November 8, 2021

Microchip Technology Announces $4.0 Billion Stock Repurchase Program

CHANDLER, Ariz., Nov. 08, 2021 (GLOBE NEWSWIRE) -- (NASDAQ: MCHP) – Microchip Technology Incorporated, a leading provider of smart, connected, and secure embedded control solutions, today announced that its Board of Directors has authorized the Company to purchase up to $4.0 billion of its common stock in the open market or in privately negotiated transactions including under Rule 10b-18. This new program replaces the Company's prior program to repurchase up to 30 million shares of common stock. Microchip expects to fund repurchases through available cash flow from operations after capital expenditures and dividend payments.

The timing and actual number of shares repurchased will depend on a variety of factors, including price, general business and market conditions, and tax regulations impacting share repurchases. The repurchase program will be executed consistent with the Company's capital allocation strategy including its cash dividend program.

The repurchase program does not have an expiration date and does not obligate the Company to acquire any particular amount of shares. The repurchase program may be suspended or discontinued at any time at the Company's discretion.

Cautionary Statement:

The statements contained in this release relating to our stock repurchase program 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 actual results to differ materially, including, but not limited to continued uncertainties related to the impact of the COVID-19 pandemic on the economy, our business, and the business of our customers and suppliers, actual cash flows generated from and used in the operation of our business; actual or projected levels of capital expenditures; our balance of cash and investments; changes in tax laws related to stock repurchases and any new laws which may be enacted; the impact of any significant acquisitions we may make; our ability to realize the expected benefits of our acquisitions, changes in demand or market acceptance of our products and the products of our customers and our ability to meet any continued increases in market demand; 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 manage our production levels and increase production to meet any continued increases in market demand; our ability to obtain additional capacity from our wafer foundries and other suppliers to increase production to meet any continued increases in market demand; our ability to control the level of operating expenses relative to our level of revenues; competitive developments including pricing pressures; the level of orders that are received and can be shipped in a quarter; changes or fluctuations in customer order patterns and seasonality; the costs and outcome of any current or future litigation or other matters involving our Microsemi acquisition, the Microsemi business, intellectual property, customers, or other issues; the costs and outcome

of any current or future tax audit or investigation regarding our business or the business of Microsemi; 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 (including COVID-19) 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 November 8, 2021 press release or to reflect the occurrence of unanticipated events.

About Microchip:

Microchip Technology Incorporated is a leading provider of smart, connected and secure embedded control solutions. Its easy-to-use development tools and comprehensive product portfolio enable customers to create optimal designs, which reduce risk while lowering total system cost and time to market. The company's solutions serve more than 120,500 customers across the industrial, automotive, consumer, aerospace and defense, communications and computing markets. 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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