

**Microchip Technology Incorporated**  
**Schedule of Outstanding Debt and Leverage Metrics**  
**Dollar amounts in millions**

	<b>Coupon Interest Rate</b>	<b>Maturity</b>	<b>Balance at 3/31/2020</b>
<i>Senior Secured Indebtedness</i>			
Revolving Credit Facility			\$ 2,388.5
Term Loan Facility			1,723.5
Bridge Loan Facility			615.0
2023 Notes	4.333%	6/1/2023	1,000.0
2021 Notes	3.922%	6/1/2021	1,000.0
Total Senior Secured Indebtedness			<u>6,727.0</u>
 <i>Senior Subordinated Convertible Debt - Principal Outstanding</i>			
2025 Senior Convertible Debt	1.625%	2/15/2025	1,110.0
2027 Senior Convertible Debt	1.625%	2/15/2027	2,070.0
<i>Junior Subordinated Convertible Debt - Principal Outstanding</i>			
2037 Junior Convertible Debt	2.250%	2/15/2037	686.3
Total Convertible Debt			<u>3,866.3</u>
 Total Gross Debt <sup>1</sup>			 <u><u>\$ 10,593.3</u></u>
 Cash and Short-term Investments			 \$ 403.0
 Total Gross Debt Less Cash and Short-term Investments			 \$ 10,190.3
 <b>Credit Agreement Leverage Metrics <sup>2</sup></b>			
Senior Leverage Ratio			3.1600
Total leverage Ratio (excludes 2037 Junior Convertible Debt)			4.6538
Net Leverage Ratio (excludes 2037 Junior Convertible Debt)			4.4645

Notes

1 - Refer to Note 12, Debt and Credit Facility of our Form 10-K for the fiscal year ended March 31, 2019 filed with the SEC on May 30, 2019 (the "Form 10-K") and our Form 10-Q as previously filed with the SEC for further information on our indebtedness.

2 - The following leverage metrics are based on the definitions in our Amended and Restated Credit Facility Agreement dated May 18, 2018 and Amendment No.2 to Amended and Restated Credit Facility Agreement dated March 21, 2020, based on last twelve month adjusted EBITDA (as defined in the Credit Agreement) and including the adjusted EBITDA of acquired companies divided into:

- for the Senior Leverage Ratio, Total Senior Secured Indebtedness;
- for the Total Leverage Ratio, Gross Debt less the 2037 Junior Convertible Debt; and
- for the Net Leverage Ratio, Gross Debt less the 2037 Junior Convertible Debt less Cash and Short-term Investments.

Refer to page 2 of this document for the calculation of adjusted EBITDA and our disclosures related to the use of this Non-GAAP measure.

**Microchip Technology Incorporated**  
**GAAP to Non-GAAP reconciliation - adjusted EBITDA**  
**Dollar amounts in millions**

The following calculation of adjusted EBITDA is based on the definition contained in our Credit Agreement.

<b>Reconciliation of GAAP net income to adjusted EBITDA</b>	<b>For the three months ended:</b>			
	<b>6/30/2019</b>	<b>9/30/2019</b>	<b>12/31/2019</b>	<b>3/31/2020</b>
Net income	\$ 50.7	\$ 108.9	\$ 311.1	\$ 99.9
Additions:				
Interest expense	132.6	129.6	119.7	115.4
Income tax benefit	(10.2)	(55.4)	(300.5)	(54.1)
Depreciation	46.2	39.5	41.4	41.8
Amortization	260.9	258.1	258.6	269.1
Special charges and other, net as reflected on the Consolidated Statements of Income	8.1	3.6	17.8	17.2
Professional services associated with certain legal matters	—	—	—	3.3
IT security remediation	3.0	2.0	0.7	1.1
Share-based compensation expenses	40.7	45.3	43.5	40.7
Acquisition-related costs	6.6	8.1	10.2	10.9
COVID-19 shelter-in-place restrictions on manufacturing activities	—	—	—	3.3
Other (income) and expense as reflected on the Consolidated Statements of Income	(2.7)	1.4	1.5	(3.4)
Subtractions:				
Interest Income	(0.7)	(1.0)	(0.6)	(0.5)
Loss on settlement of debt	1.9	0.1	—	3.4
Consolidated adjusted EBITDA	<u>\$ 537.1</u>	<u>\$ 540.2</u>	<u>\$ 503.4</u>	<u>\$ 548.1</u>

Adjusted EBITDA for the twelve months ended March 31, 2020 \$ 2,128.8

**Disclosure Regarding adjusted EBITDA as a Non-GAAP Financial Measure:** Adjusted EBITDA is a non-GAAP financial measure and the above calculation of adjusted EBITDA is based on the definition in our Credit Agreement. In the above table, adjusted EBITDA is reconciled to Net Income as determined in accordance with GAAP. Our calculation of adjusted EBITDA might not be the same as similarly titled measures used by other companies, and it should not be construed as a substitute for amounts determined in accordance with GAAP. There are limitations associated with the use of adjusted EBITDA, including that it excludes financial information that some may consider important in evaluating our performance. We compensate for this by presenting such information on both a GAAP and non-GAAP basis and providing a reconciliation of the GAAP and non-GAAP results.