

Press Release**Inotera Reports Third Quarter 2015 Results**

Taoyuan, Taiwan (R.O.C.), October 27th, 2015 – Inotera Memories, Inc. (TWSE: 3474) today announced consolidated sales revenues of NTD 14,490 million, net income of NTD 5,774 million and earnings per share of NTD 0.88 based on weighted average outstanding shares of 6,559 million for the third quarter ended September 30th, 2015. Gross margin for the quarter was 28%, operating margin was 26%, and net margin was 40%. All numbers are un-audited.

The 11% decrease in sales quarter-on-quarter was mainly due to a sequential decline in average selling prices in the market place and a slight decline in wafer shipments. Bit shipments in the third quarter were slightly down by 2.9% quarter-on-quarter, which is in line with the company's previous guidance. The company expects its bit shipments to increase by single digit for the fourth quarter.

In accordance with previously communicated plans, Inotera will be on track to convert about 80% of its total wafer-start capacity to 20nm technology by the end of this year. With a rapid ramp on the way, the company continues to see an increasing portion of 20nm output and expects its bit growth rate in the double-digit range for the first quarter of 2016. 20nm full conversion is anticipated by the end of second quarter of 2016.

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 partner 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 (3Q'15 consolidated results are un-audited)

Unit: Million NT\$, except for EPS in NT\$	<u>3Q'15</u>	<u>2Q'15</u>	<u>QoQ</u>	<u>YoY</u>	<u>3Q'14</u>
Operating Revenues	14,490	16,245	-11%	-29%	20,267
Gross Profit	4,082	5,962	-32%	-62%	10,824
G&A Expenses	(86)	(86)			(77)
R&D Expenses	(133)	(204)			(235)
Total Operating Expenses	(219)	(290)			(312)
Operating Income	3,863	5,673	-32%	-63%	10,513
Non-operating income (Expense)	2,681	(484)			1,116
Income before Income Tax	6,544	5,188			11,629
Income Tax Benefit (Expense)	(771)	(600)			(0)
Net Income	5,774	4,588	26%	-50%	11,629
EPS	\$0.88	\$0.70			\$1.78
Weighted Average Outstanding Shares (millions)	6,559	6,554			6,521
Gross Margin (%)	28%	37%			53%
Operating Margin (%)	26%	35%			52%
Net Margin (%)	40%	28%			57%

Note: A positive percentage value in the columns "QoQ" and "YoY" indicates improvement in 3Q'15, 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.