



## FOR IMMEDIATE RELEASE

### Elpida Memory Revises Financial Forecast

**TOKYO, JAPAN, October 25, 2005** –Elpida Memory, Inc. (Elpida), Japan’s leading global supplier of Dynamic Random Access Memory (DRAM), today announced the revision of its financial forecast for the fiscal year ending March 31, 2006, which was previously announced on April 25, 2005.

#### 1. Revision of consolidated financial forecast for the fiscal year ending March 31, 2006

(Billions of Yen)

	Net sales	Operating income	Ordinary income	Net income
Previous Forecast (April 25, 2005) (a)	260.0	18.6	15.3	14.0
Revised Forecast (b)	240.0-250.0	7.0-12.0	4.5-9.5	5.0-10.0
Change from previous forecast (b-a)	(20.0)-(10.0)	(11.6)-(6.6)	(10.8)-(5.8)	(9.0)-(4.0)
Change	(7.7%)-(3.8%)	(62.4%)-(35.5%)	(70.6%)-(37.9%)	(64.3%)-(28.6%)
Results of FY2004 (c)	207.0	15.1	10.7	8.2

#### 2. Reasons for Revision

1H net sales exceeded the upper end of the range of expectations but profits finished near bottom expectations. Also, we look for the following conditions to occur: (1) arranging production contracts with overseas foundries will be slower than expected, (2) declines in DRAM prices, mainly due to server DRAM prices (3) expansion of advanced technology 90nm process production capacity will boost ramping-up costs and (4) higher R&D costs. Given these factors, we have revised our FY2005 forecast, as above.

Note: These above forecasts are forward-looking statements that are based on management's view from the information available at the time of this Report. These 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 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.

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