

The 1–Minute Brief

# Analog Devices

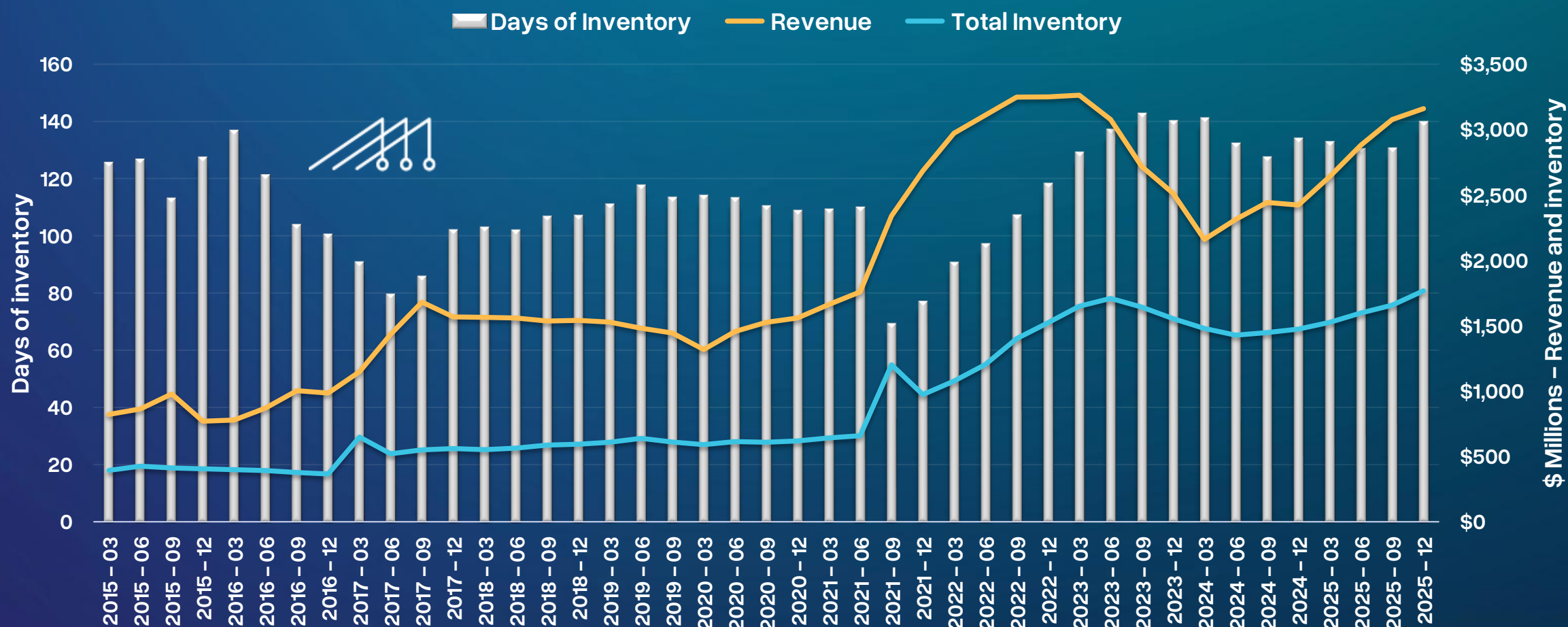
## FY Q1'26 (CY Q4'25)

# Earnings

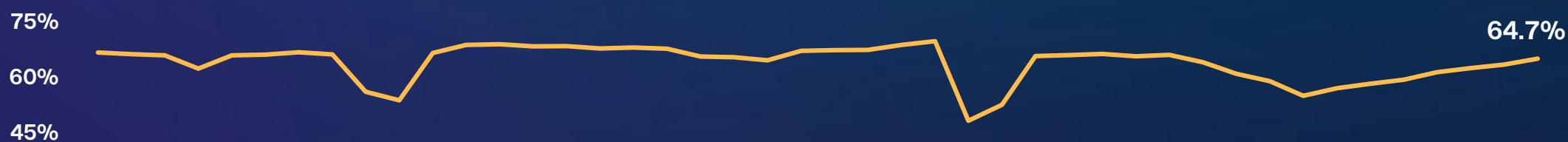
Announced on 18, Feb'26

# Key Takeaways

- FY Q1'26 revenue came at \$3.2B, up 30% YoY and 3% QoQ, driven by broad-based strength especially in Industrial and Communications
- Gross margin improved YoY and QoQ, driven by higher utilization, favorable mix and ~50 bps from discrete items
- Industrial book-to-bill >1, with strength across regions and applications
- AI now drives ~20% of ADI revenue, with ATE and Data Center, a >\$2B run-rate expanding double digits for several years
- ADI continues investing heavily in megatrends: Autonomy, Proactive Healthcare, Sustainable Energy, Immersive Sensory Experience, AI-driven Computing & Connectivity



## Gross Margin Trend

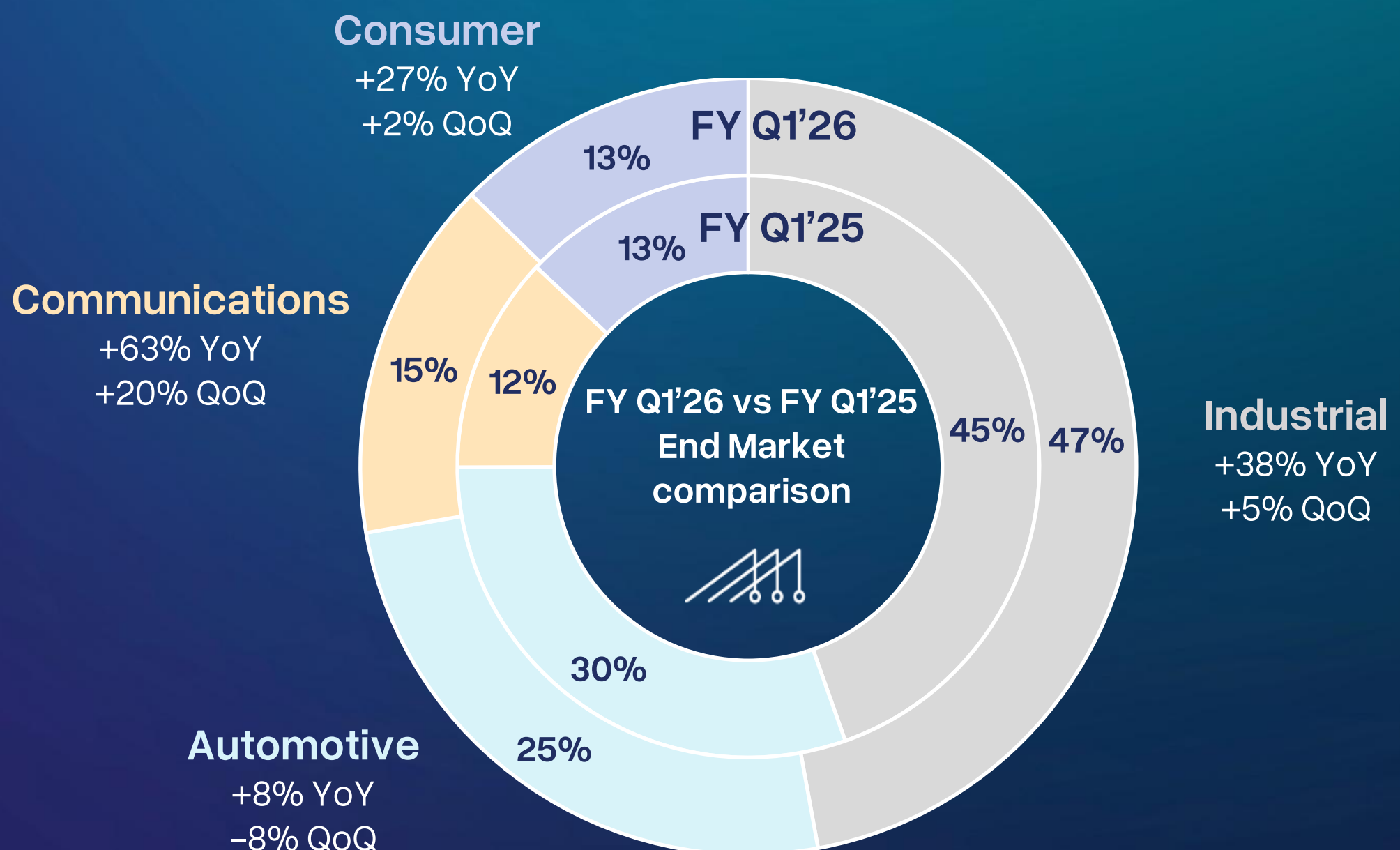


# Performance Breakdown

- **Industrial:** Strength was broad-based across all segments, with YoY growth of 25% or more, including record quarters in ATE\* and A&D\*
- **Automotive:** YoY growth continued for leading connectivity and functionally safe power portfolios driven by strong position in Level [2+] ADAS systems
- **Communications:** Strong QoQ and YoY gains, led by AI-driven data center demand in optical and power
  - Wireless delivered three straight quarters of double-digit growth
- **Consumer:** YoY growth was driven by consumer strength, notably in fast-growing wearables and premium handsets


\*ATE- Automatic Test Equipment

\*A&D- Aerospace and Defence



# Outlook

- **FY Q2'26 (CY Q1'26) midpoint guidance:**  
+32.6% YoY (vs. FY Q2'25) and +10.8% QoQ (vs. FY Q1'26)
- Expected significantly above seasonal growth with Industrial book-to-bill ratio >1

Segment	FY Q1'26 Outlook	Details 
Industrial	<ul style="list-style-type: none"> <li>• ↑ Up 20% (above seasonal)</li> <li>• ~50% YoY</li> </ul>	Aided by cyclical recovery and strength in ATE and ADAS
Automotive	<ul style="list-style-type: none"> <li>• ↓ Flat to down QoQ (below seasonal)</li> </ul>	Decline tied to tariff and macro pull-in unwind that persisted since mid-last year
Consumer	<ul style="list-style-type: none"> <li>• ↓ Down mid-single digits QoQ (in line with seasonality)</li> </ul>	–
Communications	<ul style="list-style-type: none"> <li>• ↑ Up high single digits QoQ (above seasonal)</li> <li>• ~60% YoY</li> </ul>	Driven by AI surge for data center and the wireless cyclical recovery

## FY 2026 Outlook:

- Industrial: Expected broad-based recovery
- Automotive: Robust growth projected in H2'26, supporting full-year YoY expansion
- AI infrastructure remains structurally strong



**Follow us** on LinkedIn & X for  
semiconductor and technology industry updates