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

(in millions except per share amounts)
(unaudited)

	GAAP	Share-based compensation expense	Manufacturing excursion	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	$ 1,012.1	-	-	-	-	-	-	-	-	-	$ 1,012.1
Cost of sales	398.0	(3.7)	-	-	-	-	-	-	-	-	394.3
Gross profit	614.1	3.7	-	-	-	-	-	-	-	-	617.8
Gross profit percentage	60.7%										61.0%
Research and development	133.6	(10.6)	-	-	-	-	-	-	-	-	123.0
Selling, general and administrative	114.3	(9.3)	-	(0.7)	-	-	-	-	-	-	104.3
Amortization of acquired intangible assets	120.9	-	-	-	(120.9)	-	-	-	-	-	-
Special charges and other, net	19.9	-	-	-	-	(19.9)	-	-	-	-	-
Operating expenses	388.7	(19.9)	-	(0.7)	(120.9)	(19.9)	-	-	-	-	227.3
Operating income	225.4	23.6	-	0.7	120.9	19.9	-	-	-	-	390.5
Operating income percentage	22.3%										38.6%
Losses on equity method investments	(0.1)	-	-	-	-	-	-	-	-	-	(0.1)
Other expense, net	(39.1)	-	-	-	-	-	-	27.2	-	-	(11.9)
Income before income taxes	186.2	23.6	-	0.7	120.9	19.9	-	27.2	-	-	378.5
Income tax (benefit) provision	(3.0)	7.8	-	0.3	9.8	7.2	-	10.0	5.6	(3.3)	34.4
Net income	$ 189.2	15.8	-	0.4	111.1	12.7	-	17.2	(5.6)	3.3	$ 344.1
Net income percentage	18.7%										34.0%
Diluted net income per common share	$ 0.77										$ 1.41
Diluted common shares outstanding	244.8										244.8