MICROCHIP TECHNOLOGY INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
THREE MONTHS ENDED SEPTEMBER 30, 2020
(in millions except per share amounts)
(unaudited)

Net sales	$ 1,309.5										
	GAAP	Share-based compensation expense	Acquisition-related	Professional services associated with certain legal matters	IT security remediation	Amortization of acquired intangible assets	Special charges and other, net	Loss on settlement of debt	Non-cash other expense, net	Other non-GAAP tax adjustment	Non-GAAP
Cost of sales	$ 501.6	(6.0)	—	—	—	—	—	—	—	—	$ 495.6
Gross profit	807.9	6.0	—	—	—	—	—	—	—	—	813.9
Gross profit percentage	61.7 %										62.2 %
Research and development	199.8	(24.5)	—	—	—	—	—	—	—	—	175.3
Selling, general and administrative	144.7	(19.2)	0.9	(1.3)	(0.3)	—	—	—	—	—	124.8
Amortization of acquired intangible assets	232.9	—	—	—	—	(232.9)	—	—	—	—	—
Special charges and other, net	4.3	—	—	—	—	—	(4.3)	—	—	—	—
Operating expenses	581.7	(43.7)	0.9	(1.3)	(0.3)	(232.9)	(4.3)	—	—	—	300.1
Operating income	226.2	49.7	(0.9)	1.3	0.3	232.9	4.3	—	—	—	513.8
Operating income percentage	17.3 %										39.2 %
Other expense, net	(137.4)	—	—	—	—	—	—	45.1	16.8	—	(75.5)
Income before income taxes	88.8	49.7	(0.9)	1.3	0.3	232.9	4.3	45.1	16.8	—	438.3
Income tax provision	15.2	—	—	—	—	—	—	—	—	6.7	21.9
Net income	$ 73.6	49.7	(0.9)	1.3	0.3	232.9	4.3	45.1	16.8	(6.7)	$ 416.4
Net income percentage	5.6 %										31.8 %
Diluted net income per common share	$ 0.27										$ 1.56
Diluted common shares outstanding	267.7										267.7