



News Release

FOR IMMEDIATE RELEASE

Elpida Announces a Change in Leading and Major Shareholders and Its Equity Investment Relationships

TOKYO, JAPAN, August 31, 2005 – Elpida Memory, Inc (Elpida), Japan's leading global supplier of Dynamic Random Access Memory (DRAM) products, today announced that its leading shareholder, NEC, has sold a portion of its Elpida shares. As a result of the sale, Hitachi will be the new leading shareholder and Elpida will no longer be counted as an affiliate of NEC. In addition, Daiwa SMBC will become a major shareholder. Details appear below.

I. Change in leading shareholders and our equity investment relationships

1. New Leading Shareholder

- (1) Company name: Hitachi, Ltd. (Hitachi)
- (2) Headquarters: Chiyoda-ku, Tokyo, Japan
- (3) President, Chief Executive Officer and Director: Mr. Etsuhiko Shoyama

2. Previous Leading Shareholder

- (1) Company name: NEC Corporation (NEC)
- (2) Headquarters: Minato-ku, Tokyo, Japan
- (3) President: Mr. Akinobu Kanasugi

3. Number of shares sold, amount of voting stock before and after changes in stock ownership (along with total stock ownership) and percentages of voting stock

		Pre-sale (as of July 31, 2005)			Post-sale		
Shareholder	No. of Shares to Be Sold	Voting Stock (Total Stock Ownership)	% of Voting Stock*	Shareholding Rank	Voting Stock (Total Stock Ownership)	% of Voting Stock*	Shareholding Rank
Hitachi, Ltd.	-	229,999 (22,999,980)	23.84%	2nd	229,999 (22,999,980)	23.84%	1st
NEC Corporation	9,600,000	230,000 (23,000,020)	23.84%	1st	134,000 (13,400,020)	13.89%	2nd

*Note: The amount of voting stock as of both July 31, 2005 and today is 964,611 compared with 919,811 on March 31, 2005. The increase is calculated as follows:

964,611 (total voting stock as of July 31, 2005 and today) = 919,811 (total voting stock as of March 31, 2005) + 44,800 (voting stock raised in May and June through a conversion of Class B stock to common stock).

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4. Impact of the Sale of Shares

With the sale of a portion of NEC's Elpida shares, Elpida will no longer be considered an equity-method holding of NEC. However, the business relationship with NEC will remain the same, and we do not expect a change in its Elpida share ownership to affect our business performance.

II. Change in major shareholders

1. New major shareholder

- (1) Company name: Daiwa Securities SMBC
(2) Headquarters: Chiyoda-ku, Tokyo, Japan
(3) President : Mr. Tatsuei Saito

2. Amounts of voting stock before and after changes in stock ownership (along with total stock ownership) and percentages of voting stock resulting from Daiwa Securities SMBC's purchase of Elpida stock.

	Voting Stock (Total Stock Ownership)	% of Voting Stock*
Pre-sale to Daiwa Securities (as of March 31, 2005)	864 (86,400)	0.09%
Post-sale to Daiwa Securities	98,009 (9,800,900)	10.16%

*Note: The number of outstanding shares with voting rights as of March 31, 2005 was 91,981,100.
(4,483,300 shares without voting rights are excluded from the total number of outstanding shares)

The amount of voting stock as of today is 964,611 compared with 919,811 on March 31, 2005.
The increase is calculated as follows:

964,611 (total voting stock as of July 31, 2005) = 919,811 (total voting stock as of March 31, 2005) + 44,800 (voting stock raised in May and June through a conversion of Class B stock to common stock).

3. Date of Purchase of Elpida Stock by Daiwa Securities SMBC August 31, 2005 (Delivery date: September 5, 2005)

4. Reference

Daiwa Securities SMBC has reported to us that it has purchased Elpida stock which has resulted in a change in the major shareholders in Elpida. Furthermore, upon making inquiries to Daiwa Securities SMBC, the company has plans to sell Elpida shares acquired at this time to Daiwa Securities SMBC Europe Limited and to domestic institutional investors.