



NEWS RELEASE

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MICROCHIP TECHNOLOGY ACQUIRES HAMPSHIRE COMPANY

Hampshire Touch Screen Controllers are added to Microchip's mTouch™ Sensing Solution portfolio of user-interface products

Chandler, Arizona – October 15, 2008 – (NASDAQ: MCHP) – Microchip Technology Incorporated, a leading provider of microcontroller and analog semiconductors, today announced it has acquired Hampshire Company, Inc. Hampshire is a leader in the large-format (typically with screen diameters greater than 5 inches) touch screen controller market. Hampshire provides customers with high-quality universal touch screen controllers, along with best-of-class application support and driver-interface software.

“Hampshire has used its leading edge technology and know-how to achieve a leadership position for touch screen controllers,” said Steve Sanghi, Microchip’s President and CEO. “Microchip has already achieved very strong momentum with its mTouch™ sensing solution portfolio. Hampshire’s portfolio of products will extend Microchip’s leadership in universal touch screen controllers. Microchip intends to capitalize on Hampshire’s leading technology to accelerate touch screen R&D for the next generation of touch screen controllers.”

“The combined capabilities of Hampshire and Microchip are expected to create unique opportunities in the growing touch screen market with the goal of creating a global standard for the touch screen interface,” says Carl Bauman, president of the Hampshire Company. “We are very excited that Microchip has added Hampshire’s products to the Microchip mTouch™ portfolio of user-interface products.”

The terms of the deal are confidential, and the deal is expected to be immediately accretive to Microchip’s earnings.

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Microchip Technology Acquires Hampshire Company

Forward-Looking Statements

The statements in this release relating to Microchip's strong momentum with its mTouch portfolio, Hampshire's portfolio of products extending Microchip's leadership in universal touch screen controls, Microchip's intention to capitalize on Hampshire's technology to accelerate touch screen R&D, the expectation that the combined capabilities of Microchip and Hampshire will create unique opportunities in the touch screen market, the goal of creating a global standard for the touch screen interface and the expectation that the deal will be immediately accretive to Microchip's earnings are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect the current expectations of Microchip's management and are subject to a number of business and economic risks that are inherently uncertain and difficult to predict, including, but not limited to: the effect of the acquisition on Microchip's and Hampshire's relationships, operating results and businesses generally; the continued market acceptance of user-interface products introduced by Microchip and Hampshire; the progress and costs of development of new user-interface products and the timing of market acceptance of those products; Microchip's ability to successfully integrate Hampshire's operations and employees and retain key employees; and the general economic, industry or political conditions in the United States or internationally.

For a detailed discussion of these and other risk factors, please refer to Microchip's filings on Forms 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 October 15, 2008 press release, or to reflect the occurrence of unanticipated events.

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Microchip Technology Acquires Hampshire Company

Customer Support

Hampshire's customers should continue to contact the Company through the normal sales and support channels that existed prior to this acquisition announcement. For more information, please visit Hampshire's Web site at www.hampshirecompany.com or contact Hampshire at +1 414-355-4675.

About Hampshire Company

Hampshire Company is a leader in universal touch screen controller electronics and software technology. Hampshire touch screen controller and software solutions supply high performance decoding for all analog resistive and surface capacitive touch screens, regardless of manufacturer, technology or construction. Hampshire is a privately held company.

About Microchip Technology

Microchip Technology Inc. (NASDAQ: MCHP) 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, Ariz., Microchip offers outstanding technical support along with dependable delivery and quality. For more information, visit the Microchip website at www.microchip.com.

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