



April 2, 2020

Dear valued clients and partners,

We are writing to inform you that Microchip Technology is taking the COVID-19 situation very seriously and has implemented aggressive preventive measures since the 3rd week of January when we first became aware of the threat. The health and safety of our clients, partners and employees are our top priority. As such, we are putting in measures to limit physical interaction while also putting in place the means to maintain efficient and secured interactions within our company and with our clients and partners, be it through phone, video-conferencing and other means.

Please rest assured that we do not take our responsibility to our clients, partners and employees lightly. Obviously, we will operate in compliance with recommendations of relevant authorities and pro-actively support our employees to prevent risks of contamination. We are highly focused on keeping our team safe in order to provide you with the best service to enable your success.

We have taken measures to limit peoples' mobility and assembly. A large number of our employees are working from home with an objective to provide you with the same quality of service you need and expect from us. To do so, we have put in place a continuity plan. Our information system allows us to operate securely and efficiently, in a safe mode, for your benefit and for the safety of our employees. We are confident in our ability to continue to support you and your organization.

Most of our manufacturing operations, and those of our supply chain partners, have not had any major disruptions. The governments of the Philippines and Malaysia have implemented restrictions that only allow 10-30% of employees to work that is impacting a small number of products. We are working with these governments to explain the essential products we produce and the precautions we have in place to protect our employees in order to increase production. While a few shipments have missed our original committed shipment dates, by and large more than 95% of our shipments have met our original commitment dates. We are engaging with clients and continue to accept orders. Please stay in touch with your Microchip representative or authorized distributors for regular updates.

Microchip Technology has always prided itself at being responsive to the needs of our clients and our employees. We will be assessing the situation on an ongoing basis and will continue to follow the directions from relevant authorities to guide our actions and decisions as we go through this experience together. The environment and circumstances are changing rapidly and constantly, and we will keep you updated as the situation evolves. If you have any questions or concerns, please do not hesitate to contact us.

Together, we've weathered many crises in the past – and we intend to weather this one as well. We expect to not only survive, but also thrive as we emerge from it.

Thank you for your business and your confidence in us.

Sincerely,

Steve Sanghi, Chairman and CEO
Ganesh Moorthy, President and COO