



News Release

FOR IMMEDIATE RELEASE

Elpida Announces Preliminary Financial Results for FY 2008

TOKYO, JAPAN, April 27, 2009 – Elpida Memory, Inc., Japan’s leading global supplier of Dynamic Random Access Memory (DRAM), today announced preliminary consolidated financial results for its fiscal year ended March 31, 2009. Details are below. The company plans to announce actual results on May 12.

1. FY 2008 preliminary consolidated financial results

	Net sales	Operating profit (loss)	Ordinary profit (loss)	Net profit (loss)
				(billion yen)
FY 2008 estimates (A)	330.0	(150.0)	(170.0)	(180.0)
FY 2007 actual results (B)	405.5	(24.9)	(39.6)	(23.5)
Increase/decrease (A-B)	(75.5)	(125.1)	(130.4)	(156.5)
Percent increase/decrease	-18.6%	—	—	—
FY 2008 1-3Q (9 mo) results	284.6	(98.0)	(111.8)	(118.0)
FY 2007 1-3Q (9 mo) results	315.1	0.9	(8.9)	5.7

Note: In March 2009 Elpida converted Rexchip Electronics Corporation and Tera Probe into consolidated subsidiaries. However, the FY 2008 consolidated accounting period results for these two firms will be treated the same as before as equity in earnings of affiliates.

2. New Business Results Forecast

PC DRAM prices continued to fall in FY 2008. In addition to excess supply conditions that have persisted since early 2007, prices have been affected by weaker demand brought on by the rapid global economic slowdown that followed the Lehman shock. The spot price for DDR2 SDRAM, a leading PC DRAM product, has dropped by more than half over the past one year.

Given this environment, Elpida worked to further reduce costs by accelerating the shift to 65nm process production at the Hiroshima Plant and Rexchip Electronics Corporation, a Taiwan-based DRAM manufacturing joint venture. It also responded in other ways to the difficult business circumstances. Capital investment and other spending priorities were revised and such personnel-related cost-cutting measures as reducing director compensation and employee salaries and bonuses were taken.

However, because DRAM price declines were larger than expected Elpida was unable to avoid recording a significant loss for the full term.

As a result, Elpida now estimates that FY 2008 net sales fell 19% YoY to 330 billion yen. While greater chip production through process migration and higher market share generated 90% YoY bit shipment growth, the aforementioned product price declines -- which resulted in a sharp 52% drop in average selling prices -- and yen appreciation were the main factors behind the sales decline. An operating loss of 150 billion yen was largely due to a sharp decline in net sales and cost cuts that were unable to catch up with the rapid drop-off in selling prices.

Other preliminary results are an ordinary loss of 170 billion yen, partly due to equity in losses of affiliated companies, and a net loss of 180 billion yen after factoring in such extraordinary losses as 8 billion yen in connection with settlement of an anti-trust action.

After making major strides in shifting to 65nm process production in FY 2008 reductions in per-chip manufacturing cost are now underway at the company's Hiroshima Plant and the Rexchip joint venture. Furthermore, supply and demand conditions are expected to improve as production cuts in the DRAM industry are likely to set the stage for product prices to recover. With the help of more cost reductions, Elpida is aiming to turn its business results around over the near term.

About Elpida

Elpida Memory, Inc. (Tokyo: 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 technological expertise. Its 300mm manufacturing facilities, consisting of its Hiroshima Plant and a Taiwan-based joint venture, Rexchip Electronics, utilize the most advanced manufacturing technologies available. Elpida's 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 phones and digital consumer electronics. More information can be found at <http://www.elpida.com>.

Forward-looking Statements

Forecasts included in this document are forward-looking statements that are based on management's view from the information available at the time of this Report. These statements involve risks and uncertainties. Actual results may be materially different from those discussed in the forward-looking statements. The factors that may affect Elpida include, but are not limited to, changes in the DRAM market and industry environment, changes in technologies and design, problems related to its supply of key material and equipment, loss of or decreased demand from key customers, changes in exchange rates, general economic conditions and natural disasters. Elpida disclaims any obligation to update or, except in the limited circumstances required by the Tokyo Stock Exchange, announce publicly any revision to any of the forward-looking statements.

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