MegaChips Corporation Briefing
FY2025 2Q
(Ending March 2026)

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November 2025

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FY2025 (ending March 2026) 2Q Results

FY2025 (ending March 2026)

2Q Consolidated results (P/L) Summary

(Unit : Million JPY)		FY2024 2Q Results (ended Mar 2025)	FY2025 2Q Results (ending Mar 2026)	YoY (%)	FY2025 Full-year Forecast (ending Mar 2026) published on May 14, 2025
Consolidated	Sales	24,853	21,328	-14.2	42,000
	Cost of sales	20,024	17,486	-12.7	
	SG&A expenses	3,048	2,813	-7.7	
	Operating income	1,779	1,028	-42.2	3,000
	Operating profit ratio	7.2%	4.8%	–	7.1%
	Ordinary income	1,943	710	-63.4	2,700
	Net profit belonging to shareholders of parent company	3,066	398	-87.0	4,000
	Earnings Per Share (¥)	171.48	24.04	-86.0	234.33

Exchange rate : US$	142.73 JPY	146.04 JPY		130.00 JPY

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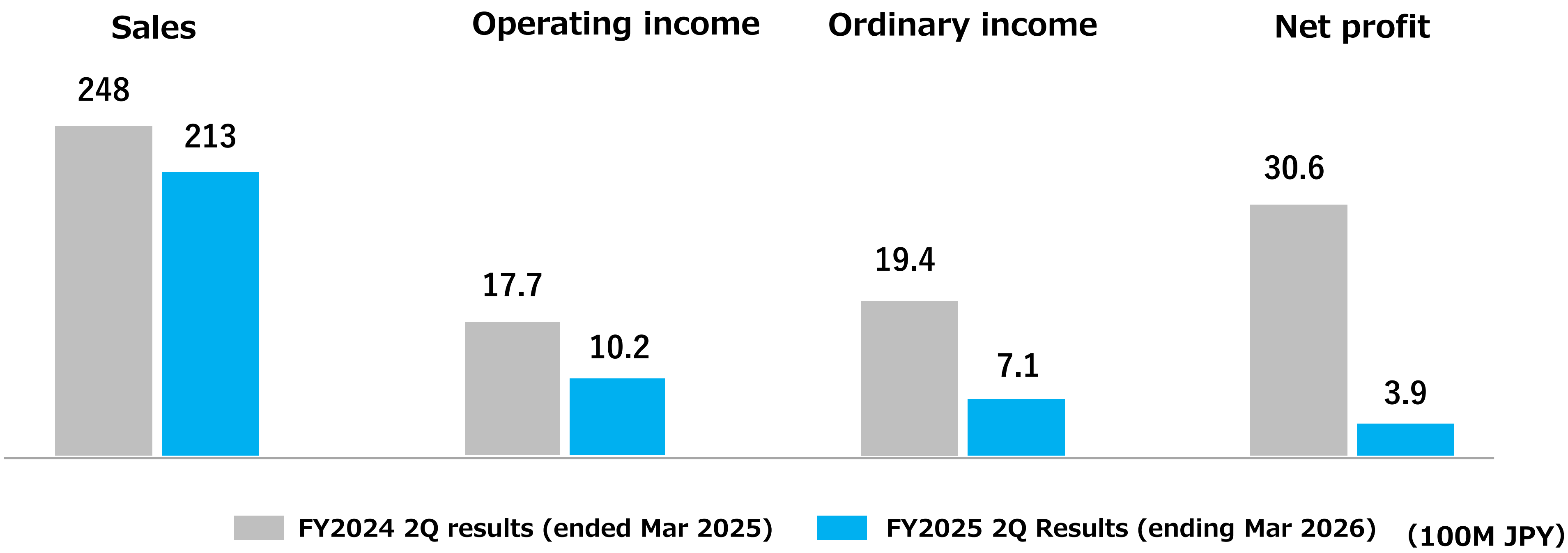
FY2025 (ending March 2026)
2Q Consolidated results (P/L) Breakdown



Sales -3,520M JPY

【Reasons for YOY Change】
- Amusement business: Same level as last year, 2Q demand higher YOY
- ASIC business: Sales declined YOY, contract development (NRE) sales expected to increase

Operating income -750M JPY

【Reasons for YOY Change】
- Decline in gross profit due to sales decrease

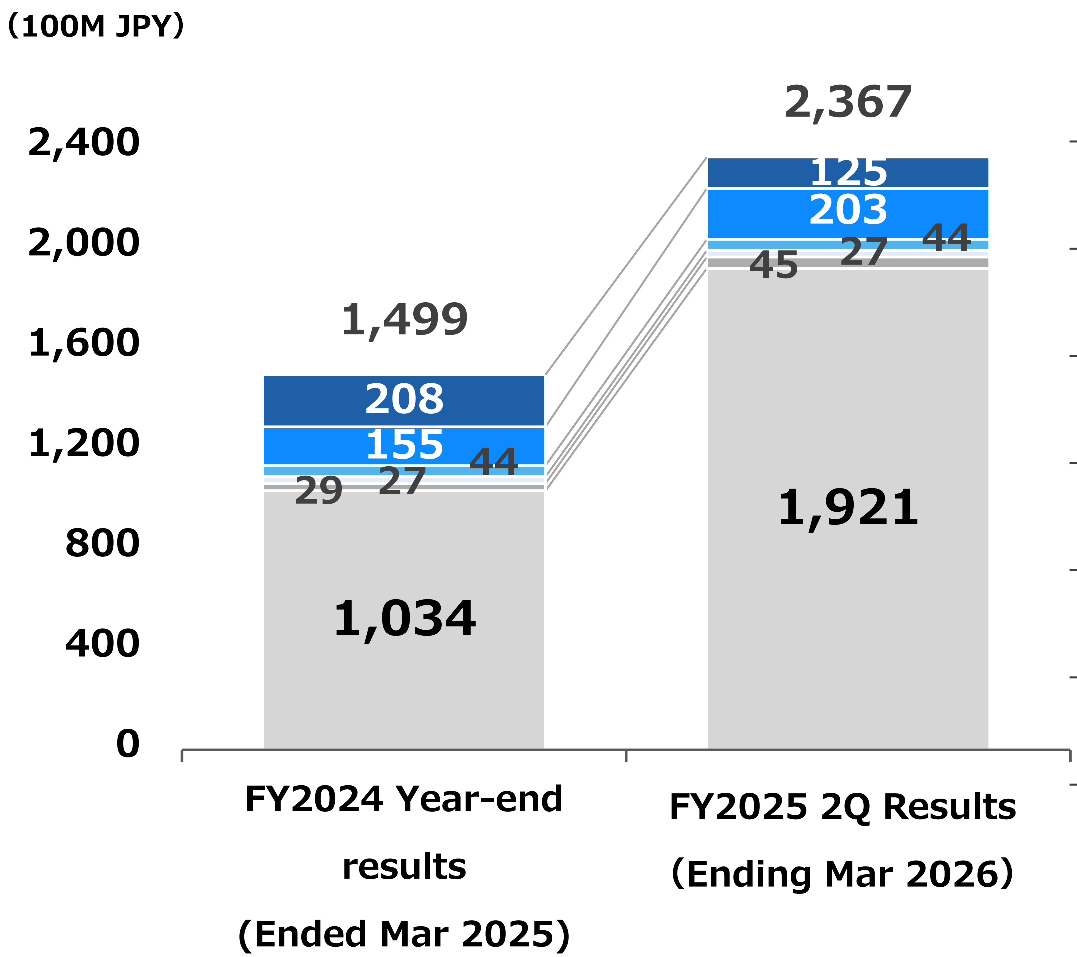
Ordinary income -1,230M JPY

【Reasons for YOY Change】
- Decline in operating income
- Increase in non-operating expenses, including foreign exchange difference

Net profit -2,660M JPY

【Reasons for YOY Change】
- Decline in ordinary income
- An extraordinary profit from sale of SiTime's shares for 4,030M JPY posed in the previous fiscal year

FY2025 (ending March 2026)
Financial Status (Assets)



(Unit : Million JPY)	Change (FY24→FY25)	Change rate (Change÷FY24)
Cash/cash equivalents	-82.7	-40%
Notes/accounts receivables	+48.3	+31%
Inventories	-0.1	0%
Other current assets	-0.3	-1%
Intangible/Tangible fixed assets	+15.9	+55%
Investment and other assets	+887.2	+86%

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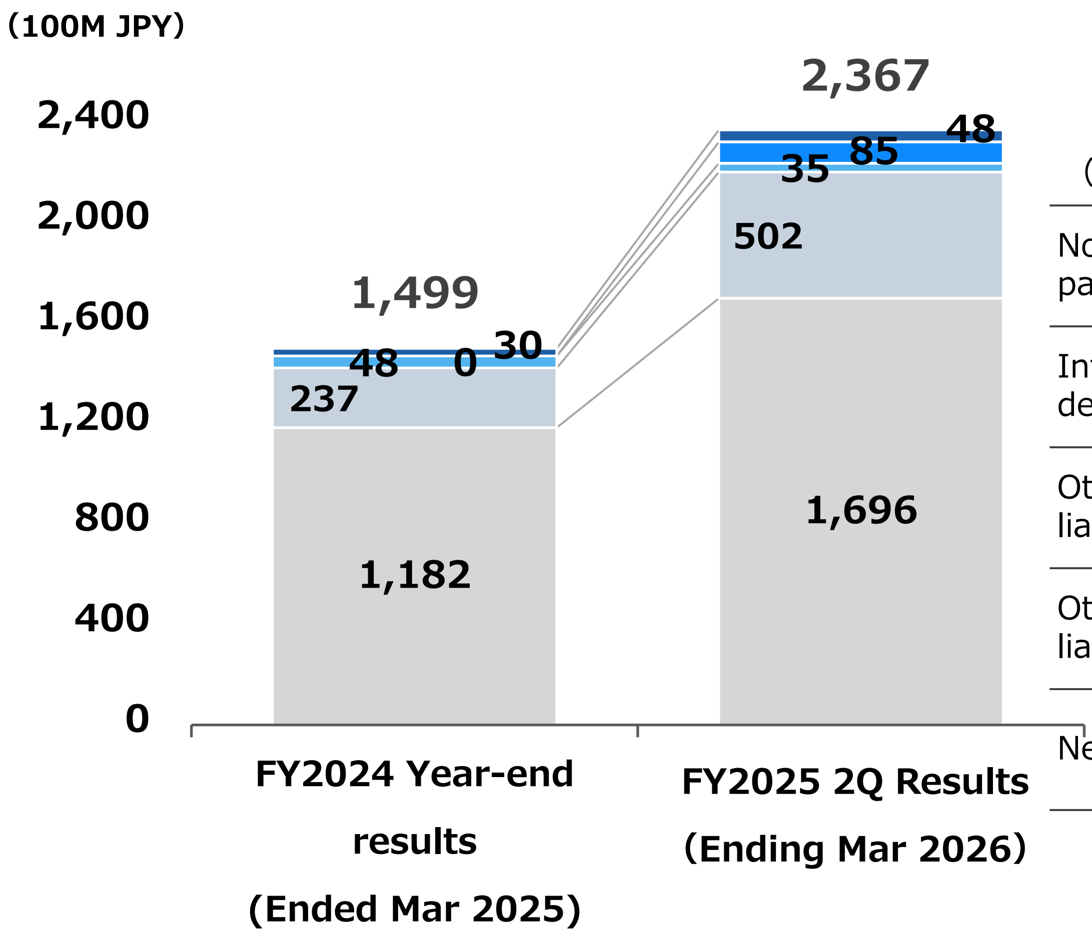
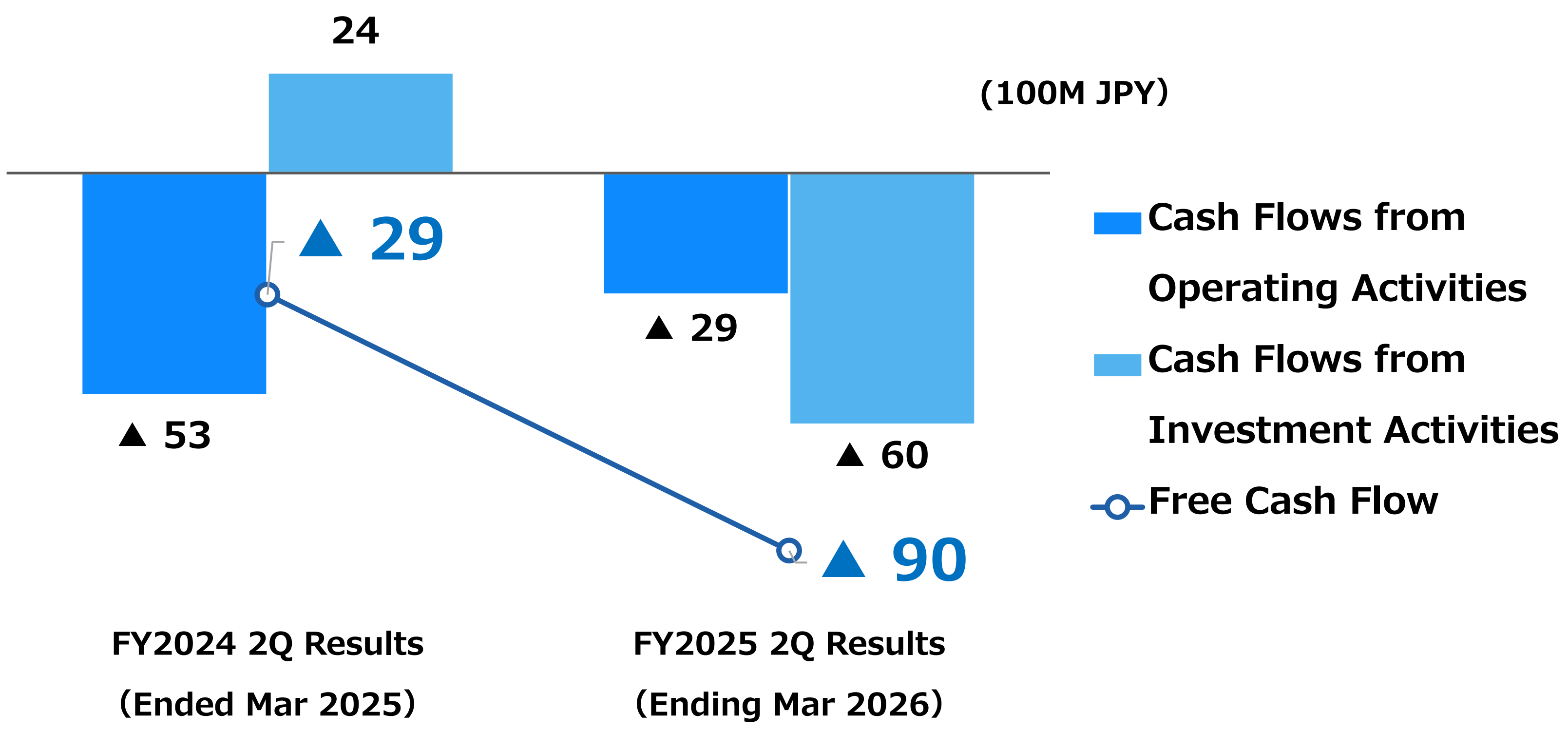
FY2025 (ending March 2026)
Financial Status (Liabilities/Net assets)



(Unit : Million JPY)		Change (FY24→FY25)	Change rate (Change÷FY24)
Notes/account payables		+17.8	+58%
Interest-bearing debt		+85.0	–
Other current liabilities		-13.5	-28%
Other fixed liabilities		+265.0	+112%
Net assets		+514.0	+43%

FY2025 (ending March 2026)
Cash Flows



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FY2025 (ending March 2026) Forecast

FY2025 (ending March 2026) Forecast

The forecast for FY2025, ending in March 2025, which was disclosed on May 14, 2025, has been revised upward due to an extraordinary profit resulting from the partial sale of shares in SiTime Corporation. We will continue to focus on strengthening existing businesses and nurturing new ones, with the goal of achieving mid- to long-term growth.

(Unit : Million JPY)	FY2024 Full-year results (ended Mar 2025)	FY2025 Full-year forecast (ending Mar 2026) (Previous)	FY2025 Full-year forecast (ending Mar 2026) (New)
Sales	42,326	42,000	42,000
Operating income	2,190	3,000	3,000
Ordinary income	2,608	2,700	2,700
Net profit belonging to shareholders of parent company	5,371	4,000	9,000
Earnings Per Share (JPY)	306.27	234.33	558.85
Operating profit ratio	5.2%	7.1%	7.1%
Net profit ratio	12.7%	9.5%	21.4%
Exchange rate: US$	149.52 JPY	130.00 JPY	130.00 JPY

※ **In the fiscal year ended March 2025, a gain of 7,700 million JPY from the sale of investment securities was recorded as an extraordinary profit due to the partial sale of shares in SiTime Corporation.**

※ **In the fiscal year ending March 2026, an extraordinary profit of approximately 11,000 million JPY from investment securities is projected, resulting from the partial sale of SiTime's shares. (The previous forecast estimated a gain of 3,500 million JPY from investment securities.)**

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Shareholder returns

FY2025 Shareholder returns	Forecast of dividends	Share buyback
	210 JPY /Share Reference : Previous forecast ¥140/Share Results of previous fiscal year ¥140/Share	**10B** JPY in progress Acquisition Rate: 69.4% as of end of Oct
	Forecast of Total Payout Ratio : **149%**	

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Appendix

Mid-to-long term Management Policy

Mid-to-Long Term Target

We aim to achieve "FY2030: ROE of 8% or higher" and attain an early PBR of 1x or greater, based on our business and financial strategies

Business strategy

Expand overall business performance

- Expand profitability by strengthening the foundation of Amusement and ASIC businesses
- Develop and achieve profitability in ASSP business
- Drive the launch and growth of new software businesses through collaboration, investment, and M&A activities

Financial strategy

Improve capital efficiency while maintaining financial health

- Sell shares in SiTime in a planned and strategic manner and utilize the proceeds, along with cash flows from business activities, for growth investments.
- Leverage gains from investment securities in SiTime to implement a significant increase in dividends and execute a substantial share buyback program.

Target of FY2030

Target for Business Growth

- Achieve sales of ¥90 billion or higher by establishing four profitable business pillars: Amusement, ASIC, ASSP, and Software.

Enhance capital efficiency

- Optimizing the use of resources and investments. Optimize shareholders' equity by reducing cross-shareholdings, including a planned reduction of ownership in SiTime to 5%.

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IR Policy

>> Purposes of investor relations and basic policy

MegaChips bases investor relations activities on the principles of fairness, timeliness, accuracy and continuity. We provide information about strategies, finances and other items in order to increase the transparency of our operations. To earn the trust of shareholders, investors and securities analysts and receive a proper evaluation, senior management frequently participates in investor relations activities.

>> Disclosure rules

MegaChips discloses information in accordance with the Financial Instruments and Exchange Law, Company Law and other laws and regulations (“laws and regulations” hereafter) and the Rules for Timely Disclosure of Corporate Information by Issuers of Listed Securities of the Tokyo Stock Exchange, where MegaChips shares are listed. Furthermore, even when not required by laws and regulations or disclosure standards in timely disclosure rules, we aggressively provide information that we believe has an effect on investment decisions by shareholders, investors and securities analysts and other information that we believe is useful to gain a better understanding of MegaChips.

>> Disclosure method

MegaChips distributes information using the Timely Disclosure network (TDnet) operated by the Tokyo Stock Exchange in accordance with timely disclosure rules. This includes information covered by the disclosure standards of the timely disclosure rules as well as information that we believe has an effect on investment decisions by shareholders, investors and securities analysts. In addition, we quickly post this information on the company Website.
We also provide other information that we believe is useful to gain a better understanding of MegaChips by issuing IR publications or news releases and posting this information on the company Website.

IR Policy

>> Forward-looking statements

The information MegaChips discloses may contain forward-looking statements. These statements are based on the judgments of management based on information available when the information was disclosed and thus embody uncertainties and risks (“risks” hereafter). Readers are cautioned to remember that actual results and other developments may differ from these forecasts for a number of reasons. Please refer to the “Cautionary Statement on Risks” section for more information.

>> Investment decisions

MegaChips discloses information for the purpose of giving people a better understanding of the company and not for the purpose of soliciting investments in securities issued by the company. Investors are asked to reach investment decisions on their own.

>> Provision of third-party information about MegaChips

Parties other than MegaChips, including securities analysts, the media and a variety of Internet information sites, announce information and forecasts about MegaChips. MegaChips is not in a position to comment on this information or express its support. However, if there is an obvious mistake in this third-party information that could cause a loss of trust in the company or prevent the company from receiving an appropriate evaluation, a correction will be announced and the proper information released.

>> IR “Quiet Period”

To prevent leaks of information about earnings releases that could affect its stock price and to ensure fairness, MegaChips observes a quiet period during the five business days prior to the earnings announcement for each quarter. During this period, the Company will not make any comments involving financial performance. However, information covered by laws and regulations and timely disclosure rules will be disclosed even during this quiet period and management will respond to inquiries about this information.

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