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 27, 2007

Analog Devices, Inc.

(Exact name of registrant as specified in its charter)

Massachusetts	1-7819	04-2348234
(State or other jurisdiction of incorporation	(Commission File Number)	(IRS Employer Identification No.)

One Technology Way, Norwood, MA	02062
(Address of principal executive offices)	(Zip Code)

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

(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))

Item 2.02. Results of Operations and Financial Condition

On November 27, 2007, Analog Devices, Inc. (the "Registrant") announced its financial results for its fiscal fourth quarter and fiscal year ended November 3, 2007. 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

Exhibit No. Description

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99.1   Press release dated November 27, 2007

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 27, 2007

ANALOG DEVICES, INC.

By: /s/ Joseph E. McDonough

Joseph E. McDonough
Vice President, Finance
and Chief Financial
Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press release dated November 27, 2007

Exhibit 99.1

Analog Devices Announces Financial Results for the Fourth Quarter and for Fiscal Year 2007

NORWOOD, Mass.--(BUSINESS WIRE)--Nov. 27, 2007--Analog Devices, Inc. (NYSE: ADI)

- Q4 Revenue: $699 million, less $50 million for discontinued operations, totaled $649 million from continuing operations, up 6% year-to-year, up 2% sequentially

- Q4 Diluted EPS: $0.31 GAAP, or $0.39 non-GAAP, which excluded $0.08 of one-time items

- Q4 Gross Margin of 58.4% of revenue from continuing operations on a GAAP and on a non-GAAP basis

- Q4 Operating Profit from continuing operations: 18.7% of revenue GAAP, or 22.6% non-GAAP

- Planned divestiture of wireless handset baseband & radio business benefited gross margin by 140 basis points and operating margin by 160 basis points in Q4; Income after tax for this discontinued business was $1.5 million in Q4; Diluted EPS was unchanged

- Q4 Restructuring Totaled $25 Million: ADI plans transfer of wafer production in Ireland from 6" to 8" capacity & other operating expense reductions

- Q4 Shares Outstanding Decreased 11% Compared to Year-Ago Quarter: Stock repurchases totaled $318 million during Q4

- Board of Directors declares quarterly dividend of $0.18 per share

- Financial results for Q4 and guidance for the first quarter of fiscal 2008 will be discussed via conference call today at 5:00 pm

Except where noted, all financial results are from continuing operations. The wireless handset baseband chipset & radio transceiver business was accounted for in the fourth quarter as a discontinued operation. Thus, the Company's fourth quarter revenue excluded $50 million from this business. Please refer to the section below titled "Divestitures" for more information.

ADI has excluded only one-time or non-recurring items from non-GAAP measures. Commencing in the fourth quarter, we are no longer excluding stock-based compensation expense and amortization of acquisition-related expense from our non-GAAP measures. The Company has provided a reconciliation of the non-GAAP financial measures presented in this release to their most directly comparable GAAP measures in a table below.

Analog Devices, Inc. (NYSE: ADI), a global leader in high-performance semiconductors for signal processing applications, today announced financial results for the fourth quarter of fiscal 2007, which ended November 3, 2007. Results for the entire fiscal year are included under the heading, Summary for the Fiscal Year 2007.

Revenue

Revenue from continuing operations in the fourth quarter of fiscal 2007 increased to $648.5 million, an increase of approximately 6% compared to the same period one year ago and an increase of approximately 2% compared to the immediately prior quarter. Revenue in the fourth quarter excluded $50.3 million from discontinued operations.

"The fourth quarter was a solid quarter for ADI," said Jerald G. Fishman, President and CEO. "Revenue and earnings were in line with our expectations for the quarter. We are entering 2008 with a better balanced product portfolio, capable of good growth and strong profit leverage."

Diluted EPS of $0.31 Included $0.08 for Restructuring Expense & Tax Adjustments

Diluted earnings per share (EPS) for the fourth quarter of fiscal 2007, on a non-GAAP basis for continuing operations, was $0.39, compared to $0.35 for the same period one year ago and $0.38 for the immediately prior quarter. The results for the fourth quarter of fiscal 2007 include the following items:

-- $25 million charge, or $0.064 on a diluted EPS basis, related to planned operating expense reductions and the decision to transfer wafer production capacity at ADI's Limerick, Ireland manufacturing facility from 6" to 8" technology

-- $4.4 million charge, or $0.014 on a diluted EPS basis, which is a one-time tax adjustment related to the IRS examination of fiscal years 2004 and 2005

Together these items represented the $0.08 difference between GAAP diluted EPS of $0.31 and non-GAAP diluted EPS of $0.39.

Fourth Quarter Revenue Summary

The tables, "Revenue Trends By End Market" and "Revenue Trends By Product," provided below, summarize revenue by end market and by product for the fourth quarter, the immediately prior quarter and the year-ago quarter, as well as for fiscal years 2006 and 2007.

Revenue growth during the fourth quarter was highest for consumer products, which grew by 17% compared to the same period one year ago and grew sequentially by 11%. Sequential growth was driven by very strong sales growth from products used in digital cameras and digital TVs. Revenue from consumer products represented 23% of revenue in the fourth quarter.

Industrial customer revenue represented 46% of revenue in the fourth quarter, increased 4% compared to the same period one year ago, and was approximately equal to the immediately prior quarter. On a sequential basis, revenue within the industrial category increased for the automotive and the defense end markets, decreased for semiconductor automatic test equipment (ATE), and was unchanged for the broad base of industrial customers.

Communications customer revenue represented 21% of revenue in the fourth quarter, increased 9% from the same quarter last year, and declined sequentially by 7%. After strong growth last quarter, revenue from base station and networking customers declined sequentially.

Computer customer revenue was 10% of revenue in the fourth quarter and declined 8% from the same quarter last year. Revenue from computer customers grew 13% sequentially, in-line with industry trends.

By geographic region, revenue for the fourth quarter increased sequentially in Europe by 9%, in North America by 4%, and in Japan by 5%. Revenue decreased in China by 14%, following very strong sequential growth in the prior quarter, and was relatively unchanged in the rest of Asia Pacific.

Gross Margin

Gross margin from continuing operations in the fourth quarter of fiscal 2007 was $379 million, or 58.4% of revenue. Gross margin declined sequentially by 50 basis points due to strong sequential revenue growth from products used in consumer and computer applications, which in aggregate have gross margin below the Company average, and sequential revenue declines from products used in semiconductor automatic test equipment (ATE) and communications base station and networking applications, which have gross margin above the Company average.

Operating Profit

Operating profit from continuing operations for the fourth quarter of fiscal 2007 totaled $121 million, or 18.7% of revenue. Operating profit was reduced by $25 million, or 3.9% of revenue, as a result of restructuring-related expenses. Non-GAAP operating profit was 22.6% of revenue, which was equal to the prior quarter.

Net Cash

Net cash provided by operating activities in the fourth quarter of fiscal 2007 totaled $183 million, or 28.2% of revenue. Capital expenditures for the fourth quarter of fiscal year 2007 totaled $33 million, or 5% of revenue.

Cash Dividend

Cash dividends paid during the fourth quarter of fiscal 2007 totaled $55 million. On November 26, 2007, the Board of Directors declared a cash dividend of $0.18 per outstanding share of common stock which will be paid on December 26, 2007 to all shareholders of record at the close of business on December 7, 2007.

Shares Outstanding Decreased 11% Compared to Year-Ago Quarter

Share repurchases during the fourth quarter of fiscal 2007 of approximately 8.6 million shares of ADI common stock totaled $318 million and represented approximately 2.8% of the shares outstanding as of the beginning of the fourth quarter.

-- $3.3 billion in share repurchases, representing approximately 95 million shares, or 25.1% of the shares outstanding, have been repurchased since the beginning of the fourth quarter of fiscal year 2004.

-- The share repurchase program had approximately $665 million in authorization remaining at the end of the fourth quarter of 2007.

Balance Sheet

Inventory at the end of the fourth quarter of fiscal 2007 decreased $11 million, or approximately 3%, compared to the immediately prior quarter. Days cost of revenue in inventory was 118 days at the end of the fourth quarter of fiscal 2007, compared to 133 days a year ago and 125 days at the end of the immediately prior quarter.

Days sales in accounts receivable was 47 days, unchanged from the immediately prior quarter. Days sales in accounts receivable was 46 days at the end of fiscal year 2006.

Summary for the Fiscal Year 2007

2007 Product Highlights:

-- Product revenue grew 7% in fiscal year 2007 and totaled $2.5 billion. Product revenue excludes the one-time payment of $35 million received in the first quarter of fiscal 2007 in exchange for granting a license of certain intellectual property rights to a third party.

-- Analog product revenue represented 90% of product revenue for ADI and increased 9% in fiscal 2007.

-- Converter product revenue represented 44% of product revenue and increased 8% for the year.

-- Amplifier product revenue represented 22% of product revenue and increased 5% for the year.

-- Power management and reference revenue represented 8% of product revenue and declined 6% for the year. Excluding the CPU voltage regulation and PC thermal monitoring product line, which is planned to be divested, revenue declined 2% for the year.

-- Revenue from other analog products, such as Micro-Electro Mechanical Systems (MEMS) and Radio Frequency (RF) products, represented 16% of product revenue and increased 27% for the year.

-- General-purpose digital signal processing (DSP) product revenue represented 9% of product revenue and increased 4% for the year.

2007 End Market Highlights:

-- More than $1 billion in revenue, or 47% of product revenue, came from the broad based industrial end market in fiscal year 2007, a 7% increase year-to-year. Medical, security, automotive, defense, and instrumentation applications all contributed to growth during the year.

-- Revenue from consumer applications was 22% of product revenue and grew significantly during 2007, increasing 23%, with digital TVs, digital cameras, home theatre and video games as the primary drivers.

-- Revenue from communications applications was 22% of product revenue and increased 7% during 2007.

-- Revenue from computer applications was 9% of product revenue and declined 17% year-to-year, primarily as a result of the Company's decision to deemphasize power management products used in desktop and laptop computers.

Net cash provided by operating activities totaled $820 million, or 32.2% of total revenue in fiscal year 2007, compared to $621 million, or 26.5% of total revenue, in the prior year.

Gross margin totaled $1.5 billion, or 59.7% of revenue, for the fiscal year 2007. In the prior year, gross margin totaled $1.4 billion, or 59.9% of revenue, and included approximately $20 million, or 0.9% of revenue, in restructuring related expenses. Excluding non-recurring items, non-GAAP gross margin was 59.1% of revenue in fiscal year 2007 compared to 60.8% in the prior year. Gross margin as a percentage of product revenue declined compared to the prior year primarily as a result of strong growth in revenue from products used in consumer applications where gross margin as a percentage of revenue is generally below the Company average.

Operating expenses totaled $953 million in fiscal year 2007 compared to $881 million in the prior year. In fiscal year 2007, ADI increased spending in R&D by approximately $50 million, primarily to support strategic analog product development programs. In addition, in fiscal year 2007, the Company recorded $40 million in special charges.

Operating margin totaled $566 million, or 22.2% of revenue, for the fiscal year 2007. Excluding non-recurring or one time items, non-GAAP operating margin as a percentage of product revenue was 22.4% in fiscal 2007 versus 24.2% in the prior year. This decline was primarily due to the decline in gross margin.

Diluted EPS from continuing operations was $1.51 for the fiscal year 2007, compared to $1.39 for the prior year. Excluding non-recurring or one time items, non-GAAP diluted EPS from continuing operations was $1.48 in fiscal year 2007 as compared to $1.35 in the prior year. The increase was primarily the result of the share repurchases which reduced the diluted shares 10.4%.

Divestitures

During the fourth quarter, on September 9, 2007, ADI signed a definitive agreement to sell its wireless handset baseband chipset and radio transceiver operation. This business represented $50.3 million of revenue in the fourth quarter of fiscal year 2007. The previously announced divestiture of this business is expected to close in the first quarter of fiscal 2008.

ADI has accounted for the divested operation as a discontinued operation. Assets and liabilities related to this business, including inventory, accounts receivable, and property plant and equipment have been reclassified as such.

After accounting for assets included in the sale and other costs, the sale is expected to result in a pre-tax gain of approximately $280 to $290 million and an after tax gain of approximately $150 to $160 million.

After accounting for the wireless handset baseband and radio business as a discontinued operation in the fourth quarter of fiscal 2007, gross margin as a percentage of revenue increased 140 basis points and non-GAAP operating margin as a percentage of revenue increased 160 basis points. Diluted EPS was unchanged.

"The financial rationale for divesting this business is important, but equally important is the improved strategic clarity this brings to our ongoing investment decisions," explained Mr. Fishman. "We plan to continue to develop other products for the wireless handset market, but we will focus our investments in products where we offer technology that is differentiated and provides sustainable value to leading handset manufacturers -- products that improve energy efficiency, music and voice quality, picture quality, and the overall user experience."

On November 8, 2007, during the first quarter of fiscal 2008, ADI signed a definitive agreement to sell its CPU voltage regulation and PC thermal monitoring operation. This business represented approximately $25 million of revenue during the fourth quarter. The previously announced divestiture of this business is expected to close in the first quarter of fiscal 2008. This business is reported with continuing operations in the fourth quarter of fiscal 2007 and will be included in discontinued operations beginning in the first quarter of fiscal 2008.

To facilitate an orderly transfer of the business to the buyer, at closing ADI expects to enter into a pre-paid one-year manufacturing supply arrangement whereby ADI will continue to manufacture the products at its wafer fabrication facility in Limerick, Ireland.

After accounting for assets included in the sale, other costs and the prepaid manufacturing supply agreement, the sale is expected to result in a pre-tax gain of approximately $85 to $92 million and an after tax gain of approximately $52 to $60 million.

Outlook for the First Quarter of Fiscal 2008

The following statements are based on current expectations. These statements are forward looking and actual results may differ materially. These statements supersede all prior statements regarding business outlook set forth in prior ADI news releases. Beginning in the first quarter of fiscal 2008, the CPU Voltage Regulation and PC Thermal Monitoring business will be accounted for as a discontinued operation. Please refer to the table, "Assumptions Used to Estimate Results for the First Quarter Ending February 2, 2008," or Schedule H, for details.

-- Revenue from continuing operations for the first quarter of fiscal 2008 is planned to be in the range of +2% to -2% from the fourth quarter of fiscal 2007.

-- Gross margin from continuing operations for the first quarter of fiscal 2008 is planned to be slightly above 60% of revenue.

-- Operating expenses from continuing operations are planned to decrease slightly in the first quarter of fiscal 2008 compared to the immediately prior quarter, excluding the restructuring expense recorded in the fourth quarter and accounting for the CPU Voltage Regulation and PC Thermal Monitoring business as a discontinued operation.

-- The tax rate for the first quarter is estimated at 23% to 25%.

-- Non-operating income for the first quarter is estimated at $15 million.

-- Shares used for the diluted EPS calculation are estimated at 311 million.

-- Excluding the gains from the sales of the divested businesses, diluted EPS from continuing operations for the first quarter of fiscal 2008 is planned to be in the range of $0.38 to $0.42.

Conference Call Scheduled for 5:00

Mr. Fishman will discuss the fourth quarter's results and the near-term outlook via webcast, accessible from www.analog.com, today beginning at 5:00 pm ET. Investors who prefer to join by telephone may call 706-634-7193 ten minutes before the call begins and provide the password "ADI."

A replay will be available almost immediately after the call. The replay may be accessed for up to one week by dialing 800-642-1687 (replay only) and providing the conference ID: 24289706 or by visiting the Investor Relations page on ADI's web site.

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 and may be different from non-GAAP measures used by other companies. In addition, these non-GAAP measures are not based on any comprehensive set of accounting rules or principles.

Manner in Which Management Uses the Non-GAAP Financial Measures

Management uses non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income and non-GAAP diluted earnings per share to evaluate the Company's operating performance against past periods and to budget and allocate resources in future periods. These non-GAAP measures also assist management in understanding and evaluating the underlying baseline operating results and trends in the Company's business.

Economic Substance Behind Management's Decision to Use Non-GAAP Financial Measures

The items excluded from the non-GAAP measures were excluded because they are of a non-recurring or non-cash nature. Tables reconciling our non-GAAP measures to GAAP measures are provided in this release.

The following items are excluded from our Non-GAAP gross margin:

Non-Recurring Revenue Associated with the License of Certain Intellectual Property Rights to a Third Party. On November 9, 2006, we received a one-time, non-recurring payment of $35 million in exchange for granting a license of certain intellectual property rights to a third party. This payment increased revenue in the first quarter of fiscal 2007 by $35 million. We exclude this item and the related tax effects from our non-GAAP results because it is a one-time item not associated with the ongoing operations of our business.

Restructuring-Related Expense. These expenses are incurred in connection with facility closures and other reorganization efforts. Apart from ongoing expense savings as a result of such items, these expenses and the related tax effects have no direct correlation to the operation of our business in the future.

The following items are excluded from our Non-GAAP operating expenses:

Purchased In-Process R&D. We incur in-process research and development expenses when technological feasibility for acquired technology has not been established and no future alternative use for such technology exists. We exclude these items because these expenses are not reflective of ongoing operating results in the period incurred.

Restructuring-Related Expense. These expenses are incurred in connection with facility closures and other reorganization efforts. Apart from ongoing expense savings as a result of such items, these expenses and the related tax effects have no direct correlation to the operation of our business in the future.

Proceeds from the one-time settlement of litigation. In the second quarter of fiscal 2007, we settled a lawsuit against Maxim Integrated Products and received a one-time non-recurring payment of $19 million. A portion of this payment ($8.5 million) was to compensate us for the legal expenses we incurred during the years 2001 through 2007 in connection with this lawsuit. As the original legal expenses were recorded as general and administrative expenses in the income statement, we recorded the recovery of these legal expenses in the same line item in our operating expenses in the second quarter of fiscal 2007. The remaining $10.5 million was recorded as non-operating income in the second quarter of fiscal 2007 because it is not associated with the normal operations of our business. We exclude this payment and the related tax effects from our non-GAAP results because it is a one-time item not associated with the ongoing operations of our business.

The following items are excluded from our Non-GAAP operating income:

Non-Recurring Revenue Associated with the License of Certain Intellectual Property Rights to a Third Party. On November 9, 2006, we received a one-time, non-recurring payment of $35 million in exchange for granting a license of certain intellectual property rights to a third party. This payment increased revenue in the first quarter of fiscal 2007 by $35 million. We exclude this item and the related tax effects from our non-GAAP results because it is a one-time item not associated with the ongoing operations of our business.

Purchased In-Process R&D. We incur in-process research and development expenses when technological feasibility for acquired technology has not been established and no future alternative use for such technology exists. We exclude these items because these expenses are not reflective of ongoing operating results in the period incurred.

Restructuring-Related Expense. These expenses are incurred in connection with facility closures and other reorganization efforts. Apart from ongoing expense savings as a result of such items, these expenses and the related tax effects have no direct correlation to the operation of our business in the future.

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The following items are excluded from our Non-GAAP diluted earnings per share:

Non-Recurring Revenue Associated with the License of Certain Intellectual Property Rights to a Third Party. On November 9, 2006, we received a one-time, non-recurring payment of $35 million in exchange for granting a license of certain intellectual property rights to a third party. This payment increased revenue in the first quarter of fiscal 2007 by $35 million. We exclude this item and the related tax effects from our non-GAAP results because it is a one-time item not associated with the ongoing operations of our business.

Purchased In-Process R&D. We incur in-process research and development expenses when technological feasibility for acquired technology has not been established and no future alternative use for such technology exists. We exclude these items because these expenses are not reflective of ongoing operating results in the period incurred.

Acquisition-Related Expense. During the first quarter of fiscal 2007, we recorded a tax adjustment when we finalized the accounting associated with our fourth quarter of fiscal 2006 acquisition. We excluded this income tax expense from our non-GAAP results because it was not associated with the income tax expense on our current operating results.

Restructuring-Related Expense. These expenses are incurred in connection with facility closures and other reorganization efforts. Apart from ongoing expense savings as a result of such items, these expenses and the related tax effects have no direct correlation to the operation of our business in the future.

Proceeds from the One-Time Settlement of Litigation. In the second quarter of fiscal 2007, we settled a lawsuit against Maxim Integrated Products and received a one-time non-recurring payment of $19 million. A portion of this payment ($8.5 million) was to compensate us for the legal expenses we incurred during the years 2001 through 2007 in connection with this lawsuit. As the original legal expenses were recorded as general and administrative expenses in the income statement, we recorded the recovery of these legal expenses in the same line item in our operating expenses in the second quarter of fiscal 2007. The remaining $10.5 million was recorded as non-operating income in the second quarter of fiscal 2007 because it is not associated with the normal operations of our business. We exclude this payment and the related tax effects from our non-GAAP results because it is a one-time item not associated with the ongoing operations of our business.

Tax Savings Associated with IRS Tax Settlement. During the fourth quarter of fiscal 2006 the United States Internal Revenue Service (the IRS) completed its examination of fiscal years 2001, 2002 and 2003 and issued their report. The Company agreed to accept their report and filed its 2005 tax return and an amended return for 2004 to conform to the methodologies agreed to during the 2001-2003 examination. The completion of this examination and the filing of refund claims in other jurisdictions associated with the completion of the IRS audit resulted in an income tax benefit. We excluded these income tax benefits from our non-GAAP results because they were not associated with the income tax expense on our current operating results.

Gain on Sale of Investment. We realized a gain of $8 million in the first quarter of fiscal 2007 from the sale of a minority shareholding in a company. We excluded this amount and the related tax effects because it is a one-time item not associated with our ongoing operating results.

Gain on the Sale of a Product Line. We realized a gain on the sale of our DSP-based DSL ASIC and network processor product line that we sold in the second quarter of fiscal 2006. This amount arose from prior activities and has no direct correlation to the ongoing business operations.

Tax Adjustment Associated with IRS Examination. During the fourth quarter of fiscal year 2007, the IRS completed its field examination of fiscal years 2004 and 2005. Although the IRS has not issued its final report for fiscal 2004 and 2005, they have issued proposed adjustments related to these two fiscal years. We have provided $4.4 million for taxes and penalties related to certain of these proposed adjustments. We exclude this income tax expense from our non-GAAP results because it is not associated with the income tax expense on our current operating results.

Tax Savings Associated with Reinstatement of the Federal R&D Tax Credit. The IRS reinstated the R&D tax credit in December 2006, retroactive to January 1, 2006. This retroactive reinstatement resulted in a $10 million income tax savings to the Company in the first quarter of fiscal 2007. We excluded this income tax savings from our non-GAAP measures because it is not associated with the income tax expense on our current operating results.

Why Management Believes the Non-GAAP Financial Measures Provide Useful Information to Investors

Management believes that the presentation of non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income, and non-GAAP diluted EPS is useful to investors because it provides investors with the operating results that management uses to manage the company.

Material Limitations Associated with Use of the Non-GAAP Financial Measures

Analog Devices believes that non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income, and non-GAAP diluted EPS have material limitations in that they do not reflect all of the amounts associated with our results of operations as determined in accordance with GAAP and that these measures should only be used to evaluate our results of operations in conjunction with the corresponding GAAP measures. In addition, our non-GAAP measures may not be comparable to the non-GAAP measures reported by other companies. The Company's use of non-GAAP measures, and the underlying methodology in 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.

Management's Compensation for Limitations of Non-GAAP Financial Measures

Management compensates for these material limitations in non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income and non-GAAP diluted earnings per share by also evaluating our GAAP results and the reconciliations of our non-GAAP measures to the most directly comparable GAAP measure. Investors should consider our non-GAAP financial measures in conjunction with the corresponding GAAP measures.

About Analog Devices, Inc.

Innovation, performance, and excellence are the cultural pillars on which Analog Devices has built one of the longest standing, highest growth companies within the technology sector. Acknowledged industry-wide as the world leader in data conversion and signal conditioning technology, Analog Devices serves over 60,000 customers, representing virtually all types of electronic equipment. Celebrating over 40 years as a leading global manufacturer of high-performance integrated circuits used in analog and digital signal processing applications, Analog Devices is headquartered in Norwood, Massachusetts, with design and manufacturing facilities throughout the world. Analog Devices' common stock is listed on the New York Stock Exchange under the ticker "ADI" and is included in the S&P 500 Index.

Safe harbor statement under the Private Securities Litigation Reform Act of 1995

This release may be deemed to contain forward-looking statements, which are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, among other things, our statements regarding expected sales growth, revenue, earnings, operating expenses, gross margins, and other financial results, and expected increases in profit leverage, customer demand and order rates for our products, and ADI's future investment and product development strategies that are based on our current expectations, beliefs, assumptions, estimates, forecasts, and projections about the industry and markets in which Analog Devices operates. This press release also contains forward-looking statements regarding the divestiture of the Company's wireless handset baseband chipset and radio transceiver business, and its CPU voltage regulation and PC thermal monitoring business, the expected closing of those transactions, and the expected benefits of those transactions to ADI. The statements contained in this release are not guarantees of future performance, are inherently uncertain, involve certain risks, uncertainties, and assumptions that are difficult to predict, and do not give effect to the potential impact of any mergers, acquisitions, divestitures, or business combinations that may be announced or closed after the date hereof. Therefore, actual outcomes and results may differ materially from what is expressed in such forward-looking statements, and such statements should not be relied upon as representing Analog Devices' expectations or beliefs as of any date subsequent to the date of this press release. We do not undertake any obligation to update forward-looking statements made by us. Important factors that may affect future operating results include: with respect to the divestitures described above, the closing of each of those transactions is subject to the receipt of regulatory approvals and other material closing conditions, any failure of which to satisfy may delay or prevent the closing of the relevant transaction; either or both transactions may involve unexpected costs, thereby reducing the net proceeds to ADI; the expected benefits of either or both transactions may not be achieved in a timely manner, or at all; and with respect to ADI's business generally, other factors that may affect future operating results include the effects of changes in customer demand for our products and for end products that incorporate our products, competitive pricing pressures, unavailability of raw materials or wafer fabrication, assembly and test capacity, any delay or cancellation of significant customer orders, any inability to manage inventory to meet customer demand, changes in geographic, product or customer mix, adverse changes in economic conditions in the United States and international markets, adverse results in litigation matters, and other risk factors described in our most recent Form 10-Q, as filed with the Securities and Exchange Commission. Our results of operations for the periods presented in this release are not necessarily indicative of our operating results for any future periods. Any projections in this release are based on limited information currently available to Analog Devices, which is subject to change. Although any such projections and the factors influencing them will likely change, we will not necessarily update the information, as we will only provide guidance at certain points during the year. Such information speaks only as of the original issuance date of this release.

Analog Devices, Fourth Quarter, Fiscal 2007

Schedule A

Sales/Earnings Summary (GAAP)
(In thousands, except per-share amounts)

	Three Months Ended			Twelve Months Ended	
	4Q 07 Nov. 3, 2007	3Q 07 Aug. 4, 2007	4Q 06 Oct. 28, 2006	FY07 Nov. 3, 2007	FY06 Oct. 28, 2006
Product revenue	$648,478	$637,011	$609,724	$2,511,117	$2,342,919
Year-to-year growth	6%	6%	11%	7%	10%
Quarter-to-quarter growth	2%	4%	2%		
Revenue from one-time licensing of IP	-	-	-	35,000	-
Total revenue	$648,478	$637,011	$609,724	$2,546,117	$2,342,919
Cost of sales (1)	269,610	261,689	249,427	1,026,900	939,753
Gross margin	378,868	375,322	360,297	1,519,217	1,403,166
Operating expenses:					
R&D (1)	134,124	130,340	121,001	519,315	469,396
Selling, marketing and G&A (1)	98,186	100,810	99,111	393,221	387,874
Purchased in-process research and development	-	-	16,211	-	21,711
Special charges	25,183	-	777	40,495	1,790
Operating income from continuing operations	121,375	144,172	123,197	566,186	522,395
Other income	(12,891)	(16,449)	(24,495)	(92,734)	(110,589)
Income from continuing operations before income tax	134,266	160,621	147,692	658,920	632,984
Provision for income taxes	37,862	36,202	8,423	158,444	117,418
Minority interest	-	-	748	219	748
Net income from continuing operations	96,404	124,419	140,017	500,695	516,314
Net Income (loss) from discontinued operations	1,485	(3,984)	(1,598)	(3,788)	33,168
Net income	$ 97,889	$120,435	$138,419	$ 496,907	$ 549,482
Shares used for EPS - basic	305,867	318,465	346,803	323,255	358,762
Shares used for EPS - diluted	313,825	327,331	357,164	332,301	370,964
Earnings per share from continuing operations - basic	$ 0.32	$ 0.39	$ 0.40	$ 1.55	$ 1.44
Earnings per share from continuing operations - diluted	$ 0.31	$ 0.38	$ 0.39	$ 1.51	$ 1.39
Earnings per share - basic	$ 0.32	$ 0.38	$ 0.40	$ 1.54	$ 1.53

Earnings per share - diluted	$ 0.31	$ 0.37	$ 0.39	$ 1.50	$ 1.48
Dividends paid per share	$ 0.18	$ 0.18	$ 0.16	$ 0.70	$ 0.56

(1) Includes stock-based compensation expense as follows:

Cost of sales	$ 2,579	$ 2,454	$ 2,801	$ 10,591	$ 7,630
R&D	$ 7,446	$ 7,210	$ 6,603	$ 29,893	$ 31,119
Selling, marketing and G&A	$ 6,396	$ 6,668	$ 7,224	$ 27,544	$ 32,604

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Schedule B

Results of Discontinued Operations
(In thousands, except per-share amounts)

The following table reflects the amounts reclassified from our continuing operations into discontinued operations:

	Three Months Ended			Twelve Months Ended	
	4Q 07 Nov. 3, 2007	3Q 07 Aug. 4, 2007	4Q 06 Oct. 28, 2006	FY07 Nov. 3, 2007	FY06 Oct. 28, 2006
Product revenue	$50,291	$43,301	$34,618	$193,710	$230,257
Cost of sales	30,985	30,038	20,343	127,510	127,283
Gross Margin	19,306	13,263	14,275	66,200	102,974
Operating expenses:					
R&D	17,264	18,222	16,549	71,215	67,351
Selling, marketing and G&A	1,853	1,569	1,599	6,923	6,212
Net Income (loss) before income taxes	$ 189	$(6,528)	$(3,873)	$(11,938)	$ 29,411
Benefit from income taxes	$(1,296)	$(2,544)	$(2,275)	$ (8,150)	$ (3,757)
Net Income (loss) from discontinued operations	$ 1,485	$(3,984)	$(1,598)	$ (3,788)	$ 33,168
Earnings per share from discontinued operations - basic	$ 0.00	$ (0.01)	$ (0.00)	$ (0.01)	$ 0.09
Earnings per share from discontinued operations - diluted	$ 0.00	$ (0.01)	$ (0.00)	$ (0.01)	$ 0.09

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Schedule C

Selected Balance Sheet Information (GAAP)
(In thousands)

	4Q 07 Nov. 3, 2007	3Q 07 Aug. 4, 2007	4Q 06 Oct. 28, 2006
Cash & short-term investments	$1,081,207	$1,283,590	$2,128,334
Accounts receivable, net	336,381	328,094	305,761
Inventories (1)	347,519	358,251	362,945
Current assets of discontinued			

operations	50,843	51,346	39,338
Other current assets	163,045	166,182	174,924
Total current assets	1,978,995	2,187,463	3,011,302
PP&E, net	556,939	558,124	554,941
Investments	36,902	34,623	31,429
Goodwill and intangible assets	303,622	302,652	287,650
Other	95,491	83,505	82,478
Non-current assets of discontinued operations	-	-	19,051
Total assets	$2,971,949	$3,166,367	$3,986,851
Deferred income on shipments to distributors	$ 151,730	$ 147,404	$ 146,723
Current liabilities of discontinued operations	19,769	17,069	13,316
Other current liabilities	376,552	395,382	330,904
Noncurrent liabilities	85,757	69,906	60,115
Stockholders' equity	2,338,141	2,536,606	3,435,793
Total liabilities & equity	$2,971,949	$3,166,367	$3,986,851

(1) includes $3,371, $3,432 and $3,703 related to stock-based compensation in 4Q07, 3Q07, and 4Q06 respectively.

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Schedule D

Cash Flow Statement (GAAP)
(In thousands)

	Three Months Ended		
	4Q 07	3Q 07	4Q 06
	Nov. 3, 2007	Aug. 4, 2007	Oct. 28, 2006
Cash flows from operating activities:			
Net Income	$ 97,889	$ 120,435	$ 138,419
Adjustments to reconcile net income to net cash provided by operations:			
Depreciation	35,104	35,741	38,904
Amortization of intangibles	2,573	3,168	3,359
Stock-based compensation expense	17,506	17,465	17,599
Purchased in-process research and development	-	-	16,211
Minority interest	-	-	(748)
Excess tax benefit - stock options	(15,818)	(3,559)	(25,222)
Gain on sale of a product line	-	-	-
Gain on sale of an investment	-	-	-
Non-cash portion of special charge	438	-	-
Other non-cash expense	538	37	120
Deferred income taxes	7,724	(5,256)	3,932
Changes in operating assets and liabilities	36,896	22,698	(25,839)
Total adjustments	84,961	70,294	28,316
Net cash provided by operating activities	182,850	190,729	166,735
Percent of Total Revenue	28.2%	29.9%	27.3%
Cash flows from investing activities:			
Additions to property, plant and equipment, net	(33,177)	(31,246)	(41,755)
Purchases of short-term available-for-sale investments	(311,571)	(289,565)	(418,019)
Maturities of short-term available-			

for-sale investments	545,792	837,412	630,642
Proceeds from sale of a product line	-	-	-
Proceeds from sale of investment	-	-	-
Proceeds from sale of fixed assets	-	-	1,735
Payments for acquisitions	-	(3,160)	(142,104)
(Increase) decrease in other assets	(8,420)	162	(3,402)
Net cash provided by investing activities	192,624	513,603	27,097
Cash flows from financing activities:			
Dividend payments to shareholders	(55,437)	(58,545)	(55,642)
Repurchase of common stock	(317,691)	(631,708)	(357,012)
Net proceeds from employee stock plans	12,953	17,937	14,540
Excess tax benefit - stock options	15,818	3,559	25,222
Net cash used for financing activities	(344,357)	(668,757)	(372,892)
Effect of exchange rate changes on cash	(43)	(267)	(118)
Net increase (decrease) in cash and cash equivalents	31,074	35,308	(179,178)
Cash and cash equivalents at beginning of period	393,898	358,590	523,125
Cash and cash equivalents at end of period	$ 424,972	$ 393,898	$ 343,947

	Twelve Months Ended	
	FY07	FY06
	Nov. 3, 2007	Oct. 28, 2006
Cash flows from operating activities:		
Net Income	$ 496,907	$ 549,482
Adjustments to reconcile net income to net cash provided by operations:		
Depreciation	142,173	166,851
Amortization of intangibles	12,610	5,312
Stock-based compensation expense	72,652	75,429
Purchased in-process research and development	-	21,711
Minority interest	(219)	(748)
Excess tax benefit - stock options	(40,871)	(181,178)
Gain on sale of a product line	-	(13,027)
Gain on sale of an investment	(7,919)	-
Non-cash portion of special charge	438	459
Other non-cash expense	853	784
Deferred income taxes	(2,850)	(28,454)
Changes in operating assets and liabilities	146,591	24,481
Total adjustments	323,458	71,620
Net cash provided by operating activities	820,365	621,102
Percent of Total Revenue	32.2%	26.5%
Cash flows from investing activities:		
Additions to property, plant and equipment, net	(141,810)	(129,297)
Purchases of short-term available-for-sale investments	(1,807,476)	(2,483,123)
Maturities of short-term available-for-sale investments	2,943,468	2,788,717
Proceeds from sale of a product line	-	23,070
Proceeds from sale of investment	8,003	-
Proceeds from sale of fixed assets	-	1,735
Payments for acquisitions	(9,160)	(157,017)
(Increase) decrease in other assets	(8,438)	723
Net cash provided by investing activities	984,587	44,808

Cash flows from financing activities:		
Dividend payments to shareholders	(228,281)	(201,451)
Repurchase of common stock	(1,647,212)	(1,024,982)
Net proceeds from employee stock plans	109,149	94,392
Excess tax benefit - stock options	40,871	181,178
Net cash used for financing activities	(1,725,473)	(950,863)
Effect of exchange rate changes on cash	1,546	1,309
Net increase (decrease) in cash and cash equivalents	81,025	(283,644)
Cash and cash equivalents at beginning of period	343,947	627,591
Cash and cash equivalents at end of period	$ 424,972	$ 343,947

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Schedule E

Revenue Trends 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					
	Nov. 3, 2007				Aug. 4, 2007	Oct. 28, 2006
	Revenue	%	Y/Y %	Q/Q %	Revenue	Revenue
Industrial	$295,192	46%	4%	0%	$296,032	$284,156
Communications	137,429	21%	9%	-7%	147,451	125,681
Consumer	150,916	23%	17%	11%	136,129	128,991
Computer	64,941	10%	-8%	13%	57,399	70,896
Total Product Revenue	$648,478	100%	6%	2%	$637,011	$609,724
One-time payment associated with the licensing of intellectual property	-	-			-	-
Total Revenue	$648,478				$637,011	$609,724

	Twelve Months Ended			
	Nov. 3, 2007			Oct. 28, 2006
	Revenue	%	Y/Y %	Revenue
Industrial	$1,184,891	47%	7%	$1,105,261
Communications	545,792	22%	7%	510,137
Consumer	544,415	22%	23%	441,871
Computer	236,019	9%	-17%	285,650
Total Product Revenue	$2,511,117	100%	7%	$2,342,919
One-time payment associated with the licensing of intellectual property	35,000			-

Total Revenue	$2,546,117	$2,342,919

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Schedule F

Revenue Trends by Product

The following table summarizes revenue by product categories. The categorization of our products into broad categories is based on the characteristics of the individual products, the specification of the products and in some cases the specific uses that certain products have within applications. The categorization of products is therefore subject to judgment in some cases and can vary over time. In instances where products move between product categories we reclassify the amounts in the product categories for all prior periods. Such reclassifications typically do not materially change the sizing of, or the underlying trends of results within, each product category.

	Three Months Ended					
	Nov. 3, 2007				Aug. 4, 2007	Oct. 28 2006
	Revenue	%	Y/Y %	Q/Q %	Revenue	Revenue
Converters	$286,761	44%	8%	2%	$281,530	$265,061
Amplifiers	138,497	22%	-2%	-4%	144,103	141,064
Power management & reference	57,220	9%	3%	14%	50,019	55,694
Other analog	99,811	15%	19%	0%	99,750	83,889
Total analog products	$582,289	90%	7%	1%	$575,402	$545,708
General purpose DSP	55,962	8%	2%	6%	52,891	54,975
Other DSP	10,227	2%	13%	17%	8,718	9,041
Total DSP products	$ 66,189	10%	3%	7%	$ 61,609	$ 64,016
Total Product Revenue	$648,478	100%	6%	2%	$637,011	$609,724
One-time payment associated with the licensing of intellectual property	-				-	-
Total Revenue	$648,478				$637,011	$609,724

	Twelve Months Ended			
	Nov. 3, 2007			Oct. 28, 2006
	Revenue	%	Y/Y %	Revenue
Converters	$1,106,615	44%	8%	$1,023,499
Amplifiers	557,515	22%	5%	532,046
Power management & reference	205,497	8%	-6%	219,651
Other analog	393,724	16%	27%	310,075
Total analog products	$2,263,351	90%	9%	$2,085,271
General purpose DSP	214,000	9%	4%	205,483
Other DSP	33,766	1%	-35%	52,165
Total DSP products	$ 247,766	10%	-4%	$ 257,648
Total Product Revenue	$2,511,117	100%	7%	$2,342,919

One-time payment associated with the licensing of intellectual property	35,000	-
Total Revenue	$2,546,117	$2,342,919

Analog Devices, Fourth Quarter, Fiscal 2007

Schedule G

Reconciliation from GAAP to Non-GAAP Data (In thousands, except per-share amounts)

Management believes that non-GAAP financial information enhances an investor's understanding of the Company's financial and business trends relating to its financial condition and results of operations. Management uses these non-GAAP measures to evaluate the Company's operating performance. See "Non-GAAP Financial Information" in this press release for a description of the items excluded from our non-GAAP measures.

	Three Months Ended		
	4Q 07 Nov. 3, 2007	3Q 07 Aug. 4, 2007	4Q 06 Oct. 28, 2006
GAAP Gross Margin	$378,868	$375,322	$360,297
Percent of Total Revenue	58.4%	58.9%	59.1%
Revenue from One-time Licensing of IP	-	-	-
Restructuring-Related Expense	-	-	2,804
Non-GAAP Gross Margin	$378,868	$375,322	$363,101
Percent of Product Revenue	58.4%	58.9%	59.6%
GAAP Operating Expenses	$257,493	$231,150	$237,100
Percent of Total Revenue	39.7%	36.3%	38.9%
Purchased In-Process Research and Development	-	-	(16,211)
Restructuring-Related Expense	(25,183)	-	(777)
Litigation Settlement	-	-	-
Non-GAAP Operating Expenses	$232,310	$231,150	$220,112
Percent of Product Revenue	35.8%	36.3%	36.1%
GAAP Operating Income From Continuing Operations	$121,375	$144,172	$123,197
Percent of Total Revenue	18.7%	22.6%	20.2%
Revenue from One-time Licensing of IP	-	-	-
Purchased In-Process Research and Development	-	-	16,211
Restructuring-Related Expense	25,183	-	3,581
Litigation Settlement	-	-	-
Non-GAAP Operating Income From Continuing Operations	$146,558	$144,172	$142,989
Percent of Product Revenue	22.6%	22.6%	23.5%
GAAP Diluted EPS Including Discontinued Operations	$ 0.31	$ 0.37	$ 0.39
Diluted Loss (Earnings) Per Share from Discontinued Operations	$ -	$ 0.01	$ -
GAAP Diluted EPS - Continuing Operations	$ 0.31	$ 0.38	$ 0.39
Revenue from One-time Licensing of IP	-	-	-
Purchased In-Process Research and Development	-	-	0.030
Acquisition-Related Expense	-	-	-
Restructuring-Related Expense	0.064	-	0.007

Litigation Settlement	-	-	-
Tax Benefit Associated with IRS Tax Settlement	-	-	(0.075)
Gain on Sale of Investment	-	-	-
Gain on Sale of Product Line	-	-	-
One Time Tax Adjustment Related to the IRS Examination of Fiscal Years 2004 and 2005	0.014	-	-
Impact of the Reinstatement of the R&D Tax Credit	-	-	-
Non-GAAP Diluted EPS - Continuing Operations	$ 0.39	$ 0.38	$ 0.35

	Twelve Months Ended	
	FY07	FY06
	Nov. 3, 2007	Oct. 28, 2006
GAAP Gross Margin	$1,519,217	$1,403,166
Percent of Total Revenue	59.7%	59.9%
Revenue from One-time Licensing of IP	(35,000)	-
Restructuring-Related Expense	-	20,320
Non-GAAP Gross Margin	$1,484,217	$1,423,486
Percent of Product Revenue	59.1%	60.8%
GAAP Operating Expenses	$ 953,031	$ 880,771
Percent of Total Revenue	37.4%	37.6%
Purchased In-Process Research and Development	-	(21,711)
Restructuring-Related Expense	(40,495)	(1,790)
Litigation Settlement	8,500	-
Non-GAAP Operating Expenses	$ 921,036	$ 857,270
Percent of Product Revenue	36.7%	36.6%
GAAP Operating Income From Continuing Operations	$ 566,186	$ 522,395
Percent of Total Revenue	22.2%	22.3%
Revenue from One-time Licensing of IP	(35,000)	-
Purchased In-Process Research and Development	-	21,711
Restructuring-Related Expense	40,495	22,110
Litigation Settlement	(8,500)	-
Non-GAAP Operating Income From Continuing Operations	$ 563,181	$ 566,216
Percent of Product Revenue	22.4%	24.2%
GAAP Diluted EPS Including Discontinued Operations	$ 1.50	$ 1.48
Diluted Loss (Earnings) Per Share from Discontinued Operations	$ 0.01	$ (0.09)
GAAP Diluted EPS - Continuing Operations	$ 1.51	$ 1.39
Revenue from One-time Licensing of IP	(0.068)	-
Purchased In-Process Research and Development	-	0.042
Acquisition-Related Expense	0.017	-
Restructuring-Related Expense	0.090	0.039
Litigation Settlement	(0.037)	-
Tax Benefit Associated with IRS Tax Settlement	-	(0.095)
Gain on Sale of Investment	(0.015)	-
Gain on Sale of Product Line	-	(0.023)
One Time Tax Adjustment Related to the IRS Examination of Fiscal Years 2004 and 2005	0.013	-
Impact of the Reinstatement of the R&D Tax Credit	(0.030)	-

Non-GAAP Diluted EPS - Continuing Operations	$ 1.48	$ 1.35

Schedule H

Assumptions Used to Estimate Results for the First Quarter Ending February 2, 2008
(In millions, except per-share amounts)

The following amounts are based on current expectations. These amounts are forward looking and actual results may differ materially. These amounts supersede all prior amounts regarding business outlook set forth in prior ADI news releases.

Revenue ($)	
4Q07 Revenue from Continuing Operations	$648 million
Less: 4Q07 Revenue from Divested CPU voltage regulation and PC thermal monitoring business(a)	($25 million)
Basis for 1Q08 Revenue Estimate:	$623 million
Estimated 1Q08 Revenue Range from 1Q08 Continuing Operations	$610 - $635 million; or -2% to +2%
Gross Margin (% of revenue)	
4Q07 Gross Margin from Continuing Operations	58.4%
Plus: 4Q07 Gross Margin Benefit from Divested CPU Voltage Regulation and PC Thermal Monitoring Business(a)	1.6%
Basis for 1Q08 Gross Margin Estimate:	60.0%
Estimated 1Q08 Gross Margin for Continuing Operations	Slightly above 60%
Operating Expenses ($)	
4Q07 Operating Expenses from Continuing Operations	$257 million
Less: 4Q Restructuring Expenses	($25 million)
Less: 4Q07 Expenses from Divested CPU voltage regulation and PC thermal monitoring business(a)	($4 million)
Basis for 1Q08 Operating Expense Estimate	$228 million
Estimated 1Q08 Operating Expenses from Continuing Operations	Down Slightly
Tax Rate	Approximately 23% to 25%
Non-operating income	Approximately $15 million
Shares Used for Diluted EPS	Approximately 311 million shares
Diluted EPS ($)	
1Q08 Diluted EPS from Continuing Operations	$0.38 to $0.42
1Q08 Diluted EPS from Discontinued CPU Voltage Regulation and PC Thermal Monitoring Operations	Approximately Breakeven
Dividend per Share	$0.18

(a)Beginning in 1Q08, ADI will account for the CPU voltage regulation and PC thermal monitoring business as discontinued operations.

The estimated gain on the sale of certain baseband chipset business as well as certain cellular handset baseband support operations and the estimated gain on the sale of our CPU voltage regulation and PC thermal monitoring business are not reflected in the estimates above, but are expected to result in the following gains in our first quarter of fiscal 2008 results:

Gain on the sale of certain baseband chipset business as well as certain cellular handset baseband support operations	Approximately $280 to $290 million (pre-tax)
	Approximately $150 to $160 million (after-tax)
	Approximately $0.48 -

	$0.51 Diluted EPS
Gain on the sale of our CPU voltage regulation and PC thermal monitoring business	Approximately $85 to $92 million (pre-tax) Approximately $52 to $60 million (after tax) Approximately $0.16 - $0.18 Diluted EPS

- --

Our first quarter of fiscal year 2008 results are expected to include the following amounts of stock-based compensation and acquisition related expenses in our continuing operations:

Stock-Based Compensation Expense	$14.2 million
Acquisition-Related Expense	$2.0 million

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