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LINEAR TECHNOLOGY REPORTS SEQUENTIALLY IMPROVING QUARTERLY SALES AND STRONG PROFITS AND INCREASES ITS CASH DIVIDEND TO \$0.05 PER SHARE.

Milpitas, California, April 16, 2002, Linear Technology Corporation (NASDAQ-LLTC), a leading, independent manufacturer of high performance linear integrated circuits, today announced that net sales for its third quarter ended March 31, 2002, were \$130,155,000, a decrease of 54% from net sales of \$282,021,000 for the similar quarter of the previous year. The Company also reported net income for the quarter of \$51,480,000 or \$0.16 diluted earnings per share, a decrease of 59% from \$125,703,000 or \$0.38 diluted earnings per share reported for the same quarter of last year.

The Company is increasing its quarterly dividend from \$0.04 to \$0.05 per share. The payment will be on May 15, 2002 to stockholders of record on April 26, 2002. During the quarter the Company generated approximately \$17 million in additional cash and short-term investments, net of spending approximately \$37 million to purchase 1,000,000 shares of its common stock.

According to Robert H. Swanson, Chairman of the Board and CEO, "For the first time in several quarters all of the critical financial trends showed healthy improvement. Sales and profits grew sequentially 7% and 12% respectively over the previous quarter. Bookings, which exceeded sales, grew in all major geographical and major end markets. Even at these reduced sales levels from last year, we continue to be strongly profitable with a 40% after tax return on sales. In January we discontinued production in our oldest wafer fabrication plant. The associated costs had been previously provided for in past financial statements, and therefore, no special one-time charges were required.

Looking forward, we have seen a broad based increase in our bookings activity throughout the quarter. However, our backlog, while improving, is still low, and global economic and political conditions continue to be tenuous. Therefore, confidently and accurately forecasting future financial results remains difficult. However, based on analysis of the data available to us, we believe excess inventory of our product at customers continues to be worked off and we expect bookings to continue to improve. Consequently, we forecast sales and profits to grow sequentially in the 8% to 10% range from the quarter just completed.”

Company officials will be discussing these results in greater detail in a conference call tomorrow, Wednesday, April 17, 2002 at 8:30 a.m. Pacific Coast Time. Those investors wishing to listen in may call (913) 981-5571 before 8:15 a.m. to be included in the audience. There will be a live webcast of this conference call that can be accessed through www.linear.com or www.streetevents.com. A replay of the conference call will be available April 17 through April 24, 2002. You may access this post view by calling (719) 457-0820 and entering reservation #547896. An archive of the webcast will also be available at www.linear.com and www.streetevents.com as of April 17, 2002 until the next earnings release on July 23, 2002.

Except for historical information contained herein, the matters set forth in this news release are forward-looking statements that are dependent on certain risks and uncertainties including such factors, among others, as new orders received and shipped during the quarter, timely ramp-up of new facilities, and the timely introduction of new processes and products.

Linear Technology Corporation was founded in 1981 as a manufacturer of high performance linear integrated circuits. Linear Technology products include operational, instrumentation and audio amplifiers; voltage regulators, power management devices, DC-DC converters and voltage references; comparators; monolithic filters; communications interface circuits; one-chip data acquisition sub-systems; pulse-width modulators and sample-and-hold devices; and high frequency devices. Applications for Linear Technology’s high performance

circuits include wireless and broadband telecommunications infrastructure, cellular telephones, networking products and satellite systems, notebook and desk top computers, computer peripherals, video/multimedia, industrial and medical instrumentation, automotive electronics, factory automation, process control, military and space systems, and high-end consumer products including digital cameras, MP3 players and other electronic products.

For further information contact Paul Coghlan at Linear Technology Corporation, 1630 McCarthy Blvd., Milpitas, California 95035-7417, (408) 432-1900.

LINEAR TECHNOLOGY CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share amounts)
(unaudited)

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>March 31, 2002</u>	<u>April 1, 2001</u>	<u>March 31, 2002</u>	<u>April 1, 2001</u>
Net sales	\$130,155	\$282,021	\$371,525	\$772,612
Cost of sales	<u>34,518</u>	<u>65,192</u>	<u>107,898</u>	<u>181,814</u>
Gross profit	<u>95,637</u>	<u>216,829</u>	<u>263,627</u>	<u>590,798</u>
Expenses:				
Research & development	20,127	28,532	58,318	78,766
Selling, general and administrative	<u>15,565</u>	<u>25,460</u>	<u>45,870</u>	<u>70,382</u>
	<u>35,692</u>	<u>53,992</u>	<u>104,188</u>	<u>149,148</u>
Operating income	59,945	162,837	159,439	441,650
Interest income	<u>12,562</u>	<u>16,738</u>	<u>41,399</u>	<u>47,834</u>
Income before income taxes	72,507	179,575	200,838	489,484
Provision for income taxes	<u>21,027</u>	<u>53,872</u>	<u>58,243</u>	<u>146,845</u>
Net income	<u>\$ 51,480</u>	<u>\$125,703</u>	<u>\$142,595</u>	<u>\$342,639</u>
Basic earnings per share	<u>\$ 0.16</u>	<u>\$ 0.40</u>	<u>\$ 0.45</u>	<u>\$ 1.08</u>
Shares used in the calculation of basic earnings per share	<u>317,136</u>	<u>317,098</u>	<u>317,359</u>	<u>316,453</u>
Diluted earnings per share	<u>\$ 0.16</u>	<u>\$ 0.38</u>	<u>\$ 0.43</u>	<u>\$ 1.03</u>
Shares used in the calculation of diluted earnings per share	<u>328,526</u>	<u>331,801</u>	<u>329,026</u>	<u>332,689</u>

LINEAR TECHNOLOGY CORPORATION
CONSOLIDATED CONDENSED BALANCE SHEETS
(Dollars in thousands)

	<u>March 31,</u> 2002 <u>(unaudited)</u>	<u>July 1,</u> 2001 <u>(audited)</u>		<u>March 31,</u> 2002 <u>(unaudited)</u>	<u>July 1,</u> 2001 <u>(audited)</u>
ASSETS			LIABILITIES & STOCKHOLDERS' EQUITY		
Current assets:			Current liabilities:		
Cash, cash equivalents and short-term investments	\$1,539,606	\$1,549,002	Accounts payable	\$ 6,917	\$ 10,615
Accounts receivable, net of allowance for doubtful accounts of \$1,303 (\$803 at July 1, 2001)	81,441	89,836	Accrued income taxes, payroll & other accrued liabilities	112,394	147,128
Inventories	27,342	25,592	Deferred income on shipments to distributors	<u>46,673</u>	<u>44,481</u>
Deferred tax assets and other current assets	<u>67,606</u>	<u>63,418</u>	Total current liabilities	<u>165,984</u>	<u>202,224</u>
Total current assets	<u>1,715,995</u>	<u>1,727,848</u>	Deferred tax liabilities	31,392	32,893
Property, plant & equipment, net	<u>270,448</u>	<u>289,226</u>	Stockholders' equity:		
	<u>\$1,986,443</u>	<u>\$2,017,074</u>	Common stock	657,181	608,202
			Retained earnings	<u>1,131,886</u>	<u>1,173,755</u>
			Total stockholders' equity	<u>1,789,067</u>	<u>1,781,957</u>
				<u>\$1,986,443</u>	<u>\$2,017,074</u>