

FOR IMMEDIATE RELEASE

**Basic Agreement Concerning the Sale of
Hiroshima Elpida's 200mm Wafer Processing Equipment**

TOKYO, JAPAN, February 19, 2007 – Elpida Memory, Inc. (Elpida), Japan's leading global supplier of Dynamic Random Access Memory (DRAM), today announced that Elpida has reached a basic agreement with Semiconductor Manufacturing International Corporation (SMIC) and Cension Semiconductor Manufacturing Corporation (Cension) concerning the sale of 200mm wafer processing equipment to Cension. The equipment transferred to Cension will be managed and operated by SMIC.

1. Reason for the Sale

Elpida is committed to the development, production and sales of advanced DRAMs. Our goal is to provide the most advanced process technology and even higher speed and lower power consumption DRAMs.

For this reason, Elpida has concluded that it is important for Hiroshima Elpida Memory, Inc. (Hiroshima Elpida) to sell its 200mm wafer processing equipment in order to devote Elpida's resources to quickly achieving a 300mm line that uses advanced production processes. Thus, as part of this increase in our 300mm line manufacturing capabilities, we have decided to transfer Hiroshima Elpida's 200mm equipment to Cension.

2. Assets to Be Sold

200mm wafer processing equipment of Hiroshima Elpida

3. Recipient of Assets

Recipient's corporate name: Cension Semiconductor Manufacturing Corporation (Chengdu)

Recipient's address: No. 8 Kexin Road, Export Processing Zone (West Area), Chengdu,
The People's Republic of China

Recipient's official representative: Zheng Jin Yuan, President & CEO

Description of recipient's business: Semiconductor Manufacturing

Recipient's connection with Elpida: None

4. Future Issues

Henceforth, Elpida, Cension and SMIC will negotiate the details of the agreement.

Also, Elpida expects that the Hiroshima Elpida's 200mm equipment will be used more efficiently by Cension under the management of SMIC, and we have intention to continue to provide support to customers who have placed orders for production of 200mm wafer line products.

About Elpida Memory, Inc.

Elpida Memory, Inc., (Tokyo Stock Exchange Code 6665), is a leading manufacturer of Dynamic Random Access Memory (DRAM) silicon chips. Our design, manufacturing, and sales operations are backed by our world class technology expertise. Our manufacturing facilities, Hiroshima Elpida Memory, Inc. (front-end processes) and Akita Elpida Memory, Inc. (back-end processes), utilize the most advanced manufacturing technologies available in the industry. Further, we have customer sales and marketing support offices in Japan, North America, Europe, Taiwan and Singapore including our new location servicing Shanghai China. Elpida's portfolio of advanced products features such characteristics as high-density, high-speed, low power and small packing profiles. We provide applications across a wide range of areas, including high-end servers, mobile phones and digital consumer electronics. For more information about Elpida, please visit <http://www.elpida.com>

Information in this news release is current as of the timing of the release, but may be revised later without notice.

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