

**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**FORM S-8**  
**REGISTRATION STATEMENT**  
**UNDER**  
**THE SECURITIES ACT OF 1933**



**MICROCHIP TECHNOLOGY INCORPORATED**

(Exact Name Of Registrant As Specified In Its Charter)

**Delaware**

(State or Other Jurisdiction  
of Incorporation or Organization)

**86-0629024**

(IRS Employer Identification No.)

**2355 West Chandler Boulevard**  
**Chandler, Arizona 85224**

**STANDARD MICROSYSTEMS CORPORATION ("SMSC")**  
**2002 Inducement Stock Option Plan, 2003 Inducement Stock Option Plan, 2004 Inducement Stock Option Plan, 2005 Inducement Stock**  
**Option and Restricted Stock Plan and 2009 Long Term Incentive Plan**

**MICROCHIP TECHNOLOGY INCORPORATED**  
**2012 Inducement Award Plan**

**Steve Sanghi**  
**President and Chief Executive Officer**  
**MICROCHIP TECHNOLOGY INCORPORATED**  
**2355 West Chandler Boulevard**  
**Chandler, Arizona 85224**  
**(480) 792-7200**

(Telephone Number, Including Area Code, Of Agent For Service)

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>

(Do not check if a smaller reporting company)

**CALCULATION OF REGISTRATION FEE**

Title of Securities to be Registered	Amount to be Registered (1)	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee (7)
Common Stock (par value \$0.001 per share) to be issued under the SMSC 2002 Inducement Stock Option Plan	1,075 (2)	\$29.8104 (4)	\$32,046.18	\$3.67
Common Stock (par value \$0.001 per share) to be issued under the SMSC 2003 Inducement Stock Option Plan	4,077 (2)	\$19.5863 (4)	\$79,853.35	\$9.15
Common Stock (par value \$0.001 per share) to be issued under the SMSC 2004 Inducement Stock Option Plan	18,140 (2)	\$29.422 (4)	\$533,715.08	\$61.16
Common Stock (par value \$0.001 per share) to be issued under the SMSC 2005 Inducement Stock Option and Restricted Stock Plan	93,581 (2) 3,357 (2)	\$18.1767 (5) \$33.05 (5)	\$1,700,993.76 \$110,948.85	\$194.93 \$12.71
Common Stock (par value \$0.001 per share) to be issued under the SMSC 2009 Long Term Incentive Plan	270,412 (2) 519,686 (2)	\$20.2665 (6) \$33.05 (6)	\$5,480,304.80 \$17,175,622.30	\$628.04 \$1,968.33
Common Stock (par value \$0.001 per share) to be issued under the Microchip Technology Incorporated 2012 Inducement Award Plan	440,422 (3)	\$18.5401 (4)	\$8,165,467.92	\$935.76
Total				\$3,813.75

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- (1) Pursuant to Rule 416(a) of the Securities Act of 1933, as amended, this Registration Statement shall also cover any additional shares of the Registrant's common stock that become issuable under the SMSC plans referenced above (the "SMSC Plans") and the Microchip Technology Incorporated 2012 Inducement Award Plan, by reason of any stock dividend, stock split, recapitalization or other similar transaction effected without receipt of consideration that increases the number of the Registrant's outstanding shares of common stock.
  - (2) Pursuant to the Agreement and Plan of Merger dated as of May 1, 2012 (the "Merger Agreement") by and among the Registrant, SMSC and Microchip Technology Management Co., upon the closing of the transaction contemplated by the Merger Agreement on August 2, 2012 (the "Merger"), the Registrant assumed certain outstanding options, restricted stock units ("RSUs") and restricted stock awards (each in respect of SMSC common stock) under the SMSC Plans and such options, restricted stock awards, and RSUs were automatically converted into awards in respect of shares of the Registrant's common stock, subject to appropriate adjustments to the number of shares and the exercise price (if applicable) of each such award.
  - (3) Pursuant to the Merger Agreement, upon the closing of the Merger, certain outstanding cash-settled stock appreciation rights under SMSC's 2004 Stock Appreciation Rights Plan and SMSC's 2006 Employee Stock Appreciation Rights Plan were converted into stock-settled stock appreciation rights under the Microchip Technology Incorporated 2012 Inducement Award Plan, subject to appropriate adjustments to the number of shares and exercise price of each such stock appreciation right.
  - (4) Estimated solely for purposes of calculating the registration fee in accordance with Rules 457(c) and (h) under the Securities Act of 1933, as amended, on the basis of the weighted average exercise price of awards outstanding under the SMSC Plans and assumed by the Registrant.
  - (5) Estimated solely for purposes of calculating the registration fee in accordance with Rules 457(c) and (h) under the Securities Act of 1933, as amended. The proposed maximum offering price of \$18.1767 per share for 93,581 shares is based on the weighted average exercise price of awards outstanding under the SMSC Plans and assumed by the Registrant and the proposed maximum offering price of \$33.05 per share for 3,357 shares is based on the average of the reported high and low sales prices for the Registrant's common stock as reported by the Nasdaq Global Select Market on July 30, 2012.
  - (6) Estimated solely for purposes of calculating the registration fee in accordance with Rules 457(c) and (h) under the Securities Act of 1933, as amended. The proposed maximum offering price of \$20.2665 per share for 270,412 shares is based on the weighted average exercise price of awards outstanding under the SMSC Plans and assumed by the Registrant and the proposed maximum offering price of \$33.05 per share for 519,686 shares is based on the average of the reported high and low sales prices for the Registrant's common stock as reported by the Nasdaq Global Select Market on July 30, 2012.
  - (7) The Amount of the Registration Fee is calculated pursuant to Section 6(b) of the Securities Act, which currently provides that the adjusted fee rate for fiscal 2012 shall be "\$114.60 per \$1 million" of the maximum aggregate price at which such securities are proposed to be offered. The Registration Fee is therefore calculated by multiplying the Proposed Maximum Aggregate Offering Price by 0.00011460.
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**PART II**  
**INFORMATION REQUIRED IN THE REGISTRATION STATEMENT**

**Item 3. Incorporation of Documents by Reference.**

There are hereby incorporated by reference in this Registration Statement the following documents and information heretofore filed by Microchip Technology Incorporated (the “Registrant” or the “Company”) with the SEC:

- (1) The Registrant’s Annual Report on Form 10-K for the fiscal year ended March 31, 2012 filed with the SEC on May 30, 2012.
- (2) The Registrant’s Current Report on Form 8-K filed on July 18, 2012.
- (3) The Registrant’s Current Report on Form 8-K filed on August 2, 2012.
- (4) The description of the Registrant’s Common Stock included in the Registrant’s Registration Statement on Form 8-A filed on February 5, 1993, including any amendment or report updating such description.

All documents subsequently filed by the Registrant pursuant to Sections 13(a), 13(c), 14, and 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), prior to the filing of a post-effective amendment to this Registration Statement that indicates all securities offered hereby have been sold or that de-registers all securities then remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement and to be a part hereof from the date of filing of such documents.

**Item 4. Description of Securities.**

Not applicable.

**Item 5. Interests of Named Experts and Counsel.**

Not applicable.

**Item 6. Indemnification of Directors and Officers.**

Section 145 of the Delaware General Corporation Law (“Delaware Law”) authorizes a court to award or a corporation’s Board of Directors to grant indemnification to directors and officers in terms sufficiently broad to permit such indemnification under certain circumstances for liabilities (including reimbursement for expenses incurred) arising by reason of the fact that the person was an officer, director, employee or agent of the corporation, or is or was serving at the request of the corporation or other enterprise (including liabilities arising under the Securities Act of 1933, as amended (the “Securities Act”)). Article VI of the Registrant’s By-Laws provides for mandatory indemnification of its directors and executive officers, to the maximum extent permitted by Delaware Law. Article VI of the Registrant’s By-Laws also provides for permissive indemnification of the Registrant’s employees and agents to the extent, and in the manner, permitted by Delaware Law. The Registrant has entered into indemnification agreements with its directors and selected officers, a form of which was filed on February 5, 1993 as Exhibit 10.1 to Registration Statement No. 33-57960. The indemnification agreements provide the Registrant’s directors and selected officers with further indemnification to the maximum extent permitted by Delaware Law. The Registrant’s directors and officers are insured under policies of insurance maintained by the Registrant, subject to the limits of the policies, against any claims made against them by reason of being or having been such directors or officers.

**Item 7. Exemption From Registration Claimed.**

Not applicable.

**Item 8. Exhibits.**

- 4.1 Standard Microsystems Corporation 2002 Inducement Stock Option Plan (incorporated by reference to Exhibit 10.26 to SMSC's Annual Report on Form 10-K for the fiscal year ended February 28, 2003, as filed with the Securities and Exchange Commission on May 29, 2003)
- 4.2 Standard Microsystems Corporation 2003 Inducement Stock Option Plan (incorporated by reference to Exhibit 4.3 to SMSC's Registration Statement on Form S-8 filed with the Securities and Exchange Commission on September 16, 2003)
- 4.3 Standard Microsystems Corporation 2004 Inducement Stock Option Plan (incorporated by reference to Exhibit 4.1 to SMSC's Registration Statement on Form S-8 filed with the Securities and Exchange Commission on July 19, 2005)
- 4.4 Standard Microsystems Corporation 2005 Inducement Stock Option and Restricted Stock Plan (incorporated by reference to Exhibit 10.2 to SMSC's Current Report on Form 8-K filed with the Securities and Exchange Commission on October 26, 2005)
- 4.5 Standard Microsystems Corporation 2009 Long Term Incentive Plan, as amended on July 28, 2011 (incorporated by reference to Exhibit 10.1 to SMSC's Quarterly Report on Form 10-Q for the fiscal quarter ended August 31, 2011, as filed with the Securities and Exchange Commission on September 30, 2011)
- 4.6 Restated Certificate of Incorporation of the Registrant (incorporated by reference to Exhibit 3.1 to the Registrant's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2002, as filed with the Securities and Exchange Commission on November 12, 2002)
- 4.7 Amended and Restated By-Laws of Registrant, as amended through January 29, 2007 (incorporated by reference to Exhibit 3.1 to the Registrant's Quarterly Report on Form 10-Q for the quarterly period ended December 31, 2006, as filed with the Securities and Exchange Commission on February 6, 2007)
- 4.8 Microchip Technology Incorporated 2012 Inducement Award Plan
- 5.1 Opinion and Consent of Wilson Sonsini Goodrich & Rosati, Professional Corporation
- 23.1 Consent of Independent Registered Public Accounting Firm
- 23.2 Consent of Wilson Sonsini Goodrich & Rosati, Professional Corporation (contained in Exhibit 5.1)
- 24.1 Power of Attorney (reference is made to page II-4 of this Registration Statement)

**Item 9. Undertakings.**

(a) The undersigned Registrant hereby undertakes:

- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
  - (i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;
  - (ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

*Provided, however,* that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in this registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

## SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Chandler, State of Arizona, on August 2, 2012.

### MICROCHIP TECHNOLOGY INCORPORATED

By: /s/ Steve Sanghi

Steve Sanghi, President, Chief Executive Officer and  
Chairman of the Board

### POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Steve Sanghi and J. Eric Bjornholt, and each of them, his attorneys-in-fact, each with the power of substitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement, and all post-effective amendments thereto, and to file the same, with all exhibits thereto in all documents in connection therewith, with the SEC, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that such attorneys-in-fact and agents or any of them, or his or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

<b><u>Signature</u></b>	<b><u>Title</u></b>	<b><u>Date</u></b>
<u>/s/ Steve Sanghi</u> Steve Sanghi	Chairman of the Board, President and Chief Executive Officer (Principal Executive Officer)	August 2, 2012
<u>/s/ J. Eric Bjornholt</u> J. Eric Bjornholt	Vice President, Chief Financial Officer (Principal Financial and Accounting Officer)	August 2, 2012
<u>/s/ Matthew S. Chapman</u> Matthew S. Chapman	Director	August 2, 2012
<u>/s/ Albert J. Hugo-Martinez</u> Albert J. Hugo-Martinez	Director	August 2, 2012
<u>/s/ L.B. Day</u> L.B. Day	Director	August 2, 2012
<u>/s/ Wade F. Meyercord</u> Wade F. Meyercord	Director	August 2, 2012

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- 24.1 Power of Attorney (reference is made to page II-4 of this Registration Statement)



**MICROCHIP TECHNOLOGY INCORPORATED**  
**2012 INDUCEMENT AWARD PLAN**

**As adopted by the Board of Directors on August 1, 2012**

**1. Purpose.**

The purpose of the Microchip Technology Incorporated 2012 Inducement Award Plan (the “2012 SAR Plan”) is to provide awards of stock appreciation rights (“SARs”) to persons employed by Standard Microsystems Corporation (“SMSC”) as a material inducement to such individuals entering into employment with Microchip Technology Incorporated (the “Company”) or its Subsidiaries upon consummation of the proposed merger of SMSC with a wholly owned Subsidiary of the Company (the “Merger”).

**2. Definitions.**

For purposes of the Plan the words and phrases used herein shall have the following meanings:

- (a) “Board” means the Board of Directors of the Company.
  - (b) “Cause” means a termination by the Company (which shall include for purposes of this definition any Subsidiary of the Company) of the employment of a Grantee by reason of the Grantee’s: (i) willful refusal to perform his or her obligations to the Company, (ii) willful misconduct, contrary to the interests of the Company; or (iii) commission of a serious criminal act, whether denominated a felony, misdemeanor or otherwise. In the event of any dispute whether a termination for Cause has occurred, the Board may by resolution resolve such dispute and such resolution shall be final and conclusive on all parties.
  - (c) “Change in Control” shall mean: (i) the acquisition of ownership of stock of the Company, by any person (including, without limitation, a corporation, trust, partnership, joint venture, limited liability company (a “Person”) or by any group of Persons), whether directly, indirectly, beneficially or of record, in which acquisition, together with stock held by such person or group, represents more than 20% of the total voting power of all outstanding stock of the Company; (ii) any merger or consolidation of the Company which the stockholders of the Company before such merger or consolidation do not, as a result of the merger or consolidation, own at least 50% of the merger or consolidation; or (iii) any nomination and election of 50% or more of all members of the Board within a 36-month period whose election is without the recommendation of the Board. “Change in Control” shall not include acquisition of the Company’s stock by any Company employee benefit plans.
  - (d) “Code” means the Internal Revenue Code of 1986, as amended from time to time.
  - (e) “Committee” means a Committee appointed by the Board pursuant to the Plan.
  - (f) “Director” means a member of the Board.
  - (g) “Disability” means a Grantee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death, or can be expected to last for a continuous period of not less than twelve (12) months.
  - (h) “Employee” means any person employed by the Company or any Subsidiary of the Company. Neither service as a Director nor payment of a director’s fee by the Company will be sufficient to constitute “employment” by the Company.
  - (i) “Exchange Act” means the Securities and Exchange Act of 1934, as amended.
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- (j) “Subsidiary” means a subsidiary corporation as set forth in Section 424(f) of the Code.
- (k) “Securities Act” means the Securities Act of 1933, as amended.
- (l) “Stock Appreciation Right” means a right that allows a Grantee to exercise a SAR Grant and receive the value of any appreciation in the value of the Company Common Stock over the Exercise Price, as provided in Section 6.
- (m) “SAR Grant” means an award of SARs subject to the Plan.

### 3. Administration.

(a) The Plan shall be administered by the Committee. The Committee shall consist of not less than two (2) directors appointed by the Board. The Committee shall be comprised solely of directors who are both (a) “non-employee directors” under Rule 16b-3 under the Exchange Act, and (b) “outside directors” under Section 162(m) of the Code. The Committee, in its sole discretion and on such terms and conditions as it may provide, may delegate all or any part of its authority to one or more directors or officers of the Company; provided, however, that the Committee may not delegate its authority or powers (a) with respect to persons subject to Section 16 of the Exchange Act, or (b) in a way that would jeopardize the Plan’s qualification under Section 162(m) of the Code or Rule 16b-3 under the Exchange Act.

(b) The Committee shall have plenary authority in its discretion, subject to and consistent with the express provisions of the Plan, to direct the grants of SARs; the exercise price of the SAR covered by each SAR Grant, the Employees to whom and the time or times at which SAR Grants shall be granted and may be exercised; to prescribe, amend and rescind rules and regulations relating to the Plan, including, without limitation, such rules and regulations as it shall deem advisable so that transactions involving SARs may qualify for exemption under such rules and regulations as the U.S. Securities and Exchange Commission may promulgate from time to time exempting transactions from Section 16(b) of the Exchange Act; to determine the terms and provisions of, and to cause the Company to enter into, agreements with Grantees, in accordance with Section 6(k), in connection with SARs that may be granted under the Plan (“SAR Grant Agreements” or “Agreements”), which Agreements may vary from one another, as the Committee shall deem appropriate; to amend any such Agreement from time to time, with the consent of the Grantee; and to make all other determinations the Committee may deem necessary or advisable for the administration of the Plan.

(c) SAR Grants assumed under this Plan in connection with the Merger will be subject to the terms and conditions of the Plan and the original SAR Award Agreement entered into with SMSC, as adjusted in connection with the Merger, and deemed to have been granted on the date initially granted by SMSC. Other SAR Grants under this Plan shall be deemed to have been granted when the determination of the Committee with respect to such SAR Grant is made or, if so determined by the Committee, at a specific future date. Once a SAR Grant has been made, all conditions and requirements of this Plan with respect to such SAR Grant shall be deemed to be conditions upon the exercise of the SAR, but not upon the grant thereof.

(d) The Committee shall have the complete and absolute discretion to determine all entitlements to benefits and to interpret the provisions of the Plan. Every action, decision, interpretation or determination by the Committee or the Board with respect to the application or administration of this Plan shall be final and binding upon the Company and each person holding or claiming any right or interest pursuant to any SAR granted under this Plan.

(e) No member of the Committee or the Board shall be liable for any action or determination made in good faith with respect to this Plan or any SAR Grant. To the full extent permitted by law, the Company shall indemnify and hold harmless each person made or threatened to be made a party to any civil or criminal action or proceeding by reason of the fact that such person, or such person’s testator or intestate, is or was a member of the Committee.

- (f) In the event of a conflict between the terms of this Plan and the terms of any Agreement, the terms of this Plan shall govern.
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#### 4. Eligibility.

Awards may be granted to Employees so long as the following requirements are met: (a) the Employee was not previously an Employee or Director, or the Employee is returning to the employment of the Company following a bona-fide period of non-employment; and (b) the grant of a SAR under the Plan is a material inducement to the Employee's decision to enter into the employment of the Company or a Subsidiary. Notwithstanding the foregoing, an Employee may be granted SARs in connection with a merger, acquisition or similar transaction, to the extent permitted by the NASDAQ rules governing stockholder approval of inducement equity compensation plans. The persons eligible to receive SAR Grants under the Plan are hereinafter referred to as "Eligible Individuals."

#### 5. SAR Shares Subject to the Plan.

Subject to the provisions of Section 8 hereof, 500,000 shares (the "Shares") of common stock of the Company (the "Common Stock"), shall be available for issuance under the Plan. The Shares may be authorized, but unissued, or reacquired Common Stock.

If any SAR granted under the Plan expires or otherwise terminates, in whole or in part, without having been exercised, the forfeited or repurchased Shares subject to the unexercised portion of such SAR Grant shall be available for the granting of new SARs under the Plan as fully as if such Shares had never been subject to a SAR. Only Shares actually issued pursuant to an SAR shall cease to be available under the Plan; all remaining Shares under SARs shall remain available for future grant or sale under the Plan (unless the Plan has terminated). However, Shares that have actually been issued under the Plan under any SAR shall not be returned to the Plan and shall not become available for future distribution under the Plan. Shares used to pay the exercise price or purchase price, if applicable, of a SAR shall become available for future grant or sale under the Plan. To the extent a SAR under the Plan is paid out in cash rather than stock, such cash payment shall not result in reducing the number of Shares available for issuance under the Plan.

#### 6. Grants, Terms and Conditions of SAR Grants.

From time to time until the expiration or earlier termination of the Plan, the Committee may grant SARs under the Plan to Eligible Individuals (hereinafter referred to as "Grantees") as it determines are warranted. SAR Grants shall be subject to the following terms and conditions:

A SAR may be exercised by a Grantee in accordance with Section 6 by surrendering the SAR Grant in accordance with procedures established by the Committee or the Company. Upon such exercise and surrender, the Grantee shall be entitled to receive an amount determined in the manner prescribed in Section 6(d).

- (a) **Price.** The term "fair market value" of a share of Common Stock shall mean, as of the date on which such fair market value is to be determined, the closing price (or the average of the latest bid and asked prices) of a share of Common Stock as reported in The Wall Street Journal (or a publication or reporting service deemed equivalent to The Wall Street Journal for such purpose by the Board or the Committee) for the over-the-counter market or any national securities exchanges and other securities markets which at the time are included in the stock price quotations of such publication.
  - (b) **Term.** Subject to earlier termination as provided in Subsections (e) through (h) below and in Section 10 hereof, the duration of each SAR Grant shall not be more than ten (10) years from the date of grant.
  - (c) **Vesting Period.** SAR Grants shall become exercisable ("vested") with respect to either twenty percent (20%) or twenty-five percent (25%) of the number of shares subject to each such SAR Grant upon the first anniversary of the date on which such SAR Grant initially was granted, and with respect to an additional twenty percent (20%) or twenty-five percent (25%) of the number of shares subject thereto on each subsequent anniversary of such date. The vesting schedule of a SAR Grant is specified in the SAR Grant Agreement. Each SAR Grant shall be exercisable until the expiration of ten (10) years after the date on which it initially was granted; provided, that each SAR Grant shall be subject to earlier termination, expiration or cancellation as provided herein. For purposes of this section, the date upon which a SAR Grant initially was granted is the date upon which it was granted by SMSC.
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- (d) **Exercise.** A SAR, once vested, shall be exercisable in accordance with the terms of the Plan. The Committee may determine that SAR Grants shall become immediately exercisable in whole or in part in the event of termination of employment by reason of death, Disability or retirement after age sixty-five (65) in accordance with any retirement policy that is adopted by the Company.

Any vested SAR Grants may be exercised by delivering notice to the Company's principal office, in accordance with reasonable procedures established by the Committee or the Company. Such notice shall specify the number of shares with respect to which the SAR Grant is being exercised, the effective date of the proposed exercise and shall be signed by the Grantee. All payments shall be determined based upon the closing price of the market on the business day coinciding with the exercise date.

An election not received by the Company before the close of the market on any business day, for any reasons, including the failure of any electronic or other transmission, shall result in an election being effective as of the next business day, unless revoked.

Except as otherwise provided in Subsections (f) through (i) below, SAR Grants shall only be exercisable by a Grantee while a Grantee remains an Employee. Any SAR Grants, the right to exercise of which has accrued, may be exercised at any time up to the expiration or termination of the SAR Grants in accordance with Section 6(b). SAR Grants may be exercised, in whole or in part, from time to time, by giving written notice of exercise to the Company at its principal office, specifying the number of SAR Grants to be exercised.

- (e) **Payments Upon Exercise.** Upon the exercise of a SAR, a Grantee shall be entitled to receive an amount in Shares equal to the number of Shares in respect of which the SAR Grant is exercised. Only full Shares may be exercised.

- (f) **Termination of Grantee's Employment or Consulting.** If a Grantee's employment or consultancy with the Company is terminated for any reason without "Cause", other than by reason of death, Disability, or retirement (as described in Subsections (g), (h) and (i) below) prior to the expiration of the original term of his SAR Grant ("Expiration Date"), such SAR Grant shall terminate three (3) months after such termination of employment or consultancy. For purposes of this Subsection, a Grantee's employment relationship shall be considered as continuing intact while the Grantee is on military leave, sick leave, bona fide leave of absence in accordance with general corporate policies, federal or state family leave, or other leave if the period of such leave does not exceed three (3) months, unless the Grantee's right to reemployment with the Company is guaranteed either by statute or contract. In the event of any termination for "Cause", any and all SAR Grants that have not yet become exercisable shall immediately terminate, except as required otherwise under any state statutes.

Notwithstanding any provisions to the contrary, to the extent that any Grantee is a member of the Board at the time of retirement or termination of employment, any SAR Grants, whether vested or unvested, shall continue to be governed by the terms of this Plan and the exercise period shall be extended until three (3) months after the individual is no longer a member of the Board.

- (g) **Death of Grantee.** If a Grantee's employment is terminated by reason of his death prior to the Expiration Date of his SAR Grant, or if a Grantee whose employment is terminated as a result of retirement or Disability (as described in Subsection (h) and (i) below) shall die following the Grantee's termination of employment but prior to the Expiration Date of any SAR Grant or expiration of the period determined under Subsections (h) or (i) below, if earlier, such SAR Grant may be exercised by the Grantee's estate, personal representative or beneficiary who acquired the right to exercise such SAR Grant by bequest or inheritance or by reason of the death of the Grantee, to the extent of the number of SARs with respect to which the Grantee could have exercised it on the date of the Grantee's death, or to any greater extent permitted by the Committee, at any time prior to the earlier of: (i) one (1) year following the date of the Grantee's death; or (ii) the Expiration Date of such SAR Grant (which, in the case of death following a termination of employment pursuant to Subsections (h) or (i) below, shall be deemed to mean the expiration of the exercise period determined thereunder).
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- (h) **Disability of Grantee.** If a Grantee shall become Disabled during the Grantee's employment with the Company and the Grantee's employment with the Company is terminated as a consequence of such Disability prior to the Expiration Date of an SAR Grant, any SAR Grant may be exercised by the Grantee, to the extent of the number of SARs with respect to which the Grantee could have exercised under the SAR Grant on the date of such termination of employment, or to any greater extent permitted by the Committee, at any time prior to the earlier of: (i) one (1) year following the date of the Grantee's termination of employment; or (ii) the Expiration Date of such SAR Grants. In the event of the Grantee's legal disability such SAR Grant may be so exercised by the Grantee's legal representative.
  - (i) **Retirement of Grantee.** If a Grantee retires in accordance with any then existing retirement policy of the Company or otherwise retires with the express consent of the Committee after age sixty-five (65), and the Grantee's employment with the Company is terminated as a consequence of such retirement prior to the Expiration Date of the Grantee's SAR Grants, such SAR Grants may be exercised by the Grantee, to the extent of the number of Shares with respect to which the Grantee could have exercised it on the date of the Grantee's retirement, or to any greater extent permitted by the Committee, at any time prior to the earlier of: (i) three (3) months after the date of retirement; or (ii) the Expiration Date of such SAR Grant.
  - (j) **Other Terminations of Employment.** If a Grantee's employment is terminated for any reason other than his death, Disability, or retirement, the unvested portion of the Shares subject to any SAR Grant shall immediately be forfeited, except that the Committee, if it determines that the circumstances warrant, may direct that all or a portion of the Grantee's unvested SARs be vested in the Grantee, subject to such further terms and conditions, if any, as the Committee may determine.
  - (k) **Delivery of Notice and Execution of SAR Grant Agreement.** Upon the determination to issue a SAR award, the Company shall promptly issue a notice representing the Shares subject to the SAR Grant to the Grantee. Each Grantee shall enter into, and be bound by the terms of, a SAR Grant Agreement which shall include or incorporate by reference the terms of the Plan and which shall contain such other terms, conditions and restrictions not inconsistent with the Plan as the Committee shall determine.
  - (l) **Transferability.** No SARs subject to a SAR Grant shall be assignable or transferable by a Grantee at any time. Any purported transfer made by a Grantee in violation of the terms of this Plan and the SAR Grant Agreement shall be null and void. Nothing in this Plan shall preclude the transfer of SARs covered by a SAR Grant, on the death of the Grantee, to his legal representatives or his estate or preclude such representatives from transferring such Shares, or any of them, to the person or persons entitled thereto by will or the laws of descent and distribution, provided, however, that any unvested SAR shares so transferred shall continue to be subject to the terms of the Plan and the SAR Grant Agreement.
  - (m) **No Rights as a Stockholder.** A Grantee shall have no rights as a stockholder with respect to any Shares covered by SAR Grant. In the event that, as the result of a stock dividend, stock split, share combination, or similar change in the capitalization of the Company, the Grantee shall, as the Grantee of a SAR Grant hereunder, be entitled to new or additional or different shares of stock or securities, in accordance with any adjustments made under Section 8.
  - (n) **SAR Shares Available for Grant.** Upon the exercise of a SAR Grant, a SAR Grant shall be deemed to have been exercised for the purpose of the limitation set forth in Section 5 on the number of SAR shares to be available for the granting of SARs under the Plan.
  - (o) **Withholding.** The obligation of the Company to pay compensation upon the exercise of an SAR Grant shall be subject to all applicable Federal, state and local tax withholding requirements. A Grantee shall be responsible for any portion of the Grantee's tax liabilities associated with the exercise of any SAR Grants.
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7. **Listing and Registration of Shares.**

Each SAR Grant under the Plan shall be subject to the requirement that, if at any time the Committee shall determine in its discretion that the listing, registration or qualification of the Shares covered thereby upon any securities exchange or under the laws of any jurisdiction, or the consent or approval of any regulatory body, is necessary or desirable as a condition of, or in connection with, the granting of such SAR Grant, or that action by the Company or the Grantee should be taken in order to obtain an exemption from any such requirement, then no such SAR Grant may be exercised in whole or in part and no certificate representing SAR Grants shall be issued unless and until such listing, registration, qualification, consent, approval, or action shall have been effected, obtained, or taken on conditions acceptable to the Committee.

8. **Adjustments.**

The number of Shares representing the number of SARs which may be issued under the Plan, as stated in Section 5 hereof, as well as the exercise price per share under such outstanding SAR Awards, and the number of Shares deliverable upon the exercise of any SAR, shall be suitably adjusted by the Committee to reflect any stock dividend, stock split, shares combination, or similar change in the capitalization of the Company. The Committee shall use its reasonable judgment in determining a suitable adjustment.

In the event the Company is liquidated or a corporate transaction described in Section 424(a) of the Code and the Treasury Regulations issued thereunder occurs (as, for example, a merger, consolidation, acquisition of property or stock, separation, Change in Control or reorganization), each outstanding SAR Grant shall be assumed by the surviving or successor corporation, if any, provided, however, that the Committee may terminate each outstanding SAR if it determines that such assumption would not be in the best interests of the Company or a related corporation. The Committee shall give each Grantee of a SAR Grant, fourteen (14) days written notice prior to such termination (by reason of such liquidation or corporate transaction), so that any outstanding SAR or any portion thereof may be exercised up to, and including the earlier of: (i) the date immediately preceding such termination, or (ii) the Expiration Date of such SAR Grant. In such event, the Committee may, in its sole discretion, allow each such Grantee to exercise his SARs in full or in part (if it has not otherwise terminated) regardless of the provisions of Section 6 hereof or of the terms of any SAR Grant Agreement, even if under the Plan or the SAR Grant Agreements the vesting period has not expired with respect to any SAR Grant.

9. **Change in Control.**

In the event of any transaction that constitutes a Change in Control, the Committee, in its sole discretion, may determine that each SAR Grant outstanding hereunder shall terminate within a specified number of days after notice to the holder, and such holder shall receive, with respect to each SAR Grant, an amount equal to the excess of the fair market value of such SAR Grant immediately prior to the occurrence of such transaction over the exercise price per Share of such SAR Grant. Such amount shall be payable in cash, in one or more of the kinds of property payable in such transaction, or in a combination thereof, as the Committee in its discretion shall determine.

10. **Amendment or Discontinuance of the Plan.**

The Board at any time, and from time to time, may suspend or discontinue the Plan or amend it in any respect whatsoever.

11. **Absence of Rights.**

The recommendation or selection of an Eligible Individual as a recipient of a SAR Grant under the Plan shall not entitle such person to any SAR unless and until the grant actually has been made by appropriate action of the Committee; and any such grant is subject to the provisions of the Plan. Furthermore, the granting of a SAR to a person shall not entitle that person to continued employment by the Company or any Subsidiary, or affect the terms and conditions of such employment, and the Company shall have the absolute right, in its discretion, to terminate a Grantee's employment at any time for any reason, or for no reason, whether or not such termination may result in a partial or total termination of any SAR Grant.

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12. **Plan Adoption.**

This Plan shall become effective upon its adoption by the Board, and SAR Grants may be issued upon such adoption and from time to time thereafter. The Plan is not intended to be submitted to the Company's shareholders for their approval at the next annual meeting of shareholders.

13. **Plan Unfunded.**

The Plan is unfunded and all Grantees are general creditors of the Company for the payment of any and all benefits.

14. **Section 409A.**

SARs will be designed and operated in such a manner that they are either exempt from the application of, or comply with, the requirements of Code Section 409A such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Code Section 409A, except as otherwise determined in the sole discretion of the Committee. The Plan and each Agreement under the Plan is intended to meet the requirements of Code Section 409A and will be construed and interpreted in accordance with such intent, except as otherwise determined in the sole discretion of the Committee. To the extent that a SAR, or deferral thereof, is subject to Code Section 409A the SAR will be granted, paid, or deferred in a manner that will meet the requirements of Code Section 409A, such that the grant, payment, or deferral will not be subject to the additional tax or interest applicable under Code Section 409A.

15. **Severability.**

In the event that any one or more provisions of the Plan or any Agreement, or any action taken pursuant to the Plan or such Agreement, should, for any reason, be unenforceable or invalid in any respect under the laws of the United States, any state of the United States or any other government, such unenforceability or invalidity shall not affect any other provision of the Plan or of such or any other Agreement, but in such particular jurisdiction and instance the Plan and the affected Agreement shall be construed as if such unenforceable or invalid provision had not been contained therein or as if the action in question had not been taken thereunder.

16. **Notices.**

All notices and other communications hereunder shall be in writing and shall be given and shall be deemed to have been duly given if delivered in person, by cable, telegram, telex or facsimile transmission, to the parties as follows:

If to the Grantee, to the Grantee's last known address.

If to the Company:

Microchip Technology Incorporated  
Attention: Global Stock Plans  
2355 West Chandler Blvd.  
Chandler, AZ 85224

Such other addresses as any party may furnish to the other in writing shall be used as applicable, except that notices of change of address shall only be effective upon receipt.

17. **Expenses.**

The administrative or other expenses of the Plan shall be paid by the Company.

18. **Gender and Number.**

The masculine gender, where appearing herein, shall be deemed to include the feminine gender, and the singular shall be deemed to include the plural, unless the context clearly indicates to the contrary.

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19. **Termination of Plan.**

The Plan will terminate on August 1, 2022, unless terminated earlier by the Board, provided, however, that the Plan and all outstanding SAR Grants shall remain in effect until such SAR Grants have expired or vested, as the case may be, or are terminated in accordance with the Plan.

20. **Next Business Day Rule.**

To the extent that any SAR is granted on a day that is not a business day in which the NASDAQ is open, the date of grant of any SAR shall be the next business day upon which the NASDAQ is open.

21. **Governing Law.**

This Plan shall, to the maximum extent possible, be construed in the manner consistent with the Code provisions concerning SARs, and its interpretation shall otherwise be governed by the laws of the State of New York.



August 2, 2012

Microchip Technology Incorporated  
2355 West Chandler Boulevard  
Chandler, AZ 85224

Re: Registration Statement on Form S-8 for Issuance of Common Stock under the Standard Microsystems Corporation 2002 Inducement Stock Option Plan, 2003 Inducement Stock Option Plan, 2004 Inducement Stock Option Plan, 2005 Inducement Stock Option and Restricted Stock Plan and 2009 Long Term Incentive Plan and the Microchip Technology Incorporated 2012 Inducement Award Plan

Ladies and Gentlemen:

We have examined the Registration Statement on Form S-8 to be filed by you with the Securities and Exchange Commission on or about the date hereof (the "Registration Statement") in connection with the registration under the Securities Act of 1933, as amended, of 1,075 shares of your Common Stock that are subject to currently outstanding options under the Standard Microsystems Corporation ("SMSC") 2002 Inducement Stock Option Plan, 4,077 shares of your Common Stock that are subject to currently outstanding options under the SMSC 2003 Inducement Stock Option Plan, 18,140 shares of your Common Stock that are subject to currently outstanding options under the SMSC 2004 Inducement Stock Option Plan, 96,938 shares of your Common Stock that are subject to currently outstanding stock option awards and restricted stock under the SMSC 2005 Inducement Stock Option and Restricted Stock Plan, 790,098 shares of your Common Stock that are subject to currently outstanding option awards and restricted stock units under the SMSC 2009 Long Term Incentive Plan, and 440,422 shares of your Common Stock to be issued under your 2012 Inducement Award Plan. Such shares of Common Stock are referred to herein as the "Shares," and such plans are referred to herein as the "Plans." As your counsel, we have examined the proceedings taken and are familiar with the proceedings proposed to be taken by you in connection with the issuance and sale of the Shares pursuant to the Plans.

It is our opinion that, upon completion of the actions being taken, or contemplated by us as your counsel to be taken by you prior to the issuance of the Shares pursuant to the Registration Statement and the Plans and upon completion of the actions being taken in order to permit such transactions to be carried out in accordance with the securities laws of the various states where required, the Shares, when issued and sold in the manner referred to in the Plans and pursuant to the agreements which accompany the Plans, will be legally and validly issued, fully paid and nonassessable.

We consent to the use of this opinion as an exhibit to said Registration Statement and further consent to the use of our name wherever appearing in said Registration Statement, and any amendments thereto.

Very truly yours,

/s/ Wilson Sonsini Goodrich & Rosati, P.C.

WILSON SONSINI GOODRICH & ROSATI  
Professional Corporation

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement on Form S-8 pertaining to the Standard Microsystems Corporation 2002 Inducement Stock Option Plan, 2003 Inducement Stock Option Plan, 2004 Inducement Stock Option Plan, 2005 Inducement Stock Option and Restricted Stock Plan, and 2009 Long Term Incentive Plan, and the Microchip Technology Incorporated 2012 Inducement Award Plan of our reports dated May 30, 2012, with respect to the consolidated financial statements of Microchip Technology Incorporated and the effectiveness of internal control over financial reporting of Microchip Technology Incorporated included in its Annual Report (Form 10-K) for the year ended March 31, 2012, filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

Phoenix, Arizona

August 3, 2012