

December 3, 2013



Microchip Technology Narrows Guidance Range for Third Quarter of Fiscal 2014

CHANDLER, Ariz.--(BUSINESS WIRE)-- Microchip Technology Incorporated (NASDAQ: MCHP), a leading provider of microcontroller, mixed-signal, analog and Flash-IP solutions, today narrowed its revenue and earnings per share guidance around the mid-point of its prior guidance range for its fiscal third quarter of 2014 ending December 31, 2013. On a sequential basis, Microchip now expects net sales to be down between 1.5% and 4.5%, non-GAAP diluted earnings per share to be 58 to 62 cents, and GAAP diluted earnings per share to be 41 to 45 cents. Microchip previously provided guidance on October 30, 2013 for net sales to be flat to down 6% sequentially, non-GAAP diluted earnings per share to be 57 to 63 cents and GAAP diluted earnings per share to be 40 to 46 cents. There will be no conference call associated with this press release. Microchip will be presenting at both the Credit Suisse Annual Technology Conference and the NASDAQ OMX International Investor Program on Wednesday, December 4, 2013. Live webcasts and replays of the Credit Suisse and NASDAQ presentations will be available at www.microchip.com. The presentations for both events are also posted at Microchip's investor relations website at www.microchip.com/investors. The presentations have a special update on the state of union of Microchip's 32-bit microcontroller business.

"The December quarter is progressing as expected based on the activity in October and November. Based on this we are narrowing our guidance around the previously provided midpoint," said Steve Sanghi, Microchip's President and CEO. "Our bookings activity is steady, with backlog filling in for the March quarter. Currently we expect the March 2014 quarter revenue to be up sequentially," concluded Mr. Sanghi.

Cautionary Statement:

The statements contained in this release relating to expecting net sales to be down between 1.5% and 4.5% sequentially, non-GAAP diluted earnings per share to be 58 to 62 cents and GAAP diluted earnings per share to be 41 to 45 cents, the December quarter progressing as expected, steady bookings activity, backlog filling in for the March quarter and expecting March 2014 quarter revenue to be up sequentially are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements involve risks and uncertainties that could cause our actual results to differ materially, including, but not limited to: the changes in the strength of the economy or any unexpected fluctuations or weakness in the U.S. and global economies, changes in demand or market acceptance of our products and the products of our customers; the mix of inventory we hold and our ability to satisfy short-term orders from our inventory; changes in utilization of our manufacturing capacity and our ability to effectively ramp our production levels; competitive developments including pricing pressures; the level of orders that are received and can be shipped in a quarter; the level of sell-through of our products through distribution; changes or fluctuations in customer order patterns and seasonality; foreign currency effects on our business; our ability to continue to realize the expected benefits of our acquisitions; the impact of any other significant acquisitions that we may make; costs

and outcome of any current or future tax audit or any litigation involving intellectual property, customers or other issues; our actual average stock price in the December 2013 quarter and the impact such price will have on our share count; disruptions in our business or the businesses of our customers or suppliers due to natural disasters (including any floods in Thailand), terrorist activity, armed conflict, war, worldwide oil prices and supply, public health concerns or disruptions in the transportation system; 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 Microchip's filings 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) 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 our forward-looking statements, 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 December 3, 2013 press release, or to reflect the occurrence of unanticipated events.

About Microchip:

Microchip Technology Incorporated 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.

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