

Press Release**Inotera Reports First Quarter 2014 Results**

Taoyuan, Taiwan (R.O.C.), April 22nd, 2014 – Inotera Memories, Inc. (TWSE: 3474) today announced audited results for the first quarter of its fiscal year 2014, which ended on March 31st, 2014. For the first quarter, the company reported sales revenues of NTD 20,224 million and record net income of NTD 11,246 million, or earnings per share of NTD 1.85 based on weighted average outstanding shares of 6,079 million.

Gross margin for the quarter was 54%, operating margin was 53%, and net margin was 56%. The company's book value per share as of March 31st, 2014 was NTD 10.02.

The 2% quarter-on-quarter decrease in the company's sales revenues was mainly due to a 3% decline in average sales revenue per wafer. Wafer shipments were flat sequentially in the first quarter of 2014, and bit shipments increased by 5% quarter-on-quarter.

In response to the strong enterprise-demand from our customer, Inotera is continuously focusing on the production of DRAM-products for use in server and networking applications, and expects to see an increasing portion of DDR4 DRAM output for high-end products.

Total capital expenditures for year 2014 are expected to be NTD 22 billion, an increase from the previous guidance of NTD 15 billion, mainly for accelerating its conversion to 20nm-technology. Inotera expects to commence pilot runs of 20nm-technology at the end of the second quarter, on schedule, and launch initial volume production in the end of 2014. The company expects to introduce high-efficiency mainstream DRAM products using this technology.

About Inotera

Inotera Memories, Inc. was incorporated on January 23rd, 2003. Inotera's production facilities are designed to manufacture high-density and high-performance DRAM (Dynamic Random Access Memory) products using state-of-the-art technology. The combination of world-leading technology transferred from its technology partners and local cost-efficiency in mass production has resulted in an innovative company that is highly productive, highly competitive and at the leading edge in the DRAM industry. For more information, please visit Inotera's IR Website : <http://ir.inotera.com>

Financial Summary (1Q'14 results are audited)

Unit: Million NT\$, except for EPS in NT\$	1Q'14	4Q'13	QoQ	YoY	1Q'13
Net Operating Revenues	20,224	20,669	-2%	134%	8,632
Gross Profit (Loss)	10,933	10,902	0.3%	N/M	(269)
G&A Expenses	(71)	(91)	22%	-3%	(69)
R&D Expenses	(138)	(99)	-39%	-126%	(61)
Total Operating Expenses	(210)	(190)	-11%	-62%	(130)
Operating Income (Loss)	10,724	10,712	0.1%	N/M	(399)
Non-operating income (Expense)	522	339	54%	N/M	(214)
Income (Loss) before Income Tax	11,246	11,051	2%	N/M	(613)
Income Tax Benefit (Expense)	0	0	N/M	N/M	0
Net Income (Loss)	11,246	11,051	2%	N/M	(613)
EPS (Loss)	\$1.85	\$1.82	2%	N/M	(\$0.11)
Weighted Average Outstanding Shares (millions)	6,079	6,058			5,405
Gross Margin (%)	54%	53%			-3%
Operating Margin (%)	53%	52%			-5%
Non-operating Income (Expense) (%)	3%	2%			-3%
Income Tax Benefit (Expense) (%)	0%	0%			0%
Net Margin (%)	56%	53%			-8%

Note: A positive percentage value in the columns "QoQ" and "YoY" indicates improvement in 1Q'14, while a negative value indicates the opposite

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Disclaimer

This press release contains some forward-looking statements that are subject to substantial risks and uncertainties. Typically, these statements contain words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "plan," "forecast," "project," "predict," "potential," "continue," "may," "should," "will" and "would" or similar words. You should consider these forward-looking statements carefully because such statements are only our expectations or projections about future events, and actual results may differ materially from those expressed or implied by such statements. The forward-looking statements in this press release include, but are not limited to, growth rates for various markets estimated by a third party source, future products and technology development, widespread market acceptance of the hosted delivery model, future revenue growth and profitability. You should be cautioned that the forward-looking statements are not the guarantees of our future performance. The forward-looking statements contained in this press release are made only as of the date of this press release and we undertake no obligation to update the forward-looking statements to reflect subsequent events or circumstances, except as required by law.

This press release and the information contained herein are the property of Inotera Memories, Inc.