



Dear Customers:

As we have seen semiconductor demand climb dramatically from the bottom of the cycle to the recent peaks, we have also seen many other semiconductor companies make decisions that may have optimized their revenue, but did so at the expense of supporting their existing customer base. This resulted in letting their customers down, in terms of product delivery and field and factory support. We have seen a variety of small and medium-sized customers lose the support and product delivery that they once had from other suppliers.

This has NOT happened at Microchip. During these tough times, we have actually grown our customer support; delivering additional Sales Engineers, Field Application Engineers, Factory Application Engineers and more new product-pipeline teams than ever. We did all of this to help you succeed!

Today, we are seeing the stabilization of supply and demand. Yet Microchip is continuing to add even more resources for you, while delivering a record number of innovative new products. In general, industry lead times are returning to near normal levels, and the world's economy is still driving growth for the electronics industry.

We look forward to 2011 and another record year in support of our ever-growing customer base, including full support of small...medium...and large customers. Our product growth—including our analog, 32-bit/16-bit/8-bit microcontrollers, wireless and memory products—will continue at a steady pace, to help you solve problems, expand opportunities and grow your business unlike ever before. In short, you can count on us to be there for you. We have delivered on that commitment for more than 20 years, and we are not about to stop. Microchip will continue to enable your innovation!

As we approach the end of 2010, I want to thank you for giving us the opportunity to serve you; and in the process making this a record year for Microchip. We look forward to further building our relationship in 2011.

I wish you a Happy Holidays and a Merry Christmas, and a wonderful start to the New Year. Thanks again for all that you have helped us build...together.

Sincerely,
Steve Sanghi
President and CEO
Microchip Technology Inc.

p.s. remember that you can reach out and communicate with us at here2help@microchip.com.