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Microchip Technology Reports Inducement Equity Grants in Connection with Closing of SMSC Acquisition

CHANDLER, Ariz.--(BUSINESS WIRE)-- Microchip Technology Incorporated (NASDAQ: MCHP), a leading provider of microcontroller, analog and Flash-IP solutions, today announced that it has made inducement stock appreciation right awards to 294 new employees in connection with its acquisition of Standard Microsystems Corporation (SMSC). The awards relate to outstanding unvested SMSC stock appreciation rights assumed and converted effective as of the closing of the acquisition into stock-settled awards under the Microchip Technology Incorporated 2012 Inducement Award Plan. The inducement awards cover an aggregate 440,422 shares of Microchip common stock and are being made as a material inducement to employees entering into employment with Microchip in connection with the acquisition transaction. The awards are settled in Microchip shares and subject to vesting pursuant to the terms of the inducement award plan and the individual award agreements, based on continued service over a period of either four (4) years or five (5) years measured from the dates the assumed and converted awards were originally granted by SMSC.

Microchip's Compensation Committee, which is comprised solely of independent directors, approved the awards pursuant to the Microchip Technology Incorporated 2012 Inducement Award Plan in connection with the transaction. The awards were granted without stockholder approval in accordance with NASDAQ Listing Rule 5635(c)(4).

About Microchip:

Microchip Technology Incorporated is a leading provider of microcontroller, 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.

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Source: Microchip Technology Incorporated