

PARNELL GORDON W
 Form 4
 November 22, 2005

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)
 11/21/2005

____ 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 Beneficial Ownership (Instr. 4)		
			Code	V	Amount	(A) or (D)	Price		
Common Stock	11/21/2005		M		12,675	A	\$ 10.037	23,465 ⁽¹⁾ I	Held Directly and Indirectly, by Trust ⁽²⁾
Common Stock	11/21/2005		M		17,325	A	\$ 10.037	40,790 ⁽³⁾ I	Held Directly and Indirectly, by Trust ⁽³⁾

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Common Stock 11/21/2005 S 30,000 D \$ 32.1858 10,790 I By Trust

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

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(9-02)

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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Common Stock Option (Right to Buy)	\$ 10.037	11/21/2005		M	12,675	04/14/2000 04/14/2009	Common Stock 12,675
Common Stock Option (Right to Buy)	\$ 10.037	11/21/2005		M	17,325	04/01/2003 04/14/2009	Common Stock 17,325

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, as
Attorney-in-Fact

11/22/2005

**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) On 9/14/2005, the Reporting Person transferred ownership of 147 shares from Direct holding to Indirect holding, by Trust.

(2) Of the 23,465 shares held, 12,675 shares were held Directly; 10,790 shares were held by Trust.

(3) Of the 40,790 shares held, 30,000 shares were held Directly; 10,790 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.

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