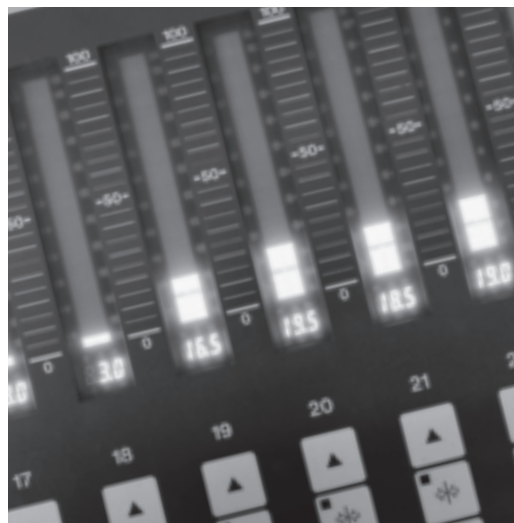
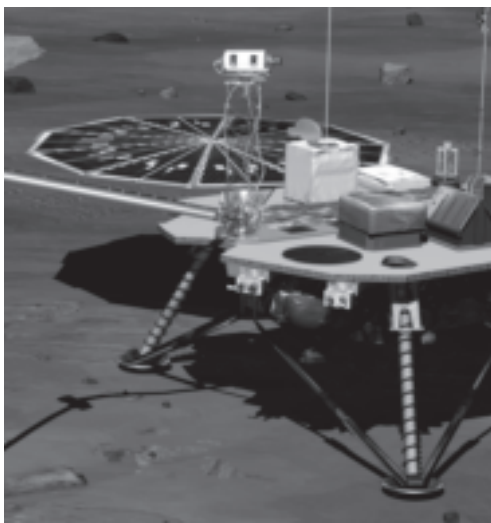
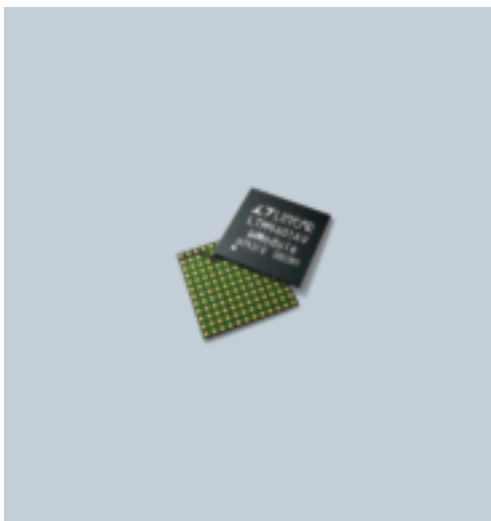
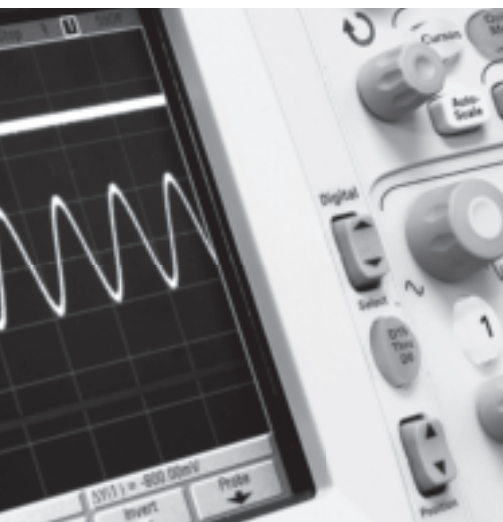


Analog
Excellence

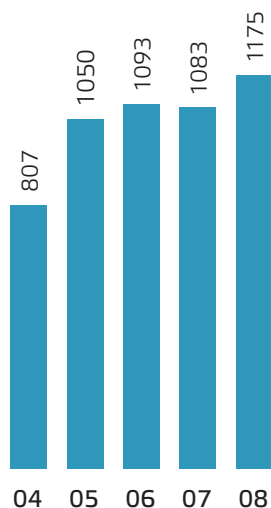
THE CONTINUING OPPORTUNITY >

MARKET DIVERSITY >

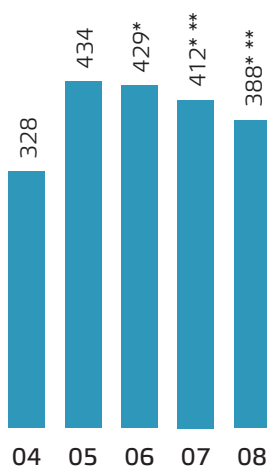
Linear Technology's strength is its diversity—in products, geographic penetration and markets. Our high performance analog products have a broad range of applications, spanning industrial applications in factory automation and medical systems, to cellular basestations and network routers, automotive systems for navigation, safety and engine control, to satellites and the most advanced cell phones.



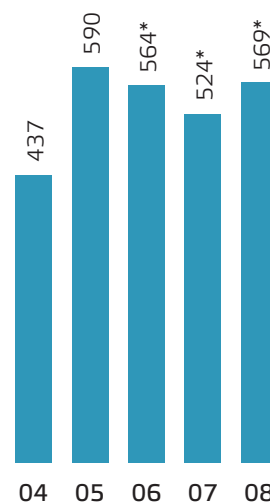
2008 ANNUAL FINANCIAL HIGHLIGHTS



REVENUES
(\$ in millions)



NET INCOME
(\$ in millions)



OPERATING INCOME
(\$ in millions)

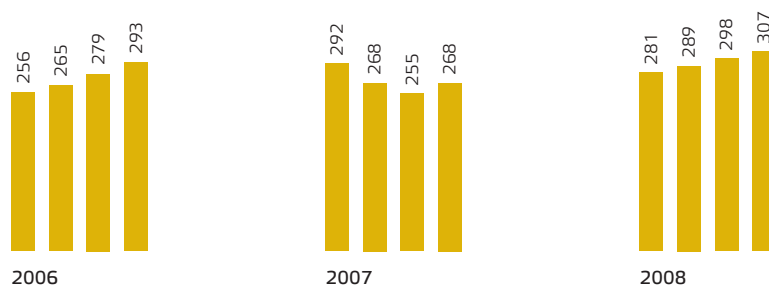
\$ in thousands, except per share amounts	2008 * **	2007 * **	2006 *	2005	2004
Net Revenues	\$ 1,175,153	\$ 1,083,078	\$ 1,092,977	\$ 1,049,694	\$ 807,281
Operating Income	568,664	524,318	563,950	589,629	436,730
Net Income	387,613	411,675	428,680	433,974	328,171
Return on Sales	33.0%	38.0%	39.2%	41.3%	40.7%
Diluted Earnings Per Share	1.71	1.39	1.37	1.38	1.02
Cash and Short-Term Investments	966,701	633,307	1,819,587	1,790,912	1,656,540
Working Capital	1,070,382	681,235	1,840,310	1,799,570	1,629,481
Total Assets	1,583,889	1,218,857	2,390,895	2,286,234	2,087,703
Long-Term Debt	1,700,000	1,700,000	-	-	-
Stockholders' (Deficit) Equity	(433,918)	(707,965)	2,104,498	2,007,034	1,810,605

* Results include the impact of all forms of stock-based compensation as a result of the Company implementing Statement of Financial Accounting Standards No. 123(R), Share-Based Payment.

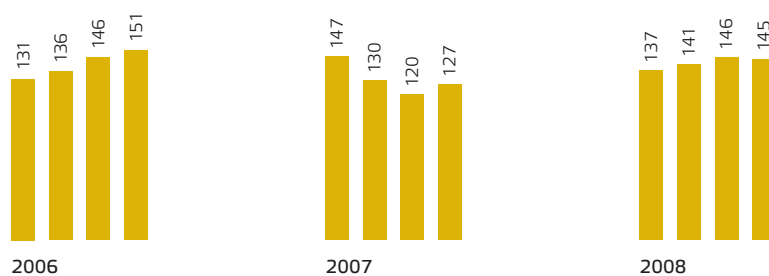
** Results include the impact of the Accelerated Stock Repurchase transaction that the Company entered into during the fourth quarter of fiscal year 2007.

QUARTERLY FINANCIAL HIGHLIGHTS

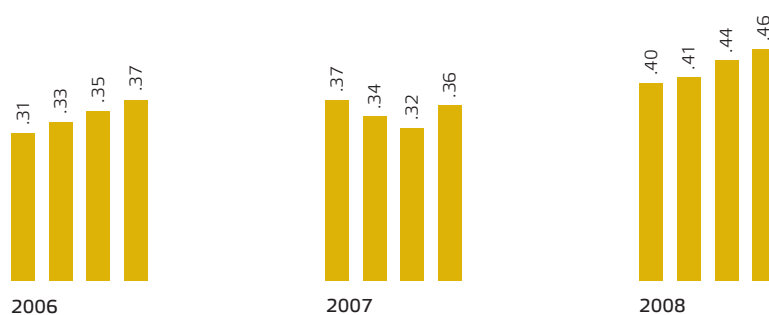
REVENUE (Quarterly) (\$ in millions)



OPERATING INCOME (Quarterly) (\$ in millions)



DILUTED EARNINGS PER SHARE (Quarterly) (cents)



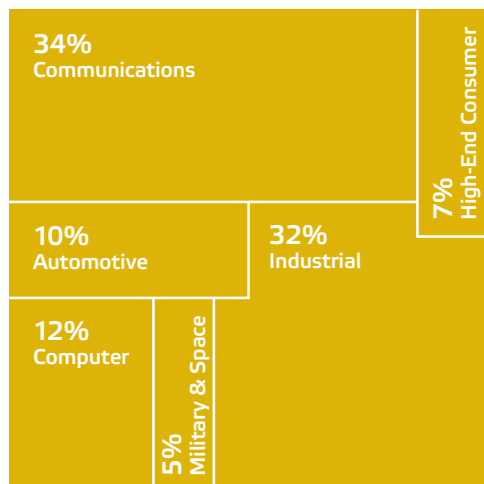
FINANCIAL ANALYSIS (Year ended June 29, 2008)

Profitability:	Diluted Earnings per Share	\$1.71	Liquidity:	Quick Ratio	6.4
	Operating Margin	48.4%		Current Ratio	7.1
	Return on Assets	27.7%	Asset Turns:	Inventory Turns	5.0
	Return on Sales	33.0%		Sales/Fixed Assets (ROI)	4.5
			Cash Flow:*	As a % of Revenues	36.8%

* Excludes common stock repurchases.

TO OUR STOCKHOLDERS

“Measure us accordingly.” We ended our last year’s report to our stockholders with those words. We had been altering our end-market emphasis to more traditional diverse analog end-markets such as industrial, communications, auto and military, while lowering our exposure to consumer products. In fiscal 2008 the results were good. We outgrew most of our competitors and we continued our stellar financial performance as we grew sales, earnings per share and cash



flow from operations. We increased the weighting of our business in the traditional analog end-markets. Although we lowered our exposure to consumer products, we nevertheless took advantage of technological opportunities in these consumer markets, such as the smart 3G handset area. In fiscal 2008, 72% of our business was in traditional analog end-markets. This percentage has increased from 60% in 2003 to 64% in 2005, 70% in 2007 to the 72% now.

COMMITTED TO ANALOG EXCELLENCE

While our end-market direction emphasizes traditional linear markets, our overall strategy remains steadfastly committed to analog excellence: excelling at the highest levels of design innovation, customer problem solving, factory execution, quality and reliability, product timeliness and corporate financial performance.

2008 was a successful year in our continuing pursuit of analog excellence.

In the product area we introduced many new products in each of our primary product groups. In the power area we introduced the initial products in a new family of power management ICs directed at portable electronic products that require high current (fast) battery charging, high power

“While our end-market direction emphasizes traditional linear markets, our overall strategy remains steadfastly committed to analog excellence: excelling at the highest levels of design innovation, customer problem solving, factory execution, quality and reliability, product timeliness and corporate financial performance.”

efficiency and digital control in a small package. In the lighting area we introduced a LED driver controller providing up to 50 watts for LED headlamps in motor vehicles. We also introduced a multiphase boost controller that is critical to a new generation of fuel injection systems. We added to our μ Module™ products, which are state of the art power systems with the form factor and reliability of an integrated circuit. In the signal conditioning product group our new family of high speed fully differential amplifier drivers helps our communications and instrumentation customers to maximize the performance of our high speed analog to digital converters. Finally in the mixed signal area we introduced the industry's first high speed serial interface analog to digital converter for use in basestations and other highly sensitive communication systems.

These new products add to a library of innovative products developed over the years to help customers solve their analog problems while enhancing their own end products. This interface with the customer is critical to our success at Linear. This fiscal year we added significantly to our worldwide field sales team to expand our penetration globally. This strengthened sales team enables us to broaden our exposure into the traditional analog end markets.

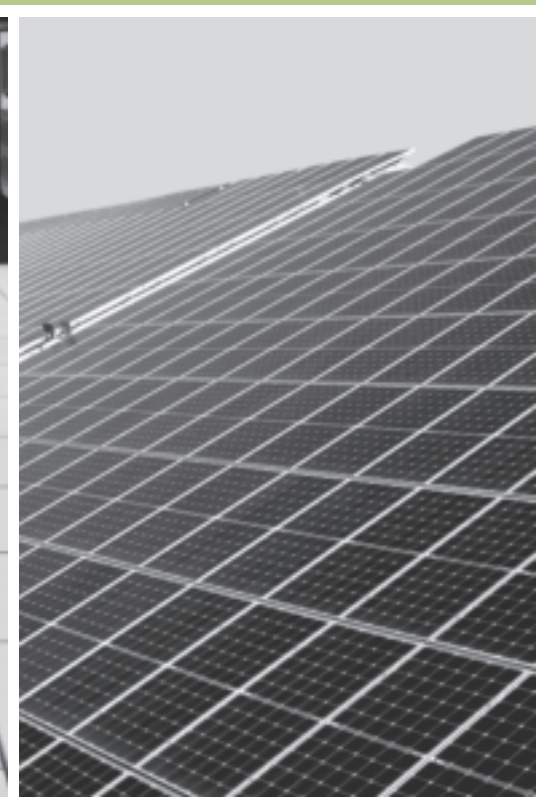
In fiscal 2008, our bookings were distributed as follows: 32% in industrial; 34% in communications (9% handsets, 10% infrastructure, 15% networking); 12% in computer; 10% in automotive; 7% in high-end consumer; and 5% in space level and military products. Relative to the geographic distribution of our products; 30% were sold in North America; 18% in Europe; 13% in Japan and 39% in Asia Pacific outside of Japan, where, in addition to indigenous business, a large amount of manufacturing subcontracting takes place.

Manufacturing execution throughout our factories has always been integral to our success. We internally perform 95% of our wafer fabrication, 80% of our assembly and 100% of our testing. This vertical integration enables us to directly ensure outstanding quality and reliability, short lead times and high on-time delivery standards. Our



GREEN GROWTH OPPORTUNITIES >

Energy costs and environmental concerns, along with a need for extended battery life for mobile devices, are generating a focus on power optimization. Our energy-efficient products enable customers to convert power more efficiently, consume less power and extend battery life. Our LED drivers are bringing a new generation of low power lighting to everything from cars and medical instruments to laptops and office lighting. Our products are used in a growing number of automotive electronic systems, including the fast growing market for hybrid and electric vehicles. Network systems and data center equipment use our products to reduce power consumption. And our efficient and precision analog solutions will play a role in driving innovative cleantech markets such as solar, wind and hydrogen.





AUTOMOTIVE EFFICIENCY >

Today's automobiles have ever-increasing demands for improved fuel efficiency and require components with the ability to survive in the harsh automotive environment. Linear Technology excels in developing robust, high quality products that are ideal for automotive applications. Electronics are proliferating in all aspects of automotive design, from engine control and electronic braking and steering, to sophisticated collision detection systems, security, navigation and entertainment systems. In each of these systems, Linear Technology has developed innovative solutions for power management and other key monitoring and signal conditioning functions. And with the push for more fuel-efficient cars, particularly hybrid and electric vehicles, our opportunities are becoming even greater.



reputation for quality was further enhanced last year when we received the Excellence in Quality Award from Cisco.

FINANCIAL PERFORMANCE

The cumulative benefit of analog excellence is reflected in our financial performance. In a difficult macroeconomic climate we grew revenues 8.5%, substantially more than the overall market grew. This sales growth, aided by an Accelerated Share Repurchase (ASR) that we did at the end of fiscal 2007, whereby we purchased 83.3 million shares, or approximately 27% of our outstanding shares, enabled us to grow EPS 23% over fiscal year 2007. We also maintained our successful margin structure by reporting 48.4% operating margin, similar to last year. However, net income decreased due to lower interest income and higher interest expense on the funds used to finance the ASR. In summary, fiscal 2008 revenues were a record \$1.175 billion, net income was \$387.6 million, a 33% return on sales, and diluted EPS was a record \$1.71, compared with \$1.39 in fiscal 2007. Once again the Company generated positive cash flow from operations of \$530.3 million versus \$478.0 million in fiscal 2007. Cash flow from operations was positive for the 89th consecutive quarter. During the year the Company increased its quarterly dividend payment by 17% from 18¢ per share to 21¢ per share. We initially

began paying a dividend in 1992 and have increased it every year since.

Looking forward we see many opportunities to continue our strategy and grow our business. We were \$1.2 billion out of a \$37 billion analog market in our fiscal 2008. We serve roughly 30% of this market and have approximately 10% market share of this portion. Therefore, we have plenty of headroom to execute our strategy.

THE TREND TOWARD GREEN

In this annual report we have highlighted the global trend to become more energy efficient as an example of the opportunity for us in our traditional analog markets. High oil prices are driving both more efficient oil exploration and driving the automobile industry for more hybrid and electric vehicles. The electronic content of gas driven vehicles is also increasing as mechanical driven functions such as steering and braking become electronic.

Cost management and environment sensitivity is creating demand for lower power consumption, alternate power sources and pollution reduction. These worldwide trends are impacting large scale infrastructure projects and power and heat intensive facilities, such as data server farms, all of which require analog power management and signal measuring products.

"Cost management and environment sensitivity is creating demand for lower power consumption, alternate power sources and pollution reduction. These worldwide trends are impacting large scale infrastructure projects and power and heat intensive facilities, such as data server farms, all of which require analog power management and signal measuring products."

Power efficiency has become very much in vogue. In the area of lighting alone, LEDs for which we make drivers and controllers

consume less than 10% of the energy of incandescent and halogen bulbs. Therefore LEDs can drive the same light output with one-tenth the energy in industrial, medical and automotive applications such as high speed scanners, surgical lighting and automobile lighting.

In summary, at Linear our passion is analog excellence in our products, our customer support, our quality and our financial results. Fiscal 2008 was a good year and the opportunity for analog excellence continues. Once again, to our customers and our stockholders, our goal is to be an excellent supplier and an excellent investment. Continue to measure us accordingly.

Sincerely,



A handwritten signature in blue ink, appearing to read "R. Swanson".

ROBERT H. SWANSON, JR.
Executive Chairman



A handwritten signature in blue ink, appearing to read "Lothar Maier".

LOTHAR MAIER
Chief Executive Officer



A handwritten signature in blue ink, appearing to read "Paul Coghlan".

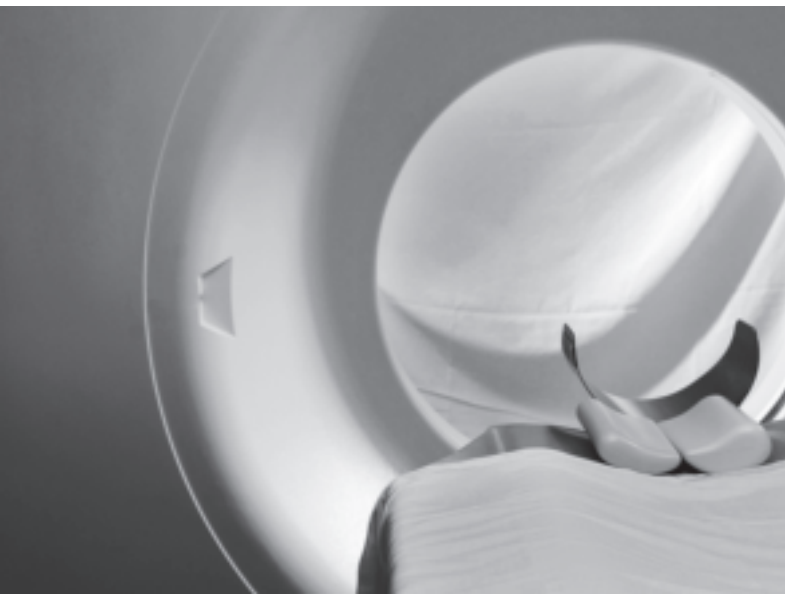
PAUL COGHLAN
Vice President, Finance and
Chief Financial Officer



POWERING THE COMMUNICATIONS REVOLUTION >

In this wireless age of handheld communications, Linear Technology is participating at all levels. Our high speed data converters and high frequency products are designed into the next generation of cellular basestations, our Hot Swap™ and Power over Ethernet products are changing the face of network systems, and our tiny, efficient power management devices are used in the most sophisticated multifunction cell phones. To further simplify the design task, we introduced this year the first in a new family of μ Module receivers, combining multiple components in a single chip-like package. This innovative technology significantly simplifies the high speed signal design task for a range of systems, including cellular basestations and precision instrumentation.





GROWING INDUSTRIAL BASE >

Linear Technology has long been a player in the broad and growing industrial market. Our products' high performance, compact size and precision make them ideal for a broad range of industrial applications. Linear's high performance analog building blocks are key components in such systems as factory automation, industrial process control, medical, instrumentation and security. These applications, ranging from MRI and CAT scan systems and scientific data measurement to GPS location, utilize our precision signal chain, data conversion and power products. And the trend toward compact and portable versions of these end-products is providing even greater opportunities for growth.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Robert H. Swanson, Jr.
Director since 1981
Executive Chairman
Co-founder and Chief Executive Officer
from 1981 to January 2005
Linear Technology Corporation

Lothar Maier
Director since 2005
Chief Executive Officer
since January 2005
Linear Technology Corporation

David S. Lee ^{[1][2]}
Director since 1988
Chairman and Chief Executive Officer
eOn Communication Corp.

Richard M. Moley ^{[1][2]}
Director since 1994
Former President and
Chief Executive Officer
StrataCom, Inc.

Thomas S. Volpe ^{[1][2]}
Chairman of Audit Committee
Director since 1984
Chief Executive Officer
Dubai Group LLC

TRANSFER AGENT AND REGISTRAR

Computershare Trust Company N.A.
PO Box 43078
Providence, Rhode Island 02940-3078

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Ernst & Young LLP
San Jose, California

LEGAL COUNSEL

Wilson, Sonsini, Goodrich & Rosati
Professional Corporation

CORPORATE AND INVESTOR INFORMATION

Please direct inquiries to:

Paul Coghlan
Vice President, Finance and CFO
Linear Technology Corporation
1630 McCarthy Blvd.
Milpitas, California 95035-7417

OFFICERS

Robert H. Swanson, Jr.
Executive Chairman

Lothar Maier
Chief Executive Officer

Paul V. Chantalat
Vice President, Quality and Reliability

Paul Coghlan
Vice President, Finance,
Chief Financial Officer, and
Secretary

Robert C. Dobkin
Vice President, Engineering and
Chief Technical Officer

Alexander R. McCann
Vice President and
Chief Operating Officer

Richard E. Nickson
Vice President,
North American Sales

Donald E. Paulus
Vice President,
Power Management Products

Steve Pietkiewicz
Vice President,
Power Management Products

David A. Quarles
Vice President,
International Sales

Robert L. Reay
Vice President,
Mixed Signal Products

Erik M. Soule
Vice President,
Signal Conditioning Products

Linear Technology Corporation (Nasdaq: LLTC), a member of the S&P 500, designs, manufactures and markets a broad line of high performance analog integrated circuits for major communications, computer and industrial electronics, industrial instrumentation, factory automation, and automotive electronics. Linear Technology provides customers with high performance amplifiers, comparators, voltage references, monolithic filters, linear regulators, DC/DC converters, battery chargers, data converters, communications interface circuits, RF signal conditioning circuits, µModule products, and many other analog functions.

The Company markets over 7,500 products to more than 15,000 original equipment manufacturers. These products compete in the marketplace based on their performance, functional value, quality and reliability. Linear Technology products are produced using state-of-the-art silicon gate CMOS, BiCMOS, Complementary Bipolar, High Voltage and RF wafer fabrication process technologies.

Linear Technology, headquartered in Milpitas, California, employs 4,200 people worldwide and has technical sales and support locations throughout North America, Europe and Asia. In addition to manufacturing, assembly and test facilities in California, Washington, Singapore and Malaysia, the Company has twelve design centers in Arizona, California (3), Colorado, Vermont, Massachusetts, New Hampshire, North Carolina, Texas, Singapore, and Munich, Germany.

[1] Member of the Compensation Committee

[2] Member of the Audit Committee

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1630 McCarthy Blvd. Milpitas, CA 95035 (408) 432-1900 www.linear.com



Mixed Sources

Product group from well-managed
forests, controlled sources and
recycled wood or fiber
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This annual report is printed on Centura Dull, which is made with 10% post-consumer recycled fiber and from responsibly managed forests, resulting in 4.7 trees preserved for the future, 13.58 lbs. of waterborne waste not created, 1,998 gallons of wastewater flow saved, 221 lbs. of solid waste not generated, 435 lbs. net greenhouse gases prevented and 3,332,000 BTUs energy not consumed. The 10K is printed on Lynx, which is FSC certified.