

FOR IMMEDIATE RELEASE



May 10, 2011

Name of the Company: MegaChips Corporation
 Representative: Yukihiro Ukai
 President and Representative Director
 (Code No. 6875, the First Section of the Tokyo Stock Exchange)
 Masayuki Fujii
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 Corporate Control Division
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Notice of Decision on Distribution of Retained Earnings

MegaChips Corporation (the “Company”) announces that a meeting of its Board of Directors held today has adopted a resolution for the distribution of retained earnings with a record date on March 31, 2011. Details are as follows.

1. Dividends

| | Amount Determined (for the year ended March 31, 2011) | Most recent forecast of dividends (publicized on February 1, 2011) | Previous results (for the year ended March 31, 2010) |
|----------------------------------|---|--|---|
| Record date | March 31, 2011 | Same as on the left | March 31, 2010 |
| Dividend per share | ¥29.00 | Undecided | ¥27.00 |
| Aggregate amount of dividends | ¥696 million | — | ¥655 million |
| Effective date | June 3, 2011 | — | June 3, 2010 |
| Source of dividends | Retained earnings | — | Retained earnings |

2. Reasons

With respect to distribution of retained earnings for the fiscal year under review (year ended March 31, 2011), the Company decided, in accordance with its distribution policy, to pay an annual dividend of ¥29 per share as an ordinary dividend (¥27 for the previous period) to shareholders as of March 31, 2011.

(For reference) Breakdown of annual dividends:

| Record Date | Dividend per Share | | | | Annual |
|--|----------------------|---------|----------------------|--|--|
| | First Quarter-end | Interim | Third Quarter-end | Year-end | |
| Results for year ended March 31, 2011 | — | — | — | ¥29.00 (Ordinary dividend: ¥29.00) | ¥29.00 (Ordinary dividend: ¥29.00) |
| Results for year ended March 31, 2010 | — | — | — | ¥27.00 (Ordinary dividend: ¥27.00) | ¥27.00 (Ordinary dividend: ¥27.00) |

3. Schedule

June 2, 2011: Documents concerning dividends will be sent, together with a notice of the Ordinary General Meeting of Shareholders, attached documents and reference documents.

June 3, 2011: The payment of dividends will commence.