MICROCHIP TECHNOLOGY INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
THREE MONTHS ENDED DECEMBER 31, 2017

(in millions except per share amounts)
(unaudited)

	GAAP	Share-based compensation expense	Acquisition-related costs	Amortization of acquired intangible assets	Special charges and other, net	Loss on settlement of debt	Non-cash other expense, net	Non-recurring tax events	Tax adjustment in accordance with ASC 740-270	Non-GAAP
Net sales	$ 994.2	-	-	-	-	-	-	-	-	$ 994.2
Cost of sales	387.1	(3.5)	-	-	-	-	-	-	-	383.6
Gross profit	607.1	3.5	-	-	-	-	-	-	-	610.6
Gross profit percentage	61.1%									61.4%
Research and development	131.6	(10.9)	(0.1)	-	-	-	-	-	-	120.6
Selling, general and administrative	109.1	(9.6)	(1.2)	-	-	-	-	-	-	98.3
Amortization of acquired intangible assets	121.0	-	-	(121.0)	-	-	-	-	-	-
Special charges and other, net	0.2	-	-	-	(0.2)	-	-	-	-	-
Operating expenses	361.9	(20.5)	(1.3)	(121.0)	(0.2)	-	-	-	-	218.9
Operating income	245.2	24.0	1.3	121.0	0.2	-	-	-	-	391.7
Operating income percentage	24.7%									39.4%
Losses on equity method investments	(0.1)	-	-	-	-	-	-	-	-	(0.1)
Other expense, net	(48.4)	-	-	-	-	2.1	27.8	-	-	(18.5)
Income before income taxes	196.7	24.0	1.3	121.0	0.2	2.1	27.8	-	-	373.1
Income tax provision	447.8	6.6	0.2	8.1	-	0.1	8.0	(439.8)	0.9	31.9
Net (loss) income	$ (251.1)	17.4	1.1	112.9	0.2	2.0	19.8	439.8	(0.9)	$ 341.2
Net (loss) income percentage	-25.3%									34.3%
Diluted net (loss) income per common share	$ (1.07)									$ 1.36
Diluted common shares outstanding	234.1									250.8