SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 26, 2004

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number 0-14864

LINEAR TECHNOLOGY CORPORATION

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE	**94-2778785**
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(I.R.S. EMPLOYER IDENTIFICATION NO.)

1630 McCarthy Boulevard
Milpitas, California 95035
(408) 432-1900
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES, INCLUDING ZIP CODE AND TELEPHONE NUMBER)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Yes ☒ No ☐

There were 307,042,498 shares of the Registrant's Common Stock issued and outstanding as of October 24, 2004.

LINEAR TECHNOLOGY CORPORATION
FORM 10-Q
THREE MONTHS ENDED SEPTEMBER 26, 2004

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

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

	Three Months Ended	
	September 26, 2004	September 28, 2003
Net sales	$ 253,028	$ 174,077
Cost of sales	54,839	41,409
Gross profit	198,189	132,668
Expenses:		
Research and development	30,634	24,335
Selling, general and administrative	23,058	17,571
	53,692	41,906
Operating income	144,497	90,762
Interest income, net	5,468	7,085
Income before income taxes	149,965	97,847
Provision for income taxes	46,489	28,376
Net income	$ 103,476	$ 69,471
Basic earnings per share	$ 0.34	$ 0.22
Shares used in the calculation of basic earnings per share	308,201	313,409
Diluted earnings per share	$ 0.33	$ 0.22
Shares used in the calculation of diluted earnings per share	316,918	322,894
Cash dividends per share	$ 0.08	$ 0.06

See accompanying notes

LINEAR TECHNOLOGY CORPORATION
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share amounts)

	September 26, 2004 (unaudited)	June 27, 2004 (audited)
Assets		
Current assets:		
Cash and cash equivalents	$ 281,994	$ 203,542
Short-term investments	1,422,663	1,452,998
Accounts receivable, net of allowance for doubtful accounts of $1,762 ($1,762 at June 27, 2004)	91,629	79,142
Inventories:		
Raw materials	3,641	3,353
Work-in-process	20,944	22,217
Finished goods	6,833	7,134
Total inventories	31,418	32,704
Deferred tax assets	44,912	44,912
Prepaid expenses and other current assets	19,022	18,797
Total current assets	1,891,638	1,832,095
Property, plant and equipment, at cost:		
Land, buildings and improvements	144,461	143,077
Manufacturing and test equipment	352,036	338,208
Office furniture and equipment	3,399	3,399
	499,896	484,684
Accumulated depreciation and amortization	(293,501)	(283,604)
Net property, plant and equipment	206,395	201,080
Other non current assets	53,113	54,528
Total assets	$ 2,151,146	$ 2,087,703
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 15,161	$ 14,410
Accrued payroll and related benefits	41,449	54,339
Deferred income on shipments to distributors	43,835	41,862
Income taxes payable	98,789	71,985
Other accrued liabilities	20,678	20,018
Total current liabilities	219,912	202,614
Deferred tax and other long-term liabilities	74,430	74,484
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.001 par value, 2,000 shares authorized; none issued or outstanding	--	--
Common stock, $0.001 par value, 2,000,000 shares authorized; 307,902 shares issued and outstanding at September 26, 2004 (308,548 shares at June 27, 2004)	308	309
Additional paid-in capital	831,982	815,163
Accumulated other comprehensive income, net of tax	(922)	(2,460)
Retained earnings	1,025,436	997,593
Total stockholders' equity	1,856,804	1,810,605
Total liabilities and stockholders' equity	$ 2,151,146	$ 2,087,703

See accompanying notes

LINEAR TECHNOLOGY CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(unaudited)

	Three Months Ended	
	September 26, 2004	September 28, 2003
Cash flow from operating activities:		
Net income	$ 103,476	$ 69,471
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	11,467	12,234
Tax benefit from stock option transactions	7,108	12,793
Stock-based compensation	3,249	--
Change in operating assets and liabilities:		
Decrease (increase) in accounts receivable	(12,487)	(15,615)
Decrease (increase) in inventories	1,286	(812)
Decrease (increase) in prepaid expenses and other current assets and deferred tax assets	(225)	403
Increase (decrease) in accounts payable, accrued payroll and other accrued liabilities	(12,494)	(11,466)
Increase (decrease) in deferred income on shipments to distributors	1,973	1,520
Increase (decrease) in income taxes payable	26,803	7,979
Cash provided by operating activities	130,156	76,507
Cash flow from investing activities:		
Purchase of short-term investments	(278,233)	(282,207)
Proceeds from sales and maturities of short-term investments	311,068	215,155
Purchase of property, plant and equipment	(15,367)	(1,172)
Cash provided by (used in) investing activities	17,468	(68,224)
Cash flow from financing activities:		
Issuance of common shares under employee stock plans	10,425	21,954
Purchase of common stock	(54,614)	(1,758)
Payment of cash dividends	(24,983)	(18,781)
Cash provided by (used in) financing activities	(69,172)	1,415
Increase (decrease) in cash and cash equivalents	78,452	9,698
Cash and cash equivalents, beginning of period	203,542	136,276
Cash and cash equivalents, end of period	$ 281,994	$ 145,974

See accompanying notes

LINEAR TECHNOLOGY CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Interim financial statements and information are unaudited; however, in the opinion of management all adjustments necessary for a fair and accurate presentation of the interim results have been made. All such adjustments were of a normal recurring nature. The results for the three months ended September 26, 2004 are not necessarily an indication of results to be expected for the entire fiscal year. All information reported in this Form 10-Q should be read in conjunction with the Company's annual consolidated financial statements for the fiscal year ended June 27, 2004 included in the Company's Annual Report on Form 10-K. The accompanying balance sheet at June 27, 2004 has been derived from audited financial statements as of that date. Because the Company is viewed as a single operating segment for management purposes, no segment information has been disclosed.

2. The Company operates on a 52/53-week year, ending on the Sunday nearest June 30. Fiscal year 2004 is a 53-week year, fiscal 2003 was a 52-week year.

3. Basic earnings per share is calculated using the weighted average shares of common stock outstanding during the period. Diluted earnings per share is calculated using the weighted average shares of common stock outstanding, plus the dilutive effect of stock options calculated using the treasury stock method. The following table sets forth the reconciliation of weighted average common shares outstanding used in the computation of basic and diluted earnings per share:

	Three Months Ended	
	September 26, 2004	September 28, 2003
Numerator - Net income	$ 103,476	$ 69,471
Denominator for basic earnings per share – weighted average shares	308,201	313,409
Effect of dilutive securities – employee stock options	8,717	9,485
Denominator for diluted earnings per share	316,918	322,894
Basic earnings per share	$ 0.34	$ 0.22
Diluted earnings per share	$ 0.33	$ 0.22

4. Stock-Based Compensation

As permitted by SFAS 148 and SFAS 123, the Company continues to apply the accounting provisions of APB 25, and related interpretations, with regard to the measurement of compensation cost for options granted under the Company's equity compensation plans. Compensation expense is recorded if on the date of grant the current fair value per share of the underlying stock exceeds the exercise price per share.

During the first quarter of fiscal 2005, the Company issued restricted stock to certain officers and employees who have been with the Company at least three years to encourage employee retention. Under this program, the Company issued 1,578,440 restricted shares with an exercise price of $0.001 per share and a grant date fair value of $37.05 per share. The right to sell the shares vests annually at the rate of 1/3 per year based upon continued employment; upon employee termination the Company has the right to buy back unvested shares at the exercise price. Pursuant to APB 25, the Company records compensation expense for the difference between the grant date fair value and the exercise price on a straight-line basis over the vesting period.

Had expense been recognized for stock options granted with a grant price equal to the current fair market value of the stock at the date of grant using the fair value method described in SFAS 123, using the Black-Scholes option-pricing model, the Company would have reported the following results of operations:

	Three Months Ended	
	September 26, 2004	September 28, 2003
Net income as reported	$ 103,476	$ 69,471
Add: Stock based employee compensation expense included in reported net income, net of related tax effects	2,242	--
Deduct: total stock-based compensation expense determined under the fair value method, net of tax	(19,950)	(18,527)
Pro forma net income	$ 85,768	$ 50,944
Earning per share:		
Basic-as reported	$ 0.34	$ 0.22
Basic-pro forma	$ 0.28	$ 0.16
Diluted-as reported	$ 0.33	$ 0.22
Diluted-pro forma	$ 0.27	$ 0.16

5. Accumulated Other Comprehensive Income

Accumulated other comprehensive income consists of unrealized gains and losses on available-for-sale securities. The Company, in practice, primarily holds its cash and short-term investments until maturity. The components of comprehensive income were as follows:

	Three Months Ended	
	September 26, 2004	September 28, 2003
Net income	$ 103,476	$ 69,471
Increase (decrease) in unrealized gains and losses on available-for-sale securities	1,538	(1,969)
Total comprehensive income	$ 105,014	$ 67,502

6. Product Warranty and Indemnification

The Company's warranty policy provides for the replacement of defective parts. In certain large contracts, the Company has agreed to negotiate in good faith a warranty expense in the event that an epidemic failure of its parts were to take place. To date there have been no such occurrences. Warranty expense historically has been negligible.

The Company provides a limited indemnification of customers against intellectual property infringement claims related to the Company's products. In certain cases, there are limits on and exceptions to the Company's potential liability for indemnification relating to intellectual property infringement claims. To date, the Company has not incurred any significant

indemnification expenses relating to intellectual property infringement claims. The Company cannot estimate the amount of potential future payments, if any, that the Company might be required to make as a result of these agreements, and accordingly, the Company has not accrued any amounts for its indemnification obligations.

7. Recent Accounting Pronouncements

In March 2004, the Financial Accounting Standards Board (FASB) approved the consensus reached on the Emerging Issues Task Force (EITF) Issue No. 03-1, "The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments." The objective of this Issue is to provide guidance for identifying impaired investments. EITF 03-1 also provides new disclosure requirements for investments that are deemed to be temporarily impaired. In October 2004, the FASB delayed the effective date of the accounting provisions of EITF 03-1. The disclosure requirements are effective for annual periods ending after June 15, 2004. The Company believes that the adoption of EITF 03-1 will not affect the overall results of operations or financial position of the Company.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Critical Accounting Policies

Management believes there have been no significant changes to the Company's critical accounting policies during the quarter ended September 26, 2004 as compared to the previous disclosures in Management's Discussion and Analysis of Financial Condition and Results of Operations included in the Annual Report on Form 10-K for the year ended June 27, 2004.

Results of Operations

The table below states the income statement items for the three months ended September 26, 2004 and September 28, 2003 as a percentage of net sales and provides the percentage change in absolute dollars of such items comparing the interim period ended September 26, 2004 to the corresponding period from the prior fiscal year:

	Three Months Ended		
	September 26, 2004	September 28, 2003	Increase/ (Decrease)
Net sales	100.0%	100.0%	45%
Cost of sales	21.7	23.8	32
Gross profit	78.3	76.2	49
Expenses:			
Research and development	12.1	14.0	25
Selling, general and administrative	9.1	10.1	31
	21.2	24.1	28
Operating income	57.1	52.1	59
Interest income, net	2.1	4.1	(23)
Income before income taxes	59.2%	56.2%	53
Effective tax rate	31.0%	29.0%	

Net sales for the quarter ended September 26, 2004 were $253.0 million, an increase of $78.9 million or 45% over net sales of $174.1 million for the same quarter of the previous fiscal year. The increase in net sales was primarily due to the Company selling more units into a wide variety of end-markets in response to improving overall demand. The average selling price for the first quarter of fiscal 2005 was relatively unchanged at $1.41 per unit as compared to $1.39 per unit in the first quarter of fiscal 2004. Geographically, international sales were $183.1 million or 72% of net sales, an increase of $56.5 million as compared to international sales of $126.6 million or 73% of net sales for the same period in fiscal 2004. Internationally, sales to Rest of the World (ROW), which is primarily Asia excluding Japan, represented $101.9 million or 40% of net sales, while sales to Europe and Japan were $44.7 million or 18% of net sales and $36.5 million or 14% of net sales, respectively. Domestic sales were $69.9 million or 28% of net sales in the first quarter of fiscal 2005 compared to $47.5 million or 27% of net sales in the same period in fiscal 2004.

Gross profit was $198.2 million for the first quarter of fiscal 2005, an increase of $65.5 million from the corresponding period of fiscal 2004. Gross profit as a percentage of net sales increased to 78.3% in the first quarter of fiscal 2005 as compared to 76.2% for the same period in the previous fiscal year. The increase in gross profit as a percentage of net sales was primarily due to the favorable effect of fixed costs allocated across higher net sales as well as an increase in factory efficiencies. In addition to the volume efficiencies discussed above, the Company had a reduction in fixed costs related to fully depreciated equipment at the Company's wafer fabrication facility located in Camas, Washington. Offsetting the above improvements to gross margin was a $4.5 million increase in employee profit sharing and compensation expense related to restricted stock grants.

Research and development ("R&D") expenses for the quarter ended September 26, 2004 were $30.6 million, an increase of $6.3 million or 25% over R&D expenses of $24.3 million for the same period in the previous fiscal year. The increase in R&D was primarily due to a $5.8 million increase in compensation costs. Compensation costs increased as the result of increases to the profit sharing accrual, stock based compensation, employee headcount and annual merit increases. Since the Company had better operating results, R&D profit sharing grew $2.6 million, compensation expense related to restricted stock grants totaled $1.4 million and compensation related to headcount and annual merit increases together totaled $1.8 million. In addition to compensation costs, the Company had a $0.5 million increase in other R&D related expenses such as mask set costs and supplies.

Selling, general and administrative expenses ("SG&A") for the quarter ended September 26, 2004 were $23.1 million, an increase of $5.5 million or 31% over SG&A expenses of $17.6 million for the same period in the previous fiscal year. The increase in SG&A was primarily due to a $4.7 million increase in compensation costs. Compensation costs grew as the result of increases to the profit sharing accrual, stock based compensation, employee headcount, annual merit increases and commissions. Since the Company had better operating results, SG&A profit sharing grew $2.0 million, compensation expense related to restricted stock grants totaled $1.3 million and compensation related to headcount, annual merit increases and commissions together totaled $1.4 million. In addition to compensation costs, the Company had a $0.8 million increase in expenses related to commissions for the Company's independent sales representatives and travel costs.

Interest income, net was $5.5 million for the first quarter of fiscal 2005, a decrease of $1.6 million from the corresponding period of fiscal 2004. Interest income, net declined by $1.9 million due to the decrease in the average interest rate earned on the Company's cash investment balance. Offsetting the decreases in interest income, net was the $0.3 million increase in interest income earned on the Company's higher average cash balance.

The Company's effective tax rate for the first quarter of fiscal 2005 was 31% as compared to 29% in the corresponding period of fiscal 2004. The tax rate increased 2% because the Company did not take an R&D credit since the legislation supporting this credit expired in June 2004. Next quarter the effective tax rate is expected to drop down to 30% due to the extension of the R&D credit signed into tax law during the second quarter of fiscal 2005. The tax rate is lower than the federal statutory rate primarily due to business activity in foreign jurisdictions with lower tax rates and tax-exempt interest income. The increase in the effective tax rate from 29% in the second quarter of fiscal 2004 to 30% expected in the second quarter of fiscal 2005 results primarily from the diminishing percentage that tax-exempt interest income is of total taxable income.

Factors Affecting Future Operating Results

Except for historical information contained herein, the matters set forth in this Form 10-Q, including the statements in the following paragraphs, are forward-looking statements that are dependent on certain risks and uncertainties including such factors, among others, as the timing, volume and pricing of new orders received and shipped during the quarter, the timely introduction of new processes and products, general conditions in the world economy and financial markets and other factors described below and in the Company's 10-K for the fiscal year ended June 27, 2004.

During the quarter ended September 26, 2004, the Company met its expectations by growing sales 6% sequentially over the June fiscal 2004 quarter. However, during the quarter orders softened moderately. End-demand appeared to ease as shipments from the Company's international and domestic distributors to their end customers decreased. It is difficult to conclude whether this trend reflects mostly tightening of inventory in these various channels combined with minor seasonal end-demand reductions, or whether end-demand will soften more substantially in the coming quarter. However, the Company's ending on-hand inventory at distributors is lean, cancellations are still minimal and lead times have remained unchanged at 4 to 6 weeks. Based upon these and other factors, the Company believes that the moderate decrease in orders is indicative of a tightening of inventory levels at customers rather than a substantial decrease in end-demand as experienced in fiscal 2002. Accordingly, although these are difficult times for the Company to forecast, the summation of the above factors have led the Company to forecast sequential revenues for the December quarter to range from slightly down to flat.

Fiscal 2005 has 53 weeks rather than the customary 52 weeks. The extra week will occur at the end of the December quarter, which will end on January 2, 2005. The impact on revenues will be negligible since the extra week occurs during a holiday week. The impact on expenses will be primarily concentrated in R&D and SG&A expenses as a result of an extra week of compensation expense. The overall impact on the income statement will be minimal.

Estimates of future performance are uncertain, and past performance of the Company may not be a good indicator of future performance due to factors affecting the Company, its competitors, the semiconductor industry and the overall economy. The semiconductor industry is characterized by rapid technological change, price erosion, cyclical market patterns, periodic oversupply conditions, occasional shortages of materials, capacity constraints, variations in manufacturing efficiencies and significant expenditures for capital equipment and product development. Furthermore, new product introductions and patent protection of existing products, as well as exposure related to patent infringement suits if brought against the Company, are factors that can influence future sales growth and sustained profitability. The Company's headquarters and a portion of its manufacturing facilities and research and development activities and certain other critical business operations are located near major earthquake fault lines in California, consequently, the Company could be adversely affected in the event of a major earthquake.

Although the Company believes that it has the product lines, manufacturing facilities and technical and financial resources for its current operations, sales and profitability could be significantly affected by factors described above and other factors. Additionally, the Company's common stock could be subject to significant price volatility should sales and/or earnings fail to meet expectations of the investment community. Furthermore, stocks of high technology companies are subject to extreme price and volume fluctuations that are often unrelated or disproportionate to the operating performance of these companies.

Liquidity and Capital Resources

At September 26, 2004, cash, cash equivalents and short-term investments totaled $1,704.7 million, and working capital was $1,671.7 million.

Accounts receivable totaled $91.6 million at the end of the first quarter of fiscal 2005, an increase of $12.5 million from the fourth quarter of fiscal 2004. The increase is due to higher shipments. Days sales outstanding increased slightly from 30 days to 33 days at the end of the first quarter of fiscal 2005.

Accrued payroll and related benefits totaled $41.4 million at the end of the first quarter of fiscal 2005, a decrease of $12.9 million from the fourth quarter of fiscal 2004. The decrease is due to the payment of profit sharing. The Company accrues for profit sharing on a quarterly basis while distributing payouts to employees on a semi-annual basis during the first and third quarters. Income taxes payable totaled $98.8 million at the end of the first quarter of fiscal 2005, an increase of $26.8 million over the fourth quarter of fiscal 2004. The increase is due to the higher income tax expense and the timing of payments to the taxing authorities within the year.

During the first three months of fiscal 2005, the Company generated $130.2 million of cash from operating activities, $10.4 million in proceeds from common stock issued under employee stock plans and $32.8 million from net sales and maturities of short-term investments.

During the first three months of fiscal 2005, significant cash expenditures included repurchasing $54.6 million of common stock, payments of $25.0 million in cash dividends to stockholders, representing $0.08 per share, and purchases of $15.4 million for capital assets. In October, the Company's Board of Directors declared a quarterly cash dividend of $0.08 per share to be paid during the December quarter of fiscal 2005. The payment of future dividends will be based on quarterly financial performance.

As of September 26, 2004, the Company had no off-balance sheet financing arrangements.

Historically, the Company has satisfied its liquidity needs through cash generated from operations and the placement of equity securities. Given its strong financial condition and performance, the Company believes that current capital resources and cash generated from operating activities will be sufficient to meet its liquidity and capital expenditures requirements for the foreseeable future.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

For additional quantitative and qualitative disclosures about market risk affecting the Company, see item 7A of the Company's Form 10-K for the fiscal year ended June 27, 2004. There have been no material changes in the market risk affecting the Company since the filing of the Company's Form 10-K for fiscal 2004. At September 26, 2004, the Company's cash and cash equivalents consisted primarily of bank deposits, commercial paper and money market funds. The Company's short-term investments consisted of municipal bonds, federal agency bonds, commercial paper, and related securities. The Company did not hold any derivative financial instruments. The Company's interest income is sensitive to changes in the general level of interest rates. In this regard, changes in interest rates can affect the interest earned on cash and cash equivalents and short-term investments.

The Company's sales outside the United States are transacted in U.S. dollars; accordingly the Company's sales are not impacted by foreign currency rate changes. To date, fluctuations in foreign currency exchange rates have not had a material impact on the results of operations.

Item 4. Controls and Procedures

(a) Evaluation of disclosure controls and procedures

The Company's management evaluated, with the participation of the Chief Executive Officer and the Chief Financial Officer, the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on this evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that the Company's disclosure controls and procedures are effective to ensure that information that the Company is required to disclose in reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms.

(b) Changes in internal controls over financial reporting

There was no change in the Company's internal control over financial reporting that occurred during the first quarter of fiscal 2005 that has materially affected, or is reasonably likely to materially affect, its internal control over financial reporting.

PART II. OTHER INFORMATION

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds
e) Stock Repurchases

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet be purchased Under the Plans or Programs (1)
Month #1 (June 28, 2004 - July 25, 2004)	--	--	--	11,658,952
Month #2 (July 26, 2004 - August 22, 2004)	1,500,000	$ 36.41	1,500,000	10,158,952
Month #3 (August 23, 2004 - September 26, 2004)	--	--	--	10,158,952
Total	1,500,000	$ 36.41	1,500,000	10,158,952

(1) On July 20, 2004 the Company's Board of Directors authorized the Company to purchase up to 10,000,000 shares of it's common stock in the open market over a two-year period.

Item 6. Exhibits and Reports on Form 8-K

a) Exhibits:

Exhibit 31.1 Certification of Chief Executive Officer Pursuant to Exchange Act Rule 13a-14(a) or 15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

Exhibit 31.2 Certification of Chief Financial Officer Pursuant to Exchange Act Rule 13a-14(a) or 15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

Exhibit 32.1 Certifications of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

b) Reports on Form 8-K:

During the quarter ended September 26, 2004, the Company filed one report on Form 8-K as follows:

A report on Form 8-K was filed July 20, 2004, furnishing to the Securities and Exchange Commission a press release announcing the Company's annual and quarterly financial results for the fiscal year ended June 27, 2004.

After the quarter ended September 26, 2004, the Company filed one report on Form 8-K as follows:

A report on Form 8-K was filed October 6, 2004, furnishing to the Securities and Exchange Commission a press release announcing that the Company's current Chief Executive Officer (CEO), Bob Swanson is moving to the Executive Chairman role in January 2005; Lothar Maier the Company's current Chief Operating Officer (COO) will be promoted to CEO and the Company's current Vice President of Operations, Alex McCann will be promoted to COO.

SIGNATURES

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, thereunto duly authorized.

LINEAR TECHNOLOGY CORPORATION

DATE: November 5, 2004

BY /s/Paul Coghlan
Paul Coghlan
Vice President, Finance &
Chief Financial Officer
(Duly Authorized Officer and
Principal Financial Officer)