

FOR IMMEDIATE RELEASE



September 16, 2016

Name of the Company: MegaChips Corporation  
 Representative: Akira Takata, President and CEO  
 (Code No. 6875, First Section of the Tokyo Stock Exchange)

### Notice Concerning the Partial Forfeiture of the Right to Subscribe for Treasury Stock Disposed as an Incentive to U.S. Subsidiary Members

MegaChips Corporation (the “Company”) hereby announces that there have been changes in the amount of treasury stock to be disposed and other related matters as originally intended, resulting from the partial forfeiture of the right to subscribe for treasury stock disposed through a third-party allocation as an incentive to the management and employees of SiTime Corporation (“SiTime”), a subsidiary of the Company, which was resolved at the 26th Ordinary General Meeting of Shareholders held on June 23, 2016.

1. Changes in the Outline of the Disposal of Treasury Stock (Changed portions are underlined.)

[Before Changes]

(1) Type and total number of shares	<u>339,911 common shares</u> of MegaChips Corporation (Total)																
(2) Payment amount per share	1 cent per share																
(3) Total payment amount	<u>3,399 dollars 11 cents</u>																
(4) Payment dates and number of shares disposed on each date *All dates are in Japanese time	<table> <tr> <td>1. September 15, 2016</td> <td><u>45,380 shares</u></td> </tr> <tr> <td>2. December 15, 2016</td> <td><u>45,380 shares</u></td> </tr> <tr> <td>3. March 15, 2017</td> <td><u>45,380 shares</u></td> </tr> <tr> <td>4. June 15, 2017</td> <td><u>45,384 shares</u></td> </tr> <tr> <td>5. September 15, 2017</td> <td><u>39,588 shares</u></td> </tr> <tr> <td>6. December 15, 2017</td> <td><u>39,588 shares</u></td> </tr> <tr> <td>7. March 15, 2018</td> <td><u>39,588 shares</u></td> </tr> <tr> <td>8. June 15, 2018</td> <td><u>39,623 shares</u></td> </tr> </table>	1. September 15, 2016	<u>45,380 shares</u>	2. December 15, 2016	<u>45,380 shares</u>	3. March 15, 2017	<u>45,380 shares</u>	4. June 15, 2017	<u>45,384 shares</u>	5. September 15, 2017	<u>39,588 shares</u>	6. December 15, 2017	<u>39,588 shares</u>	7. March 15, 2018	<u>39,588 shares</u>	8. June 15, 2018	<u>39,623 shares</u>
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(5) Method of subscription or disposal	By way of third-party allocation																
(6) Individuals to which treasury stock is allocated	Directors and employees of SiTime ( <u>Total: 35</u> )																
(7) Other	The allocation of treasury stock is planned to be dependent on the manager or employee belonging to SiTime on the date of allocation.																

【After Changes】

(1) Type and total number of shares	<u>337,935</u> common shares of MegaChips Corporation (Total)																
(2) Payment amount per share	1 cent per share																
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(4) Payment dates and number of shares disposed on each date *All dates are in Japanese time	<table> <tr> <td>1. September 15, 2016</td> <td><u>45,133 shares</u></td> </tr> <tr> <td>2. December 15, 2016</td> <td><u>45,133 shares</u></td> </tr> <tr> <td>3. March 15, 2017</td> <td><u>45,133 shares</u></td> </tr> <tr> <td>4. June 15, 2017</td> <td><u>45,137 shares</u></td> </tr> <tr> <td>5. September 15, 2017</td> <td><u>39,341 shares</u></td> </tr> <tr> <td>6. December 15, 2017</td> <td><u>39,341 shares</u></td> </tr> <tr> <td>7. March 15, 2018</td> <td><u>39,341 shares</u></td> </tr> <tr> <td>8. June 15, 2018</td> <td><u>39,376 shares</u></td> </tr> </table>	1. September 15, 2016	<u>45,133 shares</u>	2. December 15, 2016	<u>45,133 shares</u>	3. March 15, 2017	<u>45,133 shares</u>	4. June 15, 2017	<u>45,137 shares</u>	5. September 15, 2017	<u>39,341 shares</u>	6. December 15, 2017	<u>39,341 shares</u>	7. March 15, 2018	<u>39,341 shares</u>	8. June 15, 2018	<u>39,376 shares</u>
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2. Reason for Changes

Due to the retirement of one employee of SiTime who is eligible for the allocation of such treasury stock

3. Prospects

The above changes have a minimal impact on the performance of the Company for the fiscal year under review.