

July 14, 2014



Microchip Technology Completes ISSC Technologies Tender Offer

CHANDLER, Ariz.--(BUSINESS WIRE)-- Microchip Technology Incorporated (NASDAQ:MCHP), a leading provider of microcontroller, mixed-signal, analog and Flash-IP solutions, today announced the successful completion of its tender offer to acquire the outstanding shares of Taiwan-based ISSC Technologies Corporation (ISSC). As of the expiration date of the tender offer on July 14, 2014, a total of 57,228,225 shares were tendered, representing approximately 83.46% of the outstanding shares of ISSC, exceeding the minimum tender condition of 27,300,429 shares. The shares were tendered at the offer price of New Taiwan dollar (NT\$) 143 per share (approximately US\$4.74 per share).

“As expected, Microchip successfully completed the tender offer for majority control of ISSC,” said Ganesh Moorthy, COO of Microchip Technology. “We look forward to combining ISSC’s strengths in wireless products and technology with Microchip’s brand, channel and operational scale to drive growth and profitability.”

“This transaction represents the first major overseas acquisition by Microchip and was funded with a portion of Microchip’s foreign cash. We are pleased to effectively use our foreign cash to drive returns for our stockholders,” said Steve Sanghi, Microchip’s President and CEO.

The purchase of the shares in the tender offer will be settled on or before July 18, 2014. As a result of obtaining a majority controlling interest in ISSC through the tender offer, Microchip will begin consolidating ISSC’s financial statements with Microchip’s based on its percentage ownership of ISSC. In addition to the shares which have already been tendered, certain stockholders of ISSC are parties to a tender agreement pursuant to which such stockholders have the right to tender certain shares owned by them upon the expiration of a statutory lock-up period. As a result, after November 27, 2014, Microchip anticipates acquiring ISSC shares representing an additional 10.47% of the outstanding ISSC shares. Pursuant to the terms and conditions of the merger agreement with ISSC, Microchip will acquire the remaining outstanding shares of ISSC through a follow-on merger which is expected to be completed by late December 2014. Upon the closing of the merger, ISSC stock will be delisted from and cease to be a publicly reported company on the GreTai Securities market in Taiwan.

Forward Looking Statements:

The statements in this release relating to looking forward to combining ISSC’s strengths in wireless products and technology with Microchip’s brand, channel and operational scale to drive growth and profitability, drive returns for our stockholders, that the purchase of the shares in the tender offer will be settled on or before July 18, 2014, expected additional ISSC shares to be acquired on November 27, 2014 and that Microchip will acquire the remaining outstanding shares of ISSC through a follow-on merger which is expected to be completed by late December 2014 are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These

forward-looking statements are subject to a number of business, economic, legal and other risks that are inherently uncertain and difficult to predict, including, but not limited to: the timing and ability to complete the actions required to close the follow-on merger, changes in demand or market acceptance of the products of Microchip or ISSC and the products of their respective customers, changes in demand or market acceptance of Microchip's products and the products of its customers; competitive developments; the costs and outcome of any current or future litigation involving Microchip, ISSC or the acquisition transaction; the effect of the acquisition on Microchip's and ISSC's existing relationships with customers and vendors and their operating results and businesses; the progress and costs of development of Microchip and ISSC products and the timing and market acceptance of those new products; Microchip's ability to successfully integrate ISSC's operations and employees and retain key employees; and general economic, industry or political conditions in the United States or internationally. For a detailed discussion of these and other risk factors, please refer to the SEC filings of Microchip including those on Forms 10-K and 10-Q. You can obtain copies of Forms 10-K and 10-Q and other relevant documents for free at Microchip's website (www.microchip.com) (as applicable), or the SEC's website (www.sec.gov), or from commercial document retrieval services.

Stockholders of Microchip are cautioned not to place undue reliance on the forward-looking statements in this press release, which speak only as of the date such statements are made. Microchip does not undertake any obligation to publicly update any forward-looking statements to reflect events, circumstances or new information after this July 14, 2014 press release, or to reflect the occurrence of unanticipated events.

About Microchip Technology

Microchip Technology Inc. (NASDAQ: MCHP) is a leading provider of microcontroller, mixed-signal, analog and Flash-IP solutions, providing low-risk product development, lower total system cost and faster time to market for thousands of diverse customer applications worldwide. Headquartered in Chandler, Arizona, Microchip offers outstanding technical support along with dependable delivery and quality. For more information, visit the Microchip website at www.microchip.com.

About ISSC:

ISSC Technologies Corporation (TW OTC:5261) is a leading developer of advanced wireless solutions. Its award-winning KleanWire™ technology enables world-class personal Bluetooth products to enrich your life wirelessly. ISSC is a market leader in Bluetooth (System On Chip) SOC solutions for wireless Headset, Speaker, Connectivity, and HID products. Founded in 1999 and publicly traded on the Taiwan GreTai Securities Market under the code "5261" in 2013, ISSC is headquartered in Hsinchu, Taiwan (Hsinchu Science Park) and has customer service or research activities in Shenzhen, China and Torrance, California. For more information, go to www.issc-tech.com.

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