MICROCHIP TECHNOLOGY INCORPORATED AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
THREE MONTHS ENDED JUNE 30, 2020
(in millions except per share amounts)
(unaudited)

	GAAP	Share-based compensation expense	COVID-19 shelter-in-place restrictions on manufacturing activities	Acquisition-related costs	Professional services associated with certain legal matters	IT security remediation	Amortization of acquired intangible assets	Special charges and other, net	Loss on settlement of debt	Non-cash other expense, net	Gains on available-for-sale investments	Other non-GAAP tax adjustment	Non-GAAP
Net sales	$ 1,309.7												
Cost of sales	$ 511.4	(6.4)	(2.8)	—	—	—	—	—	—	—	—	—	$ 502.2
Gross profit	798.3	6.4	2.8	—	—	—	—	—	—	—	—	—	807.5
Gross profit percentage	61.0%												61.7%
Research and development	198.0	(20.5)	—	—	—	—	—	—	—	—	—	—	177.5
Selling, general and administrative	146.3	(15.5)	—	(1.5)	(3.5)	(1.0)	—	—	—	—	—	—	124.8
Amortization of acquired intangible assets	235.4	—	—	—	—	—	(235.4)	—	—	—	—	—	—
Special charges and other, net	0.3	—	—	—	—	—	—	(0.3)	—	—	—	—	—
Operating expenses	580.0	(36.0)	—	(1.5)	(3.5)	(1.0)	(235.4)	(0.3)	—	—	—	—	302.3
Operating income	218.3	42.4	2.8	1.5	3.5	1.0	235.4	0.3	—	—	—	—	505.2
Operating income percentage	16.7%												38.6%
Other expense, net	(128.8)	—	—	—	—	—	—	—	26.8	24.6	(0.2)	—	(77.6)
Income before income taxes	89.5	42.4	2.8	1.5	3.5	1.0	235.4	0.3	26.8	24.6	(0.2)	—	427.6
Income tax (benefit) provision	(34.1)	—	—	—	—	—	—	—	—	—	—	59.8	25.7
Net income	$ 123.6	42.4	2.8	1.5	3.5	1.0	235.4	0.3	26.8	24.6	(0.2)	(59.8)	$ 401.9
Net income percentage	9.4%												30.7%
Diluted net income per common share	$ 0.48												$ 1.56
Diluted common shares outstanding	257.8												257.8