

ANALOG DEVICES, INC.
Stock Option and Stock-Based Award Grant Date Policies

The Company's policy is that it shall not, and shall not have any program, plan or practice to, time or select the grant dates of any stock options or stock-based awards in coordination with the release by the Company of material non-public information.

In addition, the Company has the following specific policies regarding the grant dates of stock options and stock-based awards ("Awards"). Any grant of an Award not in conformity with the following policies shall be approved by the Board of Directors.

Executive Officers and Employees

The Compensation Committee of the Board of Directors has adopted the following policies regarding the grant dates of Awards made to the Company's executive officers and employees:

- **New Hire Grants:** The grant date of all Awards to newly hired executive officers and employees shall be the 15th day of the month following the date of hire (or the next succeeding business day that the NASDAQ is open). The exercise price of all new hire stock options shall equal the closing price of the Company's Common Stock on the grant date.
- **Annual Grants:** The Compensation Committee shall approve the annual Award grants to the Company's executive officers and employees at one or more meetings held on or before the scheduled date of the Company's Annual Meeting of Shareholders, as set forth in the Company's proxy statement for the meeting. The grant date of all annual Awards shall be the earlier to occur of (i) the scheduled date of the Annual Meeting, or (ii) the first business day of April (or the next succeeding business day that the NASDAQ is open). The Compensation Committee has determined to fix the grant date of the annual Awards in this timeframe as it follows the conclusion of the Company's worldwide annual employee compensation review process and allows the Company to complete in a timely and efficient manner the numerous administrative and accounting requirements associated with the annual Awards. The exercise price of all annual stock options shall equal the closing price of the Company's Common Stock on the grant date.
- **Other Grants:** All other Awards granted to existing executive officers and employees throughout the year ("off-cycle Awards") shall have a grant date of the 15th day of the month (or the next succeeding business day that the NASDAQ is open), provided that the Award is approved on or prior to such grant date. No off-cycle Awards to the Company's executive officers may be approved during the quarterly and annual blackout periods under the Company's insider trading policy. The quarterly and annual blackout periods commence three weeks prior to the end of each fiscal quarter and terminate at the beginning of the second full trading day after the Company's quarterly earnings are announced. The exercise

price of all off-cycle stock options shall equal the closing price of the Company's Common Stock on the grant date.

Non-Employee Directors

The Board of Directors has adopted the following policies regarding equity grants to non-employee members of the Board of Directors:

- Initial Grants. Each newly elected non-employee Director who is first elected other than at an Annual Meeting of Shareholders shall automatically be granted under the Company's 2006 Stock Incentive Plan (the "2006 Plan") as of the grant date described below: (a) a Non-Qualified Stock Option to purchase a number of shares of Common Stock of the Company approved by the Board at an option exercise price equal to the closing price of the Company's Common Stock on the grant date, which shall vest and become exercisable with respect to the shares covered thereby on the earlier of the date of the next Annual Meeting of Shareholders or the first anniversary of Company's immediately prior Annual Meeting of Shareholders; and (b) a Restricted Stock Unit award for a number of shares of Common Stock of the Company approved by the Board, which shall vest and convert into shares of the Company's Common Stock on the earlier of the date of the next Annual Meeting of Shareholders or the first anniversary of the immediately prior Annual Meeting of Shareholders. The Awards described in (a) and (b) above shall have a grant date of the 15th day of the month following the month of the date of initial election as a Director (or the next succeeding business day that the NASDAQ is open). The number of shares subject to the Awards described in (a) and (b) above shall be pro-rated based on the length of time between the Director's election date and the date of the first anniversary of the Company's immediately prior Annual Meeting of Shareholders. If the Director's initial election is at the Annual Meeting of Shareholders, the initial award shall be granted as described below under Annual Grants. Upon the occurrence of a Change in Control Event (as defined in the 2006 Plan), the vesting of each such Award shall be fully accelerated and, in the case of the options, shall thereafter be exercisable in full over the remaining term thereof.
- Annual Grants. On an annual basis, each non-employee Director elected or re-elected at the Annual Meeting of Shareholders shall automatically be granted under the 2006 Plan as of the grant date described below: (a) a Non-Qualified Stock Option to purchase a number of shares of Common Stock of the Company approved by the Board at an option exercise price equal to the closing price of the Company's Common Stock on the grant date, which shall vest and become exercisable with respect to the shares covered thereby on the earlier of the date of the next Annual Meeting of Shareholders or the first anniversary of the grant date; and (b) a Restricted Stock Unit award for a number of shares of Common Stock of the Company approved by the Board, which shall vest and convert into shares of the Company's Common Stock on the earlier of the date of the next Annual Meeting of Shareholders or the first anniversary of the grant date. The awards described in (a) and (b) above shall have a grant date of the date of the

Company's Annual Meeting of Shareholders (or the next succeeding business day that NASDAQ is open). The Board of Directors has determined to fix the grant date of the annual non-employee Director grants on the date of the Annual Meeting of Shareholders because each Director is elected for a one-year term commencing on the date of the Annual Meeting. Upon the occurrence of a Change in Control Event (as defined in the 2006 Plan), the vesting of each such Award shall be fully accelerated and, in the case of the options, shall thereafter be exercisable in full over the remaining term thereof.

Foreign Jurisdictions

Notwithstanding the foregoing, any Awards requiring registration or approval in a foreign jurisdiction shall have a grant date of the 15th day of the month (or the next succeeding business day that the NASDAQ is open) following such registration or approval. To the extent that Awards in a foreign jurisdiction are required by local laws or regulations to be made on a date and/or on terms that are different from what would otherwise be required by this policy, those Awards will be made on the date and/or on such other terms required by the laws or regulations of that foreign jurisdiction.

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