MICROCHIP TECHNOLOGY INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
SIX MONTHS ENDED SEPTEMBER 30, 2018
(in millions except per share amounts)
(unaudited)

Net sales	$ 2,644.9												
	GAAP	Share-based compensation expense	Acquisition-related costs	Acquired inventory valuation costs	Excess capacity charges	Amortization of acquired intangible assets	Special charges and other, net	Non-cash other expense, net	(Gains) losses on available-for-sale investments	Loss on settlement of debt	Other non-GAAP tax adjustment	Non-GAAP
Cost of sales	$ 1,313.6	(7.5)	(0.2)	(289.6)	(2.3)	—	—	—	—	—	—	$ 1,014.0
Gross profit	1,331.3	7.5	0.2	289.6	2.3	—	—	—	—	—	—	1,630.9
Gross profit percentage	50.3 %											61.7 %
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	70.8	33.7	289.6	2.3	303.6	58.3	—	—	—	—	993.2
Operating income percentage	8.9 %											37.6 %
Losses on equity method investments	(0.1)	—	—	—	—	—	—	—		—	—	(0.1)
Other expense, net	(236.5)	—	—	—	—	—	—	65.4	6.1	4.1	—	(160.9)
Income (loss) before income taxes	(1.7)	70.8	33.7	289.6	2.3	303.6	58.3	65.4	6.1	4.1	—	832.2
Income tax (benefit) provision	(133.7)	—	—	—	—	—	—		—	—	165.0	31.3
Net income	$ 132.0	70.8	33.7	289.6	2.3	303.6	58.3	65.4	6.1	4.1	(165.0)	$ 800.9
Net income percentage	5.0 %											30.3 %
Diluted net income per common share	$ 0.52											$ 3.18
Diluted common shares outstanding	252.0											252.0