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MegaChips

A Member of the Financial Accounting Standards Foundation

Consolidated Financial Results for the Six Months Ended September 30, 2026 [Japanese GAAP]

November 6, 2026

Company name: MegaChips Corporation
Stock exchange listing: Tokyo Stock Exchange
Code number: 6875
URL: https://www.megachips.co.jp/
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Scheduled date of filing semi-annual securities report: November 13, 2026
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 Six Months Ended September 30, 2026 (From April 1, 2026 to September 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	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2026	19,426	(8.9)	920	(10.6)	1,536	116.2	33,763	—
September 30, 2025	21,328	(14.2)	1,028	(42.2)	710	(63.4)	398	(87.0)

(Note) Comprehensive income: Six months ended September 30, 2026: ¥131,120 million [124.4%]
Six months ended September 30, 2025: ¥58,432 million [99.0%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	2,370.18	—
September 30, 2025	24.04	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of September 30, 2026	418,725	299,321	71.2	21,849.57
As of March 31, 2026	255,158	185,667	72.4	12,349.96

(Reference) Equity: As of September 30, 2026: ¥298,104 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)			—	300.00	300.00

(Note) Revision to the forecast for dividends announced most recently: Yes

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 six months ended September 30, 2026: No
New: –
Exception: –

(2) Accounting policies adopted specially for the preparation of semi-annual 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)
September 30, 2026: 17,999,300 shares
March 31, 2026: 19,046,900 shares
2) Number of shares of treasury stock at the end of the period
September 30, 2026: 4,355,815 shares
March 31, 2026: 4,085,937 shares
3) Average number of shares outstanding during the period
Six months ended September 30, 2026: 14,245,350 shares
Six months ended September 30, 2025: 16,578,211 shares

* Semi-annual financial results reports are outside the scope of review by certified public accountants or audit corporations.

* 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 semi-annual financial results)
Supplementary briefing material on semi-annual financial results will be presented on the Company's website immediately after disclosure of the summary of consolidated financial results for the six months ended September 30, 2026.

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1．Qualitative Information on Interim Financial Results

（1）Overview of consolidated operating results

During the current interim consolidated accounting period, the global economic environment remained uncertain, reflecting concerns about the impact on corporate earnings and consumer spending amid uncertainty surrounding U.S. economic policies, sluggish domestic demand in China, and prolonged geopolitical tensions, particularly in Ukraine and the Middle East. In the foreign exchange market, exchange rates fluctuated significantly amid a mix of changing monetary policies across countries and market expectations regarding geopolitical developments. The yen initially stood at a significantly depreciated level at the beginning of the period, but subsequently experienced a sharp appreciation, resulting in volatile exchange rate movements.

In the semiconductor market, demand for high-performance and high-efficiency semiconductors for data centers and next-generation communication standards continued to strengthen, driven by the ongoing expansion of AI-related demand. Overall, robust demand continued.

Amid this business environment, in our ASIC business, we are promoting initiatives to secure medium- to long-term projects and advance product development, primarily 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. In the amusement field, despite the transitional period associated with the shift to new hardware, we are maintaining our customer-oriented development and support structure and working to secure stable earnings.

In the ASSP (Application-Specific Standard Product) business, we are accelerating our shift toward growth areas against the backdrop of advances in AI, IoT, 5G, and next-generation communications. We are working to strengthen our competitiveness in analog and digital circuit development and design technologies. In the communications field, we are promoting the development of LSIs that utilize long-range, low-power wireless communication technologies and expanding the range of communication solutions we offer. In parallel, we are conducting research and development in the software field with a view to future commercialization.

The Group will continue to pursue earnings growth through the optimization of its business portfolio while maintaining a stable earnings base. In addition, to nurture new businesses that will drive the next generation, the Group will work to explore new markets and develop new products, promoting the creation and commercialization of distinctive businesses.

Regarding the business performance for the current interim consolidated accounting period, demand in the Amusement business remained firm, although it was lower than in the same period of the previous fiscal year. Demand in the ASIC business remained strong.

As a result, the net sales for the current interim consolidated accounting period amounted to ¥19,426 million (down 8.9% year-on-year), and operating profit was ¥920 million (down 10.6% year-on-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 ¥1,530 million.

Ordinary profit amounted to ¥1,536 million (up 116.2％ year-on-year). Profit attributable to owners of the parent amounted to ¥33,763 million, (up 8,370.4％ year-on-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 the Group operates as a single business segment, no segment information has been presented.

（２）Interim Consolidated Financial Statements and Notes

<Assets>

Total assets at the end of the current interim consolidated accounting period amounted to ¥418,725 million, an increase of ¥163,566 million compared with the end of the previous fiscal year.

Comparing the major components with those at the end of the previous fiscal year, cash and deposits increased by ¥19,432 million, notes and accounts receivable - trade and contract assets increased by ¥4,805 million, and investment securities increased by ¥136,591 million, primarily due to the fair value revaluation of shares in SiTime Corporation.

<Liabilities>

Total liabilities at the end of the current interim consolidated accounting period amounted to ¥119,404 million, an increase of ¥49,912 million compared with the end of the previous fiscal year.

Comparing the major components with those at the end of the previous fiscal year, income taxes payable increased by ¥11,704 million and deferred tax liabilities increased by ¥38,514 million.

<Net Assets>

Net assets at the end of the current interim consolidated accounting period amounted to ¥299,321 million, up ¥113,653 million compared with the end of the previous fiscal year.

Comparing the major components with those at the end of the previous fiscal year, retained earnings and valuation difference on available-for-sale securities increased by ¥23,597 million and ¥97,058 million, respectively. Meanwhile, treasury stock (a deduction from equity) increased by ¥7,498 million, mainly due to the acquisition of treasury shares.

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

Regarding the shares of SiTime held by the Company, following the exclusion of SiTime from the scope of application of the equity method at the end of the fiscal year ended March 2024, the shares were reclassified from investments in affiliates to investment securities. Since then, these shares have been measured at fair value at the end of each fiscal year. As a result, investment securities have continued to account for a significant proportion of total assets. Similarly, on the liabilities and net assets side of the balance sheet, deferred tax liabilities and valuation differences on available-for-sale securities, which are the corresponding accounts, have also accounted for a significant proportion.

As before, we will continue to reduce our holdings of SiTime shares and utilize the proceeds from such sales for growth investments in our businesses, shareholder returns and other purposes. Through the optimal allocation of management resources, we will promote business structural reforms 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 interim consolidated accounting period amounted to ¥34,825 million, representing an increase of ¥19,504 million compared with the end of the previous consolidated fiscal year (compared with a decrease of ¥7,778 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 ¥36,985 million, representing an improvement of ¥46,036 million compared with the same period of the previous fiscal year.

The status of each category of cash flows for the current interim consolidated fiscal period is as follows.

<Cash flows from Operating Activities>

Cash flows from operating activities for the current interim consolidated accounting period resulted in an outflow of ¥9,305 million, a decrease of ¥6,339 million compared with the same period of the previous fiscal year.

This was mainly attributable to an increase in trade receivables of ¥4,805 million and income tax payments of ¥4,251 million.

<Cash flows from Investing Activities>

Cash flows from investing activities for the current interim consolidated accounting period resulted in an inflow of ¥46,290 million, representing an improvement of ¥52,376 million compared with the same period of the previous fiscal year.

This was primarily due to expenditures of ¥1,726 million for the acquisition of property, plant and equipment, which were partially offset by proceeds of ¥49,422 from the sale of investment securities.

<Cash flows from Financing Activities>

Cash flows from financing activities for the current interim consolidated accounting period resulted in an outflow of ¥17,403 million, representing a decrease of ¥18,719 million compared with the same period of the previous fiscal year. This was primarily due to payments of ¥14,297 million for the purchase of treasury stock and ¥3,732 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．Interim Consolidated Financial Statements and Notes

（1）Interim consolidated balance sheet

(Unit: Thousand Yen)

	Previous consolidated fiscal year (ended March 31, 2026)	Current interim consolidated period (ended September 30, 2026)
Assets		
Current assets		
Cash and deposits	15,293,474	34,726,331
Notes, accounts receivable-trade, and contract assets	11,221,281	16,026,482
Merchandise and finished goods	3,939,605	1,958,089
Work in progress	580,522	1,111,462
Raw materials and supplies	210,064	511,946
Accounts receivable	2,994,702	7,173,948
Other	1,939,311	1,427,853
Allowance for doubtful accounts	(176,951)	(195,723)
Total current assets	36,002,010	62,740,388
Non-current assets		
Property, plant and equipment		
Buildings	349,287	349,281
Accumulated depreciation	(233,744)	(238,092)
Buildings (net)	115,542	111,188
Tools, furniture and fixtures	5,719,522	5,876,261
Accumulated impairment	(4,472,352)	(4,688,779)
Tools, furniture and fixtures (net)	1,247,169	1,187,481
Construction in progress	1,337,306	1,979,172
Other	935,415	916,108
Accumulated depreciation	(803,036)	(803,036)
Other (net)	132,378	113,072
Total property, plant and equipment	2,872,396	3,390,915
Intangible assets		
Software	659,873	709,369
Total intangible assets	659,873	709,369
Investment and other assets		
Investment securities	214,354,034	350,945,757
Long-term prepaid expenses	624,179	439,337
Deferred tax assets	27,686	27,247
Other	618,662	472,270
Total investment and other assets	215,624,563	351,884,612
Total non-current assets	219,156,833	355,984,898
Total assets	255,158,843	418,725,286

(Unit: Thousand Yen)

	Previous consolidated fiscal year (ended March 31, 2026)	Current interim consolidated period (ended September 30, 2026)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	5,163,827	5,304,900
Accounts payable-other	1,038,520	322,933
Income taxes payable	4,428,033	16,132,332
Provision for bonuses	479,898	402,073
Provision for loss on construction contracts	419,492	261,424
Other provisions	—	38,100
Other	1,352,172	1,837,824
Total current liabilities	12,881,945	24,299,590
Non-current liabilities		
Deferred tax liabilities	56,418,845	94,933,083
Other	190,728	171,414
Total non-current liabilities	56,609,574	95,104,498
Total liabilities	69,491,519	119,404,088
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	82,306,222
Treasury stock	(20,744,876)	(28,242,923)
Total shareholders' equity	52,164,319	68,263,526
Other accumulated comprehensive equity		
Valuation difference on available-for-sale securities	128,932,558	225,990,699
Foreign currency translation adjustment	3,670,418	3,850,038
Total other accumulated comprehensive equity	132,602,977	229,840,737
Non-controlling interests	900,028	1,216,933
Total net assets	185,667,324	299,321,198
Total liabilities and net assets	255,158,843	418,725,286

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

Cumulative first quarter

(Unit: Thousand Yen)

	Previous interim consolidated fiscal period (from April 1, 2025 to September 30, 2025)	Current interim consolidated fiscal period (from April 1, 2026 to September 30, 2026)
Net sales	21,328,423	19,426,697
Cost of sales	17,486,490	15,364,247
Gross profits	3,841,933	4,062,449
Selling, general and administrative expenses	2,813,012	3,142,085
Operating profit	1,028,921	920,363
Non-operating income		
Interest income	120,762	153,748
Gain from investment partnerships	－	9,472
Gain on valuation of investment securities	23,293	579,316
Gain on forfeiture of unclaimed dividends	2,158	2,246
Miscellaneous income	738	152,299
Total non-operating income	146,952	897,083
Non-operating expenses		
Interest expenses	5,759	1,244
Share repurchase costs	512	39,756
Loss on investments in investment partnerships	6,967	－
Investment partnerships management fee	173,085	110,270
Donations	56,299	42,002
Foreign exchange losses	216,496	56,671
Miscellaneous losses	6,070	30,950
Total non-operating expenses	465,191	280,895
Ordinary profit	710,682	1,536,551
Extraordinary income		
Gain on sales of investment securities	－	48,431,692
Total extraordinary income	－	48,431,692
Extraordinary loss		
Loss on retirement of noncurrent assets	－	508,553
Total extraordinary losses：	－	508,553
Profit before income taxes for the interim period	710,682	49,459,689
Income taxes	333,634	15,617,728
Profit for the interim period	377,047	33,841,961
(Breakdown)		
Profit attributable to owners of parent	398,609	33,763,975
Profit (loss) attributable to non-controlling interests	(21,561)	77,986
Other comprehensive income		
Valuation difference on available-for-sale securities	58,213,422	97,058,141
Foreign currency translation adjustment	(158,389)	220,266
Total other comprehensive income	58,055,033	97,278,407
Comprehensive income for the interim period	58,432,081	131,120,369
(Breakdown)		
Comprehensive income attributable to owners of parent	58,504,433	131,001,736
Comprehensive income attributable to non-controlling interests	(72,351)	118,632

（３）Interim consolidated statements of cash flows

Unit (Thousand Yen)

	Previous interim consolidated fiscal period (from April 1, 2025 to September 30, 2025)	Current interim consolidated fiscal period (from April 1, 2026 to September 30, 2026)
Cash flows from operating activities		
Profit before income taxes	710,682	49,459,689
Depreciation	336,752	290,387
Amortization of long-term prepaid expenses	313,616	323,003
Increase (decrease) in allowance for doubtful accounts	(3,547)	18,771
Increase (decrease) in provision for bonuses	(48,734)	(77,811)
Increase (decrease) in reserves for loss on construction contracts	24,274	(158,067)
Interest and dividend income	(120,762)	(153,748)
Interest expenses	5,759	1,244
Loss (gain) from investment partnerships	6,967	(9,472)
Foreign exchange gain (loss)	122,154	33,168
Loss on retirement of noncurrent assets	－	508,553
Loss (gain) on valuation of investment securities	(23,293)	(579,316)
Loss (gain) on sales of investment securities	－	(48,431,692)
Decrease (increase) in trade receivables	(4,837,227)	(4,805,200)
Decrease (increase) in inventories	20,047	1,148,694
Increase (decrease) in trade payables	1,783,853	141,072
Decrease (increase) in other assets	247,766	(3,443,071)
Increase (decrease) in other liabilities	(704,428)	674,034
Other	80,419	(108,661)
Subtotal	(2,085,699)	(5,168,420)
Interest and dividend income received	119,276	115,113
Interest expenses paid	(4,423)	(1,244)
Corporate and other income tax refunds	－	655
Corporate and other income taxes paid	(994,750)	(4,251,483)
Cash flows from operating activities	(2,965,596)	(9,305,378)
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	452,662	－
Payments into time deposits	－	(79)
Purchase of property, plant and equipment	(1,788,767)	(1,726,553)
Purchase of intangible assets	(74,021)	(101,133)
Proceeds from sale of investment securities	－	49,422,091
Purchase of investment securities	(4,541,176)	(1,377,755)
Purchase of long-term prepaid expenses	(135,744)	(10,979)
Other	1,312	85,042
Cash flows from investing activities	(6,085,735)	46,290,631

Unit (Thousand Yen)

	Previous interim consolidated fiscal period (from April 1, 2025 to September 30, 2025)	Current interim consolidated fiscal period (from April 1, 2026 to September 30, 2026)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	8,500,000	—
Payments for purchase of treasury shares	(5,129,041)	(14,297,767)
Increase (decrease) in deposits for purchase of treasury shares	—	446,093
Proceeds from contributions by non-controlling interests to investment partnerships	338,551	198,271
Dividends paid	(2,385,300)	(3,732,453)
Other	(7,346)	(17,250)
Cash flows from financing activities	1,316,863	(17,403,106)
Effect of exchange rate changes on cash and cash equivalents	(44,004)	(78,062)
Net increase (decrease) in cash and cash equivalents	(7,778,473)	19,504,084
Balance at the beginning of the period of cash and cash equivalents	17,547,875	15,321,631
Balance at the end of the current interim period of cash and cash equivalents	9,769,401	34,825,715

（４）Notes relating to interim consolidated financial statements

(Notes on going concern assumptions)

None

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

Interim consolidated financial period of previous fiscal year (from April 1, 2025 to September 30, 2025)

The Company repurchased 995,600 shares of its treasury stock pursuant to the resolution of the Board of Directors held on May 14, 2025. As a result, treasury stock increased by ¥5,128,528 thousand, including increases resulting from the purchase of shares less than one unit. Meanwhile, treasury stock totaling 29,950 shares were canceled, resulting in a decrease of ¥118,420 thousand. Consequently, the balance of treasury stock at the end of the previous interim consolidated financial period was ¥18,477,528 thousand.

Interim consolidated financial period (from April 1, 2026 to September 30, 2026)

The Company repurchased 515,300 shares, 453,500 shares, and 379,500 shares of its treasury stock, respectively, pursuant to the resolution of the Board of Directors held on February 6, 2026, 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, and the resolution of the Board of Directors held on August 6, 2026.

As a result, including increases due to the purchase of shares less than one unit, while it decreased by ¥6,759,964 thousand due to the disposal of 31,700 shares of treasury stock and the cancellation of 1,047,600 shares of treasury stock, resulting in a balance of treasury stock of ¥28,242,923 thousand at the end of the current interim consolidated financial period.

As a result, treasury stock increased by ¥14,258,010 thousand, including increases resulting from the purchase of shares constituting less than one unit, among other factors. Meanwhile, treasury stock decreased by ¥6,759,964 thousand due to the disposal of 31,700 shares of treasury stock and the cancellation of 1,047,600 shares of treasury stock. Consequently, the balance of treasury stock at the end of the current interim consolidated fiscal period was ¥28,242,923 thousand.

(Notes on Application of Accounting Methods Specific to the Preparation of Interim Consolidated Financial Statements)

(Calculation of Income Taxes)

For income taxes, the Company reasonably estimates the effective tax rate after applying tax effect accounting to profit before income taxes for the consolidated fiscal year, including the current interim consolidated accounting period, and calculates income taxes by multiplying interim 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.