



News Release

FOR IMMEDIATE RELEASE

Elpida Announces Preliminary Financial Results for the 1H of FY2011

TOKYO, JAPAN, October 14, 2011 – Elpida Memory, Inc., Japan's leading global supplier of Dynamic Random Access Memory (DRAM), today announced preliminary consolidated financial results for the first half (1H) of fiscal year 2011, which ended on September 30, 2011. The company plans to announce actual results on October 27.

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1. 1H-FY2011 (April 1, 2011 to September 30, 2011) preliminary consolidated financial results

(Billion yen)

	Net sales	Operating income (loss)	Ordinary income (loss)	Net income (loss)
1H-FY2011 Results (a) -- Preliminary	160.0	(49.0)	(58.0)	(57.0)
1H-FY2010 Results (b)	325.1	67.9	52.3	39.9
Change (a-b)	-165.1	-116.9	-110.3	-96.9
Change (%)	-51%	-	-	-

(Reference)

2Q-FY2011 Results -- Preliminary	64.0	(45.0)	(51.0)	(49.0)
1Q-FY2011 Results	95.7	(3.8)	(7.3)	(7.9)

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2. Major factors in consolidated business results

Preliminary cumulative sales for the first six months showed a big YoY decline due to sluggish demand for PC DRAMs dragging down selling prices and the strong yen. Also, despite maximum efforts to reduce costs, a recorded large inventory valuation loss and the other negative circumstances just described produced greatly expanded losses.

In the second quarter (July 1 to September 30, 2011), bit shipment growth was 16% QoQ, above the guidance of 10% growth announced on August 8. However, due to a 37% QoQ steep drop in DRAM average selling prices (ASP) and yen appreciation, sales are significantly lower QoQ on a preliminary basis and losses have expanded.

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The information contained in these preliminary results is based on information available at the time preliminary results were announced and certain reasonable assumptions. Actual business results may differ from the figures contained in preliminary results.

Because the DRAM products manufactured and sold by Elpida are subject to extremely variable selling prices, reasonable forecasts of market price are difficult. As a result, Elpida does not issue business earnings forecasts.

About Elpida Memory, Inc.

Elpida Memory, Inc. (Tokyo: 6665 JP) 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 subsidiary, 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 personal computers, servers, mobile devices and digital consumer electronics. More information can be found at <http://www.elpida.com>.

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