Microchip Technology Jumps to Number One in Worldwide 8-bit Microcontroller Shipments

Microchip Technology (Nasdaq: MCHP) has secured the number one position in worldwide 8-bit microcontroller unit shipments, according to industry analyst Gartner Dataquest's recently released *2002 Microcontroller Market Share and Unit Shipments* report. From 2001 to 2002, unit sales for Microchip's PIC® microcontrollers grew 30 percent, despite challenging business conditions, to attain the number one ranking.

This milestone demonstrates the dramatic growth and market acceptance Microchip's proprietary PIC microcontroller architecture has achieved since the company's inception in 1989. According to the yearly Gartner Dataquest rankings, Microchip placed 20th in worldwide unit shipments in 1990, rising steadily to eighth in 1993, fifth in 1996, second in 1997 through 2001 and now number one in 2002. Today Microchip serves more than 40,000 customers in the consumer, automotive, industrial control, office automation and communications market.

The PIC microcontroller architecture is driven by a modified Harvard RISC (Reduced Instruction Set Computing) instruction set that provides an easy migration path from 8- to 84-pins and from 1K byte to 128K bytes of program data memory. Today, Microchip offers more than 180 PIC devices in reprogrammable (Flash), one-time-programmable (OTP), and read-only memory (ROM) program memory configurations, featuring numerous on-chip peripherals.

Giving Engineers What They Need

Microchip achieved the #1 ranking in 8-bit microcontroller shipments by providing customers what they need in a microcontroller supplier: low-risk product development, faster time to market, lower total system cost, dependable delivery and quality, and outstanding support.

Low-Risk Product Development

PIC microcontrollers provide low-risk product development by allowing seamless program size expansion. You can make product feature changes without compromising your software investment and without losing completed development work.

Pin compatibility facilitates drop-in replacements of package types as well as variations of Flash and OTP program memories without having to completely re-write your code.

Low-risk product development also means providing a consistent development environment that is easy to learn: Microchip's MPLAB® Integrated Development Environment (IDE). With PIC microcontrollers, you can manage all related Microchip

development tools from the single MPLAB IDE platform. Incorporating new PIC microcontroller development tools is very easy and virtually eliminates any learning curve typically associated with new tools. You can write your code and try it on any PIC microcontroller device—from 8 to 84 pins.

Faster Time to Market

With PIC microcontrollers, there is no lost time for "feature creep." You can easily add product features with higher memory options, incremental I/O and more analog peripherals. Microchip's seamless code migration enables you to add functionality without losing your software investment, enabling you to meet your project deadlines.

Microchip offers In-Circuit Serial Programming™ (ICSP™) technology which allows the microcontroller to be programmed after being placed on a circuit board. ICSP technology reduces the cost of field upgrades, system calibration during manufacturing and the addition of unique identification codes to the system and calibration of system in the field. This technology provides tremendous flexibility, reduces development time and manufacturing cycles and improves time to market.

Microchip provides a one-stop shopping solution for the high performance 8- and 16-bit microcontrollers, analog, interface, and serial EEPROMs you need for your embedded design, eliminating the time it takes to work with multiple suppliers. In addition, the Company offers free online sampling capability.

Lower Total System Cost

PIC microcontrollers provide lower total system cost. For example, on-chip peripherals can range from simple digital to sophisticated analog devices, reducing overall component count and cost. These microcontrollers provide an appropriate level of integration so you only pay for the peripheral set your application needs.

PIC microcontrollers feature more flexible memory options. A broad range of Flash and OTP program memory devices gives you the freedom to choose the most cost-effective solution for your application.

Technical assistance from Microchip's field applications engineers or authorized distributors allows you to quickly solve any design challenge you might encounter.

Dependable Delivery and Quality

Microchip has a long history of providing dependable product delivery, no matter what the semiconductor industry cycle is. Because PIC microcontrollers represent a significant percentage of the Company's annual sales, Microchip is committed to securing dedicated manufacturing capacity to support customers. The acquisition of "Fab 4" in Gresham, Oregon in 2002 provides Microchip with manufacturing capacity to support an additional $1 billion in sales.

The Company's quality systems are ISO 9001 (1994 version) and QS9000 (1998 version) certified.

Outstanding Support

Microchip offers outstanding technical support before and after the design win. Hundreds of dedicated field applications engineers are located in more than 29 sales offices and through authorized distributors worldwide. These professionals are fully trained on PIC microcontrollers and ready to help solve your embedded design challenges. To find the office nearest you, click here.

The Microchip website offers a significant amount of current product datasheets, application notes, reference designs, and much more to get you started.

Microchip also provides a free engineering support program to help you select the appropriate PIC products for your application, write efficient code, debug a design, convert a current design to a Microchip product and provide valuable feedback. Support inquiries are addressed in a timely manner (usually within 48 hours) for any embedded application, regardless of volume. Contact the Arizona-based applications engineers at (480) 792-7627 weekdays from 7:00 a.m. to 4:30 p.m. (MST) or email them at tech.support@microchip.com

In addition, Microchip sponsors an annual technical conference to give engineers new information on designing with the Company's full product line. Microchip's 7th Annual MASTERs Conference is being held July 16-19th, 2003, Phoenix, Arizona. More than 60 classes will be offered at this in-depth, highly-technical conference structured to meet the needs of today's design engineer.

For the detailed results of Gartner Dataquest's *2002 Microcontroller Market Share and Unit Shipments*, contact Gartner Dataquest at (408) 468-8000 or www.dataquest.com. For more information on how Microchip's PICmicro microcontrollers provide high-performance solutions for leading embedded systems designers, contact any authorized Microchip distributor or sales representative around the world for more information, or visit www.microchip.com