MICROCHIP TECHNOLOGY INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
THREE MONTHS ENDED MARCH 31, 2019

(in millions except per share amounts)
(unaudited)

	GAAP	Share-based compensation expense	Acquisition-related charges (income)	Acquired inventory valuation costs	Amortization of acquired intangible assets	Special (income) charges and other, net	Loss on settlement of debt	Non-cash other expense	Losses on available-for-sale investments	Other non-GAAP tax adjustment	Non-GAAP
Net sales	$ 1,329.8	-	-	-	-	-	-	-	-	-	$ 1,329.8
Cost of sales	509.3	(4.0)	(0.6)	(1.8)	-	-	-	-	-	-	502.9
Gross profit	820.5	4.0	0.6	1.8	-	-	-	-	-	-	826.9
Gross profit percentage	61.7%										62.2%
Research and development	214.8	(18.8)	(0.1)	-	-	-	-	-	-	-	195.9
Selling, general and administrative	167.5	(16.3)	(4.3)	-	-	-	-	-	-	-	146.9
Amortization of acquired intangible assets	176.9	-	-	-	(176.9)	-	-	-	-	-	-
Special (income) charges and other, net	(23.3)	-	-	-	-	23.3	-	-	-	-	-
Operating expenses	535.9	(35.1)	(4.4)	-	(176.9)	23.3	-	-	-	-	342.8
Operating income	284.6	39.1	5.0	1.8	176.9	(23.3)	-	-	-	-	484.1
Operating income percentage	21.4%										36.4%
Losses on equity method investments	(0.1)	-	-	-	-	-		-	-	-	(0.1)
Other expense, net	(133.3)	-	(12.5)	-	-	-	8.3	29.7	(0.7)	-	(108.5)
Income before income taxes	151.2	39.1	(7.5)	1.8	176.9	(23.3)	8.3	29.7	(0.7)	-	375.5
Income tax (benefit) provision	(23.5)	-	-	-	-	-	-	-	-	28.6	5.1
Net income	$ 174.7	39.1	(7.5)	1.8	176.9	(23.3)	8.3	29.7	(0.7)	(28.6)	$ 370.4
Net income percentage	13.1%										27.9%
Diluted net income per common share	$ 0.70										$ 1.48
Diluted common shares outstanding	250.9										250.9