf pursuant to this authorization).

To avoid negative accounting treatment, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the vested Performance RSU, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

In the event the withholding requirements are not satisfied through the withholding of Shares or through the Participant's salary or other amounts payable to the Participant, no Shares will be issued upon vesting of the Performance RSUs unless and until satisfactory arrangements (as determined by the Compensation Committee of the Board) have been made by the Participant with respect to the payment of any Tax-Related Items which the Company and/or the Employer determine, in each of its sole discretion, must be withheld or collected with respect to such Performance RSUs. No fractional Shares will be withheld or issued pursuant to the grant of the Performance RSUs and the issuance of Shares hereunder. By accepting this grant of Performance RSUs, the Participant expressly consents to the withholding of Shares and/or cash as provided for hereunder. All other Tax-Related Items related to the Performance RSUs and any Shares delivered in payment thereof are the Participant's sole responsibility.

- 7. Option of Company to Deliver Cash. Notwithstanding any of the other provisions of this Agreement, and except as set forth in Appendix B, where share settlement is otherwise prohibited under local law or may present adverse tax consequences to the Participant, at the time the Performance RSUs vest, the Company may elect, in the sole discretion of the Compensation Committee of the Board, to deliver by wire transfer to the Participant in lieu of Shares an equivalent amount of cash (determined by reference to the closing price of the Common Stock on the NASDAQ Global Select Market on the applicable vesting date). If the Company elects to deliver cash to the Participant, the Company is authorized to retain such amount as is sufficient in the opinion of the Company to satisfy the Tax-Related Items withholding obligations of the Company pursuant to Section 6 herein.
- 8. Data Privacy. *This Section 8 applies if the Participant resides outside the U.S.: The Company hereby notifies the Participant of the following in relation to the Participant's personal data and the collection, processing and transfer of such data in relation to the grant of the Performance RSUs and the Participant's participation in the Plan, pursuant to applicable personal data protection laws. The collection, processing and transfer of the Participant's personal data is necessary for the Company's administration of the Plan and the Participant's participation in the Plan, and the Participant's denial and/or objection to the collection, processing and transfer of personal data may affect the Participant's ability to participate in the Plan. As such, the Participant voluntarily acknowledges, consents and agrees (where required under applicable law) to the collection, use, processing and transfer of personal data as described herein.*

The Company holds certain personal information about the Participant, including the Participant's name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all Performance RSUs or any other entitlement to Shares awarded, canceled, purchased, vested, unvested or outstanding in the Participant's favor, for the purpose of managing and administering the Plan ("Data"). The Data may be provided by the Participant or collected, where lawful, from third parties, and the Company will process the Data for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan. The data processing will take place through electronic and non-electronic means according to logistics and procedures strictly correlated to the purposes for which the Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Participant's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. The Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and for the Participant's participation in the Plan.

The Company will transfer Data as necessary for the purpose of implementation, administration and management of the Participant's participation in the Plan, and the Company may further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Plan. These recipients may be located in the United States, the European Economic Area, or elsewhere throughout the world. The Participant hereby authorizes (where required under applicable law) the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Participant's participation in the Plan, including any requisite transfer of such Data as may be required for the administration of the

Plan and/or the subsequent holding of Shares on the Participant's behalf to a broker or other third party with whom the Participant may elect to deposit any Shares acquired pursuant to the Plan.

The Participant may, at any time, exercise the Participant's rights provided under applicable personal data protection laws, which may include the right to (a) obtain confirmation as to the existence of the Data, (b) verify the content, origin and accuracy of the Data, (c) request the integration, update, amendment, deletion, or blockage (for breach of applicable laws) of the Data, and (d) to oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the implementation, administration and/or operation of the Plan and the Participant's participation in the Plan. The Participant may seek to exercise these rights by contacting the Participant's local HR manager.

9. **Repatriation and Other Legal Requirements.** The Participant agrees as a condition of the grant of the Performance RSUs, as applicable, to repatriate all payments attributable to the Shares and/or cash acquired under the Plan (including, but not limited to, dividends and any proceeds derived from the sale of the Shares acquired pursuant to the Performance RSUs) in accordance with all foreign exchange rules and regulations applicable to the Participant. In addition, the Participant also agrees to take any and all actions, and consent to any and all actions taken by the Company and its subsidiaries, as may be required to allow the Company and its subsidiaries to comply with all laws, rules and regulations applicable to the Participant. Finally, the Participant agrees to take any and all actions as may be required to comply with the Participant's personal legal and tax obligations under all laws, rules and regulations applicable to the Participant.
10. **Miscellaneous.**
- (a) **No Rights to Employment.** The grant of the Performance RSUs shall not confer upon the Participant any right to continue in the employ of the Company or the Employer, nor limit in any way the right of the Company or the Employer to terminate the Participant's employment at any time. Except in the event of disability or termination of employment due to death, the vesting of the Performance RSUs pursuant to Section 2 and Appendix A, is earned only by satisfaction of the performance-based vesting conditions and continuing service as an employee at the will of the Company or the Employer through the Vesting Date (not through the act of being hired or engaged or being granted the Performance RSUs hereunder).
- (b) **Discretionary Nature.** The Participant acknowledges and agrees that the Plan is discretionary in nature and may be amended, cancelled, or terminated by the Company at any time, to the extent permitted under the Plan. The Participant's participation in the Plan is voluntary. The grant of the Performance RSUs under the Plan is a one-time benefit and does not create any contractual or other right to receive a grant of Performance RSUs or any other award under the Plan or other benefits in lieu thereof in the future. Future grants, if any, will be at the sole discretion of the Company, including, but not limited to, the form and timing of any grant, the number of Shares subject to the grant, and the vesting provisions. Any amendment, modification or termination of the Plan shall not constitute a change or impairment of the terms and conditions of the Participant's employment with the Company or the Employer. The Performance RSUs and income from such Performance RSUs shall not be included in any calculation of severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments.
- (c) **Exclusion from Termination Indemnities and Other Benefits.** This Section 10(c) applies if the Participant resides outside the U.S.: The value of the Performance RSUs and any other awards granted under the Plan is an extraordinary item of compensation outside the scope of the Participant's employment with the Company or the Employer (and the Participant's employment contract, if any). Any grant under the Plan, including the grant of the Performance RSUs and the income and value of same, is not part of normal or expected compensation. Further, the Performance RSUs and the Shares are not intended to replace any pension rights or compensation.
- (d) **No Entitlement.** This Section 10(d) applies if the Participant resides outside the U.S.: In consideration of the grant of Performance RSUs, no claim or entitlement to compensation or damages shall arise from forfeiture of the Performance RSUs resulting from termination of the Participant's employment with the Company or the Employer (regardless of the reason for such termination and whether or not later to be found invalid or in breach of employment laws in the jurisdiction where the Participant is employed or the terms of the Participant's employment contract, if any) and the Participant irrevocably releases the Company from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, the Participant shall be deemed irrevocably to have waived the Participant's entitlement to pursue such claim.
- (e) **Exchange Rates.** This Section 10(e) applies if the Participant resides outside the U.S.: The Participant acknowledges and agrees that neither the Company nor the Employer shall be liable for any foreign exchange rate fluctuation between the Participant's local currency and the United States Dollar that may affect the value of the Performance RSUs or of any amounts due to the Participant pursuant to the vesting and settlement of the Performance RSUs or the subsequent sale of any Shares.
- (f) **Future Value of Shares.** The future value of the underlying Shares is unknown, indeterminable, and cannot be predicted with certainty.

- (g) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.
- (h) Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Company and the Participant and his or her respective heirs, executors, administrators, legal representatives, successors and assigns, subject to the restrictions on transfer set forth in Section 3 of this Agreement.
- (i) Notice. Each notice relating to this Award shall be in writing (which shall include electronic form) and delivered in person, electronically or by first class mail, postage prepaid, to the address as hereinafter provided. Each notice shall be deemed to have been given on the date it is received. Each notice to the Company shall be addressed to it at its offices at Analog Devices, Inc., One Technology Way, Norwood, Massachusetts, 02062, Attention: Chief Financial Officer. Each notice to the Participant shall be addressed to the Participant at the Participant's last known mailing or email address, as applicable, on the records of the Company.
- (j) Pronouns. Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa.
- (k) Entire Agreement. This Agreement and the Plan constitute the entire understanding between the parties, and supersede all prior agreements and understandings, relating to the subject matter of these documents.
- (l) Governing Law. This Agreement shall be construed, interpreted and enforced in accordance with the internal laws of the Commonwealth of Massachusetts without regard to any applicable conflicts of laws.
- (m) Compliance with Laws. Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the Shares, the Company shall not be required to deliver any Shares prior to the completion of any registration or qualification of the Shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission ("SEC") or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Participant understands that the Company is under no obligation to register or qualify the Shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. Further, the Participant agrees that the Company shall have unilateral authority to amend the Plan and the Agreement without the Participant's consent to the extent necessary to comply with securities or other laws applicable to issuance of Shares.
- (n) Interpretation. The interpretation and construction of any terms or conditions of this Agreement or the Plan, or other matters related to the Plan, by the Compensation Committee of the Board shall be final and conclusive.
- (o) Participant's Acceptance. The Participant is urged to read this Agreement carefully and to consult with his or her own legal counsel regarding the terms and consequences of this Agreement and the legal and binding effect of this Agreement. By virtue of his or her acceptance of this Award, the Participant is deemed to have accepted and agreed to all of the terms and conditions of this Agreement and the provisions of the Plan.
- (p) Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to the Performance RSUs or other awards granted to the Participant under the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
- (q) English Language. The Participant acknowledges and agrees that it is the Participant's express intent that this Agreement, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the Performance RSUs, be drawn up in English. If the Participant has received this Agreement, the Plan or any other documents related to the Performance RSUs translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version shall control.
- (r) Appendix B. Notwithstanding any provisions herein to the contrary, if the Participant transfers the Participant's residence and/or employment to a country other than the United States, the Performance RSUs shall be subject to any special terms and conditions for such country as may be set forth in Appendix B to this Agreement. Moreover, if the Participant relocates to one of the countries included in Appendix B, the special terms and conditions for such country will apply to the Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. Appendix B constitutes part of this Agreement.

- (s) Additional Requirements. The Company reserves the right to impose other requirements on the Performance RSUs, any Shares acquired pursuant to the Performance RSUs, and the Participant's participation in the Plan, to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable for legal or administrative reasons. Such requirements may include (but are not limited to) requiring the Participant to sign any agreements or undertakings that may be necessary to accomplish the foregoing.
- (t) Private Placement. The Company has submitted filings in the United States in connection with the stock incentive plan under which this Award was made. The Company has not submitted any registration statement, prospectus or other filings with other local securities authorities (unless otherwise required under such local law), and the grant of the Award is not intended to be a public offering of securities in any other jurisdiction or subject to the supervision of other local securities authorities.
- (u) Changes in Capitalization. In the event of any stock split, reverse stock split, stock dividend, recapitalization, combination of shares, reclassification of shares, spin-off or other similar change in capitalization or event, or any non-cash distribution to holders of Common Stock, the number of Performance RSUs, and Shares issuable upon vesting and conversion thereof, shall be appropriately adjusted in such manner as shall be determined by the Compensation Committee of the Board.
- (v) No Advice Regarding Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan, or the Participant's acquisition or sale of Shares. The Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.
- (w) Insider Trading Restrictions/Market Abuse Laws. The Participant acknowledges that, depending on his or her country of residence, the Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect Participant's ability to acquire or sell Shares or rights to Shares under the Plan during such times as Participant is considered to have "inside information" regarding the Company (as defined by the laws in the Participant's country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Participant acknowledges that it is his or her responsibility to comply with any applicable restrictions, and the Participant is advised to speak to his or her personal advisor on this matter.
- (x) Waiver. The Participant acknowledges that a waiver by the Company or breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant or any other participant.

Ray Stata Vincent Roche
Chairman of the Board President & Chief Executive Officer

APPENDIX A TO

AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT

1. Performance Period. The three-year period beginning on {GRANTDATE} and ending on {GRANTDATE+3YRS} (the "Performance Period").
2. Vesting Date. {PERFVESTDATE}.
3. Certification Date: The date the Compensation Committee of the Board certifies in writing, in accordance with the requirements of Section 162(m) of the Code, the level of attainment of the Performance Parameters. The Certification Date shall be a date as soon as possible following the end of the Performance Period but prior to the Vesting Date.
4. Performance-Based Vesting Terms. Except as provided in the following sentence, the Participant shall vest on the Vesting Date in the number of Performance RSUs, if any, that the Compensation Committee of the Board shall determine to be vested based on the determination of the certified level of attainment of the Performance Parameters, provided the Participant continues to provide services to the Company or Employer or respective successor through the Vesting Date. In the event the Participant's employment is terminated by reason of the Participant's death or Disability prior to the end of the Performance Period, the Unvested Performance RSUs shall vest immediately upon termination with respect to the Initial Grant Number of Shares underlying the Performance RSUs, notwithstanding that the Participant's employment is terminated prior to the Vesting Date. If the Participant's employment is terminated by reason of the Participant's death or Disability after the end of the Performance Period, the Unvested Performance RSUs shall vest in accordance with the first sentence of this Section 4 had the Participant continued employment through the Vesting Date.
5. Performance Parameters. The Performance Parameters are based on the comparison of the TSR (as defined below) of the Company relative to the median TSR of the Peer Group (as defined below) during the Performance Period and are equal to 100% plus or minus two times the difference between the Company's TSR and the median Peer Group TSR. The number of Performance RSUs that shall vest shall be equal to a number of Performance RSUs that is between 0% and 200% of the Initial Grant Number, up to a maximum of 100% of the Initial Grant Number if the Company's TSR is negative. Attainment among Performance Parameters is subject to interpolation on a linear basis.

"Peer Group" shall mean a peer group of companies established by the Compensation Committee of the Board at the time the Performance RSUs are granted to the Participant and the stock of which continues to be traded on a publicly traded stock exchange as of the last day of the Performance Period.

Total Shareholder Return ("TSR") shall be computed according to the following formula:

$$\text{TSR} = \frac{(\text{Ending Stock Price} - \text{Beginning Stock Price} + \text{Cumulative Cash Dividend Payments})}{(\text{Beginning Stock Price})}$$

"Beginning Stock Price" shall mean the average of the closing prices of the applicable stock for the 90 calendar days starting and including the first day of the Performance Period.

"Ending Stock Price" shall mean the average of the closing price of the applicable stock for the 90 calendar days up to and including the last day of the Performance Period.

"Cumulative Cash Dividend Payments" shall mean the sum of all cash dividends declared during the Performance Period, based on their ex-dividend date.

The stock prices and cash dividend payments reflected in the calculation of TSR shall be adjusted to reflect stock splits during the Performance Period, and dividends shall not be reinvested in the calculation of TSR.

**APPENDIX A TO
AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT**

Three examples are set forth below:

Payout Percent	Number of Potential Shares Attained	Performance Parameters
0%	0	Company TSR minus Peer Group Median TSR is less than or equal to -50
100%	{PERFSHARESGRANTED}	Company TSR minus Peer Group Median TSR equals 0
200%	{MAXPOTENTIALSHARES}	+

The Performance Parameters shall be subject to the adjustments approved by the Compensation Committee of the Board and set forth in writing at the time the Performance Parameters are approved, which adjustments shall be made in accordance with the requirements of Code Section 162(m) to the extent the Performance RSUs are intended to constitute qualified performance-based compensation, provided that the Compensation Committee of the Board may exercise its discretion to adjust the Performance Parameters in a manner that would result in a decrease to the number of the Performance RSUs that would otherwise vest based on the attainment of the Performance Parameters.

**APPENDIX B TO
AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT**

This Appendix B includes additional terms and conditions that govern the Performance RSUs granted to the Participant if the Participant resides in one of the countries listed herein. These terms and conditions are in addition to, or, if so indicated, in place of, the terms and conditions set forth in the Agreement. Capitalized terms used but not defined in this Appendix B shall have the meanings set forth in the Plan and/or the Agreement.

This Appendix B also includes certain issues of which the Participant should be aware with respect to his or her participation in the Plan. The information is based on the securities, exchange control, income tax and other laws in effect in the respective countries as of February 2015. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Participant not rely on the information noted herein as the only source of information relating to the consequences of participation in the Plan because the information may be out of date when the Performance RSUs vest or Shares acquired under the Plan subsequently are sold.

In addition, the information is general in nature and may not apply to the Participant's particular situation, and the Company is not in a position to assure the Participant of any particular result. Therefore, the Participant is advised to seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to his or her situation.

Finally, the Participant understands that if he or she is a citizen or resident of a country other than the one in which the Participant is currently working, transfers employment after the Date of Grant, or is considered a resident of another country for local law purposes, the information contained herein may not apply to the Participant, and the Company shall, in its discretion, determine to what extent the terms and conditions contained herein shall apply.

IRELAND

Exclusion from Termination Indemnities and Other Benefits. This provision supplements Section 10(b) of the Agreement:

By accepting the Performance RSUs, the Participant acknowledges, understands, and agrees that the benefits received under the Plan will not be taken into account for any redundancy or unfair dismissal claim.

Director Notification. If the Participant is a director, shadow director or secretary of an Irish subsidiary of the Company, the Participant is subject to certain notification requirements under Section 53 of the Companies Act, 1990. Among these requirements is an obligation to notify the Irish affiliate in writing within five (5) business days when the Participant receives an interest (e.g., Performance RSUs, Shares) in the Company and the number and class of shares or rights to which the interest relates. In addition, the Participant must notify the Irish subsidiary within five (5) business days when the Participant sells Shares acquired under the Plan. This notification requirement also applies to any rights or Shares acquired by the Participant's spouse or children (under the age of 18).

UNITED KINGDOM

Manner of Payment. This provision replaces Section 7 of the Agreement:

Notwithstanding any discretion in the Plan or the Agreement to the contrary, upon vesting of the Performance RSUs, Shares will be issued to the Participant. In no event will the Award be paid to Participant in the form of cash.

Furthermore, notwithstanding any provision of the Plan or the Agreement to the contrary, the Participant will not be entitled to receive any Shares pursuant to the vesting of the Performance RSUs unless and until the Participant has executed a Joint Election (as defined below) in connection with the Performance RSUs.

Joint Election. As a condition of the grant of Performance RSUs, the Participant agrees to accept any liability for secondary Class 1 National Insurance contributions (the "Employer NICs") which may be payable by the Company or the Employer with respect to the vesting of the Performance RSUs or otherwise payable with respect to a benefit derived in connection with the Performance RSUs.

Without limitation to the foregoing, the Participant agrees to execute a joint election between the Company and/or the Employer and Participant (the "Joint Election"), the form of such Joint Election being formally approved by HMRC, and any other consent or election required to

APPENDIX B TO**AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT**

accomplish the transfer of the Employer NICs to the Participant. The Participant further agrees to execute such other joint elections as may be required between the Participant and any successor to the Company and/or the Employer. If the Participant does not enter into a Joint Election, no Shares shall be issued to the Participant without any liability to the Company and/or the Employer. The Participant further agrees that the Company and/or the Employer may collect the Employer NICs from the Participant by any of the means set forth in Section 6 of the Agreement.

If the Participant has signed a Joint Election in the past with respect to an RSU award granted to him or her by the Company and that Joint Election applies to all grants made under the Plan, the Participant need not sign another Joint Election in connection with this Performance RSU grant.

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APPENDIX B - 2

VERSION 2/15

**AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
NON-QUALIFIED STOCK OPTION AGREEMENT**

Private & Confidential (Addressee Only)

{EMPNAME}

We are pleased to advise you (the "Optionee") that you have been granted an option to purchase that number of shares of Analog Devices, Inc. Common Stock set forth below subject to the terms and conditions of the Analog Devices, Inc. Amended and Restated 2006 Stock Incentive Plan (the "Plan") and this Non-Qualified Stock Option Agreement (the "Option"). The grant of this Option reflects Analog's confidence in your commitment and contributions to the success and continued growth of Analog Devices, Inc., a Massachusetts corporation (the "Company").

All terms not defined herein shall have the meanings assigned to such terms in the Plan.

1. Grant of Option: This Agreement confirms that, subject to the terms and conditions of the Plan, the Company has granted to the Optionee, effective on the Date of Grant set forth below, an option to purchase shares of the Company's Common Stock (the "Option Shares") as follows:

Date of Grant: {GRANTDATE}
Number of Option Shares Granted: {SOSHARESGRANTED}
Option Exercise Price Per Share: {EXERCISEPRICE}

2. Vesting and Exercise of Option: The Option vests and becomes exercisable in full on the earlier of {GRANTDATE+1} or the date of the Company's next annual meeting of shareholders, subject to your continued status as a member of the Board of Directors of the Company (a "Director")

3. Term of Option; Termination of Service:

- (a) Except as otherwise provided below, (a) unless earlier exercised, the Option shall terminate on, and shall not be exercisable after three (3) months after the Optionee ceases to be a Director of the Company, and (b) the Option shall be exercisable by the Optionee (or his or her successor in interest) only to the extent that such Option was exercisable on or prior to the date of such termination.
- (b) If the Optionee dies while a Director of the Company, the Option shall become exercisable in full on the date of death and shall continue to be exercisable (by the Optionee's successor in interest) until the date that is ten (10) years after the Date of Grant, at which time the Option shall terminate.
- (c) If the Optionee ceases to be a Director by reason of retirement as a Director, this Option shall cease vesting at the time the Optionee ceases to be a Director, and any Option Shares that are vested on the date of such retirement shall continue to be exercisable until the date that is ten (10) years after the Date of Grant. For purposes of this provision, "retirement" shall mean any mutually agreed departure from the Board after a Director has reached the age of 60.
- (d) If the Optionee ceases to be a Director by reason of the Director's removal under Section 2.7 of the Company's Bylaws, this Option shall, at the time the Optionee ceases to be a Director, terminate and all Option Shares that are then vested shall forthwith cease to be exercisable.
- (e) If the Optionee ceases to be a Director by reason of Disability, the Option shall vest and become exercisable in full at the time the Optionee ceases to be a Director and shall continue to be exercisable until the date that is ten (10) years after the Date of Grant, at which time the Option shall terminate. "Disability" with respect to the Optionee occurs, when and if, as a result of disease, injury or mental disorder, the Optionee is incapable of engaging in regular

service with the Company, which has lasted or can be expected to last for a continuous period of not less than 12 months, as determined by the Company.

- (a) If the Optionee becomes an employee of the Company and in connection with such employment ceases to serve as a Director, this Option shall continue to vest in accordance with the terms hereof until the date that the Optionee's employment with the Company is terminated, and any Option Shares that are exercisable on the date of such termination shall continue to be exercisable for a period of three (3) months following such termination date, provided that in no event shall the Option be exercisable later than the date that is ten (10) years after the Date of Grant.

As used herein, the terms "employment" and "employee" shall mean and include any one of the following relationships with the Company or one of its subsidiaries: director, employee, consultant or advisor.

4. Payment of Purchase Price: The following payment methods may be used to purchase Option Shares in accordance with the terms of the Plan:
- (a) A cashless exercise in a manner described in Section 5(f)(2) of the Plan.
- (b) Cash or check payable to the Company.
- (c) Delivery by the Optionee of shares of Common Stock of the Company (by actual delivery or attestation) in accordance with Section 5(f)(3) of the Plan.
- (d) Any combination of the above methods.
5. Non-Transferability of Option: Except as provided by will or the laws of descent and distribution, or as permitted by the Plan, this Option is personal and no rights granted hereunder shall be transferred, assigned, pledged, or hypothecated in any way (whether by operation of law or otherwise), nor shall any such rights be subject to execution, attachment or similar process.
6. Adjustment: This Option is subject to adjustment (including with respect to vesting of the Option Shares) upon certain changes in the Company's common stock and certain other events, including a Change in Control Event or a Reorganization Event, as provided in Section 11 of the Plan.
7. Change in Control: Upon the occurrence of a Change in Control Event (as defined in Section 11(b) of the Plan), this Option shall vest and be exercisable in full, whether or not then exercisable in accordance with its terms, and shall continue to be exercisable until the date that is ten (10) years after the Date of Grant.
8. Withholding Taxes: Regardless of any action the Company takes with respect to any or all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax related items related to the Optionee's participation in the Plan and legally applicable to the Optionee ("Tax-Related Items"), the Optionee acknowledges that the ultimate liability for all Tax-Related Items is and remains the Optionee's responsibility and may exceed the amount actually withheld by the Company. The Optionee further acknowledges that the Company (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Option, including, but not limited to, the grant, vesting or exercise of the Option, the subsequent sale of Option Shares acquired pursuant to such exercise and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Option to reduce or eliminate the Optionee's liability for Tax-Related Items or achieve any particular tax result.

Prior to the relevant taxable or tax withholding event, as applicable, the Optionee will pay or make adequate arrangements satisfactory to the Company to satisfy all Tax-Related Items. In this regard, the Optionee authorizes the Company, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a

combination of the following: (i) withholding from the Optionee's director fees or other cash compensation paid to the Optionee by the Company; or (ii) withholding from proceeds of the sale of Option Shares acquired at exercise of the Option either through a voluntary sale or through a mandatory sale arranged by the Company (on the Optionee's behalf pursuant to this authorization).

The Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates. No fractional Option Shares will be issued pursuant to the grant of the Option and the issuance of Option Shares hereunder.

9. No Advice Regarding Grant: The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Optionee's participation in the Plan, or the Optionee's acquisition or sale of the underlying Option Shares. The Optionee is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.
10. Binding Effect: This Agreement shall be binding upon and inure to the benefit of the Company and the Optionee and his or her respective heirs, executors, administrators, legal representatives, successors and assigns, subject to the restrictions on transfer set forth in Section 5 of this Agreement.
11. Notice: Each notice relating to this Award shall be in writing (which shall include electronic form) and delivered in person, electronically or by first class mail, postage prepaid, to the address as hereinafter provided. Each notice shall be deemed to have been given on the date it is received. Each notice to the Company shall be addressed to it at its offices at Analog Devices, Inc., One Technology Way, Norwood, Massachusetts, 02062, Attention: Stock Plan Administrator, Treasury Department. Each notice to the Optionee shall be addressed to the Optionee at the Optionee's last known mailing or email address, as applicable, on the records of the Company.
12. Pronouns: Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa.
13. Entire Agreement: This Agreement and the Plan constitute the entire understanding between the parties, and supersede all prior agreements and understandings, relating to the subject matter of these documents.
14. Governing Law: This Agreement shall be construed, interpreted and enforced in accordance with the internal laws of the Commonwealth of Massachusetts without regard to any applicable conflicts of laws.
15. Interpretation: The interpretation and construction of any terms or conditions of this Agreement or the Plan, or other matters related to the Plan, by the Board of Directors of the Company shall be final and conclusive.
16. Optionee's Acceptance: The Optionee is urged to read this Agreement carefully and to consult with his or her own legal counsel regarding the terms and consequences of this Agreement and the legal and binding effect of this Agreement. By virtue of his or her acceptance of this Option, the Optionee is deemed to have accepted and agreed to all of the terms and conditions of this Agreement and the provisions of the Plan.
17. Electronic Delivery: The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Optionee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
18. Severability: The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

19. Imposition of Other Requirements: Subject to the terms of the Plan, the Company reserves the right to impose other requirements on the Option and the Option Shares purchased upon exercise of the Option, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Optionee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.
20. Private Placement: The Company has submitted filings in the United States in connection with the stock incentive plan under which this Option was made. The Company has not submitted any registration statement, prospectus or other filings with other local securities authorities (unless otherwise required under such local law), and the grant of the Option is not intended to be a public offering of securities in any other jurisdiction or subject to the supervision of other local securities authorities.
21. Waiver: The Optionee acknowledges that a waiver by the Company or breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Optionee or any other optionee.

A copy of the Plan prospectus is available on the Company's Intranet at <http://signals.corpnt.analog.com/default.aspx>. (From Signals home page, click Knowledge Centers, HR, Employee Stock Programs. The related documents can be found in the right-hand column.) If the Optionee is unable to access this information via the Intranet, the Company's or the Optionee's regional stock plan administrator can provide the Optionee with copies. If you have any questions regarding your stock option, please contact the Stock Plan Administrator or Jeanne Weinzierl, Assistant Treasurer, at (781) 461-3622 or email Jeanne.Weinzierl@Analog.com.

Ray Stata Vincent Roche
Chairman of the Board President & Chief Executive Officer

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**AMENDED AND RESTATED 2006 STOCK INCENTIVE PLAN
RESTRICTED STOCK UNIT AGREEMENT
Private & Confidential (Addressee Only)**

{EMPNAME}

We are pleased to advise you (the “Participant”) that Analog Devices, Inc., a Massachusetts corporation (the “Company”), has granted to the Participant Restricted Stock Units (“RSUs”) on the terms and conditions set forth below (the “Award”). This Award reflects the Company’s confidence in the Participant’s commitment and contributions to the success and continued growth of the Company.

1. Restricted Stock Unit.

This agreement confirms that, subject to the terms and conditions of the Analog Devices, Inc. Amended and Restated 2006 Stock Incentive Plan (the “Plan”), the Company has granted to the Participant, effective on the Date of Grant set forth below, that number of RSUs set forth below:

Date of Grant: {GRANTDATE}
Number of RSUs Granted: {RSSHARESGRANTED}

Vesting Schedule: The RSUs shall vest on the earlier of {GRANTDATE+1} or the date of the Company’s next annual meeting of shareholders, subject to the Participant’s continued service as a member of the Company’s Board of Directors (a “Director”).

Each one (1) RSU shall, if and when it vests in accordance with this Award, automatically convert into one (1) share of common stock, US\$0.16 2/3 par value, of the Company (“Common Stock”) issuable as provided below. The RSUs are subject to the vesting provisions set forth in Section 2, the restrictions on transfer set forth in Section 3 and the right of the Company to retain Shares (as defined below) pursuant to Section 7.

2. Vesting and Conversion.

(a) Subject to the terms of the Plan and this Award, the RSUs shall vest in accordance with the schedule set forth in Section 1. For purposes of this Award, RSUs that have not vested as of any particular time in accordance with this Section 2(a) are referred to as “Unvested RSUs.” The shares of Common Stock that are issuable upon the vesting and conversion of the RSUs are referred to in this Award as “Shares.” As soon as administratively practicable after the issuance of any Shares upon the vesting and conversion of RSUs, and subject to the terms and conditions set forth herein, the Company shall deliver or cause to be delivered evidence (which may include a book entry by the Company’s transfer agent) of the Shares so issued in the name of the Participant to the brokerage firm designated by the Company to maintain the brokerage account established for the Participant. Notwithstanding the foregoing, the Company shall not be obligated to issue Shares to or in the name of the Participant upon the vesting and conversion of any RSUs unless the issuance of such Shares shall comply with all relevant provisions of law and other legal

requirements including, without limitation, any applicable securities laws and the requirements of any stock exchange upon which shares of Common Stock may then be listed.

- (b) In the event the Participant ceases to be a Director for any reason or no reason (other than due to death, Disability or otherwise as provided in the Plan or below), then in each such case, all of the Unvested RSUs as of the date of termination shall terminate and be cancelled immediately and automatically and the Participant shall have no further rights with respect to such Unvested RSUs.
- (c) In the event the Participant dies while a Director of the Company, all Unvested RSUs shall vest in full as of the date of the Participant's death.
- (d) In the event the Participant ceases to be a Director by reason of a Disability, the Unvested RSUs as of the date of the Participant cease to be a Director shall vest in full as of such date. "Disability" with respect to the Participant occurs, when and if, as a result of disease, injury or mental disorder, the Participant is incapable of engaging in regular service with the Company, which has lasted or can be expected to last for a continuous period of not less than 12 months, as determined by the Company.
- (e) If the Participant becomes an employee of the Company and, in connection with such employment, ceases to serve as a Director of the Company, Unvested RSUs shall vest in accordance with the terms hereof until the date that the Participant's employment with the Company is terminated.
- (f) Notwithstanding anything in the Plan or herein, all Unvested RSUs shall vest in full as of a Change in Control Event (as defined in the Plan).
- (g) For purposes of this Award, employment with the Company shall include being an employee, consultant or advisor with any direct or indirect parent or subsidiary of the Company, or any successor to the Company or any such parent or subsidiary of the Company.

3. Restrictions on Transfer.

- (a) The Participant shall not sell, assign, transfer, pledge or otherwise encumber any RSUs, either voluntarily or by operation of law.
- (b) The Company shall not be required (i) to transfer on its books any of the RSUs which have been transferred in violation of any of the provisions set forth herein or (ii) to treat as the owner of such RSUs any transferee to whom such RSUs have been transferred in violation of any of the provisions contained herein.

4. Not a Shareholder. The RSUs represent an unfunded, unsecured promise by the Company to deliver Shares upon vesting and conversion of the RSUs, and until vesting of the RSUs and issuance of the Shares, the Participant shall not have any of the rights of a shareholder with respect to the Shares underlying the RSUs. For the avoidance of doubt, the Participant shall have no right to receive any dividends and shall have no voting rights with respect to the Shares underlying the RSUs for which the record date is on or before the date on which the Shares underlying the RSUs are issued to the Participant.

5. Provisions of the Plan. The RSUs and Shares, including the grant and issuance thereof, are subject to the provisions of the Plan. A copy of the Plan prospectus is available on the Company's Intranet at www.analog.com/

employee (from Signals home page, click Knowledge Centers, HR, Employee Stock Programs. The related documents can be found in the right-hand column).

6. Consideration. Any Shares that are issued and any cash payment that is delivered, in either case upon settlement of the RSUs pursuant to this Award, will be in consideration of the Participant's service as a member of the Board of Directors of the Company and/or his continued employment with the Company, which consideration is deemed sufficient.

7. Withholding Taxes.

(a) Regardless of any action the Company takes with respect to any or all income tax (including U.S. federal, state and local taxes and/or non-U.S. taxes), social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related withholding ("Tax-Related Items"), the Participant acknowledges that the ultimate liability for all Tax-Related Items legally due by the Participant is and remains the Participant's responsibility, and that the Company (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSUs, including the grant of the RSUs, the vesting of the RSUs, the subsequent sale of any Shares acquired pursuant to the RSUs and the receipt of any dividends; and (ii) do not commit to structure the terms of the grant or any aspect of the RSUs to reduce or eliminate the Participant's liability for Tax-Related Items.

(b) Prior to the delivery of Shares upon the vesting of the RSUs, if any taxing jurisdiction requires withholding of Tax-Related Items, the Participant authorizes the Company to satisfy the obligations with regard to all Tax-Related Items by one or a combination of methods set forth below:

- i. the Company may withhold a sufficient number of whole Shares otherwise issuable upon the vesting of the RSUs that have an aggregate Fair Market Value (as defined under the Plan) sufficient to pay the minimum Tax-Related Items required to be withheld with respect to the Shares. The cash equivalent of the Shares withheld will be used to settle the obligation to withhold the Tax-Related Items (determined by reference to the closing price of the Common Stock on the NASDAQ Global Select Market on the applicable vesting date). No fractional Shares will be withheld or issued pursuant to the grant of the RSUs and the issuance of Shares hereunder.
- ii. the Company may, in its discretion, withhold any amount necessary to pay the Tax-Related Items from the Participant's salary or other amounts payable to the Participant.
- iii. the Company may withhold from proceeds of the sale of Shares either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant's behalf pursuant to this authorization).

To avoid negative accounting treatment, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the vested RSU, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

In the event the withholding requirements are not satisfied through the withholding of Shares or through the Participant's salary or other amounts payable to the Participant, no Shares will be issued upon vesting of the RSUs unless and until satisfactory arrangements (as determined by the Compensation Committee of the Board) have been made by the Participant with respect to the payment of any Tax-Related Items which the Company determines, in its sole discretion, must be withheld or collected with respect to such RSUs. By accepting this grant of RSUs, the Participant expressly consents to the withholding of Shares and/or cash as provided for hereunder. All other Tax-Related Items related to the RSUs and any Shares delivered in payment thereof are the Participant's sole responsibility.

8. Option of Company to Deliver Cash. Notwithstanding any of the other provisions of this Award, where share settlement is otherwise prohibited under local law or may present adverse tax consequences to the Participant, at the time the RSUs vest, the Company may elect, in the sole discretion of the Compensation Committee of the Board, to deliver by wire transfer to the Participant in lieu of Shares an equivalent amount of cash (determined by reference to the closing price of the Common Stock on the NASDAQ Global Select Market on the applicable vesting date). If the Company elects to deliver cash to the Participant, the Company is authorized to retain such amount as is sufficient in the opinion of the Company to satisfy the Tax Related Items withholding obligations of the Company pursuant to Section 7 herein.
9. Data Privacy. The Company hereby notifies the Participant of the following in relation to the Participant's personal data and the collection, processing and transfer of such data in relation to the grant of the RSUs and the Participant's participation in the Plan, pursuant to applicable personal data protection laws. The collection, processing and transfer of the Participant's personal data is necessary for the Company's administration of the Plan and the Participant's participation in the Plan, and the Participant's denial and/or objection to the collection, processing and transfer of personal data may affect the Participant's ability to participate in the Plan. As such, the Participant voluntarily acknowledges, consents and agrees (where required under applicable law) to the collection, use, processing and transfer of personal data as described herein.

The Company holds certain personal information about the Participant, including the Participant's name, home address and telephone number, date of birth, social security number or other employee identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all RSUs or any other entitlement to Shares awarded, canceled, purchased, vested, unvested or outstanding in the Participant's favor, for the purpose of managing and administering the Plan ("Data"). The Data may be provided by the Participant or collected, where lawful, from third parties, and the Company will process the Data for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan. The data processing will take place through electronic and non-electronic means according to logistics and procedures strictly correlated to the purposes for which the Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Participant's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. The Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and for the Participant's participation in the Plan.

The Company will transfer Data as necessary for the purpose of implementation, administration and management of the Participant's participation in the Plan, and the Company may further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Plan. These recipients may be located in the European Economic Area, the United States or elsewhere throughout the world. The Participant hereby authorizes (where required under applicable law) the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Participant's participation in the Plan, including any requisite transfer of such Data as may be required for the administration of the Plan and/or the subsequent holding of Shares on the Participant's behalf to a broker or other third party with whom the Participant may elect to deposit any Shares acquired pursuant to the Plan.

The Participant may, at any time, exercise the Participant's rights provided under applicable personal data protection laws, which may include the right to (a) obtain confirmation as to the existence of the Data, (b) verify the content, origin and accuracy of the Data, (c) request the integration, update, amendment, deletion, or blockage (for breach of applicable laws) of the Data, and (d) to oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the implementation, administration and/or operation of the Plan and the Participant's participation in the Plan. The Participant may seek to exercise these rights by contacting the Participant's local HR manager.

10. Repatriation: Compliance with Laws. The Participant agrees, as a condition of the grant of the RSUs, as applicable, to repatriate all payments attributable to the Shares and/or cash acquired under the Plan (including, but not limited to, dividends and any proceeds derived from the sale of the Shares acquired pursuant to the RSUs) in accordance with all foreign exchange rules and regulations applicable to the Participant. In addition, the Participant also agrees to take any and all actions, and consent to any and all actions taken by the Company and its subsidiaries, as may be required to allow the Company and its subsidiaries to comply with all laws, rules and regulations applicable to the Participant. Finally, the Participant agrees to take any and all actions as may be required to comply with the Participant's personal legal and tax obligations under all laws, rules and regulations applicable to the Participant.

11. Miscellaneous.

(a) No Rights to Board Service. The grant of the RSUs shall not confer upon the Participant any right to continue to serve on the Board of Directors of the Company or, if applicable, as an employee of the Company or its subsidiaries, nor limit in any way the terms of the Participant's service on the Board of Directors, including for removal therefrom. Except in the event of a termination of employment due to death or Disability, the vesting of the RSUs pursuant to Section 2 hereof is earned only by satisfaction of the performance conditions, if any, and continuing service on the Board of Directors or as otherwise set forth in Section 2 (not through the act of being elected, hired or engaged or being granted the RSUs hereunder).

(b) Discretionary Nature. The Participant acknowledges and agrees that the Plan is discretionary in nature and may be amended, cancelled, or terminated by the Company at any time, to the extent permitted under the Plan. The grant of the RSUs under the Plan is a one-time benefit and does not create any contractual or other right to receive a grant of RSUs or any other award under the Plan or other benefits in lieu thereof

in the future. Future grants, if any, will be at the sole discretion of the Company, including, but not limited to, the form and timing of any grant, the number of Shares subject to the grant, and the vesting provisions. Any amendment, modification or termination of the Plan shall not constitute a change or impairment of the terms and conditions of the Participant's employment with the Company.

- (c) Exclusion from Termination Indemnities and Other Benefits. The Participant's participation in the Plan is voluntary. The value of the RSUs and any other awards granted under the Plan is an extraordinary item of compensation outside the scope of the Participant's service on the Board of Directors of the Company. Any grant under the Plan, including the grant of the RSUs and the income and value of same, is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments.
- (d) Severability. The invalidity or unenforceability of any provision of this Award shall not affect the validity or enforceability of any other provision of this Award, and each other provision of this Award shall be severable and enforceable to the extent permitted by law.
- (e) Binding Effect. This Award shall be binding upon and inure to the benefit of the Company and the Participant and his or her respective heirs, executors, administrators, legal representatives, successors and assigns, subject to the restrictions on transfer set forth in Section 3 of this Award.
- (f) Notice. Each notice relating to this Award shall be in writing (which shall include electronic form) and delivered in person, electronically or by first class mail, postage prepaid, to the address as hereinafter provided. Each notice shall be deemed to have been given on the date it is received. Each notice to the Company shall be addressed to it at its offices at Analog Devices, Inc., One Technology Way, Norwood, Massachusetts, 02062 U.S.A., Attention: Stock Plan Administrator, Treasury Department. Each notice to the Participant shall be addressed to the Participant at the Participant's last known mailing or email address, as applicable, on the records of the Company.
- (g) Pronouns. Whenever the context may require, any pronouns used in this Award shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa.
- (h) Entire Agreement. This Award and the Plan constitute the entire understanding between the parties, and supersede all prior agreements and understandings, relating to the subject matter of these documents.
- (i) Governing Law. This Award shall be construed, interpreted and enforced in accordance with the internal laws of the Commonwealth of Massachusetts without regard to any applicable conflicts of laws.
- (j) Interpretation. The interpretation and construction of any terms or conditions of this Award or the Plan, or other matters related to the Plan, by the Compensation Committee of the Board of the Company shall be final and conclusive.
- (k) Participant's Acceptance. The Participant is urged to read this Award carefully and to consult with his or her own legal counsel regarding the terms and consequences of this Award and the legal and binding effect of this Award. By virtue of his or her acceptance of this Award, the Participant is deemed to have accepted and agreed to all of the terms and conditions of this Award and the provisions of the Plan.

- (l) Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to the RSUs or other awards granted to the Participant under the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
- (m) Additional Requirements. The Company reserves the right to impose other requirements on the RSUs, any Shares acquired pursuant to the RSUs, and the Participant's participation in the Plan, to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable for legal or administrative reasons. Such requirements may include (but are not limited to) requiring the Participant to sign any agreements or undertakings that may be necessary to accomplish the foregoing.
- (n) Private Placement. The Company has submitted regulatory filings in the United States in connection with the stock incentive plan under which this Award was made. The Company has not submitted any registration statement, prospectus or other filings with other local securities authorities (unless otherwise required under such local law), and the grant of the Award is not intended to be a public offering of securities in any other jurisdiction or subject to the supervision of other local securities authorities.
- (o) Changes in Capitalization. In the event of any stock split, reverse stock split, stock dividend, recapitalization, combination of shares, reclassification of shares, spin-off or other similar change in capitalization or event, or any non-cash distribution to holders of Common Stock, the number of RSUs, and Shares issuable upon vesting and conversion thereof, shall be appropriately adjusted in such manner as shall be determined by the Compensation Committee of the Board of the Company.
- (p) Amendment. This Award may be amended or modified only by a written instrument executed by both the Company and the Participant.
- (q) Waiver. The Participant acknowledges that a waiver by the Company or breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Participant or any other participant.

If you have any questions regarding your Award, please contact the Stock Plan Administrator or Jeanne Weinzierl, Assistant Treasurer, at (781) 461-3622 or email Jeanne.Weinzierl@Analog.com.

Ray Stata
Chairman of the Board

Vincent Roche
President & Chief Executive Officer

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CERTIFICATION

I, Vincent T. Roche, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Analog Devices, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 19, 2015

/s/ VINCENT T. ROCHE

Vincent T. Roche

President and Chief Executive Officer

(Principal Executive Officer)

CERTIFICATION

I, David A. Zinsner, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Analog Devices, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 19, 2015

/S/ DAVID A. ZINSNER

David A. Zinsner
Senior Vice President, Finance
and Chief Financial Officer
(Principal Financial Officer)

**Certification Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q of Analog Devices, Inc. (the "Company") for the period ended May 2, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Vincent T. Roche, Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 19, 2015

/S/ VINCENT T. ROCHE

Vincent T. Roche

Chief Executive Officer

**Certification Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q of Analog Devices, Inc. (the "Company") for the period ended May 2, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, David A. Zinsner, Chief Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 19, 2015

/S/ DAVID A. ZINSNER

David A. Zinsner

Chief Financial Officer