



## News Release

FOR IMMEDIATE RELEASE

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### **Elpida and Hiroshima Elpida Make Initial Phase Investment in Production Equipment for its Second 300 mm Fabrication Facility**

*Hiroshima Elpida's E300-Fab2 Emphasizes "Earth-Friendly Production"*

**TOKYO, JAPAN, March 9, 2005** – Elpida Memory, Inc. (Elpida), Japan's leading global supplier of Dynamic Random Access Memory (DRAM), and Hiroshima Elpida Memory, Inc. (Hiroshima Elpida), a wholly owned subsidiary of Elpida, today announced the first phase of investment in manufacturing equipment for its second 300 mm wafer fabrication facility, E300-Fab2

1. The details of the investment are as follows:
  - Hiroshima Elpida will place purchase orders for the manufacturing equipment for 15,000 wafers per month production, including 1,000 wafers allocated to R&D, for the E300-Fab2 (Total planned capacity for the fab is 60,000 wafers per month when it is completed).
  - Total purchase order is estimated to be over JPY 100 billion\*.
  - Mass production is slated to begin in December 2005, and capacity will reach 15,000 wafers per month by the first quarter of FY2006.
2. This E300-Fab2 emphasizes “earth-friendly production” through various activities such as the installation of manufacturing equipment which is considered to be environmentally safe. Hiroshima Elpida has been certified according to ISO14001 standards for its commitment to environmental manufacturing. The company also achieved zero-waste

emissions in 2000 and an 85% recycle rate of drainage in 2004.

Hiroshima Elpida will further enhance its environmentally conscious approach to production at the E300-Fab2 and aims to reduce carbon dioxide (CO<sub>2</sub>) discharge by more than 20%.

### **E300-Fab2 Environmental Effects**

Out of consideration for the environment, Hiroshima Elpida has been adapting a Co-Generation System (CGS), a thermoelectric energy supply equipment using natural gas. Hiroshima Elpida has been highly praised for this activity and was given the "Superior Factory for Energy Management" award by the Ministry of Economy, Trade and Industry in February 2005. Elpida and Hiroshima Elpida are planning one of the largest CGS installations in the global semiconductor industry in the E300-Fab2. The system is expected to contribute to energy conservation and CO<sub>2</sub>/NOX reduction by comprehensively utilizing steam generated during private electrical power generation. As a result, a CO<sub>2</sub> discharge reduction of over 20% is anticipated compared to standard electric power usage, and this will make a large contribution towards the prevention of global warming. Elpida and Hiroshima Elpida have been receiving cooperation from Hiroshima Gas Co., Ltd. regarding the assurance of a stable supply of natural gas.

By assessing future DRAM market conditions and demand trends, Elpida and Hiroshima Elpida plan to gradually increase production output at the E300-Fab2 to 60,000 wafers per month. Elpida and Hiroshima Elpida are committed to providing leading-edge DRAM solutions for the global electronics market while maintaining a reputation as an environmentally-friendly enterprise.

**\* CORRECTION: “JPY 100 billion” instead of “JPY 1 billion”**

### **About Hiroshima Elpida Memory, Inc.**

Hiroshima Elpida Memory, Inc. was established on September 1, 2003 as a wholly owned subsidiary of Elpida Memory, Inc. The organization provides Elpida with strong framework for its entire DRAM business including device development functions, as well as leading-

edge processing and production capabilities. Hiroshima Elpida is comprised of a 200mm manufacturing facility and a state-of-the-art 300mm wafer fabrication facility.

**About Elpida Memory, Inc.**

Elpida Memory, Inc. is a manufacturer of Dynamic Random Access Memory (DRAM) silicon chips with headquarters based in Tokyo, Japan, and sales and marketing operations located in Japan, North America, Europe and Asia. Elpida's state-of-the-art semiconductor wafer manufacturing facilities are located in Hiroshima, Japan. Elpida offers a broad range of leading-edge DRAM products for high-end servers, mobile phones, digital television sets and digital cameras as well as personal computers. Elpida had sales of ¥100.4 billion during the fiscal year ending March 31, 2004. For more information, visit [www.elpida.com](http://www.elpida.com).

*All information contained in this news release is as of the release date, and may be altered or amended thereafter without further notice.*

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