

# A History of High-tech Ventures Anticip

Since it was established in 1990 as a high-tech venture company focused on R&D, MegaChips has been creating a stream of cutting-edge technologies and products that are pioneers in their markets.

In this section, we provide a brief introduction to MegaChips, with a look at its history.

## Founded as a Fabless Manufacturer for System LSIs

In 1990, the dominant trend in the semiconductor industry was productivity-oriented, with large-scale in-house production facilities.

MegaChips overturned this paradigm by entering the market, focusing on a cutting-edge area known as "system LSIs" with a new business model: a fabless manufacturer specializing in research and development and outsourcing all production.

MegaChips also launched a business for custom-made system LSIs, designing specialized LSIs (customer-specific LSIs) depending on customers' needs such as game consoles and fax machine image processing. The technology, knowledge and experience that were cultivated through the development of customer-based business are the main pillar supporting its business today.



1990  
and onwards

**Taking on the competition by shifting from production strength to R&D power at the beginning of the system LSI era**

## Planning, Developing and Selling Our Own Innovative Brands

In 1995, MegaChips started to plan, develop and supply its own brand of LSI products for TV and system devices, utilizing images, audio and communications technologies accumulated through its business experience.

One example is a system device that records and transmits video images, which was born out of the difficulties arising from the Kobe Earthquake in 1995, when MegaChips tried to confirm the safety of its employees. This system device found diverse application in factories, power plants, buildings and elevators for remote monitoring purpose, since the device made it possible to transmit images in many ways, such as the internet, phone lines, wireless and cellular phones with a core of unique image compression technologies as well as its feature of easy installation.



MegaChips brand LSI to control multi-screen displays for wide-screen TVs.



A small, light video server with a video surveillance system designed for use by security companies.

1995  
and onwards

**The dramatic spread of PHS, cellular phones and the Internet**

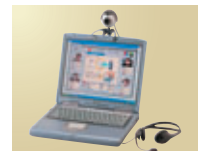
## Fast Broadbandization and Digitization

The first few years of the twenty-first century saw a sudden jump in the adoption of broadband communications and a proliferation of digital devices. During this period, MegaChips launched an LSI business targeting digital devices, focusing mainly on digital cameras and 3G cellular phones (for the overseas market) taking advantage of its strength in image processing technology.

Other than digital devices, MegaChips expanded its business by providing solutions for remote education systems and video conference systems.



Image-processing LSI for high end compact digital camera delivering super high speed image processing



Video conferencing system enables meetings to be held on the Internet

2000  
and onwards

**Carriers begin ADSL service, the coming of the broadband age**

# ating the Changing Times

## Launch New System LSIs for All Kinds of Digital Devices

At this time, MegaChips provided LSIs for a large number of cutting-edge digital devices; high-performance image processing LSI for DSLR cameras and multimedia information such as images, video, audio and music of 3G cellular phones.

Moreover, in 2006, MegaChips developed specialized LSIs for the "One-seg" broadcast service that was just starting in Japan. MegaChips contributed to of the growth of rapidly advancing digital equipment and earned high marks by offering the smallest receiver LSI in the market.



3G cellular phone with enhanced multimedia functions by the high performance LSI on board



"One-seg" functions for a range of digital devices, including cellular phones.



LSIs to realize advanced image processing for DSLR cameras.

## 2004 and onwards

**Expansion of the digital equipment market and spread of 3G cellular phones**

## 2010 and onwards

**MegaChips will continue to respond to customer needs and technical trends.**

In the digital device industry, there is rising demand for high-quality functions to be released in a shorter period at a lower cost through collaborations between companies with different specialties, a reflection of the tough competition in the global market in addition to more diverse and sophisticated customer needs. In this environment, MegaChips established a system to enable it to provide everything from IP and modules (semi-processed goods) to finished products as well as system LSIs, to meet the needs of a broad array of customers as a trustworthy development partner.

Going forward, MegaChips will continue to tirelessly take on new challenges to respond to the demands of the age, by promptly starting work on developing the products that will be required by the next generation in the areas of energy and the environment.