

Microchip Technology Incorporated
Schedule of Outstanding Debt and Leverage Metrics
Dollar amounts in millions

	Coupon Interest Rate	Maturity	Balance at 9/30/2024
Revolving Credit Facility			\$ —
2025 Term Loan Facility			750.0
Commercial Paper			1,544.0
4.250% 2025 Notes	4.250%	9/1/2025	1,200.0
5.050% 2029 Notes	5.050%	3/15/2029	1,000.0
Total Senior Indebtedness			<u>4,494.0</u>
<i>Senior Subordinated Convertible Debt - Principal Outstanding</i>			
2025 Senior Convertible Debt	1.625%	2/15/2025	6.7
2027 Senior Convertible Debt	1.625%	2/15/2027	38.0
2024 Senior Convertible Debt	0.125%	11/15/2024	665.5
2030 Senior Convertible Debt	0.750%	6/1/2030	1,250.0
Total Convertible Debt			<u>1,960.2</u>
Total Gross Debt ¹			<u>\$ 6,454.2</u>
Cash and Short-term Investments			\$ 286.1
Total Gross Debt Less Cash and Short-term Investments			\$ 6,168.1
Credit Agreement Leverage Metrics ²			
Total Leverage Ratio			2.9865
Net Leverage Ratio			2.8541

Notes

1 - Refer to Note 5 Debt of our Form 10-K for the fiscal year ended March 31, 2024 filed with the SEC on May 23, 2024 (the "Form 10-K") and our Form 10-Q as previously filed with the SEC for further information on our indebtedness.

2 - The following leverage metrics are based on the definitions in our Amended and Restated Credit Agreement dated December 16, 2021, as amended by the First Incremental Term Loan Amendment, dated as of August 31, 2023, based on last twelve month adjusted EBITDA (as defined in the Credit Agreement) and including the adjusted EBITDA of acquired companies divided into:

- for the Total Leverage Ratio, Gross Debt; and
- for the Net Leverage Ratio, Gross Debt less Cash and Short-term Investments.

Refer to page 2 of this document for the calculation of adjusted EBITDA and our disclosures related to the use of this Non-GAAP measure.

Microchip Technology Incorporated**GAAP to Non-GAAP reconciliation - adjusted EBITDA**

Dollar amounts in millions

The following calculation of adjusted EBITDA is based on the definition contained in our Credit Agreement.

Reconciliation of GAAP net income to adjusted EBITDA	For the three months ended:			
	12/31/2023	3/31/2024	6/30/2024	9/30/2024
Net income	\$ 419.2	\$ 154.7	\$ 129.3	\$ 78.4
Additions:				
Interest expense	49.2	55.1	61.8	59.1
Income tax provision	65.1	45.0	32.5	13.1
Depreciation	47.1	45.8	43.0	41.2
Amortization	172.3	172.4	145.7	146.4
Special (income) charges and other, net as reflected on the Consolidated Statements of Income	1.1	(16.9)	2.6	1.5
Professional services associated with certain legal matters	0.4	0.3	0.5	0.2
Share-based compensation expenses	44.8	42.8	44.0	46.3
Other adjustments	1.1	0.8	1.3	2.1
Other manufacturing adjustments	—	4.3	—	—
Cybersecurity incident expenses	—	—	—	21.4
Other (income) loss as reflected on the Consolidated Statements of Income	(2.1)	1.2	(1.7)	(2.0)
Subtractions:				
Interest Income	(2.0)	(2.5)	(2.8)	(2.0)
Consolidated adjusted EBITDA	<u>\$ 796.2</u>	<u>\$ 503.0</u>	<u>\$ 456.2</u>	<u>\$ 405.7</u>

Adjusted EBITDA for the twelve months ended September 30, 2024

\$ 2,161.1

Disclosure Regarding adjusted EBITDA as a Non-GAAP Financial Measure: Adjusted EBITDA is a non-GAAP financial measure and the above calculation of adjusted EBITDA is based on the definition in our Credit Agreement. In the above table, adjusted EBITDA is reconciled to Net Income as determined in accordance with GAAP. Our calculation of adjusted EBITDA might not be the same as similarly titled measures used by other companies, and it should not be construed as a substitute for amounts determined in accordance with GAAP. There are limitations associated with the use of adjusted EBITDA, including that it excludes financial information that some may consider important in evaluating our performance. We compensate for this by presenting such information on both a GAAP and non-GAAP basis and providing a reconciliation of the GAAP and non-GAAP results.