

FOR IMMEDIATE RELEASE



April 17, 2020

Company Name MegaChips Corporation
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Decision on Year-end Dividend and Abolishment of Shareholders Benefit Program

MegaChips Corporation (“the Company” hereinafter) today announces that at the Board of Directors meeting held on April 17, 2020, the Company resolved the year-end dividend and an abolishment of shareholders benefit program.

1. Decision on year-end dividend for the fiscal year ended March 31, 2020

The Company pay dividends once per year based on the dividend policy, using the year-end date as the record date. The amount of dividends paid is determined as equivalent to more than 30% of net income for the year taking medium-term business condition into consideration.

Although the year-end dividend forecast for the current fiscal year (ended March 31, 2020) was undecided, taking medium term business condition into consideration, the Company has decided to pay a year-end dividend of 17 yen (same amount for the previous period) to the shareholders as of March 31, 2020.

▪ Details of Year-end Dividend

Record date	Full-year dividend (JPY)				
	End of 1 st Quarter	End of 2 nd Quarter	End of 3 rd Quarter	Year-end	Total
Previous	—	—	—	—	—
Latest	—	—	—	17.00	17.00
Results	—	—	—		
Previous fiscal year	—	—	—	17.00	17.00

▪ Future schedule

- June 4, 2020 Send out document about dividend with Notice, Reference Documents, and Provided Documents of Annual General Meeting of Shareholders
- June 5, 2020 Start to pay dividend

2. Abolishment of FY2020 Shareholders Benefit Program

We have decided to implement shareholders benefit program in June 2020 to the shareholders who hold one unit (100 shares) or more as of March 31, 2020 in the BOD meeting held on February 5, 2020.

However, as a global economic downturn seems to be inevitable due to coronavirus outbreak, the Company has concluded to put emphasis on the cash dividend to the shareholders as a profit allocation and abolish shareholders benefit program of FY2020. We will make continued efforts to enhance shareholder returns, and your understanding will be highly appreciated.