



## News Release

FOR IMMEDIATE RELEASE

### Elpida Announces An Additional Reduction of Executive Compensation

**TOKYO, JAPAN, October 19, 2008** – Elpida Memory, Inc. (“Elpida”), Japan’s leading global supplier of Dynamic Random Access Memory (“DRAM”), today announced that Elpida’s Board of Directors has approved an additional change in executive-level compensation following its decision on October 17 to reduce compensation for top management. (Please see the October 17, 2008 news release titled “Elpida Announces Decision to Reduce Executive Compensation.”) Today the Board has approved a proposal by company president and CEO Yukio Sakamoto to reduce his executive compensation by 100% in the last two months of 2008 as further demonstration of his commitment to improve Elpida’s business performance. The proposal was also ratified today by Elpida’s Executive Compensation Committee.

Accordingly, the information in Elpida’s October 17 news release has been changed as indicated below.

#### 1. Changes in reduction in compensation

The changes are underlined.

[Original decision]

	Amount of reduction	Period of reduced compensation
Yukio Sakamoto, President & CEO	<u>50%</u>	Until March 2009 or a monthly operating profit is reestablished

[Changed decision]

	Amount of reduction	Period of reduced compensation
Yukio Sakamoto, President & CEO	<u>50% reduction. However, in Nov. and Dec. of this year the president will decline 100% of his executive compensation.</u>	Until March 2009 or a monthly operating profit is reestablished

The reductions in compensation levels for full-time board members and corporate officers as described in the October 17 news release remain unchanged.

#### 2. Reason for change

Given the unprecedented slump in DRAM prices Elpida believes that the DRAM industry is in the final stage of a fight for survival. The capital financing the company is now arranging is designed to provide sufficient cash liquidity to put the company on a stronger competitive footing.

President Sakamoto's decision to take an additional reduction in executive compensation is intended to further demonstrate to Elpida shareholders his strong commitment to improving Elpida's business results.

**About Elpida**

Elpida Memory, Inc. (TSE 6665) is a leading manufacturer of Dynamic Random Access Memory (DRAM) integrated circuits. The company's design, manufacturing and sales operations are backed by world class technology expertise. Its 300mm manufacturing facilities, Hiroshima Plant and a Taiwan-based joint venture Rexchip Electronics, utilize the most advanced manufacturing technologies available. Elpida's advanced portfolio features such characteristics as high-density, high-speed, low power and small packaging profiles. The company provides DRAM solutions across a wide range of applications, including high-end servers, mobile phone and digital consumer electronics. More information can be found at <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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