ELPIDA

March 23, 2012

To: Holders of Convertible Bond-Type Bonds with Stock Acquisition Rights

From: Yukio Sakamoto
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Trustees of Elpida Memory, Inc.

Notice to Holders of Convertible Bond-Type Bonds with Stock Acquisition Rights

The purpose of this notice is to inform holders (the "Bondholders") of Elpida Memory, Inc. Convertible Bond-Type Bonds with Stock Acquisition Rights below (the "Bonds") how the rights of the Bondholders will be handled during the forthcoming corporate reorganization proceedings that will apply to Elpida Memory, Inc. and advise the Bondholders of certain procedures they need to follow in relation to their claims.

Name	ISIN Code	Issue Date	Amount (million yen)	Coupon rate (per annum)
130% Call Option Attached Unsecured Convertible Type Bonds with Stock Acquisition Rights (2nd Series) (with early redemption rights and inter-bond pari passu clause)	JP316764 PAA2	Oct. 26, 2010	60,000	0.5%
130% Call Option Attached Unsecured Convertible Type Bonds with Stock Acquisition Rights (3rd Series) (with early redemption rights and inter-bond pari passu clause)	JP316764 PB87	Aug. 1, 2011	27,500	0.7%

The Bondholders should please note that Aozora Bank, Ltd. ("Aozora Bank") manages these bonds and serves as an impartial and good-faith bond administrator.

1. Introduction

On February 27, 2012 Elpida Memory (hereafter, "the Company") filed a petition with the Tokyo District Court (the "Court") to commence corporate reorganization proceedings (the "Proceedings"). On March 23, 2012, the Court issued an order to commence the Proceedings. The Company wishes to express its sincerest regret for any distress or inconvenience the Proceedings might cause the Bondholders.

The Company now has the intention of rehabilitating its business by carrying out the Proceedings properly and fairly. The Company will function under the supervision and instruction of the Court and Mr. Atsushi Toki, attorney-at-law and the Examiner.

What follows is a brief explanation of **an overview of the forthcoming Proceedings and the responsibilities of the Bondholders in regard to the Proceedings**. Please also refer to Q&A following the explanation.

2. Overview of the Proceedings and the responsibilities of the Bondholders

Corporate reorganization proceedings are a process by which a company can simultaneously rehabilitate itself and continue in business while functioning under the supervision of the Court-appointed trustee.

Unfortunately, as part of the Proceedings, the rights of creditors (including the Bondholders) and shareholders are restricted.

For example, under the Corporate Reorganization Act in Japan, **the Bondholders are prevented temporarily from applying for payment of the Bonds and other actions. (Also, stock acquisition rights cannot be exercised because the Company forfeited the benefit of time with respect to the Bonds.)**

Procedures going forward are as follows: (a) submission of proof of claims, (b) approval of the proposed reorganization plan by creditors and confirmation of the reorganization plan by the Court and (c) payment of claims in accordance with the reorganization plan.

The Bonds were delisted from Tokyo Stock Exchange as of February 28, 2012. However, they will be handled under the Book-Entry Transfer System of the Japan Securities Depository Center, Inc. in the meantime.

(a) Submission of proof of claims

In order for creditors to participate in the Proceedings and receive payment on their claims in accordance with the reorganization plan, submission of proof of claim forms to the Court from those holding claims is generally required. **However, since Aozora Bank, which is the administrator of the Bonds, will submit the required proof of claims forms for the Bonds on behalf of the Bondholders, the Bondholders by themselves do not need to submit proof of claim forms**.

(b) Approval of the proposed reorganization plan by creditors and confirmation of the reorganization plan by the Court

The Court-appointed trustee will submit a proposed reorganization plan to the Court that will define how and when the claims of creditors, including the Bondholders, will be paid. Creditors will be asked to vote for or against the proposed reorganization plan. However, in regard to the Bondholders, Aozora Bank will hold a meeting of these bondholders. At that meeting the Bondholders will be asked to decide on whether to authorize Aozora Bank to represent Bondholders in the forthcoming vote for or against the proposed reorganization plan. In other words, the bondholders are not required to vote on the reorganization plan by themselves but Aozora Bank will do so in case where the authorization to Aozora Bank to vote on the reorganization plan is approved at the bondholders' meeting by the Bondholders who attend the bondholders' meeting in person or submit a ballot form to Aozora Bank in advance of the meeting.

The time for a meeting of bondholders is expected to be after the proposed reorganization plan is submitted to the Court (the deadline for the trustee to submit a proposed reorganization plan to the Court is presently scheduled to be August 21, 2012) and before the deadline for the voting on the proposed plan although the specific date of the meeting is not yet determined. The Bondholders will be notified in advance of the scheduled date of the bondholders meeting in an appropriate manner once it is fixed.

When the proposed reorganization plan is approved by the requisite majority votes by creditors, the Court will determine whether to confirm the plan.

(c) Payment of claims in accordance with the reorganization plan

When the reorganization plan is confirmed by the Court, the bondholders will receive payment according to the terms of the plan.

Since details concerning how and when payment will be made will be described in the reorganization plan, these details are presently unavailable. The contents of the reorganization plan will be notified to the Bondholders after the trustee submit the plan to the Court.

3. If you have questions

Bondholders who have questions about the Proceedings or any related matter should contact Aozora Bank. The bank's address and phone number are indicated below:

Aozora Bank, Inc., bond administrator in charge of Elpida Memory, Inc. Convertible Bond-Type Bonds with Stock Acquisition Rights
Telephone: 03-4520-2579 (Calling from outside Japan: +81-3-4520-2579)
Business hours: 9:00-17:00 JST (Closed on Saturdays, Sundays, Holidays and from December 31 to January 3)

4. Conclusion

I deeply regret the distress caused by the petition for the commencement of the Proceedings.

The Company will henceforth implement Proceedings appropriately under the instruction and supervision of the Court and the Examiner.

The Company will also continue to provide the Bondholders with necessary information at the appropriate time in cooperation with Aozora Bank.

Therefore, as we have done before, we kindly ask for your support and cooperation, in order to now achieve the best possible result for all concerned based on the forthcoming Proceedings.

Questions & Answers:
Convertible Bond-Type Bonds with Stock Acquisition Rights

Q1: How will the reorganization proceedings work?

A1: The reorganization proceedings are likely to happen in order as follows:

i) The Court makes a decision to commence reorganization proceedings;
ii) Creditors submit proof of claims forms;
iii) The trustee's proposed reorganization plan is submitted to the Court;
iv) Meeting of Bondholders;
v) Vote on the reorganization plan;
vi) The reorganization plan is approved by creditors;
vii) The reorganization plan is confirmed by the Court;
viii) Payment of claims in accordance with terms of the reorganization plan.

The deadline for creditors to submit proof of claims forms is May 21, 2012. The deadline for the trustee to submit a proposed reorganization plan is currently scheduled for August 21, 2012. The schedule for the meeting of Bondholders and other details have not yet been decided.

Q2: What procedures must the Bondholders follow?

A2: First, **Aozora Bank, the bond administrator for the Bonds, plans to submit proof of claim related to the total value of the Bonds. As a result, individual Bondholders do not need to become involved in claim form procedures.** A meeting of Bondholders will be scheduled after the trustee submits a proposed reorganization plan to the court. Bondholders are invited to attend that meeting. Bondholders can participate directly in the meeting or they can submit a form in advance of the meeting to vote by proxy.

Q3: When will the meeting of Bondholders take place?

A3: After the trustee submits the proposed reorganization plan to the Court Aozora Bank plans to hold a meeting of bondholders to allow the Bondholders to approve or reject the proposed plan. At present the schedule for this meeting, the meeting procedures and other details are not yet decided. An announcement will be made once meeting details have been decided.

Q4: When will Bondholder claims be paid and how much will be paid?

A4: When Bondholders will be paid and in what amounts will depend on the terms that become stipulated in the reorganization plan. For the moment they remain undecided.

Q5: Who do I contact to get more information about the procedures that apply to Bondholders?

Please contact Aozora Bank with any questions about the procedures that apply to the Bondholders. For questions about securities account and other related matters please contact the securities firm handling your securities account.

In regard to the forthcoming Proceedings it may be necessary for the Bondholders to take certain actions through the securities firms handling their securities account. Also, requirements among securities firms may differ (such as documents required, procedural costs, etc.). Therefore, as the specifics of reorganization proceedings become decided or implemented the Bondholders may need to confirm important procedural matters with a securities firm.