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

FORM 8-K

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

Date of Report (Date of earliest event reported): November 26, 2019

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

| | | |
|---|--|---|
| Massachusetts (State or Other Jurisdiction of Incorporation) | 1-7819 (Commission File Number) | 04-2348234 (IRS Employer Identification No.) |
|---|--|---|

| | | |
|--|--------------------|----------------------------|
| One Technology Way, (Address of Principal Executive Offices) | Norwood, MA | 02062 (Zip Code) |
|--|--------------------|----------------------------|

Registrant's telephone number, including area code: (781) 329-4700

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

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

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

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

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

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

Emerging growth company

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

Item 2.02. Results of Operations and Financial Condition

On November 26, 2019, Analog Devices, Inc. (the “Registrant”) announced its financial results for its fourth quarter and fiscal year ended November 2, 2019. The full text of the press release issued by the Registrant concerning the foregoing results is furnished herewith as Exhibit 99.1.

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

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|--|
| 99.1 | Press release dated November 26, 2019. |
| 101.INS | The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the inline XBRL document.** |
| 101.SCH | Inline XBRL Schema Document.** |
| 101.CAL | Inline XBRL Calculation Linkbase Document.** |
| 101.LAB | Inline XBRL Labels Linkbase Document.** |
| 101.PRE | Inline XBRL Presentation Linkbase Document.** |
| 101.DEF | Inline XBRL Definition Linkbase Document.** |
| 104 | Cover page Interactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101). |
| ** | Submitted electronically herewith. |

SIGNATURE

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

Date: November 26, 2019

ANALOG DEVICES, INC.

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

Analog Devices Reports Fourth Quarter and Fiscal 2019 Results

- Revenue was \$1.44 billion for the fourth quarter and \$6 billion for fiscal 2019
- Operating cash flow was \$2.3 billion and free cash flow was \$2 billion for fiscal 2019
- Returned over \$370 million to shareholders in the fourth quarter, and nearly \$1.4 billion for fiscal 2019 or over 120% of free cash flow after debt payments

NORWOOD, Mass.--(BUSINESS WIRE)--November 26, 2019--Analog Devices, Inc. (Nasdaq: ADI), a leading global high-performance analog technology company, today announced financial results for its fourth quarter and fiscal 2019, which ended November 2, 2019.

“ADI delivered solid fourth quarter and full-year results amidst continued trade and macro uncertainty,” said Vincent Roche, President and CEO. “Over the course of the year, we generated revenue of \$6 billion and effectively managed costs, while continuing to prioritize strategic investments to drive innovation. Our strong margins and cash flow reflect the resiliency of our business model, which enabled us to return nearly \$1.4 billion to shareholders, or over 120% of free cash flow after debt payments.”

“Looking ahead, the underlying fundamentals and long-term outlook for ADI are strong. Our diverse product portfolio of cutting-edge technologies is well positioned to solve customers’ challenges and aligned with attractive secular trends that will shape the industry’s future. As such, I believe we are in a superior competitive position as demand returns to deliver our next chapter of growth.”

Performance for the Fourth Quarter of Fiscal 2019

Results Summary

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

| | Three Months Ended | | |
|-----------------------------|---------------------------|------------------------|---------------|
| | Nov 2, 2019 | Nov 3, 2018 (1) | Change |
| Revenue | \$ 1,443 | \$ 1,536 | (6)% |
| Gross margin | \$ 942 | \$ 1,046 | (10)% |
| Gross margin percentage | 65.3 % (2) | 68.1 % | (280 bps) |
| Operating income | \$ 338 | \$ 465 | (27)% |
| Operating margin percentage | 23.4 % | 30.3 % | (690 bps) |
| Diluted earnings per share | \$ 0.74 | \$ 1.08 | (31)% |

Adjusted Results

| | | | |
|--------------------------------------|------------|----------|-----------|
| Adjusted gross margin | \$ 987 | \$ 1,089 | (9)% |
| Adjusted gross margin percentage | 68.4 % (2) | 70.9 % | (250 bps) |
| Adjusted operating income | \$ 560 | \$ 638 | (12)% |
| Adjusted operating margin percentage | 38.8 % | 41.5 % | (270 bps) |
| Adjusted diluted earnings per share | \$ 1.19 | \$ 1.48 | (20)% |

Cash Generation

| | Three Months Ended | Trailing Twelve Months |
|---|---------------------------|-------------------------------|
| | Nov 2, 2019 | Nov 2, 2019 |
| Net cash provided by operating activities | \$ 658 | \$ 2,253 |
| % of revenue | 46 % | 38 % |
| Capital expenditures | \$ (51) | \$ (275) |
| Free cash flow | \$ 607 | \$ 1,978 |
| % of revenue | 42 % | 33 % |

Cash Return

| | Three Months Ended | Trailing Twelve Months |
|-------------------------|---------------------------|-------------------------------|
| | Nov 2, 2019 | Nov 2, 2019 |
| Dividend paid | \$ (200) | \$ (777) |
| Stock repurchases | (172) | (613) |
| Total cash returned (3) | \$ (373) | \$ (1,390) |

(1) Prior year balances have been restated to reflect the adoption of the new revenue recognition standard in the first quarter of fiscal 2019.

(2) Includes approximately 140 basis points of impact from a write-down of inventory associated with a customer within our Communications end market.

(3) The sum of the individual amounts may not equal the total due to rounding.

Outlook for the First Quarter of Fiscal Year 2020

For the first quarter of fiscal 2020, we are forecasting revenue of \$1.30 billion, +/- \$50 million. At the midpoint of this revenue outlook, we expect reported operating margins of approximately 23.7%, and adjusted operating margins of approximately 36.7%. We are planning for reported EPS to be \$0.61, +/- \$0.07, and adjusted EPS to be \$1.00, +/- \$0.07.

Our first quarter fiscal 2020 outlook is based on current expectations and actual results may differ materially, as a result of, among other things, the important factors discussed at the end of this release. These statements supersede all prior statements regarding our business outlook set forth in prior ADI news releases, and ADI disclaims any obligation to update these forward-looking statements.

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

Dividend Payment

The ADI Board of Directors has declared a quarterly cash dividend of \$0.54 per outstanding share of common stock. The dividend will be paid on December 17, 2019 to all shareholders of record at the close of business on December 6, 2019.

Conference Call Scheduled for Today, Tuesday, November 26, 2019 at 10:00 am ET

ADI will host a conference call to discuss our fourth quarter fiscal 2019 results and short-term outlook today, beginning at 10:00 am ET. Investors may join via webcast, accessible at investor.analog.com, or by telephone (call 706-634-7193 ten minutes before the call begins and provide the password "ADI").

A replay will be available two hours after the completion of the call. The replay may be accessed for up to two weeks by dialing 855-859-2056 (replay only) and providing the conference ID: 9099003, or by visiting investor.analog.com.

Non-GAAP Financial Information

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

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

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

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

Adjusted operating expenses is defined as operating expenses, determined in accordance with GAAP, excluding: certain *acquisition-related expenses*¹; *acquisition-related transaction costs*²; *accelerated stock-based compensation expense*³; and *restructuring related expense*⁴ which are described further below. Adjusted operating expenses percentage represents adjusted operating expenses divided by revenue.

Adjusted operating income is defined as operating income, determined in accordance with GAAP, excluding: *acquisition-related expenses*¹; *acquisition-related transaction costs*²; *accelerated stock-based compensation expense*³; and *restructuring related expense*⁴ which are described further below. Adjusted operating margin represents adjusted operating income divided by revenue.

Adjusted income before income taxes is defined as income before income taxes, determined in accordance with GAAP, excluding: *acquisition-related expenses*¹; *acquisition-related transaction costs*²; *accelerated stock-based compensation expense*³; and *restructuring related expense*⁴ which are described further below.

Adjusted provision for income taxes is defined as provision for income taxes, determined in accordance with GAAP, excluding *tax related items*⁵ described further below. Adjusted tax rate represents adjusted provision for income taxes divided by adjusted income before income taxes.

Adjusted diluted EPS is defined as diluted EPS, determined in accordance with GAAP, excluding: *acquisition-related expenses*¹; *acquisition-related transaction costs*²; *accelerated stock-based compensation expense*³; *restructuring related expense*⁴; and *tax related items*⁵ which are described further below.

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

¹*Acquisition-Related Expenses*: Expenses incurred as a result of current and prior period acquisitions and primarily include expenses associated with the fair value adjustments to inventory, property, plant and equipment and amortization of acquisition related intangibles, which include acquired intangibles such as purchased technology and customer relationships. Expenses also include severance payments, equity award accelerations and the fair value adjustment

associated with the replacement of share-based awards related to the Linear Technology acquisition. We excluded these costs from our non-GAAP measures because they relate to specific transactions and are not reflective of our ongoing financial performance.

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

³*Accelerated Stock-Based Compensation Expense*: Stock-based compensation expense for one former executive officer due to the accelerated vesting of restricted stock units and stock options resulting from a reduction in the requisite service period for each in accordance with the terms of the applicable agreements. We excluded these costs because accelerated stock-based compensation expense and the related tax effect have no direct correlation to the operation of our business in the future.

⁴*Restructuring-Related Expense*: Expenses incurred in connection with facility closures, consolidation of manufacturing facilities, severance, other accelerated stock-based compensation expense and other cost reduction efforts. We excluded these expenses from our non-GAAP measures because apart from ongoing expense savings as a result of such items, these expenses have no direct correlation to the operation of our business in the future.

⁵*Tax-Related Items*: Tax adjustments associated with the non-GAAP items discussed above, discrete tax items including tax expense or benefit related to prior periods, income tax from prior period tax credits, income tax on certain inventory intra-entity transfers, tax expense or benefit related to the impact of the Tax Cuts and Jobs Act of 2017 and other deferred tax recalibration adjustments, income tax from state valuation allowance adjustments, income tax from certain uncertain tax positions, and the impact of a voluntary accounting policy change. We excluded these tax-related items from our non-GAAP measures because they are not associated with the tax expense on our current operating results.

About Analog Devices

Analog Devices (Nasdaq: ADI) is a leading global high-performance analog technology company dedicated to solving the toughest engineering challenges. We enable our customers to interpret the world around us by intelligently bridging the physical and digital with unmatched technologies that sense, measure, power, connect and interpret. Visit <http://www.analog.com>.

Forward Looking Statements

This press release contains forward-looking statements, which address a variety of subjects including, for example, our statements regarding expected revenue, operating margin, tax rate, earnings per share, and other financial results, expected market trends, market share gains, operating leverage, production and inventory levels, and expected customer demand and order rates for our products, expected product offerings, product development and marketing position. Statements that are not historical facts, including statements about our beliefs, plans and expectations, are forward-looking statements. Such statements are based on our current expectations and are subject to a number of factors and uncertainties, which could cause actual results to differ materially from those described in the forward-looking statements. The following important factors and uncertainties, among others, could cause actual results to differ materially from those described in these forward-looking statements: political and economic uncertainty, including any faltering in global economic conditions or the stability of credit and financial markets, erosion of consumer confidence and declines in customer spending, unavailability of raw materials,

services, supplies or manufacturing capacity, changes in geographic, product or customer mix; changes in export classifications, import and export regulations or duties and tariffs; changes in our estimates of our expected tax rate based on current tax law; our ability to successfully integrate acquired businesses and technologies; the risk that expected benefits, synergies and growth prospects of acquisitions may not be fully achieved in a timely manner, or at all; adverse results in litigation matters; and the risk that we will be unable to retain and hire key personnel. For additional information about factors that could cause actual results to differ materially from those described in the forward-looking statements, please refer to our filings with the Securities and Exchange Commission (“SEC”), including the risk factors contained in our most recent Quarterly Report on Form 10-Q and Annual Report on Form 10-K. Forward-looking statements represent management’s current expectations and are inherently uncertain. Except as required by law, we do not undertake any obligation to update forward-looking statements made by us to reflect subsequent events or circumstances.

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

(ADI-WEB)

For more information, please contact:

Investor Contact:

Analog Devices, Inc.

Mr. Michael Lucarelli

Director of Investor Relations

781-461-3282

investor.relations@analog.com

Media Contacts:

Teneo

Andrea Calise

917-826-3804

andrea.calise@teneo.com

Teneo

Megan Fenton

917-860-0356

megan.fenton@teneo.com

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

| | Three Months Ended | | Twelve Months Ended | |
|---|--------------------|-----------------|---------------------|-----------------|
| | Nov 2, 2019 | Nov 3, 2018 (1) | Nov 2, 2019 | Nov 3, 2018 (1) |
| Revenue | \$ 1,443,219 | \$ 1,536,128 | \$ 5,991,065 | \$ 6,224,689 |
| Cost of sales | 501,028 | 490,585 | 1,977,315 | 1,974,293 |
| Gross margin | 942,191 | 1,045,543 | 4,013,750 | 4,250,396 |
| Operating expenses: | | | | |
| Research & development | 277,018 | 295,609 | 1,130,348 | 1,165,047 |
| Selling, marketing, general and administrative | 154,799 | 175,296 | 648,094 | 695,540 |
| Amortization of intangibles | 107,225 | 107,345 | 429,041 | 428,902 |
| Special charges | 64,788 | 1,842 | 95,659 | 61,318 |
| Total operating expenses | 603,830 | 580,092 | 2,303,142 | 2,350,807 |
| Operating income | 338,361 | 465,451 | 1,710,608 | 1,899,589 |
| Nonoperating expenses (income): | | | | |
| Interest expense | 50,775 | 59,102 | 229,075 | 253,589 |
| Interest income | (1,988) | (2,791) | (10,229) | (9,383) |
| Other, net | 1,747 | (196) | 6,034 | 69 |
| | 50,534 | 56,115 | 224,880 | 244,275 |
| Income before income tax | 287,827 | 409,336 | 1,485,728 | 1,655,314 |
| Provision for income taxes | 10,133 | 4,481 | 122,717 | 148,334 |
| Net income | \$ 277,694 | \$ 404,855 | \$ 1,363,011 | \$ 1,506,980 |
| Shares used to compute earnings per share - basic | 369,051 | 371,074 | 369,133 | 370,430 |
| Shares used to compute earnings per share - diluted | 372,584 | 375,116 | 372,871 | 374,938 |
| Basic earnings per common share | \$ 0.75 | \$ 1.09 | \$ 3.68 | \$ 4.05 |
| Diluted earnings per common share | \$ 0.74 | \$ 1.08 | \$ 3.65 | \$ 4.00 |

(1) Balances have been restated to reflect the adoption of Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*.

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

| | November 2, 2019 | November 3, 2018 (1) |
|---------------------------------------|-------------------------|-----------------------------|
| Cash & cash equivalents | \$ 648,322 | \$ 816,591 |
| Accounts receivable | 635,136 | 639,717 |
| Inventories | 609,886 | 586,760 |
| Other current assets | 91,782 | 69,058 |
| Total current assets | 1,985,126 | 2,112,126 |
| Net property, plant and equipment | 1,219,989 | 1,154,328 |
| Investments | 77,324 | 68,583 |
| Goodwill | 12,256,880 | 12,252,604 |
| Intangible assets, net | 4,217,224 | 4,778,192 |
| Deferred tax assets | 1,582,382 | 9,665 |
| Other | 53,716 | 62,868 |
| Total assets | \$ 21,392,641 | \$ 20,438,366 |
| Other current liabilities | \$ 1,208,965 | \$ 984,748 |
| Debt, current | 299,667 | 67,000 |
| Long-term debt | 5,192,252 | 6,265,674 |
| Deferred income taxes | 2,088,212 | 990,409 |
| Other non-current liabilities | 894,357 | 862,362 |
| Shareholders' equity | 11,709,188 | 11,268,173 |
| Total liabilities & equity | \$ 21,392,641 | \$ 20,438,366 |

(1) Balances have been restated to reflect the full retrospective adoption of Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*.

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

| | Three Months Ended | | Twelve Months Ended | |
|---|--------------------|-----------------|---------------------|-----------------|
| | Nov 2, 2019 | Nov 3, 2018 (1) | Nov 2, 2019 | Nov 3, 2018 (1) |
| Cash flows from operating activities: | | | | |
| Net income | \$ 277,694 | \$ 404,855 | \$ 1,363,011 | \$ 1,506,980 |
| Adjustments to reconcile net income to net cash provided by operations: | | | | |
| Depreciation | 61,636 | 58,874 | 240,677 | 228,525 |
| Amortization of intangibles | 143,528 | 142,316 | 570,574 | 570,538 |
| Stock-based compensation expense | 37,580 | 37,454 | 150,300 | 151,165 |
| Non-cash portion of special charge | 9,800 | — | 14,167 | — |
| Deferred income taxes | (35,809) | (18,892) | (91,253) | (730,376) |
| Other non-cash activity | 14,206 | 14,550 | 40,907 | 36,569 |
| Changes in operating assets and liabilities | 149,270 | 75,284 | (35,283) | 678,960 |
| Total adjustments | 380,211 | 309,586 | 890,089 | 935,381 |
| Net cash provided by operating activities | 657,905 | 714,441 | 2,253,100 | 2,442,361 |
| Percent of revenue | 45.6 % | 46.5 % | 37.6 % | 39.2 % |
| Cash flows from investing activities: | | | | |
| Additions to property, plant and equipment | (51,076) | (86,004) | (275,372) | (254,876) |
| Payments for acquisitions, net of cash acquired | (11,170) | — | (11,170) | (52,839) |
| Change in other assets | (1,512) | (3,015) | (6,644) | (6,283) |
| Net cash used for investing activities | (63,758) | (89,019) | (293,186) | (313,998) |
| Cash flows from financing activities: | | | | |
| Proceeds from debt | — | — | 1,250,000 | 743,778 |
| Early termination of debt | — | — | (1,250,000) | — |
| Proceeds from revolver | — | — | 75,000 | — |
| Payments on revolver | — | — | (75,000) | — |
| Debt repayments | (200,000) | (225,000) | (850,000) | (2,275,000) |
| Dividend payments to shareholders | (200,196) | (179,416) | (777,481) | (703,307) |
| Repurchase of common stock | (172,389) | (184,116) | (613,005) | (225,977) |
| Proceeds from employee stock plans | 10,388 | 10,668 | 116,523 | 99,027 |
| Change in other financing activities | 5,087 | (2,882) | (2,831) | 3,437 |
| Net cash used for financing activities | (557,110) | (580,746) | (2,126,794) | (2,358,042) |
| Effect of exchange rate changes on cash | (879) | (660) | (1,389) | (1,568) |
| Net increase (decrease) in cash and cash equivalents | 36,158 | 44,016 | (168,269) | (231,247) |
| Cash and cash equivalents at beginning of period | 612,164 | 772,575 | 816,591 | 1,047,838 |
| Cash and cash equivalents at end of period | \$ 648,322 | \$ 816,591 | \$ 648,322 | \$ 816,591 |

(1) Balances have been restated to reflect the full retrospective adoption of Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*.

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

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

| | Three Months Ended | | | | |
|----------------------|---------------------|------------------|-------------|---------------------|------------------|
| | Nov 2, 2019 | | | Nov 3, 2018 (1) | |
| | Revenue | % of revenue (2) | Y/Y % | Revenue | % of revenue (2) |
| Industrial | \$ 744,137 | 52% | —% | \$ 742,549 | 48% |
| Communications | 260,128 | 18% | (19)% | 320,827 | 21% |
| Automotive | 226,124 | 16% | (8)% | 244,759 | 16% |
| Consumer | 212,830 | 15% | (7)% | 227,993 | 15% |
| Total revenue | \$ 1,443,219 | 100% | (6)% | \$ 1,536,128 | 100% |

| | Twelve Months Ended | | | | |
|----------------------|---------------------|------------------|-------------|---------------------|------------------|
| | Nov 2, 2019 | | | Nov 3, 2018 (1) | |
| | Revenue | % of revenue (2) | Y/Y % | Revenue | % of revenue (2) |
| Industrial | \$ 3,003,927 | 50% | (4)% | \$ 3,129,569 | 50% |
| Communications | 1,284,087 | 21% | 12% | 1,151,359 | 18% |
| Automotive | 933,143 | 16% | (8)% | 1,009,927 | 16% |
| Consumer | 769,908 | 13% | (18)% | 933,834 | 15% |
| Total revenue | \$ 5,991,065 | 100% | (4)% | \$ 6,224,689 | 100% |

(1) Balances have been restated to reflect the full retrospective adoption of Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*.

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

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

| | Three Months Ended | | Twelve Months Ended | |
|--|--------------------|-----------------|---------------------|-----------------|
| | Nov 2, 2019 | Nov 3, 2018 (1) | Nov 2, 2019 | Nov 3, 2018 (1) |
| Gross margin | \$ 942,191 | \$ 1,045,543 | \$ 4,013,750 | \$ 4,250,396 |
| Gross margin percentage | 65.3 % | 68.1 % | 67.0 % | 68.3 % |
| Acquisition related expenses | 44,822 | 43,896 | 175,266 | 180,903 |
| Adjusted gross margin | \$ 987,013 | \$ 1,089,439 | \$ 4,189,016 | \$ 4,431,299 |
| Adjusted gross margin percentage | 68.4 % | 70.9 % | 69.9 % | 71.2 % |
| Operating expenses | \$ 603,830 | \$ 580,092 | \$ 2,303,142 | \$ 2,350,807 |
| Percent of revenue | 41.8 % | 37.8 % | 38.4 % | 37.8 % |
| Acquisition related expenses | (112,219) | (117,651) | (451,511) | (477,132) |
| Acquisition related transaction costs | — | (5,628) | — | (22,197) |
| Accelerated stock-based compensation expense | — | (3,402) | — | (3,402) |
| Restructuring related expense | (64,788) | (1,842) | (95,659) | (61,318) |
| Adjusted operating expenses | \$ 426,823 | \$ 451,569 | \$ 1,755,972 | \$ 1,786,758 |
| Adjusted operating expenses percentage | 29.6 % | 29.4 % | 29.3 % | 28.7 % |
| Operating income | \$ 338,361 | \$ 465,451 | \$ 1,710,608 | \$ 1,899,589 |
| Operating margin | 23.4 % | 30.3 % | 28.6 % | 30.5 % |
| Acquisition related expenses | 157,041 | 161,547 | 626,777 | 658,035 |
| Acquisition related transaction costs | — | 5,628 | — | 22,197 |
| Accelerated stock-based compensation expense | — | 3,402 | — | 3,402 |
| Restructuring related expense | 64,788 | 1,842 | 95,659 | 61,318 |
| Adjusted operating income | \$ 560,190 | \$ 637,870 | \$ 2,433,044 | \$ 2,644,541 |
| Adjusted operating margin | 38.8 % | 41.5 % | 40.6 % | 42.5 % |
| Provision for income taxes | \$ 10,133 | \$ 4,481 | \$ 122,717 | \$ 148,334 |
| Income tax on non discrete tax items above | 35,903 | 7,285 | 104,470 | 32,260 |
| Income tax from prior period tax liabilities | 7,622 | (10,333) | 7,622 | (12,289) |
| Income tax on certain inventory intra-entity transfers | 14,500 | — | 14,500 | — |
| Income tax from state tax valuation allowance adjustment | (13,435) | 11,311 | (13,435) | 11,311 |
| Income tax from prior period tax credits | — | — | 11,210 | — |
| Income tax on voluntary accounting policy change | — | — | 17,155 | — |
| Income tax from uncertain tax positions | — | 25,676 | — | 32,832 |
| Income tax from one time transitional tax | — | (3,904) | 7,500 | (690,965) |
| Income tax from deferred tax recalibration | 11,615 | (6,125) | 16,675 | 633,573 |
| Adjusted provision for income taxes | \$ 66,338 | \$ 28,391 | \$ 288,414 | \$ 155,056 |
| Income before income taxes | \$ 287,827 | \$ 409,336 | \$ 1,485,728 | \$ 1,655,314 |
| Effective tax rate | 3.5 % | 1.1 % | 8.3 % | 9.0 % |
| Acquisition related expenses | 157,041 | 161,547 | 626,777 | 658,035 |
| Acquisition related transaction costs | — | 5,628 | — | 22,197 |
| Accelerated stock-based compensation expense | — | 3,402 | — | 3,402 |
| Restructuring related expense | 64,788 | 1,842 | 95,659 | 61,318 |
| Adjusted income before income taxes | \$ 509,656 | \$ 581,755 | \$ 2,208,164 | \$ 2,400,266 |
| Adjusted tax rate | 13.0 % | 4.9 % | 13.1 % | 6.5 % |
| Diluted EPS | \$ 0.74 | \$ 1.08 | \$ 3.65 | \$ 4.00 |
| Acquisition related expenses | 0.42 | 0.43 | 1.68 | 1.76 |
| Acquisition related transaction costs | — | 0.02 | — | 0.06 |
| Accelerated stock-based compensation expense | — | 0.01 | — | 0.01 |
| Restructuring related expense | 0.17 | 0.00 | 0.26 | 0.16 |
| Income tax on non discrete tax items above | (0.10) | (0.02) | (0.28) | (0.09) |
| Income from prior period tax liabilities | (0.02) | 0.03 | (0.02) | 0.03 |
| Income tax on certain inventory intra-entity transfers | (0.04) | — | (0.04) | — |
| Income tax from state tax valuation allowance adjustment | 0.04 | (0.03) | 0.04 | (0.03) |
| Income tax from prior period tax credits | — | — | (0.03) | — |
| Income tax on voluntary accounting policy change | — | — | (0.05) | — |
| Income tax from uncertain tax positions | — | (0.07) | — | (0.09) |
| Income tax from one time transitional tax | — | 0.01 | (0.02) | 1.84 |
| Income tax from deferred tax recalibration | (0.03) | 0.02 | (0.04) | (1.69) |
| Adjusted diluted EPS (2) | \$ 1.19 | \$ 1.48 | \$ 5.15 | \$ 5.97 |

(1) Balances have been restated to reflect the full retrospective adoption of Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*.

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

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

| | Trailing Twelve Months | Three Months Ended | | | |
|---|---------------------------|--------------------|--------------|--------------|--------------|
| | Nov 2, 2019 | Nov 2, 2019 | Aug 3, 2019 | May 4, 2019 | Feb 2, 2019 |
| Revenue | \$ 5,991,065 | \$ 1,443,219 | \$ 1,480,143 | \$ 1,526,602 | \$ 1,541,101 |
| Net cash provided by operating activities | \$ 2,253,100 | \$ 657,905 | \$ 552,546 | \$ 670,882 | \$ 371,767 |
| % of Revenue | 38 % | 46 % | 37 % | 44 % | 24 % |
| Capital expenditures | \$ (275,372) | \$ (51,076) | \$ (58,094) | \$ (75,209) | \$ (90,993) |
| Free cash flow | \$ 1,977,728 | \$ 606,829 | \$ 494,452 | \$ 595,673 | \$ 280,774 |
| % of Revenue | 33 % | 42 % | 33 % | 39 % | 18 % |

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

| | Three Months Ending Feb 1, 2020 | |
|-----------------------|--------------------------------------|--------------------------------------|
| | Reported | Adjusted |
| Revenue | \$1.30 Billion (+/- \$50 Million) | \$1.30 Billion (+/- \$50 Million) |
| Operating margin | 23.7% (+/-150 bps) | 36.7% (1) (+/-100 bps) |
| Nonoperating expenses | ~ \$49 Million | ~ \$49 Million |
| Tax rate | 12% to 15% | 12% to 15% (2) |
| Earnings per share | \$0.61 (+/- \$0.07) | \$1.00 (3) (+/- \$0.07) |

(1) Includes \$158 million of adjustments related to acquisition related expenses and approximately \$10 million of restructuring related expenses, as previously defined in the Non-GAAP Financial Information section of this press release.

(2) Includes \$23 million of tax effects associated with the adjustment for acquisition and restructuring related expenses noted above.

(3) Includes \$0.39 of adjustments related to the net impact of \$0.42 of acquisition related expenses, \$0.03 of restructuring related expenses and \$0.06 of tax effects on those items.

Investor Contact:

Analog Devices, Inc.

Mr. Michael Lucarelli, 781-461-3282

Director of Investor Relations

investor.relations@analog.com

Media Contacts:

Teneo

Andrea Calise, 917-826-3804

andrea.calise@teneo.com

Teneo

Megan Fenton, 917-860-0356

megan.fenton@teneo.com