MICROCHIP TECHNOLOGY INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
NINE MONTHS ENDED DECEMBER 31, 2019
(in millions except per share amounts)
(unaudited)

		GAAP	Share-based compensation expense	Acquisition-related costs	IT security remediation	Amortization of acquired intangible assets	Special charges (income) and other, net	Loss on settlement of debt	Non-cash other expense, net	(Gains) losses on available-for-sale investments	Other non-GAAP tax adjustment		Non-GAAP
Net sales	$	3,947.8											
Cost of sales	$	1,519.6	(15.8)	—	—	—	—	—	—	—	—	$	1,503.8
Gross profit		2,428.2	15.8	—	—	—	—	—	—	—	—		2,444.0
Gross profit percentage		61.5%											61.9%
Research and development		656.0	(63.0)	(0.1)	—	—	—	—	—	—	—		592.9
Selling, general and administrative		510.9	(50.7)	(24.8)	(5.7)	—	—	—	—	—	—		429.7
Amortization of acquired intangible assets		745.4	—	—	—	(745.4)	—	—	—	—	—		—
Special charges (income) and other, net		29.5	—	—	—	—	(29.5)	—	—	—	—		—
Operating expenses		1,941.8	(113.7)	(24.9)	(5.7)	(745.4)	(29.5)	—	—	—	—		1,022.6
Operating income		486.4	129.5	24.9	5.7	745.4	29.5	—	—	—	—		1,421.4
Operating income percentage		12.3%											36.0%
Other expense, net		(381.8)	—	—	—	—	—	2.0	91.6	(1.1)	—		(289.3)
Income before income taxes		104.6	129.5	24.9	5.7	745.4	29.5	2.0	91.6	(1.1)	—		1,132.1
Income tax (benefit) provision		(366.1)	—	—	—	—	—	—	—	—	434.1		68.0
Net income	$	470.7	129.5	24.9	5.7	745.4	29.5	2.0	91.6	(1.1)	(434.1)	$	1,064.1
Net income percentage		11.9%											27.0%
Diluted net income per common share	$	1.84										$	4.16
Diluted common shares outstanding		255.8											255.8