

**INOTERA MEMORIES, INC.**

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Press Release

**Inotera Reports First Quarter 2011 Results:
Sales of NTD 9,586 Million and Loss per Share of NTD 0.87
*42nm volume ramp started in March***

Taoyuan, Taiwan (R.O.C.), April 20th, 2011 – Inotera Memories, Inc. (TWSE: 3474) today announced results for the first quarter of its fiscal year 2011, which ended March 31st, 2011. The operating loss registered for the first quarter of year 2011 was NTD 3,773 million, and net loss was NTD 4,044 million, on the back of sales revenues of NTD 9,586 million. The net loss incurred for the quarter is equal to a loss per share of NTD 0.87. First quarter results include a reversal of previous write-downs for the carrying value of work-in-process inventories in the amount of NTD 485 million, which was included in the cost of goods sold. All numbers are un-audited, and the loss-per-share calculation is based on weighted average outstanding shares of 4,639 million.

Inotera saw a 10% increase in sales revenues quarter-on-quarter, mainly contributed by a 26% sequential growth in wafer shipments while bit shipments increased by 36%, and partially offset by a 13% decline in average sales revenues per wafer mainly as a result of a sequential dip in average selling prices in the DRAM market.

Inotera has achieved shipment qualification of its 2Gb DDR3 DRAM product in 42nm process technology and started the volume ramp in March. The company is continuously working on the further diversification of its DRAM product portfolio and has commenced pilot runs of a 2Gb low-power DDR2 mobile DRAM in 50nm technology in April in addition to the 2Gb low-power DDR mobile DRAM, which has been qualified and started volume production in the same month.

Given sufficient safety stock and alternative sources of materials and parts, Inotera currently does not anticipate any impact on its production plan from potential supply shortages as a result of the March 11th Japan earthquake. The company's bit shipments are expected to grow by 10% to 15% in the second quarter sequentially.

Capital expenditures were NTD 4.5 billion in the first quarter, and guidance for year 2011 capital expenditures for 42nm technology conversion and pilot run of the 3xnm technology remains at NTD 17 billion.



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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'11 results are un-audited)

Unit: Million NT\$, except for EPS in NT\$	1Q'11	4Q'10	QoQ	YoY	1Q'10
Net Operating Revenues	9,586	8,715	10%	-17%	11,518
Gross Profit (Loss)	(3,425)	(4,164)	18%	-513%	(559)
G&A Expenses	(81)	(80)	-1%	25%	(108)
R&D Expenses	(267)	(276)	3%	52%	(553)
Total Operating Expenses	(348)	(356)	2%	47%	(661)
Operating Income (Loss)	(3,773)	(4,520)	17%	-210%	(1,219)
Non-operating income (Expense)	(271)	(150)	-81%	21%	(342)
Income (Loss) before Income Tax	(4,044)	(4,670)	13%	-159%	(1,561)
Income Tax Benefit (Expense)	0	0	N/M	N/M	0
Net Income (Loss)	(4,044)	(4,670)	13%	-159%	(1,561)
EPS (Loss)	(0.87)	(\$1.02)	15%	-142%	(\$0.36)
Weighted Average Outstanding Shares (millions)	4,639	4,556			4,362
Gross Margin (%)	-36%	-48%			-5%
Operating Margin (%)	-39%	-52%			-11%
Non-operating Income (Expense) (%)	-3%	-2%			-3%
Income Tax Benefit (Expense) (%)	0%	0%			0%
Net Margin (%)	-42%	-54%			-14%
EBITDA Margin (%)	50%	46%			57%

Note: A positive percentage value in the columns "QoQ" and "YoY" indicates improvement in 1Q'11, 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.