

Micron Technology Financial Conference Call

Third Quarter of Fiscal 2014

©2014 Micron Technology, Inc. All rights reserved. Products are warranted only to meet Micron's production data sheet specifications. Information, products, and/or specifications are subject to change without notice. All information is provided on an "AS IS" basis without warranties of any kind. Dates are estimates only. Drawings are not to scale. Micron and the Micron logo are trademarks of Micron Technology, Inc. All other trademarks are the property of their respective owners.

Safe Harbor

During the course of this meeting, we may make projections or other forward-looking statements regarding future events or the future financial performance of the Company and the industry. We wish to caution you that such statements are predictions and that actual events or results may differ materially. We refer you to the documents the Company files on a consolidated basis from time to time with Securities and Exchange Commission, specifically the Company's most recent Form 10-K and Form 10-Q. These documents contain and identify important factors that could cause the actual results for the Company on a consolidated basis to differ materially from those contained in our projections or forward-looking statements. These certain factors can be found at <http://www.micron.com/certainfactors>. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. We are under no duty to update any of the forward-looking statements after the date of the presentation to conform these statements to actual results.

Mark Durcan

CEO

Ron Foster

CFO

Financial Results Summary

| Amounts in millions, except per share | FQ3-14 | % of Sales | FQ2-14 | % of Sales |
|---|----------|------------|----------|------------|
| Net sales | \$ 3,982 | 100% | \$ 4,107 | 100% |
| Gross margin | 1,368 | 34% | 1,403 | 34% |
| Operating income | 839 | 21% | 869 | 21% |
| Adjustment to gain on acquisition of Elpida | -- | | (33) | |
| Equity in net income of equity method investees | 135 | | 134 | |
| Other non-operating income (expense) | (21) | -1% | (122) | -3% |
| Net income attributable to Micron shareholders | \$ 806 | 20% | \$ 731 | 18% |
| Diluted earnings per share | \$ 0.68 | | \$ 0.61 | |
| Shares in diluted EPS calculations | 1,190 | | 1,201 | |

Consolidated Statements of Operations

Non-GAAP Disclosures

| Amounts in millions, except per share amounts | FQ3-14 | FQ2-14 |
|---|----------------|----------------|
| GAAP net income attributable to Micron | \$ 806 | \$ 731 |
| Non-GAAP adjustments: | | |
| Flow-through of Elpida inventory step up | -- | 42 |
| Restructure and asset impairments | 9 | 12 |
| Amortization of debt discount and other costs | 36 | 44 |
| Loss on restructure of debt | 16 | 80 |
| Adjustment to gain on acquisition of Elpida | -- | 33 |
| (Gain) loss from changes in currency exchange rates | 5 | 14 |
| Estimated tax effects of above items | (8) | (22) |
| Non-cash taxes from Elpida purchase accounting | 49 | 55 |
| Total non-GAAP adjustments | <u>107</u> | <u>258</u> |
| Non-GAAP net income attributable to Micron | <u>\$ 913</u> | <u>\$ 989</u> |
| GAAP shares used in diluted EPS calculations | 1,190 | 1,201 |
| Anti-dilutive effect of capped calls ^(a) | <u>(38)</u> | <u>(42)</u> |
| Non-GAAP shares used in diluted EPS calculations | <u>1,152</u> | <u>1,159</u> |
| GAAP diluted earnings per share | \$ 0.68 | \$ 0.61 |
| Effects of above | <u>0.11</u> | <u>0.24</u> |
| Non-GAAP diluted earnings per share | <u>\$ 0.79</u> | <u>\$ 0.85</u> |
| (a) The anti-dilutive effect of the capped calls is based on the average share price for the quarter. | | |

Consolidated Statements of Operations

Non-GAAP Disclosures – FQ3-14 Actual and FQ4-14 Estimates

| Amounts in millions, except per share amounts | FQ3-14 | FQ4-14 |
|---|----------------|---------------|
| GAAP net income attributable to Micron | \$ 806 | |
| Non-GAAP adjustments: | | |
| Flow-through of Elpida inventory step up | -- | |
| Restructure and asset impairments | 9 | ~\$15-\$25 |
| Amortization of debt discount and other costs | 36 | ~\$40 |
| Loss on restructure of debt | 16 | |
| Adjustment to gain on acquisition of Elpida | -- | |
| (Gain) loss from changes in currency exchange rates | 5 | |
| (Gain) on Inotera issuance of shares | -- | ~\$(90) |
| (Gain) on sale of equity interest in Aptina | -- | ~\$(100) |
| Estimated tax effects of above items | (8) | ~\$(5)-\$(10) |
| Non-cash taxes from Elpida purchase accounting | 49 | ~\$65-\$75 |
| Total non-GAAP adjustments | 107 | |
| Non-GAAP net income attributable to Micron | <u>\$ 913</u> | |
| GAAP shares used in diluted EPS calculations | 1,190 | |
| Anti-dilutive effect of capped calls ^(a) | (38) | |
| Non-GAAP shares used in diluted EPS calculations | <u>1,152</u> | |
| GAAP diluted earnings per share | \$ 0.68 | |
| Effects of above | 0.11 | |
| Non-GAAP diluted earnings per share | <u>\$ 0.79</u> | |

(a) The anti-dilutive effect of the capped calls is based on the average share price for the quarter.

Bit Growth, ASP and Cost/Bit

FQ3-14 Actual and FQ4-14 Estimates

| Bit Growth* | FQ3-14 Actual (Sales) | FQ4-14 Estimate (Production) |
|--|-----------------------|-------------------------------|
| Total DRAM | 0% | Up low single digits |
| Trade NAND* | (6%) | Up low to mid teens |
| * Includes purchases from third parties. | | |
| ASP | FQ3-14 Actual | FQ4-14 QTD** |
| Total DRAM | (2%) | Flat |
| Trade NAND* | 0% | Down low to mid single digits |
| * Trade NAND excludes the portion of sales to Intel which are at long term negotiated prices approximating cost. | | |
| ** QTD includes both the impact of market price trends and changes in product mix. | | |
| Cost/Bit | FQ3-14 Actual | FQ4-14 Estimate |
| Total DRAM | (3%) | Down low single digits |
| Trade NAND* | 0% | Flat |
| * Trade NAND excludes the portion of sales to Intel which are at long term negotiated prices approximating cost. | | |

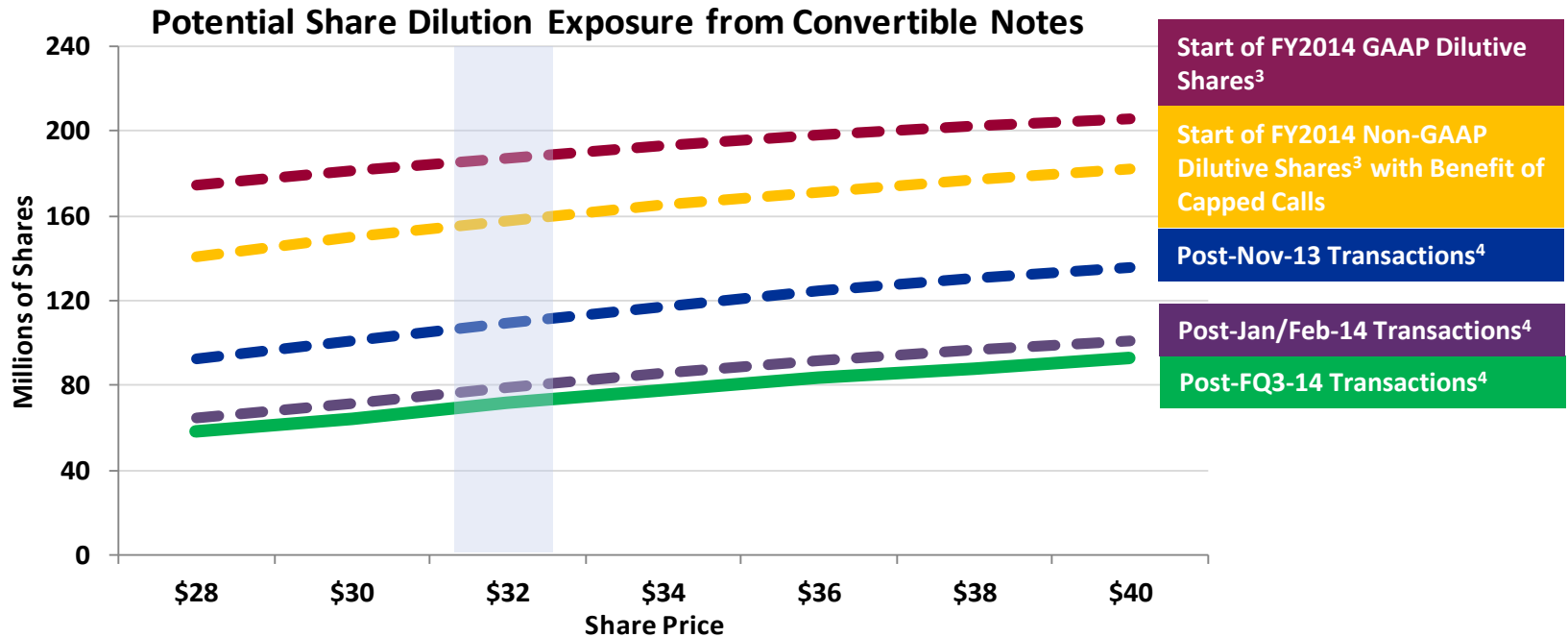
P&L and Cash Flow

FQ3-14 Actual and FQ4-14 Estimates

| P&L and Cash Flow | FQ3-14 Actual | FQ4-14 Estimate |
|---|---------------|------------------------|
| SG&A | \$174M | \$175M – \$185M |
| R&D | \$349M | \$355M – \$365M |
| Net interest expense* | \$75M | \$70M – \$80M |
| Stock-based compensation | \$32M | \$30M – \$35M |
| CapEx | \$576M | FY-14: \$2.8B – \$3.2B |
| D&A | \$578M | FY-14: Approx. \$2.3B |
| * Includes imputed interest expense on convertible notes and Elpida's installment debt. | | |

Summary Impact from Recent Debt Transactions

| In Millions | Debt - GAAP | Cash ¹ | Equity | Dilutive Share Reduction @ \$32 ² |
|--|-------------|-------------------|----------|--|
| Net Financial Impact from Transactions | -\$49 | -\$1,520 | -\$1,278 | -89 |



- Nov-13 Transactions: Exchanged portion of 2027, 2031A, and 2031B notes. Announced termination of conversion rights for remaining 2027 notes and redemption of remaining 2031A notes, resulting in the conversion of both notes. Settled these conversions for an aggregate ~\$619M of cash.
- Jan/Feb-14 Transactions: Repurchased portion of 2031B, 2032C, and 2032D notes with ~\$407M of cash. Called for redemption the remaining 2014 notes, resulting in conversion of the notes, which was settled in FQ3-14 with ~\$827M of cash.
- Fiscal Q3-14: Repurchased portion of 2032C and 2032D notes with ~\$253M of cash and unwound a portion of capped calls for shares

¹ Includes \$586M of cash inflow from High Yield issuance in February-2014 net of fees.

² Reduction is 89M from non-GAAP dilutive share count

³ Prior to transactions beginning in November 2013

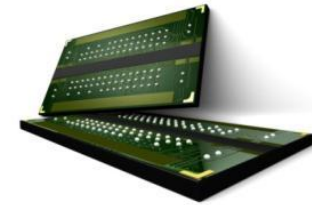
⁴ Includes the benefit of capped calls

Mark Adams

President

Business Unit Financial Summary

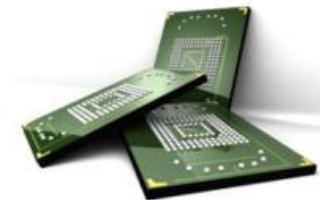
| CNBU Dollars in Millions | FQ3 -14 | FQ2-14 |
|---------------------------------|----------------|---------------|
| Sales | \$1,857 | \$1,835 |
| Operating income (loss) | \$531 | \$504 |
| Operating income % | 28.6% | 27.5% |



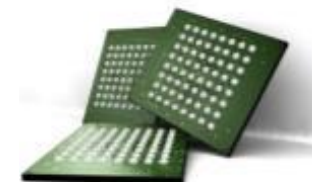
| SBU Dollars in Millions | FQ3-14 | FQ2-14 |
|--------------------------------|---------------|---------------|
| Sales | \$867 | \$901 |
| Operating income (loss) | \$55 | \$79 |
| Operating income % | 6.3% | 8.8% |



| MBU Dollars in Millions | FQ3-14 | FQ2-14 |
|--------------------------------|---------------|---------------|
| Sales | \$757 | \$908 |
| Operating income (loss) | \$135 | \$178 |
| Operating income % | 17.8% | 19.6% |



| EBU Dollars in Millions | FQ3-14 | FQ2-14 |
|--------------------------------|---------------|---------------|
| Sales | \$467 | \$422 |
| Operating income (loss) | \$96 | \$80 |
| Operating income % | 20.6% | 19.0% |



Q&A

