

(Translation)

April 28, 2005

Name of the Company: MegaChips Corporation
 Representative: Shigeki Matsuoka
 President and Representative
 Director

(Code No. 6875, the First Section of the Tokyo Stock Exchange)

Person to contact: Masayuki Fujii
 Director and Executive Officer
 (TEL 06-6399-2884)

**Notice of Dividends to Commemorate the 15th Anniversary of
 Establishment of the Company**

Notice is hereby given that at the meeting of the Board of Directors of MegaChips Corporation (the "Company") held on April 28, 2005, it was resolved that the Company would pay a dividend of ¥5 per share to commemorate the 15th anniversary of its establishment.

The matter will be submitted to the 15th Ordinary General Meeting of Shareholders of the Company to be held on June 24, 2005.

Description

1. Reason for the payment of commemorative dividends:

On April 4, 1990, the Company was established with the "vision" to develop an R&D-oriented, fabless company, which was unique in Japan in those days, and with the business objective to provide system solutions by system LSIs. Now we are very happy to say that the Company celebrated the 15th anniversary of establishment this year. We owe all this to our shareholders, as well as our customers, employees and all other related parties and we feel cordially obliged to them for their support and cooperation.

Hence, to thank our shareholders for their continued support, management intends to pay commemorative dividends.

2. Business year ended March 31, 2005 (from April 1, 2004 to March 31, 2005)

	Previous forecast	Adjusted forecast	(For reference) Previous results (for the business year ended March 31, 2004)
Proposed annual dividend per share	Ordinary dividend ¥10	Ordinary dividend ¥10 Commemorate dividend ¥5 Total: ¥15	Ordinary dividend ¥10

(Note) No interim dividends were paid for the business years ended March 31, 2004 and March 31, 2005.

- END -