

FOR IMMEDIATE RELEASE



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### Notice of Differences Between Interim Forecasts and Actual Interim Results and Revisions to the Full-Year Forecasts

MegaChips Corporation announces differences between the earnings forecasts dated May 10, 2011 for the first half of the consolidated fiscal year ending March 31, 2012 and actual results dated today for the same period. It has also revised its full-year earnings forecasts, which were announced on May 10, 2011, for the consolidated fiscal year ending March 31, 2012, in light of recent operating trends. Details are as follows:

#### ● Differences Between Interim Forecasts and Actual Interim Results and Revisions to the Full-Year Forecasts

Differences between business forecasts and actual results for the first half of the consolidated fiscal year ending March 31, 2012 (from April 1, 2011 to September 30, 2011)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Forecasts announced previously (A)	16,500	1,300	1,300	900	37.49
Results announced today (B)	13,325	1,043	1,052	762	31.79
Change (B-A)	-3,174	-256	-247	-137	
Percentage (%)	-19.2%	-19.8%	-19.1%	-15.3%	
Reference: Actual results for the first half of the previous fiscal year (the fiscal year ended March 31, 2011)	15,970	1,503	1,466	1,046	43.08

Revisions to the full-year business forecasts for the consolidated fiscal year ending March 31, 2012 (from April 1, 2011 to March 31, 2012)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Forecasts announced previously (A)	39,500	3,200	3,300	2,200	91.63
Results announced today (B)	33,500	2,600	2,800	2,000	83.49
Change (B-A)	-6,000	-600	-500	-200	
Percentage (%)	-15.2%	-18.8%	-15.2%	-9.1%	
Reference: Actual full-year results for the previous fiscal year (the fiscal year ended March 31, 2011)	36,259	3,055	3,320	2,288	94.64

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Reasons for the differences and the revisions

Net sales and income for the first half of the consolidated fiscal year ending March 31, 2012 were below the forecasts announced previously. This underperformance was attributable to the fact that demand for LSIs for storing game software (custom memories), the Company's mainstay products, decreased, although demand for customer-specific digital image monitoring systems for security and monitoring applications held steady.

The Company also now anticipates that the full-year forecasts for the consolidated fiscal year ending March 31, 2012 will be short of the initial expectations, reflecting the severe impact of the decline in demand for LSIs for storing game software (custom memories), the Company's mainstay products, for the first half of the consolidated fiscal year under review. As a result, it has revised forecasts for net sales and income.

Details of consolidated accounts for the first half of the consolidated fiscal year under review are given under "1. Quantitative Information on Consolidated Operating Results, etc. for the First Half of the Year Ending March 31, 2012" on page 2 of the accompanying materials for the "Brief Statement of Accounts (Japanese Accounting Standards) for the First Half of the Year Ending March 31, 2012 (Consolidated)" released today.

\* Note on the description of the future and other matters

Forward-looking statements, such as the forecast of operating results included in this document, are based on information available to the Company and certain assumptions considered reasonable as of the date of publication of this release. Actual results could differ materially depending on various factors that may arise in the future.