



ANNOUNCEMENT

SK hynix Inc. (formerly, Hynix Semiconductor Inc.) US\$500,000,000 2.65% Convertible Notes due 2015

CANCELLATION OF BONDS PURSUANT TO CONVERSION

SK hynix Inc. (formerly, Hynix Semiconductor Inc.), as Issuer, wishes to announce that U\$117,200,000 in aggregate principal amount of U\$500,000,000 2.65% Convertible Notes due 2015 (the "Convertible Bonds") have been converted and cancelled. This is due to an exercise of conversion rights by the holders thereof.

Together with the current conversion, the total principal amount of Convertible Bonds converted and cancelled up to the date of this announcement is U\$138,400,000. Following the conversion and cancellation, the aggregate principal amount of Convertible Bonds remaining outstanding as of July 14, 2014 is U\$361,600,000.

Arising from the current conversion, 3,863,498 new common shares in SK hynix Inc. has been issued at the conversion price of Won 34,394 per common share, and the total common shares issued and outstanding are 716,121,782.

By: SK hynix Inc.

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Dated: July 14, 2014