

MICROCHIP TECHNOLOGY INC
 Form 4
 August 13, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
PARNELL GORDON W

2. Issuer Name and Ticker or Trading Symbol
MICROCHIP TECHNOLOGY INC [MCHP]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)

____ Director
 Officer (give title below)
 ____ 10% Owner
 ____ Other (specify below)
 VP and CFO

C/O MICROCHIP TECHNOLOGY INCORPORATED, 2355 WEST CHANDLER BOULEVARD

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 ____ Form filed by More than One Reporting Person

CHANDLER, AZ 85224-6199

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)			
			Code	V	Amount	(A) or (D)	Price			
Common Stock	08/09/2007		M		2,037	A	\$ 15.86	8,037 ⁽¹⁾	I	Held Directly and Indirectly by Trust ⁽¹⁾
Common Stock	08/09/2007		M		6,623	A	\$ 18.48	14,660 ⁽²⁾	I	Held Directly and Indirectly

Common Stock	08/09/2007		M	1,104	A	\$ 18.48	15,764 ⁽³⁾	I	by Trust ⁽²⁾ Held Directly and Indirectly by Trust ⁽³⁾
Common Stock	08/09/2007		M	8,666	D	\$ 18.48	24,430 ⁽⁴⁾	I	Held Directly and Indirectly by Trust ⁽⁴⁾
Common Stock	08/09/2007		S	18,430	D	\$ 39.5721	6,000	I	Held by Trust

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Common Stock Option (Right to Buy)	\$ 15.86	08/09/2007		M	2,037	06/01/2002 06/01/2011	Common Stock	2,037
Common Stock Option (Right to Buy)	\$ 18.48	08/09/2007		M	6,623	04/09/2004 04/09/2013	Common Stock	6,623

Common Stock									
Option (Right to Buy)	\$ 18.48	08/09/2007	M	1,104	04/09/2004	04/09/2013	Common Stock	1,104	
Common Stock									
Option (Right to Buy)	\$ 18.48	08/09/2007	M	8,666	03/31/2007	04/09/2013	Common Stock	8,666	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PARNELL GORDON W C/O MICROCHIP TECHNOLOGY INCORPORATED 2355 WEST CHANDLER BOULEVARD CHANDLER, AZ 85224-6199			VP and CFO	

Signatures

Deborah L. Wussler, 08/13/2007
Attorney-in-Fact

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) Of the 8,037 shares held, 2,037 shares were held Directly; 6,000 shares were held by Trust.
- (2) Of the 14,660 shares held, 8,660 shares were held Directly; 6,000 shares were held by Trust.
- (3) Of the 15,764 shares held, 9,764 shares were held Directly; 6,000 shares were held by Trust.
- (4) Of the 24,430 shares held, 18,430 shares were held Directly; 6,000 shares were held by Trust.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.