



News Release

FOR IMMEDIATE RELEASE

Notice on Petition for Commencement of Corporate Reorganization Proceedings

Tokyo, Japan, February 27, 2012 – Elpida Memory, Inc. (Tokyo: 6665) (“Elpida”) hereby announces that At the meeting of the board of directors held on February 27, 2012, we resolved to file a petition for the commencement of corporate reorganization proceedings and filed the same with the Tokyo District Court. As such petition was duly received on the same day and then the Court has immediately rendered the temporary restraining order to restrain any repayment, etc., the comprehensive prohibition order to prohibit any execution and the supervision and examination order, we hereby notify thereof as follows. In this connection, our consolidated subsidiary, Akita Elpida Memory, Inc., has simultaneously filed a petition for the commencement of corporate reorganization proceedings. For such information, please refer to the separate “Notice on Petition for Commencement of Corporate Reorganization Proceedings and Uncollectibility of Debts of Our Subsidiary”.

We sincerely regret any inconvenience caused by this petition for the creditors as well as the people who have been supporting us.

From now on, under the supervision of the Tokyo District Court and Mr. Atsushi Toki, Attorney-at-Law and the Supervisor and Examiner appointed by such court, our company will work together as a whole and will make our best efforts to rebuild the business of our company. Your continued support and contribution will be greatly appreciated.

1. Grounds for the Petition

Our company was established in December 1999 as a sole company in Japan that specializes in DRAM (our initial trade name was NEC Hitachi Memory, Inc.), has started development operations for DRAM products since April 2000, and changed our trade name to the present one in May 2000.

Thereafter, we expanded our business by establishing foreign companies as local distribution offices, by commencement of sales business inside and outside Japan, by succession of businesses of other domestic or foreign companies to our company, by collaboration with other domestic or foreign companies, and by commencement of manufacturing of products at our subsidiary in Hiroshima (currently, our Hiroshima Plant). Since March 2003, we have been a

sole company in Japan being engaged in DRAM business. After the listing of our shares (currently, common shares) on the 1st section of the Tokyo Stock Exchange in November 2004, we explored our business through such as the plant and equipment investments into Hiroshima Plant, etc., the establishment in 2005 of a joint venture company, Tera Probe, Inc., a company specialized in wafer probe testing, the establishment of Akita Elpida Memory, Inc., a wholly owned subsidiary to take on the back-end process for DRAM, the establishment of Rexchip Electronics Corporation, a joint venture company for front-end process, and the subsequent acquisition thereof as a subsidiary.

However, as a result of the reinforcement of production capacity by investments into plants and equipment implemented proactively in the DRAM industry in 2006 through 2007 in expectation of the growth of demand due to an increase of the volume of shipment of personal computers as well as an increase of the capacity of DRAM per unit, the supply significantly exceeded the demand. At the beginning of 2007, the price of DRAM started falling sharply and, combined by a significant decrease of demand for the products due to the global economic downturn begun in the fall 2008, such price further declined. In the fiscal year ended March 2009, we were forced to experience a significant deterioration in business results compared with the previous year.

In such situation, being evaluated in June 2009 as one of the companies having world's highest technology in development and design of DRAM, we received an approval on the business restructuring plan under the Act on Special Measures Concerning Revitalization of Industry and Innovation of Industrial Activity from the Ministry of Economy, Trade and Industry in order to maintain such superiority in technology and to increase the productivity. Despite such business restructuring plan that targeted on keeping the superiority in technology, improvement of productivity and further expansion of market share by implementing the most advanced research and development of premier DRAM, and by investments into advanced plant and equipment which enable high productivity, the circumstances around our company turned from bad to worse due to the factors such as the record-breaking strong yen against the US dollar, and the steep fall of the price of DRAM products by fiercer competition in the DRAM industry. Within such continuing harsh management environment, an additional negative factor, which is a stagnation of demand for DRAM due to the great flood in Thailand in 2011, has arisen.

Based on the background mentioned above, we have concluded that, if we continue the business by ourselves, we will face cash shortage soon. Moreover, we assumed that, if we left this situation and then cash shortage would become reality, the corporate value of our company must significantly fall, there must be no way to be supported by any sponsorship, and the people concerned such as the creditors must suffer more inconvenience. Therefore, we are obliged to decide that we will aim for the restructuring of our business under the proceedings of the Corporate Reorganization Act and filed the petition as of today.

2. Aggregate Amount of Indebtedness (on the balance sheet as of March 31, 2011)
448,033 million Yen

3. Future Prospect

In the future, under the instruction and supervision of the Tokyo District Court and Mr. Atsushi Toki, Attorney-at Law and the Supervisor and Examiner, our company will work together aiming for the restructuring of our business with a view to selection of a sponsor and the sponsorship from such sponsor so that we can secure as much repayment funds as possible for the creditors.

4. Application for Examination of Restructuring Plan, Etc., Provided in the Securities Listing Rule of the Tokyo Stock Exchange

We have no intent to file the application for the examination of restructuring plan, etc., provided in Article 605, Paragraph 1 of the Securities Listing Regulation of the Tokyo Stock Exchange.

(Reference) Outline of the Petition for the Commencement of the Corporate Reorganization Proceedings and Status of Our Company

1. Outline of the Petition

(1) Date of Petition	February 27, 2012
(2) Temporary Restraining Order to Restrain any Repayment, Etc.	Rendered on the same date
(3) Comprehensive Prohibition Order	Rendered on the same date
(4) Supervision Order and Examination Order	Rendered on the same date
(5) Competent Court	The Tokyo District Court
(6) Name of Case	Heisei 24 (Mi) No. 1, Corporate Reorganization Case
(7) Filing Counsels for the Petitioner	Kobayashi & Associates Law Office Nobuaki Kobayashi, Attorney-at-Law Motohiro Suzuki, Attorney-at-Law Kentaro Ohishi, Attorney-at-Law Kohei Okawa, Attorney-at-Law Nobuko Otsuki, , Attorney-at-Law Ryosuke Takishima, Attorney-at-Law Oh-Ebashi LPC & Partners, Tokyo Office Kosei Watanabe, Attorney-at-Law Takayuki Maruyama, Attorney-at-Law Junko Motozawa, Attorney-at-Law So Miyamoto, Attorney-at-Law Takashi Matsunaga, Attorney-at-Law Nobuyuki Hayano, Attorney-at-Law Ogawamachi Sogo Law Office Toshiaki Tabata, Attorney-at-Law
(8) Supervisor and Examiner	Atsushi Toki, Attorney-at-Law

2. Outline of the Company

(1) Trade Name	Elpida Memory, Inc.
(2) Address of Headquarters	2-1 Yaesu 2-chome, Chuo-ku, Tokyo, Japan
(3) Date of Establishment	December 20, 1999
(4) Representative	Yukio Sakamoto, President & CEO
(5) Main Businesses	Development, design, manufacturing, distribution and maintenance of electronic components such as semiconductor devices and integrated circuits

(6) Stated Capital	236,143,131,742 Yen		
(7) Status of Shares	Total Number of issued and outstanding shares: 271,787,370 shares of common shares 1,000,000 shares of preferred shares – Class 1 2,000,000 shares of preferred shares – Class 2		
(8) Total Number of Shareholders	94,973 (as of September 30, 2011)		
(9) Major Shareholders and their Holding Ratio (as of September 30, 2011)	Mizuho Trust & Banking Co., Ltd., Employee Pension Trust, Account of Hitachi, Ltd. Trustee of Re-entrustment Trust & Custody Services Bank, Ltd.	12,800 thousand shares	Approx. 4.7%
	The Master Trust Bank of Japan, Ltd. (Trust Account)	9,956 thousand shares	Approx. 3.6%
	Japan Trustee Services Bank, Ltd. (Trust Account)	9,411 thousand shares	Approx. 3.4%
	NEC Corporation	7,740 thousand shares	Approx. 2.8%
	GOLDMAN, SACHS & CO. REG	7,004 thousand shares	Approx. 2.5%
	MLPFS CUSTODY ACCOUNT	5,474 thousand shares	Approx. 2.0%
	JAPAN SECURITIES FINANCE CO., LTD.	3,736 thousand shares	Approx. 1.3%
	SBI SECURITIES Co., Ltd.	3,199 thousand shares	Approx. 1.1%
	FCB - TDR ELPIDA MEMORY, INC.	3,093 thousand shares	Approx. 1.1%
	SSBT OD05 OMNIBUS ACCOUNT - TREATY CLIENTS	2,823 thousand shares	Approx. 1.0%
(10) Executives	Yukio Sakamoto, Director		

	Takao Adachi, Director			
	Hideki Gomi, Director			
	Yasuo Shirai, Director			
	Yoshitaka Kinoshita, Director			
	Yasushi Takahashi, Director			
	Tsay-Jiu Brian Shieh, Director			
	Nobuyuki Wataki, Outside Director			
	Toshio Nohara, Corporate Auditor (full-time)			
	Takayuki Mashiko, Corporate Auditor (full-time)			
	Katsumi Sakurai, Corporate Auditor (Outside Auditor)			
	Masahiko Kanamura, Corporate Auditor (Outside Auditor)			
(11)	Number of Employees	3,190 (as of March 31, 2011)		
(12)	Labor Union	Hiroshima Elpida Memory <i>Rodokumiai</i>		
(13)	Aggregate Amount of Indebtedness	448,033 million Yen (as of March 31, 2011)		
(14)	Operating Results and Financial Status of the Last Three (3) Years (consolidated) (in Japanese Yen)			
Accounting Period		Ended March 31, 2009	Ended March 31, 2010	Ended March 31, 2011
Net Assets		266,469 million	346,782 million	356,004 million
Total Assets		965,289 million	947,450 million	878,970 million
Net Assets per Share		1,181.45	1,185.27	1,192.48
Net Sales		331,049 million	466,953 million	514,316 million
Operating Profit		-147,389 million	26,845 million	35,788 million
Ordinary Profit		-168,757 million	12,290 million	13,854 million
Net Income		-178,870 million	3,085 million	2,096 million
Net Income per Share		-1349.11	14.54	5.41