MICROCHIP TECHNOLOGY INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
THREE MONTHS ENDED JUNE 30, 2017

(in millions except per share amounts)
(unaudited)

	GAAP	Share-based compensation expense	Manufacturing excursion	Acquisition-related restructuring, acquired inventory valuation costs, intangible asset amortization and other costs	Special charges and other, net	Loss on settlement of convertible debt	Non-cash other expense, net	Non-recurring tax events	Tax adjustment in accordance with ASC 740-270	Non-GAAP
Net sales	$ 972.1	-	-	-	-	-	-	-	-	$ 972.1
Cost of sales	387.7	(3.4)	0.6	-	-	-	-	-	-	384.9
Gross profit	584.4	3.4	(0.6)	-	-	-	-	-	-	587.2
Gross profit percentage	60.1%									60.4%
Research and development	130.5	(10.3)	-	-	-	-	-	-	-	120.2
Selling, general and administrative	114.3	(8.7)	-	(2.9)	-	-	-	-	-	102.7
Amortization of acquired intangible assets	120.8	-	-	(120.8)	-	-	-	-	-	-
Special charges and other, net	(2.8)	-	-	-	2.8	-	-	-	-	-
Operating expenses	362.8	(19.0)	-	(123.7)	2.8	-	-	-	-	222.9
Operating income	221.6	22.4	(0.6)	123.7	(2.8)	-	-	-	-	364.3
Operating income percentage	22.8%									37.5%
Losses on equity method investments	(0.1)	-	-	-	-	-	-	-	-	(0.1)
Other expense, net	(55.3)	-	-	-	-	13.8	26.9	-	-	(14.6)
Income before income taxes	166.2	22.4	(0.6)	123.7	(2.8)	13.8	26.9	-	-	349.6
Income tax (benefit) provision	(4.4)	7.4	(0.2)	10.9	(1.2)	5.1	9.8	5.6	(2.5)	30.5
Net income	$ 170.6	15.0	(0.4)	112.8	(1.6)	8.7	17.1	(5.6)	2.5	$ 319.1
Net income percentage	17.5%									32.8%
Diluted net income per common share	$ 0.70									$ 1.31
Diluted common shares outstanding	242.9									242.9