MICROCHIP TECHNOLOGY INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
SIX MONTHS ENDED SEPTEMBER 30, 2018

(in millions except per share amounts)
(unaudited)

	GAAP	Impact of changes in distributor inventory levels	Share-based compensation expense	Acquisition-related costs	Excess capacity charges to normalize acquired inventory levels	Acquired inventory valuation costs	Amortization of acquired intangible assets	Special 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	$ 2,644.9	85.1	-	-	-	-	-	-	-	-	-	-	$ 2,730.0
Cost of sales	1,313.6	25.6	(7.5)	(0.2)	(2.3)	(289.6)	-	-	-	-	-	-	1,039.6
Gross profit	1,331.3	59.5	7.5	0.2	2.3	289.6	-	-	-	-	-	-	1,690.4
Gross profit percentage	50.3%												61.9%
Research and development	393.8	-	(33.8)	(1.0)	-	-	-	-	-	-	-	-	359.0
Selling, general and administrative	340.7	-	(29.5)	(32.5)	-	-	-	-	-	-	-	-	278.7
Amortization of acquired intangible assets	303.6	-	-	-	-	-	(303.6)	-	-	-	-	-	-
Special charges and other, net	58.3	-	-	-	-	-	-	(58.3)	-	-	-	-	-
Operating expenses	1,096.4	-	(63.3)	(33.5)	-	-	(303.6)	(58.3)	-	-	-	-	637.7
Operating income	234.9	59.5	70.8	33.7	2.3	289.6	303.6	58.3	-	-	-	-	1,052.7
Operating income percentage	8.9%												38.6%
Losses on equity method investments	(0.1)	-	-	-	-	-	-	-	-	-	-	-	(0.1)
Other expense, net	(236.5)	-	-	-	-	-	-	-	4.1	65.4	6.1	-	(160.9)
(Loss) income before income taxes	(1.7)	59.5	70.8	33.7	2.3	289.6	303.6	58.3	4.1	65.4	6.1	-	891.7
Income tax (benefit) provision	(133.7)	-	-	-	-	-	-	-	-	-	-	165.0	31.3
Net income	$ 132.0	59.5	70.8	33.7	2.3	289.6	303.6	58.3	4.1	65.4	6.1	(165.0)	$ 860.4
Net income percentage	5.0%												31.5%
Diluted net income per common share	$ 0.52												$ 3.41
Diluted common shares outstanding	252.0												252.0