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Elpida Memory, Inc.
(Stock listing: Tokyo Stock Exchange, 6665)

**Additional Financial Information
for the Fiscal Year Ended March 31, 2006**

1. Retirement Benefit for Employees

Elpida Memory, Inc. and its domestic consolidated subsidiary established certain retirement benefit plans from fiscal year ended March 31, 2004. The plans consist of a defined benefit pension plan, a lump-sum indemnity plan and a defined contribution plan. Certain foreign consolidated subsidiaries have defined contribution plans and lump-sum indemnity plans.

The funded status of retirement benefit obligations at March 31, 2005 and 2006 were as follows:

	March 31,	
	2005	2006
	<i>(Million of yen)</i>	
Retirement benefit obligations	¥2,961	¥3,768
Plan assets at fair value	2,484	3,362
Unfunded retirement benefit obligation	477	406
Unrecognized items:		
Prior service costs	353	328
Actuarial loss (gain)	50	(167)
Accrued retirement benefits for employees	¥ 74	¥ 245

At March 31, 2005 and 2006, in addition to the above-mentioned accrued retirement benefits for employees, additional accruals of ¥ 8 million and ¥ 9 million were recorded for certain foreign consolidated subsidiaries, respectively.

The composition of retirement benefit expenses for the years ended March 31, 2005 and 2006 were as follows:

	Year ended March 31,	
	2005	2006
	<i>(Million of yen)</i>	
Service cost	¥286	¥630
Interest cost	15	62
Expected return on plan assets	(60)	(62)
Recognized actuarial loss	-	3
Amortization of prior service costs	11	24
Retirement benefit expenses	252	657
Contribution for defined contribution plan	76	189
Total	¥328	¥846

The assumptions used in accounting for above plans were 2.1% of discount rate and 2.5% of expected return rate on assets.

2. Income Taxes

Elpida Memory, Inc. and its domestic consolidated subsidiary are subject to corporation tax, inhabitants' taxes and enterprise tax in Japan, which, in the aggregate, result in a statutory tax rate of 40.8% for the years ended March 31, 2005 and 2006, respectively. Income taxes of the foreign consolidated subsidiaries are based generally on the tax rates applicable in their countries of incorporation.

Significant components of reconciling items between the statutory tax rate and the effective tax rate are as follows:

	Year ended March 31,	
	2005	2006
Statutory tax rate	40.8%	40.8%
Adjustments:		
Permanent differences	-	(9.4)
Valuation allowances	(33.4)	(18.3)
Other	0.8	1.2
Effective tax rate	8.2%	14.3%

The significant components of deferred tax assets and liabilities at March 31, 2005 and 2006 were as follows:

	March 31,	
	2005	2006
	<i>(Millions of yen)</i>	
Deferred tax assets:		
Net operating loss carryforwards	¥ 29,487	¥33,499
Accrued bonuses	520	715
Depreciation	2,144	4,376
Accrual for investigation performed by the United States Department of Justice	789	–
Loss on inventory valuation	–	1,315
Accrual for Settlement of litigation	–	834
Other	1,105	1,072
Subtotal	34,045	41,811
Less: valuation allowances	(30,973)	(31,976)
Total deferred tax assets	3,072	9,835
Deferred tax liabilities:		
Depreciation	(3,396)	(9,162)
Other	(40)	(10)
Total deferred tax liabilities	(3,436)	(9,172)
Net deferred tax assets (liabilities)	¥ (364)	¥ 663

3. Related Party Transactions

The following is a summary of related party transactions for the years ended March 31, 2005 and 2006.

(1) For the year ended March 31, 2005

a) Subsidiaries of parent company

(Millions of yen)

Attribute	Name of related party	Address	Common stock	Nature of operations	Equity ownership percentage	Relationship		Transactions	For the year ended March 31, 2005	Accounts	At March 31, 2005
						Concurrent directors	Description of the business relationship				
Subsidiary of other relative company	NEC Semi-conductors (Singapore) Pte. Ltd.	Singapore	S\$ 111 million	Manufacture and sales of integrated circuits	–	–	Contract manufacturing of semi-finished components for the Company	Supply of semi-finished components for contract manufacturing	¥38,881	–	–
								Re-purchase of semi-finished components for contract manufacturing	¥50,296	Accounts payable, trade	¥1,288
Subsidiary of other relative company	NEC Electronics Corporation	Kawasaki-city Kanagawa Prefecture	¥85,955	Manufacture and sales of integrated circuits	–	Part time 1	Contract manufacturing of finished components	Sales of products	¥20,713	Accounts receivable, trade	¥6,393

Notes 1. Consumption taxes are included in the balances as at March 31, 2005 but are not included in transaction amounts for the year ended March 31, 2005 in the schedules shown above.

2. The terms and conditions applicable to the transactions of sales and purchases have been determined on an arm's length basis and by reference to normal market price levels.

3. Related Party Transactions (continued)

(2) For the year ended March 31, 2006

a) Affiliate company

(Millions of yen)

Attribute	Name of related party	Address	Common stock	Nature of operations	Equity ownership percentage	Relationship		Transactions	For the year ended March 31, 2005	Accounts	At March 31, 2006
						Concurrent directors	Description of the business relationship				
Affiliate company	Tera Probe, Inc	Sagamihara-city Kanagawa Prefecture	¥5,600	Wafer test technical service	(Possessed by) Directly 38.5	Temporary Transfer 2	Wafer test service for the subsidiary	Substitute for Procurement	¥5,631	Accounts receivable, other	¥5,838
						Concurrent 2					

Notes 1. Consumption taxes are included in the balances as at March 31, 2006 but are not included in transaction amounts for the year ended March 31, 2006 in the schedules shown above.

2. The terms and conditions applicable to the transactions of sales and purchases have been determined on an arm's length basis and by reference to normal market price levels.

3. Related Party Transactions (continued)

(2) For the year ended March 31, 2006(continued)

b) Subsidiaries of parent company

(Millions of yen)

Attribute	Name of related party	Address	Common stock	Nature of operations	Equity ownership percentage	Relationship		Transactions	For the year ended March 31, 2005	Accounts	At March 31, 2006
						Concurrent directors	Description of the business relationship				
The company held by major shareholder	NEC Semi-conductors (Singapore) Pte. Ltd.	Singapore	S\$ 111 million	Manufacture and sales of integrated circuits	–	–	Contract manufacturing of semi-finished components for the Company	Supply of semi-finished components for contract manufacturing	¥32,587	–	–
								Re-purchase of semi-finished components for contract manufacturing	¥43,149	Accounts payable, trade	¥1,486

Notes 1. Consumption taxes are included in the balances as at March 31, 2006 but are not included in transaction amounts for the year ended March 31, 2006 in the schedules shown above.

2. The terms and conditions applicable to the transactions of sales and purchases have been determined on an arm's length basis and by reference to normal market price level