



News Release

FOR IMMEDIATE RELEASE

Elpida Announces Terms of Stock Option Plan

TOKYO, JAPAN, August 31, 2006 – Elpida Memory, Inc. (the Company), Japan’s leading global supplier of Dynamic Random Access Memory (DRAM), announced that the Board of Directors held today decided the terms of the issuance of stock acquisition rights in the form of stock options (Stock Options) pursuant to the resolution of the General Shareholders’ Meeting held on June 27, 2006.

Terms of issuance of Stock Options are as follows:

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| 1. Scheduled allotment date of Stock Options: | September 27, 2006 |
| 2. Number of Stock Options to be issued: | 1,000 units (100 shares per unit) |
| 3. Issue price of the Stock Options: | To be issued gratis |
| 4. Class and number of shares to be acquired upon exercise of the Stock Options: | 100,000 common shares |
| 5. Exercise price of the Stock Options: | To be determined |
| 6. Aggregate value of new shares to be issued upon the exercise of the Stock Options: | To be determined |
| 7. Exercise period of the Stock Options: | From October 1, 2008 to September 30, 2013 |
| 8. Amount of capital and additional paid-in capital to be increased through the exercise of the Stock Options : | To be determined |
| 9. Number of and categories of persons to whom the Stock Options are allocated: | Total of 625 officers or employees of the Company or a subsidiary of the Company |

The exercise price of Stock Options and other items will be determined on the date as September 27, 2006 on which the stock acquisition rights are allotted.

Notes:

- (1) Date the Board of Directors decided that the stock option plan to be submitted to the general shareholders’ meeting for approval:
April 25, 2006
- (2) Date of approval of the Stock Option plan at the general shareholders meeting:
June 27, 2006

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