

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
Microchip Technology Incorporated		86-0629024	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Gary W. McDaniel	480-792-7200	gary.mcdaniel@microchip.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and Zip code of contact	
2355 W. Chandler Blvd.		Chandler, AZ 85224	
8 Date of action		9 Classification and description	
2016 & 2017 (FY 2017)		Conversion Rate Adjustment on Convertible Debt	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
595017AD6 & 595017AB0		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 ▶ In accordance with the terms of certain of its convertible notes, Microchip Technology Incorporated made an adjustment to the conversion rate of the convertible notes as a result of making cash distributions to its common shareholders on the dates listed below.

- June 6, 2016
- September 6, 2016
- December 5, 2016
- March 7, 2017

This conversion rate adjustment will have no effect on the basis of the convertible notes.

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 ▶ This conversion rate adjustment will have no effect on the basis of the convertible notes.

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 ▶ n/a

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, 305(b), 305(c) and 6045B

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

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ **2016 & 2017 (FY 2017)**

We urge you to consult your own tax advisor regarding the particular tax consequences of the conversion rate adjustments described above, including the applicability and effect of all U.S. federal, state and local, and foreign tax laws. The information set forth in this document does not constitute tax advice.

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 ▶  Date ▶ 4/20/17

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.