



News Release

FOR IMMEDIATE RELEASE

Elpida Raises JPY 110 billion through Long-term Credit Facility

TOKYO, JAPAN, October 14, 2008 - Elpida Memory, Inc., Japan's leading global supplier of Dynamic Random Access Memory (DRAM), today announced that it has withdrawn JPY 100 billion using a syndicated credit facility of JPY 110 billion consisting of term loans with a commitment period. The company plans to draw on the remaining JPY 10 billion by the end of October, 2008.

Amid growing fears of global financial turmoil, the company believes that the issue of upmost importance to the management of semiconductor companies is to secure enough cash in hand to take appropriate actions at the right time for the future growth.

A total of JPY 110 billion, JPY 100 billion withdrawn today plus JPY 10 billion planned to be withdrawn soon, is expected to contribute to lowering the company's financial risk by securing a more stable cash position. Also, Elpida believes today's action will provide it with more flexibility in future business management decisions.

Given DRAM prices and the highly competitive environment, Elpida plans to use the proceeds from the credit facilities for FY 2008 capital investments, including migration to new process technologies, investment into the Rexchip manufacturing joint venture and R&D.

Elpida will maintain a careful watch of the DRAM market and industry conditions and take action at the appropriate time to insure effective management of its capital investments.

* Elpida also plans to procure JPY 50 billion through an offer of unsecured convertible bonds with stock acquisition rights. Together with the above mentioned withdrawal of JPY 110 billion, this would provide JPY 160 billion in total available capital. Elpida plans to use the capital from the convertible bond issuance mainly to fund its FY 2009 capital investments. (Please see a separate news release titled "Announcement on the Issuance of 1st Series Unsecured Convertible Bond Type Bonds with Stock Acquisition Rights (with Conversion Price Amendment Clause) to be Offered by Third-Party Allocation"). The securities offered have not been and will not be registered under the United States Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

* Separate from its long-term credit facility, Elpida also has a total of JPY 50 billion short-term credit facilities that can be used to meet short-term working capital needs.

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The information contained within this news release is current as of the date of release. Please note that the information herein may be revised later without prior notice.

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