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MegaChips

A Member of the Financial Accounting Standards Foundation

Consolidated Financial Results for the Three Months Ended June 30, 2026 [Japanese GAAP]

August 6, 2026

Company name: MegaChips Corporation
Stock exchange listing: Tokyo Stock Exchange
Code number: 6875
URL: https://www.megachips.co.jp/
Representative: Tetsuo Hikawa, President and CEO
Contact: Masahisa Miyake, IR Manager of Corporate Planning Office
Phone: +81-6-6399-2884
Scheduled date of commencing dividend payments: —
Availability of supplementary briefing material on financial results: Available
Schedule of financial results briefing session: Scheduled (for securities analysts and institutional investors)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2026 (From April 1, 2026 to June 30, 2026)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2026	10,153	56.4	448	—	426	—	33,400	—
June 30, 2025	6,490	(32.8)	(389)	—	(752)	—	(575)	—

(Note) Comprehensive income: Three months ended June 30, 2026: ¥164,239 million [712.2%]
Three months ended June 30, 2025: ¥20,221 million [17.1%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	2,283.65	—
June 30, 2025	(34.10)	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2026	475,156	336,932	70.7	23,874.05
As of March 31, 2026	255,158	185,667	72.4	12,349.96

(Reference) Equity: As of June 30, 2026: ¥335,947 million
As of March 31, 2026: ¥184,767 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	—	—	—	250.00	250.00
Fiscal year ending March 31, 2027	—				
Fiscal year ending March 31, 2027 (Forecast)		—	—	260.00	260.00

(Note) Revision to the forecast for dividends announced most recently: No

We pay dividends once per year based on the basic policy for profit distribution, using the fiscal year-end date as the record date.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (From April 1, 2026 to March 31, 2027)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	42,000	16.1	2,500	—	2,000	—	33,000	255.4	2,205.74

(Note) Revision to the financial results forecast announced most recently: No

*** Notes**

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2026: No
New: –
Exception: –

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
1) Changes in accounting policies due to the revision of accounting standards: No
2) Changes in accounting policies other than 1) above: No
3) Changes in accounting estimates: No
4) Retrospective restatement: No

(4) Number of shares outstanding (common stock)
1) Number of outstanding shares at the end of the period (including treasury stock)
June 30, 2026: 19,046,900 shares
March 31, 2026: 19,046,900 shares
2) Number of shares of treasury stock at the end of the period
June 30, 2026: 4,975,257 shares
March 31, 2026: 4,085,937 shares
3) Average number of shares outstanding during the period
Three months ended June 30, 2026: 14,625,905 shares
Three months ended June 30, 2025: 16,874,613 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or audit corporations: None

* Explanation of the proper use of financial results forecast and other notes
(Note on the forward-looking statements)
The earnings forecasts and other forward-looking statements herein are based on information available to the Company and certain assumptions deemed reasonable as of the date of publication of this document. The Company does not guarantee the forecast results. Actual results may differ significantly from these forecasts due to a wide range of factors.
(Method to acquire supplementary documents for quarterly financial results)
Supplementary briefing material on quarterly financial results will be presented on the Company's website immediately after disclosure of the summary of consolidated financial results for the three months ended June 30, 2026.

○Accompanying Materials-Contents

1．Qualitative Information Related to The Quarterly Operating Results

（1）Overview of consolidated operating results

Against the backdrop of uncertainties surrounding U.S. economic policies, sluggish domestic demand in China, prolonged tensions in Ukraine, and escalating conflicts in the Middle East, concerns remain over the impact on corporate earnings and consumer spending.

In the foreign exchange market, the yen remained on a weakening trend as expectations regarding monetary policy developments in various countries and geopolitical factors influenced market sentiment.

In the semiconductor market, demand for advanced semiconductors, particularly those used in generative AI servers, strongly drove the overall market. Demand for high-performance and high-efficiency semiconductors for data centers, as well as semiconductors compatible with next-generation communication standards, continued to increase, particularly in the industrial equipment and telecommunications infrastructure sectors.

Amid this business environment, our ASIC business promoted activities aimed at securing mid- to long-term projects, mainly in the telecommunications and imaging equipment fields, by leveraging our strengths in analog and digital technologies, communication interface technologies, security technologies, and image processing technologies. While demand in the telecommunications and imaging equipment fields remained firm, we continued to work toward securing stable earnings through customer-focused development and support activities in the Amusement segment, despite the market being in a transition period associated with the shift to new hardware.

In the ASSP (Application Specific Standard Product) business, we are accelerating our shift toward growth markets driven by the advancement of AI, IoT, 5G, and next-generation communications. We are also strengthening our competitiveness in analog and digital circuit development and design technologies. In the communications field, we are promoting the development of LSIs utilizing long-range, low-power wireless communication technologies and expanding the provision of a broad range of communication solutions. In addition, we are conducting research and development activities in the software field in parallel with a view to future commercialization.

The Group will continue to maintain a stable earnings foundation while striving to expand profitability through the strengthening of its business portfolio. Additionally, to foster new businesses that will drive the next generation, we are actively working on exploring new markets and developing new products, aiming to create and commercialize unique business opportunities. Through these initiatives, we are committed to achieving sustainable growth over the medium to long term.

During the first quarter of the current fiscal year, demand in the Amusement business increased compared with the same period of the previous fiscal year. In addition, both product sales and consigned development (NRE) sales in the ASIC business remained strong.

As a result, the net sales amounted to ¥10,153 million (up 56.4% year-on-year), and operating profit was ¥448 million (compared with an operating loss of ¥389 million in the same period of the previous fiscal year). Excluding taxes and public dues (enterprise tax under the external standard taxation system) of ¥610 million incurred in connection with the gain on the sale of investment securities, adjusted operating profit amounted to ¥1,058 million.

Ordinary profit amounted to ¥426 million, compared with an ordinary loss of ¥752 million in the same period of the previous fiscal year. Profit attributable to owners of the parent amounted to ¥33,400 million, compared with a loss attributable to owners of the parent of ¥575 million in the same period of the previous fiscal year, primarily due to the recognition of a gain on the sale of investment securities of ¥48,431 million resulting from the partial sale of shares in SiTime Corporation. As a result, both ordinary profit and profit attributable to owners of the parent returned to profitability. Consequently, profit attributable to owners of the parent for the first quarter of the current fiscal year reached a record high for the first quarter.

As the Group operates as a single business segment, no segment information has been presented.

（2） Overview of the financial position

<Assets>

Total assets at the end of the current consolidated first quarter amounted to ¥ 475,156 million, representing an increase of ¥ 219,997 million compared with the end of the previous consolidated fiscal year. Compared with the end of the previous consolidated fiscal year, major changes included increases of ¥186,713 million in investment securities, primarily due to the mark-to-market valuation of shares of SiTime Corporation, ¥29,396 million in cash and deposits, and ¥3,040 million in notes and accounts receivable - trade and contract assets.

<Liabilities>

Total liabilities at the end of the current consolidated first quarter amounted to ¥138,224 million, an increase of ¥68,732 million compared with the end of the previous consolidated fiscal year. Compared with the end of the previous consolidated fiscal year, major changes included increases of ¥56,009 million in deferred tax liabilities and ¥11,733 million in income taxes payable.

<Net Assets>

Net assets at the end of the first quarter of the current fiscal year amounted to ¥336,932 million, up ¥151,264 million from the end of the previous fiscal year. Compared with the end of the previous fiscal year, valuation difference on available-for-sale securities increased by ¥130,574 million and retained earnings increased by ¥29,660 million, while treasury stock increased by ¥9,303 million, mainly due to share repurchases.

(Impact of the Mark-to-Market Valuation of Investment Securities: SiTime Corporation Shares)

Regarding the shares of SiTime Corporation (hereinafter referred to as "SiTime") held by the Company, the shares were reclassified from "investments in affiliates" to "investment securities" at the end of the consolidated fiscal year ended March 2024, following the exclusion of SiTime from the scope of equity-method affiliates. Accordingly, these shares have been measured at fair value at the end of each fiscal period.

As a result, investment securities have continued to account for a significant proportion of total assets. In the liabilities and net assets section, deferred tax liabilities and the valuation difference on available-for-sale securities, which are the corresponding accounts related to such investment securities, also account for a significant proportion.

As before, we will continue to reduce our holdings of SiTime shares, and the funds obtained from such sales will be allocated to growth investments, shareholder returns, and other purposes.

Through the optimal allocation of management resources, we will promote business structure transformation and aim to achieve sustainable growth over the medium to long term.

（3） Overview of the cash flows

Cash and cash equivalents (hereinafter referred to as "Funds") at the end of the current consolidated first quarter amounted to ¥44,742 million, representing an increase of ¥29,421 million compared with the end of the previous consolidated fiscal year (compared with a decrease of ¥5,703 million in the same period of the previous fiscal year).

In addition, free cash flow, calculated as the sum of cash flows from operating activities and cash flows from investing activities, amounted to an inflow of ¥41,798 million, representing an improvement of ¥42,246 million compared with the same period of the previous fiscal year.

<Cash flows from Operating Activities>

Cash flows from operating activities for the current consolidated first quarter resulted in an outflow of ¥5,602 million, a decrease of ¥6,526 million compared with the same period of the previous fiscal year.

This was mainly attributable to profit before income taxes of ¥48,858 million, which was partially offset by a gain on the sale of investment securities of ¥48,431 million, an increase in trade receivables of ¥3,040 million, and an increase in inventories of ¥1,272 million.

<Cash flows from Investing Activities>

Cash flows from investing activities for the current consolidated first quarter resulted in an inflow of ¥ 47,400 million, representing an improvement of ¥48,773 million compared with the same period of the previous fiscal year. This was primarily due to expenditures of ¥1,021 million for the acquisition of property, plant and equipment, which were partially offset by proceeds of ¥49,364 from the sale of investment securities.

<Cash flows from Financing Activities>

Cash flows from financing activities for the current consolidated first quarter resulted in an outflow of ¥12,499 million, representing a decrease of ¥7,397 million compared with the same period of the previous fiscal year. This was primarily due to payments of ¥9,308 million for the purchase of treasury stock and ¥3,708 million for dividend payments.

（4） Overview of forward-looking statement such as consolidated earnings forecast

The consolidated financial forecasts for the fiscal year ending March 2027 remain unchanged from the forecasts announced in the "Sale of Investment Securities and Revision to Forecast" released on May 20, 2026.

2. Quarterly Consolidated Financial Statements and Main Notes

(1) Quarterly consolidated balance sheet

(Unit: Thousand Yen)

	Previous consolidated fiscal year (ended March 31, 2026)	Current consolidated first quarter (ended June 30, 2026)
Assets		
Current assets		
Cash and deposits	15,293,474	44,689,854
Notes, accounts receivable-trade, and contract assets	11,221,281	14,261,920
Merchandise and finished goods	3,939,605	4,843,615
Work in progress	580,522	883,402
Raw materials and supplies	210,064	275,784
Accounts receivable	2,994,702	2,482,718
Other	1,939,311	1,300,702
Allowance for doubtful accounts	(176,951)	(182,096)
Total current assets	36,002,010	68,555,902
Non-current assets		
Property, plant and equipment		
Buildings	349,287	349,292
Accumulated depreciation	(233,744)	(236,050)
Buildings (net)	115,542	113,241
Tools, furniture and fixtures	5,719,522	5,838,020
Accumulated impairment	(4,472,352)	(4,580,489)
Tools, furniture and fixtures (net)	1,247,169	1,257,531
Construction in progress	1,337,306	2,301,547
Other	935,415	928,899
Accumulated depreciation	(803,036)	(803,036)
Other (net)	132,378	125,863
Total property, plant and equipment	2,872,396	3,798,183
Intangible assets		
Software	659,873	679,556
Total intangible assets	659,873	679,556
Investment and other assets		
Investment securities	214,354,034	401,067,433
Long-term prepaid expenses	624,179	458,081
Deferred tax assets	27,686	28,120
Other	618,662	569,204
Total investment and other assets	215,624,563	402,122,840
Total non-current assets	219,156,833	406,600,581
Total assets	255,158,843	475,156,483

(Unit: Thousand Yen)

	Previous consolidated fiscal year (ended March 31, 2026)	Current consolidated first quarter (ended June 30, 2026)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	5,163,827	5,558,381
Accounts payable-other	1,038,520	1,019,470
Income taxes payable	4,428,033	16,161,861
Provision for bonuses	479,898	203,098
Provision for loss on construction contracts	419,492	309,684
Other provisions	－	19,050
Other	1,352,172	2,340,934
Total current liabilities	12,881,945	25,612,480
Non-current liabilities		
Deferred tax liabilities	56,418,845	112,428,481
Other	190,728	183,380
Total non-current liabilities	56,609,574	112,611,861
Total liabilities	69,491,519	138,224,341
Net equity		
Shareholders' equity		
Capital stock	4,840,313	4,840,313
Capital surplus	9,359,915	9,359,915
Earned surplus	58,708,967	88,369,210
Treasury stock	(20,744,876)	(30,048,026)
Total shareholders' equity	52,164,319	72,521,412
Other accumulated comprehensive equity		
Valuation difference on available-for-sale securities	128,932,558	259,506,688
Foreign currency translation adjustment	3,670,418	3,919,055
Total other accumulated comprehensive equity	132,602,977	263,425,744
Non-controlling interests	900,028	984,984
Total net assets	185,667,324	336,932,141
Total liabilities and net assets	255,158,843	475,156,483

（2） Quarterly consolidated statements of income and statements of comprehensive income

Cumulative first quarter

(Unit: Thousand Yen)

	First quarter of previous fiscal year (from April 1, 2025 to June 30, 2025)	First quarter of current fiscal year (from April 1, 2026 to June 30, 2026)
Net sales	6,490,515	10,153,092
Cost of sales	5,500,633	7,774,564
Gross profits	989,882	2,378,527
Selling, general and administrative expenses	1,379,635	1,930,216
Operating profit (loss)	(389,753)	448,310
Non-operating income		
Interest income	60,137	54,433
Gain on valuation of investment securities	2,109	20,297
Gain from investment partnerships	－	2,910
Miscellaneous income	2,781	3,557
Total non-operating income	65,028	81,198
Non-operating expenses		
Interest expenses	616	641
Loss on investments in investment partnerships	4,560	－
Investment partnerships management fee	88,108	55,754
Donations	7,050	8,850
Foreign exchange losses	323,168	4,240
Miscellaneous losses	4,247	33,142
Total non-operating expenses	427,751	102,629
Ordinary profit (loss)	(752,476)	426,879
Extraordinary income		
Gain on sales of investment securities	－	48,431,692
Total extraordinary income	－	48,431,692
Profit (loss) before income taxes	(752,476)	48,858,571
Income taxes	(164,482)	15,463,094
Profit (loss)	(587,993)	33,395,477
(Breakdown)		
Profit (loss) attributable to owners of parent	(575,402)	33,400,484
Profit (loss) attributable to non-controlling interests	(12,591)	(5,006)
Other comprehensive income		
Valuation difference on available-for-sale securities	20,981,784	130,574,130
Foreign currency translation adjustment	(172,351)	269,530
Total other comprehensive income	20,809,433	130,843,661
Comprehensive income	22,221,439	164,239,138
(Breakdown)		
Comprehensive income attributable to owners of parent	20,262,662	164,223,251
Comprehensive income attributable to non-controlling interests	(41,223)	15,886

（３）Quarterly consolidated statements of cash flows

Unit (Thousand Yen)

	First quarter of previous fiscal year (from April 1, 2025 to June 30, 2025)	First quarter of current fiscal year (from April 1, 2026 to June 30, 2026)
Cash flows from operating activities		
Profit (loss) before income taxes	(752,476)	48,858,571
Depreciation	163,220	144,783
Amortization of long-term prepaid expenses	155,885	161,333
Increase (decrease) in allowance for doubtful accounts	(13,305)	5,144
Increase (decrease) in provision for bonuses	(253,957)	(276,811)
Increase (decrease) in reserves for loss on construction contracts	(11,103)	(109,808)
Interest and dividend income	(60,137)	(54,433)
Interest expenses	616	641
Loss (gain) from investments partnerships	4,560	(2,910)
Foreign exchange gain (loss)	270,988	25,888
Loss (gain) on valuation of investment securities	(2,109)	(20,297)
Loss (gain) on sales of investment securities	－	(48,431,692)
Decrease (increase) in trade receivables	3,774,276	(3,040,638)
Decrease (increase) in inventories valuation	(170,913)	(1,272,610)
Increase (decrease) in notes and accounts payable- trade	(1,009,990)	394,554
Decrease (increase) in other assets	(130,277)	786,654
Increase (decrease) in other liabilities	(172,177)	1,310,638
Other	43,133	22,064
Subtotal	1,836,231	(1,498,927)
Interest and dividend income received	57,064	54,822
Interest expenses paid	(616)	(641)
Corporate and other income tax refunds	－	659
Corporate and other income taxes (paid)	(968,135)	(4,158,006)
Cash flows from operating activities	924,543	(5,602,092)
Cash flows from investing activities		
Payments into time deposits	(14,496)	(26)
Purchase of property, plant and equipment	(608,827)	(1,021,175)
Purchase of intangible assets	(22,568)	(45,382)
Proceeds from sale of investment securities	－	49,364,909
Purchase of investment securities	(596,812)	(917,984)
Proceeds from distributions from investment partnerships	－	32,358
Purchase of long-term prepaid expenses	(129,678)	(6,726)
Other	－	(5,327)
Cash flows from investing activities	(1,372,382)	47,400,645

Unit (Thousand Yen)

	First quarter of previous fiscal year (from April 1, 2025 to June 30, 2025)	First quarter of current fiscal year (from April 1, 2026 to June 30, 2026)
Cash flows from financing activities		
Purchase of treasury shares	(2,917,288)	(9,308,410)
Increase (decrease) in deposits for purchase of treasury shares	–	451,743
Proceeds from investments by non-controlling interests in investment partnerships	188,977	69,069
Dividends paid	(2,370,363)	(3,708,370)
Other	(3,568)	(3,713)
Cash flows from financing activities	(5,102,242)	(12,499,681)
Effect of exchange rate changes on cash and cash equivalents	(153,561)	122,282
Net increase (decrease) in cash and cash equivalents	(5,703,643)	29,421,154
Balance at the beginning of the period of cash and cash equivalents	17,547,875	15,321,631
Balance at the end of the period of cash and cash equivalents	11,844,232	44,742,785

（4）Notes relating to quarterly consolidated financial statements

(Notes on going concern assumptions)

None

(Notes relating to significant changes in the amount of shareholders' equity)

First quarter of previous fiscal year (from April 1, 2025 to June 30, 2025)

The Company repurchased 601,200 shares of its treasury stock pursuant to the resolution of the Board of Directors held on May 14, 2025. As a result, including increases due to the purchase of shares less than one unit, treasury stock increased by ¥2,916,996 thousand, and the balance of treasury stock at the end of the first quarter of the previous fiscal year was ¥16,384,417 thousand.

First quarter of current fiscal year (from April 1, 2026 to June 30, 2026)

The Company repurchased 435,400 shares and 453,500 shares of its treasury stock, respectively, pursuant to the resolution of the Board of Directors held on February 6, 2026, and the written resolution in lieu of a meeting of the Board of Directors pursuant to Article 370 of the Companies Act dated June 10, 2026. As a result, including increases due to the purchase of shares less than one unit, treasury stock increased by ¥9,303,149 thousand, and the balance of treasury stock at the end of the first quarter of the current fiscal year was ¥30,048,026 thousand.

(Notes on entry under account methods specific to the preparation of quarterly consolidated financial statement)

(Calculation of Income Taxes)

For income taxes, the Company estimates the effective tax rate after applying tax effect accounting that is reasonably expected for the consolidated fiscal year, including the first quarter under review, and calculates income taxes by multiplying quarterly profit before income taxes by the estimated effective tax rate.

(Notes on segment information, etc.)

【Segment information】

The Company Group operates in a single business segment. Therefore, segment information has been omitted.