

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 23, 2004

Analog Devices, Inc.

(Exact name of registrant as specified in its charter)

Massachusetts

1-7819

04-2348234

(State or other juris-
diction 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 (see General Instruction A.2. below):

- 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 23, 2004, Analog Devices, Inc. announced its financial results for the quarter ended October 30, 2004. The full text of the press release issued in connection with the announcement is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this Form 8-K and the exhibit attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits

(c) The following are filed as exhibits to this report:

99.1 Press release dated November 23, 2004

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 23, 2004

ANALOG DEVICES, INC.

By: /s/ Joseph E. McDonough

Joseph E. McDonough
Vice President-Finance and Chief
Financial Officer
(Principal Financial and Accounting
Officer)

Analog Devices Reports Results for the Fourth
Quarter and Fiscal Year 2004

NORWOOD, Mass.--(BUSINESS WIRE)--Nov. 23, 2004--Analog Devices, Inc. (NYSE: ADI), a global leader in high-performance semiconductors for signal processing applications, today announced revenue of \$632 million for the fourth quarter of fiscal 2004, which ended October 30, 2004. Revenue increased 13% compared to the same quarter one year ago and decreased 12% compared to the immediately prior quarter.

Diluted earnings per share (EPS) under generally accepted accounting principles (GAAP) was \$0.34 for the fourth quarter, up from \$0.23 for the same period one year ago and down from \$0.43 for the third quarter of fiscal 2004.

ADI also announced that the company's Board of Directors declared a cash dividend of \$0.06 per outstanding share of common stock, payable on December 22, 2004 to all stockholders of record at the close of business on December 3, 2004.

Revenue for the fiscal year 2004 was \$2.63 billion, up 29% year-over-year. Fiscal 2004 diluted EPS increased to \$1.45, up from the fiscal 2003 diluted EPS of \$0.78.

"Fiscal year 2004 turned out to be a record sales year for ADI, despite the fourth quarter's sequential revenue decline," said Mr. Jerald G. Fishman, President and CEO. "Annual revenue increased 29% compared to fiscal 2003. For the past two-year period, our revenue growth averaged approximately 25% per year."

Gross margins for the fourth quarter were 59.5%, up 370 basis points from the same quarter last year and down 50 basis points from the immediately prior quarter. For fiscal year 2004, gross margins increased to 59%, up from 54.9% for fiscal year 2003.

Mr. Fishman continued, "Operating expenses for the fourth quarter declined 2% sequentially and were up 9% compared to the same period last year. Operating expenses for the fiscal year 2004 rose by 14% compared to fiscal 2003, less than half the growth rate of revenue over the same period.

"Operating profits for the fourth quarter totaled \$158 million or 25% of sales. For the fiscal year 2004, operating profit grew by 87%, three times the revenue growth rate for the same period."

During fiscal year 2004, net cash from operations was \$778 million, or 29.5% of sales, an increase of \$345 million from the \$433 million recorded in the prior year. The company repurchased approximately 3.9 million shares of common stock for approximately \$137 million. Additions to property, plant, and equipment were \$146 million and the company paid dividends of \$75 million in fiscal 2004. Cash, cash equivalents, and short-term investments increased \$568 million during fiscal 2004 to \$2,685 million on October 30, 2004.

In the fourth quarter, inventory rose sequentially by approximately \$20 million, resulting in days cost of sales in inventory increasing to 123 days as compared to 104 days in the immediately prior quarter. Regarding the change in inventory, Mr. Fishman commented, "Although above ADI's goal of 100 to 110 days, these inventory levels remain within typical fluctuations given the current business volatility.

"Accounts receivable balances remained under good control. Days sales in accounts receivable at 48 days for the fourth quarter was up from 45 days in the immediately prior quarter but flat compared to the same period one year ago."

Turning to the end markets, Mr. Fishman explained, "The wireless communications and automatic test equipment (ATE) end markets were weakest during the fourth quarter, declining by \$62 million in aggregate compared to the third quarter. However, for the fiscal year 2004, revenue from each of these end markets was up significantly.

"Revenue from our broad base of industrial customers, representing many diverse end markets, grew by approximately 32% year-over-year and totaled approximately 36% of sales in fiscal year 2004. The breadth and performance of our product portfolio and our leading brand continue to differentiate ADI from our competition. In 2004, we further strengthened our position with the introduction of a multitude of converter, amplifier, power management, MEMS, and DSP products for a wide range of applications across the industrial markets.

"For the fiscal year 2004, revenue from products sold to communications customers grew approximately 30% year-over-year and represented approximately 37% of sales. We experienced strong growth from a variety of communications applications, including cellular base stations, wireless handsets, and many types of networking equipment.

"Consumer electronics products are increasingly integrating high-performance audio, video, and imaging technology from ADI and, in fiscal year 2004, revenue from consumer customers increased approximately 34% year-over-year. Consumer applications represented approximately 13% of sales for the year.

"For the fiscal year 2004, revenue from computer customers grew approximately 14% year-over-year and represented approximately 14% of sales. We have continued to diversify our power management products toward notebook and other portable systems and our CPU temperature monitoring technology is increasingly important in PC motherboard design.

"On a geographic basis, approximately one third of the fourth quarter revenue decline was attributed to China, one third to Japan, and one third throughout the rest of the world.

"For the fiscal year 2004, revenue increased in all regions. Comparing fiscal year 2004 to fiscal year 2003, revenue from North America increased approximately 24%, Europe increased approximately 20%, Japan increased approximately 36%, China increased approximately 73%, and the rest of Asia increased approximately 16%," said Mr. Fishman.

In the fourth quarter, analog product revenue grew 14% compared to the same period one year ago, and declined 13% from the immediately prior quarter. DSP product revenue for the fourth quarter grew 10% compared to the same period one year ago, and declined 9% from the immediately prior quarter. For the fiscal year 2004, revenue from analog products grew 31% year-over-year and represented approximately 79% of sales while DSP product revenue grew 21% year-over-year and totaled approximately 21% of sales.

Regarding the near-term outlook, Mr. Fishman said, "As we outlined in our October 21, 2004 release, there remain many mixed-signals surrounding the outlook for the first quarter of fiscal year 2005. Order volatility has abated, cancellations have returned to more normal levels, and customers tell us their end demand continues to grow. However, in the short term, ADI is shipping below end market consumption as customers continue to reduce their inventory. As a result, our backlog entering first quarter is low, and we will be dependent on high turns orders during a quarter with fewer business days due to the holiday season. Therefore, we remain cautious regarding ADI's guidance for the first quarter of fiscal 2005.

"We are currently planning for first quarter fiscal 2005 revenue to be approximately \$575 million to \$600 million, gross margins to remain strong at 58% to 59%, and operating expenses to decline sequentially 3% to 4%. Based on these assumptions, we expect diluted EPS to be approximately \$0.28 to \$0.31.

"Aggregating a number of factors, we expect ADI revenue growth to resume in the second quarter of fiscal year 2005." Mr. Fishman went on to explain, "Most importantly, much of the inventory build-up that has caused recent volatility is likely to be absorbed by the end of the first quarter. This should result in order rates and sales patterns in the second quarter that are more in-line with actual consumption of our products.

"We also believe that the first quarter will represent the cyclical low of shipments to ATE customers.

"Our market share in China, while currently a drag to revenue, should be a positive factor for the second quarter and beyond as government economic restrictions dissipate and growth returns to above average levels. In China, our revenue grew approximately 75% per year for the last two years and represented approximately 14% of sales for fiscal year 2004.

"In addition, order rates from end customers to our distributors were well ahead of distributor order rates on ADI during the fourth quarter, indicating distribution order rates are also below end consumption rates of our products.

"Lastly, our second quarter is typically a stronger seasonal quarter for ADI as we benefit from our broad base of customers serving the industrial end markets."

Regarding the long-term outlook Mr. Fishman commented, "We remain optimistic that 2005 will be another good year for ADI. The breadth of applications we serve continues to expand and the content we deliver per application continues to increase. We begin fiscal 2005 with a strong product portfolio across an ever widening range of applications from digital cameras, advanced digital televisions, and wireless communications, to automobiles, Internet set-top boxes, medical imaging, and security monitoring systems. Our high-performance analog, DSP, and MEMS core technology is well-positioned to capture these and many more opportunities for continued growth in our future."

Mr. Fishman will discuss the fourth quarter's results and the near-term outlook via webcast, accessible from www.analog.com, today beginning at 4:30 pm EST. 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 800-645-9291 (replay only) and providing the conference ID: 1690028 or by visiting the Investor Relations page on ADI's web site.

Analog Devices, Inc. is a leading manufacturer of high-performance

integrated circuits used in analog and digital signal processing applications. ADI is headquartered in Norwood, Massachusetts, and employs approximately 8,900 people worldwide. It has manufacturing facilities in Massachusetts, California, North Carolina, Ireland, and the Philippines. Analog Devices' common stock is listed on the New York Stock Exchange and ADI is included in the S&P 500 Index.

Safe harbor statement under the Private Securities Litigation Reform Act of 1995: This press release contains forward-looking statements, including our statements regarding planned revenue, earnings, and operating margins, that are based on our current expectations, beliefs, assumptions, estimates, forecasts, and projections about the industry and markets in which Analog Devices operates. The statements contained in this release are not guarantees of future performance and involve certain risks, uncertainties, and assumptions that are difficult to predict. 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. Important factors that may affect future operating results include the effects of adverse changes in overall economic conditions, currency exchange rate fluctuations, the timing and duration of market upturns and downturns, the growth or contraction of the markets we serve, demand for semiconductors generally and for our products in particular, the risk that our backlog could decline significantly, our ability to hire engineers and other qualified employees needed to meet the expected demands of our customers, reversals or slowdowns in the markets or customers served by our products, the adverse effects of building inventories to meet planned growth that fails to materialize, the occurrence and frequency of inventory and lead-time reduction cycles, raw material availability, availability of both internal and external manufacturing capacity, technological and product development risks, competitors' actions and technological innovations, and other risk factors described in our Quarterly Report on Form 10-Q for the fiscal quarter ended July 31, 2004, as filed with the Securities and Exchange Commission.

Analog Devices Supplemental Information, Fourth Quarter, Fiscal 2004

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

	4Q 04	3Q 04	4Q 03
Three Months Ended	October 30, 2004	July 31, 2004	Nov 1, 2003
Net Sales	\$632,124	\$717,793	\$557,517
Y/Y Growth	13%	38%	22%
Q/Q Growth	-12%	6%	7%
Cost of Sales	255,832	287,271	246,605
Gross Margin	376,292	430,522	310,912
Percent of Sales	59.5%	60.0%	55.8%
Operating Expenses:			
R&D	129,592	131,328	112,418
Selling, Marketing and G&A	86,354	89,162	75,007
Acquisition-related expenses	2,206	2,208	2,664
Restructuring Costs	-	-	9,193
Operating Income	158,140	207,824	111,630
Percent of Sales	25.0%	29.0%	20.0%
Other (Income) Expense	(13,077)	(8,907)	(649)
Income Before Tax	171,217	216,731	112,279
Provision for Taxes	38,951	47,681	24,252
Tax Rate	23%	22%	22%
Net Income	\$132,266	\$169,050	\$88,027
Percent of Sales	21%	24%	16%
Shares used for EPS - Basic	376,064	377,144	\$368,511
Shares used for EPS - Diluted	389,257	394,203	387,381
Earnings per Share - Basic	\$0.35	\$0.45	\$0.24
Earnings per Share - Diluted	\$0.34	\$0.43	\$0.23

Dividends declared per share	\$0.06	\$0.06	\$-

Twelve Months Ended	October 30, 2004	November 1, 2003	

Net Sales	\$2,633,800	\$2,047,268	
Y/Y Growth	29%	20%	
Cost of Sales	1,079,999	923,160	
Gross Margin	1,553,801	1,124,108	
Percent of Sales	59.0%	54.9%	

Operating Expenses:			
R&D	505,431	442,025	
Selling, Marketing and G&A	340,036	288,009	
Acquisition-related expenses	9,011	10,831	
Restructuring Costs	-	9,534	

Operating Income	699,323	373,709	
Percent of Sales	26.6%	18.3%	

Other (Income) Expense	(33,413)	(8,127)	

Income Before Tax	732,736	381,836	
Provision for Taxes	161,998	83,555	
Tax Rate	22%	22%	

Net Income	\$570,738	\$298,281	
Percent of Sales	22%	15%	

Shares used for EPS - Basic	375,031	365,485	
Shares used for EPS - Diluted	392,854	382,227	

Earnings per Share - Basic	\$1.52	\$0.82	
Earnings per Share - Diluted	\$1.45	\$0.78	

Dividends declared per share	\$0.20	\$ -	

Analog Devices Supplemental Information, Fourth Quarter, Fiscal 2004

Selected Balance Sheet Information
(In thousands of dollars)

	4Q 04	3Q 04	4Q 03
	October 30, 2004	July 31, 2004	November 1, 2003

Cash & Short-term Investments	\$2,684,970	\$2,688,506	\$2,116,743
Accounts Receivable, Net	329,499	354,897	294,781
Inventories	345,903	326,301	287,502
Other Current Assets	168,239	168,833	186,690

Total Current Assets	3,528,611	3,538,537	2,885,716
PP&E, Net	667,779	667,028	671,140
Investments	322,405	313,608	341,573
Intangible Assets	169,382	170,041	172,019
Other	31,906	23,033	22,429

Total Assets	\$4,720,083	\$4,712,247	\$4,092,877

Deferred income-shipments to distributors	\$157,951	\$166,356	\$121,345
Other Current Liabilities	409,051	415,555	342,132
Non-Current Liabilities	353,509	349,952	341,326
Stockholders' Equity	3,799,572	3,780,384	3,288,074

Total Liabilities & Equity	\$4,720,083	\$4,712,247	\$4,092,877

Capital Expenditures, Depreciation & Amortization
(In thousands of dollars)

Three Months Ended	4Q 04 October 30, 2004	3Q 04 July 31, 2004	4Q 03 Nov 1, 2003

Capital Expenditures	\$38,296	\$37,523	\$18,358
Depreciation	\$37,757	\$37,326	\$39,320
Amortization of Intangibles	\$677	\$680	\$660

Twelve Months Ended	October 30, 2004	November 1, 2003	

Capital Expenditures	\$146,245	\$67,735	
Depreciation	\$149,920	\$165,659	
Amortization of Intangibles	\$2,710	\$2,624	

CONTACT: Analog Devices
 Maria Tagliaferro, 781-461-3282
 Director of Corporate Communications
 investor.relations@analog.com