
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported)

February 6, 2006

MICROCHIP TECHNOLOGY INCORPORATED

(Exact Name Of Registrant As Specified In Its Charter)

Delaware
(State Or Other Jurisdiction Of
Incorporation)

0-21184
(Commission File No.)

86-0629024
(IRS Employer Identification
No.)

2355 West Chandler Boulevard, Chandler, Arizona 85224-6199
(Address Of Principal Executive Offices)

(480) 792-7200
(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition.

The information pursuant to Item 2.02 in this report on Form 8-K is being furnished as contemplated by General Instruction B(2) to Form 8-K and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section.

On February 6, 2006, we announced our intention to repatriate foreign earnings under the American Jobs Creation Act. The complete release is attached to this report as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

99.1 February 6, 2006 Press Release: Microchip Technology Announces Its Intention to Repatriate Foreign Earnings.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Microchip Technology Incorporated
(Registrant)

Dated February 6, 2006

By: /s/ Gordon W. Parnell

Gordon W. Parnell
Vice President, Chief Financial Officer
(Principal Accounting and Financial Officer)

EXHIBITS

99.1 February 6, 2006 Press Release: Microchip Technology Announces Its Intention to Repatriate Foreign Earnings

NEWS RELEASE



INVESTOR RELATIONS CONTACT:

Gordon Parnell - CFO . . . (480) 792-7374

**MICROCHIP TECHNOLOGY INCORPORATED ANNOUNCES ITS
INTENTION TO REPATRIATE FOREIGN EARNINGS**

Chandler, Arizona – February 6, 2006 –(NASDAQ: MCHP) – Microchip Technology Incorporated today announced that it has decided to take advantage of the temporary incentive available to it under the Americans Jobs Creation Act (the “Jobs Act”), and will repatriate \$500 million of its foreign earnings under the provisions of the Jobs Act. As a result, Microchip recorded additional tax expense of \$30.6 million in the quarter ended December 31, 2005 related to its decision to repatriate foreign earnings. Additionally, Microchip plans to pursue a ruling from a government taxing authority which could potentially reduce the tax expense related to the repatriation by up to approximately \$6.0 million. If a favorable ruling is received on this matter, Microchip would reduce its tax expense in the period the ruling was received. Microchip intends to continue to permanently invest the remainder of its foreign earnings offshore. Microchip had previously reported its financial results for the December 31 quarter on January 19, 2006. The additional one-time tax expense described above will have the effect of reducing the previously reported earnings per share for the December 31, 2005 quarter from \$0.33 to \$0.19.

Cautionary Statement:

The statements contained in this release relating to plans to pursue a ruling from a government taxing authority, a potential reduction in tax expense of up to approximately \$6.0 million associated with this ruling, and our intention to have the remainder of our foreign earnings permanently invested offshore are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements involve risks and uncertainties that could cause actual results to differ materially, including, but not limited to: actual cash flows generated from and used in the operation of our business; the outcome of the ruling from the taxing authority; actual or projected levels of capital expenditures; our balance of cash and cash equivalents; and general economic, industry or political conditions in the United States or internationally.

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For a detailed discussion of these and other risk factors, please refer to Microchip’s filings on Form 10-K and 10-Q. You can obtain copies of Forms 10-K and 10-Q and other relevant documents for free at Microchip’s Web site (www.microchip.com) or the SEC’s Web site (www.sec.gov) or from commercial document retrieval services.

Stockholders of Microchip are cautioned not to place undue reliance on our forward-looking statements, which speak only as of the date such statements are made. Microchip does not undertake any obligation to publicly update any forward-looking statements to reflect events, circumstances or new information after this February 6, 2006 press release, or to reflect the occurrence of unanticipated events.

About Microchip:

Microchip Technology Inc. is a leading provider of microcontroller and analog semiconductors, providing low-risk product development, lower total system cost and faster time to market for thousands of diverse customer applications worldwide. Headquartered in Chandler, Arizona, Microchip offers outstanding technical support along with dependable delivery and quality. For more information, visit the Microchip Web site at www.microchip.com.

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