

FOR IMMEDIATE RELEASE



May 10, 2017

Name of the Company: MegaChips Corporation
 Representative: Akira Takata, President and CEO
 (Code No. 6875, First Section of the Tokyo Stock Exchange)
 Inquiries: Masayuki Fujii
 Senior Managing Director, Officer
 and General Manager of the Finance
 & Legal Headquarters
 (Tel: +81-6-6399-2884)

Notice of Amendments to Articles of Incorporation

MegaChips Corporation (the “Company”) announces that a meeting of its Board of Directors held today resolved to propose partial amendments to the Articles of Incorporation as an agenda item for the 27th Ordinary General Meeting of Shareholders to be held on June 23, 2017. Details are as follows:

1. Reasons for amendments

- (1) For the purpose of strengthening our management structure to make ourselves ready for further development of business and increasing corporate value as a global company, and adding more outside directors with broad experience and a global perspective to the board to enhance its supervisory function, the Company shall request a change to the number of directors provided for in Article 19 of the existing Articles of Incorporation from ten to twelve.
- (2) Having come into force, the Act Partially Amending the Companies Act (Act No.90 of 2014), which has revised the scope of officers with whom a contract may be concluded to limit their liabilities, allows companies to enter into a liability limitation agreement with company auditors other than outside company ones. Accordingly, a partial amendment shall be made to the current Article 40, Paragraph 2 (Exemption from Liabilities of Company Auditors) with the aim of helping auditors fully perform their expected roles.

2. Details of amendments (Amendments are underlined.)

Existing Articles of Incorporation	Proposed amendments
Chapter 4 Directors and Board of Directors	Chapter 4 Directors and Board of Directors
Article 18 (The text is omitted.) (Number of Directors)	Article 18 (No change) (Number of Directors)
Article 19 The Company shall have up to <u>ten (10)</u> Directors.	Article 19 The Company shall have up to <u>twelve (12)</u> Directors.
Article 20 through 31 (The text is omitted.)	Article 20 through 31 (No change)

Existing Articles of Incorporation	Proposed amendments
<p data-bbox="204 248 778 309">Chapter 5 Company Auditors and Board of Company Auditors</p> <p data-bbox="204 365 675 394">Article 32 through 39 (The text is omitted.)</p> <p data-bbox="204 445 759 474">(Exemption from Liabilities of Company Auditors)</p> <p data-bbox="204 483 549 512">Article 40 (The text is omitted.)</p> <p data-bbox="204 521 783 875">2. Pursuant to the provisions of the Companies Act, the Company may enter into an agreement with <u>an Outside Company Auditor</u> which limits their liability for damages set forth in Article 423, Paragraph 1 of the Companies Act when requirements prescribed by laws and regulations are satisfied; provided, however, that the maximum amount of liability for damages under such agreement shall be as the minimum liability amount prescribed by laws and regulations.</p> <p data-bbox="204 927 576 956">Article 41 ff. (The text is omitted.)</p>	<p data-bbox="817 248 1391 309">Chapter 5 Company Auditors and Board of Company Auditors</p> <p data-bbox="817 365 1192 394">Article 32 through 39 (No change)</p> <p data-bbox="817 445 1370 474">(Exemption from Liabilities of Company Auditors)</p> <p data-bbox="817 483 1067 512">Article 40 (No change)</p> <p data-bbox="817 521 1391 875">2. Pursuant to the provisions of the Companies Act, the Company may enter into an agreement with <u>a Company Auditor</u> which limits their liability for damages set forth in Article 423, Paragraph 1 of the Companies Act when requirements prescribed by laws and regulations are satisfied; provided, however, that the maximum amount of liability for damages under such agreement shall be as the minimum liability amount prescribed by laws and regulations.</p> <p data-bbox="817 927 1091 956">Article 41 ff. (No change)</p>

3. Schedule

June 23, 2017: The scheduled date of the Ordinary General Meeting of Shareholders for the purpose of the amendment to the Articles of Incorporation

June 23, 2017: The scheduled date for the amendment to the Articles of Incorporation to come into effect