MICROCHIP TECHNOLOGY INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
NINE MONTHS ENDED DECEMBER 31, 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	$ 2,978.5	-	-	-	-	-	-	-	-	-	$ 2,978.5
Cost of sales	1,172.9	(10.6)	0.6	-	-	-	-	-	-	-	1,162.9
Gross profit	1,805.6	10.6	(0.6)	-	-	-	-	-	-	-	1,815.6
Gross profit percentage	60.6%										61.0%
Research and development	395.7	(31.8)	-	-	-	-	-	-	-	-	363.9
Selling, general and administrative	337.6	(27.6)	-	(4.8)	-	-	-	-	-	-	305.2
Amortization of acquired intangible assets	362.8	-	-	-	(362.8)	-	-	-	-	-	-
Special charges and other, net	17.3	-	-	-	-	(17.3)	-	-	-	-	-
Operating expenses	1,113.4	(59.4)	-	(4.8)	(362.8)	(17.3)	-	-	-	-	669.1
Operating income	692.2	70.0	(0.6)	4.8	362.8	17.3	-	-	-	-	1,146.5
Operating income percentage	23.2%										38.5%
Losses on equity method investments	(0.2)	-	-	-	-	-	-	-	-	-	(0.2)
Other expense, net	(142.9)	-	-	-	-	-	16.0	81.8	-	-	(45.1)
Income before income taxes	549.1	70.0	(0.6)	4.8	362.8	17.3	16.0	81.8	-	-	1,101.2
Income tax provision	440.4	21.8	(0.2)	1.6	27.8	6.0	5.2	27.8	(428.6)	(4.9)	96.9
Net income	$ 108.7	48.2	(0.4)	3.2	335.0	11.3	10.8	54.0	428.6	4.9	$ 1,004.3
Net income percentage	3.6%										33.7%
Diluted net income per common share	$ 0.44										$ 4.05
Diluted common shares outstanding	248.0										248.0