

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
Microchip Technology Incorporated		86-0629024	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
Gary W. McDaniel	480-792-7200	gary.mcdaniel@microchip.com	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and Zip code of contact	
2355 W. Chandler Blvd.		Chandler, AZ 85224	
<b>8</b> Date of action		<b>9</b> Classification and description	
2017 & 2018		Conversion Rate Adjustment on Convertible Debt	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
See Attached		MCHP	

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ Microchip Technology Incorporated made a conversion rate adjustment for its convertible debt holders which resulted in a deemed distribution to its convertible debt holders.

See attached schedule for dates when conversion rate adjustments occurred.

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶

100% of the distributions described above will be treated as a taxable dividend under Section 301(c) & Section 305(c).

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ As described above, Microchip Tecnology Incorporated has determined that of such distributions described above,

100% will be treated as a taxable dividend a under Section 301(c) & Section 305(c).

See attached schedule for value attributed to each conversion rate adjustment.

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶  
Internal Revenue Code Sections 301(c), 305(c) and 6045B

Blank lines for listing Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ n/a

Blank lines for providing information regarding resulting loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ 2017 & 2018

Blank lines for providing other information necessary to implement the adjustment.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here  
Signature ▶ *J. Eric Bjornholt* Date ▶ 4/17/18  
Print your name ▶ J. Eric Bjornholt Title ▶ Vice President, CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

Microchip Technology Incorporated

Conversion Rate Adjustments:

	Deemed Distribution Date	Total Distribution Per \$1000 Bond	Taxable Dividend Per \$1000 Bond	Return of Capital Per \$1000 Bond
2.125% Junior Subordinated Convertible Debentures Due 2037 CUSIP: 595017AB0	*5/23/2017 *8/21/2017 11/20/2017	\$ 15.20 \$ 15.30 \$ 15.40	\$ 15.20 \$ 15.30 \$ 15.40	\$ - \$ - \$ -
	N/A	N/A	N/A	N/A
1.625% Senior Subordinated Convertible Notes Due 2025 CUSIP: 595017AD6	*5/19/2017 *8/17/2017 11/20/2017 2/20/2018	\$ 5.60 \$ 5.70 \$ 6.00 \$ 5.90	\$ 5.60 \$ 5.70 \$ 6.00 \$ 5.90	\$ - \$ - \$ - \$ -
1.625% Senior Subordinated Convertible Notes Due 2027 CUSIP: 595017AE4	*5/19/2017 *8/17/2017 11/20/2017 2/20/2018	\$ 3.00 \$ 3.00 \$ 3.27 \$ 3.29	\$ 3.00 \$ 3.00 \$ 3.27 \$ 3.29	\$ - \$ - \$ - \$ -
2.25% Junior Subordinated Convertible Notes Due 2037 CUSIP: 595017AG9	*5/19/2017 *8/17/2017 11/20/2017 2/20/2018	\$ 2.96 \$ 3.02 \$ 3.15 \$ 2.90	\$ 2.96 \$ 3.02 \$ 3.15 \$ 2.90	\$ - \$ - \$ - \$ -
*Taxability of distribution amended due to tax reform				