



News Release

FOR IMMEDIATE RELEASE

Elpida Announces Preliminary Financial Results for the 1H of FY 2009

TOKYO, JAPAN, October 15, 2009 – Elpida Memory, Inc., Japan’s leading global supplier of Dynamic Random Access Memory (DRAM), today announced preliminary consolidated financial results for the 1H of fiscal year 2009, which ended on September 30, 2009. The company plans to announce actual results on November 5.

1. 1H FY 2009 (April 1, 2009 to September 30, 2009) preliminary consolidated financial results

(billion yen)

	Net sales	Operating profit (loss)	Ordinary profit (loss)	Net profit (loss)
1H-FY2009 Results (a) -- Preliminary	168.6	(41.8)	(53.6)	(52.4)
1H-FY2008 Results (b)	222.8	(40.1)	(45.7)	(45.6)
Increase/decrease (a-b)	(54.2)	(1.7)	(7.9)	(6.8)
Increase/decrease (%)	-24%	—	—	—

(Reference)

	Net sales	Operating profit (loss)	Ordinary profit (loss)	Net profit (loss)
2Q-FY 2009 Results (a-c)	96.0	0.5	(7.0)	(8.0)
1Q-FY 2009 Results (c)	72.6	(42.3)	(46.6)	(44.4)
2Q-FY 2008 Results	113.6	(24.5)	(30.3)	(31.9)
1Q-FY 2008 Results	109.2	(15.6)	(15.4)	(13.8)

Note: Beginning FY 2009, profits and losses at Rexchip Electronics Corporation, Tera Probe Inc. and TeraPower Technology Inc. (a consolidated subsidiary of Tera Probe Inc.) are included in Elpida's consolidated statements of operations.

2. Preliminary Results Key Points

Prices of Computing DRAM products (for PCs and servers) rose steeply in the 2Q of FY 2009 as a result of a better demand-supply balance made possible by a recovery in demand, and Elpida's average selling price (ASP) accordingly saw a quarterly increase. Also, the company's bit shipments saw a steady rise in the 2Q supported by increased shipments of 1Gb DDR3 SDRAM to major PC makers.

As a result, Elpida's preliminary results indicate that 2Q net sales rose 32% QoQ to 96 billion yen. Following a 42.3 billion yen operating loss in the previous quarter, operating profit turned slightly into the black in the 2Q, helped by higher sales and cost improvements made possible mainly by better productivity. Based on a YoY comparison, profitability was also better mainly because chip cost reductions were greater than the effects of lower selling prices and yen appreciation. Although ordinary income and net profit did not reach the black (losses are approximately 7.0 billion yen and 8.0 billion yen, respectively), preliminary results show dramatic improvement compared with the previous quarter.

Lastly, Elpida's Taiwan-based consolidated subsidiary, Rexchip Electronics Corporation, started to turn a profit in the 2Q.

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>.

Note: The preliminary results in this press release are calculated based on currently available information and actual financial results may vary.

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