Microchip Technology Incorporated
2355 West Chandler Boulevard
Chandler, Arizona 85224-6199, U.S.A.

Prospectus for the public offer

of 571,240 shares of Microchip Technology Incorporated common stock
each with a par value of USD 0.001
under the Microchip Technology Incorporated International Employee Stock Purchase Plan

to the employees of certain European Economic Area ("EEA") subsidiaries of Microchip Technology Incorporated

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DEUTSCHE ZUSAMMENFASSUNG DES PROSPEKTS

Hinweis an den Leser

Zusammenfassungen bestehen aus verschiedenen Offenlegungselementen, die als „Angaben“ bezeichnet werden. Diese Angaben sind unten in den Abschnitten A – E enthalten (A.1 – E.7).

Diese Zusammenfassung enthält alle Angaben, die in einer Zusammenfassung für die angebotene Art von Wertpapieren und diesen Emittenten erforderlich sind. Da bestimmte Angaben in der Zusammenfassung nicht enthalten sein müssen, können in der Nummerierung der Angaben Lücken auftreten.

Es kann vorkommen, dass im Hinblick auf eine bestimmte Angabe keine relevanten Informationen zur Verfügung gestellt werden können, obwohl die entsprechenden Informationen aufgrund der Art der angebotenen Wertpapiere und des Emittenten eigentlich zwingend in die Zusammenfassung aufzunehmen sind. In einem solchen Fall wird die entsprechende Angabe in der Zusammenfassung mit der Bezeichnung „entfällt“ kenntlich gemacht.

Abschnitt A – Einleitung und Warnhinweise		
A.1	**Einleitung und Warnhinweise**	Diese Zusammenfassung sollte als Einführung zum Prospekt verstanden werden. Der Anleger sollte jede Entscheidung zur Anlage in die betreffenden Wertpapiere auf die Prüfung des gesamten Prospektes stützen. Für den Fall, dass vor einem Gericht Ansprüche auf Grund der in diesem Prospekt enthaltenen Informationen geltend gemacht werden, könnte der als Kläger auftretende Anleger in Anwendung der einzelstaatlichen Rechtsvorschriften der Staaten des Europäischen Wirtschaftsraums („EWR“) die Kosten für die Übersetzung des Prospekts vor Prozessbeginn zu tragen haben. Diejenigen Personen, die die Verantwortung für die Zusammenfassung einschließlich etwaige Übersetzungen übernommen haben oder von denen der Erlass der Zusammenfassung ausgeht, können zivilrechtlich haftbar gemacht werden, jedoch nur für den Fall, dass die Zusammenfassung irreführend, unrichtig oder widersprüchlich ist, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird, oder sie, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird, nicht alle erforderlichen Schlüsselinformationen vermittelt.
A.2	**Verwendung des Prospekts für die spätere Weiterveräußerung oder endgültige Platzierung von Wertpapieren durch Finanzintermediäre**	Entfällt. Der Emittent hat der Verwendung des Prospekts für die spätere Weiterveräußerung oder endgültige Platzierung von Wertpapieren nicht zugestimmt.

Abschnitt B – Emittent		
B.1	**Juristische und kommerzielle Bezeichnung des Emittenten**	Die juristische und kommerzielle Bezeichnung des Emittenten lautet Microchip Technology Incorporated. In dieser Zusammenfassung beziehen sich Verweise auf „Microchip“ oder die „Gesellschaft“ sowie auf „wir“, „uns“ und „unsere“ jeweils auf Microchip Technology Incorporated und ihre Tochtergesellschaften, sofern sich aus dem Zusammenhang nichts anderes ergibt.
B.2	**Sitz und Rechtsform des Emittenten, das für den Emittenten geltende Recht und Land der Gründung der Gesellschaft**	Microchip ist eine nach dem Recht des US-Bundesstaates Delaware gegründete und bestehende Kapitalgesellschaft mit Hauptniederlassung in 2355 West Chandler Boulevard, Chandler, Arizona 85224-6199, USA.
B.3	**Art der derzeitigen Geschäftstätigkeit und Hauptä-**	Wir entwickeln, fertigen und verkaufen spezialisierte Halbleiterprodukte, die von unseren Kunden für eine große Anzahl von verschiedenen integrierten Steuergeräte-Applikationen eingesetzt werden. Unser Produktportfolio umfasst universell und für spezielle Zwecke einsetzbare 8-Bit, 16-Bit und 32-Bit Microcontroller, 32-Bit Microprozessoren, ein breites Spektrum an linearen, mit ge-

	tigkeiten des Emittenten sowie die Hauptmärkte, auf denen der Emittent tätig ist	mischten Signalen ausgestatteten, zum Energie- und Temperaturmanagement einsetzbaren, Radiofrequenz-, Zeitmess-, Sicherungs-, und Sicherheits-, Hochleistungsgeräten sowie Hochleistungsgeräte für die drahtlose und drahtgebundene Konnektivität und serielle EEPROMs (Abkürzung des englischen Begriffs „electrically erasable programmable read-only memory“), serielle Flash Speichergeräte, parallele Flash Speichergeräte sowie Speichergeräte für parallele SRAMs (Abkürzung des englischen Begriffs „static random-access memory“ sog. statisches RAM). Wir lizenzieren auch Flash-Technologie aus, die in vielen verschiedenen Produkten eingesetzt wird. Unser synergistisches Produktportfolio ist auf mehrere tausend verschiedene Anwendungen weltweit und auf eine steigende Nachfrage nach Hochleistungsdesigns in den Märkten für Steuerungsgeräte in der Automobil-, Kommunikations-, Computer-, Konsumgüter- und Industriebranche ausgerichtet. Unsere Qualitätssicherungssysteme sind ISO/TS16949 (Version von 2009) zertifiziert. Unser Ziel ist es, weltweit führend in der Bereitstellung spezialisierter Halbleiterprodukte für ein breites Spektrum an verschiedenen integrierten Steuergeräte-Applikationen zu sein. Unser strategischer Fokus liegt auf integrierten Steuergeräte-Applikationen, einschließlich universell und für spezielle Zwecke einsetzbare Microcontroller, Entwicklungswerkzeuge und zugehörige Software, analoge, Schnittstellen-, Mischsignal- und Zeitmessungsprodukte, drahtgebundene und drahtlose Konnektivitätsprodukte, Speicherprodukte sowie die Auslizensierung von Technologie. Wir bieten äußerst kosteneffiziente integrierte Steuerungslösungen an, zu deren Vorteilen eine geringe Größe, hohe Leistung, geringer Stromverbrauch, Funktionalität in breiten Spannungsbereichen, Mixed-Signal-Integration sowie die einfache Entwicklung zählen, was es unseren Kunden ermöglicht, unsere Lösungen schnell und kosteneffizient in ihre Endprodukte zu integrieren. Wir verkaufen unsere Produkte an ein breites Spektrum in- und ausländischer Kunden in den unterschiedlichsten Branchen. Wir bedienen überwiegend den Verbrauchermarkt und die Märkte der Automobil-, Industrie-, Bürokommunikations-, Datenverarbeitungs- und Luftfahrtbranche. Unser Geschäft unterliegt Schwankungen, die auf die wirtschaftlichen Bedingungen dieser Märkte zurückgehen. Am 1. März 2018 haben wir eine endgültige Vereinbarung zum Erwerb der Microsemi Corporation („Microsemi“) für USD 68,78 pro Aktie in bar abgeschlossen. Wir haben die Acquise von Microsemi am 29. Mai 2018 abgeschlossen. Die Transaktion wurde mit einer Kombination aus Barmitteln, unserer bestehenden Kreditlinie und neuen Schulden zu finanziert. Nach Berücksichtigung von Microsemis Barmitteln und Investitionen ohne Schulden in ihrer Bilanz zum 31. Dezember 2017, stellt der Kaufpreis einen Eigenkapitalwert von insgesamt etwa USD 8,35 Milliarden und einen Unternehmenswert von insgesamt etwa USD 10,15 Milliarden dar. Microsemi bietet ein umfassendes Portfolio an Halbleiter- und Systemlösungen für die Luftfahrt- und Verteidigungsindustrie sowie die Märkte Kommunikation, Rechenzentren und Industrie. Die Zentrale von Microsemi befindet sich in Aliso Viejo, Kalifornien; die Gesellschaft hat etwa 4.800 Mitarbeiter weltweit.
B.4a	**Wichtigste jüngste Trends mit Auswirkung auf den Emittenten und seine Branche**	Zum 30. April 2018 betrug unser Auftragsüberhang ca. USD 1.833,9 Millionen im Vergleich zu USD 1.624,1 Millionen zum 30. April 2017. Unser Auftragsüberhang umfasst alle Kaufaufträge, die innerhalb der nächsten 12 Monate ausgeliefert werden müssen. Wir stellen hauptsächlich Standardprodukte her, die innerhalb relativ kurzer Zeit nach Eingang des Auftrags aus unserem Warenbestand heraus versandt werden können. In unserem Geschäft und in der Halbleiterbranche insgesamt sind kurzfristige Aufträge und Versandfristen an der Tagesordnung. Aufträge aus unserem derzeitigen Auftragsüberhang sind sich ändernden Versandfristen ausgesetzt und können, nach Wahl des Kunden, ohne erhebliche Vertragsstrafe storniert werden. Daher stellt der Auftragsüberhang, der zur Planung der Produktion durchaus hilfreich ist, ab einem bestimmten Datum eventuell keine verlässliche Messgröße mehr für den zukünftigen Umsatz dar. Wir gehen davon aus, dass unser Lagerbestand im Quartal Juni 2018 im Vergleich zum Quartal März 2018 zwischen einem Rückgang von bis zu sechs Tagen, bis einem Zuwachs von bis zu vier Tage mehr aufweisen wird. Wir sind der Auffassung, dass wir durch unseren derzeitigen Lagerbestand wettbewerbsfähige Vorlaufzeiten einhalten und unseren Kunden sehr gute Lieferfristen bieten können.
B.5	**Beschreibung der Gruppe und Stellung des Emittenten innerhalb der Gruppe**	Entfällt, da bezüglich der Organisationsstruktur von Microchip keine Informationen in diesem Prospekt enthalten sein müssen.
B.6	**Darstellung**	Entfällt, da bezüglich der Beteiligungen am Kapital der Gesellschaft keine Informationen in die-

	der Beteiligungen am Kapital des Emittenten	sem Prospekt enthalten sein müssen.
B.7	**Ausgewählte Finanzdaten bezüglich Microchip und erhebliche nachfolgende Veränderungen**	Die nachfolgend dargestellten ausgewählten Daten der Gewinn- und Verlustrechnung sowie die ausgewählten Bilanzdaten zum 31 März 2018 und 2017 sind aus den geprüften Konzernabschlüssen der Gesellschaft für die zum 31. März 2018, 31. März 2017 und 31. März 2016 endenden Geschäftsjahre, wie im Geschäftsbericht (*Annual Report*) der Gesellschaft nach Formular 10-K („10-K“) für das zum 31. März 2018 endende Geschäftsjahr veröffentlicht, entnommen („Geschäftsbericht nach Formular 10-K für das Geschäftsjahr 2018“). Die ausgewählten Bilanzdaten zum 31. März 2016 stammen aus unseren geprüften Konzernabschlüssen für die zum 31. März 2017, 31. März 2016 und 31. März 2015 endenden Geschäftsjahre, wie im Geschäftsbericht der Gesellschaft nach Formular 10-K für das zum 31. März 2017 endende Geschäftsjahr veröffentlicht („Geschäftsbericht nach Formular 10-K für das Geschäftsjahr 2017“). Sie können diesen Geschäftsbericht, wie im Abschnitt „Verfügbare Unterlagen“ („*Documents Available for Inspection*“) dieses Prospekts dargestellt, einsehen. Unsere Konzernabschlüsse der Gesellschaft wurden in Übereinstimmung mit den in den Vereinigten Staaten von Amerika allgemein anerkannten Grundsätzen ordnungsgemäßer Buchführung („US-GAAP“) erstellt. Zum 20. Juni 2018 lag der Wechselkurs zwischen US-Dollar und Euro bei USD 1,000 = EUR 0,864. Diese Wechselkursinformationen dienen lediglich der Veranschaulichung. Wir geben keine Zusicherung dahingehend ab, dass ein in den nachstehenden Tabellen aufgeführter US-Dollar-Betrag zu diesem Wechselkurs oder einem anderen Wechselkurs in Euro umgerechnet wurde oder werden könnte. **Daten aus der konsolidierten Gewinn- und Verlustrechnung:** (In Million USD, mit Ausnahme der Angaben pro Aktie)

	Am 31. März endendes Geschäftsjahr		
	2018	2017	2016
Nettoumsatzerlöse	$ 3.980,8	$ 3.407,8	$ 2.173,3
Umsatzkosten[1]	1.560,1	1.650,6	967,8
Bruttogewinn	2.420,7	1.757,2	1.205,5
Forschung und Entwicklung[1]	529,3	545,3	372,6
Vertriebsgemeinkosten[1]	452,1	499,8	301,7
Abschreibungen auf erworbenes immaterielles Vermögen	485,5	337,7	174,9
Außergewöhnliche Belastungen und andere, netto[2]	17,5	98,6	4,0
Betriebskosten	1.484,4	1.481,4	853,2
Betriebsgewinn	936,3	275,8	352,3
Verluste aus *at-equity* Investitionen	(0,2)	(0,2)	(0,3)
Sonstige Erträge (Aufwand):			
Zinserträge	22,0	3,1	24,4
Zinsaufwand	(199,0)	(146,3)	(104,0)
Verlust bei Tilgung der Wandelschuldverschreibungen	(16,0)	(43,9)	—
Sonstige Nettoerträge	(5,8)	1,3	8,9
Gewinn vor Einkommensteuern	737,3	89,8	281,3
Vergünstigungen für Ertragsteuern	481,9	(80,8)	(42,6)
Nettoertrag aus fortgeführten Geschäftsaktivitäten	255,4	170,6	323,9
Nicht fortgeführte Geschäftsaktivitäten:			
Verlust aus nicht fortgeführten Geschäftsaktivitäten	—	(7,6)	—
Ertragssteuervorteile	—	(1,6)	—
Jahresfehlbeträge der nicht fortgeführten Geschäftsaktivitäten	—	(6,0)	—
Nettoeinkommen	255,4	164,6	323,9
Abzüglich: Nettoverlust das auf Anteile ohne beherrschenden Einfluss entfällt	—	—	0,2
Nettoeinkommen das auf Microchip Technology entfällt	255,4	164,6	324,1
Unverwässertes Ergebnis pro Stammaktie, das auf Microchip Technology Aktionäre entfällt:			
Nettoeinkommen von fortgeführten Geschäftsaktivitäten	$ 1,10	$ 0,79	$ 1,59
Nettoverlust von nicht fortgeführten Geschäftsaktivitäten	$ —	$ (0,03)	$ —

Netto Einkommen, das auf Microchip Technology entfällt	$ 1,10	$ 0,76	$ 1,59
Verwässertes Nettoeinkommen pro Stammaktie, das auf Microchip Technology Aktionäre entfällt:			
Nettoeinkommen fortgeführter Geschäftsaktivitäten:	$ 1,03	$ 0,73	$ 1,49
Nettoverlust aus nicht fortgeführten Geschäftsaktivitäten	$ —	$ (0,02)	$ —
Nettoeinkommen das auf Microchip Technology entfällt	$ 1,03	$ 0,71	$ 1,49
Vorgeschlagene Dividenden pro Stammaktie	$ 1,449	$ 1,441	$ 1,433
Im Umlauf befindliche Aktien (unverwässert)	232,9	217,2	203,4
Im Umlauf befindliche Aktien (verwässert)	248,9	234,8	217,4

(1) Enthält den Aufwand für anteilsbasierte Vergütungen wie folgt:

	Am 31. März endendes Geschäftsjahr		
	2018	2017	2016
Umsatzkosten	$ 13,8	$ 18,7	$ 8,3
Forschung und Entwicklung	42,5	46,8	32,0
Vertriebs-, Verwaltungs- und Gemeinkosten	36,9	62,6	31,1

(2) Die nachfolgende Tabelle fasst Tätigkeiten zusammen, die im Abschnitt „Außergewöhnliche Belastungen und andere, netto“ in unserer konsolidierten Gewinn- und Verlustrechnung enthalten sind (Beträge in Million):

	Year ended March 31,		
	2018	2017	2016
Restrukturierung:			
Kosten für das Entkoppeln von Mitarbeitern	$ 1,2	$ 39,1	$ 9,6
Aus dem Verkauf von Anlagen erzielter Gewinn	(4,4)	—	—
Firmenwertabschreibungen	—	12,6	—
Kosten für Vertragsauflösungen	0,7	44,1	0,7
Andere	—	2,8	0,9
Gerichtlicher Vergleich	—	—	4,3
Versicherungsleistung	—	—	(11,5)
Vertragsausstiegskosten, die nicht auf die Restrukturierung zurückzuführen sind	$ 20,0	$ —	$ —
Gesamt	$ 17,5	$ 98,6	$ 4,0

Konsolidierte Bilanzdaten:

(In Millionen)

	Year ended March 31,		
	2018	2017	2016
Vermögenswerte			
Zahlungsmittel und Zahlungsmitteläquivalente	$ 901,3	$ 908,7	$ 2.092,8
Kurzfristige Anlagen	1.295,3	394,1	353,3
Forderungen, netto	563,7	478,4	290,2
Vorräte	476,2	417,2	306,8
Aktive Rechnungsabgrenzungen	63,9	41,3	42,0
Zur Veräußerung bestimmte Vermögenswerte	—	6,4	—
Sonstiges Umlaufvermögen	55,9	58,9	11,6
Kurzfristige Vermögenswerte	3.356,3	2.305,0	3.096,7
Grundstücke, Gebäude und Ausrüstung, netto	767,9	683,3	609,4
Langfristige Investitionen	—	107,5	118,5
Goodwill	2.299,0	2.299,0	1.012,7
Immaterielle Vermögenswerte, netto	1.662,0	2.148,1	606,3
Langfristige latente Steuerguthaben	100,2	68,9	14,8
Andere Vermögenswerte	71,8	75,1	79,5
Vermögenswerte gesamt	$ 8.257,2	$ 7.686,9	$ 5.537,9

Passiva und Eigenkapital			
Verbindlichkeiten	$ 144,1	$ 149,2	$ 79,3
Rückstellungen	229,6	212,5	119,3
Rechnungsabgrenzungsposten auf Versand für Händler	333,8	292,8	183,4
Kurzfristiger Anteil der langfristigen Finanzverbindlichkeiten	1.309,9	50,0	—
Kurzfristige Verbindlichkeiten, gesamt	2.017,4	704,5	382,0
Langfristige Finanzverbindlichkeiten	1.758,4	2.900,5	2.453,4
Langfristig fällige Einkommenssteuer	754,9	184,9	111,1
Langfristige latente Steuerverbindlichkeiten	205,8	409,1	399,2
Sonstige langfristige Verbindlichkeiten	240,9	217,2	41,3
Eigenkapital:			
Vorzugsaktien (1)	—	—	—
Stammaktien(2)	0,2	0,2	0,2
Kapitalrücklage	2.562,5	2.537,4	1.391,6
Eigene Stammaktien (3)	(662,6)	(731,9)	(820,1)
Kumuliertes sonstiges Gesamtergebnis	(17,6)	(14,4)	(3,4)
Gewinnrücklagen	1.397,3	1.479,4	1.582,6
Eigenkapital, gesamt	3.279,8	3.270,7	2.150,9
Gesamtverbindlichkeiten und Eigenkapital	$ 8.257,2	$ 7.686,9	5.537,9

(1) $ 0,001 Nennwert; 5.000.000 genehmigte Anteile; keine Anteile im Umlauf oder ausstehend.

(2) $ 0,001 Nennwert; 450.000.000 genehmigte Anteile; 253.232.909 im Umlauf und 235.027.767 ausstehende Anteile zum 31 März 2017; 227.416.789 Anteile im Umlauf und 204.081.727 ausstehende Anteile zum 31 März 2016.

(3) 18.205.142 Anteile zum 31. März 2018; 20.370.075 Anteile zum 31. März 2017; 23.335.062 Anteile zum 31 März 2016.

Am 18. Mai 2018 und erneut am 29. Mai 2018 haben wir einen geänderten und angepassten Kreditvertrag (der „geänderte und angepasste Kreditvertrag") abgeschlossen, der einen Kapitalbetrag von rund USD 3,8 Mrd. für eine revolvierende Kreditfazilität mit einem Sublimit in Höhe von USD 250 Millionen Fremdwährungen und einem Kreditbrief in Höhe von USD 50 Million US-Dollar Sublimit, und 2 Millionen Swingline Limit, vorsieht. Die revolvierende Kreditfazilität besteht aus revolvierenden Kreditzusagen in Höhe von ca. USD 244,3 Mio. (die "Revolvierenden Darlehen 2020"), die am 4. Februar 2020 (dem "Fälligkeitstermin 2020") enden, und revolvierenden Kreditzusagen in Höhe von ca. USD 3,6 Mrd. (die "2023 Revolvierenden Darlehen" und, zusammen mit den Revolvierenden Darlehen 2020, den "Revolvierenden Darlehen", die am 18. Mai 2018 enden (der "Fälligkeitstermin 2023"). Die revolvierenden Darlehen werden nach unserer Wahl verzinst bei (a) im Fall von Revolvierenden Darlehen 2020 ist der Basiszinssatz zuzüglich eines Spreads von 0,25% bis 1,25% oder eines angepassten LIBOR - Satzes zuzüglich eines Spreads von 1,25% bis 2,25%, und b) bei revolvierenden Darlehen 2023 der Basiszinssatz zuzüglich eines Spreads von 0% bis 1% oder eines bereinigten LIBOR - Satzes zuzüglich eines Spreads von jeweils 1% bis 2%, wobei dieser Spread auf der Grundlage des konsolidierte Senior Leverage Ratio für die vorangegangenen vier Quartale.

Außer im Zusammenhang mit der Akquisition von Microsemi haben sich seit dem 31 März 2018 keine wesentlichen Änderungen in unserer Finanzlage und unserem Betriebsergebnis ergeben.

B.8	**Pro-forma-Finanzinformationen**	Entfällt. Der Prospekt enthält keine ausgewählten wesentlichen Pro-Forma- Finanzinformationen.
B.9	**Gewinnprognose**	Entfällt. Dieser Prospekt enthält keine Gewinnprognose.
B.10	**Beschränkungen im Bestätigungsvermerk zu den historischen Finanzinformationen**	Entfällt. Es gibt keine entsprechenden Beschränkungen im Bestätigungsvermerk.

B.11	**Erklärung zum Geschäftskapital**	Microchip geht davon aus, dass ihr Geschäftskapital (d.h., ihre Fähigkeit, auf Barmittel und andere verfügbare Liquiditätsquellen zuzugreifen) ihren derzeitigen Bedarf für mindestens 12 Monate ab dem Datum dieses Prospekts deckt.

Abschnitt C - Wertpapiere		
C.1	**Beschreibung von Art und Gattung der angebotenen Wertpapiere, einschließlich der Wertpapierkenn-nummer**	Die angebotenen Wertpapiere sind Stammaktien der Gesellschaft mit einem Nennwert von USD 0,001 pro Aktie. Die Stammaktien der Gesellschaft werden an dem NASDAQ ® Global Market („NASDAQ") unter dem Kürzel „MHCP" gehandelt. Die US-Wertpapieridentifikationsnummer (CUSIP) der Aktien lautet 595017104. Die international Wertpapieridentifikationsnummer (Securities Identification Number (ISIN)) für die Gesellschaft lautet US5950171042. Die deutsche Wertpapier-Kenn-Nummer lautet 886105.
C.2	**Währung der Wertpapieremission**	Der US-Dollar ist die Währung der Wertpapieremission.
C.3	**Anzahl der ausgegebenen Aktien**	Microchip ist zur Ausgabe von bis zu 450.000.000 Stammaktien ermächtigt. Zum 9. Mai 2018 hatte die Gesellschaft 235.036.703 im Umlauf befindliche Stammaktien. Die Stammaktien von Microchip haben einen Nennwert von USD 0,001 pro Aktie. Die ausgegebenen Aktien sind voll eingezahlt.
C.4	**Beschreibung der mit den Wertpapieren verbundenen Rechte**	Ein teilnehmender Arbeitnehmer hat solange keine Stimm-, Dividenden- oder andere Aktionärsrechte im Hinblick auf die unter dem Microchip Technology International Employee Stock Purchase Plan (der „IESPP") angebotenen Aktien, bis die Erwerbsrechte ausgeübt und die Aktien von dem teilnehmenden Arbeitnehmer erworben worden sind. Nach dem Erwerb der Aktien ist der teilnehmende Arbeitnehmer berechtigt, die mit den Aktien verbundenen Rechte (wie unten näher beschrieben) auszuüben. *Dividendenrechte.* Der Verwaltungsrat (*board of directors*) (der „Verwaltungsrat") kann auf jeder ordentlichen oder außerordentlichen Sitzung oder durch schriftlichen Beschluss eine Dividende aus den gesetzlich dazu zur Verfügung stehenden Mitteln beschließen. Der Verwaltungsrat bestimmt das Nachweisdatum (Record Date) und das Auszahlungsdatum für Dividendenzahlungen. Dividenden können als Bar- oder Sachdividende oder in Aktien der Gesellschaft ausbezahlt werden. Es gibt keine Dividendenbeschränkungen und keine speziellen Verfahrensvorschriften für Aktionäre, die in der EU („Europäische Union") bzw. im EWR ansässig sind. Die Stammaktionäre der Gesellschaft haben einen Anspruch auf die vom Verwaltungsrat in seinem freien Ermessen jeweils auf einer ordentlichen oder außerordentlichen Sitzung beschlossenen Dividendenzahlungen aus den gesetzlich dafür vorgesehenen Mitteln. Nicht innerhalb von drei Jahren durchgesetzte Ansprüche auf Dividendenzahlung fallen grundsätzlich dem Staat von Delaware zu. *Stimmrechte.* Stammaktionäre haben pro Aktie eine Stimme und können über alle die Aktionäre betreffenden Angelegenheiten abstimmen. Alle Maßnahmen, die von Aktionären vorgenommen werden müssen oder für die die Zustimmung der Aktionäre erforderlich ist, können in der ordnungsgemäß einberufenen ordentlichen (jährlichen) Hauptversammlung, in einer ordnungsgemäß einberufenen außerordentlichen Hauptversammlung oder im schriftlichen Verfahren von den Aktionären vorgenommen werden. Außerordentliche Hauptversammlungen werden vom Vorsitzenden des Verwaltungsrats, vom Verwaltungsrat der Gesellschaft oder von Aktionären, die mindestens 50 % der an Dritte ausgegebenen Aktien der Gesellschaft halten, einberufen. *Recht auf Liquidationserlöse.* Im Fall der Liquidation, Auflösung oder Abwicklung der Gesellschaft, sind die Stammaktionäre berechtigt, einen pro-ratarischen Anteil an den Vermögensgegenständen der Gesellschaft nach Abzug aller Zahlungen auf Verbindlichkeiten oder Rückstellungen, vorbehaltlich vorrangiger Recht aus Vorzugsaktien, soweit ausgegeben, zu erhalten. *Keine Bezugs-, Einzugs- oder Wandlungsrechte.* Die Stammaktionäre der Gesellschaft haben keine Bezugsrechte auf den Erwerb von Aktien der Gesellschaft oder von in Aktien der Gesellschaft wandelbaren Instrumenten. Die Stammaktien der Gesellschaft unterliegen nicht der Einziehung und gewähren keine Wandlungsrechte.

C.5	**Übertragbarkeit**	Die unter dem IESPP gewährten Erwerbsrechte können von einem Teilnehmer nicht auf dritte Parteien abgetreten oder übertragen werden. Der Verwaltungsrat oder ein vom Verwaltungsrat ernannter Ausschuss kann ggf. unter von ihm näher festgelegten Voraussetzungen übertragbare Erwerbsrechte gewähren. Die nach Ausübung der Erwerbsrechte erworbenen Aktien sind frei übertragbar, so lange die Aktien gemäß einem wirksamen Registrierungsdokument nach dem U.S. Securities Act von 1933 ordnungsgemäß registriert sind.
C.6	**Zulassung zum Handel an einem geregelten Markt**	Entfällt. Wie oben in Abschnitt C.1 erwähnt, werden die Aktien an der NASDAQ gehandelt. Sie werden nicht zum Handel an einem geregelten Markt zugelassen.
C.7	**Dividendenpolitik**	Seit dem dritten Quartal 2003 haben wir Bardividenden beschlossen und an unsere Stammaktionäre ausbezahlt. Unsere in den Geschäftsjahren 2018, 2017 und 2016 ausbezahlten Gesamtdividenden betrugen jeweils USD 337,5 Millionen, USD 315,4 Millionen und USD 291,1 Millionen. Am 8. Mai 2018 gaben wir eine Quartalsbardividende in Höhe von USD 0,3635 pro Aktie bekannt, welche am 4. Juni 2018 an die am 21. Mai 2018 eingetragenen Aktionäre ausgezahlt wird. Der Gesamtbetrag dieser Dividende beläuft sich voraussichtlich auf ca. USD 85,6 Millionen. Unser Verwaltungsrat kann auf Basis unserer operativen Ergebnisse, der Finanzlage, der Liquiditätserfordernisse, den Geschäftsaussichten und anderen Faktoren, die von unserem Verwaltungsrat als relevant eingeschätzt werden, unsere Dividendenpolitik jederzeit ändern und die ausbezahlte Dividende erhöhen oder verringern oder keine Dividende an unsere Stammaktionäre ausbezahlen. Derzeit beabsichtigen wir, laufend quartalsweise Bardividenden auszubezahlen, je nach Marktbedingungen und unserem Betriebsergebnis.

Abschnitt D – Risiken

Arbeitnehmer sollten vor ihrer Anlageentscheidung die nachfolgend beschriebenen Risiken, die im Abschnitt „Risikofaktoren“ (Risk Factors) näher beschrieben sind, und die übrigen in diesem Prospekt enthaltenen Informationen sorgfältig lesen und bei ihrer Anlageentscheidung berücksichtigen. Der Eintritt dieser Risiken kann, einzeln oder zusammen mit anderen Umständen, die Geschäftstätigkeit und die Finanzlage der Gesellschaft wesentlich beeinträchtigen und dazu führen, dass der Börsenkurs der Aktien der Gesellschaft fällt. In diesem Fall könnten Arbeitnehmer ihr eingesetztes Kapital ganz oder teilweise verlieren. Der Prospekt enthält alle Risiken, die die Gesellschaft für wesentlich erachtet. Allerdings könnten sich die nachfolgend aufgeführten Risiken rückwirkend betrachtet als nicht abschließend herausstellen und daher nicht die einzigen Risiken sein, denen die Gesellschaft ausgesetzt ist. Weitere Risiken könnten die Geschäftstätigkeit und die Finanzlage der Gesellschaft beeinträchtigen. Die gewählte Reihenfolge der Risikofaktoren enthält weder eine Aussage über die Eintrittswahrscheinlichkeit noch über das Ausmaß bzw. die Bedeutung der einzelnen Risiken.

D.1	**Risiken im Hinblick auf Microchip oder ihr Branchenumfeld**	• Unsere operativen Ergebnisse werden von den globalen wirtschaftlichen Rahmenbedingungen beeinflusst und können in der Zukunft aufgrund einer Reihe von Faktoren schwanken und zu Nettoumsatzrückgängen und einem Profitabilitätsverlust bei der Gesellschaft führen. • Wir sind gegebenenfalls nicht in der Lage, die erwarteten Vorteile aus unseren abgeschlossenen oder zukünftigen Akquisitionen vollständig zu realisieren, einschließlich derjenigen aus unserer jüngsten Akquisition von Microsemi. • Unsere Finanzlage und unser operatives Ergebnis werden sich verschlechtern, wenn es uns nicht gelingt, unsere gegenwärtige oder zukünftige Verschuldung effektiv zu steuern. • Wir benötigen zur Bedienung unserer aktuellen und antizipierten Schulden zur Finanzierung der Akquisition von Microsemi möglicherweise einen erheblichen Betrag an Barmitteln; ggf. steht uns aus unserem Geschäft nicht ausreichend Kapitalfluss zur Finanzierung zukünftiger Zahlungen zur Verfügung. • Wir sind von Kundenaufträgen abhängig, die im selben Quartal eingehen und ausgeliefert werden und können daher den Umfang zukünftiger Auslieferungen von Produkten nur eingeschränkt vorhersehen. • Intensiver Wettbewerb in den Märkten, in denen wir aktiv sind, kann zu steigendem Preisdruck, geringeren Umsatzerlösen und einem geringeren Marktanteil führen. • Wir sind im Hinblick auf wesentliche Fertigungsprozesse von verschiedenen Auftragsproduzenten für Halbleiterscheiben (Wafer) abhängig, und unsere Lizenznehmer für SuperFlash und sonstige Technologien sind ebenfalls von solchen Wafer-Produzenten und anderen Auf-

tragsproduzenten abhängig.

- Unsere operativen Ergebnisse werden sinken, wenn wir unsere Produktionskapazitäten nicht effizient auslasten oder die Fertigungsleistung nicht aufrechterhalten können.
- Unser operatives Ergebnis könnte sich aufgrund saisonaler Schwankungen und großer Schwankungen von Angebot und Nachfrage in der Halbleiterindustrie verschlechtern.
- Unsere Geschäftsaktivitäten sind von dem Vertrieb durch Vertriebspartner abhängig.
- Unser Erfolg hängt von unserer Fähigkeit ab, rechtzeitig neue Produkte einzuführen.
- Wir könnten Umsatz verlieren, wenn unsere Rohstoff- und Gerätelieferanten nicht unsere Nachfrage decken können.
- Unsere veröffentlichten Finanzergebnisse könnten sich aufgrund neuer Rechnungslegungsvorschriften oder Änderungen bestehender Rechnungslegungsvorschriften, einschließlich ASC 606 welches eine Auswirkung auf unsere Umsatzrealisierung haben wird, verschlechtern
- Geschäftsunterbrechungen bei uns oder unseren wesentlichen Verkäufern, Unterauftragsnehmern, Lizenznehmern oder Kunden aufgrund von Naturereignissen oder anderen Umständen könnten sich negativ auf unser Geschäft auswirken.
- Durch unser Auslizensierungsgeschäft sind wir verschiedenen Risiken ausgesetzt, einschließlich Verzögerungen bei der Entwicklung und Verbesserung unserer Technologien, Nichterreichen oder Beibehalten von Marktakzeptanz und Produktionsunterbrechungen.
- Wir sind verschiedenen Risiken im Zusammenhang mit rechtlichen Auseinandersetzungen oder Ansprüchen ausgesetzt.
- Sollte es uns nicht gelingen, unser geistiges Eigentum hinreichend zu schützen, könnte dies zu Umsatzausfällen und dem Verlust von Marktchancen führen.
- Unser operatives Ergebnis könnte sich verschlechtern, wenn die wirtschaftlichen Rahmenbedingungen sich negativ auf die Finanzlage unserer Lizenznehmer, Kunden, Vertriebspartner oder Zulieferer auswirken.
- Wir sind im hohen Maße vom Absatz unserer Produkte im Ausland und unserem operativen Geschäft im Ausland abhängig und sind daher politischen und wirtschaftlichen Risiken in den jeweiligen Ländern ausgesetzt.
- Unsere vertraglichen Beziehungen mit unseren Kunden setzen uns bestimmten Risiken aus, einschließlich der Risiken der Vertragsbeendigung und der Haftung für die Verletzung von Vertragsbedingungen sowie Freistellungen.
- Wir müssen qualifiziertes Personal für uns gewinnen und halten, um erfolgreich zu sein; der Wettbewerb um qualifiziertes Personal kann intensiv sein.
- Währungswechselkursschwankungen könnten sich negativ auf unser operatives Ergebnis auswirken.
- Störungen unserer IT-Systeme oder ein unsachgemäßer Umgang mit Daten könnten sich negativ auf unseren Geschäftsbetrieb auswirken.
- Schadensfälle, gegen die wir nicht versichert sind, oder die eine bestehende Deckung durch eine Versicherung überschreiten, könnten sich negativ auf unsere Profitabilität und Liquidität auswirken.
- Wenn wir es versäumen, eine angemessene und wirksame interne Kontrolle aufrechtzuerhalten oder bestehende oder zukünftige Unzulänglichkeiten zu beheben, könnte unsere Fähigkeit, genaue und fristgerechte Finanzberichte zu erstellen, beeinträchtigt werden, was unsere Geschäftsergebnisse, unsere Fähigkeit, unser Geschäft zu betreiben, und die Ansichten unserer Investoren über uns beeinträchtigen könnte.
- Wir unterliegen strengen umweltrechtlichen und sonstigen Vorschriften, die uns zwingen könnten, erhebliche zusätzliche Ausgaben zu tätigen.
- Die entsprechende Vorgabe von Kunden, über die bestehenden Regelungen hinausgehende strengere Geschäftspraktiken umzusetzen, könnte unsere Ertragsmöglichkeiten mindern oder zu höheren Kosten führen.
- Die entsprechende Vorgabe von Kunden und Vorschriften in Bezug auf die Verwendung

		konfliktfreier Mineralien könnten uns zu erheblichen zusätzlichen Ausgaben zwingen. • Aufsichtsbehörden in Ländern, in die wir unsere Produkte liefern, könnten Strafzahlungen verlangen oder die Ausfuhr oder die Übertragung unserer Produkte einschränken. • Das Ergebnis von zukünftigen Betriebsprüfungen im Hinblick auf unsere Einkommenssteuerbescheide könnte negative Auswirkungen auf unser Betriebsergebnis haben. • Die Belastung durch Ertragssteuerschulden, die höher als ausfallen als erwartet, Änderungen der Steuervorschriften und -regelungen, Änderungen in der Auslegung von Steuervorschriften und -regelungen oder ungünstige Veranlagungen nach Steuerprüfungen könnten Auswirkungen auf unsere effektiven Steuerquoten, finanziellen Verhältnisse und Betriebsergebnisse haben. • Als Ergebnis unserer Akquisitionsaktivitäten haben unser Firmenwert und unsere immateriellen Vermögensgegenstände in den vergangen Jahren beträchtlich zugenommen und wir werden in der Zukunft gegebenenfalls Abschreibungen auf Firmenwerte oder immaterielle Vermögensgegenstände, einschließlich Wertminderungen im Zusammenhang mit Microsemi nach dem Abschluss unserer Akquisition dieser Gesellschaft, vornehmen müssen. • Unsere ausländischen Altersvorsorgeprogramme sind nicht finanziert und eine ggf. zukünftige Notwendigkeit, diese Programme zu finanzieren, könnte sich negativ auf unseren Barmittelbestand und unser Betriebskapital auswirken. • Von Zeit zu Zeit erhalten wir Fördermittel von Regierungen, Behörden und Forschungseinrichtungen. Wenn wir nicht in der Lage sind, die Bedingungen dieser Fördermittel zu erfüllen, könnten wir eventuell keine Leistungen aus Fördermitteln erhalten oder verbuchen oder dazu gezwungen sein, Leistungen aus Fördermitteln, die wir bereits erhalten haben, zurückzuzahlen und damit verbundene Ausgaben zu verbuchen; dies könnte nachteilige Auswirkungen auf unser operatives Ergebnis und unsere Finanzlage haben. • Klimaschutzvorschriften und der nachhaltige Klimawandel stellen regulatorische und physikalische Risiken dar, die nachteilige Auswirkungen auf unser operatives Ergebnis oder unsere Geschäftstätigkeit haben könnten.
D.3	**Wertpapierbezogene Risiken**	• Der zukünftige Marktpreis unserer Stammaktien könnte aufgrund verschiedenster Faktoren großen Schwankungen ausgesetzt sein. • Die Wandlung der von uns ausgegebenen Schuldverschreibungen wird die Anteile unserer bestehenden Altaktionäre verwässern. • Schutzmechanismen gegen Übernahmen in unseren Gründungsdokumenten oder nach dem Recht des US-Bundesstaates Delaware könnten Übernahmeversuche verhindern, was wiederum zu einem Rückgang des Marktpreises unserer Stammaktien führen könnte.

Abschnitt E – Das Angebot		
E.1	**Nettoemissionserlöse und geschätzte Gesamtkosten der Emission**	Zum Datum dieses Prospekts werden Aktien unter dem IESPP etwa 9.541 teilnahmeberechtigten Arbeitnehmern in Ländern außerhalb der USA angeboten. Der Maximalwert von Aktien, die Arbeitnehmer nach dem IESPP erwerben dürfen, beträgt USD 50.000 (USD 25.000 pro sechsmonatiger Angebotsperiode). Unter der Annahme, dass alle teilnahmeberechtigten Arbeitnehmer die maximale Anzahl von in diesem Prospekt angebotenen Aktien unter dem IESPP erwerben, also 493 Aktien pro Arbeitnehmer pro Jahr, würde die maximale Anzahl der Aktien, die ausgegeben würde, die Anzahl der am Datum dieses Prospekts für den Kauf im Rahmen des IESPP zur Verfügung stehenden 571.240 Aktien übersteigen. Unter der Annahme, dass die teilnahmeberechtigten Arbeitnehmer alle 571.240 zur Verfügung stehenden Aktien zu einem Kaufpreis von USD 86,05 erwerben, was fünfundachtzig Prozent des Marktpreises der Aktie (USD 101,23) zum 20. Juni 2018 entspricht, würden die Gesamt-Bruttoemissionserlöse der Gesellschaft aus dem Angebot unter dem IESPP nach Maßgabe dieses Prospekts etwa USD 49.152.631 betragen. Darüber hinaus gibt es weitere Beschränkungen, unter anderem eine Beschränkung für Arbeitnehmer, mehr als 10 % ihres Gehalts pro sechsmonatiger Angebotsperiode einzusetzen, und eine 5 % Beteiligungsobergrenze. Die obige Berechnung unterstellt, dass keine dieser Beschränkungen Anwendung findet. Die Kosten dieses Angebots bestehen aus Rechtsberatungskosten in Höhe von etwa USD 40.000. Nach Abzug dieser Kosten würde der Nettoemissionserlös auf Basis der vorstehenden Annahmen

		etwa USD 49.112.631 betragen.
E.2a	**Gründe für das Angebot und Verwendung des Emissionserlöses**	Es ist beabsichtigt, durch den IESPP teilnahmeberechtigten Arbeitnehmern, die bei ausgewählten ausländischen Tochtergesellschaften von Microchip angestellt sind, die Möglichkeit zu gewähren, Stammaktien von Microchip zu erwerben und sich dadurch an der Zukunft der Gesellschaft zu beteiligen. Der Erlös aus dem Verkauf der Aktien ist nicht für einen bestimmten Zweck bestimmt und wird auf das allgemeine Geschäftskonto der Gesellschaft fließen. Auf diesem Konto werden sie mit anderen Geldern der Gesellschaft zusammengeführt und für allgemeine Zwecke der Gesellschaft verwendet.
E.3	**Beschreibung der Angebotsbedingungen**	Microchip hat sich entschlossen, teilnahmeberechtigten Arbeitnehmern aus bestimmten ausländischen Tochtergesellschaften die Möglichkeit anzubieten, unter dem IESPP Stammaktien von Microchip zu erwerben (das „Erwerbsrecht“). *Verwaltung des IESPP* Jede ausländische Tochtergesellschaft ist für die Verwaltung des IESPP in Bezug auf die jeweils teilnahmeberechtigten Arbeitnehmer verantwortlich. Dementsprechend soll der IESPP in Bezug auf jede ausländische Tochtergesellschaft jeweils von einer Planverwaltung verwaltet werden, die entweder aus zwei Mitgliedern des Verwaltungsrats von Microchip oder des Arbeitnehmerausschusses des Verwaltungsrats (entsprechend der Definition im IESPP) von Microchip oder einem Beauftragten besteht, der von einem der beiden vorgenannten Gremien ernannt wird (der „Planverwalter“). Microchip hat E*TRADE Financial Corporate Services, Inc. (E*TRADE) als Dienstleister für den IESPP beauftragt. E*TRADE unterstützt Microchip bei der Verwaltung des IESPP. Die teilnehmenden Arbeitnehmer werden informiert, sollte Microchip einen anderen Dienstleister mit der Verwaltung der Depots der Teilnehmer beauftragen. Stammaktien, die nach dem IESPP an einen Teilnehmer zu liefern sind, werden auf den Namen etwaiger dazwischengeschalteter Personen („Street Names“) in dem E*TRADE Depot des jeweiligen Teilnehmers registriert. *Angebotene Aktien* Bei den angebotenen Aktien handelt es sich um Microchip-Stammaktien mit einem Nennbetrag von USD 0,001. Die Gesamtzahl der für den Kauf unter dem IESPP reservierten Aktien ist 1.703.783. Zum Datum dieses Prospekts standen 571.240 Aktien für den Kauf im Rahmen des IESPP zur Verfügung. *Angebotszeiträume* Aktien werden jeweils am Ende eines Angebotszeitraums erworben, indem die Beiträge der Arbeitnehmer auf Basis der während des jeweiligen Angebotszeitraums gesammelter Lohneinbehalte zum Kauf von Aktien verwendet werden. Neue Angebotszeiträume beginnen im Allgemeinen am 1. Juni sowie am 1. Dezember eines jeden Jahres. Die Angebotszeiträume laufen jeweils über sechs Monate. Das Recht der Teilnehmer, Aktien nach Maßgabe des IESPP zu erwerben, wird automatisch am letzten Handelstag eines Angebotszeitraums (d.h. am 1. Dezember 2017 und am 1. Juni 2018 oder dem jeweils auf den betreffenden Tag folgenden Handelstag) auf Basis des Lohneinbehalts des jeweiligen Teilnehmers ausgeübt. *Lohneinbehalte* Die Teilnehmer leisten einen Prozentsatz ihres Gehalts, der durch Lohneinbehalt für den Kauf von Aktien verwendet wird, als Beitrag. Wenn ein Teilnehmer seine Ermächtigung zum Lohneinbehalt einreicht, bestimmt er den Prozentsatz seines oder ihres Gehalts, der als Beitrag zum IESPP dienen soll und der zwischen 1% und 10% des Gehalts des teilnahmeberechtigten Arbeitnehmers liegen muss. Die von einem Teilnehmer autorisierten Lohneinbehalte werden dazu verwendet, ganze Aktien unter dem IESPP zu erwerben. Die Teilnehmer können ihre Teilnahme am IESPP jederzeit beenden, vorausgesetzt, dass eine entsprechende Benachrichtigung vor dem Ablauf der Rücktrittsfrist eingeht. Die Teilnehmer können ihren Lohneinbehalt einmal während eines laufenden Angebotszeitraums durch Einreichung eines entsprechend ausgefüllten Formulars beim Planverwalter (oder seiner Vertretung) reduzieren. Die Änderung des Lohneinbehalts wird so schnell wie praktisch möglich wirksam. Es ist den Teilnehmern jedoch nicht möglich ihren Lohneinbehalt während eines Planzeitraumes zu erhöhen oder zu reduzieren. Darüber hinaus können Teilnehmer ihren Lohneinbehalt, während des Registrierungszeitraums vor Beginn eines nachfolgenden Angebotszeitraums durch Einreichung des entsprechenden Formulars beim Planverwalter (oder seiner Vertretung) erhöhen oder reduzieren. Der neue Lohneinbehalt wird mit Beginn des neuen Angebotszeitraums wirksam.

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Teilnahmeberechtigung

Nur Arbeitnehmer von festgelegten ausländischen Microchip Tochtergesellschaften, die dort am ersten Tag des jeweiligen Angebotszeitraums beschäftigt sind, können am IESPP teilnehmen. Arbeitnehmer beteiligen sich durch Ausfüllen der vorgeschriebenen Registrierungsdokumente (einschließlich eines Kaufvertrags und einer Ermächtigung zum Lohneinbehalt) bei dem Planverwalter an dem IESPP. Der Registrierungszeitraum, in dem das Angebot an die Mitarbeiter vorgelegt wird dauert in der Regel etwa 3 Wochen. Die Anmeldefrist für eine bestimmte Angebotsfrist und das damit verbundene öffentliche Angebot enden spätestens fünf (5) Werktage vor Beginn der Angebotsfrist. Mitarbeiter, die teilnehmen möchten, müssen ihre Anmeldeunterlagen bis zu diesem Datum einreichen. Nach der Registrierung können die Mitarbeiter die Anzahl der Aktien, die sie unter dem ESPP kaufen, für diesen Angebotszeitraum nicht erhöhen. siehe oben, "Lohneinbehalte".

Angebot

Teilnahmeberechtigte Mitarbeiter werden über die Möglichkeit informiert, sich für den ESPP registrieren zu können, und erhalten Informationen (a) über den Beginn und das Ende des Registrierungszeitraums, (b) über den Mindest- und Höchstprozentsatz des Lohneinbehalts, den sie wählen können, (c) über den Planzeitraum während dessen Abzüge erfolgen, (d) über den ungefähren Zeitpunkt, zu dem Aktien gekauft werden, (e) wie der Kaufpreis berechnet wird und wie die Aktien geliefert werden, (f) wie sie sich registrieren können oder, wenn sie bereits angemeldet sind, wie sie während des Registrierungszeitraums ihren Lohneinbehalt ändern können, (g) wie sie Zugang zum Prospekt und (h) wie sie eine Kopie des ESPP erhalten können.

Beendigung der Teilnahme

Die Teilnahme ist freiwillig und kann von jedem Arbeitnehmer jederzeit bis fünf (5) Geschäftstage vor dem letzten Tag des Angebotszeitraums (oder eines anderen von der Verwaltungsstelle festgelegten Datums) durch Übermittlung eines vorgegebenen Formblatts an die Verwaltungsstelle beendet werden. Soweit keine gegenteilige Wahl getroffen wurde, werden alle Gelder, die dem IESPP-Konto des Teilnehmers gutgeschrieben worden sind, so bald wie nach Erhalt des vorgegebenen Formblatts verwaltungstechnisch möglich zurückgezahlt, und es werden keine Aktien gekauft.

Kaufpreis

Der Kaufpreis je Aktie beträgt fünfundachtzig Prozent (85 %) des Marktwerts der Stammaktien entweder am ersten oder am letzten Handelstag des jeweiligen Angebotszeitraums (d.h. dem Kaufdatum), je nachdem, welcher Preis niedriger ist. Der Marktwert der Aktien entspricht im Allgemeinen dem Schlusskurs der Aktien an der NASDAQ am entsprechenden Datum oder, wenn an diesem Datum keine Handelsaktivitäten in der Aktie stattgefunden haben, am nächsten davorliegenden Tag, an dem in der Aktie gehandelt wurde. Der Arbeitnehmer erhält einen Kontoauszug von der Gesellschaft, der den Kaufpreis und die Anzahl der Stammaktien enthält und kann sich in das E*TRADE System einloggen und dort dieselben Informationen abrufen.

Änderungen und Beendigung des IESPP

Der Verwaltungsrat kann den IESPP in Bezug auf eine oder mehrere ausländische Tochtergesellschaften am Ende eines Angebotszeitraums berichtigen, abändern, vorübergehend außer Kraft setzen oder beenden. Der Verwaltungsrat kann den IESPP auch vollständig unmittelbar nach dem Ende eines Angebotszeitraums außer Kraft setzen. In diesem Fall können keine weiteren Erwerbsrechte eingeräumt oder ausgeübt werden und es werden danach keine weiteren Lohneinbehalte unter dem IESPP vorgenommen.

Provision

Beim Verkauf von Aktien wird den Teilnehmern eine Gebühr in Höhe von USD 17,95 - USD 24,95 pro Verkaufsordertransaktion berechnet. Zudem erhebt die SEC derzeit eine Transaktionsgebühr in Höhe von USD 21,80 je USD 1.000.000,00 Bruttoemissionserlös. Die Gebühren können von den benannten Parteien geändert werden.

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<tr><td>**E.4**</td><td>**Beschreibung aller für das Angebot wesentlichen Interessen, einschließlich von Interessenskonflikten**</td><td>Entfällt, da bezüglich derartiger Interessen keine Informationen in diesem Prospekt enthalten sein müssen.</td></tr>
</table>

E.5	**Name des Unternehmens, das die Wertpapiere zum Verkauf anbietet**	Microchip Technology Incorporated.
E.6	**Maximale Verwässerung**	Der Buchwert des Eigenkapitals der Gesellschaft (definiert als die Bilanzsumme abzüglich der gesamten Verbindlichkeiten), wie im Konzernabschluss nach den in den Vereinigten Staaten von Amerika allgemein anerkannten Grundsätzen der Rechnungslegung (Generally Accepted Accounting Principles; „U.S. GAAP“) wiedergegeben, betrug zum 31. März 2018 etwa USD 3.279.800.00. Dies entspricht etwa USD 13,95 pro Aktie (errechnet auf Basis von 235.036.703 im Umlauf befindlichen Stammaktien per 9. Mai 2018). Wenn die Gesellschaft Nettoemissionserlöse in Höhe von USD 49.112.631 erhalten hätte, hätte der Buchwert des Eigenkapitals etwa USD 3.328.912.631, bzw. USD 14,13 pro Aktie, betragen (auf Grundlage der erhöhten Anzahl von Aktien nach Erwerb von 571.240 Aktien und unter der Annahme eines Kaufpreises von USD 86,05, also fünfundachtzig Prozent des Marktpreises der Aktien (USD 101.23) zum 20. Juni 2018. Unter den oben beschriebenen Annahmen würde die Durchführung des Angebots daher zu einer unmittelbaren Erhöhung des Eigenkapitals um USD 49.112.631, bzw. etwa USD 0,17 (etwa 1,25 %) pro Aktie, für die Altaktionäre und einer durchschnittlichen Verwässerung um etwa USD 71,92 pro Aktie für die teilnahmeberechtigten Arbeitnehmer, die Aktien erworben haben, führen. Somit würde die Beteiligung von Anlegern, die Aktien zu einem Kaufpreis von USD 86,05 erworben haben, um etwa 83,6 % verwässert.
E.7	**Schätzung der dem Anleger vom Emittenten in Rechnung gestellten Ausgaben**	Entfällt. Es gibt keine solchen Ausgaben.

PROSPECTUS SUMMARY

Note to the Reader

Summaries are made up of disclosure requirements known as "Elements." These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable."

Section A — Introduction and Warnings		
A.1	**Introduction and warning**	This summary should be read as an introduction to the prospectus. Any decision to invest in the securities should be based on consideration of the prospectus as a whole by the investor. Where a claim relating to the information contained in the prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the European Economic Area ("EEA"), have to bear the costs of translating the prospectus before the legal proceedings are initiated. Civil liability attaches to those persons who have assumed responsibility for the contents of the summary or presented the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the prospectus or it does not provide, when read together with the other parts of the prospectus, the required key information.
A.2	**Use of the prospectus for subsequent resale or final placement of securities by financial intermediaries**	Not applicable. The issuer has not consented to the use of the prospectus for subsequent resale or final placement of securities.

Section B — Issuer		
B.1	**Legal and commercial name of the Issuer**	The legal and commercial name of the issuer is Microchip Technology Incorporated. References in this summary to "Microchip" or the "Company", as well as to "we," "us," and "our," each refer to Microchip Technology Incorporated and its subsidiaries, unless the context indicates otherwise.
B.2	**Domicile and legal form of the Issuer, the legislation under which the Issuer operates and its country of incorporation**	Microchip is a corporation incorporated and existing under the laws of the State of Delaware, U.S.A. Our principal offices are located at 2355 West Chandler Boulevard, Chandler, Arizona 85224-6199, U.S.A.
B.3	**Description of the nature of the Issuer's current operations and its principal activities and identification of the principal markets in which the**	We develop, manufacture and sell specialized semiconductor products used by our customers for a wide variety of embedded control applications. Our product portfolio comprises general purpose and specialized 8-bit, 16-bit, and 32-bit microcontrollers, 32-bit microprocessors, a broad spectrum of high-performance linear, mixed-signal, power management, thermal management, radio frequency (RF), timing, safety, security, wired connectivity and wireless connectivity devices, as well as serial Electrically Erasable Programmable Read Only Memory (EEPROM), Serial Flash memories, Parallel Flash memories and serial Static Random Access Memory (SRAM). We also license Flash-IP solutions that are incorporated in a broad range of products. Our synergistic product portfolio targets thousands of applications worldwide and a growing demand for high-performance designs in the automotive, communications, computing, consumer

	issuer competes	and industrial control markets. Our quality systems are ISO/TS16949 (2009 version) certified. Our goal is to be a worldwide leader in providing specialized semiconductor products for a wide variety of embedded control applications. Our strategic focus is on embedded control solutions, including general purpose and specialized microcontrollers, development tools and related software, analog, interface, mixed signal and timing products, wired and wireless connectivity products, memory products and technology licensing. We provide highly cost-effective embedded control solutions that also offer the advantages of small size, high performance, extreme low power usage, wide voltage range operation, mixed signal integration and ease of development, thus enabling timely and cost-effective integration of our solutions by our customers in their end products. We license our SuperFlash technology and other technologies to wafer foundries, integrated device manufacturers and design partners throughout the world for use in the manufacture of advanced microcontroller products, gate array, radio frequency (RF) and analog products that require embedded non-volatile memory. We sell our products to a broad base of domestic and international customers across a variety of industries. The principal markets that we serve include consumer, automotive, industrial, office communication, computing and aerospace. Our business is subject to fluctuations based on economic conditions within these markets. On March 1, 2018, we entered into a definitive agreement to acquire Microsemi Corporation (“Microsemi”) for $68.78 per share in cash. We completed the acquisition of Microsemi on May 29, 2018. We financed the transaction with a combination of cash, our existing line of credit and new debt. The acquisition price represents a total equity value of approximately $8.35 billion, and a total enterprise value of about $10.15 billion, after accounting for Microsemi’s cash and investments, net of debt, on its balance sheet at December 31, 2017. Microsemi offers a comprehensive portfolio of semiconductor and system solutions for aerospace and defense, communications, data center and industrial markets. Microsemi is headquartered in Aliso Viejo, California, and has approximately 4,800 employees globally.
B.4a	**Most significant recent trends affecting the Issuer and its industry**	As of April 30, 2018, our backlog was approximately $1,833.9 million, compared to $1,624.1 million as of April 30, 2017. Our backlog includes all purchase orders scheduled for delivery within the subsequent 12 months. We primarily produce standard products that can be shipped from inventory within a relatively short time after we receive an order. Our business and, to a large extent, that of the entire semiconductor industry, is characterized by short-term orders and shipment schedules. Orders constituting our current backlog are subject to changes in delivery schedules, or to cancellation at the customer's option without significant penalty. Thus, while backlog is useful for scheduling production, backlog as of any particular date may not be a reliable measure of our sales for any future period. We expect our days of inventory levels in the June 2018 quarter to range between six days less and four days more than the March 2018 levels. We believe our existing level of inventory will allow us to maintain competitive lead times and provide strong delivery performance to our customers.
B.5	**Description of the Group and Issuer's position within the Group**	Not applicable, because information regarding the organizational structure of Microchip is not required to be provided elsewhere in the prospectus.
B.6	**Interests in the Issuer’s capital**	Not applicable, because information regarding Microchip’s capital structure is not required to be provided elsewhere in the prospectus.
B.7	**Selected financial information regarding the Issuer and subsequent material changes**	The following selected statement of income data as well as the selected balance sheet data as at March 31, 2018 and 2017 are derived from our audited consolidated financial statements for the fiscal years ended March 31, 2018, 2017 and 2016 as published in our Annual Report on Form 10-K (“10-K”) for the fiscal year ended March 31, 2018 (the “Fiscal 2018 10-K”). The selected balance sheet data as at March 31, 2016 are derived from our audited consolidated financial statements for the fiscal years ended March 31, 2017, 2016 and 2015 as published in our 10-K for the fiscal year ended March 31, 2017 (the “Fiscal 2017 10-K”). You can access these Annual Reports as described in the section "Documents Available for Inspection" of this prospectus. Our consolidated financial statements were prepared in accordance with U.S. GAAP (Generally Accepted Accounting Principles – "U.S. GAAP"). As at June 20, 2018, the exchange rate between the U.S. dollar and the euro, expressed as euros per dollar, was $1.000 = €0.864. We have provided this exchange rate information solely for

illustrative purposes. We make no representation that any amount of U.S. dollars specified in the tables below has been, or could be, converted into euro at the rate indicated or any other rate.

Consolidated Statements of Income Data

(In millions, except share and per share amounts)

	Year ended March 31,		
	2018	2017	2016
Net sales	$ 3,980.8	$ 3,407.8	$ 2,173.3
Cost of sales[1]	1,560.1	1,650.6	967.8
Gross profit	2,420.7	1,757.2	1,205.5
Research and development[1]	529.3	545.3	372.6
Selling, general and administrative[1]	452.1	499.8	301.7
Amortization of acquired intangible assets	485.5	337.7	174.9
Special charges and other, net[2]	17.5	98.6	4.0
Operating expenses	1,484.4	1,481.4	853.2
Operating income	936.3	275.8	352.3
Losses on equity method investments	(0.2)	(0.2)	(0.3)
Other income (expense):			
Interest income	22.0	3.1	24.4
Interest expense	(199.0)	(146.3)	(104.0)
Loss on settlement of convertible debt	(16.0)	(43.9)	—
Other income (loss), net	(5.8)	1.3	8.9
Income before income taxes	737.3	89.8	281.3
Income tax provision (benefit)	481.9	(80.8)	(42.6)
Net income from continuing operations	255.4	170.6	323.9
Discontinued operations:			
Loss from discontinued operations	—	(7.6)	—
Income tax benefit	—	(1.6)	—
Net loss from discontinued operations	—	(6.0)	—
Net income	255.4	164.6	323.9
Less: Net loss attributable to noncontrolling interests	—	—	0.2
Net income attributable to Microchip Technology	$ 255.4	$ 164.6	$ 324.1
Basic net income per common share attributable to Microchip Technology stockholders:			
Net income from continuing operations	$ 1.10	$ 0.79	$ 1.59
Net loss from discontinued operations	$ —	$ (0.03)	$ —
Net income attributable to Microchip Technology	$ 1.10	$ 0.76	$ 1.59
Diluted net income per common share attributable to Microchip Technology stockholders:			
Net income from continuing operations	$ 1.03	$ 0.73	$ 1.49
Net loss from discontinued operations	$ —	$ (0.02)	$ —
Net income attributable to Microchip Technology	$ 1.03	$ 0.71	$ 1.49
Dividends declared per common share	$ 1.449	$ 1.441	$ 1.433
Basic common shares outstanding	232.9	217.2	203.4
Diluted common shares outstanding	248.9	234.8	217.4

(1) Includes share-based compensation expense as follows:

	Year ended March 31,		
	2018	2017	2016
Cost of sales	$ 13.8	$ 18.7	$ 8.3
Research and development	42.5	46.8	32.0
Selling, general and administrative	36.9	62.6	31.1

(2) The following table summarizes activity included in the "special charges and other, net"

caption on our consolidated statements of income (amounts in millions):

	Year ended March 31, 2018	2017	2016
Restructuring:			
Employee separation costs	$ 1.2	$ 39.1	$ 9.6
Gain on sale of assets	(4.4)	—	—
Impairment charges	—	12.6	—
Contract exit costs	0.7	44.1	0.7
Other	—	2.8	0.9
Legal settlement costs	—	—	4.3
Insurance settlement	—	—	(11.5)
Non-restructuring contract exit costs and other	$ 20.0	$ —	$ —
Total	$ 17.5	$ 98.6	$ 4.0

Consolidated Balance Sheets Data:

	March 31, 2018	2017	2016
Assets			
Cash and cash equivalents	$ 901.3	$ 908.7	$ 2,092.8
Short-term investments	1,295.3	394.1	353.3
Accounts receivable, net	563.7	478.4	290.2
Inventories	476.2	417.2	306.8
Prepaid expenses	63.9	41.3	42.0
Assets held for sale	—	6.4	—
Other current assets	55.9	58.9	11.6
Total current assets	3,356.3	2,305.0	3,096.7
Property, plant and equipment, net	767.9	683.3	609.4
Long-term investments	—	107.5	118.5
Goodwill	2,299.0	2,299.0	1,012.7
Intangible assets, net	1,662.0	2,148.1	606.3
Long-term deferred tax assets	100.2	68.9	14.8
Other assets	71.8	75.1	79.5
Total assets	$ 8,257.2	$ 7,686.9	$ 5,537.9
Liabilities and Stockholders' Equity			
Accounts payable	$ 144.1	$ 149.2	$ 79.3
Accrued liabilities	229.6	212.5	119.3
Deferred income on shipments to distributors	333.8	292.8	183.4
Current portion of long-term debt	1,309.9	50.0	—
Total current liabilities	2,017.4	704.5	382.0
Long-term debt	1,758.4	2,900.5	2,453.4
Long-term income tax payable	754.9	184.9	111.1
Long-term deferred tax liability	205.8	409.1	399.2
Other long-term liabilities	240.9	217.2	41.3
Stockholders' equity:			
Preferred stock(1)	—	—	—
Common stock(2)	0.2	0.2	0.2
Additional paid-in capital	2,562.5	2,537.4	1,391.6
Common stock held in treasury(3)	(662.6)	(731.9)	(820.1)
Accumulated other comprehensive loss	(17.6)	(14.4)	(3.4)
Retained earnings	1,397.3	1,479.4	1,582.6
Total stockholders' equity	3,279.8	3,270.7	2,150.9
Total liabilities and stockholders' equity	$ 8,257.2	$ 7,686.9	5,537.9

1) $0.001 par value; authorized 5,000,000 shares; no shares issued or outstanding.

2) $0.001 par value; authorized 450,000,000 shares; 253,232,909 shares issued and 235,027,767 shares outstanding at March 31, 2018; 249,463,733 shares issued and 229,093,658 shares outstanding at March 31, 2017; 227,416,789 shares issued and 204,081,727 shares outstanding at March 31, 2016.

3) 18,205,142 shares at March 31, 2018; 20,370,075 shares at March 31, 2017; 23,335,062 shares at March 31, 2016.

On May 18, 2018, and again on May 29, 2018, we entered into an amended and restated credit agreement (the "Amended and Restated Credit Agreement") which provides for a revolving loan facility in an aggregate principal amount of approximately $3.8 billion, with a $250.0 million foreign currency sublimit, a $50.0 million letter of credit sublimit and a $25.0 million swingline

		loan sublimit. The revolving loan facility consists of approximately $244.3 million of revolving loan commitments (the "2020 Revolving Loans") that terminate on February 4, 2020 (the "2020 Maturity Date") and approximately $3.6 billion of revolving loan commitments (the "2023 Revolving Loans" and, together with the 2020 Revolving Loans, the "Revolving Loans") that terminate on May 18, 2023 (the "2023 Maturity Date"). The Revolving Loans bear interest, at our option, at (a) in the case of 2020 Revolving Loans, the base rate plus a spread of 0.25% to 1.25% or an adjusted LIBOR rate plus a spread of 1.25% to 2.25%, and (b) in the case of 2023 Revolving Loans, the base rate plus a spread of 0.00% to 1.00% or an adjusted LIBOR rate plus a spread of 1.00% to 2.00%, in each case, with such spread being determined based on the consolidated senior leverage ratio for the preceding four fiscal quarter period. Other than in connection with the acquisition of Microsemi, there has been no significant change to our financial condition and operating results since March 31, 2018.
B.8	**Pro forma financial information**	Not applicable, because no selected key pro forma financial information is required to be provided in the prospectus.
B.9	**Profit forecast**	Not applicable. This prospectus does not contain any profit forecast.
B.10	**Qualifications in the audit report on the historical financial information**	Not applicable. There are no such qualifications in the auditors' report.
B.11	**Working capital statement**	Microchip believes that its working capital (i.e., its ability to access cash and other available liquid resources) is sufficient to meet its present requirements for at least the next 12 months from the date of this prospectus.

Section C — Securities		
C.1	**Type and class of the securities being offered, including the Security Identification Code**	The securities offered are Microchip's common stock with a par value of $0.001 per share. The Company's common stock is listed on the NASDAQ® Global Market ("NASDAQ") under the symbol "MCHP". The U.S. security identification (CUSIP) number of the shares is 595017104. The International Securities Identification Number (ISIN) for the Company's common stock is US5950171042. The German Securities Code (Wertpapier-Kenn-Nummer) is 886105.
C.2	**Currency of the securities issue**	The United States Dollar is the currency of the securities issue.
C.3	**Number of shares issued**	Microchip is authorized to issue up to 450,000,000 shares of common stock. As of May 9, 2018, the Company had 235,036,703 shares of common stock outstanding. Microchip's common stock has a par value of $0.001 per share. The issued shares are fully paid.
C.4	**Rights attached to the securities**	No participating employee shall have any voting, dividend, or other shareholder rights with respect to any offering under the Microchip Technology International Employee Stock Purchase Plan (the "IESPP") until the purchase rights have been exercised and the shares have been purchased by the participating employee. Following such purchase, the participating employee shall be entitled to the rights attached to the shares, as further described below: *Dividend Rights.* The board of directors (the "Board") may declare a dividend at any regular or special meeting or by written consent out of funds legally available for dividends. The Board sets the record date and the payment date for dividend payments. Such dividends may be paid in cash, property or shares of stock. There are no dividend restrictions and no special dividend procedures for shareholders resident in the EU ("European Union") and the EEA. The holders of common stock are entitled to such dividends as the Board may declare from time

		to time at any regular or special meeting out of funds legally available for dividends in its absolute discretion. In general, dividends that are unclaimed for three years escheat to the State of Delaware. *Voting Rights.* The holders of common stock are entitled to one vote for each share held on all matters as to which shareholders are entitled to vote. Any action required or permitted to be taken by the shareholders for the Company may be effected by a duly called annual or special meeting of such holders or may be effected by consent in writing by such shareholders. Special meetings of the shareholders of the Company may be held upon call of the Chairman of the Board, by the Board of the Company or by stockholders holding not less than 50% of the outstanding voting stock. *Rights to Receive Liquidation Distributions.* In the event of liquidation, dissolution or winding up of the Company, the holders of common stock are entitled to share ratably in all assets remaining after payment of or provisions for the Company's liabilities, subject to prior rights or preferred stock, if any, then outstanding. *No Preemptive, Redemptive or Conversions Provisions.* The holders of the Company's common stock do not have preemptive rights to acquire shares of the Company's stock or securities convertible into the Company's stock. The Company's common stock is not subject to redemption and does not have any conversion rights.
C.5	**Transferability**	No purchase right granted under the IESPP shall be assignable or transferable by a participant. The Board or a committee appointed by the Board may grant transferable options pursuant to conditions and limitations that it may impose. The shares issued upon exercise of the purchase right or exercise of the options are freely transferable so long as the shares so issued are registered pursuant to an effective registration statement under the U.S. Securities Act of 1933.
C.6	**Admission to trading on a regulated market**	Not applicable. As noted in Section C.1 above, the shares are listed on NASDAQ. They will not be admitted for trading on any regulated market.
C.7	**Dividend policy**	We have been declaring and paying quarterly cash dividends on our common stock since the third quarter of fiscal 2003. Our total cash dividends paid were $337.5 million, $315.4 million and $291.1 million in fiscal 2018, fiscal 2017 and fiscal 2016, respectively. On May 8, 2018, we declared a quarterly cash dividend of $0.3635 per share, which will be paid on June 4, 2018 to stockholders of record on May 21, 2018 and the total amount of such dividend is expected to be approximately 85.6 million. Our Board of Directors is free to change our dividend practices at any time and to increase or decrease the dividend paid, or not to pay a dividend, on our common stock on the basis of our results of operations, financial condition, cash requirements and future prospects, and other factors deemed relevant by our Board of Directors. Our current intent is to provide for ongoing quarterly cash dividends depending upon market conditions and our results of operations.

Section D — Risks		
Employees should carefully consider the risks described below, which are described in more detail under the caption "Risk Factors", and other information contained in this prospectus, and take these factors into account in making their investment decision. The occurrence of one or more of these risks alone or in combination with other circumstances may have a material adverse effect on the business and financial condition of the Company and cause the market price of the Company's shares to decline. In such case, employees could lose all or part of their investment. The prospectus contains all risks which the Company deems material. However, the risks described below may turn out to be incomplete and therefore may not be the only risks to which the Company is exposed. Additional risks and uncertainties could have a material adverse effect on the business and financial condition of the Company. The order of presentation of the risk factors below does not indicate the likelihood of their occurrence or the extent or the significance of the individual risks.		
D.1	**Risks related to the Issuer or its industry**	• Our operating results are impacted by global economic conditions and may fluctuate in the future due to a number of factors that could reduce our net sales and profitability. • We may not fully realize the anticipated benefits of our completed or future acquisitions or divestitures including our recent acquisition of Microsemi. • Our financial condition and results of operations could be adversely affected if we do not effectively manage our current or future debt.

		• Servicing our current debt and expected debt to finance the Microsemi acquisition will require a significant amount of cash, and we may not have sufficient cash flow from our business to fund future payments. • We are dependent on orders that are received and shipped in the same quarter and therefore have limited visibility to future product shipments. • Intense competition in the markets we serve may lead to pricing pressures, reduced sales of our products or reduced market share. • We are dependent on wafer foundries and other contractors to perform key manufacturing functions for us, and our licensees of our SuperFlash and other technologies also rely on foundries and other contractors. • Our operating results will suffer if we ineffectively utilize our manufacturing capacity or fail to maintain manufacturing yields. • Our operating results are impacted by both seasonality and the wide fluctuations of supply and demand in the semiconductor industry. • Our business is dependent on selling through distributors. • Our success depends on our ability to introduce new products on a timely basis. • We may lose sales if our suppliers of raw materials and equipment fail to meet our needs. • Our reported financial results may be adversely affected by new accounting pronouncements or changes in existing accounting standards and practices, including ASC 606 which will impact our revenue recognition. • Business interruptions to our operations or the operations of our key vendors, subcontractors, licensees or customers, whether due to natural disasters or other events, could harm our business. • Our technology licensing business exposes us to various risks, including delays in developing and enhancing our technologies, failure to achieve or maintain market acceptance, and disruptions in production. • We are exposed to various risks related to legal proceedings or claims. • Failure to adequately protect our intellectual property could result in lost revenue or market opportunities. • Our operating results may be adversely impacted if economic conditions impact the financial viability of our licensees, customers, distributors, or suppliers. • We are highly dependent on foreign sales and operations, which exposes us to foreign political and economic risks. • Our contractual relationships with our customers expose us to risks and liabilities, including the risks of contract cancellation and of liability for breach of contractual terms or for indemnities. • We must attract and retain qualified personnel to be successful, and competition for qualified personnel can be intense. • Fluctuations in foreign currency exchange rates could adversely impact our operating results. • Interruptions in our information technology systems, or improper handling of data, could adversely affect our business. • The occurrence of events for which we are self-insured, or which exceed our insurance limits, may adversely affect our profitability and liquidity. • If we fail to maintain proper and effective internal control or remediate current or future deficiencies, our ability to produce accurate and timely financial statements could be impaired, which could harm our operating results, our ability to operate our business and investors' views of us. • We are subject to stringent environmental and other regulations, which may force us to incur significant expenses. • Customer demands for us to implement business practices that are more stringent than existing legal requirements may reduce our revenue opportunities or cause us to incur higher

		costs. • Customer demands and regulations related to conflict-free minerals may force us to incur additional expenses. • Regulatory authorities in jurisdictions into which we ship our products could levy fines or restrict our ability to export or transfer products. • The outcome of future examinations of our income tax returns could have an adverse effect on our results of operations. • Exposure to greater than anticipated income tax liabilities, changes in tax rules and regulations, changes in the interpretation of tax rules and regulations, or unfavorable assessments from tax audits could affect our effective tax rates, financial condition and results of operations • As a result of our acquisition activity, our goodwill and intangible assets have increased significantly in recent years and we may in the future incur impairments to goodwill or intangible assets including impairments related to Microsemi following our completion of our acquisition of such company. • Our foreign pension plans are unfunded, and any requirement to fund these plans in the future could negatively affect our cash position and operating capital. • From time to time we receive grants from governments, agencies and research organizations. If we are unable to comply with the terms of those grants, we may not be able to receive or recognize grant benefits or we may be required to repay grant benefits previously paid to us and recognize related charges, which would adversely affect our operating results and financial position. • Climate change regulations and sustained adverse climate change pose regulatory and physical risks that could harm our results of operations or affect the way we conduct business.
D.3	**Key risks related to the shares**	• The future trading price of our common stock could be subject to wide fluctuations in response to a variety of factors. • Conversion of our debentures will dilute the ownership interest of our existing stockholders. • Anti-takeover defenses in our charter documents and under Delaware law could discourage takeover attempts, which could also reduce the market price of our common stock.

Section E — Offer		
E.1	**Net proceeds and estimate of total expenses**	As of the date of this prospectus, shares under the IESPP are offered to approximately 9,541 eligible employees located in jurisdictions outside the United States. The maximum value of shares which employees may purchase under the IESPP may not exceed $50,000 ($25,000 per six-month offering period). Assuming that each of the eligible employees purchased the maximum amount of shares under the IESPP offered pursuant to this prospectus, that is, a total of 493 shares each year, the maximum number of shares to be issued would exceed the number of 571,240 shares available under the IESPP as of the date of this prospectus. Assuming that the eligible employees would purchase all 571,240 available shares at a purchase price of $86.05, which is eighty-five percent of the stock's fair market value ($101.23) as at June 20, 2018, then the gross proceeds of Microchip in connection with the offer under the IESPP pursuant to this prospectus would be approximately $49,152,631. Please note that there are other limits on contributions including a prohibition on employees from contributing more than 10% of their compensation in any 6-month offering period and a 5% shareholding cap. This calculation assumes that none of these other limitations are triggered. The costs of this offering consist of legal expenses in an amount approximately $40,000. After deduction of such costs the net proceeds, based on the above assumptions, would be approximately $49,112,631.
E.2a	**Reasons for the Offer and use of proceeds**	The IESPP is intended to provide a method by which eligible employees of Microchip's designated foreign subsidiaries may purchase shares of Microchip's common stock and therefore acquire an interest in the future of the Company. The proceeds from the sale of shares are not reserved for any particular purpose and will be booked to the general account of the Company. On that account, they are pooled with other

		company monies which will be used for general corporate purposes.
E.3	**Description of the terms and conditions of the Offer**	Microchip has decided to offer eligible employees of its designated foreign subsidiaries the opportunity to buy shares of Microchip common stock ("purchase rights") under the IESPP. *Administration of the IESPP* Each foreign subsidiary is responsible for the administration of the IESPP with respect to its eligible employees. Accordingly, the IESPP shall, as to each foreign subsidiary, be separately administered by a plan administrator comprised of two or more members of Microchip's Board, the Employee Committee of the Board (as defined in the IESPP), or a designee as may be appointed by either of them from time to time (the "Administrator"). Microchip has engaged E*TRADE Financial Corporate Services, Inc. ("E*TRADE") as the service provider for the IESPP. E*TRADE assists Microchip with administration of the IESPP. Individual participants will be notified if Microchip selects a different service provider to help administer the participant's account. Shares of common stock to be delivered to a participant under the IESPP will be registered in the street name in the participant's account at E*TRADE. *Offered Shares* The shares offered are shares of Microchip's common stock of, par value US$0.001. The total number of shares reserved for purchase under the IESPP is 1,703,783. As of the date of this prospectus, 571,240 shares were available for purchase under the IESPP. *Offering Periods* Shares are purchased at the end of each offering period using employee contributions made by way of payroll deductions during the offering period. New offering periods generally begin on June 1 and December 1 each year. Each offering period lasts for six months. The participant's right to purchase shares under the IESPP will be exercised automatically on the last trading day of the offering period (i.e. on December 1, 2017 and June 1, 2018, or the next open trading day after such dates), with respect to these amounts deducted from the participant's payroll. *Payroll Deductions* Participants contribute a percentage of their compensation towards the purchase of shares by way of payroll deductions. At the time a participant files his or her payroll deduction authorization, the participant indicates the percentage of compensation to be contributed to the IESPP which must be between one percent (1%) and ten percent (10%) of the employee's eligible compensation. All payroll deductions authorized by a participant shall be used to purchase whole shares under the IESPP. A participant may discontinue participation in the IESPP at any time provided notice is received prior to the withdrawal deadline. A participant may decrease the rate of payroll deductions once during an offering period by filing the appropriate form with the Administrator (or its designate). The change in rate shall become effective as soon as practicable thereafter. Participants may not, however, increase their payroll deductions during any plan period. In addition, a participant may, during the enrollment period prior to the start date of any subsequent offering period, increase or decrease the rate of payroll deductions by filing the appropriate form with the Administrator (or its designate). The new rate shall become effective as of the start date of the new offering period. *Eligibility to Participate* Only employees of Microchip's designated foreign subsidiaries who are employed on the first day of the applicable offering period are eligible to participate in the IESPP. Employees elect to participate in the IESPP by completing the prescribed enrollment documents (including a purchase agreement and a payroll deduction authorization) with the Administrator. The enrollment period during which the offering is made to employees typically lasts approximately three weeks. The enrollment period for a given offering period, and the public offering relating to that offering period, end no later than five (5) business days before the offering period begins. Employees wishing to participate must submit their enrollment documents by that date. After enrolling, employees cannot increase the number of shares they purchase under the ESPP for that offering period; see above, "—Payroll Deductions". *Offering* Eligible employees are notified of the opportunity to enroll in the ESPP and informed of (a) the beginning and end of the enrollment period, (b) the minimum and maximum percentage of payroll deductions they can elect, (c) the plan period during which deductions are made, (d) the approximate date when shares will be purchased, (e) how the purchase price will be computed and how the shares will be delivered, (f) how they can enroll or, if they are already enrolled, how to modify their deduction election during the enrollment period, (g) how they can access the

		prospectus and (h) how they can obtain a copy of the ESPP. *Termination of Participation* Participation is voluntary and employees may withdraw from participation in the IESPP at any time but no later than by five (5) business days before the last day of the offering period by submitting a prescribed form to the Administrator (or such other date as specified by the Administrator). Absent an election to the contrary, all of the participant's funds credited to his or her IESPP account will be returned as soon as administratively possible upon receipt of the prescribed form and no shares will be purchased. *Purchase Price* The purchase price of each share is eighty-five percent (85%) of the common stock's fair market value on either the first or last trading day of the offering period (*i.e.*, the purchase date), whichever price is lower. The fair market value shall generally be the closing price per share on the NASDAQ for the applicable date or if there is no such sale on the relevant date, then on the next preceding day on which a sale was reported. The employee will receive an account statement from the Company, which shows the purchase price and number of purchased shares of common stock and can log into the E*TRADE system to view the same information. *Amendment and Termination of the IESPP* The Board may alter, amend, suspend or discontinue the IESPP with respect to one or more foreign subsidiaries following the end of any offering period. The Board may also terminate the IESPP in its entirety immediately following the end of any offering period. In such event, no further purchase rights shall thereafter be granted or exercised, and no further payroll deductions shall thereafter be collected, under the IESPP. *Commission* Upon selling any shares, participants are charged a fee equal to \$17.95-\$24.95 per sale order transaction. In addition, the SEC currently charges a transaction fee of \$21.80 for every \$1,000,000.00 of gross proceeds. The fees are subject to modification by the designated parties.
E.4	**Description of material interest to the Offer including conflict of interests**	Not applicable, because information regarding such interests is not required to be provided anywhere else in this prospectus.
E.5	**Name of the entity offering to sell the security**	Microchip Technology Incorporated.
E.6	**Maximum dilution**	The book value of the stockholders' equity of the Company (defined as total assets less total liabilities) as reflected in the consolidated financial statements in accordance with U.S. GAAP (Generally Accepted Accounting Principles – "U.S. GAAP") amounted to approximately \$3,279,800,000 as of March 31, 2018. This is equivalent to approximately \$13.95 per share (calculated on the basis of 235,036,703 shares of common stock outstanding as of May 9, 2018). If the Company had obtained net proceeds in the amount of \$49,112,631, the book value of the shareholders' equity at that time would have been approximately \$3,328,912,631.42, or \$14.13 per share (based on the increased number of shares after the purchase of 571,240 shares and assuming a purchase price of \$86.05, which is eighty-five per cent of the stock's fair market value (\$101.23) as at June 20, 2018). Consequently, under the above-mentioned assumptions, the implementation of the offering would lead to a direct increase in the book value of shareholders' equity of \$49,112,631, or approximately \$0.17 (approximately 1.25%) per share, for the existing share-holders and an average dilution of approximately \$71.92 per share for the eligible employees who purchased the shares and, thus, investors who acquire shares at the purchase price of \$86.05 are diluted by approximately 83.6%.
E.7	**Estimated expenses charged to the investor by the Issuer**	Not applicable. There are no such expenses.

RISK FACTORS

Employees should carefully consider the risks described below and other information contained in this prospectus, and take these factors into account in making their investment decision. The occurrence of one or more of these risks alone or in combination with other circumstances may have a material adverse effect on the business and financial condition of the Company and cause the market price of the Company's shares to decline. In such case, employees could lose all or part of their investment.

The prospectus contains all risks which the Company deems material. However, the risks described below may turn out to be incomplete and therefore may not be the only risks to which the Company is exposed. Additional risks and uncertainties could have a material adverse effect on the business and financial condition of the Company. The order of presentation of the risk factors below does not indicate the likelihood of their occurrence or the extent or the significance of the individual risks.

Key Risks related to Microchip or its Industry

Our operating results are impacted by global economic conditions and may fluctuate in the future due to a number of factors that could reduce our net sales and profitability.

Our operating results are affected by a wide variety of factors that could reduce our net sales and profitability, many of which are beyond our control. Some of the factors that may affect our operating results include:

- general economic, industry or political conditions in the U.S. or internationally;
- changes in demand or market acceptance of our products and products of our customers, and market fluctuations in the industries into which such products are sold;
- changes in tax regulations and policies in the U.S. and other countries in which we do business including the impact of the Tax Cuts and Jobs Act of 2017 (the Act);
- new accounting pronouncements or changes in existing accounting standards and practices, including the impact of the new revenue recognition standard (ASC 606) on our financial statements;
- our ability to continue to realize the expected benefits of our acquisitions including our recent acquisition of Microsemi;
- our ability to ramp our factory capacity to meet customer demand;
- our ability to secure sufficient wafer foundry, assembly and testing capacity;
- changes or fluctuations in customer order patterns and seasonality;
- changes in utilization of our manufacturing capacity and fluctuations in manufacturing yields;
- the mix of inventory we hold and our ability to satisfy orders from our inventory;
- levels of inventories held by our customers;
- risk of excess and obsolete inventories;
- competitive developments including pricing pressures;
- unauthorized copying of our products resulting in pricing pressure and loss of sales;
- availability of raw materials and equipment;
- our ability to successfully transition products to more advanced process technologies to reduce manufacturing costs;
- the level of orders that are received and can be shipped in a quarter;
- the level of sell-through of our products through distribution;
- fluctuations in our mix of product sales;
- announcements of other significant acquisitions by us or our competitors;

- disruptions in our business or our customers' businesses due to terrorist activity, armed conflict, war, worldwide oil prices and supply, public health concerns, natural disasters or disruptions in the transportation system;
- constrained availability from other electronic suppliers impacting our customers' ability to ship their products, which in turn may adversely impact our sales to those customers;
- costs and outcomes of any current or future tax audits or any litigation or claims involving intellectual property, customers or other issues;
- fluctuations in commodity or energy prices; and
- property damage or other losses, whether or not covered by insurance.

We believe that period-to-period comparisons of our operating results are not necessarily meaningful and that you should not rely upon any such comparisons as indications of our future performance. In future periods, our operating results may fall below our public guidance or the expectations of public market analysts and investors, which would likely have a negative effect on the price of our common stock. Uncertain global economic conditions, the ongoing economic recovery and uncertainty surrounding the strength and duration of such recovery have caused our operating results to fluctuate significantly and make comparability between periods less meaningful.

We may not fully realize the anticipated benefits of our completed or future acquisitions or divestitures including our recent acquisition of Microsemi.

We have acquired, and expect in the future to acquire, additional businesses that we believe will complement or augment our existing businesses. On March 1, 2018, we entered into a definitive agreement to acquire Microsemi Corporation (“Microsemi”), and completed the acquisition on May 29, 2018. In addition, in April 2016, we completed our acquisition of Atmel Corporation (“Atmel”); and in August 2015, we completed our acquisition of Micrel. The integration process for our acquisitions is complex and may be costly and time consuming and include unanticipated issues, expenses and liabilities. We may not be able to successfully or profitably integrate, operate, maintain and manage any newly acquired operations or employees. We may not be able to maintain uniform standards, procedures and policies and we may be unable to realize the expected synergies and cost savings from the integration. There may be increased risk due to integrating financial reporting and internal control systems. We may have difficulty in developing, manufacturing and marketing the products of a newly acquired company, or in growing the business at the rate we anticipate. Following an acquisition, we may not achieve the revenue or net income levels that justify the acquisition. We may suffer loss of key employees, customers and strategic partners of acquired companies and it may be difficult to implement our corporate culture at acquired companies. We have been and may in the future be subject to claims from terminated employees, shareholders of acquired companies and other third parties related to the transaction. In particular, as a result of our Atmel acquisition, we became involved with third-party claims, litigation and disputes related to the Atmel business. Acquisitions may also result in charges (such as acquisition-related expenses, write-offs, restructuring charges, or future impairment of goodwill), contingent liabilities, adverse tax consequences, additional share-based compensation expense and other charges that adversely affect our operating results. To fund our acquisition of Microsemi, we used a significant portion of our cash balances and incurred approximately $8.0 billion of additional debt through borrowings under our credit agreement and issuance of new debt. We may fund future acquisitions of new businesses or strategic alliances by utilizing cash, borrowings under our credit agreement, raising debt, issuing shares of our common stock, or other mechanisms.

Further, if we decide to divest assets or a business, we may encounter difficulty in finding or completing divestiture opportunities or alternative exit strategies on acceptable terms or in a timely manner. These circumstances could delay the achievement of our strategic objectives or cause us to incur additional expenses with respect to assets or a business that we want to dispose of, or we may dispose of assets or a business at a price or on terms that are less favorable than we had anticipated. Even following a divestiture, we may be contractually obligated with respect to certain continuing obligations to customers, vendors, landlords or other third parties. We may also have continuing obligations for pre-existing liabilities related to the assets or businesses. Such obligations may have a material adverse impact on our results of operations and financial condition.

In addition to acquisitions, we have in the past, and expect in the future, to enter into joint development agreements or other business or strategic relationships with other companies. These transactions are subject to a number of risks similar to those we face with our acquisitions including our ability to realize the expected benefits of any such transaction, to successfully market and sell any products resulting from such transactions or to successfully integrate any technology developed through such transactions.

Our financial condition and results of operations could be adversely affected if we do not effectively manage our current or future debt.

As of March 31, 2018, the principal amount of our outstanding indebtedness was $4,481.3 million. In February 2017, we issued $2,645.0 million of aggregate principal value of senior and junior convertible debt and amended our existing credit agreement to, among other things, increase certain covenant compliance ratios. The February 2017 credit agreement amendment included a new collateral agreement that secures our borrowings with all assets of our guarantor subsidiaries with the exception of real property. We used a portion of the proceeds from the issuance of the 2017 senior and junior convertible debt to settle $431.3 million in principal value of our 2007 Junior Debt and $1,682.5 million to pay off the outstanding balance under our credit facility. At March 31, 2018, there were no outstanding borrowings under our credit facility which had a capacity of $3,122.3 million and is comprised of one tranche expiring in February 2020. In connection with the closing of our recent acquisition of Microsemi, we incurred approximately $8.0 billion of additional debt through borrowings under our credit agreement and issuance of new debt. As a result of such transactions, we will have a substantially greater amount of debt than we had maintained in the past. Our maintenance of substantial levels of debt could adversely affect our ability to take advantage of corporate opportunities and could adversely affect our financial condition and results of operations. We may need or desire to refinance our convertible debt or any other future indebtedness and there can be no assurance that we will be able to refinance any of our indebtedness on commercially reasonable terms, if at all.

Servicing our current debt and expected debt to finance the Microsemi acquisition will require a significant amount of cash, and we may not have sufficient cash flow from our business to fund future payments.

Our ability to make scheduled payments of principal, to pay interest on or to refinance our indebtedness, including our outstanding debentures and expected debt to be incurred to finance our acquisition of Microsemi, depends on our future performance, which is subject to economic, financial, competitive and other factors. Our business may not continue to generate cash flow from operations in the future sufficient to service our debt and to fund capital expenditures, dividend payments, share repurchases or acquisitions. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time.

We are dependent on orders that are received and shipped in the same quarter and therefore have limited visibility to future product shipments.

Our net sales in any given quarter depend upon a combination of shipments from backlog and customer orders that are both received and shipped in that same quarter, which we refer to as turns orders. We measure turns orders at the beginning of a quarter based on the orders needed to meet the shipment targets that we set entering the quarter. Historically, we have relied on our ability to respond quickly to customer orders as part of our competitive strategy, resulting in customers placing orders with relatively short delivery schedules. Shorter lead times generally mean that turns orders as a percentage of our business are relatively high in any particular quarter and reduce our backlog visibility on future product shipments. Turns orders correlate to overall semiconductor industry conditions and product lead times. Because turns orders are difficult to predict, varying levels of turns orders make it more difficult to forecast net sales. As a significant portion of our products are manufactured at foundries, foundry lead times may affect our ability to satisfy certain turns orders. If we do not achieve a sufficient level of turns orders in a particular quarter relative to our revenue targets, our revenue and operating results will likely suffer.

Intense competition in the markets we serve may lead to pricing pressures, reduced sales of our products or reduced market share.

The semiconductor industry is intensely competitive and has been characterized by price erosion and rapid technological change. We compete with major domestic and international semiconductor companies, many of which have greater market recognition and substantially greater financial, technical, marketing, distribution and other resources than we do. The semiconductor industry has experienced significant merger and acquisition activity and consolidation in recent years which has resulted in several of our competitors becoming much larger in terms of revenue, product offerings and scale. We may be unable to compete successfully in the future, which could harm our business. Our ability to compete successfully depends on a number of factors both within and outside our control, including, but not limited to:

- the quality, performance, reliability, features, ease of use, pricing and diversity of our products;
- our success in designing and manufacturing new products including those implementing new technologies;
- our ability to ramp production and increase capacity, as needed, at our wafer fabrication and assembly and test facilities;
- the rate at which customers incorporate our products into their own applications and the success of such applications;
- the rate at which the markets that we serve redesign and change their own products;
- our ability to obtain adequate foundry and assembly and test capacity and supplies of raw materials and other supplies at acceptable prices;
- changes in demand in the markets that we serve and the overall rate of growth or contraction of such markets, including but not limited to the automotive, personal computing and consumer electronics markets;
- product introductions by our competitors;
- the number, nature and success of our competitors in a given market;
- our ability to protect our products and processes by effective utilization of intellectual property rights;
- our ability to remain price competitive against companies that have copied our proprietary product lines, especially in countries where intellectual property rights protection is difficult to achieve and maintain;
- our ability to address the needs of our customers; and
- general market and economic conditions.

Historically, average selling prices in the semiconductor industry decrease over the life of any particular product. The average selling prices of our microcontroller and proprietary analog, interface, mixed signal and timing products have remained relatively constant, while average selling prices of our memory and non-proprietary analog, interface, mixed signal and timing products have declined over time. The overall average selling price of our products is affected by these trends; however, variations in our product and geographic mix of sales can cause wider fluctuations in our overall average selling price in any given period.

We have experienced, and expect to continue to experience, modest pricing declines in certain of our more mature proprietary product lines, primarily due to competitive conditions. We have been able to moderate average selling price declines in many of our proprietary product lines by continuing to introduce new products with more features and higher prices. However, there can be no assurance that we will be able to do so in the future. We have experienced in the past, and expect to continue to experience in the future, varying degrees of competitive pricing pressures in our memory and non-proprietary analog, interface, mixed signal and timing products. We may be unable to maintain average selling prices for our products as a result of increased pricing pressure in the future, which could adversely impact our operating results.

We are dependent on wafer foundries and other contractors to perform key manufacturing functions for us, and our licensees of our SuperFlash and other technologies also rely on foundries and other contractors.

We rely on outside wafer foundries for a significant portion of our wafer fabrication needs. Specifically, during fiscal 2018 and fiscal 2017, approximately 42% and 41%, respectively, of our net sales came from products that were produced at outside wafer foundries. We also use several contractors located primarily in Asia for a portion of the assembly and testing of our products.

Specifically, during fiscal 2018, approximately 58% of our assembly requirements and 36% of our test requirements were performed by third party contractors compared to approximately 64% of our assembly requirements and 40% of our test requirements during fiscal 2017. Our reliance on third party contractors and foundries increased as a result of our acquisitions of Atmel, Micrel, SMSC, Supertex and ISSC. Microsemi relies on wafer foundries for a significant portion of its wafer fabrication needs. Accordingly, upon completion of our acquisition of Microsemi our reliance on third party contractors and foundries will increase significantly. The disruption or termination of any of our contractors could harm our business and operating results.

Our use of third parties somewhat reduces our control over the subcontracted portions of our business. Our future operating results could suffer if any contractor were to experience financial, operational or production difficulties or situations when demand exceeds capacity, or if they were unable to maintain manufacturing yields, assembly and test yields and costs at approximately their current levels, or if the countries in which such contractors are located were to experience political upheaval or infrastructure disruption. If these third parties are unable or unwilling to timely deliver products or services conforming to our quality standards, we may not be able to qualify additional manufacturing sources for our products in a timely manner on terms favorable to us, or at all. Additionally, these subcontractors could abandon fabrication processes that are important to us, or fail to adopt advanced manufacturing technologies that we desire to control costs. In any such event, we could experience an interruption in production, an increase in manufacturing and production costs or a decline in product reliability, and our business and operating results could be adversely affected. Further, our use of subcontractors increases the risks of potential misappropriation of our intellectual property.

Certain of our SuperFlash and other technology licensees also rely on outside wafer foundries for wafer fabrication services. If our licensees were to experience any disruption in supply from outside wafer foundries, this would reduce the revenue we receive in our technology licensing business and would harm our operating results.

Our operating results will suffer if we ineffectively utilize our manufacturing capacity or fail to maintain manufacturing yields.

The manufacture and assembly of integrated circuits, particularly non-volatile, erasable CMOS memory and logic devices such as those that we produce, are complex processes. These processes are sensitive to a wide variety of factors, including the level of contaminants in the manufacturing environment, impurities in the materials used, the performance of our wafer fabrication and assembly and test personnel and equipment, and other quality issues. As is typical in the semiconductor industry, we have from time to time experienced lower than anticipated manufacturing yields. Our operating results will suffer if we are unable to maintain yields at or above approximately the current levels. This could include delays in the recognition of revenue, loss of revenue or future orders, and customer-imposed penalties for our failure to meet contractual shipment deadlines. Our operating results are also adversely affected when we operate at less than optimal capacity. Although we operated at normal capacity levels during fiscal 2018 and fiscal 2017, there can be no assurance that such production levels will be maintained in future periods.

Our operating results are impacted by both seasonality and the wide fluctuations of supply and demand in the semiconductor industry.

The semiconductor industry is characterized by seasonality and wide fluctuations of supply and demand. Since a significant portion of our revenue is from consumer markets and international sales, our business tends to generate historically stronger revenues in the first and second quarters and comparatively weaker revenues in the third and fourth quarters of our fiscal year. However, broad fluctuations in our overall business, changes in semiconductor industry and global economic conditions, and our acquisition activity (including our acquisition of Atmel and our recent acquisition of Microsemi) can have a more significant impact on our results than seasonality. As a result, in periods when these broad fluctuations, changes in business conditions or acquisitions occur, it is difficult to assess the impact of seasonal factors on our business. The semiconductor industry has also experienced significant economic downturns, characterized by diminished product demand and production over-capacity. We have sought to reduce our exposure to this industry cyclically by selling proprietary products, that cannot be easily or quickly replaced, to a geographically diverse customer base across a broad range of market segments. However, we have experienced substantial period-to-period fluctuations in operating results and expect, in the future, to experience period-to-period fluctuations in operating results due to general industry or economic conditions.

Our business is dependent on selling through distributors.

Sales through distributors accounted for approximately 54% of our net sales in fiscal 2018 and approximately 55% of our net sales in fiscal 2017. We do not have long-term agreements with our distributors, and we and our distributors may each terminate our relationship with little or no advance notice.

Any future adverse conditions in the U.S. or global economies or in the U.S. or global credit markets could materially impact the operations of our distributors. Any deterioration in the financial condition of our distributors or any disruption in the operations of our distributors could adversely impact the flow of our products to our end customers and adversely impact our results of operation. In addition, during an industry or economic downturn, it is possible there will be an oversupply of products and a decrease in demand for our products from our distributors, which could reduce our net sales in a given period and result in an increase in inventory returns. Violations of the Foreign Corrupt Practices Act, or similar laws, by our distributors or other channel partners could have a material adverse impact on our business.

Our success depends on our ability to introduce new products on a timely basis.

Our future operating results depend on our ability to develop and timely introduce new products that compete effectively on the basis of price and performance and which address customer requirements. The success of our new product introductions depends on various factors, including, but not limited to:

- effective new product selection;
- timely completion and introduction of new product designs;
- procurement of licenses for intellectual property rights from third parties under commercially reasonable terms;
- timely filing and protection of intellectual property rights for new product designs;
- availability of development and support tools and collateral literature that make complex new products easy for engineers to understand and use; and
- market acceptance of our customers' end products.

Because our products are complex, we have experienced delays from time to time in completing new product development. In addition, our new products may not receive or maintain substantial market acceptance. We may be unable to timely design, develop and introduce competitive products, which could adversely impact our future operating results.

Our success also depends upon our ability to develop and implement new design and process technologies. Semiconductor design and process technologies are subject to rapid technological change and require significant R&D expenditures. We and other companies in the industry have, from time to time, experienced difficulties in effecting transitions to advanced process technologies and, consequently, have suffered reduced manufacturing yields or delays in product deliveries. Our future operating results could be adversely affected if any transition to future process technologies is substantially delayed or inefficiently implemented.

We may lose sales if our suppliers of raw materials and equipment fail to meet our needs.

Our semiconductor manufacturing operations require raw and processed materials and equipment that must meet exacting standards. We generally have more than one source for these supplies, but there are only a limited number of suppliers capable of delivering various materials and equipment that meet our standards. The materials and equipment necessary for our business could become more difficult to obtain as worldwide use of semiconductors in product applications increases. Additionally, consolidation in our supply chain due to mergers and acquisitions may reduce the number of suppliers or change the relationships that we have with our suppliers. This could impair sourcing flexibility or increase costs. We have experienced supply shortages from time to time in the past, and on occasion our suppliers have told us they need more time than expected to fill our orders or that they will no longer support certain equipment with updates or spare and replacement parts. In particular, we have recently experienced longer lead times for equipment which we need for capacity expansion at certain of our manufacturing facilities. An interruption of any materials or equipment sources, or the lack of supplier support for a particular piece of equipment, could harm our business.

Our reported financial results may be adversely affected by new accounting pronouncements or changes in existing accounting standards and practices, including ASC 606 which will impact our revenue recognition.

We prepare our financial statements in conformity with accounting principles generally accepted in the U.S. These accounting principles are subject to interpretation or changes by the FASB and the SEC. New accounting pronouncements and varying interpretations of accounting standards and practices have occurred in the past and are expected to occur in the future. New accounting pronouncements or a change in the interpretation of existing accounting standards or practices may have a significant effect on our reported financial results and may even affect our reporting of transactions completed before the change is announced or effective. In May 2014, the FASB issued Accounting Standards Update (ASU) 2014-09 - Revenue from Contracts with Customers (Topic 606), which supersedes nearly all existing revenue recognition guidance under generally accepted accounting principles in the Unites States of America (US GAAP). The standard's core principle is that a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. Upon our adoption of ASU 2014-09 beginning with our fiscal year commencing on April 1, 2018, we will no longer defer revenue until sale by the distributor to the end customer, but rather, will be required to estimate the effects of returns and allowances provided to distributors and record revenue at the time of sale to the distributor.

Business interruptions to our operations or the operations of our key vendors, subcontractors, licensees or customers, whether due to natural disasters or other events, could harm our business.

Operations at any of our facilities, at the facilities of any of our wafer fabrication or assembly and test subcontractors, or at any of our significant vendors or customers may be disrupted for reasons beyond our control. These reasons may include work stoppages, power loss, cyber attacks, incidents of terrorism or security risk, political instability, public health issues, telecommunications, transportation or other infrastructure failure, radioactive contamination, fire, earthquake, floods, volcanic eruptions or other natural disasters. We have taken steps to mitigate the impact of some of these events should they occur; however, we cannot be certain that our actions will be effective to avoid a significant impact on our business in the event of a disaster or other business interruption.

In particular, Thailand has experienced periods of severe flooding in recent years. While our facilities in Thailand have continued to operate normally, there can be no assurance that any future flooding in Thailand would not have a material adverse impact on our operations. If operations at any of our facilities, or our subcontractors' facilities are interrupted, we may not be able to shift production to other facilities on a timely basis, and we may need to spend significant amounts to repair or replace our facilities and equipment. If we experienced business interruptions, we would likely experience delays in shipments of products to our customers and alternate sources for production may be unavailable on acceptable terms. This could result in reduced revenues and profits and the cancellation of orders or loss of customers. Although we maintain business interruption insurance, such insurance will likely not be enough to compensate us for any losses that may occur and any losses or damages incurred by us as a result of business interruptions could significantly harm our business.

Additionally, operations at our customers and licensees may be disrupted for a number of reasons. In the event of customer disruptions, sales of our products may decline and our revenue, profitability and financial condition could suffer. Likewise, if our licensees are unable to manufacture and ship products incorporating our technology, or if there is a decrease in product demand due to a business disruption, our royalty revenue may decline.

Our technology licensing business exposes us to various risks.

Our technology licensing business is based on our SuperFlash and other technologies. The success of our licensing business depends on the continued market acceptance of these technologies and on our ability to further develop and enhance such technologies and to introduce new technologies in the future. To be successful, any such technology must be able to be repeatably implemented by licensees, provide satisfactory yield rates, address licensee and customer requirements, and perform competitively. The success of our technology licensing business depends on various other factors, including, but not limited to:

- proper identification of licensee requirements;
- timely development and introduction of new or enhanced technology;
- our ability to protect and enforce our intellectual property rights for our licensed technology;

- our ability to limit our liability and indemnification obligations to licensees;
- availability of sufficient development and support services to assist licensees in their design and manufacture of products integrating our technology;
- availability of foundry licensees with sufficient capacity to support original equipment manufacturers (OEM) production; and
- market acceptance of our customers' end products.

Because our licensed technologies are complex, there may be delays from time to time in developing and enhancing such technologies. There can be no assurance that our existing or any enhanced or new technology will achieve or maintain substantial market acceptance. Our licensees may experience disruptions in production or lower than expected production levels which would adversely affect the revenue that we receive from them. Our technology license agreements generally include an indemnification clause that indemnifies the licensee against liability and damages (including legal defense costs) arising from intellectual property matters. We could be exposed to substantial liability for claims or damages related to intellectual property matters or indemnification claims. Any claim, with or without merit, could result in significant legal fees and require significant attention from our management. Any of the foregoing issues may adversely impact the success of our licensing business and adversely affect our future operating results.

We are exposed to various risks related to legal proceedings or claims.

We are currently, and in the future may be, involved in legal proceedings or claims regarding patent infringement, other intellectual property rights, product failures, contracts and other matters. As is typical in the semiconductor industry, we receive notifications from third parties from time to time who believe that we owe them indemnification or other obligations related to claims made against us, our direct or indirect customers or our licensees. These legal proceedings and claims, even if meritless, could result in substantial costs to us and divert our resources. If we are not able to resolve a claim, settle a matter, obtain necessary licenses on commercially reasonable terms, reengineer our products or processes to avoid infringement, provide a cost-effective remedy, or successfully prosecute or defend our position, we could incur uninsured liability in any of them, be required to take an appropriate charge to operations, be enjoined from selling a material portion of our products or using certain processes, suffer a reduction or elimination in the value of our inventories, and our business, financial condition or results of operations could be harmed.

It is also possible that from time to time we may be subject to claims related to the manufacture, performance or use of our products. These claims may be due to injuries, economic damage or environmental exposures related to manufacturing, a product's nonconformance to our specifications or specifications agreed upon with the customer, changes in our manufacturing processes, or unexpected customer system issues due to the integration of our products or insufficient design or testing by our customers. We could incur significant expenses related to such matters, including, but not limited to:

- costs related to writing off the value of our inventory of nonconforming products;
- recalling nonconforming products;
- providing support services, product replacements, or modifications to products and the defense of such claims;
- diversion of resources from other projects;
- lost revenue or a delay in the recognition of revenue due to cancellation of orders or unpaid receivables;
- customer imposed fines or penalties for failure to meet contractual requirements; and
- a requirement to pay damages or penalties.

Because the systems into which our products are integrated have a higher cost of goods than the products we sell, the expenses and damages we are asked to pay may be significantly higher than the sales and profits we received from the products involved. While we specifically exclude consequential damages in our standard terms and conditions, certain of our contracts may not exclude such liabilities. Further, our ability to avoid such liabilities may be limited by applicable law. We do have liability insurance which covers certain damages arising out of product defects, but we do not expect that insurance will cover all claims or be of a sufficient amount to fully protect against such claims. Costs or payments we may make in connection with these customer claims may adversely affect the results of our operations.

Further, we sell to customers in industries such as automotive, aerospace, defense, safety, security, and medical, where failure of the systems in which our products are integrated could cause damage to property or persons. We may be subject to claims if our products, or the integration of our products, cause system failures. We will face increased exposure to claims if there are substantial increases in either the volume of our sales into these applications or the frequency of system failures integrating our products.

Failure to adequately protect our intellectual property could result in lost revenue or market opportunities.

Our ability to obtain patents, licenses and other intellectual property rights covering our products and manufacturing processes is important for our success. To that end, we have acquired certain patents and patent licenses and intend to continue to seek patents on our technology and manufacturing processes. The process of seeking patent protection can be long and expensive, and patents may not be issued from currently pending or future applications. In addition, our existing and new patents, trademarks and copyrights that issue may not have sufficient scope or strength to provide meaningful protection or commercial advantage to us. We may be subject to, or may ourselves initiate, interference proceedings in the U.S. Patent and Trademark Office, patent offices of a foreign country or U.S. or foreign courts, which can require significant financial and management resources. In addition, the laws of certain foreign countries do not protect our intellectual property rights to the same extent as the laws of the U.S. Infringement of our intellectual property rights by a third party could result in uncompensated lost market and revenue opportunities for us. Although we continue to vigorously and aggressively defend and protect our intellectual property on a worldwide basis, there can be no assurance that we will be successful in our endeavors.

Our operating results may be adversely impacted if economic conditions impact the financial viability of our licensees, customers, distributors, or suppliers.

We regularly review the financial performance of our licensees, customers, distributors and suppliers. However, any downturn in global economic conditions may adversely impact the financial viability of our licensees, customers, distributors or suppliers. The financial failure of a large licensee, customer or distributor, an important supplier, or a group thereof, could have an adverse impact on our operating results and could result in our not being able to collect our accounts receivable balances, higher reserves for doubtful accounts, write-offs for accounts receivable, and higher operating costs as a percentage of net sales.

We are highly dependent on foreign sales and operations, which exposes us to foreign political and economic risks.

Sales to foreign customers account for a substantial portion of our net sales. During fiscal 2018, approximately 85% of our net sales were made to foreign customers, including 30% in China. During fiscal 2017, approximately 84% of our net sales were made to foreign customers, including 32% in China.

A strong position in the Chinese market is a key component of our global growth strategy. The market for integrated circuit products in China is highly competitive, and both international and domestic competitors are aggressively seeking to increase their market share. Increased competition or economic weakness in the China market may make it difficult for us to achieve our desired sales volumes in China. In particular, economic conditions in China remain uncertain and we are unable to predict whether such uncertainty will continue or worsen in future periods.

We purchase a substantial portion of our raw materials and equipment from foreign suppliers. In addition, we own product assembly and testing facilities near Bangkok, Thailand, which has experienced periods of political instability in the past. A large portion of our finished goods inventory is maintained in Thailand. From time to time, Thailand has also experienced periods of severe flooding. There can be no assurance that any future flooding or political instability in Thailand would not have a material adverse impact on our operations. As part of our Atmel acquisition, we acquired a test facility in Calamba, Philippines. We use various foundries and other foreign contractors for a significant portion of our assembly and testing and wafer fabrication requirements.

Our reliance on foreign operations, foreign suppliers, maintenance of substantially all of our finished goods inventory at foreign locations and significant foreign sales exposes us to foreign political and economic risks, including, but not limited to:

- political, social and economic instability;
- potentially adverse tax consequences;
- economic uncertainty in the worldwide markets served by us;
- trade restrictions and changes in tariffs;
- import and export license requirements and restrictions;
- changes in rules and laws related to taxes, environmental, health and safety, technical standards and consumer protection in various jurisdictions;
- currency fluctuations and foreign exchange regulations;
- difficulties in staffing and managing international operations;
- employment regulations;
- disruptions in international transport or delivery;
- public health conditions; and
- difficulties in collecting receivables and longer payment cycles.

If any of these risks materialize, or are worse than we anticipate, our sales could decrease and our operating results could suffer.

Our contractual relationships with our customers expose us to risks and liabilities.

We do not typically enter into long-term contracts with our customers, and therefore we cannot be certain about future order levels from our customers. When we do enter into customer contracts, the contract is generally cancelable at the convenience of the customer. Even though we had over 119,000 customers and our ten largest direct customers made up approximately 11% of our total revenue for fiscal 2018 and five of our top ten direct customers are contract manufacturers that perform manufacturing services for many customers, cancellation of customer contracts could have an adverse impact on our revenue and profits.

We have contracts with certain customers that differ from our standard terms of sale. For several of the significant markets that we sell into, such as the automotive and personal computer markets, our current or potential customers may possess significant leverage over us in negotiating the terms and conditions of supply as a result of their market size and position. For example, under certain contracts we may commit to supply specific quantities of products on scheduled delivery dates, or agree to extend our obligations for certain liabilities such as warranties or indemnification for quality issues or claims of intellectual property infringement. If we are unable to supply the customer as required under the contract, the customer may incur additional production costs, lost revenues due to subsequent delays in their own manufacturing schedule, or quality-related issues. We may be liable for the customer's costs, expenses and damages associated with their claims and we may be obligated to defend the customer against claims of intellectual property infringement and pay the associated legal fees. While we try to minimize the number of contracts which contain such provisions, manage the risks underlying such liabilities, and set caps on our liability exposure, sometimes we are not able to do so. In order to win important designs, avoid losing business to competitors, maintain existing business, or be permitted to bid on new business, we have been, and may in the future be, forced to agree to uncapped liability for such items as intellectual property infringement, product failure, or confidentiality. Such provisions expose us to risk of liability far exceeding the purchase price of the products we sell under such contracts, the lifetime revenues we receive from such products, or various forms of potential consequential damages. Further, where we do not have negotiated contracts with our customers, the terms of our customer's orders may govern the transaction and contain terms that are not favorable to us. These significant additional risks could result in a material adverse impact on our results of operations and financial condition.

With respect to our recent acquisition of Microsemi, a significant portion of their sales are, or may be derived from U.S. government agencies or customers whose principal sales are to U.S. government agencies. Such sales are subject to significant uncertainties regarding government spending and policy changes. Also, the U.S. government and its contractors may terminate their contracts with Microsemi at any time. Uncertainty with respect to governmental spending and policies, or termination of contracts associated with governmental projects could have a material adverse impact on the revenues and other benefits that we achieve from the Microsemi acquisition. Prior to the Microsemi transaction, Microchip has not derived significant sales from government related customers.

We must attract and retain qualified personnel to be successful, and competition for qualified personnel can be intense.

Our success depends upon the efforts and abilities of our senior management, engineering, manufacturing and other personnel. The competition for qualified engineering and management personnel can be intense. We may be unsuccessful in retaining our existing key personnel or in attracting and retaining additional key personnel that we require. The loss of the services of one or more of our key personnel or the inability to add key personnel could harm our business. The loss of, or any inability to attract personnel, even if not key personnel, if experienced in sufficient numbers could harm our business. We have no employment agreements with any member of our senior management team.

Fluctuations in foreign currency exchange rates could adversely impact our operating results.

We use forward currency exchange contracts in an attempt to reduce the adverse earnings impact from the effect of exchange rate fluctuations on our non-U.S. dollar net balance sheet exposures. Nevertheless, in periods when the U.S. dollar significantly fluctuates in relation to the non-U.S. currencies in which we transact business, the value of our non-U.S. dollar transactions can have an adverse effect on our results of operations and financial condition. In particular, in periods when a foreign currency significantly declines in value in relation to the U.S. dollar, customers transacting in that foreign currency may find it more difficult to fulfill their previously committed contractual obligations or to undertake new obligations to make payments or purchase products. In periods when the U.S. dollar is significantly declining in relation to the British pound, Euro and Thai baht, the operational costs in our European and Thailand subsidiaries are adversely affected. Although our business has not been materially adversely impacted by recent changes in the value of the U.S. dollar, there can be no assurance as to the future impact that any weakness or strength in the U.S. dollar will have on our business or results of operations.

Interruptions in our information technology systems, or improper handling of data, could adversely affect our business.

We rely on the efficient and uninterrupted operation of complex information technology systems and networks to operate our business. Any significant disruption to our systems or networks, including, but not limited to, new system implementations, computer viruses, security breaches, facility issues, natural disasters, terrorism, war, telecommunication failures or energy blackouts could have a material adverse impact on our operations, sales and operating results. Such disruption could result in a loss of our intellectual property or the release of sensitive competitive information or supplier, customer or employee personal data. Any loss of such information could harm our competitive position, result in a loss of customer confidence, and cause us to incur significant costs to remedy the damages caused by any such disruptions or security breaches. Additionally, any failure to properly manage the collection, handling, transfer or disposal of personal data of employees and customers may result in regulatory penalties, enforcement actions, remediation obligations, litigation, fines and other sanctions.

From time to time, we have experienced verifiable attacks on our data, attempts to breach our security and attempts to introduce malicious software into our IT systems; however, such attacks have not previously resulted in any material damage to us. Were future attacks successful, we may be unaware of the incident, its magnitude, or its effects until significant harm is done. In recent years, we have implemented improvements to our protective measures which are not limited to the following: firewalls, antivirus measures, patches, log monitors, event correlation tools, routine backups with offsite retention of storage media, system audits, data partitioning and routine password modifications. There can be no assurance that such system improvements will be sufficient to prevent or limit the damage from any future cyber attacks or disruptions. Any such attack or disruption could result in additional costs related to rebuilding of our internal systems, defending litigation, responding to regulatory actions, or paying damages. Such attacks or disruptions could have a material adverse impact on our business, operations and financial results.

Third-party service providers, such as wafer foundries, assembly and test contractors, distributors, credit card processors and other vendors have access to certain portions of our and our customers' sensitive data. In the event that these service providers do not properly safeguard the data that they hold, security breaches and loss of data could result. Any such loss of data by our third-party service providers could negatively impact our business, operations and financial results, as well as our relationship with our customers.

The occurrence of events for which we are self-insured, or which exceed our insurance limits, may adversely affect our profitability and liquidity.

We have insurance contracts with independent insurance companies related to many different types of risk; however, we self-insure for some potentially significant risks and obligations. In these circumstances, we believe that it is more cost effective for us to self-insure certain risks than to pay the high premium costs. The risks and exposures that we self-insure include, but are not limited to certain property, product defects, employment risks, environmental matters, political risks, and intellectual property matters. Should there be a loss or adverse judgment or other decision in an area for which we are self-insured, then our financial condition, results of operations and liquidity may be adversely affected.

If we fail to maintain proper and effective internal control or remediate current or future deficiencies, our ability to produce accurate and timely financial statements could be impaired, which could harm our operating results, our ability to operate our business and investors' views of us.

Ensuring that we have adequate internal financial and accounting controls and procedures so that we can produce accurate financial statements on a timely basis is a costly and time-consuming effort that needs to be re-evaluated frequently. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with United States generally accepted accounting principles. We are required to comply with Section 404 of the Sarbanes-Oxley Act of 2002 which requires annual management assessment of the effectiveness of our internal control over financial reporting and a report by our independent auditors. Although we have never identified a material weakness in our internal control over financial reporting, we have from time to time identified significant deficiencies. If we fail to remediate these significant deficiencies or to maintain proper and effective internal control over financial reporting in the future, our ability to produce accurate and timely financial statements could be impaired, which could harm our operating results, harm our ability to operate our business and reduce the trading price of our stock.

We are subject to stringent environmental and other regulations, which may force us to incur significant expenses.

We must comply with all applicable federal, state, local and foreign governmental regulations related to the use, storage, discharge and disposal of toxic, volatile or otherwise hazardous substances used in our products and manufacturing processes. Our failure to comply with applicable regulations could result in fines, suspension of production, cessation of operations or future liabilities. Such environmental regulations have required us in the past, and could require us in the future, to buy costly equipment or to incur significant expenses to comply with such regulations. Our failure to control the use of, or adequately restrict the discharge of, hazardous substances could impact the health of our employees and others and could impact our ability to operate. Such failure could also restrict our ability to ship certain products to certain countries, require us to modify our operations' logistics, or require us to incur other significant costs and expenses. There is a continuing expansion in environmental laws with a focus on reducing or eliminating hazardous substances and substances of high concern in electronic products and shipping materials. These and other future environmental regulations could require us to reengineer certain of our existing products and may make it more expensive for us to manufacture, sell and ship our products. In addition, the number and complexity of laws focused on the energy efficiency of electronic products and accessories, the recycling of electronic products, and the reduction in the quantity and the recycling of packing materials have expanded significantly. It may be difficult for us to timely comply with these laws and we may not have sufficient quantities of compliant products to meet customers' needs, thereby adversely impacting our sales and profitability. We may also have to write off inventory in the event that we hold unsaleable inventory as a result of changes to regulations or customer requirements. We expect these risks and trends to continue. In addition, we anticipate increased customer requirements to meet voluntary criteria related to the reduction or elimination of substances of high concern in our products, energy efficiency measures, and supplier practices associated with sourcing and manufacturing. These requirements may increase our own costs, as well as those passed on to us by our supply chain.

Customer demands for us to implement business practices that are more stringent than existing legal requirements may reduce our revenue opportunities or cause us to incur higher costs.

Some of our customers and potential customers are requiring that we implement operating practices that are more stringent than what is required by applicable laws with respect to workplace and labor requirements, the type of materials we use in our products, environmental matters or other items. To comply with such requirements, we may have to pass these same operating practices on to our suppliers. Our suppliers may refuse to implement these operating practices, or may charge us more for complying with them. The cost to implement such practices may cause us to incur higher costs and reduce our profitability, and if we choose not to implement such practices, such customers may disqualify us as a supplier, resulting in decreased revenue opportunities. Developing, administering, monitoring and auditing these customer-requested practices at our own sites and those in our supply chain will increase our costs and may require that we hire more personnel.

Customer demands and regulations related to conflict-free minerals may force us to incur additional expenses.

As required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, in August 2012, the SEC released investigation, disclosure and reporting requirements regarding the use of "conflict" minerals mined from the Democratic Republic of Congo and adjoining countries and which are necessary to the functionality or production of products. We filed a report on Form SD with the SEC regarding such matters on May 31, 2017. Other countries are considering similar regulations. If we cannot certify that we are using conflict-free minerals, customers may demand that we change the sourcing of minerals and other materials used in the manufacture of our products, even if the costs for compliant minerals and materials significantly increases and availability is limited. If we make changes to materials or suppliers, there will likely be costs associated with qualifying new suppliers and production capacity and quality could be negatively impacted. Our relationships with customers and suppliers may be adversely affected if we are unable to certify that our products are "conflict-free." We have incurred, and expect in the future to incur, additional costs associated with complying with these new disclosure requirements, such as costs related to determining the source of any conflict minerals used in our products. We may also encounter challenges to satisfy those customers who require that all of the components of our products be certified as conflict free in a materially different manner than advocated by the Responsible Minerals Initiative or the Dodd-Frank Wall Street Reform and Consumer Protection Act. If we are not able to meet customer requirements, customers may choose to disqualify us as a supplier and we may have to write off inventory in the event that it cannot be sold.

Regulatory authorities in jurisdictions into which we ship our products could levy fines or restrict our ability to export or transfer products.

A significant portion of our sales are made through the exporting and importing of products. In addition to local jurisdictions' trade regulations, our U.S.-manufactured products or products based on U.S. technology are subject to U.S. laws and regulations governing international trade, including, but not limited to the Foreign Corrupt Practices Act, Export Administration Regulations (EAR), International Traffic in Arms Regulations (ITAR) and trade sanctions against embargoed countries and denied entities administered by the U.S. Department of the Treasury, Office of Foreign Assets Control (OFAC). Licenses or proper license exceptions are required for the shipment of our products to certain countries. A determination by the U.S. or foreign government that we have failed to comply with trade or export regulations or anti-bribery regulations can result in penalties which may include denial of export privileges, fines, civil or criminal penalties, and seizure of products. Such penalties could have a material adverse effect on our business, sales and earnings. Further, a change in these laws and regulations could restrict our ability to transfer product to previously permitted countries, customers, distributors or other third parties. Any one or more of these sanctions or a change in laws or regulations could have a material adverse effect on our business, financial condition and results of operations.

The outcome of future examinations of our income tax returns could have an adverse effect on our results of operations.

We are subject to examination of our income tax returns by the IRS and other tax authorities for fiscal 2005 and later. We are subject to certain income tax examinations in foreign jurisdictions for fiscal 2007 and later.

We regularly assess the likelihood of adverse outcomes resulting from these examinations to determine the adequacy of our provision for income taxes and have reserved for potential adjustments that may result from the current examinations. There can be no assurance that the final determination of any of these or any future examinations will not have an adverse effect on our effective tax rates, financial position and results of operations.

Exposure to greater than anticipated income tax liabilities, changes in tax rules and regulations, changes in the interpretation of tax rules and regulations, or unfavorable assessments from tax audits could affect our effective tax rates, financial condition and results of operations

We are a U.S.-based multinational company subject to tax in multiple U.S. and foreign tax jurisdictions. Our income tax obligations could be affected by many factors, including but not limited to changes to our corporate operating structure, intercompany arrangements and tax planning strategies.

Our income tax expense is computed based on tax rates at the time of the respective financial period. Our future effective tax rates, financial condition and results from operations could be unfavorably affected by changes in the tax rates in jurisdictions where our income is earned, by changes in the tax rules and regulations or the interpretation of tax rules and regulations in the jurisdictions in which we do business or by changes in the valuation of our deferred tax assets

Currently, a majority of our revenue is generated from customers located outside the U.S., and a substantial portion of our assets, including employees, are located outside of the U.S. Recently enacted U.S. tax legislation will significantly change the taxation of U.S.-based multinational corporations, by, among other things, reducing the U.S. corporate income tax rate, adopting elements of a territorial tax system, assessing a one-time transition tax on earnings of certain foreign subsidiaries that were previously tax deferred, and creating new taxes on certain foreign-sourced earnings. The new legislation is unclear in some respects and will require interpretations and implementing regulations by the Internal Revenue Service, as well as state tax authorities, and the legislation could be subject to potential amendments and technical corrections, any of which could lessen or increase certain adverse impacts of the legislation. A significant portion of our earnings are earned by our subsidiaries outside the U.S. Changes to the taxation of certain foreign earnings resulting from the newly enacted U.S. tax legislation, along with the state tax impact of these changes and potential future cash distributions, will likely have an adverse effect on our effective tax rate. Furthermore, changes to the taxation of undistributed foreign earnings could change our future intentions regarding reinvestment of such earnings. The foregoing items could have a material adverse effect on our business, cash flow, results of operations or financial conditions.

As a result of our acquisition activity, our goodwill and intangible assets have increased significantly in recent years and we may in the future incur impairments to goodwill or intangible assets including impairments related to Microsemi following our completion of our acquisition of such company.

When we acquire a business, a substantial portion of the purchase price of the acquisition is allocated to goodwill and other identifiable intangible assets. The amount of the purchase price which is allocated to goodwill is determined by the excess of the purchase price over the net identifiable assets acquired. As of March 31, 2018, we had goodwill of $2,299.0 million and net intangible assets of $1,662.0 million. In connection with the completion of our recent acquisition of Microsemi, our balance of goodwill and intangible assets increased significantly. We review our indefinite-lived intangible assets, including goodwill, for impairment annually in the fourth fiscal quarter or whenever events or changes in circumstances indicate that the carrying amount of those assets is more likely than not impaired. Factors that may be considered in assessing whether goodwill or intangible assets may be impaired include a decline in our stock price or market capitalization, reduced estimates of future cash flows and slower growth rates in our industry. Our valuation methodology for assessing impairment requires management to make judgments and assumptions based on historical experience and to rely heavily on projections of future operating performance. Because we operate in highly competitive environments, projections of our future operating results and cash flows may vary significantly from our actual results. No goodwill impairment charges were recorded in fiscal 2018 or in fiscal 2017. No material intangible asset impairment charges were recorded in fiscal 2018. In fiscal 2017, we recognized $11.9 million of intangible asset impairment charges. If in future periods, we determine that our goodwill or intangible assets are impaired, we will be required to write down these assets which would have a negative effect on our consolidated financial statements.

Our foreign pension plans are unfunded, and any requirement to fund these plans in the future could negatively affect our cash position and operating capital.

In connection with our acquisition of Atmel, we assumed unfunded defined benefit pension plans that cover certain of our French and German employees. Plan benefits are managed in accordance with local statutory requirements. Benefits are based on years of service and employee compensation levels. The projected benefit obligation totaled $61.0 million at March 31, 2018. The plans are unfunded in compliance with local statutory regulations, and we have no immediate intention of funding these plans. Benefits are paid when amounts become due, commencing when participants retire. We expect to pay approximately $0.9 million in fiscal 2019 for benefits earned. Should legislative regulations require complete or partial funding of these plans in the future, it could negatively affect our cash position and operating capital.

From time to time we receive grants from governments, agencies and research organizations. If we are unable to comply with the terms of those grants, we may not be able to receive or recognize grant benefits or we may be required to repay grant benefits previously paid to us and recognize related charges, which would adversely affect our operating results and financial position.

From time to time, we receive economic incentive grants and allowances from European governments, agencies and research organizations targeted at increasing employment at specific locations. The subsidy grant agreements typically contain economic incentive, headcount, capital and research and development expenditure and other covenants that must be met to receive and retain grant benefits, and these programs can be subjected to periodic review by the relevant governments. Noncompliance by us with the conditions of the grants could result in our forfeiture of all or a portion of any future amounts to be received, as well as the repayment of all or a portion of amounts received to date.

Climate change regulations and sustained adverse climate change pose regulatory and physical risks that could harm our results of operations or affect the way we conduct business.

Climate change regulations at the federal, state or local level or in international jurisdictions could require us to limit emissions, change our manufacturing processes, obtain substitute materials which may cost more or be less available, increase our investment in control technology for greenhouse gas emissions, fund offset projects or undertake other costly activities. These regulations could significantly increase our costs and restrict our manufacturing operations by virtue of requirements for new equipment. New permits may be required for our current operations, or expansions thereof. Failure to timely receive permits could result in fines, suspension of production, or cessation of operations at one or more facilities. In addition, restrictions on carbon dioxide or other greenhouse gas emissions could result in significant costs such as higher energy costs, and utility companies passing down carbon taxes, emission cap and trade programs and renewable portfolio standards. The cost of complying, or of failing to comply, with these and other climate change and emissions regulations could have an adverse effect on our operating results.

Further, any sustained adverse change in climate could have a direct adverse economic impact on us, such as water and power shortages, and higher costs of water or energy to control the temperature of our facilities. Certain of our operations are located in arid or tropical regions, such as Arizona, Thailand, and the Philippines. Some environmental experts predict that these regions may become vulnerable to storms, severe floods and droughts due to climate change. While we maintain business recovery plans that are intended to allow us to recover from natural disasters or other events that can interrupt our business, we cannot be certain that our plans will protect us from all such disasters or events.

Key Risks related to the Shares

The future trading price of our common stock could be subject to wide fluctuations in response to a variety of factors.

The market price of our common stock has fluctuated significantly in the past and is likely to fluctuate in the future. The future trading price of our common stock could be subject to wide fluctuations in response to a variety of factors, many of which are beyond our control, including, but not limited to:

- quarterly variations in our operating results or the operating results of other technology companies;
- developments with respect to timely completion or financing of our recent acquisition of Microsemi;
- general conditions in the semiconductor industry;
- global economic and financial conditions;
- changes in our financial guidance or our failure to meet such guidance;

- changes in analysts' estimates of our financial performance or buy/sell recommendations;
- any other acquisitions we pursue or complete; and
- actual or anticipated announcements of technical innovations or new products by us or our competitors.

In addition, the stock market has from time to time experienced significant price and volume fluctuations that have affected the market prices for many companies and that often have been unrelated to the operating performance of such companies. These broad market fluctuations and other factors have harmed and may harm the market price of our common stock. Some or all of the foregoing factors could also cause the market price of our convertible debentures to decline or fluctuate substantially.

Conversion of our debentures will dilute the ownership interest of our existing stockholders.

The conversion of some or all of our outstanding debentures will dilute the ownership interest of existing stockholders to the extent we deliver common stock upon conversion of the debentures. Upon conversion, we may satisfy our conversion obligation by delivering cash, shares of common stock or any combination, at our option. If upon conversion we elect to deliver cash for the lesser of the conversion value and principal amount of the debentures, we would pay the holder the cash value of the applicable number of shares of our common stock. Upon conversion, we intend to satisfy the lesser of the principal amount or the conversion value of the debentures in cash. If the conversion value of a debenture exceeds the principal amount of the debenture, we may also elect to deliver cash in lieu of common stock for the conversion value in excess of the one thousand dollars principal amount (i.e., the conversion spread). There would be no adjustment to the numerator in the net income per common share computation for the cash settled portion of the debentures as that portion of the debt instrument will always be settled in cash. The conversion spread will be included in the denominator for the computation of diluted net income per common share. Any sales in the public market of any common stock issuable upon conversion of our debentures could adversely affect prevailing market prices of our common stock. In addition, the existence of the debentures may encourage short selling by market participants because the conversion of the debentures could be used to satisfy short positions, or anticipated conversion of the debentures into shares of our common stock could depress the price of our common stock.

Anti-takeover defenses in our charter documents and under Delaware law could discourage takeover attempts, which could also reduce the market price of our common stock.

Our certificate of incorporation and bylaws contain provisions that could delay or prevent a change in control of Microchip. These provisions could also make it difficult for stockholders to elect directors that are not nominated by the current members of our board of directors or take other corporate actions, including effecting changes in our management. These provisions include:

- the ability of our board of directors to issue shares of preferred stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquiror;
- the right of our board of directors to elect a director to fill a vacancy created by the expansion of our board of directors or the resignation, death or removal of a director, which prevents stockholders from being able to fill vacancies on our board of directors;
- the requirement that a special meeting of stockholders may be called only by the holders of 50% or more of the combined voting power of all classes of our capital stock, which could delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors;
- the ability of our board of directors, by majority vote, to amend the bylaws, which may allow our board of directors to take additional actions to prevent an unsolicited takeover and inhibit the ability of an acquiror to amend the bylaws to facilitate an unsolicited takeover attempt; and
- advance notice procedures with which stockholders must comply to nominate candidates to our board of directors or to propose matters to be acted upon at a stockholders' meeting, which may discourage or deter a potential acquiror from conducting a solicitation of proxies to elect the acquiror's own slate of directors or otherwise attempting to obtain control of us.

In addition, as a Delaware corporation, we are subject to Section 203 of the Delaware General Corporation Law. These provisions may prohibit large stockholders, in particular those owning 15% or more of our outstanding voting stock, from merging or combining with us for a certain period of time. The application of Section 203 also could have the effect of delaying or preventing a change in control of us.

Any of these provisions could, under certain circumstances, depress the market price of our common stock.

GENERAL INFORMATION

Responsibility for Contents of the Prospectus

Microchip Technology Incorporated, whose principal executive offices are located at 2355 West Chandler Boulevard, Chandler, Arizona 85224-6199, U.S.A., assumes responsibility for the contents of this prospectus pursuant to section 5 paragraph 4 of the German Securities Prospectus Act (*Wertpapierprospektgesetz* – "WpPG") and declares that, to the best of its knowledge, the information contained in this prospectus is accurate and does not contain any material omissions, and that Microchip Technology Incorporated has taken all reasonable care to ensure that the information contained in this prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

The information on our website is not incorporated into this prospectus.

Subject Matter of the Offering

This prospectus relates to the offering of shares of Microchip's common stock each with a par value of $0.001 under the Microchip Technology Incorporated International Employee Stock Purchase Plan (the "IESPP"). The total number of shares made available for purchase under the IESPP is 571,240.

Forward-Looking Statements

This prospectus contains forward-looking statements that are based on the Company's current beliefs and expectations. These forward-looking statements may be accompanied by such words as "anticipate," "believe," "estimate," "expect," "forecast," "intend," "may," "plan," "project," "target," "will" and other words and terms of similar meaning. Reference is made in particular to forward-looking statements regarding: future financial performance and results of operations; the incidence, timing, outcome and impact of litigation, proceedings related to patents and other intellectual property rights, tax assessments and other legal proceedings; and the development and commercialization of the Company's pipeline products. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those reflected in such statements, including those risks and uncertainties that are described in the "Risk Factors" section of this prospectus and elsewhere in this prospectus. Forward-looking statements speak only as of the date of this prospectus. Investors should not place undue reliance on these statements. The Company does not undertake any obligation to publicly update any forward-looking statements.

Fiscal Year

Our fiscal year ends on March 31 of each calendar year. In this prospectus, each reference to a fiscal year is to our fiscal year ended on March 31 of the stated year. For example, "fiscal 2018" refers to the fiscal year ended March 31, 2018.

Currency References

In this prospectus and any documents included herein, unless otherwise indicated, all dollar amounts and references to "USD", "U.S. $" or "$" are to U.S. Dollars.

Documents Available for Inspection

The Company's internet address is www.microchip.com. The following documents, along with other reports and amendments filed with or furnished to the SEC, are publicly available free of charge during the entire validity period of this prospectus at the Investor Relations subsection of the "About Us" section of Microchip's website under the URL:

http://www.microchip.com/doclisting/SECNew.aspx?PageInfo=filings:

- the Company's Annual Report on Form 10-K ("10-K") for the fiscal year ended March 31, 2018 including its audited consolidated financial statements (the "Fiscal 2018 10-K)", also available on the website of the SEC at:

https://www.sec.gov/Archives/edgar/data/827054/000162828018006982/0001628280-18-006982-index.htm

- the Company's 10-K for the fiscal year ended March 31, 2017 including its audited consolidated financial statements (the "Fiscal 2017 10-K)", also available on the website of the SEC at:

https://www.sec.gov/Archives/edgar/data/827054/000082705417000098/0000827054-17-000098-index.htm;

- the Company’s 10-K for the fiscal year ended March 31, 2016 including its audited consolidated financial statements (the “Fiscal 2016 10-K”), also available on the website of the SEC at:

https://www.sec.gov/Archives/edgar/data/827054/000082705416000344/0000827054-16-000344-index.htm.

This prospectus can be downloaded at http://www.microchip.com/fradms. You can find information as to the purchase price relating to relevant plan periods under the IESPP at the same website.

The Company’s certificate of incorporation and bylaws are on file at the Company’s headquarters in Chandler, Arizona, U.S.A. Copies of the Company’s certificate of incorporation and bylaws will be furnished to investors without charge upon written request to: Investor Relations, Microchip Technology Incorporated, 2355 West Chandler Boulevard, Chandler, Arizona 85224-6199, U.S.A. or via oral request to: Investor Relations, Microchip Technology Incorporated at +1 (480) 792-7200.

THE OFFERING

Information Concerning the Shares to be Offered

The shares offered under the IESPP are shares of Microchip's common stock, which is registered under the U.S. Securities Exchange Act of 1934, as amended (the "U.S. Exchange Act"). The Company's common stock is listed on the NASDAQ® Global Market ("NASDAQ"), under the symbol "MCHP." The stock is quoted on NASDAQ in U.S. dollars. The International Securities Identification Number (ISIN) for the Company's common stock is US5950171042. The U.S. security identification (CUSIP) number for the Company's common stock is 595017104. The German Securities Code (Wertpapier-Kenn-Nummer) is 886105. In Germany, the stock is traded on the unofficial market segment (*Freiverkehr*) on the exchange in Düsseldorf, Frankfurt, Hamburg, Stuttgart, Munich and Berlin as well as on Tradegate under the symbol "MCP".

Substantially all of the outstanding shares of common stock are registered or can be sold in the public market pursuant to an exemption from registration such as Rule 144. Each issued and outstanding share of common stock entitles the holder to one vote on all matters presented to the shareholders in annual or special meetings of the Company.

A participant shall have no interest or voting right in the shares covered by his or her purchase right until the shares are purchased on the participant's behalf and the participant has become a holder of record of the purchased shares.

Administration of the IESPP

Each foreign subsidiary is responsible for the administration of the IESPP with respect to its eligible employees. Accordingly, the IESPP shall, as to each foreign subsidiary, be separately administered by a plan administrator comprised of two or more members of Microchip's Board of Directors (the "Board"), the Employee Committee of the Board (as defined in the IESPP), or a designee as may be appointed by either of them from time to time (the "Administrator").

The Administrator has full authority to administer the IESPP, including authority to interpret and construe any provision of the IESPP and to adopt such rules and regulations for administering the IESPP as it may deem necessary. Decisions of the Administrator shall be subject to ratification by the Board and, when so ratified, shall be final and binding on all parties who have an interest in the IESPP.

The IESPP's service provider assists the Company with administration of the IESPP. The Company has engaged E*TRADE Financial Corporate Services, Inc., 4005 Windward Plaza, Alpharetta, Georgia, 30005, USA, ("E*TRADE") as the service provider for the IESPP. Individual participants will be notified if Microchip selects a different service provider to help administer the participant's account.

The Offering under the IESPP

General Information

On June 4, 1994, the Company's Board adopted the IESPP. The IESPP was subsequently amended on the following dates: April 25, 1997; March 3, 2003; August 20, 2004; October 19, 2004; May 1, 2006; August 15, 2008; February 22, 2010; August 20, 2010; October 1, 2010; August 19, 2011; May 19, 2014; and May 1, 2015.

The IESPP is intended to provide eligible employees of Microchip's designated foreign subsidiaries with the opportunity to acquire a proprietary interest in Microchip through the purchase of shares of Microchip common stock at periodic intervals with their accumulated payroll deductions.

As of the date of this prospectus, 571,240 shares of common stock remained available for issuance under the IESPP.

Eligibility to Participate and Subscription

Only employees of Microchip's designated foreign subsidiaries who are employed on the first day of the applicable offering period (referred to as "purchase period" in the IESPP) are eligible to participate in the IESPP. Employees elect to participate in the IESPP by completing the prescribed enrollment documents (including a purchase agreement and a payroll deduction authorization) with the Administrator. The enrollment period during which the offering is made to employees typically lasts approximately three weeks. The enrollment period for a given offering period, and the public offering relating to that offering period, end no later than five (5) business days before the offering period begins. Employees wishing to participate must submit their enrollment documents by that date. After enrolling, employees cannot increase the number of shares they purchase under the ESPP for that offering period; see below, "—Payroll Deductions".

Offering

Eligible employees are notified of the opportunity to enroll in the ESPP and informed of (a) the beginning and end of the enrollment period, (b) the minimum and maximum percentage of payroll deductions they can elect, (c) the plan period during which deductions are made, (d) the approximate date when shares will be purchased, (e) how the purchase price will be computed and how the shares will be delivered, (f) how they can enroll or, if they are already enrolled, how to modify their deduction election during the enrollment period, (g) how they can access the prospectus and (h) how they can obtain a copy of the ESPP.

Payroll Deductions

Participants contribute a percentage of their compensation towards the purchase of shares by way of payroll deductions. At the time a participant files his or her payroll deduction authorization, the participant indicates the percentage of compensation to be contributed to the IESPP which must be between one percent (1%) and ten percent (10%) of the employee's eligible compensation. All payroll deductions authorized by a participant shall be used to purchase whole shares under the IESPP. A participant may discontinue participation in the IESPP at any time provided notice is received prior to the withdrawal deadline. A participant may decrease the rate of payroll deductions once during an offering period by filing the appropriate form with the Administrator (or its designate). The change in rate shall become effective as soon as practicable thereafter. Participants may not, however, increase their payroll deductions during any plan period. In addition, a participant may, during the enrollment period prior to the start date of any subsequent offering period, increase or decrease the rate of payroll deductions by filing the appropriate form with the Administrator (or its designate). The new rate shall become effective as of the start date of the new offering period.

Offering Periods

Shares are purchased at the end of each offering period using employee contributions made by way of payroll deductions during the offering period. New offering periods generally begin on June 1 and December 1 each year. Each offering period lasts for six months. The participant's right to purchase shares under the IESPP will be exercised automatically on the last trading day of the offering period (i.e. on December 1, 2017 and June 1, 2018, or the next open trading day after such dates), with respect to these amounts deducted from the participant's payroll. Foreign currency is converted into US dollars on the purchase date by referring to the New York closing exchange rates listed in the *Wall Street Journal*. No fractional shares shall be issued. Therefore, if any amount deducted from participant's payroll is not used to purchase shares these funds are converted back to the employee's local currency using that same exchange rate used for the purchase and is carried forward to the next offering period.

Purchase Price

The purchase price of each share is eighty-five percent (85%) of the common stock's fair market value on either the first or last trading day of the offering period, whichever price is lower. The fair market value shall generally be the closing price per share on the NASDAQ for the applicable date or, if there is no such sale on the relevant date, then on the next preceding day on which a sale was reported. Promptly after determining the purchase price for each offering period, we will post the purchase price to our website at http://www.microchip.com/fradms.

Purchase Limitations

Participants may contribute no more than ten percent (10%) of their eligible compensation toward the purchase of stock under the IESPP. In addition, participants may purchase no more than $50,000 ($25,000 per six-month offering period) worth of stock (determined at the time the purchase rights are granted) per calendar year and any purchase right granted to an employee shall be limited so that immediately after the grant, such employee would not own stock possessing five percent (5%) or more of the total combined voting power or value of all classes of stock of the Company or of any participating subsidiary of the Company (including shares which the employee may purchase under outstanding options and shares, the ownership of which is attributed to the employee under Section 424(d) of the U.S. Internal Revenue Code of 1986, as amended).

In no event shall the number of shares that a participant may purchase during any six-month offering period exceed 1,899 shares of common stock.

If the number of shares available under the IESPP is not sufficient to satisfy the participation in any offering period, the Company will make a pro rata allocation of the shares remaining.

Delivery

At the end of each offering period, the purchase of shares of common stock will be exercised automatically for the number of whole shares which the accumulated payroll deductions in each participant's account could purchase at the applicable purchase price. The first purchase date under this prospectus will be as soon as practicable following the last day of the offering period ending on December 1, 2018. As promptly as practicable, after the last day of each offering period the purchased shares will be delivered to and will be registered in the street name in the participant's account at E*TRADE. Shares of common stock are generally available to the employees on the first (1st) or second (2nd) business day following the end of the offering period, although the timing may vary.

The account information is given to each employee via an email from E*TRADE after the account is established. Once the shares of common stock are purchased and posted to the participant's E*TRADE account, the employee will receive an account statement from the Company, which shows the purchase price and number of purchased shares of common stock and can log into the E*TRADE system to view the same information.

Termination of Participation

Participation is voluntary and employees may withdraw from participation in the IESPP at any time but no later than by five (5) business days before the last day of the offering period by submitting a prescribed form to the Administrator (or such other date as specified by the Administrator). Absent an election to the contrary, all of the participant's funds credited to his or her IESPP account will be returned as soon as administratively possible upon receipt of the prescribed form and no shares will be purchased. No further payroll deductions will be made until such employee re-enrolls in the IESPP by submitting new enrollment documents for a subsequent offering period. Withdrawal from an offering period will not affect an employee's ability to participate in future offering periods under the IESPP.

Termination of Eligibility

If a participant terminates employment for any reason, his or her participation in the IESPP will be immediately terminated and any accumulated contributions to the IESPP will be returned to the terminated employee.

Amendment and Termination of the IESPP

The Board may alter, amend, suspend or discontinue the IESPP with respect to one or more foreign subsidiaries following the end of any offering period. The Board may also terminate the IESPP in its entirety immediately following the end of any offering period. In such event, no further purchase rights shall thereafter be granted or exercised, and no further payroll deductions shall thereafter be collected, under the IESPP. Stockholder approval may be required for certain amendments. Whether stockholder approval is required shall be determined by the Board and consistent with the rules and laws in effect at the time the IESPP amendment becomes effective. The IESPP has no set termination date, but will terminate automatically upon termination by the Board or upon purchase of all the shares authorized for purchase under the IESPP.

REASONS FOR THE OFFERING AND USE OF PROCEEDS

Purpose of the IESPP

The IESPP is intended to provide a method by which eligible employees of Microchip's designated foreign subsidiaries may purchase shares of Microchip's common stock and therefore acquire an interest in the future of the Company.

Proceeds and Use of Proceeds

As of the date of this prospectus, shares under the IESPP are offered to approximately 9,541 eligible employees located in jurisdictions outside the United States. The maximum value of shares which employees may purchase under the IESPP may not exceed $50,000 ($25,000 per six-month offering period). Assuming that each of the eligible employees purchased the maximum amount of shares under the IESPP offered pursuant to this prospectus, that is, a total of 493 shares each year, the maximum number of shares to be issued would exceed the number of 571,240 shares available under the IESPP as of the date of this prospectus. Assuming that the eligible employees would purchase all 571,240 available shares at a purchase price of $86.05, which is eighty-five percent of the stock's fair market value ($101.23) as at June 20, 2018, then the gross proceeds of Microchip in connection with the offer under the IESPP pursuant to this prospectus would be approximately $49,152,631.

Please note that there are other limits on contributions including a prohibition on employees from contributing more than 10% of their compensation in any 6-month offering period and a 5% shareholding cap. This calculation assumes that none of these other limitations are triggered.

The proceeds from the sale of shares are not reserved for any particular purpose and will be booked to the general account of the Company. On that account, they are pooled with other company monies which will be used for general corporate purposes.

Net Proceeds

The costs of this offering consist of legal expenses in an amount approximately $40,000. After deduction of such costs the net proceeds, based on the above assumptions, would be approximately $49,112,631.

DILUTION

The book value of the stockholders' equity of the Company (defined as total assets less total liabilities) as reflected in the consolidated financial statements in accordance with U.S. GAAP (Generally Accepted Accounting Principles – "U.S. GAAP") amounted to approximately $3,279,800,000 as of March 31, 2018. This is equivalent to approximately $13.95 per share (calculated on the basis of 235,036,703 shares of common stock outstanding as of May 9, 2018).

If the Company had obtained net proceeds in the amount of $49,112,631, the book value of the shareholders' equity at that time would have been approximately $3,328,912,631, or $14.13 per share (based on the increased number of shares after the purchase of 571,240 shares and assuming a purchase price of $86.05, which is eighty-five per cent of the stock's fair market value ($101.23) as at June 20, 2018). Consequently, under the above-mentioned assumptions, the implementation of the offering would lead to a direct increase in the book value of shareholders' equity of $49,112,631, or approximately $0.17 (approximately 1.25%) per share, for the existing share-holders and an average dilution of approximately $71.92 per share for the eligible employees who purchased the shares and, thus, investors who acquire shares at the purchase price of $86.05 are diluted by approximately 83.6%.

DIVIDEND POLICY

We have been declaring and paying quarterly cash dividends on our common stock since the third quarter of fiscal 2003. Our total cash dividends paid were $337.5 million, $315.4 million and $291.1 million in fiscal 2018, fiscal 2017 and fiscal 2016, respectively.

The following table sets forth our quarterly cash dividends per common share and the total amount of the dividend payment for each quarter in fiscal 2018 and fiscal 2017 (amounts in millions, except per share amounts):

	Dividend Payment			Dividend Payment	
Fiscal 2018	**Per Common Share**	**Aggregate Amount**	**Fiscal 2017**	**Per Common Share**	**Aggregate Amount**
First Quarter	$ 0.3615	$ 82.9	First Quarter	$ 0.3595	$ 77.2
Second Quarter	$ 0.3620	$ 84.5	Second Quarter	$ 0.3600	$ 77.6
Third Quarter	$ 0.3625	$ 84.9	Third Quarter	$ 0.3605	$ 78.0
Fourth Quarter	$ 0.3630	$ 85.2	Fourth Quarter	$ 0.3610	$ 82.6

On May 8, 2018, we declared a quarterly cash dividend of $0.3635 per share, which will be paid on June 4, 2018 to stockholders of record on May 21, 2018 and the total amount of such dividend is expected to be approximately 85.6 million.

Our Board of Directors is free to change our dividend practices at any time and to increase or decrease the dividend paid, or not to pay a dividend, on our common stock on the basis of our results of operations, financial condition, cash requirements and future prospects, and other factors deemed relevant by our Board of Directors. Our current intent is to provide for ongoing quarterly cash dividends depending upon market conditions and our results of operations.

CAPITALIZATION

Capitalization and Indebtedness

Unless marked with an asterisk (*), the figures in the following tables have been derived from the Company's audited consolidated financial statements for the fiscal year ended March 31, 2018 as published in the Company's Fiscal 2018 10-K, which can be accessed as described in the section "Documents Available for Inspection" of this prospectus. The Company's consolidated financial statements were prepared in accordance with U.S. GAAP. In the tables below, amounts shown are in U.S.$ millions.

LIABILITIES AND SHAREHOLDERS' EQUITY

	March 31, 2018
Total current debt	1,309.9
Guaranteed(1), (3)	1,309.9
Secured	--
Unguaranteed/Unsecured	--
Total Non-Current debt (excluding current portion of long-term debt)	1,758.4
Guaranteed(2), (3)	1,758.4
Secured	--
Unguaranteed/Unsecured	
Total Debt	3,068.3*
Shareholder's equity:	
a. Share capital	0.2
b. Legal reserve	--
c. Other reserves(2)	3,279.6
Total shareholders' equity	3,279.8
Total	6,348.1*

* Unaudited. Derived from audited figures and calculated by internal accounting.

(1) Recorded on our balance sheet as "Current portion of long-term debt.

(2) Recorded on our balance sheet as "long-term debt".

(3) Represents convertible debt issued under the second amended credit facility dated February 8, 2017 (the "Credit Agreement"). The Company's obligations under the Credit Agreement are guaranteed by certain of its subsidiaries meeting materiality thresholds set forth in the Credit Agreement. To secure the Company's obligations under the Credit Agreement, the Company and its domestic subsidiaries are required to pledge the equity securities of certain of their respective material subsidiaries, subject to certain exceptions and limitations. In addition, in connection with the February 2017 amendment, the Company and the guarantor subsidiaries granted a security interest in substantially all of their personal property to secure the obligations under the Credit Agreement.

(2) Consists of retained earnings ($1,397.3 million) and additional paid-in capital ($2,562.5 million), less common stock held in treasury ($662.6 million) and accumulated other comprehensive loss ($17.6 million).

The following table shows the Company's net financial indebtedness. Consequently, the table does not include non-financial debt from normal operations such as accounts payable, taxes payable, deferred tax liability, accrued expenses and long term liabilities other than bank debt or notes payable.

NET FINANCIAL INDEBTEDNESS

	March 31, 2018
A.+ B Cash and cash equivalents(1)	901.3
C. Trading securities(2)	1,295.3
D. Liquidity (A)+(B)+(C)	2,196.6*
E. Current financial receivable(3)	563.7
F. Current bank debt	--
G. Current portion of non current debt	1,309.9-
H. Other current financial debt	--
I. Current financial debt (F)+(G)+(H)	1,309.9
J. Net current financial indebtedness (I)-(E)-(D)	(1,450.4)*
K. Non current bank loans	--
L. Bonds issued(4)	1,758.4
M. Other non current loans	--
N. Non current financial indebtedness (K)+(L)+(M)	1,758.4*
O. Net financial indebtedness (J)+(N)	308.0*

* Unaudited. Derived from audited figures and calculated by internal accounting.

(1) The Company does not separately report cash and cash equivalents in its financial statements.

(2) Recorded on our balance sheet as "short-term investments".

(3) Recorded on our balance sheet as "accounts receivable, net".

(4) Recorded on our balance sheet as "long-term debt".

Commitments and Contingencies

Contractual Commitments

The following table summarizes our significant contractual obligations at March 31, 2018, and the effect such obligations are expected to have on our liquidity and cash flows in future periods. This table excludes amounts already recorded on our balance sheet as current liabilities at March 31, 2018 (dollars in millions):

		Payments Due by Period			
	Total	< 1 year	1 – 3 years	3 – 5 years	> 5 years
Operating lease obligations(1)	$ 69.9	$ 26.0	$ 32.0	$ 11.9	$ —
Capital purchase obligations(2)........	144.4	144.4	—	—	—
Other purchase obligations and commitments(3)	101.6	101.0	0.6	—	—
2017 senior debt(4)	2,372.8	33.6	67.3	67.3	2,204.6
2015 senior debt(5)	1,921.3	28.0	56.1	56.1	1,781.1
2017 junior debt(6)...........................	979.7	15.4	30.9	30.9	902.5
Pension obligations(7)......................	16.8	0.9	2.1	3.2	10.6
Transition tax obligation(8)	336.1	26.9	53.8	53.8	201.6
Total contractual obligations(9)	$ 5,942.6	$ 376.2	$ 242.8	$ 223.2	$ 5,100.4

(1) Operating lease obligations include $23.3 million of future lease payments which is recorded as a liability on the balance sheet as of March 31, 2018. This obligation is due under an operating lease from the acquisition of Atmel for a building in San Jose, California.

(2) Capital purchase obligations represent commitments for construction or purchases of property, plant and equipment. These obligations were not recorded as liabilities on our balance sheet as of March 31, 2018, as we have not yet received the related goods or taken title to the property.

(3) Other purchase obligations and commitments include payments due under various types of licenses and outstanding purchase commitments with our wafer foundries of approximately $101.6 million for delivery of wafers in fiscal 2019.

(4) For purposes of this table we have assumed that the principal of our 2017 senior convertible debt will be paid on February 15, 2027, which is the maturity date of such debt.

(5) For purposes of this table we have assumed that the principal of our 2015 senior convertible debt will be paid on February 15, 2025, which is the maturity date of such debt.

(6) For purposes of this table we have assumed that the principal of our 2017 junior convertible debt will be paid on February 15, 2037, which is the maturity date of such debt.

(7) For purposes of this table pension obligations due in more than 5 years represent the expected pension payments from 2023 through 2027. It excludes pension obligations subsequent to 2027.

(8) During fiscal 2018, we recognized a provisionary one-time transition tax on accumulated unrepatriated foreign earnings, estimated at $644.7 million, as a result of the recent U.S. tax reform of which we expect to result in future cash payments of approximately $336.1 million. This one-time transition tax is identified as provisional in our consolidated financial statements for the period ended March 31, 2018, and is subject to future measurement period adjustments in accordance with the SEC's Staff Accounting Bulletin 118. We intend to elect to pay this tax over a period of eight years, with 8% of the transition tax paid each year for fiscal 2019 through fiscal 2023, and 15%, 20%, and 25%, respectively, to be paid during fiscal 2024, 2025, and 2026.

(9) Total contractual obligations do not include contractual obligations recorded on our balance sheet as current liabilities, or certain purchase obligations as discussed below. The contractual obligations also do not include amounts related to uncertain tax positions because reasonable estimates cannot be made.

Purchase orders or contracts for the purchase of raw materials and other goods and services, with the exception of commitments to our wafer foundries, are not included in the table above. We are not able to determine the aggregate amount of such purchase orders that represent contractual obligations, as purchase orders may represent authorizations to purchase rather than binding agreements. For the purpose of this table, contractual obligations for the purchase of goods or services are defined as agreements that are enforceable and legally binding on us and that specify all significant terms, including: fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transaction. Our purchase orders are based on our current manufacturing needs and are fulfilled by our vendors with short time horizons. We do not have significant agreements for the purchase of raw materials or other goods specifying minimum quantities or set prices that exceed our expected requirements for three months. We also enter into contracts for outsourced services; however, the obligations under these contracts were not significant and the contracts generally contain clauses allowing for cancellation without significant penalty.

The expected timing of payment of the obligations discussed above is estimated based on current information. Timing of payments and actual amounts paid may be different depending on the time of receipt of goods or services or changes to agreed-upon amounts for some obligations.

We lease office space and transportation and other equipment under operating leases which expire at various dates through December 31, 2022. The future minimum lease commitments under these operating leases at March 31, 2018 were as follows (amounts in millions):

Year Ending March 31,	Amount
2019	$ 26.0
2020	18.7
2021	13.3
2022	10.2
2023	1.7
Thereafter	—
Total minimum payments	**$ 69.9**

The terms of the leases do not contain significant restriction provisions and usually contain standard rent escalation clauses as well as options for renewal. Rental expense under operating leases totaled $30.0 million, $35.4 million and $23.3 million for fiscal 2018, 2017 and 2016, respectively.

Commitments for construction or purchase of property, plant and equipment totaled $144.4 million as of March 31, 2018, all of which will be due within the next year. Other purchase obligations and commitments totaled approximately $101.6 million of outstanding purchase commitments with our wafer foundries for delivery in fiscal 2019.

Contingencies

Our technology license agreements generally include an indemnification clause that indemnifies the licensee against liability and damages (including legal defense costs) arising from any claims of patent, copyright, trademark or trade secret infringement by our proprietary technology. The terms of these indemnification provisions approximate the terms of the outgoing technology license agreements, which are typically perpetual unless terminated by either party for breach. The possible amount of future payments we could be required to make based on agreements that specify indemnification limits, if such indemnifications were required on all of these agreements, is approximately $160.5 million. There are some licensing agreements in place that do not specify indemnification limits. As of March

31, 2018, the Company had not recorded any liabilities related to these indemnification obligations and the Company believes that any amounts that it may be required to pay under these agreements in the future will not have a material adverse effect on its financial position, cash flows or results of operations.

For information on commitments and contingencies in relation to legal and arbitration proceedings see "Legal and Arbitration Proceedings".

Working Capital Statement

We believe that our working capital (i.e., our ability to access cash and other available liquid resources) is sufficient to meet our present requirements for at least the next 12 months from the date of this prospectus.

SELECTED CONSOLIDATED FINANCIAL DATA

The following selected statement of income data as well as the selected balance sheet data as at March 31, 2018 and 2017 are derived from our audited consolidated financial statements for the fiscal years ended March 31, 2018, 2017 and 2016 as published in our Fiscal 2018 10-K. The selected balance sheet data as at March 31, 2016 are derived from our audited consolidated financial statements for the fiscal years ended March 31, 2017, 2016 and 2015 as published in our Fiscal 2017 10-K. You can access these Annual Reports as described in the section "Documents Available for Inspection" of this prospectus. Our consolidated financial statements were prepared in accordance with U.S. GAAP.

As at June 20, 2018, the exchange rate between the U.S. dollar and the euro, expressed as euros per dollar, was $1.000 = €0.864. We have provided this exchange rate information solely for illustrative purposes. We make no representation that any amount of U.S. dollars specified in the tables below has been, or could be, converted into euro at the rate indicated or any other rate.

Consolidated Statements of Income Data

(In millions, except per share amounts)

	Year ended March 31,		
	2018	**2017**	**2016**
Net sales	$ 3,980.8	$ 3,407.8	$ 2,173.3
Cost of sales[1]	1,560.1	1,650.6	967.8
Gross profit	2,420.7	1,757.2	1,205.5
Research and development[1]	529.3	545.3	372.6
Selling, general and administrative[1]	452.1	499.8	301.7
Amortization of acquired intangible assets	485.5	337.7	174.9
Special charges and other, net[2]	17.5	98.6	4.0
Operating expenses	1,484.4	1,481.4	853.2
Operating income	936.3	275.8	352.3
Losses on equity method investments	(0.2)	(0.2)	(0.3)
Other income (expense):			
Interest income	22.0	3.1	24.4
Interest expense	(199.0)	(146.3)	(104.0)
Loss on settlement of convertible debt	(16.0)	(43.9)	—
Other income (loss), net	(5.8)	1.3	8.9
Income before income taxes	737.3	89.8	281.3
Income tax provision (benefit)	481.9	(80.8)	(42.6)
Net income from continuing operations	255.4	170.6	323.9
Discontinued operations:			
Loss from discontinued operations	—	(7.6)	—
Income tax benefit	—	(1.6)	—
Net loss from discontinued operations	—	(6.0)	—
Net income	255.4	164.6	323.9
Less: Net loss attributable to noncontrolling interests	—	—	0.2
Net income attributable to Microchip Technology	$ 255.4	$ 164.6	$ 324.1
Basic net income per common share attributable to Microchip Technology stockholders:			
Net income from continuing operations	$ 1.10	$ 0.79	$ 1.59
Net loss from discontinued operations	$ —	$ (0.03)	$ —
Net income attributable to Microchip Technology	$ 1.10	$ 0.76	$ 1.59
Diluted net income per common share attributable to Microchip Technology stockholders:			
Net income from continuing operations	$ 1.03	$ 0.73	$ 1.49
Net loss from discontinued operations	$ —	$ (0.02)	$ —
Net income attributable to Microchip Technology	$ 1.03	$ 0.71	$ 1.49

	Year ended March 31,		
	2018	2017	2016
Dividends declared per common share	$ 1.449	$ 1.441	$ 1.433
Basic common shares outstanding	232.9	217.2	203.4
Diluted common shares outstanding	248.9	234.8	217.4

(1) Includes share-based compensation expense as follows:

	Year ended March 31,		
	2018	2017	2016
Cost of sales	$ 13.8	$ 18.7	$ 8.3
Research and development	42.5	46.8	32.0
Selling, general and administrative	36.9	62.6	31.1

(2) The following table summarizes activity included in the "special charges and other, net" caption on our consolidated statements of income (amounts in millions):

	Year ended March 31,		
	2018	2017	2016
Restructuring:			
Employee separation costs	$ 1.2	$ 39.1	$ 9.6
Gain on sale of assets	(4.4)	—	—
Impairment charges	—	12.6	—
Contract exit costs	0.7	44.1	0.7
Other	—	2.8	0.9
Legal settlement costs	—	—	4.3
Insurance settlement	—	—	(11.5)
Non-restructuring contract exit costs and other	$ 20.0	$ —	$ —
Total	$ 17.5	$ 98.6	$ 4.0

Consolidated Balance Sheets Data

(In millions, except share amounts)

	March 31,		
	2018	2017	2016
Assets			
Cash and cash equivalents	$ 901.3	$ 908.7	$ 2,092.8
Short-term investments	1,295.3	394.1	353.3
Accounts receivable, net	563.7	478.4	290.2
Inventories	476.2	417.2	306.8
Prepaid expenses	63.9	41.3	42.0
Assets held for sale	—	6.4	—
Other current assets	55.9	58.9	11.6
Total current assets	3,356.3	2,305.0	3,096.7
Property, plant and equipment, net	767.9	683.3	609.4
Long-term investments	—	107.5	118.5
Goodwill	2,299.0	2,299.0	1,012.7
Intangible assets, net	1,662.0	2,148.1	606.3
Long-term deferred tax assets	100.2	68.9	14.8
Other assets	71.8	75.1	79.5
Total assets	$ 8,257.2	$ 7,686.9	$ 5,537.9

	March 31, 2018	2017	2016
Liabilities and Stockholders' Equity			
Accounts payable	$ 144.1	$ 149.2	$ 79.3
Accrued liabilities	229.6	212.5	119.3
Deferred income on shipments to distributors	333.8	292.8	183.4
Current portion of long-term debt	1,309.9	50.0	—
Total current liabilities	2,017.4	704.5	382.0
Long-term debt	1,758.4	2,900.5	2,453.4
Long-term income tax payable	754.9	184.9	111.1
Long-term deferred tax liability	205.8	409.1	399.2
Other long-term liabilities	240.9	217.2	41.3
Stockholders' equity:			
Preferred stock(1)	—	—	—
Common stock(2)	0.2	0.2	0.2
Additional paid-in capital	2,562.5	2,537.4	1,391.6
Common stock held in treasury(3)	(662.6)	(731.9)	(820.1)
Accumulated other comprehensive loss	(17.6)	(14.4)	(3.4)
Retained earnings	1,397.3	1,479.4	1,582.6
Total stockholders' equity	3,279.8	3,270.7	2,150.9
Total liabilities and stockholders' equity	$ 8,257.2	$ 7,686.9	5,537.9

1) $0.001 par value; authorized 5,000,000 shares; no shares issued or outstanding.

2) $0.001 par value; authorized 450,000,000 shares; 253,232,909 shares issued and 235,027,767 shares outstanding at March 31, 2018; 249,463,733 shares issued and 229,093,658 shares outstanding at March 31, 2017; 227,416,789 shares issued and 204,081,727 shares outstanding at March 31, 2016.

3) 18,205,142 shares at March 31, 2018; 20,370,075 shares at March 31, 2017; 23,335,062 shares at March 31, 2016.

On May 18, 2018, we entered into an amended and restated credit agreement (the "Amended and Restated Credit Agreement") which provides for a revolving loan facility in an aggregate principal amount of approximately $3.8 billion, with a $250.0 million foreign currency sublimit, a $50.0 million letter of credit sublimit and a $25.0 million swingline loan sublimit. The revolving loan facility consists of approximately $244.3 million of revolving loan commitments (the "2020 Revolving Loans") that terminate on February 4, 2020 (the "2020 Maturity Date") and approximately $3.6 billion of revolving loan commitments (the "2023 Revolving Loans" and, together with the 2020 Revolving Loans, the "Revolving Loans") that terminate on May 18, 2023 (the "2023 Maturity Date"). The Revolving Loans bear interest, at our option, at (a) in the case of 2020 Revolving Loans, the base rate plus a spread of 0.25% to 1.25% or an adjusted LIBOR rate plus a spread of 1.25% to 2.25%, and (b) in the case of 2023 Revolving Loans, the base rate plus a spread of 0.00% to 1.00% or an adjusted LIBOR rate plus a spread of 1.00% to 2.00%, in each case, with such spread being determined based on the consolidated senior leverage ratio for the preceding four fiscal quarter period. See "Recent Developments and Outlook—Recent Developments—Credit Facility Amendment".

Other than in connection with the acquisition of Microsemi, there has been no significant change to our financial condition and operating results since March 31, 2018.

LEGAL AND ARBITRATION PROCEEDINGS

During the previous 12 months, there have not been any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which in the past 12 months have resulted in significant effects on the Company's financial position or profitability.

In the ordinary course of our business, we are exposed to various liabilities as a result of contracts, product liability, customer claims and other matters. Additionally, we are involved in a limited number of legal actions, both as plaintiff and defendant. Consequently, we could incur uninsured liability in any of those actions. We also periodically receive notifications from various third parties alleging infringement of patents or other intellectual property rights, or from customers requesting reimbursement for various costs. With respect to pending legal actions to which we are a party and other claims, although the outcomes are generally not determinable, we believe that the ultimate resolution of these matters will not have a material adverse effect on our financial position, cash flows or results of operations. Litigation and disputes relating to the semiconductor industry are not uncommon, and we are, from time to time, subject to such litigation and disputes. As a result, no assurances can be given with respect to the extent or outcome of any such litigation or disputes in the future.

As a result of our acquisition of Atmel, which closed April 4, 2016, we became involved with the following lawsuits.

In re: Continental Airbag Products Liability Litigation

On May 11, 2016, an Amended and Consolidated Class Action Complaint ("Complaint") was filed in the United States District Court for the Southern District of Florida (Miami Division) against Atmel, Continental Automotive Systems, Inc., Honda Motor Co., Ltd. and an affiliate, and Daimler AG and an affiliate. The Complaint included claims arising under federal law and Florida, California, New Jersey, Michigan and Louisiana state law and alleged that class members unknowingly purchased or leased vehicles containing defective airbag control units (incorporating allegedly defective application specific integrated circuits manufactured by the Company's Atmel subsidiary between 2006 and 2010), and thereby suffered financial harm, including a loss in the value of their purchased or leased vehicles. The plaintiffs were seeking, individually and on behalf of a putative class, unspecified compensatory and exemplary damages, statutory penalties, pre- and post-judgment interest, attorneys' fees, and injunctive and other relief. Our Atmel subsidiary contested plaintiffs' claims vigorously, and on May 23, 2017 the case was ordered to be dismissed.

Continental Claim ICC Arbitration

On December 29, 2016, Continental Automotive GmbH ("Continental") filed a Request for Arbitration with the ICC, naming as respondents the Company's subsidiaries Atmel Corporation, Atmel SARL, Atmel Global Sales Ltd., and Atmel Automotive GmbH (collectively, "Atmel"). The Request alleges that a quality issue affecting Continental airbag control units in certain recalled vehicles stems from allegedly defective Atmel application specific integrated circuits ("ASICs"). The Continental airbag control units, ASICs and vehicle recalls were also at issue in In re: Continental Airbag Products Liability Litigation, described above. Continental seeks to recover from Atmel all related costs and damages incurred as a result of the vehicle manufacturers' airbag control unit-related recalls, currently alleged to be $227.7 million. Our Atmel subsidiaries intend to defend this action vigorously.

Southern District of New York Action by LFoundry Rousset ("LFR") and LFR Employees

On March 4, 2014, LFR and Jean-Yves Guerrini, individually and on behalf of a putative class of LFR employees, filed an action in the United States District Court for the Southern District of New York (the "District Court") against our Atmel subsidiary, French subsidiary, Atmel Rousset S.A.S. ("Atmel Rousset"), and LFoundry GmbH ("LF"), LFR's German parent. The case purports to relate to Atmel Rousset's June 2010 sale of its wafer manufacturing facility in Rousset, France to LF, and LFR's subsequent insolvency, and later liquidation, more than three years later. The District Court dismissed the case on August 21, 2015, and the United States Court of Appeals for the Second Circuit affirmed the dismissal on June 27, 2016. On July 25, 2016, the plaintiffs filed a notice of appeal from the District Court's June 27, 2016 denial of their motion for relief from the dismissal judgment. On May 19, 2017, the United States Court of Appeals for the Second Circuit affirmed the June 27, 2016 order dismissing the case.

Individual Labor Actions by former LFR Employees

In the wake of LFR's insolvency and liquidation, over 500 former employees of LFR have filed individual labor actions against Atmel Rousset in a French labor court. The Company’s Atmel Rousset subsidiary believes that each of these actions is entirely devoid of merit, and, further, that any assertion by any of the Claimants of a co-employment relationship with the Atmel Rousset subsidiary is based substantially on the same specious arguments that the Paris Commercial Court summarily rejected in 2014 in related proceedings. The Company’s Atmel Rousset subsidiary therefore intends to defend vigorously against each of these claims. Additionally, complaints have been filed in a regional court in France on behalf of the same group of employees against Microchip Technology Rousset, Atmel Switzerland Sarl, Atmel Corporation and Microchip Technology Incorporated alleging that the sale of the Atmel Rousset production unit to LFoundry GmbH was fraudulent and should be voided. These claims are based largely on the same specious arguments as listed in the Southern District of New York Action listed above. The defendant entities therefore intend to defend vigorously against these claims.

SHAREHOLDINGS AND STOCK OPTIONS OF MEMBERS OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The following table sets forth information concerning the beneficial ownership of the Company's common stock as of May 20, 2018 (the "Ownership Date") for: (a) each director, (b) each executive officer, and (c) all directors and executive officers as a group. Except as otherwise indicated in the footnotes to this table, and subject to applicable community property laws and joint tenancies, the persons named in this table have sole voting and investment power with respect to all shares of common stock held by such person:

Beneficial owner	Number of shares beneficially owned	Percent of Common Stock
Steve Sanghi [(1)]	4,601,880	1.96%
Ganesh Moorthy [(2)]	234,193	*
Matthew W. Chapman	23,469	*
L.B. Day	10,967	*
Esther L. Johnson	6,081	*
Wade F. Meyercord [(3)]	30,432	*
J. Eric Bjornholt [(4)]	21,869	*
Stephen V. Drehobl	21,288	*
Mitchell R. Little	14,211	*
Richard J. Simoncic[(5)]	52,887	*
All directors and executive officers as a group (10 people) [(6)]	5,017,277	2.13%

* Less than 1% of the outstanding shares of common stock as of the Ownership Date.

(1) Includes 1,648,944 shares held of record by The Sanghi Trust (the "Sanghi Trust") and 2,952,936 shares held of record by The Sanghi Family Limited Partnership (the "Family Limited Partnership"). Steve Sanghi and Maria T. Sanghi are the sole trustees of the Sanghi Trust. The Sanghi Trust is the sole member of the Sanghi LLC which is the sole general partner of the Family Limited Partnership.

(2) Includes 234,193 shares held of record by Ganesh Moorthy and Hema Moorthy as trustees.

(3) Includes 27,432 shares held of record by Wade F. Meyercord and Phyllis Meyercord as trustees, and 3,000 shares issuable upon exercise of options that are exercisable within 60 days of the Ownership Date.

(4) Includes 21,869 shares held of record by J. Eric Bjornholt and Lynn Bjornholt as trustees.

(5) Includes 52,887 shares held of record by Richard J. Simoncic and Melody Simoncic as Trustees.

(6) Includes an aggregate of 3,000 shares issuable upon exercise of options that are exercisable within 60 days of the Ownership Date.

The address for each beneficial owner named above is c/o Microchip Technology Incorporated, 2355 West Chandler Boulevard, Chandler, AZ 85224-6199, United States.

GENERAL INFORMATION ON MICROCHIP TECHNOLOGY INCORPORATED

Company Name

The Company's legal and commercial name is Microchip Technology Incorporated.

References in this prospectus to "Microchip" or the "Company", as well as "we," "us," and "our," each refer to Microchip Technology Incorporated and its subsidiaries, unless the context indicates otherwise.

General Information on Microchip and its Business

We develop, manufacture and sell specialized semiconductor products used by our customers for a wide variety of embedded control applications. Our product portfolio comprises general purpose and specialized 8-bit, 16-bit, and 32-bit microcontrollers, 32-bit microprocessors, a broad spectrum of high-performance linear, mixed-signal, power management, thermal management, radio frequency (RF), timing, safety, security, wired connectivity and wireless connectivity devices, as well as serial Electrically Erasable Programmable Read Only Memory (EEPROM), Serial Flash memories, Parallel Flash memories and serial Static Random Access Memory (SRAM). We also license Flash-IP solutions that are incorporated in a broad range of products. Our synergistic product portfolio targets thousands of applications worldwide and a growing demand for high-performance designs in the automotive, communications, computing, consumer and industrial control markets. Our quality systems are ISO/TS16949 (2009 version) certified.

Our goal is to be a worldwide leader in providing specialized semiconductor products for a wide variety of embedded control applications. Our strategic focus is on embedded control solutions, including general purpose and specialized microcontrollers, development tools and related software, analog, interface, mixed signal and timing products, wired and wireless connectivity products, memory products and technology licensing. We provide highly cost-effective embedded control solutions that also offer the advantages of small size, high performance, extreme low power usage, wide voltage range operation, mixed signal integration and ease of development, thus enabling timely and cost-effective integration of our solutions by our customers in their end products. We license our SuperFlash technology and other technologies to wafer foundries, integrated device manufacturers and design partners throughout the world for use in the manufacture of advanced microcontroller products, gate array, radio frequency (RF) and analog products that require embedded non-volatile memory.

We sell our products to a broad base of domestic and international customers across a variety of industries. The principal markets that we serve include consumer, automotive, industrial, office communication, computing and aerospace. Our business is subject to fluctuations based on economic conditions within these markets.

Microchip is a corporation incorporated and existing under the laws of the State of Delaware, U.S.A. Our principal offices are located at 2355 West Chandler Boulevard, Chandler, Arizona 85224-6199, U.S.A.

The Microsemi Acquisition

On March 1, 2018, we entered into a definitive agreement (the "Merger Agreement") to acquire Microsemi Corporation ("Microsemi") for $68.78 per share in cash, and completed the transaction on May 29, 2018. The acquisition price represents a total equity value of approximately $8.35 billion, and a total enterprise value of about $10.15 billion, after accounting for Microsemi's cash and investments, net of debt, on its balance sheet at December 31, 2017. Microsemi offers a comprehensive portfolio of semiconductor and system solutions for aerospace and defense, communications, data center and industrial markets. Microsemi is headquartered in Aliso Viejo, California, and has approximately 4,800 employees globally.

The total amount of funds necessary to complete the Merger and the other transactions contemplated by the Merger Agreement was approximately $10.15 billion and was funded through a combination of:

- the incurrence of loans under a new term loan facility or other debt financing;
- revolving loans under the Amended and Restated Credit Agreement; and
- Microchip's and Microsemi's cash and cash equivalents on hand at closing.

Auditors

The Company's independent registered public accounting firm is Ernst & Young LLP, One Renaissance Sq. Ste 2300, Two North Central, Phoenix, Arizona 85004, U.S.A.

Ernst & Young LLP is an independent registered public accounting firm with the U.S. Public Company Accounting Oversight Board (PCAOB). Ernst & Young LLP has been the Company's independent auditor since fiscal year 2001. Ernst & Young LLP audited the Company's consolidated financial statements for the fiscal years ended March 31, 2018, March 31, 2017 and March 31, 2016. The audits were performed by auditors licensed with the Arizona Board of Public Accountancy who qualify as certified public accountants.

DESCRIPTION OF THE SECURITIES

Type and the Class of the Securities Being Offered, Including the Security Identification Code

The securities offered are Microchip's common stock with a par value of $0.001 per share.

Microchip is authorized to issue up to 450,000,000 shares of common stock. As of May 9, 2018, the Company had 235,036,703 shares of common stock outstanding. Microchip's common stock has a par value of $0.001 per share. The issued shares are fully paid.

The Company's common stock is listed on the NASDAQ under the symbol "MCHP". The CUSIP number of the shares is 595017104. The International Securities Identification Number (ISIN) for the Company's common stock is US5950171042. The German Securities Code (*Wertpapier-Kenn-Nummer*) is 886105.

Legislation Under Which the Securities Have Been Created / Regulation of the Shares

The Shares were created under the General Corporation Law of the State of Delaware (US) (the "DGCL"). Except as otherwise expressly required under the laws of a country, the IESPP and all rights thereunder shall be governed by and construed in accordance with the laws of the state of Delaware, United States.

Form of Securities, Name and Address of the Entity in Charge of Keeping the Records

The Company's common stock is in registered form. In general, shareholders may hold shares of the Company's common stock, at their choosing, either in certificated form or in book-entry form. The records are kept by the Company's transfer agent, Wells Fargo, who serves as the depository agent for the purpose of this offer if the shareholders decide to register as record holder and hold physical certificates. The address and telephone number of the depository agent is EQ Shareowner Services, 1110 Centre Pointe Curve, Suite 101, Mendota Heights, MN 55120-4100, USA, 651-450-4101.

The Company's designated service provider is E*TRADE. The shares issuable to eligible employees are deposited into a designated brokerage account at E*TRADE. Participants may obtain information about their accounts online at www.etrade.com or by calling a representative at 00-800-3338-7233 or 001-650-599-0125.

Microchip serves as the paying agent for the purpose of this offer.

Commission

Upon selling any shares, participants are charged a commission by E*TRADE for each sale order transaction of IESPP shares as follows:

- $17.95 per trade applies to the sale of 1 – 1,000 IESPP shares
- $24.95 per trade applies to the sale of 1,001 – 5,000 IESPP shares
- $19.95 per trade in excess of 5,000 IESPP shares.

In addition, the SEC currently charges a transaction fee of $21.80 for every $1,000,000.00 of gross proceeds. The fees are subject to modification by the designated parties.

Currency of the Securities Issue

The United States Dollar is the currency of the security issue.

Rights Attached to the Securities

No participating employee shall have any voting, dividend, or other shareholder rights with respect to any offering under the IESPP until the purchase rights have been exercised and the shares have been purchased by the participating employee. Following such purchase, the participating employee shall be entitled to the rights attached to the shares, as further described below:

Dividend Rights

The Board may declare a dividend at any regular or special meeting or by written consent out of funds legally available for dividends. The Board sets the record date and the payment date for dividend payments. Such dividends may be paid in cash, property or shares of stock.

There are no dividend restrictions and no special dividend procedures for shareholders resident in the EU ("European Union") and the EEA.

The holders of common stock are entitled to such dividends as the Board may declare from time to time at any regular or special meeting out of funds legally available for dividends in its absolute discretion. The Board sets the record date and the payment date for dividend payments. Such dividends may be paid in cash, property or shares of stock. Dividends that are unclaimed are reported to the state of the lost owner's last known address as shown on the Company's books and records. If there is no record of the lost owner's last known address or the owner's last known address is in a state that does not provide for the escheat of the property, the unclaimed property is reported to the Company's state of incorporation (which is Delaware). The time period after which the unclaimed property must be reported depends on the law of the applicable state. If the owner's last known address is outside of the United States, the State of Delaware claims property for entities incorporated in such state. Under Delaware law, unclaimed dividends will escheat to the state after 3 years.

Voting Rights

The holders of common stock are entitled to one vote for each share held on all matters as to which shareholders are entitled to vote. Any action required or permitted to be taken by the shareholders for the Company may be effected by a duly called annual or special meeting of such holders or may be effected by consent in writing by such shareholders. Special meetings of the shareholders of the Company may be held upon call of the Chairman of the Board, by the Board of the Company or by stockholders holding not less than 50% of the outstanding voting stock.

Rights to Receive Liquidation Distributions

In the event of liquidation, dissolution or winding up of the Company, the holders of common stock are entitled to share ratably in all assets remaining after payment of or provisions for the Company's liabilities, subject to prior rights or preferred stock, if any, then outstanding.

No Preemptive, Redemptive or Conversions Provisions

The holders of the Company's common stock do not have preemptive rights to acquire shares of the Company's stock or securities convertible into the Company's stock. The Company's common stock is not subject to redemption and does not have any conversion rights.

Change of Shareholders' Rights

The rights of holders of the Company's common stock may be changed by an amendment of the company's articles of incorporation or bylaws. The Company's Board may designate and issue preferred stock from time to time in one or more series and may fix the rights, preferences, privileges and restrictions of each series of preferred stock. Any or all of the rights and preferences determined by the Company's Board for any series of preferred stock may be greater than the rights of the common stock. Some of the rights and preferences that the Board may designate include dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences and sinking fund terms.

Transferability

No purchase right granted under the IESPP shall be assignable or transferable by a participant. The Committee may grant transferable options pursuant to conditions and limitations that it may impose. The shares issued upon exercise of the purchase right are freely transferable so long as the shares so issued are registered pursuant to an effective registration statement under U.S. Securities Act of 1933.

Applicable Squeeze-out and Sell-out Rules

Under Section 253 of the DGCL, a corporation owning at least 90% of the outstanding shares of each class of the stock of a subsidiary corporation may effect a "short form" merger in which the shares of the subsidiary held by minority stockholders are converted into cash, stock or other property and the subsidiary is merged with the parent corporation. A short form merger pursuant to Section 253 may be authorized by the Board of the parent corporation without a vote of the stockholders of the subsidiary corporation. The minority stockholders of the subsidiary corporation are, however, entitled to seek judicial appraisal of their shares in connection with short form merger transactions in accordance with Section 262 of the DGCL.

Equity Stock Based Plans

Employee Benefit Plans

Beside the IESPP, the Company offers the following equity stock based compensation plans:

The Company's 2001 Employee Stock Purchase Plan (the "2001 Purchase Plan") became effective on March 1, 2002. Under the 2001 Purchase Plan, eligible employees of the Company may purchase shares of common stock at semi-annual intervals through periodic payroll deductions. The purchase price in general will be 85% of the lower of the fair market value of the common stock on the first day of the participant's entry date into the offering period or of the fair market value on the semi-annual purchase date. Depending upon a participant's entry date into the 2001 Purchase Plan, purchase periods under the 2001 Purchase Plan consist of overlapping periods of either 24, 18, 12 or 6 months in duration. In May 2003 and August 2003, the Company's Board and stockholders, respectively, each approved an annual automatic increase in the number of shares reserved under the 2001 Purchase Plan. The automatic increase took effect on January 1, 2005, and on each January 1 thereafter during the term of the plan, and is equal to the lesser of (i) 1,500,000, (ii) one half of one percent (0.5%) of the then outstanding shares of the Company's common stock, or (iii) such lesser amount as is approved by Board of Directors. Upon the approval of the Board of Directors, there were no shares added under the 2001 Purchase Plan on January 1, 2018 based on the automatic increase provision. On January 1, 2017 and 2016, an additional 1,077,150 shares and 1,017,492 shares, respectively, were reserved under the 2001 Purchase Plan based on the automatic increase. Since the inception of the 2001 Purchase Plan, 13,372,504 shares of common stock have been reserved for issuance and 7,895,340 shares have been issued under this purchase plan.

Microchip's 2004 Equity Incentive Plan (as amended and restated on May 16, 2017, the "2004 Plan") permits Microchip to issue shares of its common stock to eligible employees, consultants, and directors of Microchip or any parent or subsidiary of Microchip. Shares are issuable by means of nonstatutory stock options, restricted stock, stock appreciation rights (SARs), performance units, performance shares and deferred stock units (collectively, "Awards").

Equity Incentive Plans – Share-Based Compensation Expense

The following table presents the details of the Company's share-based compensation expense (amounts in millions):

	Year Ended March 31,		
	2018	2017	2016
Cost of sales[(1)]	$ 13.8	$ 18.7	$ 8.3
Research and development	42.5	46.8	32.0
Selling, general and administrative	36.9	62.6	31.1
Pre-tax effect of share-based compensation	93.2	128.1	71.4
Income tax benefit	28.3[(2)]	44.2[(2)]	23.0
Net income effect of share-based compensation	$ 64.9	$ 83.9	$ 48.4

(1) During the year ended March 31, 2018, $11.9 million of share-based compensation expense was capitalized to inventory, and $13.8 million of previously capitalized share-based compensation expense in inventory was sold. During the year ended March 31, 2017, $11.3 million of share-based compensation expense was capitalized to inventory. The amount of share-based compensation included in cost of sales during fiscal 2017 included $14.5 million of previously capitalized share-based compensation expense in inventory that was sold and $4.2 million of share-based compensation expense related to the Company's acquisition of Atmel that was not previously capitalized to inventory. During the year ended March 31, 2016, $7.9 million of share-based compensation expense was capitalized to inventory, and $8.3 million of previously capitalized share-based compensation expense in inventory was sold.

(2) Amounts exclude excess tax benefits related to share-based compensation of $28.1 million and $25.0 million for the years ended March 31, 2018 and March 31, 2017, respectively. The Company elected to early adopt ASU 2016-09 effective April 1, 2016. Prior to the adoption of ASU 2016-09, the Company recognized excess tax benefits related to share-based compensation in additional paid-in capital.

The amount of unearned share-based compensation currently estimated to be expensed in the remainder of fiscal 2019 through fiscal 2023 related to unvested share-based payment awards at March 31, 2018 is $169.6 million. The weighted average period over which the unearned share-based compensation is expected to be recognized is approximately 1.91 years.

Atmel Acquisition-related Equity Awards

In connection with the acquisition of Atmel, the Company assumed certain restricted stock units, or RSUs, granted by Atmel. The assumed awards were measured at the acquisition date based on the estimated fair value, which was a total of $95.9 million. A portion of that fair value, $7.5 million, which represented the pre-acquisition vested service provided by employees to Atmel, was included in the total consideration transferred as part of the acquisition. As of the acquisition date, the remaining portion of the fair value of those awards was $88.4 million, representing post-acquisition share-based compensation expense that will be recognized as these employees provide service over the remaining vesting periods.

Combined Incentive Plan Information

RSU share activity under the 2004 Plan is set forth below:

	Number of Shares	Weighted Average Grant Date Fair Value
Nonvested shares at March 31, 2015	5,268,916	$ 34.15
Granted	2,479,729	38.91
Assumed upon acquisition	525,442	40.58
Forfeited	(360,072)	38.20
Vested	(1,606,273)	32.47
Nonvested shares at March 31, 2016	6,307,742	36.76
Granted	1,635,655	51.46
Assumed upon acquisition	2,059,524	46.57
Forfeited	(722,212)	43.58
Vested	(2,861,253)	38.60
Nonvested shares at March 31, 2017	6,419,456	42.06
Granted	1,267,536	77.26
Forfeited	(279,051)	49.65
Vested	(1,735,501)	38.00
Nonvested shares at March 31, 2018	5,672,440	$ 50.79

The total intrinsic value of RSUs which vested during the years ended March 31, 2018, 2017 and 2016 was $146.0 million, $166.1 million and $72.1 million, respectively. The aggregate intrinsic value of RSUs outstanding at March 31, 2018 was $518.2 million, calculated based on the closing price of the Company's common stock of $91.36 per share on March 31, 2018. At March 31, 2018, the weighted average remaining expense recognition period was 1.96 years.

Stock option and stock appreciation right (“SAR”) activity under the Company's stock incentive plans in the three years ended March 31, 2018 is set forth below:

	Number of Shares	Weighted Average Exercise Price per Share
Outstanding at March 31, 2015	684,299	$ 28.41
Granted	244	41.09
Assumed upon acquisition	604,900	35.03
Exercised	(221,987)	25.30
Forfeited or expired	(153,948)	31.52
Outstanding at March 31, 2016	913,508	33.00
Exercised	(437,906)	34.34
Forfeited or expired	(42,485)	34.26
Outstanding at March 31, 2017	433,117	31.51
Exercised	(131,666)	31.75
Forfeited or expired	(17,111)	34.73
Outstanding at March 31, 2018	284,340	$ 31.21

The total intrinsic value of options and SARs exercised during the years ended March 31, 2018, 2017 and 2016 was $7.4 million, $9.6 million and $4.7 million, respectively. This intrinsic value represents the difference between the fair market value of the Company's common stock on the date of exercise and the exercise price of each equity award.

The aggregate intrinsic value of options and SARs outstanding at March 31, 2018 was $17.1 million. The aggregate intrinsic value of options and SARS exercisable at March 31, 2018 was $13.8 million. The aggregate intrinsic values were calculated based on the closing price of the Company's common stock of $91.36 per share on March 29, 2018.

As of March 31, 2018 and March 31, 2017, the number of option and SAR shares exercisable was 224,022 and 264,061, respectively, and the weighted average exercise price per share was $29.96 and $29.59, respectively.

The weighted average fair values per share of stock options granted in the year ended March 31, 2016 was $8.85. The fair values per share of stock options granted in the year ended March 31, 2016 were estimated utilizing the following assumptions:

	Year ended March 31, 2016
Expected term (in years)	6.5
Volatility	29.50%
Risk-free interest rate	1.54%
Dividend yield	3.00%

There were no stock options granted in the years ended March 31, 2018 and March 31, 2017.

Stock Repurchase Activity

In December 2007, the Company announced that its Board of Directors had authorized the repurchase of up to 10.0 million shares of its common stock in the open market or in privately negotiated transactions. As of March 31, 2015, the Company had repurchased 7.5 million shares under this authorization for $234.7 million. In May 2015, the Company's Board of Directors authorized an increase to the existing share repurchase program to 20.0 million shares of common stock from the approximately 2.5 million shares remaining under the prior authorization. During fiscal 2016, the Company repurchased 8.6 million shares under this authorization for $363.8 million. In January 2016, the Company's Board of Directors authorized an increase to the existing share repurchase program to 15.0 million shares of common stock from the approximately 11.4 million shares remaining under the prior authorization. There were no repurchases of common stock during fiscal 2018 and fiscal 2017. There is no expiration date associated with this repurchase program. As of March 31, 2018, approximately 18.2 million shares remained as treasury shares with the balance of the shares being used to fund share issuance requirements under the Company's equity incentive plans.

INFORMATION ON THE GOVERNING BODIES OF MICROCHIP

The Company's Directors as of the Date of This Prospectus

The Company's Board currently consists of the following directors: Steve Sanghi (Chairman), Matthew W. Chapman, L.B. Day, Esther L. Johnson and Wade F. Meyercord. As described in detail below, the Company's directors have considerable professional and business expertise.

Steve Sanghi has served as Chief Executive Officer since October 1991, and as Chairman of the Board since October 1993. He served as President from August 1990 to February 2016 and has served as a director since August 1990. Mr. Sanghi holds an M.S. degree in Electrical and Computer Engineering from the University of Massachusetts and a B.S. degree in Electronics and Communication from Punjab University. In November 2016, Mr. Sanghi joined the Board of Directors of Myomo, Inc., a publicly traded commercial stage medical robotics company that offers expanded mobility for those suffering from neurological disorders and upper-limb paralysis. In February 2018, Mr. Sanghi joined the board of Mellanox Technologies Ltd., a publicly traded supplier of end-to-end Ethernet and InfiniBand intelligent interconnect solutions and services for servers, storage, and hyper-converged infrastructure.

Matthew W. Chapman has served as a director of Microchip since May 1997. After serving for over 11 years, Mr. Chapman retired in February 2018 from his position as Chief Executive Officer of Northwest Evaluation Association, a not-for-profit education service organization providing computer adaptive testing for millions of students throughout the United States. In his career, Mr. Chapman has served as CEO and Chairman of Concentrex Incorporated, a publicly held company specializing in supplying software solutions and service to U.S. financial institutions. Mr. Chapman also serves on the Board of Directors of the Oregon Business Association and Knowledge Alliance, and on the Board of Regents of the University of Portland.

L.B. Day has served as a director of Microchip since December 1994. Mr. Day serves as President of L.B. Day & Company, Inc., a consulting firm whose parent company he co-founded in 1977, which provides strategic planning, strategic marketing and organization design services to the elite of the technology world. He has written on strategic planning and is involved with competitive factor assessment in the semiconductor and other technology market segments, geared to helping client organizations incorporate competitive factor assessment findings into their strategic plans. He has served as a board member or as an advisor to many public and private boards.

Esther L. Johnson has served as a director of Microchip since October 2013. From April 2007 until her April 2012 retirement, Ms. Johnson served as the Vice President and General Manager of Carrier Electronics, a provider of high technology heating, air-conditioning and refrigeration solutions, and a part of United Technology Corporation, a publicly held company that provides high technology products and services to the aerospace and building systems industries. Prior to her position as Vice President and General Manager, since 1983, Ms. Johnson held a variety of other management positions with Carrier Electronics, including Director of Operations, and Global Supply Chain Manager. Ms. Johnson was instrumental in Carrier being recognized by Industry Week as one of the "Top 10 Factories in North America." She has served as a board member on multiple private company boards.

Wade F. Meyercord has served as a director of Microchip since June 1999. Since October 2002, he has served as President of Meyercord & Associates, Inc., a privately held management consulting firm specializing in executive compensation matters and stock plan consulting for technology companies, a position he previously held part time beginning in 1987. Mr. Meyercord served as a member of the Board of Directors of Endwave Corporation, a publicly held company, from March 2004 until it was acquired in 2011. Mr. Meyercord served as a member of the Board of Directors of California Micro Devices Corporation, a publicly held company, from January 1993 to October 2009 and Magma Design Automation, Inc., a publicly held company, from January 2004 to June 2005.

The Company's Executive Officers as of the Date of This Prospectus

As of the date of this prospectus the executive officers of the Company and their principal positions are as follows:

Name	Age	Position
Steve Sanghi	62	Chief Executive Officer and Chairman of the Board
Ganesh Moorthy	58	President and Chief Operating Officer
J. Eric Bjornholt	47	Vice President, Chief Financial Officer
Stephen V. Drehobl	56	Vice President, MCU8 and Technology Development Division
Mitchell R. Little	66	Vice President, Worldwide Sales and Applications
Richard J. Simoncic	54	Vice President, Analog Power and Interface Division

Please see above for *Mr. Sanghi's* biography.

Mr. Moorthy has served as President since February 2016 and as Chief Operating Officer since June 2009. He also served as Executive Vice President from October 2006 to August 2012 and as a Vice President in various roles since he joined Microchip in 2001. Prior to this time, he served in various executive capacities with other semiconductor companies. Mr. Moorthy holds an M.B.A. in Marketing from National University, a B.S. degree in Electrical Engineering from the University of Washington and a B.S. degree in Physics from the University of Mumbai, India. Mr. Moorthy was elected to the Board of Directors of Rogers Corporation in July 2013

Mr. Bjornholt has served as Vice President of Finance since 2008 and as Chief Financial Officer since January 2009. He has served in various financial management capacities since he joined Microchip in 1995. Mr. Bjornholt holds a Master's degree in Taxation from Arizona State University and a B.S. degree in Accounting from the University of Arizona.

Mr. Drehobl has served as Vice President of the MCU8 and Technology Development Division since July 2001. He has been employed by Microchip since August 1989 and has served as a Vice President in various roles since February 1997. Mr. Drehobl holds a Bachelor of Technology degree from the University of Dayton.

Mr. Little has served as Vice President, Worldwide Sales and Applications since July 2000. He has been employed by Microchip since 1989 and has served as a Vice President in various roles since September 1993. Mr. Little holds a B.S. degree in Engineering Technology from United Electronics Institute.

Mr. Simoncic has served as Vice President, Analog Power and Interface Division since September 1999. From October 1995 to September 1999, he served as Vice President in various roles. Since joining Microchip in 1990, Mr. Simoncic held various roles in Design, Device/Yield Engineering and Quality Systems. Mr. Simoncic holds a B.S. degree in Electrical Engineering Technology from DeVry Institute of Technology.

Good Standing of Directors and Executive Officers

For at least the previous five years none of the directors or executive officers of Microchip has been associated with any bankruptcy, receivership or liquidation of a company when acting in their capacity as members of the administrative, management or supervisory board or senior manager of this company or has been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies). None of the directors or executive officers of the Company has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer or has been convicted in relation to fraudulent offences.

The Company's directors and executive officers may be contacted at the Company's business address, 2355 West Chandler Boulevard, Chandler, Arizona 85224-6199, U.S.A.

Potential Conflicts Between Any Duties to the Issuer of Directors or Executive Officers of the Company and Their Private Interests and/or Other Duties

The Company's Code of Business Conduct and Corporate Governance Principles, both of which are posted on the Company's corporate website, www.microchip.com under the "Corporate Governance" subsection of the "About Us" section of the site, together with the Company's Conflict of Interest Policy, set forth the Company's policies and procedures for the review and approval of transactions with related persons, including transactions that would be required to be disclosed in a Proxy Statement for an Annual Meeting in accordance with SEC rules. In circumstances where one of the Company's directors or officers, or a family member, has a direct or indirect material interest in a transaction involving the Company, the Finance and Audit Committee must review and approve all such proposed transactions or courses of dealing. There are no such relationships or transactions that are required to be disclosed in a Proxy Statement for an Annual Meeting under SEC rules. Further, there are no conflicts of interest between duties to the issuer and the private interests of the Company's directors and executives that require disclosure under the European Prospectus Directive, the WpPG and this prospectus. Indeed, the Company's Code of Business Conduct, which sets forth legal and ethical guidelines for all of the Company's directors and employees, states that directors, executive officers and employees must avoid relationships or activities that might impair that person's ability to make objective and fair decisions while acting in their Company roles, and the Company's Corporate Governance Principles state that the Company's Board must approve any waivers of any ethics policy for any director or officer.

There are no family relationships between any of the Company's directors and/or executive officers.

Disposal Restrictions Agreed by Directors and Executive Officers of the Company

Directors and executive officers may sell Company stock pursuant to predetermined written plans, or at any time when the trading window is open after public announcements of quarterly or year-end earnings when the director or executive officer is not aware of any material, non-public information about the Company. Written plans may only be entered into during trading windows that open after public announcements of quarterly or year-end earnings when the director or executive officer is not aware of any material, non-public information about the Company. The Company also has a share ownership policy that requires directors and executive officers to maintain certain levels of ownership in Company stock in order to align their interests with those of the Company's shareholders. This minimum level of stock ownership is the lower of either a fixed number of shares of the Company's stock, or a certain percentage of the relevant individual annual salary. The minimum holding amounts are set based on the title of the director and executive officer, with similarly titled individuals being required to hold the same minimum amounts.

TAXATION IN FRANCE

The following is a general summary description of the tax and social security consequences of your participation in IESPP.

This description assumes that you are resident and domiciled in France at all times. The tax implications may differ if you are not always a resident or domiciled in France.

This description is based on the tax and other laws concerning equity awards in effect in France as of the date of this prospectus. Such laws are often complex and change frequently. As a result, the information contained in this supplement may be out of date at the time you are granted an award, acquire shares or sell shares you acquire under the IESPP.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Company is not in a position to assure you of any particular tax result and this description does not constitute tax advice. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation. You are also advised to seek advice with respect to U.S. inheritance and/or estate taxes as you may be subject to those with respect to shares acquired under the IESPP.**

If you are a citizen or resident of another country or transfer your tax residence out of France after your enrollment into the IESPP and/or if you are not subject to the French social security regime, the information contained in this description may not be applicable to you.

Enrollment in the IESPP

You are not subject to tax when a purchase right is granted to you under the IESPP (*i.e.*, when you enroll in the IESPP or are offered participation in the IESPP).

Purchase of Shares

When shares are purchased under the IESPP, you are subject to social security contributions (paid partly by the employer and partly the employee), including CSG (*Contribution sociale généralisée*) and CRDS (*Contribution à la réduction de la dette sociale*), on the difference (the "gain") between the fair market value of the shares on the date of purchase and the purchase price. This gain is also subject to personal income tax at your marginal rate (up to 45% for 2018 income[1]), after deduction of the tax deductible social security contributions and if applicable, a surtax on high income of 3% and/or 4% (see below).

Dividends

You will be subject to progressive personal income tax (up to 45%) and social taxes, plus a surtax on high income of 3% and/or 4% (see below) on any dividends paid to you on the shares you acquire under the IESPP, after application of certain allowances. The gross amount of the dividends is also subject to the 15.5% additional social taxes.

At the time of the payment, you will be subject to a prepayment of French personal income tax at a rate of 21% on the gross amount of dividends received and to payment of the French additional social taxes at a global rate of 15.5% due by the 15th day of the month following payment of the dividend, unless you benefit from an exemption of the prepayment. Until the shares are held in the books of a non-French broker, you are personally responsible for paying and reporting any tax liabilities in that respect. In any case, you will have to directly report the dividends in your annual tax return due the year following payment of the dividends and you may pay additional income tax (or be reimbursed in case of surplus of income tax prepaid). The Company has no obligation to withhold French taxes at source.

In addition, you will be subject to U.S. income tax withholding at source, and may be entitled to a foreign tax credit for these amounts, if the formalities required pursuant to the August 31, 1994 tax treaty to eliminate double taxation, entered into between France and the U.S., are fulfilled. Such tax credit can be offset against the personal income tax at progressive rates. The Company does not assume any responsibility to withhold taxes at source.

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[1] The scale of the French progressive income applicable to income realized in 2018 could be amended until the very end of 2018. As of today, the marginal rate is 45%.

Sale of Shares

When you subsequently sell the shares acquired under the Plan, you will be subject to capital gains tax at a flat rate of 30% (combined income tax rate of 12.8% and social tax rate of 17.2%) to the extent that the sale proceeds exceed your tax basis in the shares (generally, the fair market value of the shares on the date of acquisition). Alternatively, you may chose to be taxed at progressive income tax rates, in which case 6.8% of the 17.2% social tax rates will be tax deductible; however, such election will be applied to all your other investment income and may thus, trigger unintended negative tax consequences.

Surtax

A surtax (at rates of 3% and/or 4%, depending on your total income) applies to your annual income in excess of certain thresholds (€250,000 for single taxpayers and €500,000 for married taxpayers for the 3% and twice the amount for the 4%), including income realized upon the purchase or sale of shares. Please contact your personal tax advisor to determine if you will be subject to surtax and whether you qualify for any available surtax reductions.

Withholding and Reporting

Your employer is not required to withhold personal income tax[2] when shares are purchased under the IESPP or when you subsequently sell shares purchased under the IESPP, provided that you are a French resident for tax purposes from grant to sale.

However, because the income realized upon the purchase of shares qualifies as additional salary under French tax and social security law, your employer is required to report this income on your pay slip of the month following the purchase of the shares (or the month after) and on its annual declaration of salaries which is filed with the social authorities at the latest on January 31 of the year following the purchase of the shares. Also, your employer will pay the employer’s portion of social security contributions and withhold your portion of social security contributions due at purchase from your pay.

You are responsible for paying any taxes and additional social taxes resulting from the purchase, the sale of shares and the receipt of dividends under the IESPP. You are also responsible for reporting the additional salary, any capital gains/losses and dividends realized under the IESPP on your personal income tax return to be filed with the French tax administration in the year following the year of purchase, sale or receipt of dividends, as applicable. If you may be subject to the additional surtax, you are advised to contact your own personal advisor or tax office regarding the availability of a surtax reduction.

French residents must declare any foreign bank, investment and brokerage accounts opened, used or closed during the applicable fiscal year to the French tax authorities on their personal tax return.

Microchip does not have any responsibility for the withholding of taxes at source.

[2] New legislation may require your employer to withhold income tax beginning in 2019.

TAXATION IN THE FEDERAL REPUBLIC OF GERMANY

The following summary is based on the income tax and social insurance laws in effect in Germany as of the date of this prospectus. Tax laws are complex and can change frequently. As a result, the information below may be out of date at the time the participant purchases shares, sells shares or receives dividends.

The following applies only to participants who are German tax residents. If the participant is a citizen or resident of another country for local law purposes, the income and social tax information below may not be applicable. Furthermore, this information is general in nature and does not discuss all of the various laws, rules and regulations that may apply. It may not apply to each participant's particular tax or financial situation, and Microchip is not in a position to assure any participant of any particular tax result.

The participant should consult his or her personal tax advisor to address any particular questions.

Enrollment in the IESPP

The participant is not subject to tax when he or she enrolls in the IESPP or when a new purchase offering begins.

Purchase of Shares

The participant will be subject to income tax, solidarity surcharge and church tax, if applicable, when the participant purchases the shares at the end of the purchase period, i.e. when the shares are transferred to the participant, at a purchase price below the fair market value of the shares.

According to the official position of German tax authorities, the taxable amount is the difference (or discount) between the fair market value of the shares on the date of purchase and the actual purchase price paid by the participant. The decisive date for the determination of the fair market value of shares for tax purposes is - according to the official position of the German tax authorities - the date on which the shares are transferred to the participant; the date on which the shares are debited from the Company's or agent's account can for simplification purposes be regarded as the date of transfer.

A tax free amount of €360 per year might be available if the IESPP meets certain requirements. The availability of the tax free amount, in principle, requires that the participation in the IESPP is offered to all employees of the German subsidiary, who have been employed for one year or more at the time when the participation in the IESPP is offered. Whether or not the tax free amount of €360 is available in the case at hand requires a more detailed analysis of the IESPP and its implementation. The Company recommends that the participant confirms the availability of the tax-free amount with the participant's tax advisor.

The participant also will be subject to social insurance contributions on the discount to the extent he or she has not already exceeded the applicable contribution ceilings. For 2018, the applicable annual contribution ceilings are as follows:

<u>Old Age Insurance/Unemployment Insurance</u>:	€78,000 (Old Laender)
	€69,600 (New Laender)
<u>Health Insurance/Home Care Insurance</u>:	€53,100 (Old and New Laender)

Sale of Shares

As a matter of principle, any gain realized from sale of shares acquired after December 31, 2008 is subject to a flat rate withholding tax on investment income (*Abgeltungsteuer*) irrespective of the holding period of the shares. The full capital gain will be taxed at a flat rate of 25% (plus solidarity surcharge and church tax, if applicable). The withholding at source, however, only applies if the shares were held in a deposit of securities at a German bank or other German financial institution. Microchip does not assume any responsibility to withhold German income tax, etc. on the capital gain. An amount of €801 for single taxpayers or €1,602 for married taxpayers and for partners within the meaning of the registered partnership law (*Gesetz über die Eingetragene Lebenspartnerschaft*) filing jointly will be deducted from the entire investments income (including dividend income and capital gains from the sale of shares acquired after December 31, 2008) earned in the particular tax year. The participant may elect a personal assessment to apply the participant's personal income tax rate if the flat rate exceeds the participant's personal income tax rate. If no flat rate withholding tax has been withheld and remitted to the tax authorities from the capital gain, e.g. because the shares are not held in a deposit of securities at a German bank or other German financial institution, the participant has to declare the capital gain in his or her personal income tax return as taxable income and pay the resulting tax. The capital gain is, however, subject to the same tax rates as if the flat rate withholding taxation had applied. Moreover, the flat rate taxation does not apply to capital gains generated from the sale of shares if the participant holds or has held at least 1% of the stated capital of the Company at any time during the last five years, or holds the shares as a business asset. In such circumstances, 60% of the capital gain realized will be taxed at the participant's personal income tax rate (plus solidarity surcharge and church tax, if applicable).

Dividends

Dividends may be paid with respect to shares acquired under the IESPP if Microchip, in its discretion, declares a dividend.

Dividend income is subject to a flat rate withholding tax on investment income at a rate of 25% on the full amount of the dividend payment (plus solidarity surcharge and church tax, if applicable). An amount of €801 for single taxpayers or €1,602 for married taxpayers and for partners within the meaning of the registered partnership law (*Gesetz über die Eingetragene Lebenspartnerschaft*) filing jointly will be deducted from the entire investments income (including dividend income and capital gains from the sale of shares acquired after December 31, 2008) earned in the particular tax year. If the flat tax rate exceeds the participant's personal income tax rate, the participant may elect a personal assessment to apply the participant's personal income tax rate. The withholding at source, however, only applies if the dividend income is paid out by a German bank or other German financial institution, *e.g.*, because the shares are held on a deposit of securities at a German bank or other German financial institution. If no flat rate withholding tax has been withheld and remitted to the tax authorities from the dividend income, the participant has to declare the dividend income in his or her personal income tax return as taxable income and pay the resulting tax. The dividend income is, however, subject to the same tax rates as if the flat rate withholding taxation had applied. Dividends also may be subject to U.S. federal income tax withholding at source. U.S. federal withholding taxes on the dividends may be credited against the German tax liability. The Company does not assume any responsibility to withhold taxes at source.

Withholding and Reporting

The participant's employer will withhold income tax, solidarity surcharge and church tax, if applicable, and social insurance contributions (to the extent that the participant has not already exceeded the applicable contribution ceiling) on the discount upon the purchase of shares. However, the participant is responsible for paying any difference between the actual tax liability and the amount withheld. It is the participant's responsibility to report and pay any taxes due when the participant sells shares acquired under the IESPP and when the participant receives dividends, unless the flat rate withholding tax has been withheld at source and remitted to the tax authorities with respect to such income.

Microchip does not have any responsibility for the withholding of taxes at source.

Social Insurance Contributions

The participant's employer will withhold the participant's share of social insurance contributions (to the extent that the participant has not exceeded the applicable ceiling for social insurance contributions) upon the purchase of shares under the IESPP.

TAXATION IN IRELAND

The following is a general summary description of the tax consequences of your participation in the IESPP.

This description assumes that you are resident and domiciled in Ireland at all times. The tax implications may differ if you are not always a resident or domiciled in Ireland.

This description is based on the tax and other laws concerning equity awards intended to take effect or taking effect in Ireland as of the date of this prospectus. Such laws are often complex and change frequently. As a result, the information contained in this supplement may be out of date at the time you are granted an award, acquire shares or sell shares you acquire under the IESPP.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Company is not in a position to assure you of any particular tax result and this description does not constitute tax advice. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation. You are also advised to seek advice with respect to U.S. inheritance and/or estate taxes as you may be subject to those with respect to shares acquired under the IESPP.**

If you are a citizen or resident of another country or transfer your tax residence out of Ireland after your enrollment into the IESPP, the information contained in this description may not be applicable to you.

Enrollment in the IESPP

You are not subject to tax when a purchase right is granted to you under the IESPP (*i.e*., when you enroll in the IESPP or are offered participation in the IESPP).

Purchase of Shares

You will be subject to income tax at your marginal income tax rate and social insurance contributions when shares are purchased under the IESPP on the difference between the fair market value of the shares on the date of exercise and the purchase price.

Sale of Shares

You are subject to tax when you subsequently sell the shares purchased under the IESPP on the difference between the sale price and the fair market value of the shares on the date of purchase.

Dividends

Dividends may be paid with respect to shares acquired under the IESPP if the Company, in its discretion, declares a dividend. Any dividends paid will be subject to tax in Ireland and to U.S. federal tax withheld at source. You may be entitled to a tax credit for the U.S. federal tax withheld.

Withholding and Reporting

Your employer will not withhold and report income tax and social insurance contributions on the taxable amount at purchase. You must pay income tax due on the taxable amount at the higher marginal income tax rate within 30 days of the taxable event unless you are subject to income tax at the lower marginal income tax rate and have received permission from the tax inspector within 30 days of the taxable event to pay tax at the lower rate. You also must pay social contributions due on the taxable amount within 30 days of the taxable event. If you are otherwise required to file a personal tax return, you must also include income realized from the purchase of shares as part of your total income on that return.

Microchip does not have any responsibility for the withholding of taxes at source.

TAXATION IN NORWAY

The following is a general summary description of the tax consequences of your participation in the IESPP.

This description assumes that you are resident and domiciled in Norway at all times. The tax implications may differ if you are not always a resident or domiciled in Norway.

This description is based on the tax and other laws concerning equity awards intended to take effect or taking effect in Norway as of the date of this prospectus. Such laws are often complex and change frequently. As a result, the information contained in this supplement may be out of date at the time you are granted an award, acquire shares or sell shares you acquire under the IESPP.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Company is not in a position to assure you of any particular tax result and this description does not constitute tax advice. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation. You are also advised to seek advice with respect to U.S. inheritance and/or estate taxes as you may be subject to those with respect to shares acquired under the IESPP.**

If you are a citizen or resident of another country or transfer your tax residence out of Norway after your enrollment into the IESPP, the information contained in this description may not be applicable to you.

Enrollment in the IESPP

You are not subject to tax when a purchase right is granted to you under the IESPP (*i.e.*, when you enroll in the IESPP or are offered participation in the IESPP).

Purchase of Shares

You will be subject to income tax at your marginal income tax rate and social insurance contributions at a rate of 8.2% when shares are purchased under the IESPP on the difference between the fair market value of the shares on the date of exercise and the purchase price, unless an exemption applies.

You may be able to exclude up to 20% of the fair market value of the shares at purchase up to a certain threshold per year from your taxable income.

Any shares that you acquire under the IESPP are considered assets and therefore, subject to wealth tax. Wealth tax is assessed at the end of each tax year and the tax is based on the value of the assets held on January 1 in the year following the relevant tax year. You are solely responsible for paying any wealth tax due for the year concerned.

Sale of Shares

You are subject to tax when you subsequently sell the shares purchased under the IESPP on the difference between the sale price and the fair market value of the shares on the date of purchase. Certain adjustments may be available that will reduce the capital gain.

Dividends

Dividends may be paid with respect to shares acquired under the IESPP if the Company, in its discretion, declares a dividend. Any dividends paid will be subject to tax in Norway and to U.S. federal tax withheld at source. You may be entitled to a tax credit for the U.S. federal tax withheld.

Withholding and Reporting

Your employer will withhold and report income tax and social insurance contributions on the taxable amount at purchase. You must report any taxable benefit derived from the IESPP on your personal income tax return. It is also your responsibility to report and pay any taxes resulting from the sale of the shares or receipt of any dividends.

Further, if you emigrate from Norway, you may be subject to income tax and/or capital gain tax on the purchase rights and/or shares held at the time of emigration. You should consult with your personal tax advisor regarding your tax obligations if you are emigrating from Norway.

Microchip does not have any responsibility for the withholding of taxes at source.

TAXATION IN ROMANIA

The following is a general summary description of the tax consequences of your participation in the IESPP.

This description assumes that you are resident and domiciled in Romania at all times. The tax implications may differ if you are not always a resident or domiciled in Romania.

This description is based on the tax and other laws concerning equity awards intended to take effect or taking effect in Romania as of the date of this prospectus. Such laws are often complex and change frequently. As a result, the information contained in this supplement may be out of date at the time you are granted an award, acquire shares or sell shares you acquire under the IESPP.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Company is not in a position to assure you of any particular tax result and this description does not constitute tax advice. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation. You are also advised to seek advice with respect to U.S. inheritance and/or estate taxes as you may be subject to those with respect to shares acquired under the IESPP.**

If you are a citizen or resident of another country or transfer your tax residence out of Romania after your enrollment into the IESPP, the information contained in this description may not be applicable to you.

Enrollment in the IESPP

You will not subject to tax when a purchase right is granted to you under the IESPP (*i.e*., when you enroll in the IESPP or are offered participation in the IESPP).

Purchase of Shares

When shares are purchased under the IESPP, income tax and social insurance contributions will be due. Because you work for the Company, and may be engaged in software design, you may be able to claim to an income tax exemption.

Sale of Shares

You will be subject to tax when you subsequently sell the shares purchased under the IESPP. The taxable amount at sale will likely be the difference between the sale price and the purchase price, less any related costs.

Dividends

Dividends may be paid with respect to shares acquired under the IESPP if the Company, in its discretion, declares a dividend. Any dividends paid will be subject to tax in Romania and to U.S. federal tax withheld at source. You may be entitled to a tax credit for the U.S. federal tax withheld.

Withholding and Reporting

Your employer will withhold and report income tax and social insurance contributions when shares are purchased under the IESPP. It is your responsibility to report and pay any tax due resulting from the purchase of shares under the IESPP, the sale of shares or receipt of any dividends.

Microchip does not have any responsibility for the withholding of taxes at source.

TAXATION IN THE UNITED KINGDOM

The following is a general summary description of the tax consequences of your participation in the IESPP.

This description assumes that you are resident and domiciled in the U.K. at all times. The tax implications may differ if you are not always a resident or domiciled in the U.K.

This description is based on the tax and other laws concerning equity awards in effect in the U.K. as of the date of this prospectus. Such laws are often complex and change frequently. As a result, the information contained in this supplement may be out of date at the time you are granted an award, acquire shares or sell shares you acquire under the IESPP.

In addition, this description does not discuss all of the various laws, rules and regulations that may apply. It may not apply to your particular tax or financial situation, and the Company is not in a position to assure you of any particular tax result and this description does not constitute tax advice. **Accordingly, you are strongly advised to seek appropriate professional advice as to how the tax or other laws in your country apply to your specific situation. You are also advised to seek advice with respect to U.S. inheritance and/or estate taxes as you may be subject to those with respect to shares acquired under the IESPP.**

If you are a citizen or resident of another country or transfer your tax residence out of the U.K. after your enrollment into the IESPP, the information contained in this description may not be applicable to you.

Enrollment in the IESPP

You are not subject to tax when a purchase right is granted to you under the IESPP (*i.e*., when you enroll in the IESPP or are offered participation in the IESPP).

Purchase of Shares

Purchases of shares under the IESPP will be from your post-tax salary. You will be subject to income tax on the amount by which the market value of the shares on the purchase date exceeds the purchase price (the "spread"). Income tax will be due on the spread at your marginal income tax rate, depending on your cumulative annual earnings. In addition, you will be subject to employee's national insurance contributions ("NICs")[3] on the spread. For the tax year 6 April 2018 to 5 April 2019, this will be at a rate of 12% to the extent that your earnings exceed £162 per week, up to the upper earnings limit of £892 per week. To the extent you have exceeded the upper earnings limit, you will be subject to employee's NICs at a rate of 2% for the tax year 2018/2019.

You are ultimately responsible for the payment of any income tax and employee's NICs due. Your employer will calculate the income tax and employee's NICs due when shares are purchased for you under the IESPP and will account for these amounts to HM Revenue & Customs ("HMRC"). You are required to reimburse your employer for the amounts accounted by it to HMRC. Your employer may withhold these amounts from your monthly salary. If the total amount of income tax and employee's NICs due when shares are purchased exceeds your salary, you will have to make up for the difference either through the sale of shares or use of other funds. Alternatively, the Company may sell or arrange for the sale of the shares that you acquire under the IESPP to cover these amounts. If, for any reason, income tax is not withheld by your employer, you are required to pay the income tax due within 90 days of the end of the UK tax year in which date of purchase occurs. You may be required to indemnify the employer for any income tax paid on your behalf in relation with the purchase.

Sale of Shares

When you subsequently sell your shares acquired under the IESPP, you will be subject to capital gains tax on any increase in the value of the shares between the date of purchase of the shares and the date of sale, subject to your personal annual exempt amount for capital gains tax purposes.

Capital gains tax is payable on gains from all sources in excess of the personal annual exempt amount in any tax year. The personal annual exempt amount for the tax year 2018/2019 is £11,700.

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[3] If you are over the state pension age (which currently is 65 but will be gradually increasing to 67), you are not required to pay NICs.

From 6 April 2018, a capital gains tax rate of 20% is payable on the amount of any gain (or any parts of gains) that exceeds the upper limit of the income tax basic rate band when aggregated with your cumulative taxable income and other chargeable gains in any tax year. For the 2018/2019 tax year, the upper limit of the income tax basic rate band is £46,350. Below this limit, capital gains tax is payable at a rate of 10%.

If you have acquired shares in the Company at different times, whether pursuant to the IESPP or otherwise, all of the shares of the same class you have acquired will be treated as forming a single asset (a share pool). The base cost will then be calculated on a pro rata basis. One exception to this is that any shares acquired on the same day as you sell any shares and those acquired within the following 30 days will be treated as being disposed of first. **The capital gains tax rules are complex and their impact will vary according to your individual personal circumstances. We recommend that you obtain independent tax advice before selling your shares.**

You will be responsible for reporting and paying any U.K. capital gains tax liability directly to HMRC through your annual self-assessment tax return.

Dividends

If you hold shares of Company stock and the Company declares a dividend on the shares, you will be subject to income tax on dividend payments that you receive. (No NICs are due on dividends.) Any dividends paid will be subject to U.S. federal tax withholding at source, although you may be able to arrange for dividends to be paid to you subject to a lower rate of U.S. federal tax being withheld. The Company does not assume responsibility and will not withhold any U.K. income tax at source and you must account for U.K. income tax due through your annual U.K. self-assessment tax return. You may be entitled to a tax credit against your U.K. income tax for any U.S. federal tax withheld, which you may apply to HMRC for through your annual self-assessment tax return.

From 6 April 2016, the dividend tax credit regime was abolished in the U.K. and has been replaced with a new £2,000 tax-free dividend allowance. The effects of this change will depend on your individual circumstances as dividend income in excess of £2,000 will be subject to income tax at rates between 7.5% and 38.1%.

Withholding and Reporting

As mentioned above, your employer is required to account for and report income tax and employee’s NICs on the spread when shares are purchased under the IESPP. If the amount withheld is not sufficient to cover your actual liability, you will be responsible for paying the difference and should do so within 90 days of the end of the U.K. tax year in which the share purchase occurs to avoid liability to additional income tax and employee’s NICs.

In addition, you will be responsible for reporting and paying directly to HMRC any taxes owed as a result of the sale of the shares or from the payment of dividends via your annual self-assessment tax return. You may also have an obligation to report your capital gains in other circumstances.

Microchip does not have any responsibility for the withholding of taxes at source.

TAXES ON THE INCOME FROM THE SECURITIES WITHHELD AT SOURCE UNDER US FEDERAL TAX LAWS

E*TRADE Securities requires all non-U.S. employees to certify their foreign status by completing a W8-BEN form at the time of account activation. The form expires every three years on 31 December and renewal is not mandatory. The purpose of this form is to allow E*TRADE to waive the U.S. IRS-required 24% backup tax withholding on the gross proceeds of any sale transaction. It also can lower the percent withheld on any cash dividends received to the specific tax treaty rate between the non-U.S. employee's country and the U.S.

Microchip does not have any responsibility for the withholding of taxes at source.

RECENT DEVELOPMENTS AND OUTLOOK

Recent Developments

Microsemi Acquisition

On March 1, 2018, we entered into the Merger Agreement to acquire Microsemi and completed the transaction on May 29, 2018. We financed the transaction with a combination of cash, our existing line of credit and new debt. For a description of the acquisition and the related financing, see "General Information on Microchip Technology Incorporated—General Information on Microchip and its Business—The Microsemi Acquisition".

Credit Facility Amendment

On May 18, 2018, and again on May 29, 2018 (the "Effective Date"), we entered into the Amended and Restated Credit Agreement, pursuant to which our existing amended and restated credit agreement, dated as of June 27, 2013, as amended and restated as of February 4, 2015, and as further amended, restated amended and restated, supplemented or otherwise modified from time to time prior to the Effective Date, by and among the Company, the lenders from time to time party thereto and JPMorgan as administrative agent, was amended and restated in its entirety.

The Amended and Restated Credit Agreement provides for provides for a revolving loan facility in an aggregate principal amount of approximately $3.8 billion, with a $250.0 million foreign currency sublimit, a $50.0 million letter of credit sublimit and a $25.0 million swingline loan sublimit. The revolving loan facility consists of approximately $244.3 million of the 2020 Revolving Loans that terminate on the 2020 Maturity Date and approximately $3.6 billion of the 2023 Revolving Loans that terminate on the 2023 Maturity Date. The Revolving Loans bear interest, at our option, at (a) in the case of 2020 Revolving Loans, the base rate plus a spread of 0.25% to 1.25% or an adjusted LIBOR rate plus a spread of 1.25% to 2.25%, and (b) in the case of 2023 Revolving Loans, the base rate plus a spread of 0.00% to 1.00% or an adjusted LIBOR rate plus a spread of 1.00% to 2.00%, in each case, with such spread being determined based on the consolidated senior leverage ratio for the preceding four fiscal quarter period.

The Amended and Restated Credit Agreement contains customary representations and warranties, affirmative covenants, negative covenants, financial covenants and events of default. The Amended and Restated Credit Agreement is guaranteed by certain of our subsidiaries and secured by certain assets of ours and the guarantor subsidiaries.

Other than in connection with the acquisition of Microsemi, there has been no significant change in the Company's financial or trading position since March 31, 2018.

Trend Information

As of April 30, 2018, our backlog was approximately $1,833.9 million, compared to $1,624.1 million as of April 30, 2017. Our backlog includes all purchase orders scheduled for delivery within the subsequent 12 months.

We primarily produce standard products that can be shipped from inventory within a relatively short time after we receive an order. Our business and, to a large extent, that of the entire semiconductor industry, is characterized by short-term orders and shipment schedules. Orders constituting our current backlog are subject to changes in delivery schedules, or to cancellation at the customer's option without significant penalty. Thus, while backlog is useful for scheduling production, backlog as of any particular date may not be a reliable measure of our sales for any future period.

We expect our days of inventory levels in the June 2018 quarter to range between six days less and four days more than the March 2018 levels. We believe our existing level of inventory will allow us to maintain competitive lead times and provide strong delivery performance to our customers.