

# Dividend Policy At Linear Technology

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Dividend Policy At  
Linear Technology  
TheCasesolutions.com

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### SUMMARY

1. Historical Performance
2. Linear's financial position
3. Linear's growth opportunities
4. Share repurchases
5. Dividends

### INTRODUCTION

- Linear Technology (NASDAQ: LTMT) was founded in 1986.
- Linear Technology is a leading provider of precision analog and mixed-signal integrated circuits.
- Linear Technology is a leading provider of precision analog and mixed-signal integrated circuits.

Should Linear increase its dividend for the fourth quarter of 2007? What would be the best way to do so?

### I. Financial Analysis

Linear Technology's financial performance has been strong over the past several years. The company has consistently exceeded analyst expectations and has a strong track record of increasing earnings per share (EPS) and revenue.

### II. Linear's growth opportunities

Linear Technology has a strong track record of increasing earnings per share (EPS) and revenue. The company has consistently exceeded analyst expectations and has a strong track record of increasing earnings per share (EPS) and revenue.

### III. Conclusions

Linear Technology's financial performance has been strong over the past several years. The company has consistently exceeded analyst expectations and has a strong track record of increasing earnings per share (EPS) and revenue.

### IV. Linear's payout policy

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### V. Linear's payout policy

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### VI. Linear's payout policy

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### VII. Our assumptions

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### SUMMARY

1. Historical Performance
2. Linear's financial position
3. Linear's growth prospects
4. Linear's payout policy
5. Conclusions

### INTRODUCTION

- Linear Technology (NASDAQ: LTMT) was founded in 1986.
- Linear is a leading provider of analog and mixed-signal ICs.
- Linear's revenue is primarily derived from its analog ICs.
- Linear's revenue is primarily derived from its analog ICs.

Should Linear increase its dividend for the fourth quarter of 2007? What would be the best way to do so?

### I. Financial Analysis

Linear Technology's financial performance has been strong over the past several years. The company has consistently exceeded analyst expectations and has a strong track record of increasing its dividend.

### II. Linear's payout policy

Linear Technology has a long history of paying a dividend to its shareholders. The company's dividend policy is based on its ability to generate consistent and growing cash flow.

### IV. Conclusions

Linear Technology's strong financial performance and consistent track record of increasing its dividend support the conclusion that the company should increase its dividend for the fourth quarter of 2007.

### III. Linear's growth prospects

Linear Technology has a strong track record of increasing its revenue and earnings. The company's growth prospects are supported by its strong market position and its ability to develop new products.

### V. Linear's payout policy

Linear Technology's dividend policy is based on its ability to generate consistent and growing cash flow. The company's dividend policy is supported by its strong financial performance and its consistent track record of increasing its dividend.

### VI. Linear's payout policy

Year	Dividend	EPS
2004	\$0.10	\$1.00
2005	\$0.12	\$1.20
2006	\$0.15	\$1.50
2007	\$0.18	\$1.80

### III. Our assumptions

Linear Technology's revenue is primarily derived from its analog ICs. The company's revenue is supported by its strong market position and its ability to develop new products.



# INTRODUCTION

- A semiconductor company founded in 1981 and based in California.
- It went public on the NASDAQ in 1986.
- 7th largest company, by market capitalization, in SOX.
- Linear owns a big amount of cash and no plans for future investments.

**Should Linear increase its dividend for the fourth quarter of 2003?**

**What should it do with its cash?**



# SUMMARY

## **I. Financial Analysis**

## **II. Linear's payout policy**

II. a. Tax Effects

II. b. Dividend Policy at Technology Firms

## **III. Our assumptions**

## **IV. Conclusion**