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Elpida Memory, Inc.

(Tokyo Stock Exchange, 6665)

June 7, 2011

Notice of Ordinary General Meeting of Shareholders Following the Close of the 12th Fiscal Year

Dear Shareholder,

We would like to offer our deepest sympathy to people who have suffered hardship from the Great East Japan Earthquake that occurred this March.

Elpida Memory, Inc. (the “Company”) would hereby like to inform you that the 12th Ordinary General Meeting of Shareholders will be held as follows, and would be grateful if you could attend the meeting.

There are items on the agenda that require a quorum for resolution. If you are unable to attend the meeting, you can exercise your voting rights by paper ballot or electronic means (i.e. via the Internet). Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:30 p.m., Monday, June 27, 2011 (JST), following the guide from Page 3 to Page 4.

Yours faithfully,

Yukio Sakamoto,
Representative Director, President
Elpida Memory, Inc.
2-1 Yaesu 2-chome, Chuo-ku, Tokyo

- 1. Date and time:** Tuesday, June 28, 2011, from 10:00 a.m. (JST)
- 2. Place:** New Pier Hall
1st Floor, New Pier Takeshiba North Tower
1-11-1 Kaigan, Minato-ku, Tokyo, Japan
(Please note that the aforementioned location is different from last year.)

3. Subject matters of the General Meeting of Shareholders:

Items to be reported:

1. The Business Report, the Consolidated Financial Statements and the results of audit of the consolidated financial statements by the Independent Auditors and the Board of Corporate Auditors for the 12th fiscal year (from April 1, 2010 to March 31, 2011)
2. The Financial Statements for the 12th fiscal year (from April 1, 2010 to March 31, 2011)

Items to be resolved:

- | | |
|-------------|---|
| Proposal 1: | Election of Two (2) Directors |
| Proposal 2: | Election of Three (3) Corporate Auditors |
| Proposal 3: | Election of One (1) Substitute Corporate Auditor |
| Proposal 4: | Reduction in Legal Capital Surplus |
| Proposal 5: | Granting of Retirement Benefits to Retiring Director and Retiring Corporate Auditor |

Request

Shareholders are requested to bring and present the appended voting form at the reception desk when attending the meeting.

Information

- (1) Notes to Consolidated Financial Statements and Notes to Financial Statements which are to accompany the Notice of Ordinary General Meeting of Shareholders have been posted on the Company's website (<http://www.elpida.com/ja/>) in compliance with laws and regulations as well as Article 15 of the Company's Articles of Incorporation. Therefore, such information is not included in the documents attached hereto.
- (2) If there is any revision to the Business Report, Consolidated Financial Statements, Financial Statements, and Reference Documents for the General Meeting of Shareholders, such revision will be notified on the Company's website stated above.
- (3) After the closing of this meeting, the Business Briefing Session will be held in the same place. We would very much like you to remain at the place and attend the Session.

Voting when you are unable to attend the meeting

- 1. Exercise of voting rights in writing**
Please indicate your “approval” or “disapproval” for each of the proposals on the voting form enclosed herewith and return the form to arrive no later than 5:30 p.m. on Monday, June 27, 2011 (JST).
- 2. Exercise of voting rights by electronic means (i.e. via the Internet)**
Please refer to the below and enter your vote for each proposal no later than 5:30 p.m. on Monday, June 27, 2011 (JST).

Procedures When Voting via the Internet

Please review the following matters when voting via the Internet.

1. You may enter your vote only by using the voting website designated by the Company as below. This site is also accessible via mobile phone.
Voting website URL: <http://www.webdk.net>
2. If voting via the Internet, please follow the on-screen instructions and enter your vote for each proposal using the code and password for voting stated in the enclosed voting form.
3. We will accept votes submitted via the Internet until 5:30 p.m., Monday, June 27, 2011 (JST), but would appreciate your prompt voting for convenience in compiling voting results.
4. It should be noted that you will bear connection fees to your service provider and communication fees to your telecommunication service provider (such as telephone charges) incurred by accessing the voting website.

System Environment for Voting via the Internet

The following system environment is required for accessing the voting website.

- (i) You must have access to the Internet.
- (ii) If you wish to exercise your voting rights using your personal computer, Microsoft® Internet Explorer6.0 or above is required as your Internet browser software. Adequate hardware environment that supports the above browser software is also required.
- (iii) If you wish to exercise your voting rights by using your mobile phone, the relevant device must be capable of 128bitSSL telecommunication (encrypted communication). (To ensure security, the Company website is only configured to support models capable of 128bitSSL telecommunication (encrypted communication). The website thus cannot be accessed by certain models. You may also vote using the full-browser function of your mobile phone (including smart phones), although it may not be possible to access the website depending on the model of your mobile phone.) (Microsoft® is a registered trademark of Microsoft Corporation (incorporated in the U.S.) in the U.S. and other countries.

Inquiries regarding Voting via the Internet

If you have any questions regarding voting via the Internet, please contact:

Transfer Agent: Stock Transfer Agency Department, Sumitomo Trust and Banking Co., Ltd.
Telephone: 0120-186-417 (9 a.m. to 9 p.m. (JST))

(Inquiries on matters other than the exercise of voting rights): 0120-176-417 (9 a.m. to 5 p.m., (JST) excluding Saturdays, Sundays and Japanese national holidays)

Platform for Electronic Voting

Nominee shareholders which are trust banks, etc. (including standing proxy agents), that have made a prior application for using the platform for electronic voting operated by ICJ Inc., the joint company established by several organizations, including the Tokyo Stock Exchange, may use the platform as an electronic method for voting at the Company's General Meeting of Shareholders in addition to the electronic method as described above.

3. Other matters regarding Voting:

- (1) If you vote more than once via the Internet, or if you vote by both PC and mobile phone, the last vote will be deemed valid.
- (2) If you vote both in writing and via the Internet, the Internet vote will be deemed valid.

(Translation)

Business Report

(From April 1, 2010, to March 31, 2011)

1. Overview of Consolidated Business Activities

(1) Business Conditions in the Fiscal Year under Review

1) Progress and Results of Business Activities

During the fiscal year under review, the global economy showed a steady recovery, thanks to the continuing effects of easy money policy and economic stimulus policy in many countries. In the United States, the fiscal deficit expanded and unemployment rate continued to be high, and in Europe the economy remained stagnant until the middle of the fiscal year due to the financial crisis that started in Greece. However, while personal spending steadily recovered in developed countries and economic activities remained upbeat in the emerging countries, high economic growth rates were recorded in many countries despite the presence of inflationary pressure and risk of overheated economy.

In the DRAM industry, supply of DRAM was limited during the first half of the fiscal year affected by capital spending cuts by DRAM makers over a long period. On the other hand, recovery of enterprise IT investment following the pickup of the economy increased DRAM demand, resulting in tight supply-demand balance of DRAM for PCs and servers, which helped the selling price to stay high. However, in the latter half of the year, growth in PC shipments slowed down while the DRAM supply increased on the back of technology migration by DRAM makers to finer DRAM manufacturing processes, leading to a collapse in the balance of supply and demand of DRAM, and prices fell sharply and remained low thereafter. In spite such operating environment, thanks to favorable shipments of smart phones and tablet PCs, whose demand started to increase from the fiscal year, demand for DRAM used in such mobile equipment increased significantly.

In response to such circumstances, the Company reexamined the procurement volume from semiconductor foundries and the production volume at Hiroshima Plant for DRAM for PCs. The Company has been slashing its production volume since November 2010 while it expanded the production of DRAM used in mobile equipment whose demand is booming. At the same time, in an effort to improve the profitability through reducing costs, the Company promoted a shift to the production lines of the 40nm process. In the area of development, the Company is pushing ahead with its R&D efforts for process technology for 30nm and future generations, and as a result, the Company began sample shipments of 4-Gigabyte DDR3 SO-DIMM using 30nm process technology in December. Furthermore, the Company and Rexchip Electronics Corporation (“Rexchip”), the Company’s consolidated subsidiary in Taiwan, launched a joint R&D project at Rexchip’s R&D Center from this fiscal year, and succeeded in developing 1-gigabit DDR3 SDRAMs featuring 4F² memory cell architecture in February 2011.

In addition to these actions, in order to enhance the partnership with a Taiwanese DRAM maker in accordance with the business restructuring plan based on the “Act on Special Measures for Industrial Revitalization and Innovation of Industrial Activities,” which is a plan the Company submitted to and received approval from the Ministry of Economy, Trade and Industry in June 2009, the Company issued TDR (Taiwan

Depository Receipts) and listed on the Taiwan Stock Exchange in February 2011. The Company expects this TDR offering will enhance the Company's presence in Taiwan, not only with its business partners but also with local ordinary investors. The Company believes that it will help find opportunities to expand its business in Taiwan and will also attract a new investor base and diversify its financing methods. By appropriating the funds raised by the TDR offering for research and development of next-generation DRAM manufacturing processes, and thus lowering manufacturing costs and securing the leading technology position, the Company is able to further strengthen its long-term competitiveness.

On March 11, 2011, the Great East Japan Earthquake occurred and damaged many manufacturers including semiconductor-related makers in the Tohoku region. In addition, accidents at the nuclear power plant and following rolling blackouts affected production activities not only in Japan but also in the entire world. The group consisting of the Company and its consolidated subsidiaries ("the Group") has not suffered any damage in terms of its employees and manufacturing equipment, and the Hiroshima Plant, which is engaged in front-end process of DRAM manufacturing, recovered normal production on the next day, as the area only registered a low-intensity quake. Akita Elpida Memory, Inc., which is engaged in back-end processes, had to suspend its operations for a while due to a loss of power but successively restarted production processes from March 16, 2011. The impact of the earthquake on the Company's business performance for the fiscal year under review thus was limited.

As a result, DRAM bit shipments of the Company for the fiscal year under review increased by 33% YoY (year on year) and the average selling price (in U.S. dollars) decreased by 12% YoY. Despite the appreciation of the yen, net sales increased 10.1% YoY to 514,316 million yen, gross profit by 14.1% YoY to 101,488 million yen, operating income by 33.3% YoY to 35,788 million yen, ordinary income by 12.7% YoY to 13,854 million yen, and net income declined by 32.1% YoY to 2,096 million yen. The Company posted settlement gain of 2,705 million yen as an extraordinary income, loss on retirement of noncurrent assets of 1,521 million yen as an extraordinary loss, and 13,079 million yen as minority interests in income.

Tera Probe, Inc. ("Tera Probe"), which was the Company's consolidated subsidiary, listed its stock on the Mothers Section of the Tokyo Stock Exchange in December 2010 and became the Company's equity method affiliate, together with its subsidiary TeraPower Technology Inc.

Premier DRAM

Net sales of premier DRAM, which consist of sales of DRAMs used in mobile equipment and digital consumer electronics and others, marked 156,239 million yen. In particular, demand for DRAMs used in mobile equipment surged thanks to buoyant sales of smart phones and tablet PCs worldwide and an increase in memory capacity per unit. An increase in the Company's share in the sales of large capacity DRAM products to the world's top-class manufacturers of those mobile devices also contributed to a substantial growth in net sales.

Computing DRAM

Net sales of Computing DRAM, which consist of sales of DRAMs used in PCs and servers, amounted 358,077 million yen. In the first half of the fiscal year under review, net sales of DRAMs used in PCs, which make up most of the Computing DRAMs sales, exceeded the level achieved in the same period of the previous fiscal year

substantially. This was thanks to an increase in prices, driven by an improved supply and demand balance. However, the market softened in the latter half of the fiscal year leading to a fall in prices, and net sales decreased dramatically.

2) Capital Investment

During the fiscal year under review, the Group allocated a total of 117,553 million yen to capital expenditures mostly to enhance production for 40 nm/30 nm process technology on production lines of the Hiroshima Plant and Rexchip.

3) Financing

The Company provided for the financing of capital investments on cutting-edge equipment and research and development to actively reduce costs of the Company and its consolidated subsidiaries, and repayment and redemption of interest-bearing debts, including loans, lease obligations, bonds, etc. as described below.

- The Company raised 11,679 million yen by issuing common shares allotted to Kingston Technology Corporation (“KTC”).
- The Company raised 75 million U.S. dollars by issuing US dollar denominated convertible bond-type bonds with subscription rights to shares allotted to KTC.
- The Company raised 60,000 million yen by issuing convertible bond-type bonds with subscription rights to shares.
- The Company raised 4,260 million New Taiwan dollars by issuing TDR (Taiwan depository receipts), which represent common share of the Company, within the Taiwan region.
- The Company raised 32,479 million yen by finance lease (sale and leaseback transaction).

4) Acquisition or Disposition of Shares and Other Interests in Other Companies (including Foreign Companies) or Subscription Rights to Shares

The Company sold a portion (1 million shares) of its holding shares of Tera Probe, a former consolidated subsidiary of the Company, in connection with Tera Probe’s listing on the Mothers market of the Tokyo Stock Exchange and public offering of its new shares. Consequently, the Company’s share of voting rights in Tera Probe became 39.6%.

(2) Changes in Properties and Profits and Losses in the Most Recent Three Fiscal Years

	The 9th Fiscal year (The Fiscal Year Ended March 2008)	The 10th Fiscal year (The Fiscal Year Ended March 2009)	The 11th Fiscal year (The Fiscal Year Ended March 2010)	The 12th Fiscal year (The Fiscal Year Ended March 2011)
Net sales (Millions of yen)	405,481	331,049	466,953	514,316
Operating income (loss) (Millions of yen)	(24,940)	(147,389)	26,845	35,788
Ordinary income (loss) (Millions of yen)	(39,623)	(168,757)	12,290	13,854
Net income (loss) (Millions of yen)	(23,542)	(178,870)	3,085	2,096
Net income (loss) per share (Yen)	(181.58)	(1,349.11)	14.54	5.41
Total assets (Millions of yen)	754,379	965,289	947,450	878,970
Net assets (Millions of yen)	347,875	266,469	346,782	356,004
Net assets per share (Yen)	2,679.57	1,181.45	1,185.27	1,192.48

(3) Status of Significant Subsidiaries (as of March 31, 2011)

Name of subsidiary	Capital	Percentage of voting rights (%)	Principal Business Activities
Akita Elpida Memory, Inc.	Millions of yen 310	100	Manufacturing of electronic components, such as semiconductor devices and integrated circuits (back-end process)
Rexchip Electronics Corporation	Thousands of New Taiwan dollars 29,451,000	64.7 (13.0)	Manufacturing of electronic components, such as semiconductor devices and integrated circuits (front-end process)
Elpida Memory (Europe) GmbH	Thousands of euros 25	100 (100)	Design and development of electronic components, such as semiconductor devices and integrated circuits
Elpida Memory (Italy) S.r.l.	Thousands of euros 10	100 (100)	Design and development of electronic components, such as semiconductor devices and integrated circuits
Elpida Memory (USA) Inc.	Thousands of U.S. dollars 4,000	100	Sales of electronic components, such as semiconductor devices and integrated circuits
Elpida Memory (Taiwan) Co., Ltd.	Thousands of New Taiwan dollar 50,000	100 (100)	Sales of electronic components, such as semiconductor devices and integrated circuits
Elpida Memory (Singapore) Pte. Ltd.	Thousands of Singapore dollars 800	100 (100)	Sales of electronic components, such as semiconductor devices and integrated circuits
Elpida Memory (Hong Kong) Co., Ltd.	Thousands of HK dollars 3,500	100 (100)	Sales of electronic components, such as semiconductor devices and integrated circuits
Elpida Memory (Europe) Sàrl	Thousands of Swiss francs 20	100 (100)	Sales of electronic components, such as semiconductor devices and integrated circuits
Elpida Memory (Korea) Co., Ltd.	Thousands of won 350,000	100 (100)	Assistance of sales in South Korea, etc.
Elpida Memory International B.V.	Thousands of euros 18	100	Management and assistance of businesses in the Asian and European regions
EBS, Inc.	Millions of yen 15,405	100	Management of fund , etc.
ECM, Inc.	Millions of yen 7,550	90.0	Sales of semiconductor products manufactured by or for the Group, etc.

Notes:

1. Figures in brackets in percentage of voting rights indicate the percentages of indirect ownership included in the above figures.
2. In April 2010, Rexchip registered its stock on the Taiwan Emerging Market, which manages stocks before listing.
3. Elpida Memory (Korea) Co., Ltd. was established in June 2010.
4. The Company's former consolidated subsidiary Tera Probe and TeraPower Technology Inc. (a consolidated subsidiary of Tera Probe) became equity method affiliates of the Company after Tera Probe undertook public offering of new shares and the Company sold a portion of its Tera Probe holding in December 2010.

(4) Issues to Be Addressed

The DRAM market is intensely competitive. To achieve further growth and attain a stronger position in the industry, the Group is focusing on the following issues:

1) Reduction of manufacturing costs

Reducing manufacturing costs is the greatest source of corporate profit and is a major topic of concern at all times in the semiconductor memory manufacturing industry. It is essential for the Group to maximize profits during a boom period and maintain a profit structure that enables us to survive a slump through continuous cost reductions under any conditions. Currently, the most effective way to lower manufacturing costs is to minimize die size of products. Accomplishing this, however, depends on making substantial capital investments in manufacturing equipment designed for advanced process technology. This leads to the fundamental problem of how to make efficient capital investments in light of constantly rising equipment costs. Thus, one of the Group's greatest concerns is how it can make the most efficient investments as prices of manufacturing equipment increase.

The Company strives to reduce manufacturing costs by minimizing die size through process migration and developing an innovative memory cell configuration from a technological viewpoint, while continuing to enhance production by improving throughput and achieving shorter cycle times, and reducing manufacturing processes. In the previous fiscal year, the Company achieved lower costs through expanding production with 40nm process. In the coming fiscal years the Company plans to make further cost reductions by migrating to a 30nm process. To shift to a production line with these leading-edge process technologies, the Company will minimize new capital investments by optimizing utilization of the existing equipments through devising process and design, aiming to further cost reductions.

2) Strengthening of business base

More than half of DRAM demand comes from the PC-related market. But since PC DRAMs are commodity products, changes in the balance of supply and demand affect prices and have significant impacts on corporate profits. Also, it is generally expected that as chip manufacturing technology becomes more advanced, greater investments for cutting edge equipment will become necessary for the DRAM business. In the case of an extended slump in the DRAM market, these two factors create the risk that investments for the expansion of production capacity in anticipation of an eventual market recovery and for technology migration to enable lower costs may be insufficient.

Given this risk we believe it is important to make our business base even more robust. One approach we are taking is to strengthen ties with our Taiwan business partners, in order to achieve highly efficient technology development and manufacturing operations among the Group and such partners adopting our technology and to diversify business risk.

At present the Company's Hiroshima Plant is the only production site for DRAM used in mobile equipment. The Great East Japan Earthquake is a powerful reminder of the supply risk involved when manufacturing companies concentrate their production operations in one location. As a supplier, the Company is working quickly to address this kind of unforeseen situation by, for example, making Rexchip in Taiwan ready for production of DRAM used in mobile equipment.

Also, the Company is working to stabilize earnings by boosting the proportion of its business based on high value-added but low price volatility Premier DRAMs.

3) Strengthening of financial base

Looking at the fiscal year under review, although the market suddenly deteriorated after August, thanks to the earnings improvement in the fourth quarter, the Company's full year operating income increased YoY, and net income finished in profit, though it decreased from the previous fiscal year. As a result, operating cash flow for the fiscal year under review was positive for the second year in a row, and free cash flow, the sum of operating cash flow and investing cash flow, became positive. Nonetheless, while the net interest-bearing debt to equity ratio fell substantially from 148% at the end of the previous fiscal year to 102% in this fiscal year, extreme market price volatility in the DRAM market suggests that the balance of interest-bearing debt of 405,056 million yen as of the end of the fiscal year needs to be brought even lower.

To improve its financial condition and prepare for the possibility of a slump in the DRAM market, the Group continues to advance its technological and cost competitiveness, for a better earnings performance. In addition, through improving cash flow by conducting highly efficient capital investment and other financial measures, the Group aims to build a stronger financial position and a healthier business structure.

4) Leading-edge technology R&D

In semiconductor memory production, important performance issues are improving speed and power consumption, enhancing memory capacity, and minimizing die size, etc. To resolve these issues, the implementation of leading-edge processes and new materials, development of innovative memory cell and transistor configuration, as well as development of related measuring and analyzing technologies, are essential. On the other hand, because it is believed that advancement of the manufacturing process node is nearly reaching its physical limits, the DRAM industry is searching for various ways to break the deadlock. Moreover, another issue relating to such development is how we will reduce rising R&D development expenses with increasing technological sophistication and diversification.

Giving priority to its policy of developing new technologies ahead of competitors in these areas, the Company is working to establish an efficient development structure, while working on new technological breakthroughs and securing highly skilled engineers. Moreover, we have established a development center in Rexchip, while enhancing our development capabilities and reducing our cost burden by leveraging technology partnerships with leading domestic and overseas companies and R&D institutions. We will continue to consider strategic cooperation with appropriate companies and research institutions where necessary.

With regard to the physical limits of DRAM manufacturing process migration, the Company continues to develop new memory technologies that could serve as alternatives to DRAM. Also under development is three-dimensional stack packaging, which uses through silicon via (TSV) technology to achieve greater memory capacity.

(5) Principal businesses (as of March 31, 2011)

Development, design, manufacture, sale and maintenance of electronic components, such as semiconductor devices and integrated circuits.

(6) Main Offices and Plants (As of March 31, 2011)

1) Offices and Plants of the Company

Name	Location
Headquarters	Chuo-ku, Tokyo
Hiroshima Plant	Higashi Hiroshima-shi, Hiroshima
Development Center	Chuo-ku, Sagamihara-shi, Kanagawa
Hiroshima Development Center	Higashi Hiroshima-shi, Hiroshima
Kansai Design Center	Yodogawa-ku, Osaka-shi, Osaka
Tohoku Design Center	Akita-shi, Akita
Kansai Branch Office	Yodogawa-ku, Osaka-shi, Osaka

2) Subsidiaries' Offices

Name	Location
Akita Elpida Memory, Inc.	Akita-shi, Akita
Rexchip Electronics Corporation	Taichung, Taiwan
Elpida Memory (Europe) GmbH	Munich, Germany
Elpida Memory (Italy) S.r.l.	Milan, Italy
Elpida Memory (USA) Inc.	California, U.S.A.
Elpida Memory (Taiwan) Co., Ltd.	Taipei, Taiwan
Elpida Memory (Singapore) Pte. Ltd.	Singapore, Singapore
Elpida Memory (Hong Kong) Co., Ltd.	Hong Kong, China
Elpida Memory (Korea) Co., Ltd.	Seoul, South Korea
Elpida Memory (Europe) Sàrl	Geneva, Switzerland

(7) Employees (As of March 31, 2011)

1) Number of employees in the Group

Number of employees	Changes from the end of previous fiscal year
5,898	Down 201 employees

Notes:

1. The number of employees is the number of persons who engage in full-time work.
2. The number of employees decreased by 201 from the end of the previous consolidated fiscal year, mainly because of the deconsolidation of Tera Probe and TeraPower Technology, Inc.

2) Number of employees in the Company

Number of employees	Changes from the end of previous fiscal year	Average age	Average service years
3,190	Up 21 employees	35.6 years old	6.29 years

Notes:

1. The number of employees is the number of persons who engage in full-time work.
2. The number of employees increased by 21 from the end of the previous fiscal year, mainly because of the employment of college graduates.

(8) Major Creditors (As of March 31, 2011)

Creditor	Balance of borrowings
Development Bank of Japan Inc.	21,333 million yen
The Sumitomo Trust and Banking Co., Ltd.	21,007 million yen
Mizuho Corporate Bank, Ltd.	21,007 million yen
Sumitomo Mitsui Banking Corporation	21,007 million yen
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	21,007 million yen
Japan Finance Corporation, Japan Bank for International Cooperation	12,278 million yen

2. Present State of the Company

(1) Capital stock (As of March 31, 2011)

1) The number of authorized shares	
Common shares	400,000,000 shares
Type 1 preferred shares	1,000,000 shares
Type 2 preferred shares	2,000,000 shares
Total	403,000,000 shares
2) The number of shares issued	
Common shares	214,517,370 shares
Type 1 preferred shares	1,000,000 shares
Type 2 preferred shares	2,000,000 shares
Total	217,517,370 shares
3) The number of Shareholders	
Common shares	68,993
Type 1 preferred shares	1
Type 2 preferred shares	2
Total	68,996

(Note) Number of shares increased in the latest fiscal year

- The total number of shares issued increased by 6,470,200 shares because the Company issued 6,470,200 common shares through a third party allotment during the fiscal year.
- The total number of shares issued increased by 10,000,000 because the Company issued 10,000,000 common shares through a third-party allotment, accompanying the issuance of TDR (Taiwan Depository Receipts), during the fiscal year.
- The total number of shares issued increased by 1,445,751 because the Company issued 1,445,751 common shares as the owners of Type 2 preferred shares exercised the right to request that the Company acquires their shares with common shares of the Company during the fiscal year.

4) Major shareholders

Name of shareholder	Number of shares held				Shareholding ratio (%)
	Common shares	Type 1 preferred shares	Type 2 preferred shares	Total	
The Master Trust Bank of Japan, Ltd. (Trust account)	17,494,400 shares	-	-	17,494,400 shares	8.05 %
Mizuho Trust & Banking Co., Ltd. as trustee for Retirement Benefit Trust of Hitachi, Ltd. (re-entrusted to Trust & Custody Services Bank, Ltd.)	12,800,000 shares	-	-	12,800,000 shares	5.89 %
Japan Trustee Services Bank, Ltd. (Trust account)	10,733,051 shares	-	-	10,733,051 shares	4.94 %
NEC Corporation	7,740,020 shares	-	-	7,740,020 shares	3.56 %
FCB-TDR ELPIDA MEMORY, INC.	5,534,100 shares	-	-	5,534,100 shares	2.55 %
MLPFS CUSTODY ACCOUNT	5,474,463 shares	-	-	5,474,463 shares	2.52 %
THE CHASE MANHATTAN BANK 385036	4,341,534 shares	-	-	4,341,534 shares	2.00 %
Japan Trustee Services Bank, Ltd. (Trust account 9)	3,292,400 shares	-	-	3,292,400 shares	1.51 %
Development Bank of Japan Inc.	-	1,000,000 shares	1,838,967 shares	2,838,967 shares	1.31 %
The Nomura Trust and Banking Co., Ltd. (Investment trust account)	2,835,700 shares	-	-	2,835,700 shares	1.30 %

Note: The shareholding ratio has been calculated excluding treasury stock (1,476 common shares and 161,033 Type 2 preferred shares).

(2) Subscription Rights to Shares

1) Subscription rights to shares granted to and held by the Company's Directors and Corporate Auditors in compensation for execution of their duties (as of March 31, 2011):

a) Subscription rights to shares based on the resolution at the meeting of the Board of Directors held on March 22, 2004 (Subscription rights to shares granted in accordance with the former Commercial Code):

- Number of subscription rights to shares:
32,300 (100 shares per subscription right to shares)
- Class and number of shares to be issued or transferred upon exercise of the subscription rights to shares:
3,230,000 common shares
- Issue price of the subscription rights to shares:
Gratis issue
- Amount to be paid upon exercise of each subscription right to shares:
2,500 yen per share
- Period for exercise of the subscription rights to shares:
From April 1, 2004 to March 31, 2011
- Conditions for exercise of the subscription rights to shares:

A grantee of subscription rights to shares shall be in the position of a Director, Corporate Auditor, Executive Officer or employee of the Company or a company of which more than 50% of the total voting rights is directly or indirectly held by the Company when the grantee exercises its subscription rights to shares, except in the cases where the Director, Corporate Auditor or Executive Officer retires from office upon expiration of his/her term of office (including the cases where he/she retires upon the expiration of the term of mandate or is dismissed during the term of entrustment agreement) or where the employee retires due to his/her mandatory retirement age or due to the Company's reason.

Succession of subscription rights to shares by inheritance shall be permitted only in the case the grantee is a decedent. After the said succession, the subscription rights to shares may not be succeeded by inheritance.

Subscription rights to shares may not be disposed in any manner, including pledging.

The conditions of exercising subscription rights to shares shall be governed by the agreement on the grant of subscription rights to shares concluded by and between the Company and each grantee of subscription rights to shares.

- Restrictions on transfer of the subscription rights to shares:

Transfer of the subscription rights to shares shall require the approval of the Board of Directors.

- Subscription rights to shares held by the Company's Directors and Corporate Auditors

	Number of subscription rights to shares	Number of shares subject to subscription rights to shares	Number of holders
Director (Excluding Outside Directors)	7,722	772,200 shares	4
Outside Director	-	-	-
Corporate Auditor	112	11,200 shares	1

b) Subscription rights to shares based on the resolution at the meeting of the Board of Directors held on August 24, 2005 (Subscription rights to shares granted in accordance with the former Commercial Code):

- Number of subscription rights to shares:
6,952 (100 shares per subscription right to shares)
- Class and number of shares to be issued or transferred upon exercise of the subscription rights to shares:
695,200 common shares
- Issue price of the subscription rights to shares:
Gratis issue
- Amount to be paid upon exercise of each share subscription right to shares:
3,766 yen per share
- Period for exercise of the subscription rights to shares:
From October 1, 2007 to September 30, 2013
- Conditions for exercise of the subscription rights to shares:
A grantee of subscription rights to shares shall be in the position of a Director, Corporate Auditor, Executive Officer or employee of the Company or a company of which more than 50% of the total number of voting rights held by all shareholders is directly or indirectly held by the Company when the grantee exercises its subscription rights to shares, except in the cases where he/she retires from office upon the expiration of his/her term of office or due to his/her mandatory retirement age or any other justifiable reason.

Succession of subscription rights to shares by inheritance shall be permitted only in the case the grantee becomes a decedent. After the said succession, the subscription rights to shares may not be succeeded by inheritance.

Subscription rights to shares may not be disposed in any manner, including pledging.

The conditions of exercising subscription rights to shares shall be governed by the agreement on the grant of subscription rights to shares concluded by and between the Company and each grantee of subscription rights to shares.

- Restrictions on transfer of the subscription rights to shares:
Transfer of the subscription rights to shares shall require the approval of the Board of Directors.

- Subscription rights to shares held by the Company's Directors and Corporate Auditors

	Number of subscription rights to shares	Number of shares subject to subscription rights to shares	Number of holders
Director (Excluding Outside Directors)	169	16,900 shares	4
Outside Director	-	-	-
Corporate Auditor	21	2,100 shares	1

c) Subscription rights to shares based on the resolution at the meeting of the Board of Directors held on August 31, 2006 (Subscription rights to shares granted in accordance with the Companies Act):

- Number of subscription rights to shares:
989 (100 shares per subscription right to shares)
- Class and number of shares to be issued or transferred upon exercise of the subscription rights to shares:
98,900 common shares
- Issue price of the subscription rights to shares:
Gratis issue
- Property value for investment in exercising subscription rights to shares:
5,130 yen per share
- Period for exercise of the subscription rights to shares:
From October 1, 2008 to September 30, 2013
- Conditions for exercise of the subscription rights to shares:
A grantee of subscription rights to shares shall be in the position of a Director, Corporate Auditor, Executive Officer or employee of the Company or a company of which more than 50% of the total number of voting rights held by all shareholders is directly or indirectly held by the Company when the grantee exercises its subscription rights to shares, except in the cases where he/she retires from office upon the expiration of his/her term of office or due to his/her mandatory retirement age or any other justifiable reason.

Succession of subscription rights to shares by inheritance shall be permitted only in the case the grantee is a decedent. After the said succession, the subscription rights to shares may not be succeeded by inheritance.

Exercise of subscription rights to shares shall not be approved in cases where they are pledged or under security interests.

The conditions of exercising subscription rights to shares shall be governed by the agreement on the grant of subscription rights to shares concluded by and between the Company and each grantee of subscription rights to shares.

- Restrictions on acquisition of the subscription rights to shares via transfer:
Acquisition of the subscription rights to shares via transfer shall require the approval of the Company's Board of Directors.

- Subscription rights to shares held by the Company's Directors and Corporate Auditors

	Number of subscription rights to shares	Number of shares subject to subscription rights to shares	Number of holders
Director (Excluding Outside directors)	27	2,700 shares	1
Outside Director	-	-	-
Corporate Auditor	-	-	-

d) Subscription rights to shares based on the resolution at the meeting of the Board of Directors held on August 30, 2007 (Subscription rights to shares granted in accordance with the Companies Act):

- Number of subscription rights to shares:
997 (100 shares per subscription right to shares)
- Class and number of shares to be issued or transferred upon exercise of the subscription rights to shares:
99,700 common shares
- Issue price of the subscription rights to shares:
Gratis issue
- Property value for investment in exercising subscription rights to shares:
5,222 yen per share
- Period for exercise of the subscription rights to shares:
From October 1, 2009 to September 30, 2013
- Conditions for exercise of the subscription rights to shares:
A grantee of subscription rights to shares shall be in the position of an employee, Executive Officer, Director or Corporate Auditor of the Company or a company of which more than 50% of the total number of voting rights held by all shareholders is directly or indirectly held by the Company, during the period from the day of grant through the time when the grantee exercises its subscription rights to shares, except in the cases where he/she retires from office upon the expiration of his/her term of office or due to his/her mandatory retirement age or any other justifiable reason.

Succession of subscription rights to shares by inheritance shall be approved only in the case the grantee is a decedent. After the said succession, the subscription rights to shares may not be succeeded by inheritance.

When the subscription rights to shares are pledged or other security interests are established during the period from the day of grant through the time when the grantee exercises its subscription rights to shares, exercising the said rights shall not be approved.

The conditions of exercising subscription rights to shares shall be governed by the agreement on the grant of subscription rights to shares concluded by and between the Company and each grantee of subscription rights to shares.

- Restrictions on acquisition of the subscription rights to shares via transfer:

Acquisition of the subscription rights to shares via transfer shall require the approval of the Company's Board of Directors.

- Subscription rights to shares held by the Company's Directors and Corporate Auditors

	Number of subscription rights to shares	Number of shares subject to subscription rights to shares	Number of holders
Director (Excluding Outside Directors)	70	7,000 shares	2
Outside Director	-	-	-
Corporate Auditor	-	-	-

e) Subscription rights to shares based on the resolution at the meeting of the Board of Directors held on August 26, 2008 (Subscription rights to shares granted in accordance with the Companies Act):

- Number of subscription rights to shares:
1,000 (100 shares per subscription right to shares)
- Class and number of shares to be issued or transferred upon exercise of the subscription rights to shares:
100,000 common shares
- Issue price of the subscription rights to shares:
Gratis issue
- Property value for investment in exercising subscription rights to shares:
2,928 yen per share:
- Period for exercise of the subscription rights to shares:
From October 1, 2010 to September 30, 2013
- Conditions for exercise of the subscription rights to shares:
A grantee of subscription rights to shares shall be in the position of an employee, Executive Officer, Director or Corporate Auditor of the Company or a company of which more than 50% of the total number of voting rights held by all shareholders is directly or indirectly held by the Company, during the period from the day of grant through the time when the grantee exercises its subscription rights to shares, except in the cases where he/she retires from office upon the expiration of his/her term of office or due to his/her mandatory retirement age or any other justifiable reason.

Succession of subscription rights to shares by inheritance shall be approved only in the case the grantee is a decedent. After the said succession, the subscription rights to shares may not be succeeded by inheritance.

When the subscription rights to shares are pledged or other security interests are established during the period from the day of grant through the time when the grantee exercises its subscription rights to shares, exercising the said rights shall not be approved.

The conditions of exercising subscription rights to shares shall be governed by the agreement on the grant of subscription rights to shares concluded by and between the Company and each grantee of subscription rights to shares.

- Restrictions on acquisition of the subscription rights to shares via transfer: Acquisition of the subscription rights to shares via transfer shall require the approval of the Company's Board of Directors.
- Subscription rights to shares held by the Company's Directors and Corporate Auditors

	Number of subscription rights to shares	Number of shares subject to subscription rights to shares	Number of holders
Director (Excluding Outside Directors)	150	15,000 shares	1
Outside Director	-	-	-
Corporate Auditor	-	-	-

- 2) Subscription rights to shares granted to the Company's employees, etc., in compensation for execution of their duties during the fiscal year under review:
Not applicable.
- 3) Other important matters regarding subscription rights to shares
 - a) An outline of subscription rights to shares attached to the U.S. dollar denominated convertible bond-type bonds with subscription rights to shares of 75 million U.S. dollars issued on April 20, 2010 is as follows.

Resolution date of the issuance	April 2, 2010
Number of subscription rights to shares	15
Class of shares subject to the subscription rights to shares	Common share
Number of shares subject to subscription rights to shares	The amount obtained by dividing the total amount of bonds attached with subscription rights to shares regarding the exercise request of which amount shall be converted from U.S. dollars into yen at the fixed foreign exchange rate of 93.43 yen per U.S. dollar (i.e., the amount obtained by multiplying the number of subscription rights to shares regarding the exercise request by 467,150,000 yen) by the conversion price applicable to the date of the exercise request.
Conversion price	Initially 2,052 yen (the conversion price may be revised or adjusted pursuant to certain conditions)
Payment amount for each subscription right to shares	No payment of monies is required.
Period for exercise of the subscription rights to shares	From April 1, 2012 to March 31, 2013
Total number of subscription rights to shares as of March 31, 2011	15

b) An outline of subscription rights to shares attached to the convertible bond-type bonds with subscription rights to shares of 60,000 million yen issued on October 26, 2010 is as follows.

Resolution date of the issuance	October 8, 2010
Number of subscription right to shares	60,000
Class of shares subject to the subscription rights to shares	Common share
Number of shares subject to subscription rights to shares	The amount obtained by dividing the total amount to be paid in for the convertible bonds with subscription rights to shares regarding the exercise request by the conversion price applicable to the date of the exercise request.
Conversion price	Initially 1,222 yen (the conversion price may be revised or adjusted pursuant to certain conditions)
Payment amount for each subscription right to shares	No payment of monies is required.
Period for exercise of the subscription rights to shares	From December 1, 2010 to October 22, 2017
Total number of subscription rights to shares as of March 31, 2011	60,000

(3) Directors and Corporate Auditors of the Company

1) Directors and Corporate Auditors (as of March 31, 2011)

Name	Position and Responsibility in the Company	Significant concurrent positions in other entities, etc.	Remarks
Yukio Sakamoto	Representative Director, President CEO and Head of DRAM Business Unit	Director, Akita Elpida Memory, Inc. Director, Rexchip Electronics Corporation Director, Elpida Memory (USA) Inc. Chairman, Elpida Memory (Taiwan) Co., Ltd. Representative Director, President, EBS, Inc. Representative Director, President, ECM, Inc.	
Shuichi Otsuka	Director, Chief Operating Officer (COO) and in charge of MCP & Flash Div.	Representative Director, President, Akita Elpida Memory, Inc.	
Takao Adachi	Director, CTO (New Memory) and in charge of New Memory Development and Strategic Alliances		
Hideki Gomi	Director, CTO (DRAM Technology) and in charge of DRAM Technology Development Office	Director, Rexchip Electronics Corporation	
Yasuo Shirai	Director, CFO and in charge of Intellectual Property and Legal Affairs		
Shieh Tsay-Jiu	Director	Chairman, Rexchip Electronics Corporation Director, Powertech Technology Inc.	
Nobuyuki Wataki	Director		Note 2
Toshimasa Ota	Full-time Corporate Auditor	Corporate Auditor, Tera Probe, Inc.	
Toshio Nohara	Full-time Corporate Auditor	Corporate Auditor, Akita Elpida Memory, Inc.	
Katsumi Sakurai	Corporate Auditor		Note 3
Masamitsu Nakayama	Corporate Auditor		Note 3

Notes:

1. Mr. Masaji Kubo, Corporate Auditor, resigned from office at the conclusion of the Ordinary General Meeting of Shareholders on June 25, 2010.
2. The above Directors are Outside Directors as stipulated in Article 2, item (15) of the Companies Act.
3. The above Corporate Auditors are Outside Corporate Auditors as stipulated in Article 2, item (16) of the Companies Act.
4. Mr. Katsumi Sakurai, Corporate Auditor, and Mr. Masamitsu Nakayama, Corporate Auditor, have considerable expertise in finance and accounting as follows.
 - Mr. Katsumi Sakurai, Corporate Auditor, engaged in work relating to accounting in Hitachi, Ltd. and its affiliated company for many years.
 - Mr. Masamitsu Nakayama, Corporate Auditor, engaged in work relating to business administration and accounting in a company having overseas consolidated subsidiaries for many years.
5. The Company has registered Mr. Katsumi Sakurai, Corporate Auditor, as an independent officer with the Tokyo Stock Exchange pursuant to the rules for listed companies stipulated by that stock exchange.

6. Regarding Shuichi Otsuka, Director, there was a change in his position and responsibilities during the fiscal year under review as follows.

New	Previous	Date of change
Director, Chief Operating Officer (COO) and in charge of MCP & Flash Div.	Director, COO and in charge of New Memory Project	September 1, 2010

7. Regarding Takao Adachi, Director, there was a change in his position and responsibilities during the fiscal year under review as follows.

New	Previous	Date of change
Director, CTO (New Memory) and in charge of New Memory Development and Strategic Alliances	Director, CTO (New Technology) and in charge of Graphics Div., DRAM Business Unit and New Memory Development	September 1, 2010

8. Regarding Hideki Gomi, Director, there was a change in his position and responsibilities during the fiscal year under review as follows.

New	Previous	Date of change
Director, CTO (DRAM Technology) and in charge of DRAM Technology Development Office	Director, CTO (DRAM Technology) and in charge of DRAM Technology Development Office, DRAM Business Unit	September 1, 2010

2) Total remunerations for Directors and Corporate Auditors pertaining to the fiscal year under review

Category	Headcount	Total amount
Directors (Outside Directors of the above)	11 (5)	131 million yen (10 million yen)
Corporate Auditors (Outside Corporate Auditors of the above)	5 (2)	37 million yen (6 million yen)
Total (Outside Directors and Corporate Auditors of the above)	16 (7)	168 million yen (16 million yen)

Notes:

1. Amounts for Directors do not include the salary for his/her service in the capacity of an employee as employee-director.
2. Maximum annual remuneration for Directors, including Directors' bonuses, is 400 million yen (including annual remuneration of 40 million yen for Outside Directors) according to the resolution at the 8th Ordinary General Meeting of Shareholders held on June 28, 2007.
3. Maximum annual remuneration for Corporate Auditors is 50 million yen, according to the resolution at the Extraordinary General Meeting of Shareholders held on January 28, 2004.
4. Apart from those stated above, 30 million yen (27 million yen for Directors who are not Outside Directors; 3 million yen for Corporate Auditors who are not Outside Corporate Auditors) was booked as provision for directors' retirement benefits in the fiscal year under review.
5. Apart from those stated above, a cost of 2 million yen was accrued in the fiscal year under review relating to remuneration by stock option (one Director who is not an Outside Director).
6. Apart from those stated above, 30 million yen is planned to be paid to one Director who is not an Outside Director, as a remuneration to Director/Corporate Auditor based on the individual mandate contract with the Company.
7. Apart from those stated above, the Company paid 10 million yen to one Corporate Auditor who is not an Outside Corporate Auditors as retirement benefits, based on the resolution at the 11th Ordinary General Meeting of Shareholders held on June 25, 2010.

3) Matters regarding Outside Directors and Outside Corporate Auditors (As of March 31, 2011)

- a) Significant concurrent positions in other entities etc. (when involved in execution of operation of such entities etc.) and relationship between the Company and such entity etc.
Not applicable.

- b) Major activities of Outside Directors and Outside Corporate Auditors in the fiscal year under review

Title	Name	Major Activities
Director	Nobuyuki Wataki	He attended all 13 meetings of the Board of Directors held after assumption of office on June 25, 2010, and made remarks about the Company's business plan including financial plan, using insight gained from his abundant experience in the securities and financial market. This way, he gives advice and makes suggestions to ensure the appropriateness and reasonableness of decisions made by the Board of Directors.
Corporate Auditor	Katsumi Sakurai	He attended all of the 18 meetings of the Board of Directors and all of the 17 meetings of the Board of Corporate Auditors held during the fiscal year under review, and made remarks mainly about finance, accounting and compliance.
Corporate Auditor	Masamitsu Nakayama	He attended all of the 18 meetings of the Board of Directors and all of the 17 meetings of the Board of Corporate Auditors held during the fiscal year under review, and made remarks mainly about finance, accounting and compliance.

c) Outline of contracts for limitation of liability

The Company has entered into a contract for limitation of liability for damages under Article 423, paragraph (1) of the Companies Act, with each outside Director and Outside Corporate Auditor, pursuant to the provision of Article 427, paragraph (1) of the Companies Act. The maximum amount of liability for damages in accordance with the said contract is 10 million yen or the sum of amounts stipulated in Article 425, paragraph (1), items (i) and (ii) of the Companies Act, whichever is higher.

(4) Matters concerning the Accounting Auditor (Independent Auditor)

- 1) Name ERNST & YOUNG SHINNIHON LLC
- 2) Fees and other amounts payable to the Accounting Auditor in the fiscal year under review (FY 2010)

	Amount
Amount of fees prescribed in Article 2, paragraph (1) of the Certified Public Accountants Act	138 million yen
Total amount of money and other economic benefits to be paid by the Company and its subsidiaries to Accounting Auditors	203 million yen

Notes:

1. Some of the Company's significant subsidiaries have been audited by a certified public accountant or an audit corporation (including those who have a foreign qualification equivalent to said certificates) that is not the Company's accounting auditor.
2. For the reason that fees and other amounts for audits is not separated between the fees for audit under the Companies Act or the fees for audit under the Financial Instruments and Exchange Act in the audit agreement concluded between the Company and Accounting Auditor, and since it is impractical to distinguish between these two types of fees, the sum of these amounts is recorded in the amount of fees for the fiscal year under review.

3) Non-audit duties of the Accounting Auditor

The Company paid the Accounting Auditor compensation for advisory and consultancy services with regard to issuance of TDR (Taiwan depository receipts) in Taiwan as non-audit services which mean the services other than those prescribed in Article 2, paragraph (1) of the Certified Public Accountants Act.

4) Policy regarding a decision to dismiss or not reappoint Accounting Auditor
When the Company's Board of Directors recognizes that there is any difficulty in the execution of duties by the Accounting Auditor or concludes that it is necessary to do so for other reasons, it shall submit a proposal of dismissal or non-reappointment of the Accounting Auditor at a General Meeting of Shareholders with the consent of the Board of Corporate Auditors or at its request.

If it is concluded that an Accounting Auditor falls under any of the items in Article 340, paragraph (1) of the Companies Act, the Board of Corporate Auditors shall dismiss the Accounting Auditor with the consent of all the Corporate Auditors. In such case, a Corporate Auditor designated by the Board of Corporate Auditors shall report the dismissal of the Accounting Auditor and the reason for it at the first General Meeting of Shareholders convened after the dismissal. In addition, when the Board of Corporate Auditors recognizes that there is any difficulty in execution of duties by the Accounting Auditor or concludes that it is necessary to do so for other reasons, it will request the Board of Director to submit a proposal of dismissal or non-reappointment of the Accounting Auditor at a General Meeting of Shareholders.

(5) System for Ensuring the Properness of Operations

An outline of the Company's resolution on a system for ensuring that the execution of duties by Directors comply with the laws and regulations and the Company's Articles of Incorporation, and for ensuring the properness of operations of the company, is as follows (latest revision: March 31, 2011).

Summary of Resolution

The basic policies for a system for ensuring that the execution of duties by Directors is in compliance with laws and regulations and the Company's Articles of Incorporation and for ensuring the properness of operation of the Company are described below. The Company will continually develop and enhance the system prescribed by this basic policy, as appropriate.

- 1) System to Ensure the Execution of Duties by Directors and Employees are in Compliance with the Laws and Regulations and the Company's Articles of Incorporation
 - In regard to all corporate activities, the Elpida Code of Conduct shall be the guiding principal to make clear standards and policies necessary for compliance. The Elpida Code of Conduct shall be distributed to Directors and employees of the Group companies (as defined by the resolution of the Board of Director meeting of the Company) and compliance shall be mandatory.
 - Outside Directors shall be appointed for the purpose of improving and supporting supervisory functions that are related to the performance of duties by other Directors.
 - An Executive Compensation Advisory Committee shall be established and maintained for the purpose of enhancing objectivity and transparency of the allocation of remuneration for Directors within a certain range approved at the General Meeting of Shareholders.
 - A Risk Management and Compliance Committee shall be established and maintained for the purpose of deciding policies that concern risk management and compliance systems at all Group companies.
 - An Audit Office shall be established and maintained to audit and inspect procedures and business operations at the Company and each Group company.

- An internal reporting system shall be established and maintained to receive reports with regard to allegations of illegal activities by individuals or business units within Group companies.
 - The Executive Officer in charge of implementing and reviewing the Internal Control System based on this basic policy shall be appointed and a department or division in charge of the same shall be set up under the direction of such Executive Officer in charge. The Executive Officer in charge shall periodically report the status of maintenance of the system prescribed by this basic policy to the Board of Directors.
- 2) System for Storage and Maintenance of Information Related to Decisions by Directors
- For the purpose of ex-post review of properness of the execution of the duties of Directors, the minutes of Board of Director meetings and other documents concerning the execution of duties by Directors shall be stored and maintained in accordance with Company rules.
- 3) Rules and System Concerning Management of Risk of Loss
- A set of Risk Management Rules and other resources shall clarify the systems and response procedures for minimizing losses that may result from risk.
 - A Risk Management and Compliance Committee shall be maintained for the purpose of determining Group company risk management policies.
- 4) System to Ensure Efficient Execution of Duties by the Directors
- By adopting the executive officer system, the Board of Directors shall manage business activities rapidly by focusing on management administration functions, such as strengthening supervisory functions. The execution of daily operations of the Company shall be delegated to the Executive Officers.
 - The Board of Directors shall address important management matters and supervise the duties and responsibilities of the Executive Officers.
 - The Executive Officers shall hold the Executive Officer's meeting to discuss and determine, from a company point of view, specific management issues, as necessary, for the execution of duties of Executive Officers.
- 5) System to Effectively Manage the Corporate Affairs of the Company and Group Companies
- Universal Group rules and other requirements, such as the Elpida Code of Conduct, shall be established to share and keep uniformity of the principle regarding compliance.
 - Necessary support and guidance shall be provided in the case the Group companies (joint venture companies, etc.) establish or organize its original regulations or standards, in relation to the compliance.
 - In order to encourage effective Group management, support and guidance related to business management shall be provided.
- 6) Matters Relating to Employees Assigned to Assist the Corporate Auditors in Their Duties
- The Executive Officer in charge of personnel affairs shall designate, after consultation with the Corporate Auditors, employees who will assist with auditing duties of the Corporate Auditors.

- 7) Matters Relating to Ensuring that Employees Assigned to Asst the Corporate Auditors will be Independent from Directors
A department /division in charge of personnel affairs shall consult with the Corporate Auditors prior to any personnel transfer, personnel evaluation or disciplinary action involving any of the aforementioned employees.
- 8) System for Directors and Employees to Report to Corporate Auditors and a System
- A full-time Corporate Auditor shall serve as the official person to be reported to under an internal reporting system.
 - Upon request of the Corporate Auditors, the Directors and employees shall provide reports on the execution of their duties.
 - In order to promote mutual understanding, the Representative Director shall hold regular meetings with the Corporate Auditors.
- 9) System to Ensure an Effective Audit by the Corporate Auditors
- The Audit Office shall report to the Board of Corporate Auditors the background and results of internal audits.

As part of these systems, the Company has also established Basic Policies for the Design, Operation and Evaluation of Internal Control over Financial Reporting, in order to make development and operation of internal control over financial reporting and evaluation of effectiveness thereof efficient, which is necessary to ensure the reliability of Elpida's financial reporting.

(6) Basic Policy on the Control over the Company

The Company has not established particular basic policy regarding the party who controls the decisions on the Company's financial and business policies.

Consolidated Balance Sheet

(As of March 31, 2011)

(Millions of yen)

Items	Amount
ASSETS	
Current assets	278,157
Cash and deposits	112,839
Notes and accounts receivable, trade	75,505
Inventories	72,471
Deferred tax assets	394
Accounts receivable, other	15,237
Consumption taxes receivable	3,362
Other current assets	2,786
Allowance for doubtful accounts	(4,437)
Noncurrent assets	600,813
Property, plant and equipment	568,584
Buildings and structures	90,338
Machinery, equipment and vehicles	433,134
Tools, furniture and fixtures	16,286
Land	4,219
Construction in process	24,607
Intangible assets	5,053
Goodwill	699
Software	3,851
Software in progress	50
Other intangible assets	453
Investments and other assets	27,176
Investment securities	13,421
Long-term prepaid expenses	13,220
Deferred tax assets	94
Other assets	441
Total assets	878,970

Consolidated Balance Sheet (continued)

(As of March 31, 2011)

(Millions of yen)

Items	Amount
LIABILITIES	
Current liabilities	263,859
Accounts payable, trade	54,137
Current portion of bonds	45,000
Current portion of long-term loans payable	87,188
Current portion of lease obligations	21,107
Accounts payable, other	29,294
Income taxes payable	398
Deferred tax liabilities	404
Provision for bonuses	2,653
Provision for loss on inventory valuation	868
Provision for sales returns	222
Provision for loss on settlements and litigations	720
Other current liabilities	21,868
Noncurrent liabilities	259,107
Bonds payable	30,000
Convertible bond-type bonds with subscription rights to shares	66,236
Long-term loans payable	108,756
Lease obligations	46,769
Long-term accounts payable, other	3,057
Deferred tax liabilities	404
Provision for retirement benefits	2,861
Provision for directors' retirement benefits	156
Asset retirement obligations	285
Other noncurrent liabilities	583
Total liabilities	522,966
NET ASSETS	
Shareholders' equity	302,682
Capital stock	215,663
Capital surplus	83,194
Retained earnings	3,830
Treasury stock	(5)
Accumulated other comprehensive income (loss)	(16,915)
Valuation difference on available-for-sale securities	281
Deferred gains or losses on hedges	(31)
Foreign currency translation adjustment	(17,165)
Subscription rights to shares	296
Minority interests	69,941
Total net assets	356,004
Total liabilities and net assets	878,970

Consolidated Statement of Income
(From April 1, 2010 through March 31, 2011)

(Millions of yen)

Items	Amount	
Net sales		514,316
Cost of sales		412,828
Gross profit		101,488
Selling, general and administrative expenses		65,700
Operating income		35,788
Non-operating income		
Interest income	206	
Equity in earnings of affiliates	529	
Subsidy income	1,234	
Others	320	2,289
Non-operating expenses		
Interest expense	9,947	
Commission for loans	2,651	
Stock issuance cost	948	
Bond issuance cost	69	
Foreign exchange losses	8,249	
Depreciation of inactive noncurrent assets	1,087	
Others	1,272	24,223
Ordinary income		13,854
Extraordinary income		
Gain on sale of property, plant and equipment	281	
Gain on sales of subsidiaries' stocks	372	
Reversal of allowance for doubtful accounts	663	
Reversal of provision for loss on settlements and litigations	908	
Gain on change in equity	221	
Gain on negative goodwill	555	
Settlement gain	2,705	5,705
Extraordinary losses		
Loss on sales of property, plant and equipment	154	
Loss on retirement of property, plant and equipment	1,521	
Provision for loss on settlements and litigations	403	
Impairment loss	493	
Loss on adjustment for changes of accounting standard for asset retirement obligations	172	
Loss on disaster	37	2,780
Income before income taxes and minority interests		16,779
Income taxes - current	559	
Income taxes - deferred	1,045	1,604
Income before minority interests		15,175
Minority interests in income		13,079
Net income		2,096

Consolidated Statement of Changes in Net Assets

(From April 1, 2010 through March 31, 2011)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2010	203,860	214,902	(141,777)	(5)	276,980
Changes					
Issuance of stock	11,803	11,803			23,606
Deficit disposition		(143,511)	143,511		-
Net income			2,096		2,096
Purchase of treasury stock				(0)	(0)
Net changes of items other than shareholders' equity					-
Net changes	11,803	(131,708)	145,607	(0)	25,702
Balance as of March 31, 2011	215,663	83,194	3,830	(5)	302,682

	Accumulated other comprehensive income (loss)				Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income (loss)			
Balance as of March 31, 2010	825	(64)	(14,104)	(13,343)	287	82,858	346,782
Changes							
Issuance of stock				-			23,606
Deficit disposition				-			-
Net income				-			2,096
Purchase of treasury stock				-			(0)
Net changes of items other than shareholders' equity	(544)	33	(3,061)	(3,572)	9	(12,917)	(16,480)
Net changes	(544)	33	(3,061)	(3,572)	9	(12,917)	9,222
Balance as of March 31, 2011	281	(31)	(17,165)	(16,915)	296	69,941	356,004

Balance Sheet
(As of March 31, 2011)

(Millions of yen)

Items	Amount
ASSETS	
Current assets	213,656
Cash and deposits	58,357
Accounts receivable, trade	79,654
Inventories	61,156
Short-term loans receivable to subsidiaries and affiliates	300
Current portion of long-term loans receivable from subsidiaries and affiliates	2,611
Accounts receivable, other	8,835
Consumption taxes receivable	3,362
Other current assets	1,925
Allowance for doubtful accounts	(2,544)
Noncurrent assets	507,998
Property, plant and equipment	364,707
Buildings	65,174
Structures	4,974
Machinery, equipment and vehicles	269,161
Tools, furniture and fixtures	14,346
Land	4,000
Construction in process	7,052
Intangible assets	4,144
Software	3,644
Software in progress	48
Other intangible assets	452
Investments and other assets	139,147
Investment securities	3,268
Stocks of subsidiaries and affiliates	119,807
Long-term loans receivable from subsidiaries and affiliates	2,460
Long-term prepaid expenses	13,220
Other	392
Total assets	721,654

Balance Sheet (continued)

(As of March 31, 2011)

(Millions of yen)

Items	Amount
LIABILITIES	
Current liabilities	223,084
Accounts payable, trade	52,664
Current portion of bonds	45,000
Current portion of long-term loans payable	51,787
Current portion of lease obligations	15,801
Accounts payable, other	21,002
Income taxes payable	145
Deposits received of subsidiaries and affiliates	25,500
Provision for bonuses	2,411
Provision for loss on inventory valuation	868
Provision for sales returns	211
Other current liabilities	7,695
Noncurrent liabilities	224,949
Bonds payable	30,000
Convertible bond-type bonds with subscription rights to shares	66,236
Long-term loans payable	80,640
Lease obligations	41,406
Long-term accounts payable, other	3,057
Deferred tax liabilities	254
Provision for retirement benefits	2,364
Provision for directors' retirement benefits	149
Asset retirement obligations	260
Other noncurrent liabilities	583
Total liabilities	448,033
NET ASSETS	
Shareholders' equity	273,073
Capital stock	215,663
Capital surplus	83,194
Legal capital surplus	83,189
Other capital surplus	5
Retained earnings	(25,779)
Other retained earnings	(25,779)
Retained earnings brought forward	(25,779)
Treasury stock	(5)
Valuation and translation adjustments	252
Valuation difference on available-for-sale securities	283
Deferred gains or losses on hedges	(31)
Subscription rights to shares	296
Total net assets	273,621
Total liabilities and net assets	721,654

Statement of Operations
(From April 1, 2010 through March 31, 2011)

(Millions of yen)

Items	Amount	
Net sales		501,950
Cost of sales		451,858
Gross profit		50,092
Selling, general and administrative expenses		58,006
Operating income		7,914
Non-operating income		
Interest income	202	
Subsidy income	448	
Others	132	782
Non-operating expenses		
Interest expense	6,327	
Interest on bonds	2,026	
Commission for loans	2,651	
Foreign exchange losses	8,378	
Stock issuance cost	907	
Bond issuance cost	69	
Depreciation of inactive noncurrent assets	940	
Others	677	21,975
Ordinary loss		29,107
Extraordinary income		
Gain on sale of property, plant and equipment	98	
Gain on sales of subsidiaries and affiliates' stocks	951	
Reversal of allowance for doubtful accounts	663	
Reversal of provision for loss on settlements and litigations	648	
Settlement gain	2,705	5,065
Extraordinary losses		
Loss on sales of property, plant and equipment	3	
Loss on retirement of property, plant and equipment	1,514	
Loss on adjustment for changes of accounting standard for asset retirement obligations	143	
Loss on disaster	37	1,697
Loss before income taxes		25,739
Income taxes - current	16	
Income taxes - deferred	24	40
Net loss		25,779

Statement of Changes in Net Assets
(From April 1, 2010 through March 31, 2011)

(Millions of yen)

	Shareholders' equity						Total share holders' equity
	Capital stock	Capital surplus		Retained earnings		Treasury stock	
		Legal capital surplus	Other capital surplus	Other retained earnings			
				Reserve for special depreciation	Retained earnings brought forward		
Balance as of March 31, 2010	203,860	214,902	-	3,580	(147,091)	(5)	275,246
Changes							
Issuance of stock	11,803	11,803					23,606
Reversal of legal capital surplus		(143,516)	143,516				-
Deficit disposition			(143,511)		143,511		-
Net loss					(25,779)		(25,779)
Purchase of treasury stock						(0)	(0)
Reversal of reserve for special depreciation				(3580)	3,580		-
Net changes of items other than shareholders' equity							-
Net changes	11,803	(131,713)	5	(3,580)	121,312	(0)	(2,173)
Balance as of March 31, 2011	215,663	83,189	5	-	(25,779)	(5)	273,073

	Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance as of March 31, 2010	823	(64)	759	287	276,292
Changes					
Issuance of stock			-		23,606
Reversal of legal capital surplus			-		-
Deficit disposition			-		-
Net loss			-		(25,779)
Purchase of treasury stock			-		(0)
Reversal of reserve for special depreciation			-		-
Net changes of items other than shareholders' equity	(540)	33	(507)	9	(498)
Net changes	(540)	33	(507)	9	(2,671)
Balance as of March 31, 2011	283	(31)	252	296	273,621

Report of Independent Auditors

May 10, 2011

The Board of Directors
Elpida Memory, Inc.

Ernst & Young ShinNihon LLC
Kazuya Oki [Seal]

Certified Public Accountant
Designated and Engagement Partner

Koki Ito [Seal]

Certified Public Accountant
Designated and Engagement Partner

Junko Teraguchi [Seal]

Certified Public Accountant
Designated and Engagement Partner

Pursuant to Article 444, Section 4 of the Corporation Law, we have audited the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the notes to the consolidated financial statements of Elpida Memory, Inc. (the “Company”) applicable to the fiscal year from April 1, 2010 through March 31, 2011. These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Elpida Memory Group, which consisted of the Company and consolidated subsidiaries, applicable to the fiscal year ended March 31, 2011 in conformity with accounting principles generally accepted in Japan.

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

Report of Independent Auditors

May 10, 2011

The Board of Directors
Elpida Memory, Inc.

Ernst & Young ShinNihon LLC
Kazuya Oki [Seal]

Certified Public Accountant
Designated and Engagement Partner

Koki Ito [Seal]

Certified Public Accountant
Designated and Engagement Partner

Junko Teraguchi [Seal]

Certified Public Accountant
Designated and Engagement Partner

Pursuant to Article 436, Section 2, Paragraph 1 of the Corporation Law, we have audited the balance sheet, the statement of operations, the statement of changes in net assets, the notes to the financial statements and the related supplementary schedules of Elpida Memory, Inc. (the "Company") applicable to the 12th fiscal year from April 1, 2010 through March 31, 2011. These financial statements and the related supplementary schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and the related supplementary schedules based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the related supplementary schedules are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and the related supplementary schedules. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and the related supplementary schedules. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements and the related supplementary schedules referred to above present fairly, in all material respects, the financial position and results of operations of Elpida Memory, Inc. applicable to the 12th fiscal year ended March 31, 2011 in conformity with accounting principles generally accepted in Japan.

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

Audit Report

The Board of Corporate Auditors, following a review and deliberation based on the reports prepared by each Corporate Auditor concerning the performance of duties by Directors for the 12th business year of Elpida Memory, Inc. (the "Company") from April 1, 2010 to March 31, 2011, prepared this Audit Report as a common opinion of all the Corporate Auditors and hereby submits it as follows:

1. Method and Description of Audit performed by Corporate Auditors and the Board of Corporate Auditors

The Board of Corporate Auditors established an audit policy, audit plan and other necessary matters for the fiscal term under review and received reports from each Corporate Auditor regarding the progress and result of audits. The Board of Corporate Auditors also received reports from Directors and others and the Independent Auditor regarding the status of performance of their duties and requested explanations as necessary.

Each Corporate Auditor made efforts to collect information and enhance the auditing environment by communicating with Directors, Executive Officers, Audit Office (internal audit division) and other employees, in accordance with the audit policy and audit plan for the fiscal term under review and in compliance with the audit protocol stipulated by the Board of Corporate Auditors. We also attended the Board of Directors' meetings and other important meetings, received reports from Directors, Executive Officers, employees and others on the status of performance of their duties, requested explanations as necessary, examined important decision-rendering documents and other documents, and investigated the state of activities and assets at the headquarter and other principal offices.

We also monitored and verified the details of resolutions by the Board of Directors with respect to enhancement of the system for ensuring that the performance of duties by Directors is in compliance with the laws and regulations of Japan and the Articles of Incorporation of the Company as well as the other systems set forth in Article 100, paragraph (1) and paragraph (3) of the Ordinance for Enforcement of the Companies Act as a necessary matter to ensure that corporate activities are performed in an appropriate manner, and the status of said systems (internal control system) is enhanced based on the said resolution. With respect to internal control over financial reporting, we received reports from Directors and others as well as Ernst & Young ShinNihon LLC concerning the evaluation of said internal control and the audit status, and requested explanations as necessary. We strived to communicate and exchange information with our subsidiaries' Directors, Executive Officers, Corporate Auditors and others, and received reports on their respective business from the subsidiaries and investigated the relevant matters by visiting major subsidiaries, as necessary. Based on the above method, we have reviewed the business report and supplementary schedules for the fiscal year under review.

In addition, the Board of Corporate Auditors also monitored and verified whether the Independent Auditor was maintaining its independence and conducting its audits in an appropriate manner, received reports from the Independent Auditor during the performance of its duties and requested explanations as necessary.

We also received notification from the Independent Auditor that it was maintaining the "System for Ensuring the Proper Performance of Its Duties" (as stipulated in items of Article 131 of the Ordinance for Corporate Accounting) in compliance with the "Quality Control Standards Relating to Auditing" (adopted by the Business Accounting Council on October 28,

2005) etc., and requested explanations as necessary. Based on the foregoing method, we examined the financial statements (balance sheet, statement of operations, statement of changes in net assets and notes to financial statements), supplementary schedules and consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets and notes to consolidated financial statements) related to the fiscal year under review.

2. Results of Audit

(1) Audit Results of Business Report, etc.

- (i) We acknowledge that the business report and its supplementary schedules fairly present the status of the Company in conformity with applicable laws and regulations and the Articles of Incorporation of the Company.
- (ii) We acknowledge that no misconduct or material fact constituting a violation of any law and regulation or the Articles of Incorporation of the Company was found with respect to the Directors' performance of their duties.
- (iii) We did not find any matter to be pointed out with respect to the Directors' performance of their duties concerning the internal control system, including internal control over financial reporting.

(2) Results of the audit of financial statements and supplementary schedules

We acknowledge that the methods and results of audit performed by the Independent Auditor, Ernst & Young ShinNihon LLC, are appropriate.

(3) Results of the audit of consolidated financial statements

We acknowledge that the methods and results of audit performed by the Independent Auditor, Ernst & Young ShinNihon LLC, are appropriate.

May 19, 2011

Board of Corporate Auditors, Elpida Memory, Inc.

Full-time Corporate Auditor Toshimasa Ota [Seal]

Full-time Corporate Auditor Toshio Nohara [Seal]

Outside Corporate Auditor (part-time) Katsumi Sakurai [Seal]

Outside Corporate Auditor (part-time) Masamitsu Nakayama [Seal]

Reference Documents for the General Meeting of Shareholders

Proposal 1: Election of Two (2) Directors

Upon the conclusion of this Ordinary General Meeting of Shareholders, Director Mr. Shuichi Otsuka will retire from office. Accordingly, we hereby propose that two (2) Directors be elected, adding one more Director to the management team in order to further strengthen the management base.

Candidates for Directors will serve until the terms of office of the existing Directors are due to expire pursuant to the provisions of Article 20, paragraph (2) of the Articles of Incorporation of the Company.

The candidates for the Directors are as follows:

No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent position(s) in other entities	Number of the Company's shares owned
1	Yoshitaka Kinoshita (January 8, 1958) (new appointee candidate)	April 1982 Joined Hitachi, Ltd. February 1999 Department Manager, Advanced DRAM Development Department, DRAM Business Division, Semiconductor & Integrated Circuits Group, Hitachi, Ltd. April 2000 Deputy Department Manager, 2nd Development Department, Development Division, NEC Hitachi Memory, Inc. (current Elpida Memory, Inc.) January 2003 Division Manager, Server and PC Division, PD&O Office, Elpida Memory, Inc. April 2004 Executive Officer, Elpida Memory, Inc. (present position) June 2006 Director, Walton Advanced Engineering, Inc. (present position) May 2009 Director, Akita Elpida Memory, Inc. (present position)	Common share 500 shares
2	Yasushi Takahashi (December 14, 1959) (new appointee candidate)	April 1985 Joined Hitachi, Ltd. October 2000 Project Manager, 1st Design Department, 2nd Design Division, NEC Hitachi Memory, Inc. (current Elpida Memory, Inc.) January 2006 Executive Manager, 2nd Product Design Group, Server & PC Division, Elpida Memory, Inc. January 2007 Executive Officer, Elpida Memory, Inc. (present position) May 2007 Director, Powerchip Semiconductor Corporation (current Powerchip Technology Corporation) May 2007 Director, Powertech Technology Inc. March 2010 Director, Rexchip Electronics Corporation	0 share

Note:

Each of Mr. Yoshitaka Kinoshita and Mr. Yasushi Takahashi, candidates for Directors, does not have any special interest in the Company.

Proposal 2: Election of Three (3) Corporate Auditors

Upon the conclusion of this Ordinary General Meeting of Shareholders, Corporate Auditors Mr. Toshimasa Ota, Mr. Katsumi Sakurai and Mr. Masamitsu Nakayama will retire from office due to expiration of their terms of office. Accordingly, we hereby propose that three (3) Corporate Auditors be elected.

The consent of the Board of Corporate Auditors for this proposal has been obtained. The candidates for the Corporate Auditors are as follows:

No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent position(s) in other entities	Number of the Company's shares owned
1	Takayuki Mashiko (July 13, 1960) (new appointee candidate)	<p>April 1984 Joined Hitachi, Ltd.</p> <p>July 1998 Section Manager, Semiconductor & Integrated Circuits Accounting Controls Department 2nd Accounting Section, Hitachi, Ltd.</p> <p>June 2000 Deputy Department Manager, Hitachi Semiconductor (Malaysia) Sdn. Bhd.</p> <p>December 2002 Manager, Finance & Accounting Department, Elpida Memory, Inc.</p> <p>April 2005 Executive Manager, Accounting & Finance Department, Hiroshima Elpida Memory, Inc.</p> <p>May 2007 Director CFO, Rexchip Electronics Corporation</p> <p>June 2010 CFO, Rexchip Electronics Corporation (present position)</p>	Common share 100 shares
2	Katsumi Sakurai (January 30, 1942)	<p>April 1965 Joined Ikegai Ironworks Corp</p> <p>April 1969 Joined Hitachi, Ltd.</p> <p>August 1986 Department Manager, Accounting Controls Department, Omika Works, Hitachi, Ltd.</p> <p>December 1991 Senior Vice President, Hitachi Semiconductor (America) Inc.</p> <p>December 1992 Department Manager, Accounting Controls Department, Semiconductor & Integrated Circuits, Hitachi, Ltd.</p> <p>June 1995 CFO, Hitachi America, Ltd.</p> <p>April 1999 Executive Managing Director, Hitachi Engineering Co., Ltd.</p> <p>May 2003 President, Ibaraki Hitachi Information Service Co., Ltd.</p> <p>June 2007 Corporate Auditor, Elpida Memory, Inc. (present position)</p>	0 share
3	Masahiko Kanamura (January 22, 1962) (new appointee candidate)	<p>April 1990 Registered as an attorney-at-law</p> <p>August 1990 Worked with Masuda & Ejiri</p> <p>September 1994 Worked with Foley, Hoag & Eliot in Boston, MA, U.S.A.</p> <p>September 1995 Worked with Asahi Law Offices</p> <p>January 1998 Partner in Asahi Law Offices</p> <p>January 2007 Partner in Torikai Law Office (present position)</p>	0 share

Notes:

1. Each of Mr. Takayuki Mashiko, Mr. Katsumi Sakurai and Mr. Masahiko Kanamura, candidates for Corporate Auditors, does not have any special interest in the Company.
2. Matters regarding the candidates for Outside Corporate Auditors are shown below:
 - (1) Mr. Katsumi Sakurai and Mr. Masahiko Kanamura, candidates for Corporate Auditors, are candidates for Outside Corporate Auditors stipulated in Article 2, paragraph (3), item (viii) of the Ordinance for Enforcement of the Companies Act.
 - (2) The reason for Mr. Katsumi Sakurai's nomination as a candidate for Outside Corporate Auditor is that the Company believes that he will give practical advice based on his long-term experience of finance and accounting at an integrated electronics company. Mr. Sakurai's term of office as an Outside Corporate Auditor will be four years at the conclusion of this Ordinary General Meeting of Shareholders. The Company has registered Mr. Katsumi Sakurai as an independent officer with the Tokyo Stock Exchange pursuant to the rules for listed companies stipulated by that stock exchange.
 - (3) The reason for Mr. Masahiko Kanamura's nomination as a candidate for Outside Corporate Auditor is that he is thoroughly experienced in corporate law cases and international transactions as an attorney at law and that the Company expects him to use his expertise and experience to strengthen the audit system of the Company. He has no experience of being directly engaged in corporate management, but as mentioned above, he has sufficient insight regarding corporate governance. Thus, the Company believes he will execute his duties as an Outside Corporate Auditor appropriately.
 - (4) Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into a contract with each Outside Corporate Auditor to limit his or her liabilities for damages under Article 423, paragraph (1) of the same Act. In summary, the contract places a ceiling on liabilities for those damages of the Outside Corporate Auditor at either 10 million yen or the total of the amounts stipulated in Article 425, paragraph (1), item (i) and item (ii) of the Companies Act, whichever is higher. Accordingly, provided that the reelection of Mr. Katsumi Sakurai is approved, the Company intends to renew such a contract with Mr. Katsumi Sakurai. Also, provided that the election of Mr. Masahiko Kanamura is approved, the Company intends to conclude such a contract with Mr. Masahiko Kanamura.

Proposal 3: Election of One (1) Substitute Corporate Auditor

In order to fill the possible vacancy for an Outside Corporate Auditor stipulated in laws and regulations, the Company proposes that one substitute Corporate Auditor be elected in accordance with the provisions of Article 329, paragraph (2) of the Companies Act.

The consent of the Board of Corporate Auditors for this proposal has been obtained.

The candidate for the substitute Corporate Auditor is as follows:

Name (Date of birth)	Career summary and significant concurrent positions in other entities		Number of the Company's shares owned	
Yoriko Noma (May 27, 1959)	April	1986	Registered as an attorney-at-law Hayakawa Sogo Law Offices (Presently TOKYO-HIRAKAWA Patent / Law Office and COSMOS LAW OFFICE)	0 share
	November	1992	Sakura Kyodo Law Offices	
	January	1995	Ohshima and Partners	
	February	1999	Partner, MIYAKEZAKA SOGO LAW OFFICES (present position)	
	June	2001	Corporate Auditor, NIPPON COMPUTER SYSTEM CO., LTD.	
	August	2002	Corporate Auditor, Oracle Corporation Japan	
	November	2004	Visiting Professor, Tokyo Medical and Dental University	

Notes:

- Ms. Yoriko Noma, the candidate for the substitute Corporate Auditor does not have any special interest in the Company.
- The candidate for the substitute Corporate Auditor is a candidate for an Outside Corporate Auditor stipulated in Article 2, paragraph (3), item (viii) of the Ordinance for Enforcement of the Companies Act.
- The candidate for the substitute Corporate Auditor is thoroughly experienced in legal affairs and financial & accounting businesses of corporations as an attorney at law and the Company expects her to execute her expertise and experience to strengthen the audit system of the Company. She has no experience of being directly engaged in corporate management, but as mentioned above, she has sufficient insights regarding corporate governance. Thus, the Company believes that she will execute her duties as an Outside Corporate Auditor appropriately.
- Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into a contract with each Outside Corporate Auditor to limit his/her liabilities for damages under Article 423, paragraph (1) of the same Act. In summary, the contract places a ceiling of liabilities for those damages of the Outside Corporate Auditor at either 10 million yen or the total of the amounts stipulated in Article 425, paragraph (1), item (i) and item (ii) of the Companies Act, whichever is higher. Accordingly, provided that this proposal is approved and adopted and Ms. Yoriko Noma assumes the office of an Outside Corporate Auditor, the Company intends to conclude such a contract with Ms. Yoriko Noma.

Proposal 4: Reduction in Legal Capital Surplus

In June 2009, the Company submitted a business restructuring plan (the “Business Restructuring Plan”) based on the Act on Special Measures for Industrial Revitalization and Innovation of Industrial Activities to Japan’s Ministry of Economy, Trade and Industry (“METI”), which was approved by METI. (The Business Restructuring Plan is scheduled to terminate on March 31, 2012.)

The Business Restructuring Plan included a third party allotment of preferred shares to the Development Bank of Japan Inc. (the “DBJ”). In accordance with the Business Restructuring Plan, in August 2009, the Company implemented the issuance of Type 1 and Type 2 preferred shares (collectively, the “Preferred Shares”) by way of a third party allotment having the DBJ as the allotted party.

As announced at the time of implementing the third party allotment of the Preferred Shares as mentioned above, the Preferred Shares carry, as a right of the holders of the Preferred Shares, a right to request that the Company acquire their shares with cash consideration (the “Put Option with Cash Consideration”). If a holder of the Preferred Shares exercises the Put Option with Cash Consideration, the Company shall acquire the Preferred Shares that are subject to the Put Option with Cash Consideration within the limit of the distributable amount stipulated in Article 461, Section 2 of the Companies Act as of the date of such Put Option with Cash Consideration to the extent permitted by laws and regulations. In exchange for the acquisition, the Company shall deliver to the holders of the Preferred Shares the amount paid in for each Preferred Share (10,000 yen per share), plus the amount equal to the unpaid dividends for the Preferred Shares (for details of the calculation of the amount, see the Company’s press release dated August 7, 2009 and the Articles of Incorporation of the Company). The investment agreement between the Company and the DBJ (the “Investment Agreement”) prescribes that the exercise period of the Put Option with Cash Consideration shall commence, in principal, from the earlier of (i) April 1, 2012, or (ii) the day immediately following the day on which the performance period of the Business Restructuring Plan ends (if such earlier day is not a business day, the business day immediately following such day; the “Put Option with Cash Consideration Exercisable Date”).

In order that the Company can provide a sufficient distributable amount in an effort to acquire all the Preferred Shares that are subject to the Put Option with Cash Consideration in the cases where the holders of the Preferred Shares exercise their Put Options with Cash Consideration with respect to the Preferred Shares that are likely to be outstanding on the Put Option with Cash Consideration Exercisable Date, the Company would like to ask its shareholders to approve that the legal capital surplus be reduced pursuant to Article 448, Section 1 of the Companies Act as described below, and the amount of the reduction be transferred to other capital surplus.

The Preferred Shares also carry, as a right of the holders of the Preferred Shares, a right to request that the Company acquires their shares with common shares of the Company as consideration (the “Put Option with Common Shares”). Under the Investment Agreement, the Put Options with Common Shares are exercisable gradually on or after February 1, 2011 and they were exercised with respect to a part of the Preferred Shares. The number of the Preferred Shares (excluding treasury stock) as of May 20, 2011 is as follows:

Type 1 preferred shares: 1,000,000 shares; and
Type 2 preferred shares: 1,838,967 shares.

Matters regarding reduction in Legal Capital Surplus

- | | |
|---|---------------------|
| (1) Amount of legal capital surplus to be reduced | 60,000,000,000 yen |
| (Reference: legal capital surplus as of March 31, 2011 | 83,189,139,967 yen) |
| (2) Effective date of reduction in legal capital surplus: | July 11, 2011 |

Proposal 5: Granting of Retirement Benefits to Retiring Director and Corporate Auditor

It is proposed that retirement benefits be awarded to Director Shuichi Otsuka, and Corporate Auditor Toshimasa Ota, who will retire from office at the conclusion of this Ordinary General Meeting of Shareholders, in order to compensate them for their services during their terms of office. The amount of the payment will be within a range of 42 million yen for the retiring Director, and 8 million yen for the retiring Corporate Auditor in accordance with the prescribed standards of the Company.

It is further proposed that the details of retirement benefits for Directors, such as the amount, the payment date, the method and other items, be determined by the Board of Directors, and those for Corporate Auditors be determined by Corporate Auditors.

The careers of the retiring Director and Corporate Auditor are summarized as follows:

Name	Career summary	
Shuichi Otsuka	November 2002	Executive Officer, Elpida Memory, Inc. (Present position)
	March 2004	Director, Elpida Memory, Inc. (Present position)
	November 2004	Representative Director, President, Hiroshima Elpida Memory, Inc.
	February 2007	Director, Elpida Memory (USA) Inc.
	May 2007	Director, Rexchip Electronics Corporation
	November 2009	Representative Director, President, Akita Elpida Memory, Inc.
	February 2010	Director, Elpida Memory (Italy) S.r.l. (Present position)
Toshimasa Ota	April 2003	Executive Manager, Legal Group, Elpida Memory, Inc.
	May 2007	Corporate Auditor, Tera Probe Inc. (Present position)
	June 2007	Corporate Auditor, Elpida Memory, Inc. (Present position)
	June 2007	Corporate Auditor, Hiroshima Elpida Memory, Inc.
	June 2007	Corporate Auditor, Akita Elpida Memory, Inc.
	September 2007	Supervisor, Rexchip Electronics Corporation

- END -