

The Elpida logo is a large, semi-circular shape on the left side of the slide. It has a gold or yellowish-brown background with a fine grid pattern. The word "ELPIDA" is written across the center in a bold, blue, italicized sans-serif font.

ELPIDA

A decorative graphic consisting of three horizontal blue lines of varying shades and thicknesses, extending from the right edge of the Elpida logo across the top of the slide.

***1Q-FY2010
Financial Review
& Business Updates***

***Elpida Memory, Inc.
July 29, 2010***

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1Q-FY 2010 Highlights

- ❑ Record high net sales & operating income
- ❑ Achieved over 25% OP margin for 2 consecutive quarters
- ❑ Achieved positive free cash flow for 2 consecutive quarters
- ❑ Expanding mobile/digital consumer electronics-related business
 - Future cash cow
- ❑ Started 40nm Mobile RAM™ mass mfg.
- ❑ Expanded 65nm-XS mass mfg.
 - Enabling further cost cuts



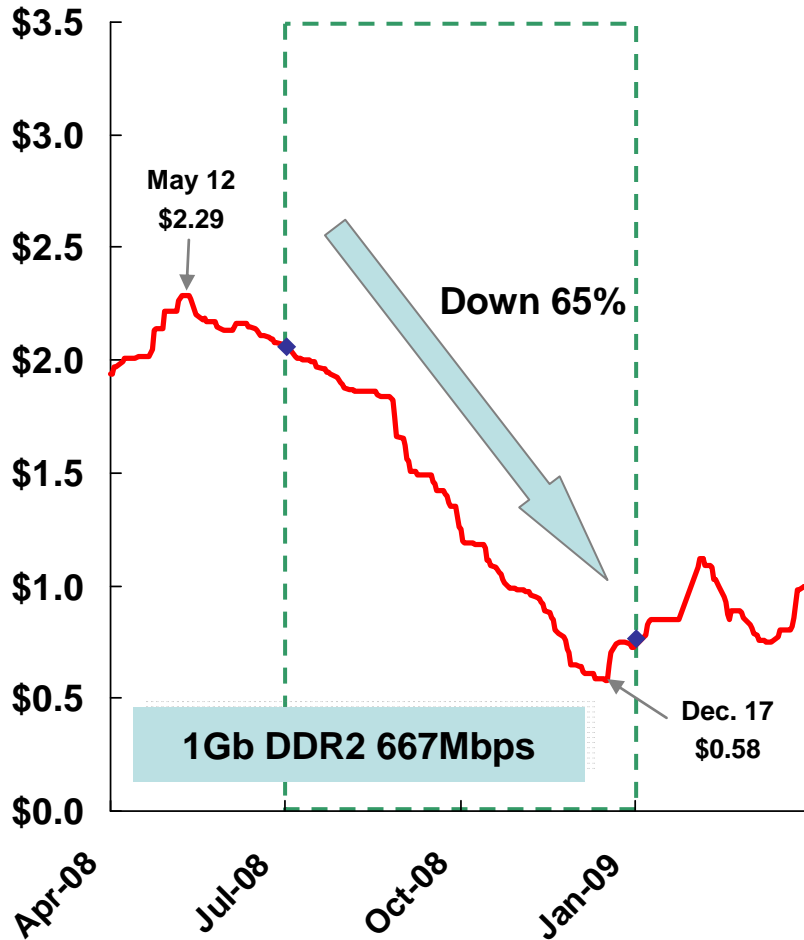
Financial Review



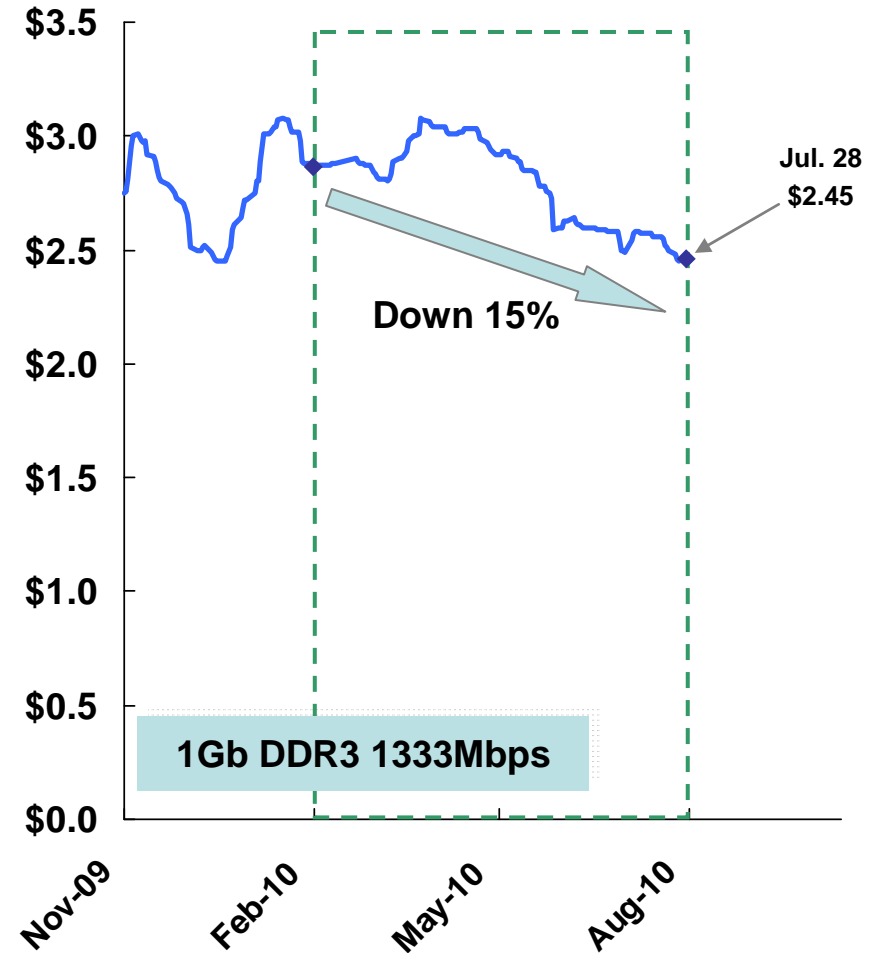
Business Updates

DRAM Spot Price – 6months Trend

[Previous DRAM downturn]



[Recent]

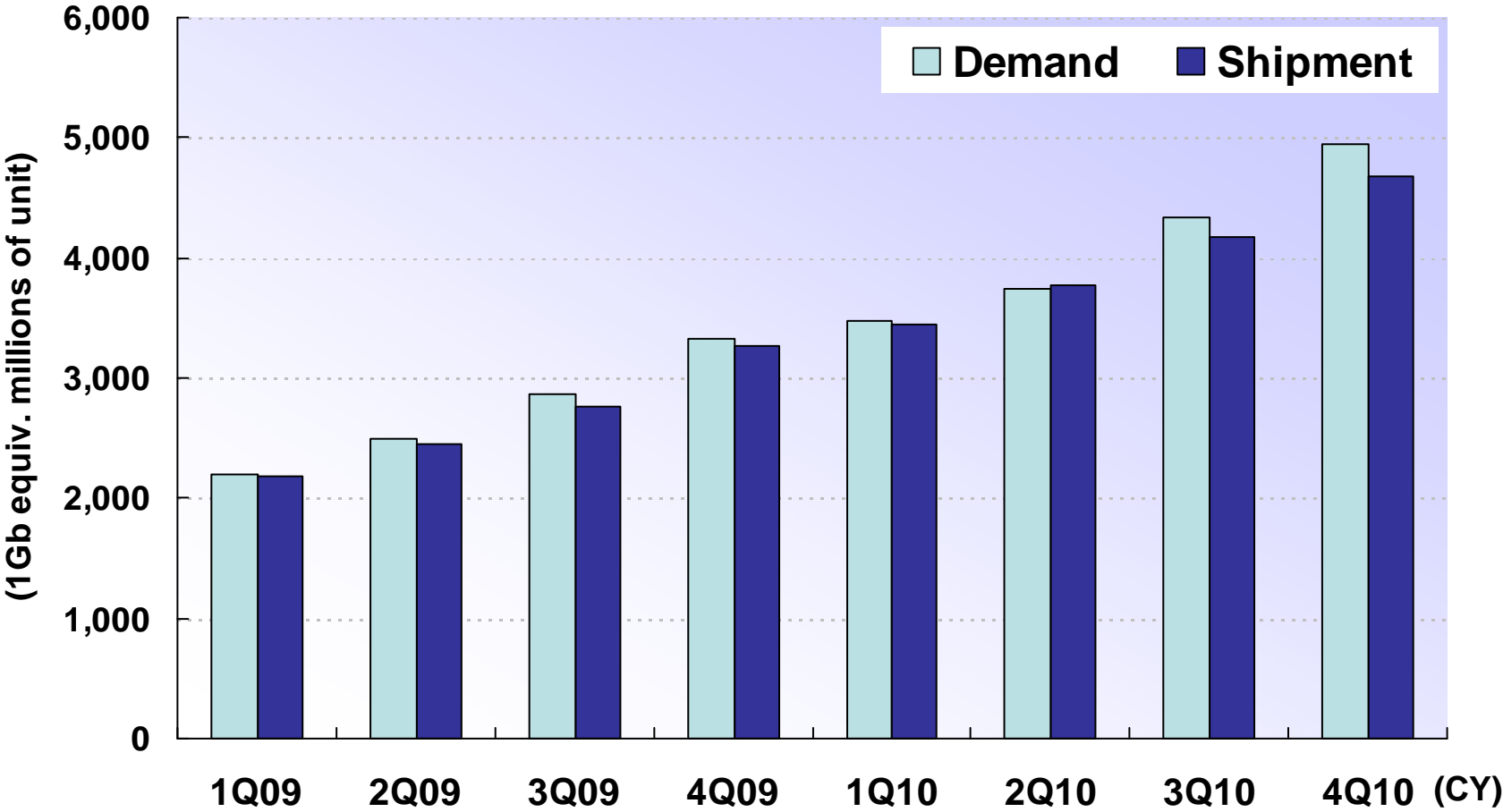


Source: DRAMeXchange

DRAM Demand Forecast

 Supply shortage

Sufficiency 1.00 *0.98* 0.96 0.98 0.99 1.01 *0.96* 0.95

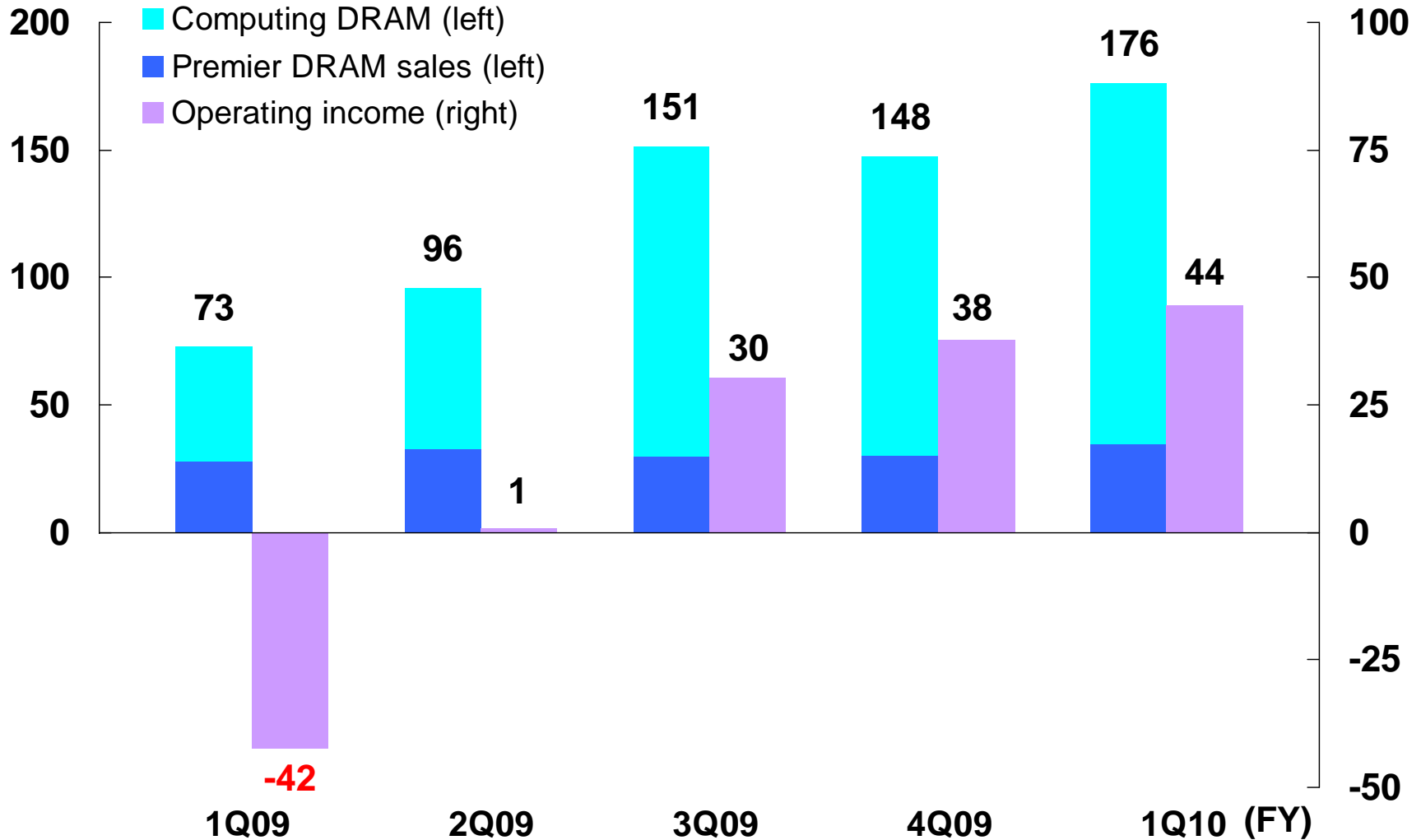


Source: DRAM Q2 2010 Market Tracker, iSuppli

Net Sales & Operating Income

(Billion JPY)

(Billion JPY)



1Q-FY2010 Results

| (Billion JPY) | 1Q-FY2010 | | 4Q-FY2009 | | QoQ | 1Q-FY2009 | | YoY |
|-------------------------|-----------|------|-----------|------|-------|-----------|------|--------|
| Net sales | 176.3 | 100% | 147.5 | 100% | +28.8 | 72.6 | 100% | +103.8 |
| Gross profit (loss) | 61.7 | 35% | 54.3 | 37% | +7.4 | (26.6) | -37% | +88.3 |
| Operating income (loss) | 44.4 | 25% | 37.8 | 26% | +6.7 | (42.3) | -58% | +86.7 |
| Ordinary income (loss) | 37.0 | 21% | 36.8 | 25% | +0.3 | (46.6) | -64% | +83.6 |
| Net income (loss) | 30.7 | 17% | 33.7 | 23% | -3.0 | (44.4) | -61% | +75.1 |
| Bit shipment growth | | | | | +8% | | | +48% |
| ASP change | | | | | +9% | | | +78% |

Main Impact on Gross Profit Margin

(QoQ up) A rise in DRAM selling prices

(QoQ down) An increase in DRAM procurement from a foundry

✓ Vertical start-up of 65nm-XS process at Hiroshima Plant & Rexchip will start contributing to cost reduction from 2Q-FY2010.

Financial Position

| (Billion JPY) | Jun 30, 2010 | Mar 31, 2010 | Jun 30, 2009 |
|---------------------------------|--------------|--------------|--------------|
| Total assets | 989.8 | 947.5 | 899.0 |
| Cash & time deposits | 150.6 | 113.3 | 61.3 |
| Accounts receivable, trade | 137.4 | 122.6 | 67.5 |
| Tangible fixed assets | 587.2 | 596.4 | 657.9 |
| Interest-bearing debt | 493.5 | 504.7 | 556.9 |
| Net assets | 369.4 | 346.8 | 219.3 |
| Net D/E ratio | 114% | 148% | 400% |
| Net assets ratio | 37% | 37% | 24% |
| A/R collection period (days) | 70 | 75 | 84 |
| Inventory holding period (days) | 58 | 70 | 59 |
| Operating cash flow [3 mo.] | 64.8 | 64.0 | (8.6) |
| Free cash flow [3mo.] | 35.4 | 47.6 | (41.7) |

2Q-FY2010 & FY2010 Guidance

| Quarterly (Billion JPY) | 1Q-FY2010 | | 2Q-FY2010 |
|----------------------------|--------------------------------|--------|---------------------------------|
| | Guidance as of May 12, 2010 | Actual | Guidance as of July 29, 2010 |
| QoQ bit shipment growth | 5%+ | 8% | 5-10% |
| Depreciation expenses | 30.5 | 31.1 | 32.0 |
| SG&A expenses | 17.0 | 17.3 | 17.5 |

| Full year (Billion JPY) | FY2010 | FY2010 |
|----------------------------|--------------------------------|---------------------------------|
| | Guidance as of May 12, 2010 | Guidance as of July 29, 2010 |
| YoY bit shipment growth | 45% | 45% |
| Depreciation expenses | 130 | 130 |
| SG&A expenses | 68 | 68 |
| CAPEX | 115 | 115 |



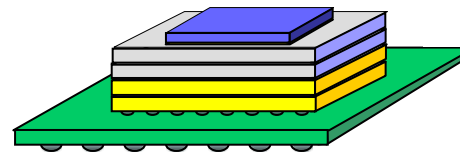
Financial Review



Business Updates

Co-Development of TSV Products

Integrated heterogeneous multi chips *Revive SoC methodology!*



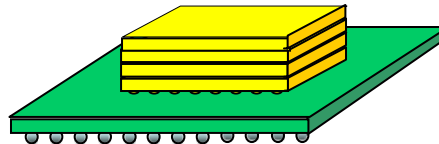
RF
Flash
TSV DRAMs
ASIC

ELPIDA

(DRAM technology,
TSV integration technology)

Bridge the Valley of Death!

Integrated logic with stacked DRAM



TSV DRAMs
ASIC

**Collaboration in TSV
development and business**

Main co-develop features

- ✓ TSV filling technology
- ✓ Electronic interposers between DRAM & Logic
- ✓ Testing technology

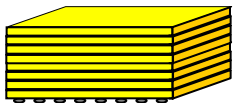
UMC

(Logic foundry technology)

Powertech
PTI Technology Inc.

(Advanced assembly technology)

Stacked DRAM



Superior to migration!

2009 - 2011

2011 - 2013

2012 -

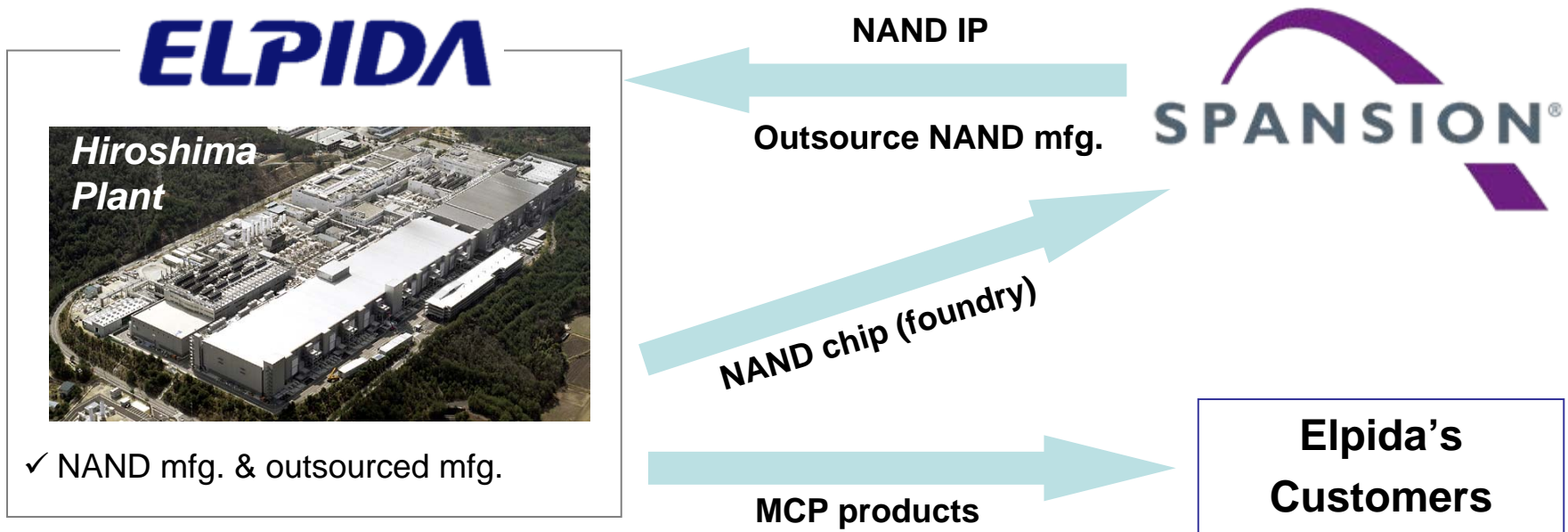
Development period

Alliance in Flash Memory Area

① NAND flash memory co-development

✓ Co-develop charge trap NAND flash process & products with Spansion (US)

② NAND flash memory mfg. tie-ups



③ Explore opportunities for NOR flash business tie-ups

DRAM Business for Mobile Phones

■ Smartphone: 2Gb/4Gb Mobile RAM PoP

■ Midrange phone: MCP

- NAND → 1Gb to 8Gb
- DRAM → 512Mb to 1Gb

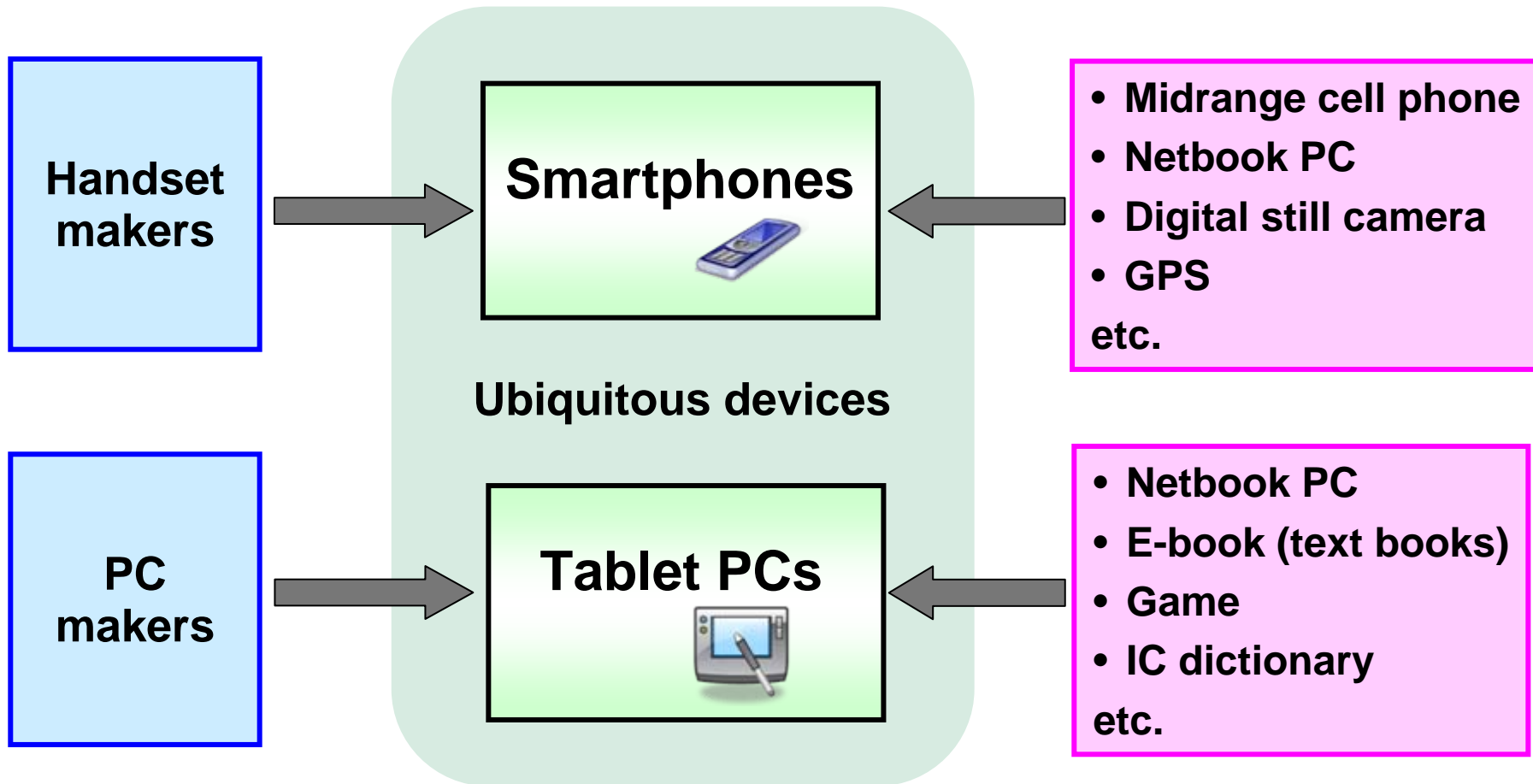
■ Low-end phone: MCP

- NOR + DRAM → NOR 64Mb, 128Mb, 256Mb;
DRAM 128Mb, 256Mb, 512Mb
- NOR + PSRAM

Alliance with
Spansion

Turning Point for DRAM Market?

Low density mobile DRAM → High density mobile DRAM





Appendix

FY2010 Manufacturing Plans

[Hiroshima Plant]

- ✓ **Vertical start-up of 65nm-XS process**
Cost reduction to be achieved from Jul-Sep quarter
- ✓ **Shift 50% of mfg. capacity to 40nm (partially 50nm)**
Planned completion by the end of December 2010
- ✓ **Greater weight for Mobile RAM™ mfg.**
→ Due to vigorous smartphone/tablet PC-related demand
In July started mass mfg. the smallest 40nm Mobile RAM

[Rexchip]

- ✓ **Vertical start-up of 65nm-XS process**
Cost reduction to be achieved from Jul-Sep quarter
- ✓ **Shift 100% of mfg. capacity to 40nm**
Planned completion by the end of March 2011

Elpida Memory, Inc.

URL: <http://www.elpida.com>

そのDRAMは、夢と情熱で創られる。



Disclaimer

The information contained within this presentation includes forward-looking statements that are based on management's view based on information available at the time of the presentation. These forward-looking statements involve risks and uncertainties. Actual results may be materially different from those discussed in the forward-looking statements. The factors that may affect Elpida's actual results include, but are not limited to, changes in the DRAM market and industry environment, changes in technologies and design, problems related to our supply of key material and equipment, loss of or decreased demand from key customers, changes in exchange rates, general economic conditions and natural disasters. We disclaim any obligation to update or, except in the limited circumstances required by the Tokyo Stock Exchange, announce publicly any revision to any of the forward-looking statements.