MegaChips Corporation Briefing FY2026 2Q (Ending March 2027)

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November 2026

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FY2026 2Q(ending March 2027) Results

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FY2026 2Q (ending March 2027)

Consolidated results (P/L) Summary

(Unit : ¥ Million)		FY2025 2Q results (ended Mar 2026)	FY2026 2Q results (ending Mar 2027)	YoY	FY2026 Full-year forecast published on May 14, 2026 (ending Mar 2027)
Consolidated	Sales	21,328	19,426	-8.9%	42,000
	Cost of sales	17,486	15,364	-12.1%	
	SG&A expenses	2,813	3,142	+11.7%	
	Operating income	1,028	920	-10.6%	2,500
	Ordinary income	710	1,536	+116.2%	2,000
	Net profit belonging to shareholders of parent company	398	※1 33,763	–	33,000
	Earnings Per Share (¥)	24.04	2,370.18	–	2,205.74
	Operating income after adjustment	1,028	※2 1,530	+148.7%	
	Exchange rate : US$	148.88 JPY	157.35 JPY		140.00 JPY

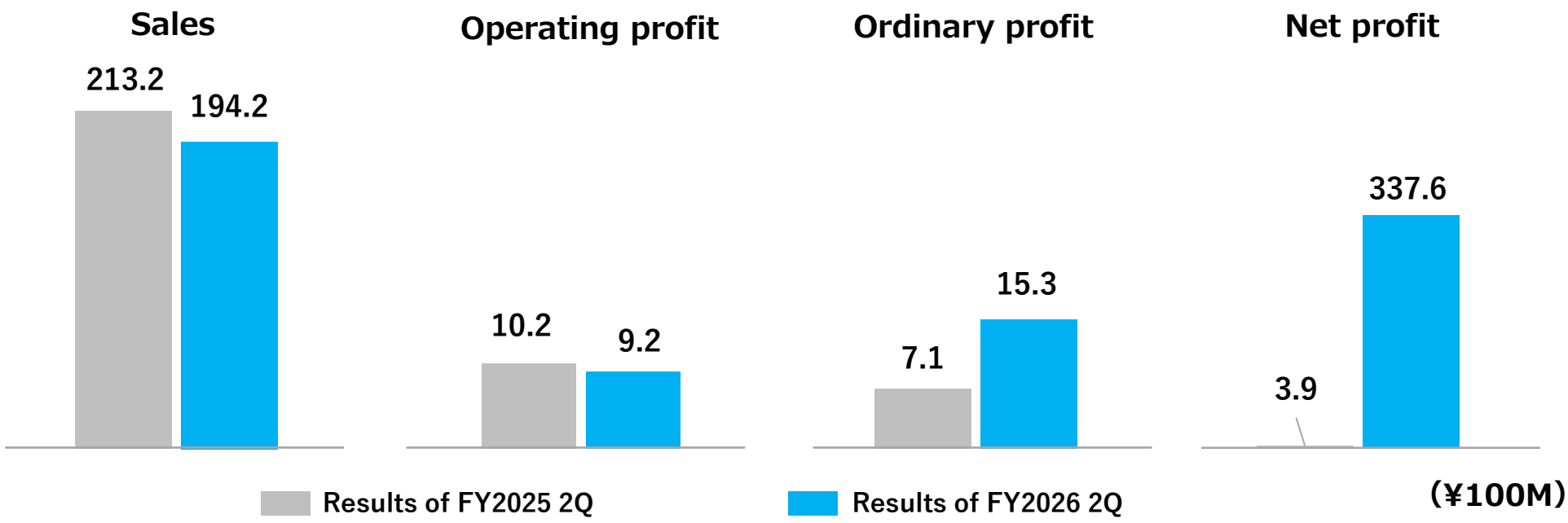
※ In the first quarter of the fiscal year ending March 2027, a gain on sales of investment securities of ¥48,400 million was recorded as an extraordinary profit due to the partial sale of shares in SiTime Corporation.

※ For the fiscal year ending March 2027, adjusted operating income excludes ¥610 million in taxes and public dues arising from external standard taxation on the gain from the partial sale of shares in SiTime Corporation.

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FY2026 2Q (ending March 2027)

Consolidated results (P/L) Breakdown



Sales -1,900M JPY

【Reasons】
- Amusement business: Product sales decreased year-on-year.
- Amusement business: Both product sales and NRE sales increased year-on-year.

Operating profit -100M JPY

【Reasons】
- Increase in gross profit while SG&A increased.
- External standard taxation of ¥610 million on the gain from the sale of SiTime shares was recorded as SG&A.

Ordinary profit +820M JPY

【Reasons】
- Increase in gains on valuation of investment securities

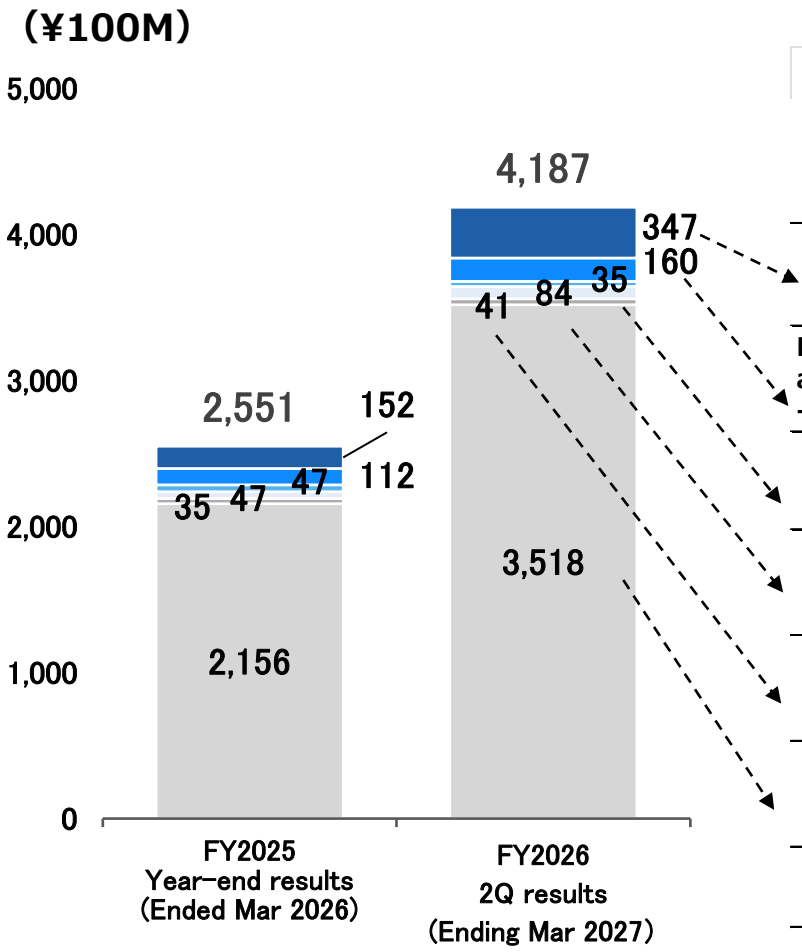
Net profit +33,360M JPY

【Reasons】
- Increase in ordinary income
- Recorded a gain of JPY 48.4 billion from the sale of SiTime shares.
- Quarterly profit attributable to owners of the parent for the second quarter reached a record high.

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FY2026 2Q (ending March 2027)

Financial Status (Assets)



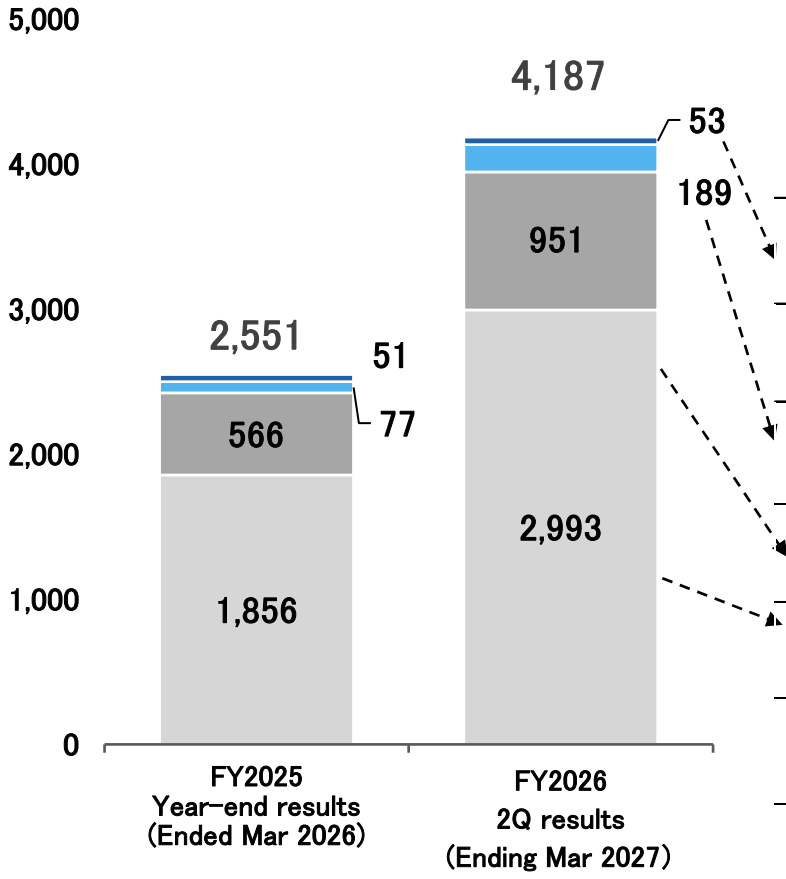
(Unit : 100M JPY)	FY25 Year-end results	FY26 2Q result	Changes (FY25→FY26)	Change rate (Change/FY25)
Cash and deposit	152	347	+194	+127%
Notes and accounts receivable -trade	112	160	+48	+42%
Inventories	47	35	△ 11	△24%
Other current assets	47	84	+36	+76%
Tangible and intangible assets	35	41	+5	+16%
Investments and other assets	2,156	3,518	+1,362	+63%
Total assets	2,551	4,187	+1,635	+64%

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FY2026 2Q (ending March 2027)

Financial Status (Liabilities/Net assets)

(¥100M)

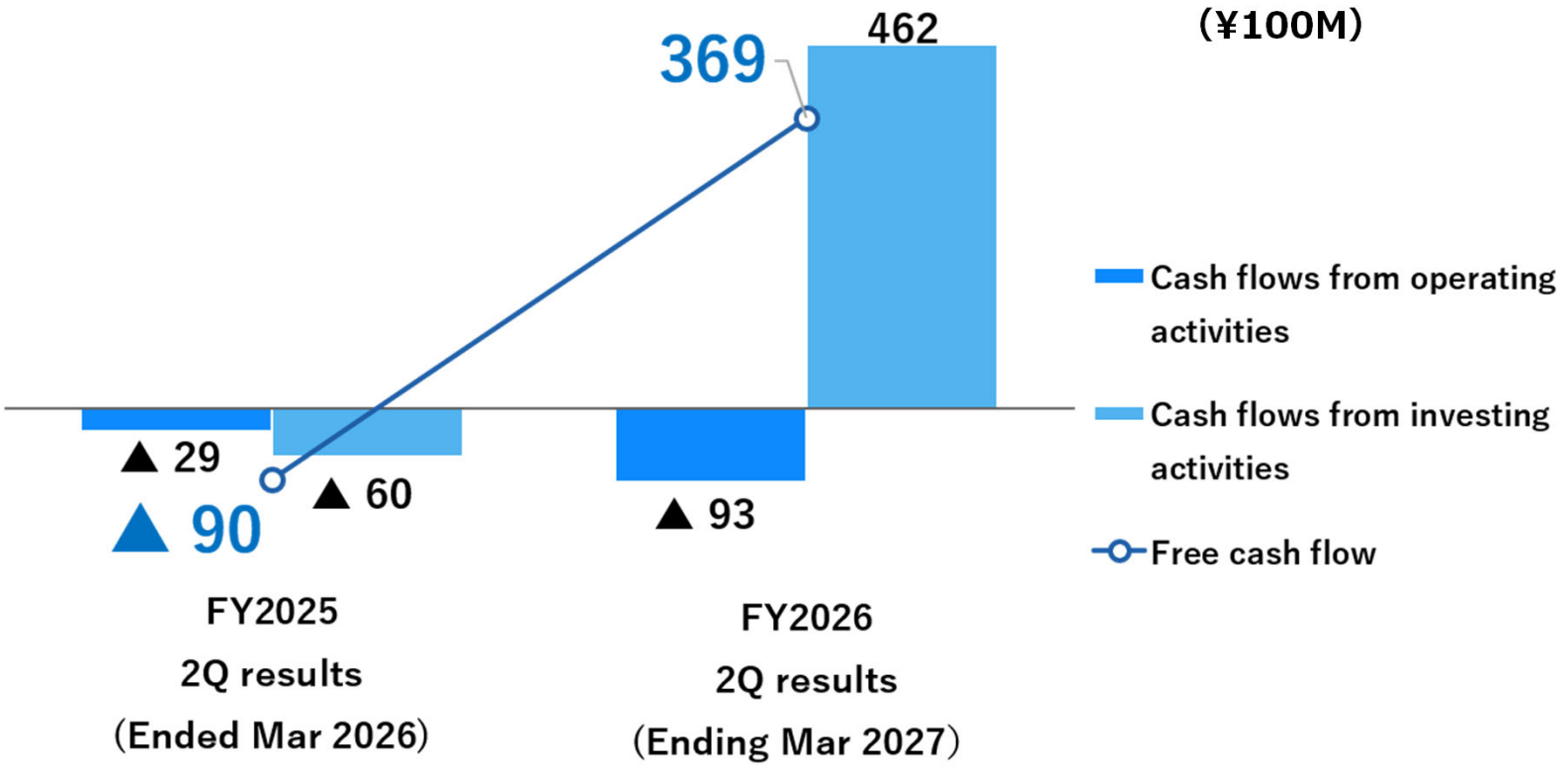


(Unit : 100M JPY)	FY25 Year-end results	FY26 2Q result	Changes (FY25→FY26)	Change rate (Change/FY25)
Notes and accounts payable	51	53	+1	+2%
Interest-bearing debt	0	0	—	—
Other current liabilities	77	189	+112	+146%
Fixed assets	566	951	+384	+68%
Net assets	1,856	2,993	+1,136	+61%
Total liabilities and net assets	2,551	4,187	+1,635	+64%

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FY2026 2Q (ending March 2027)

Cash Flows



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FY2026 (ending March 2027) Forecast

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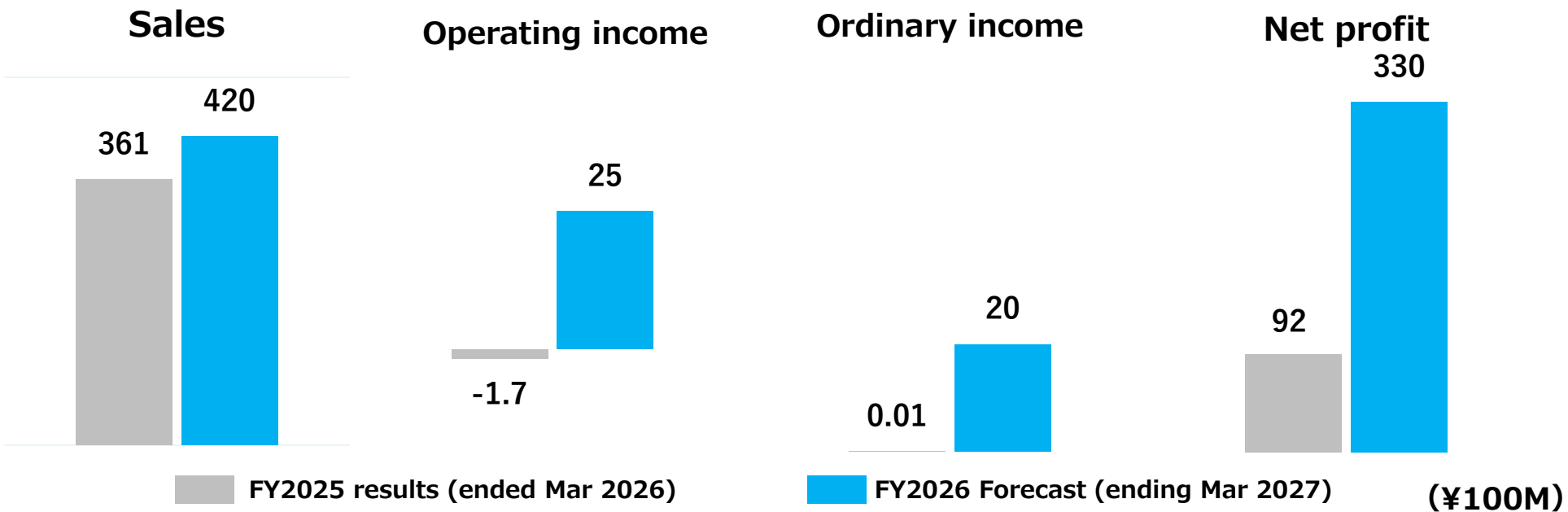
FY2026 (ending March 2027) Forecast

Shifting to a Sustainable Growth Phase
Through disciplined cost management and focused investment in high-value-added services, we will steadily achieve profitability.

(Unit : ¥ Million)	FY2025 Full-year results (ended Mar 2026)	FY2026 Full-year forecast (ending Mar 2027)
Sales	**36,169**	**42,000**
Operating income	**-174**	**2,500**
Ordinary income	**1**	**2,000**
Net profit belonging to shareholders of parent company	**9,284**	**33,000**
Earnings Per Share (JPY)	**578.31**	**2,205.74**
Exchange rate: US$	**159.88 JPY**	**140.00 JPY**

※ In the fiscal year ended March 2026, a gain of 15,100 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 2027, a gain of 48,400 million JPY from the sale of investment securities was recorded as an extraordinary profit due to the partial sale of shares in SiTime Corporation.

FY2026 Forecast (P/L) Breakdown



Sales YoY
+5,800M JPY (+16.1%)

【Reasons】
- Customer demand is expected to increase in the Amusement business.
- In the ASIC business, product sales are expected to recover as customer demand bottoms out, and contract development (NRE) sales are expected to grow in both Japan and overseas.

Operating income YoY
+2,600M JPY (-)

【Reasons】
- Targeting a V-shaped profit recovery, supported by higher profits in the Amusement business driven by sales growth and in the ASIC business driven by sales growth and improved profit margins.

Ordinary income YoY
+2,000M JPY (-)

【Reasons】
- Significant year-on-year profit growth is expected, driven by higher operating profit.
- Non-operating income (expenses) is expected to remain negative, resulting in ordinary profit falling below operating profit.

Net profit YoY
+23.8B JPY (+255.4%)

【Reasons】
- Higher ordinary profit is expected, along with an extraordinary gain of JPY 48.4 billion JPY from the partial sale of SiTime shares. (An extraordinary gain of JPY 15.1 billion JPY was recorded in the previous fiscal year.)

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FY2026 Mid-to long-term Management Policy

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Progress of mid-to long-term management plan

Aim to enhance corporate value by pursuing both business and financial strategies, strengthening business profitability and optimizing shareholders' equity.

Business strategy

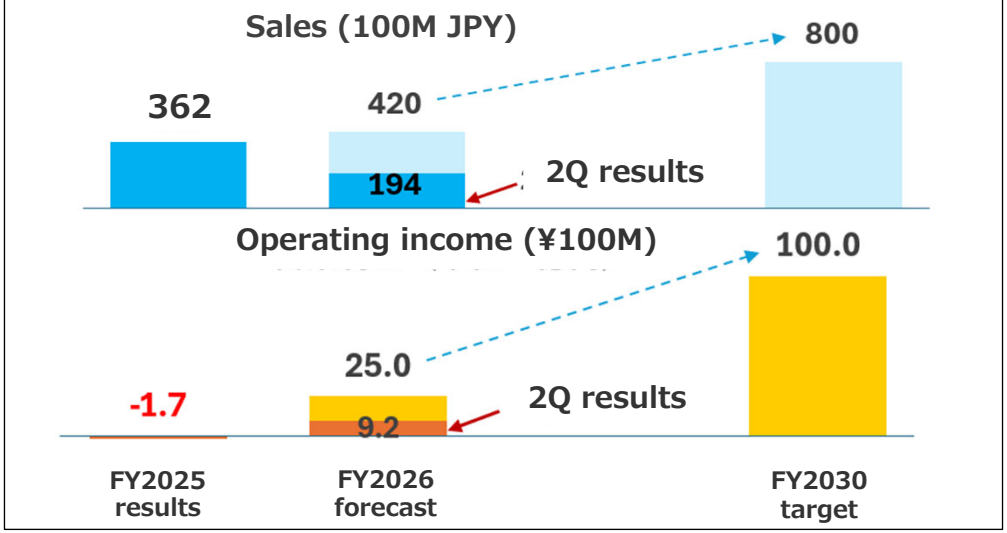
Expand sales, operating profit, and net profit

- Strengthen the foundation of existing businesses through investments in human resources, R&D, and global expansion
  ⇒ Enhance the profitability of the ASIC business and accelerate the monetization of the ASSP business
- Launch new businesses and develop them into profitable operations
  ⇒ Pursue growth opportunities in the software and solutions businesses

Through proactive medium- to long-term investments in business growth, transform the business portfolio and strengthen overall corporate profitability.

- **Initiatives to strengthen the profitability of existing businesses**
  Efforts to achieve a V-shaped recovery in sales and operating profit ⇒ Progressing steadily as of the end of 2Q
- **Launch and develop new businesses**
  Pursuing new business creation through strategic partnerships with U.S. Companies Acumino and CargoSense

Enhancing business profitability



Launching new businesses



Development and provision of next-generation AI-powered robotic workers with advanced dexterity, enabled by an AI robot model that allows robot training without complex coding.
: Collaboration with Acumino



Provision of an autonomous supply chain execution platform that enables real-time centralized management of logistics data and proactive prevention of supply chain issues.
: Collaboration with CargoSense

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Progress of mid-to long-term management plan

Aim to enhance corporate value by pursuing both business and financial strategies to strengthen business profitability and optimize shareholders' equity.

Business strategy

Enhance capital efficiency while maintaining financial stability.

Planned sale of SiTime shares ⇒ Proceeds from the sale of SiTime shares will be used to fund growth investments, strengthen the business foundation, and provide shareholder returns.

- **A portion of the proceeds from the sale of SiTime shares will be allocated to dividends to ensure stable and consistent dividend payments.**
- **Share repurchases will be conducted to improve capital efficiency and enhance shareholder returns.**

Steady progress on the medium- to long-term plan

● Planned sale of SiTime shares	⇨ Sold 400000 shares in 1Q of FY2026 (¥48.4B gain from the sale) (Ownership 13.0% → 10%)
● Share repurchases	⇨ Planning share repurchases of approx. ¥20B (about 2M shares) (Approximately 14.2B JPY (134,000 shares) repurchased as of the end of September 2026.)
● Continuous and stable dividend payments	⇨ FY2026 (ending Mar 2027) dividend forecast revised upward (increase in dividend) Dividend per share: Revised forecast ¥300 ⇦ ¥260(previous) (Reference : ¥140 in FY2024, ¥250 in FY2025)

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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.

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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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Inquiries regarding this document

MegaChips Corporation
Finance & IR Department

Inquiry:

https://www.megachips.co.jp/inquiry/contact/
〒532-0003 Shin-Osaka Hankyu Building

1-1-1, Miyahara, Yodogasa-ku, Osaka
TEL： 06-6399-2884　FAX： 06-6399-2886