

Micron In Talks To Acquire Japanese Chipmaker

The Associated Press

TOKYO (AP) — U.S. chipmaker Micron Technology Inc. said Thursday it is in talks to acquire Elpida Memory Inc., which earlier this year filed for Japan's largest-ever manufacturing bankruptcy.

Boise, Idaho-based Micron said it made the announcement after the Tokyo District Court allowed Elpida's trustees to negotiate an agreement with Micron to become Elpida's sponsor and acquire its entire business in accordance with corporate reorganization proceedings.

Tokyo-based Elpida, the only maker in Japan to specialize in DRAM chips used in mobile phones and computers, reported a debt of 448 billion yen, or \$5.5 billion, in its bankruptcy filing in February.

The company had announced it was being reorganized after years of sliding chip prices amid a glut of supply, punishing competition from South Korea's Samsung Electronics Co. and weaker sales due to last year's flooding in Thailand that disrupted production.

Elpida released a statement also confirming talks with Micron were under way.

Elpida had attracted the interest of other companies, including South Korea's SK Hynix Inc., which had submitted an initial bid for the world's third-largest memory chipmaker last month. But last week, SK Hynix said it was giving up its bid.

Source URL (retrieved on 01/25/2015 - 10:43am):

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