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LINEAR TECHNOLOGY REPORTS SIGNIFICANTLY INCREASED SALES AND PROFITS OVER BOTH THE PRIOR YEAR AND THE PRIOR QUARTER

Milpitas, California, April 13, 2004, 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 28, 2004, were \$209,133,000, an increase of 36% over net sales of \$153,750,000 for the third quarter of the previous year. The Company also reported net income for the quarter of \$85,549,000 or \$0.27 diluted earnings per share, an increase of 41% from \$60,622,000 or \$0.19 diluted earnings per share reported for the third quarter of last year. During the quarter the Company's cash and short-term investments decreased by \$38.4 million, net of spending \$121.2 million to purchase 2,950,000 shares of its common stock. A cash dividend of \$0.08 per share will be paid on May 12, 2004 to stockholders of record on April 23, 2004.

According to Robert H. Swanson, Chairman of the Board and CEO, "This was a another strong quarter for us. Sales grew 12% and profits 15% sequentially over the December quarter. Demand for our products has continued to be robust, increasing in each major end-market, led by industrial and communications, and increasing also in every major geographical area. Our return on sales was 41%. We generated approximately \$83 million in cash and short-term investments, before purchasing the shares of our stock referred to above. In each of the last three quarters we have accelerated our year over year sales and profit growth. Looking forward, we are experiencing very broad based strength in our market place and, should these current trends continue, we expect to grow sales by roughly a similar percentage in the June quarter to the quarter just completed."

Except for historical information contained herein, the matters set forth in this press release are forward-looking statements. In particular, the statements regarding the demand for our products,

our customers' ordering patterns and the anticipated growth of our sales and profits are forward-looking statements. The forward-looking statements are dependent on certain risks and uncertainties, including such factors, among others, as the timing, volume and pricing of new orders received and shipped, the timely introduction of new processes and products, general conditions in the world economy and financial markets and other factors described in our 10-K for the fiscal year ended June 29, 2003.

Company officials will be discussing these results in greater detail in a conference call tomorrow, Wednesday, April 14, 2004 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 from April 14 through April 20, 2004. You may access this post view by calling (719) 457-0820 and entering reservation #743820. An archive of the webcast will also be available at www.linear.com and www.streetevents.com as of April 14, 2004 until the third quarter earnings release next year.

Linear Technology Corporation was founded in 1981 as a manufacturer of high performance linear integrated circuits. Linear Technology products include high performance amplifiers, comparators, voltage references, monolithic filters, linear regulators, DC-DC converters, battery chargers, data converters, communications interface circuits, RF signal conditioning circuits, and many other analog functions. Applications for Linear Technology's high performance circuits include telecommunications, cellular telephones, networking products such as optical switches, notebook and desktop computers, computer peripherals, video/multimedia, industrial instrumentation, security monitoring devices, high-end consumer products such as digital cameras and MP3 players, complex medical devices, automotive electronics, factory automation, process control, and military and space systems.

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

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	March 28, 2004	March 30, 2003	March 28, 2004	March 30, 2003
Net sales	\$209,133	\$153,750	\$569,231	\$440,806
Cost of sales	<u>47,596</u>	<u>39,390</u>	<u>132,782</u>	<u>114,611</u>
Gross profit	<u>161,537</u>	<u>114,360</u>	<u>436,449</u>	<u>326,195</u>
Expenses:				
Research & development	26,633	22,609	75,960	67,014
Selling, general and administrative	<u>20,553</u>	<u>15,916</u>	<u>57,364</u>	<u>49,345</u>
	<u>47,186</u>	<u>38,525</u>	<u>133,324</u>	<u>116,359</u>
Operating income	114,351	75,835	303,125	209,836
Interest income, net	<u>6,140</u>	<u>9,548</u>	<u>19,909</u>	<u>30,427</u>
Income before income taxes	120,491	85,383	323,034	240,263
Provision for income taxes	<u>34,942</u>	<u>24,761</u>	<u>93,679</u>	<u>69,676</u>
Net income	<u>\$ 85,549</u>	<u>\$ 60,622</u>	<u>\$229,355</u>	<u>\$170,587</u>
Basic earnings per share	<u>\$ 0.27</u>	<u>\$ 0.19</u>	<u>\$ 0.73</u>	<u>\$ 0.54</u>
Shares used in the calculation of basic earnings per share	<u>311,993</u>	<u>312,782</u>	<u>312,924</u>	<u>313,184</u>
Diluted earnings per share	<u>\$ 0.27</u>	<u>\$ 0.19</u>	<u>\$ 0.71</u>	<u>\$ 0.53</u>
Shares used in the calculation of diluted earnings per share	<u>321,507</u>	<u>320,842</u>	<u>322,614</u>	<u>321,217</u>

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

	March 28, 2004 <u>(unaudited)</u>	June 29, 2003 <u>(audited)</u>		March 28, 2004 <u>(unaudited)</u>	June 29, 2003 <u>(audited)</u>
ASSETS			LIABILITIES & STOCKHOLDERS' EQUITY		
Current assets:			Current liabilities:		
Cash, cash equivalents and short-term investments	\$1,648,387	\$1,593,567	Accounts payable	\$ 8,933	\$ 7,480
			Accrued income taxes, payroll & other accrued liabilities	122,541	109,871
Accounts receivable, net of allowance for doubtful accounts of \$1,762 (\$1,762 at June 29, 2003)	98,419	80,094	Deferred income on shipments to distributors	<u>46,178</u>	<u>44,678</u>
Inventories	33,056	32,094	Total current liabilities	<u>177,652</u>	<u>162,029</u>
Deferred tax assets and other current assets	<u>67,380</u>	<u>70,245</u>	Deferred tax and other long-term liabilities	77,202	79,921
Total current assets	<u>1,847,242</u>	<u>1,776,000</u>	Stockholders' equity:		
Property, plant & equipment, net	199,019	223,444	Common stock	801,552	740,397
Other non current assets	<u>55,067</u>	<u>57,435</u>	Retained earnings	1,041,847	1,067,582
Total assets	<u>\$2,101,328</u>	<u>\$2,056,879</u>	Accumulated other comprehensive income	<u>3,075</u>	<u>6,950</u>
			Total stockholders' equity	<u>1,846,474</u>	<u>1,814,929</u>
				<u>\$2,101,328</u>	<u>\$2,056,879</u>