

As a Responsible Member of Society

Environmental Activities (fiscal year ending March 31, 2010)

● Environmental Policy

MegaChips understands the importance of protecting the planet for future generations. Based on this understanding, we are committed to achieving symbiosis between our business and the environment, contributing to a greener and cleaner Earth.

● Activities for Reducing the Environmental Impact in Compliance with the Green Procurement Guidelines

Recent years have seen a global trend to prohibit or limit the use of substances that are harmful to nature and people. One example is the RoHS Directive* in the European Union. MegaChips believes that reducing the impact on the environment is one of the most important responsibilities as a good corporate citizen.

For this reason, we have established Green Procurement Guidelines and pursue activities related to reducing the impact on the environment.

* A directive adopted by the European Union on the restriction of the use of certain hazardous substances in electrical and electronic equipment.

Targets and Achievements of Environmental Conservation Activities for the Fiscal Year Ended March 2010

A means the result was at least 110% of the target;
B means the target was achieved;
C means the result was at least 90% of the target;
D means that the result was less than 90% of the target

Eco-Office Activities

	Activity	Goal	Result	Result/Goal
Energy saving	Reduce electricity consumption in offices	1%	5%	A
Resource conservation	Reduce copy/print paper in offices	1%	7%	A

Environmental Activities for LSI Products

	Activity	Goal	Result	Result/Goal
Eco products	Downsizing software-storage LSI for game consoles*1	35%	35%	B
Green procurement	Lead-free, green procurement*2	100%	100%	B

Environmental Activities for Systems Products

	Activity	Goal	Result	Result/Goal
Eco products	Reduce number of parts for security products (design specification for one type of customer-specific product)	5%	10%	A
Green procurement	Lead-free, green procurement*2	100%	100%	B

Decrease in Environmental Burden by Energy-Saving, Downsizing and Reducing the Number of Parts

Life Cycle/Stage	Main Area of Reduction
Production	Reduce volume of materials (direct materials) for the products Reduce volume of materials (indirect materials) during manufacture Reduce energy consumed for manufacturing
Transportation	Reduce energy consumed during transportation
Use	Reduce energy consumed when using products
Waste materials	Reduce volume of waste materials

*1 Even with storage capacity doubled, new LSIs are only 30% larger than the current model.

*2 MegaChips achieved compliance with its Green Procurement Guidelines in all of its mass-produced products in the fiscal year ended March 31, 2010.

Major Social Activities (fiscal year ended March 31, 2010)

● Supporting Entrepreneurial Education for Students

Students at universities in the Kansai area are invited each year to take part in a new business idea contest called the Campus Venture Grand Prix Osaka. Based on our belief that young entrepreneurs are vital to the growth of Japan's economy, we have been supporting this contest from our

inception. The director of MegaChips was on the jury at the new technology category of the 11th Campus Venture Grand Prix Osaka.



We intend to continue to support the contest in future years.