

**Microchip Technology Incorporated**  
**Hypothetical Dilution Table**  
**September 30, 2019**  
(in millions except stock price)

Hypothetical Stock Price per Common Share <sup>(1)</sup>	Assumed Exercise or Vesting of Equity Awards <sup>(2)</sup>	1.625% 2025	2.250% 2037	1.625% 2027	Total	Diluted Common Shares Outstanding <sup>(4)</sup>
		Senior Subordinated Convertible Debentures <sup>(3)</sup>	Junior Subordinated Convertible Debentures <sup>(3)</sup>	Senior Subordinated Convertible Debentures <sup>(3)</sup>		
\$70.00	2.5	4.9	-	-	7.4	246.2
\$71.00	2.7	5.4	-	-	8.1	246.9
\$72.00	2.7	5.9	-	-	8.6	247.4
\$73.00	2.8	6.4	-	-	9.2	248.0
\$74.00	2.8	6.9	-	-	9.7	248.5
\$75.00	2.9	7.4	-	-	10.3	249.1
\$76.00	2.9	7.8	-	-	10.7	249.5
\$77.00	2.9	8.3	-	-	11.2	250.0
\$78.00	3.1	8.7	-	-	11.8	250.6
\$79.00	3.1	9.1	-	-	12.2	251.0
\$80.00	3.1	9.5	-	-	12.6	251.4
\$81.00	3.2	9.9	-	-	13.1	251.9
\$82.00	3.2	10.3	-	-	13.5	252.3
\$83.00	3.2	10.7	-	-	13.9	252.7
\$84.00	3.3	11.1	-	-	14.4	253.2
\$85.00	3.3	11.4	-	-	14.7	253.5
\$86.00	3.4	11.8	-	-	15.2	254.0
\$87.00	3.5	12.1	-	-	15.6	254.4
\$88.00	3.5	12.5	-	-	16.0	254.8
\$89.00	3.5	12.8	-	-	16.3	255.1
\$90.00	3.5	13.1	-	-	16.6	255.4
\$91.00	3.6	13.4	-	-	17.0	255.8
\$92.00	3.6	13.8	-	-	17.4	256.2
\$92.91	3.6	14.0	-	-	17.6	256.4
\$93.00	3.6	14.1	-	-	17.7	256.5
\$94.00	3.6	14.4	-	-	18.0	256.8
\$95.00	3.7	14.6	-	-	18.3	257.1
\$96.00	3.8	14.9	0.2	-	18.9	257.7
\$97.00	3.8	15.2	0.3	0.2	19.5	258.3
\$98.00	3.8	15.5	0.4	0.5	20.2	259.0
\$99.00	3.9	15.7	0.5	0.9	21.0	259.8
\$100.00	3.9	16.0	0.6	1.2	21.7	260.5
\$101.00	3.9	16.3	0.7	1.5	22.4	261.2
\$102.00	3.9	16.5	0.8	1.8	23.0	261.8
\$103.00	4.0	16.8	0.9	2.1	23.8	262.6
\$104.00	4.0	17.0	1.0	2.4	24.4	263.2
\$105.00	4.0	17.2	1.1	2.7	25.0	263.8
\$106.00	4.0	17.5	1.2	2.9	25.6	264.4
\$107.00	4.0	17.7	1.3	3.2	26.2	265.0
\$108.00	4.2	17.9	1.3	3.5	26.9	265.7
\$109.00	4.2	18.1	1.4	3.7	27.4	266.2
\$110.00	4.2	18.4	1.5	4.0	28.1	266.9
\$111.00	4.2	18.6	1.6	4.3	28.7	267.5
\$112.00	4.2	18.8	1.7	4.5	29.2	268.0
\$113.00	4.2	19.0	1.8	4.8	29.8	268.6
\$114.00	4.3	19.2	1.8	5.0	30.3	269.1
\$115.00	4.3	19.4	1.9	5.2	30.8	269.6
\$116.00	4.3	19.6	2.0	5.5	31.4	270.2
\$117.00	4.3	19.8	2.1	5.7	31.9	270.7
\$118.00	4.3	20.0	2.2	5.9	32.4	271.2
\$119.00	4.3	20.1	2.2	6.1	32.7	271.5
\$120.00	4.4	20.3	2.3	6.4	33.4	272.2

<sup>(1)</sup> This table is intended to set forth a hypothetical estimation and should be utilized in that manner. It contains certain hypothetical events based on management's current estimations and is not intended to project or forecast actual events (in particular, we make no prediction whatsoever as to what our future stock price will be or whether such price will be within the range of hypothetical prices set forth in the table above). To the extent this

table contains forward-looking information, readers are cautioned that actual results and outcomes may differ substantially. Please refer to Securities and Exchange Commission filings for Microchip Technology Incorporated (“Company”) for risk factors that could affect our stock price and the estimates in this table. The “Hypothetical Stock Price per Common Share” column begins with \$70.00 per share and increases in \$1.00 increments until reaching \$120.00 per share and also includes the last closing price of the Company’s common stock as of September 30, 2019 of \$92.91 per share.

<sup>(2)</sup> Potentially dilutive common shares from employee incentive plans are determined by applying the treasury stock method to the assumed exercise of outstanding stock options, the assumed vesting of outstanding restricted stock units, and the assumed issuance of common stock under the stock purchase plan. The incremental dilutive shares in this schedule is based on the same inputs used to calculate actual diluted weighted average common shares outstanding as reported for the quarter ended September 30, 2019, except the weighted average market price of common stock for the quarter used in the calculation was replaced with the respective prices in the “Hypothetical Stock Price per Common Share” column above. The actual dilutive shares in future quarters will vary as new grants arise and actual exercises or vesting of awards occur.

<sup>(3)</sup> The incremental dilutive shares related to the Company’s junior and senior subordinated convertible debentures is calculated using the treasury stock method, as the Company has the intent and current ability to settle the principal amount of the debentures in cash upon conversion, with value in excess of the principal amount settled by the issuance of shares of common stock. The Company includes the dilutive effect of the shares of its common stock issuable upon conversion of the outstanding junior and senior subordinated convertible debentures in its diluted income per share calculation regardless of whether the market price trigger or other contingent conversion feature has been met. The treasury stock method results in incremental dilutive shares when the average market value of its common stock for a reporting period exceeds the conversion price per share which was \$61.78 for the 1.625% 2025 senior subordinated convertible debentures, \$94.65 for the 2.250% 2037 junior subordinated convertible debentures, and \$96.34 for the 1.625% 2027 senior subordinated convertible debentures, and adjusts as dividends are recorded in the future. In addition, if at the time of conversion the applicable price of the Company's common stock exceeds the applicable conversion price at such time, the applicable conversion rate will be increased by up to an additional maximum incremental shares rate, as determined pursuant to a formula specified in the indenture for the applicable series of convertible debt, and as adjusted for cash dividends paid since the issuance of such series of convertible debt. However, in no event will the applicable conversion rate exceed the applicable maximum conversion rate specified in the indenture for the applicable series of convertible debt. In the calculation above, the Company uses the respective prices in the “Hypothetical Stock Price per Common Share” column as the ending market price of the Company’s common stock and the conversion rates effective as of September 30, 2019.

<sup>(4)</sup> The diluted common shares outstanding above is the sum of the respective total incremental shares as calculated in this schedule, plus the common shares outstanding as of September 30, 2019 of 238.8 million shares. The actual diluted common shares outstanding can vary for, among other things, the actual exercise of options, the vesting of RSU’s, the actual conversion of the debentures, the repurchase or the issuance of stock or the sale of treasury shares.