

(Translation)

May 9, 2008

Name of the Company: MegaChips Corporation
Representative: Shigeki Matsuoka
President and CEO
(Representative Director)
(Code No. 6875, the First Section of the Tokyo Stock Exchange)
Person to contact: Tetsuo Hikawa
Director, Officer and General
Manager of Corporate Control
Division
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Notice of Change of Organization and Officers

Notice is hereby given that MegaChips Corporation (the "Company"), at the meeting of its Board of Directors held today, determined to change its organization and officers as of May 10, 2008, as described below:

Description

1. Purpose of the change of its organization and officers:

The Company, as an R&D-oriented, fabless enterprise, has focused its efforts on strengthening its business base of customer-specific LSIs (ASIC) and also cultivating and expanding the businesses of application-specific LSIs (ASSP) and system products. As a result, for the fiscal year ended March 31, 2008, the Company posted record operating income and net income.

However, to sustain growth on a medium- and long-term basis, the Company must direct its efforts toward strengthening the bases of its existing customer-specific LSIs and system businesses, as well as cultivating new businesses and strengthening its business management system. Thus, the Company will focus its efforts on the following issues:

- (1) The Company has an advantage in customer-specific business in which solutions are provided to specific customers. To reap such advantage, the Company will establish a system by which optimum solutions can be provided,

covering LSIs to boards and modules to finished products, and also promote new customer development.

- (2) The Company will make positive efforts to cultivate its system LSIs from which the Company's competitive edge derives and the business of electronic devices, including boards and modules, utilizing its system LSIs.
- (3) The Company will focus its efforts on strengthening its business management system, as well as the management of individual businesses, company-wide business administration and its management base.

Thus, the Company has determined to change its organization and officers to establish a management base that may solve these management issues and allow it to sustain continuous growth.

2. Details of the change of its organization:

- (1) To maximize the fusion and synergy of the LSI business and the system business and vigorously seek further growth of both businesses and the cultivation of new businesses, the company system will be abolished and a "Customer Specific Business Headquarters" and a "Specific Use Business Headquarters" will be instituted.
- (2) The "Customer Specific Business Headquarters" will exercise general control over the "ASIC Business Division", "System Business Division" and "New Customer Development Department". The "ASIC Business Division" will promote the business of LSI products specialized in equipment for specific customers. The "System Business Division" will promote the business of system products specialized in uses of specific customers. The "New Customer Development Department" will promote new customer development and business cultivation in customer-specific LSI business and system business.
- (3) The "Specific Use Business Headquarters" will exercise general control over the "ASSP Business Division" and "Module & Electronic Device Business Division". The "ASSP Business Division" will promote the business of system LSIs specialized in specific uses. The "Module & Electronic Device Business Division" will promote the cultivation of new businesses of boards and modules with the Company's system LSIs forming the core thereof and strive to enlarge business opportunities.
- (4) To strengthen the business management system and promote improvements of operating efficiencies, as well as to strengthen the functions of formulating company-wide management strategies and promoting each business, an "Administrative Headquarters" will be instituted to exercise general control over the "Corporate Control Division" and "Strategic Management Office".

3. Details of the change of its officers:

New Title	Name	Current Title
President and CEO (Representative Director), General Manager, Administrative Headquarters; Director, MegaChips (Hong Kong) Limited	Shigeki Matsuoka	President and CEO (Representative Director); Director, MegaChips (Hong Kong) Limited
Director, Officer and General Manager, Customer Specific Business Headquarters; Department Manager, New Customer Development Department; Director, MegaChips (Hong Kong) Limited	Yoshimasa Hayashi	Director, Officer; General Manager, Strategic Business Development Office; Director, MegaChips (Hong Kong) Limited
Director, Officer and General Manager, Specific Use Business Headquarters; General Manager, ASSP Business Division	Keizo Higuchi	Director, Officer; Company President and General Manager of Division 2, LSI Company
Officer and General Manager, ASIC Business Division, Customer Specific Business Headquarters	Tetsuo Furuichi	Officer and General Manager, Division 1, LSI Company
Officer and General Manager, System Business Division, Customer Specific Business Headquarters; General Manager of Tokyo Office	Shunsuke Shikata	Officer and General Manager of Tokyo Office; Company Vice President and Department Manager of Sales & Marketing Department, System Company
Officer and General Manager, Module & Electronic Device Business Division, Specific Use Business Headquarters	Takashi Furumura	Company President and Department Manager, Development Department, System Company

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