



2018 — Analyst & Investor Event | NY

Safe Harbor Statement

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 from time to time with the 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 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.

**2018 —
Analyst
& Investor
Event | NY**

The New Micron **Strong, and Getting Stronger**

Sanjay Mehrotra
President and CEO



Transformation

Markets

Data-hungry applications driving secular growth in memory and storage

Most Memory Intensive Ever

Industry

Structural changes contributing to sustained positive industry dynamics

Healthy Fundamentals

Micron

Strategy, execution, culture poised to deliver significant value

Best Positioned Ever

Industry Memory & Storage Revenue

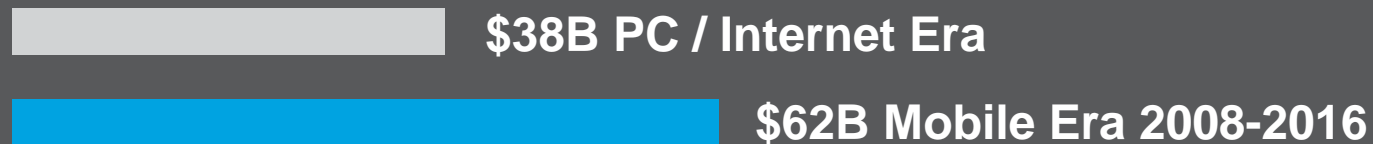


\$38B PC / Internet Era 2000-2007

PC / Internet Era

250 billion GB created annually

Industry Memory & Storage Revenue



Mobile Era

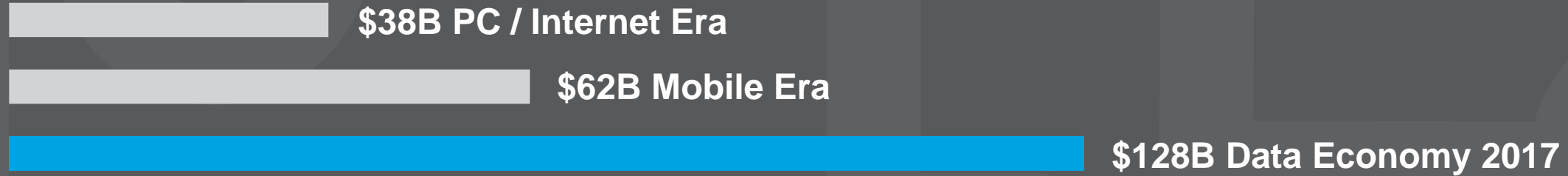
7,000 billion GB created annually

Data Economy Era

A conceptual diagram for the 'Data Economy Era'. On the left, a large, stylized globe is shown with a network of white lines and nodes. Overlaid on the globe is the text 'Data Economy Era' in a bold, blue, sans-serif font. To the right of the globe, a vertical line of six blue circles is connected to the globe's network. Each blue circle contains a white icon representing a different type of connected device or system: a car with a Wi-Fi symbol, a smartphone, a server rack, a drone, a house with a Wi-Fi symbol, and a laptop with a Wi-Fi symbol.

- Interconnecting Billions of Things
- Delivering Real-Time Intelligence
- Creating Value Across Industries

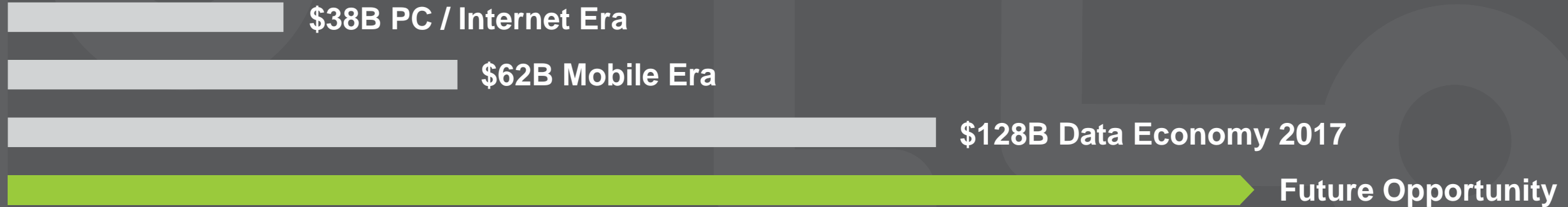
Industry Memory & Storage Revenue



Data Economy

22,000 billion GB created in 2017

Industry Memory & Storage Revenue



Data Economy

62,000 billion GB to be created in 2021

“こんにちは” “Hallo”

“Hola” “Hej”

“你好” “Salut”

“Ciao” “Hello”

AI is a Game Changer

Harvesting Big Data to Create
Immense Value



Natural Language Processing
Mainstream & Growing



DIAGNOSIS: Pneumonia
CERTAINTY: 85%

AI

The Next Frontier: Computer Vision

MORE Video
Data
Value

MORE Compute
Memory
Storage

Smartphones: Becoming Intelligent

Phones Adopting On-Device AI, Requiring More Compute, Memory & Storage

Key Drivers

- Multiple high-resolution cameras
- 4K+ HDR video
- AR / VR / 3D gaming

Vehicles: Developing Faster-Than-Human Response

Rich Experiences + Full Environment Awareness = More Memory & Storage

In the Cockpit Tomorrow

- HD Maps, 4K screens, voice & gesture infotainment control

Autonomous Future

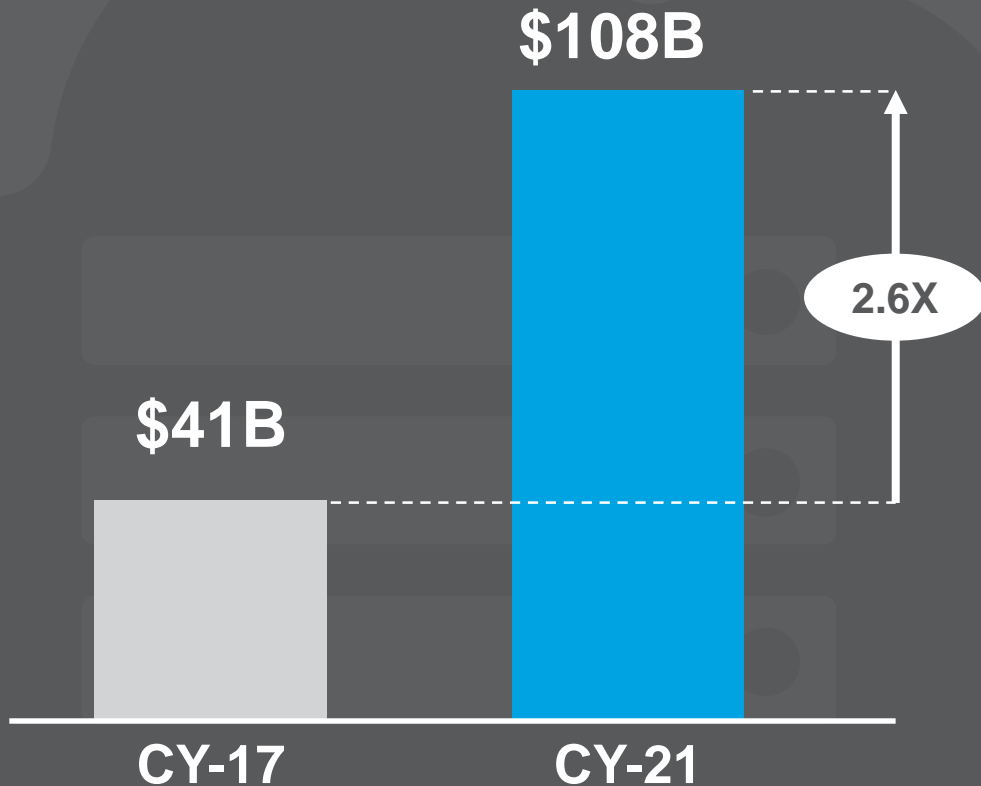
- Full autonomy will require 40+ sensors in 2021
- 26M L3+ vehicles by 2025



Cloud Data Centers: Investing for Speed

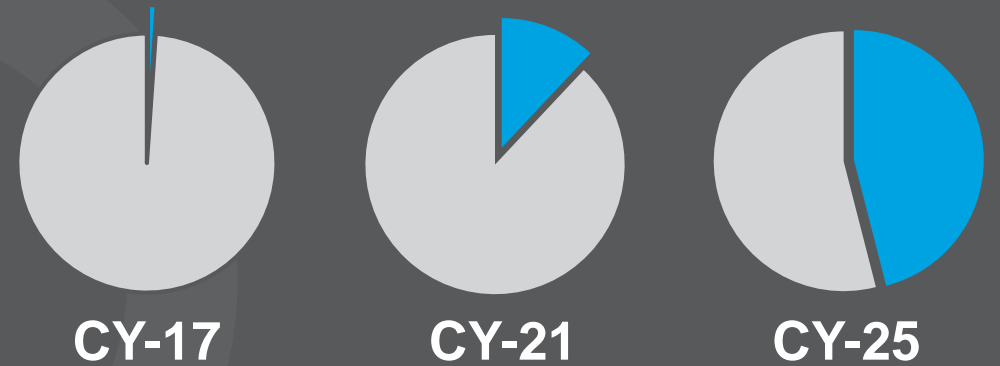
AI Requirements Will Drive Staggering Memory & Storage Demand

Cloud Data Center CapEx



AI Training Workloads Require:

6X DRAM **2X** SSD
of a standard cloud server



AI-Capable Server % of All Server Shipments

Virtuous Cycle

Driven by Increasing Data Value

- Creates continuous need to capture, process, move & store data
- Generates ever-increasing demand for memory & fast storage

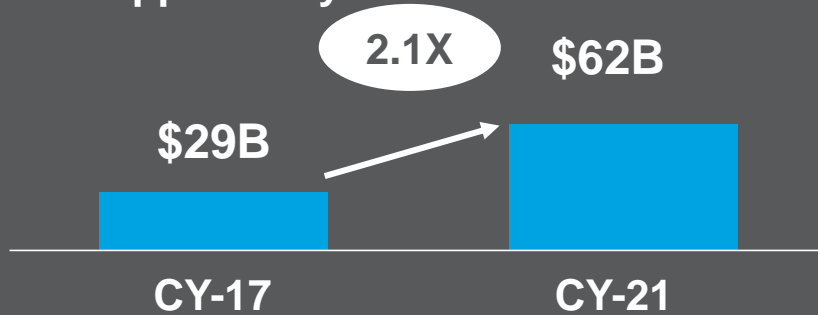


Key Markets Driving Micron Growth

Data Center



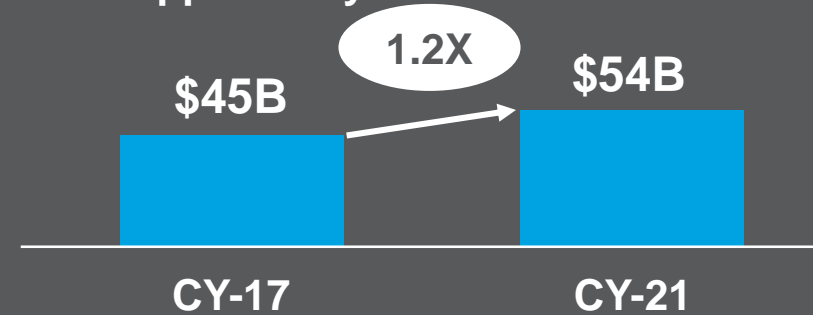
Potential opportunity



Mobile



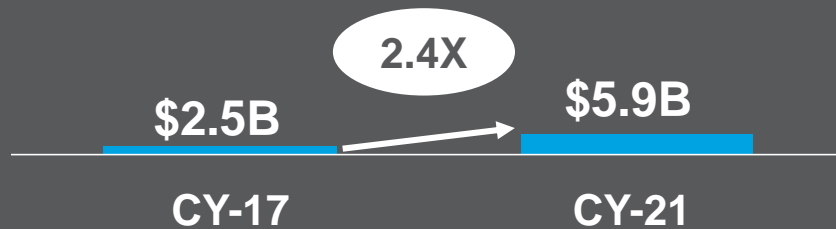
Potential opportunity



Automotive



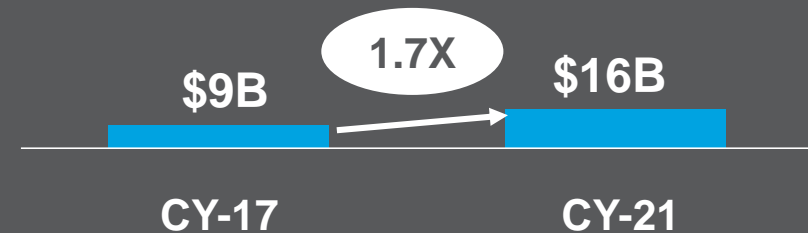
Potential opportunity



Internet of Things



Potential opportunity



Transformation

Markets

Data-hungry applications driving secular growth in memory and storage

Most Memory Intensive Ever

Industry

Structural changes contributing to sustained positive industry dynamics

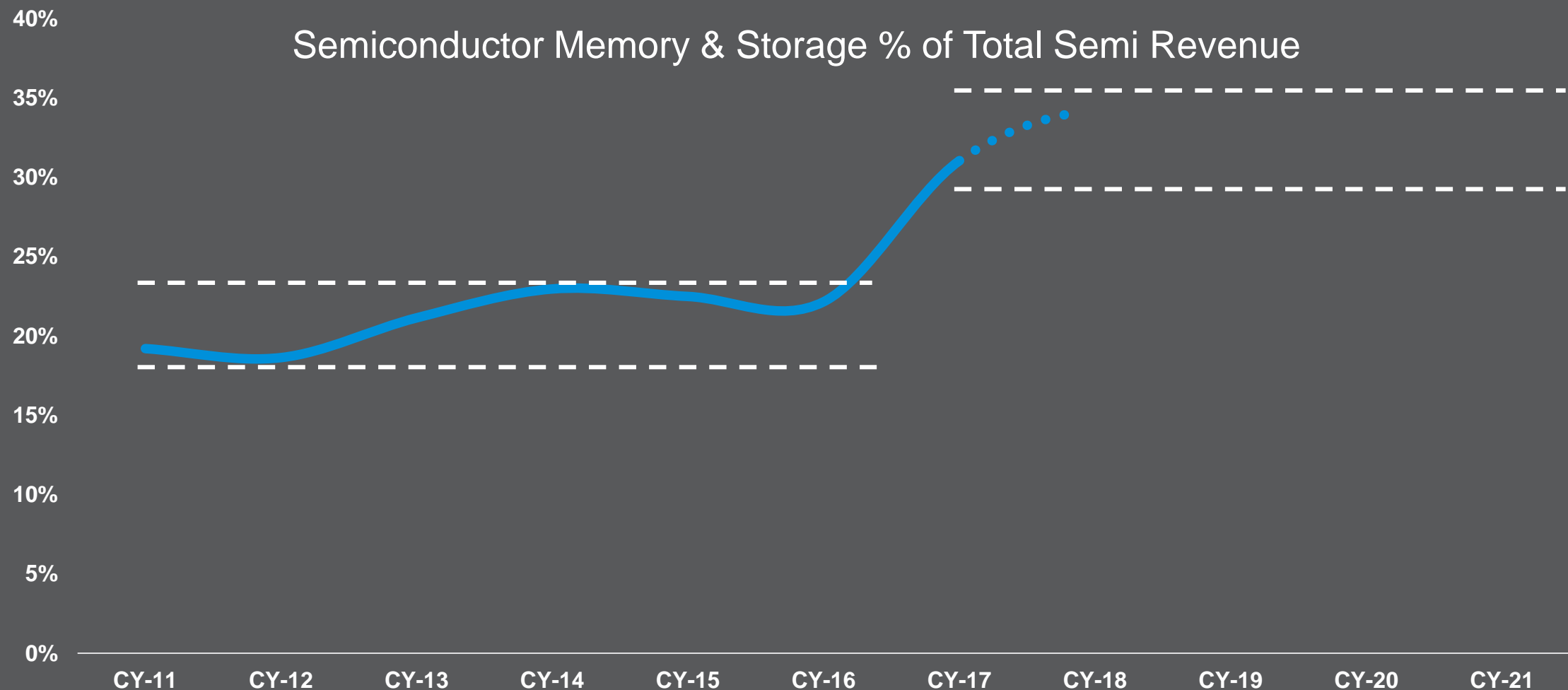
Healthy Fundamentals

Micron

Strategy, execution, culture poised to deliver significant value

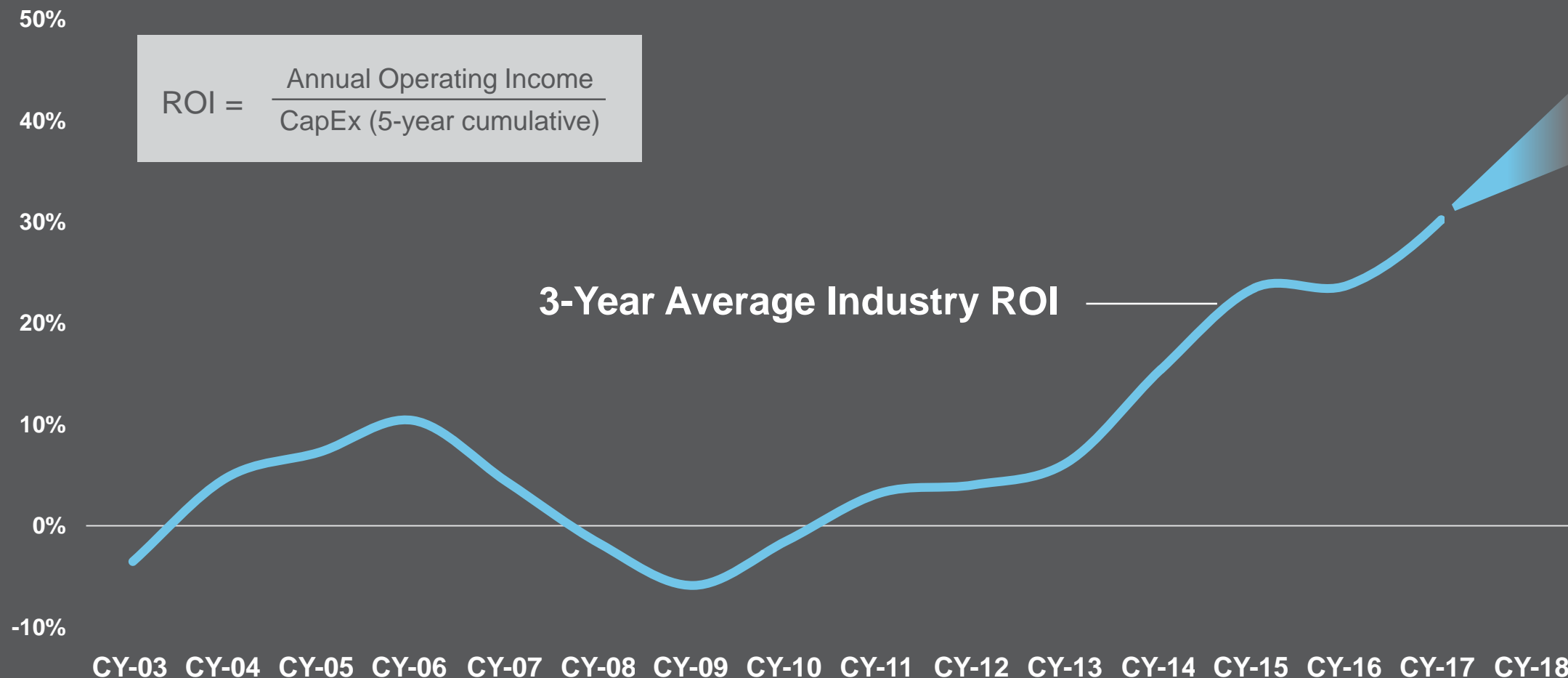
Best Positioned Ever

Elevated Value of Memory & Storage in the Data Economy



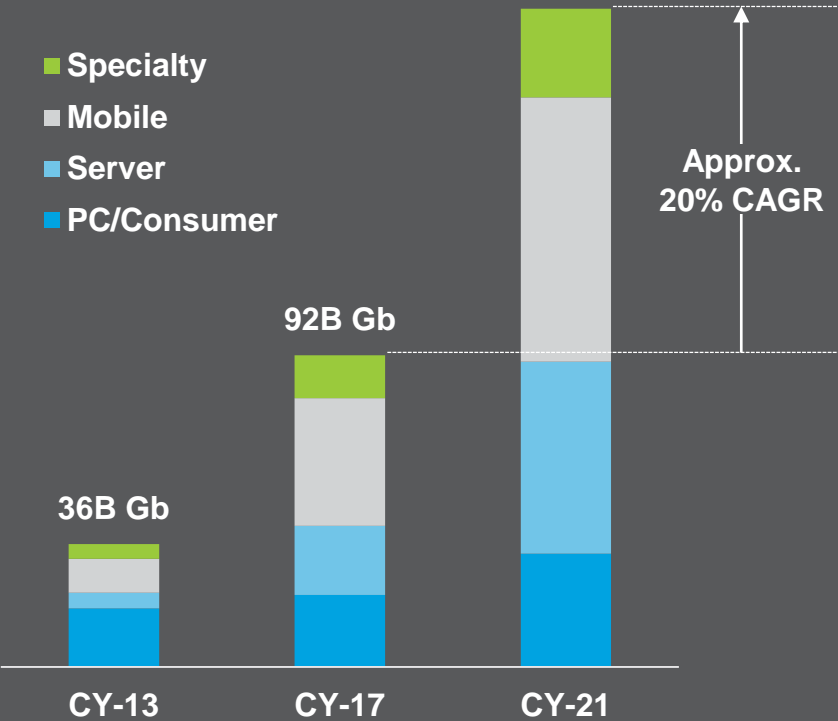
Improving Industry Return on Investments

Structural Change in Industry Demand & Stable Supply Growth

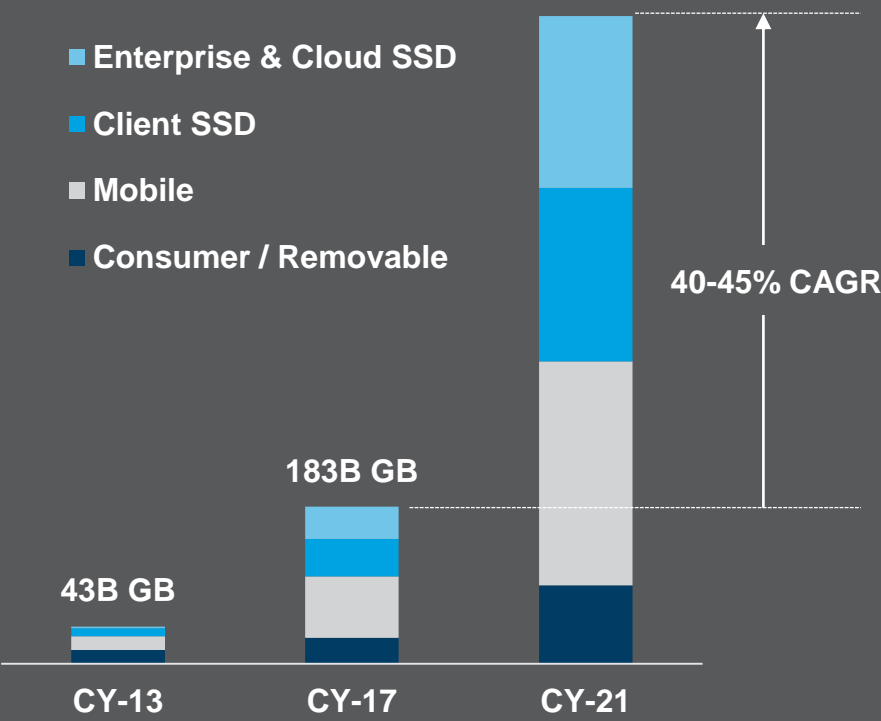


Demand Driven by Growth Across Diverse End Markets

DRAM Bit Demand



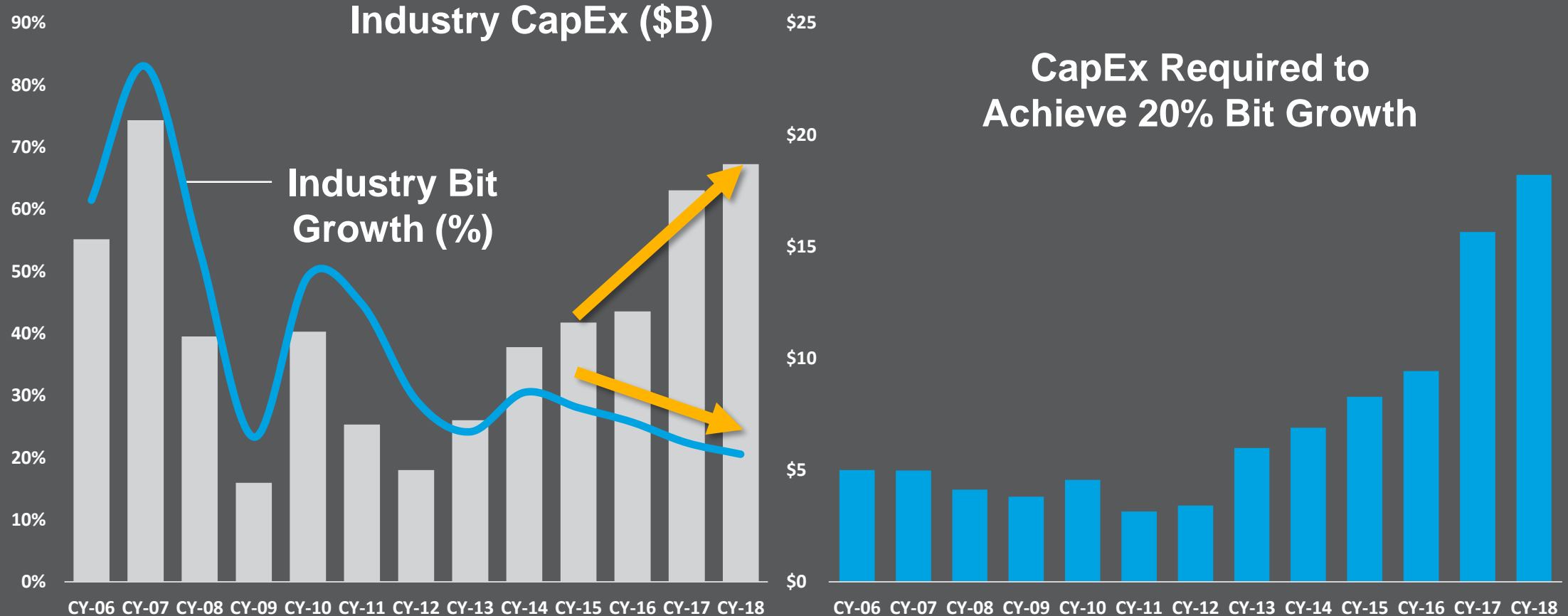
NAND Bit Demand



DRAM Bit Supply Growth is Moderating

New Process Nodes Require Greater Capital Intensity & Provide Reduced % Bit Gain

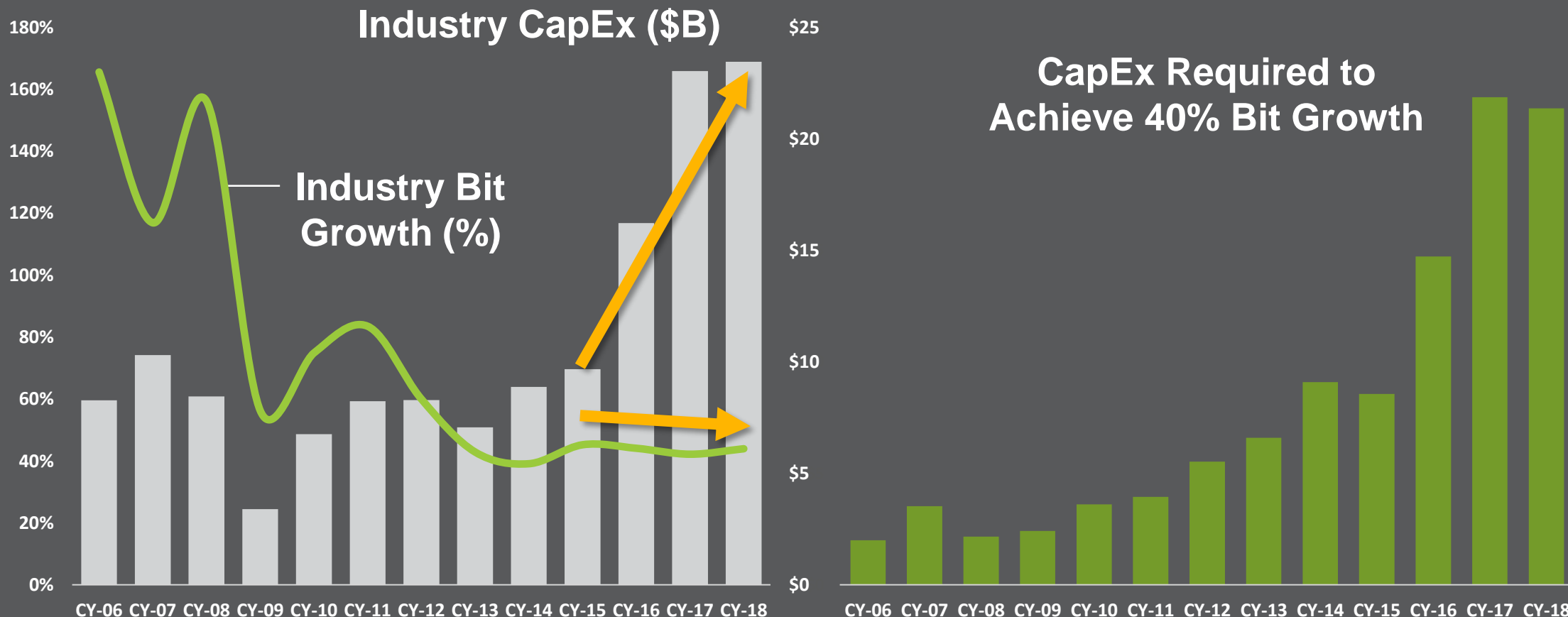
DRAM



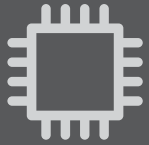
NAND Bit Supply Growth is Also Moderating

3D NAND Requires More Clean Room Space & Greater Capital Intensity

NAND



Industry Supply Outlook Supports Long-Term Stability



DRAM expect annual growth

~20%

beyond CY-18



NAND expect annual growth

~40%

beyond CY-18

Structural Changes Creating Healthy Industry Dynamics

**Growing,
Diversified
Demand**

Greater Value

Stable Supply

**Memory & Storage Are Essential
to the Data Economy**

Transformation

Markets

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Healthy Fundamentals

Micron

Strategy, execution, culture poised to deliver significant value

Best Positioned Ever

1978

2018

40-Year Legacy

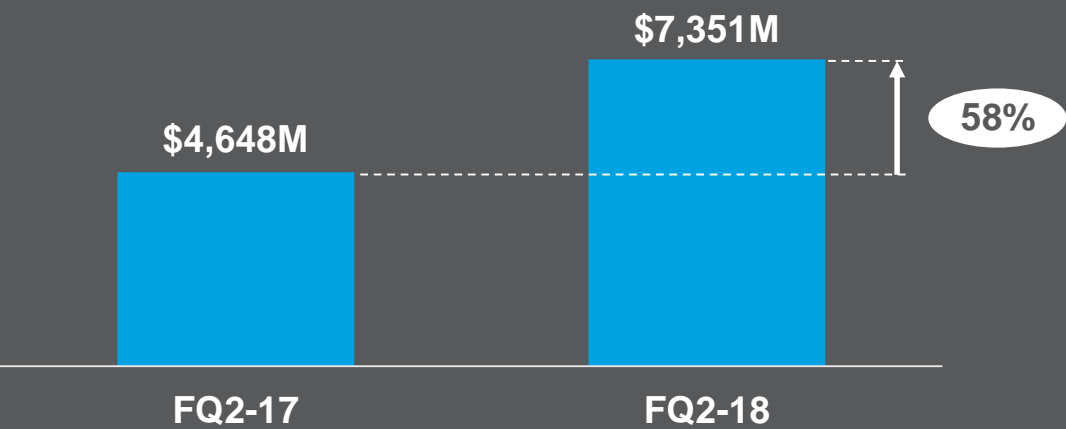
**Leading
Technology
Innovation**

**Expanding Trusted
Partnerships**

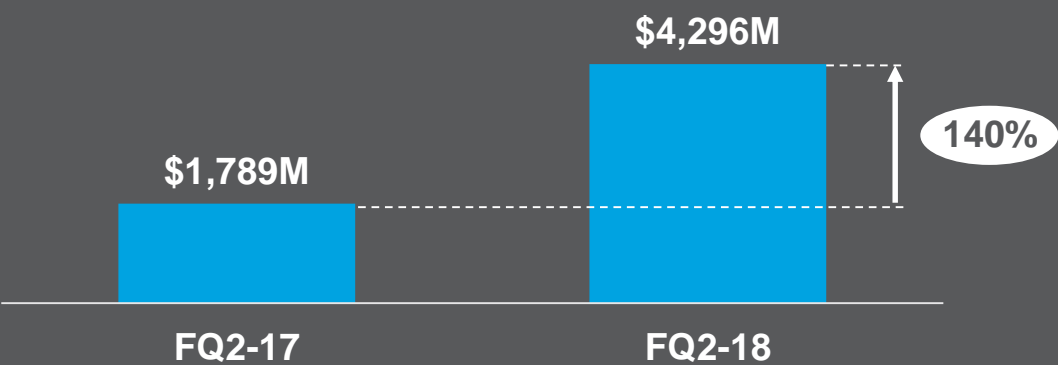
**Scaling
Manufacturing &
Global Footprint**

Delivering Record Financial Performance

Revenue



Non GAAP Gross Profit



Non GAAP Net Income



Free Cash Flow





Investment Approach

Managing Portfolio for Profitable Growth & ROI

Technology

- Extending existing NAND, DRAM roadmap
- Advancing 3D XPoint™ memory
- Developing new emerging memories

Product Development

- High-value solutions
 - High performance memory (HBM & Graphics)
 - Managed NAND, SSD, 3D XPoint products

Manufacturing

- Technology transitions to meet customer demand
- Cost competitiveness
- Flexible supply chain

OpEx

CapEx

Technology Leadership

DRAM ■ 3D NAND ■ NOR
3D XPoint™ ■ Emerging Technologies

Industry's Most Comprehensive Technology Portfolio

3D XPoint Memory Products Coming in 2019

Unique Features Create Compelling Value for Data-Driven Applications

Machine Learning



Big Data



Artificial Intelligence



In-Memory Compute



Higher Memory Capacity per System

Persistent Memory

Attractive TCO
Better IOPS/\$

10X

Denser than DRAM

1000X

Endurance of NAND

1000X

Faster than NAND

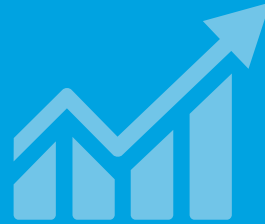
Winning Strategy



**Cost
Competitiveness**



**Execution
Excellence**



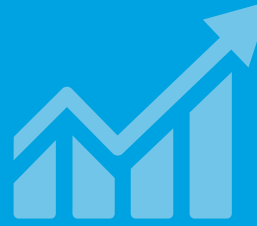
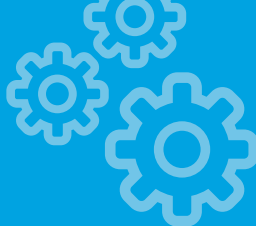
**High-Value
Solutions**



**Customer
Focus**



**Talent and
Culture**



Cost Competitiveness

Driving to Best-In-Class

Outpacing Industry Cost Reductions

DRAM costs
reduced at

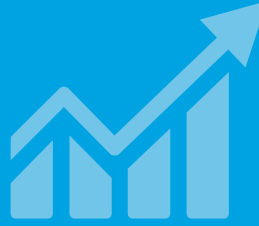
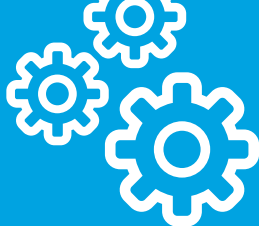
1.3X

the industry rate

NAND costs
reduced at

1.9X

the industry rate



Execution Excellence

Relentless Focus on Results, Accelerating Time to Market



Record Time to Mature Yield

>25% improvement
1Xnm DRAM



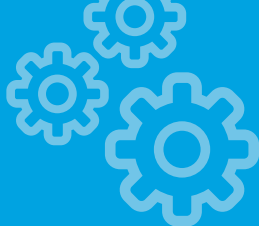
Qualification Time Improvement

>20% 1Xnm DRAM
>30% 64L 3D NAND



TLC Mix Increased

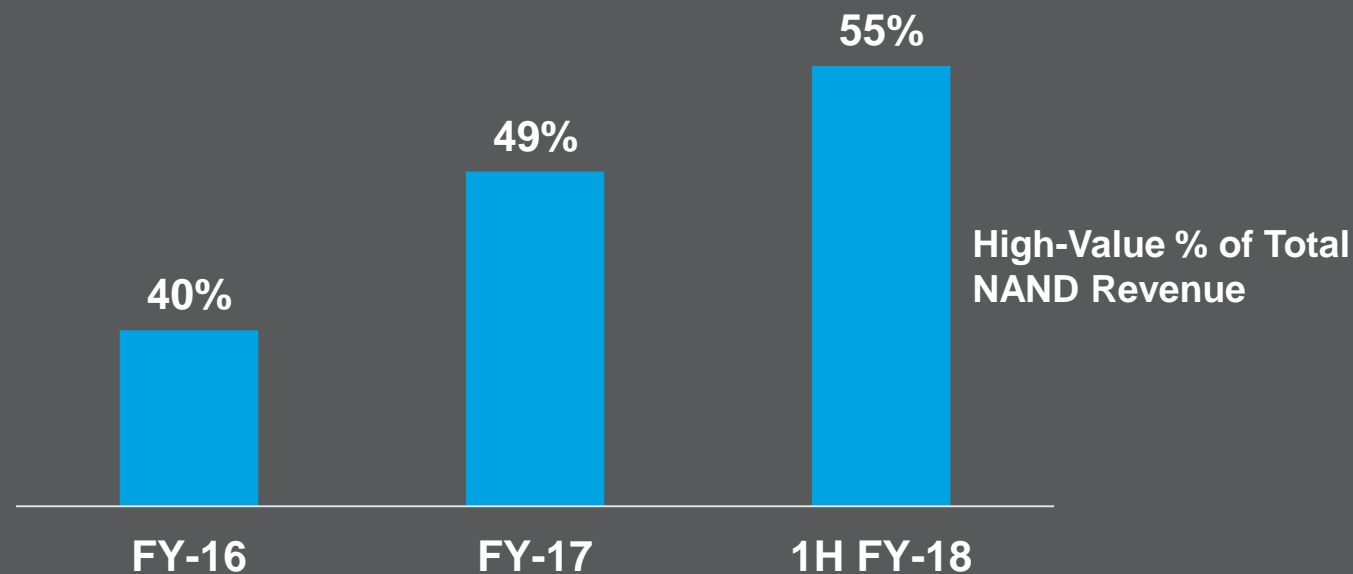
80% FQ2-18
vs.
55% FQ2-17

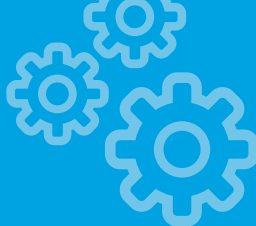


High-Value Solutions

Revenue Share to Outperform Bit Share

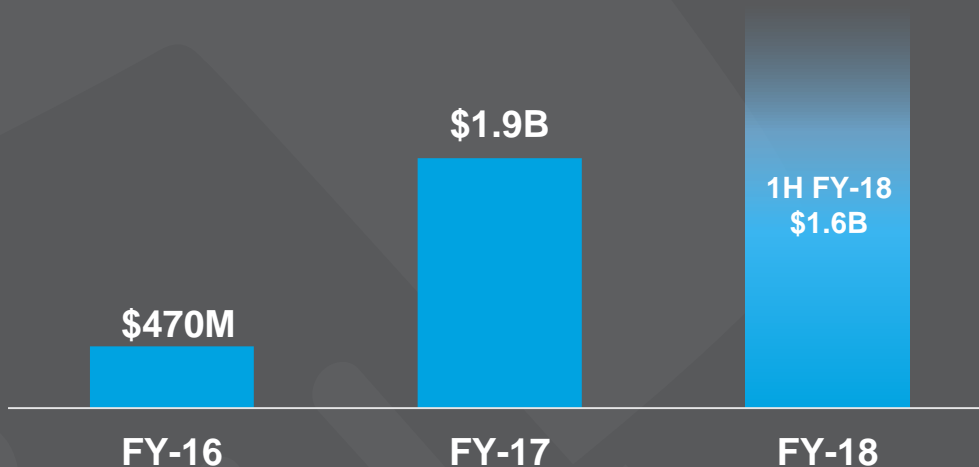
- Building SSD portfolio
- Growing managed NAND share



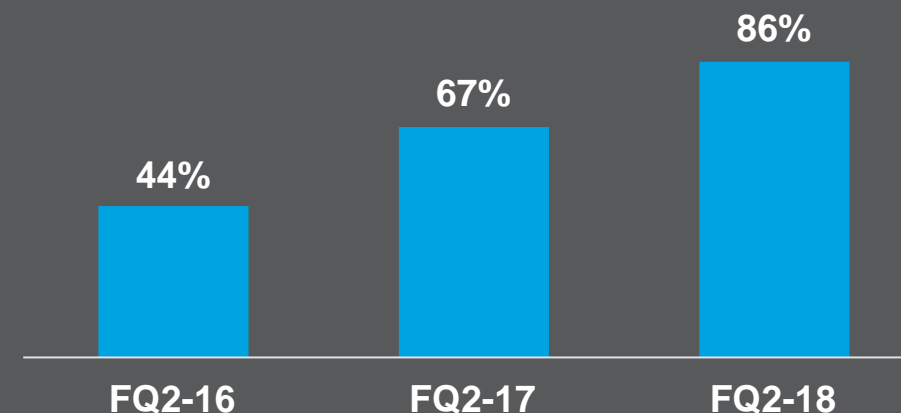


Customer Focus

Faster Enablement Through Trusted Partnerships



Growing Cloud Revenue



**#1 or #2 Customer Quality Rankings
at an All-Time High**

Our Strong Execution Delivering Structural Operating Profit Gains

FY-16 to FY-18

Realized competitive
operating improvements
since FY-16



\$6B

+

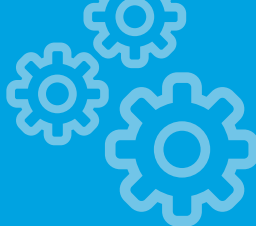
\$3B



FY-19 to FY-21

Continued improvements
planned through FY-21

\$9B Operating profit improvement by end of FY-21
compared to FY-16 performance



Talent and Culture

Attract, Develop & Retain the Industry's Best Talent

Talent

30% of new hires
(1,200+) have
advanced degrees

Equality

At 99% gender pay
equity today; targeting
full representation

Team

Culture of innovation,
tenacity, urgency &
accountability

**2018 —
Analyst
& Investor
Event | NY**

My Focus Areas

- Executing Our Strategy
- ROI-Based Investments
- Profitable Growth & Greater Shareholder Value

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& Investor
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Best Team & Winning Culture

Strong, and Getting Stronger



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& Investor
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The New Micron

The Pursuit of Excellence

Sumit Sadana

EVP and Chief Business Officer

Transformation

Broad Demand

Secular, diversified
growth drivers

Driving Value

Portfolio transformation:
high-value solutions

Winning Strategy

Product excellence
creates true customer
value

Secular Growth Drivers for Memory & Storage

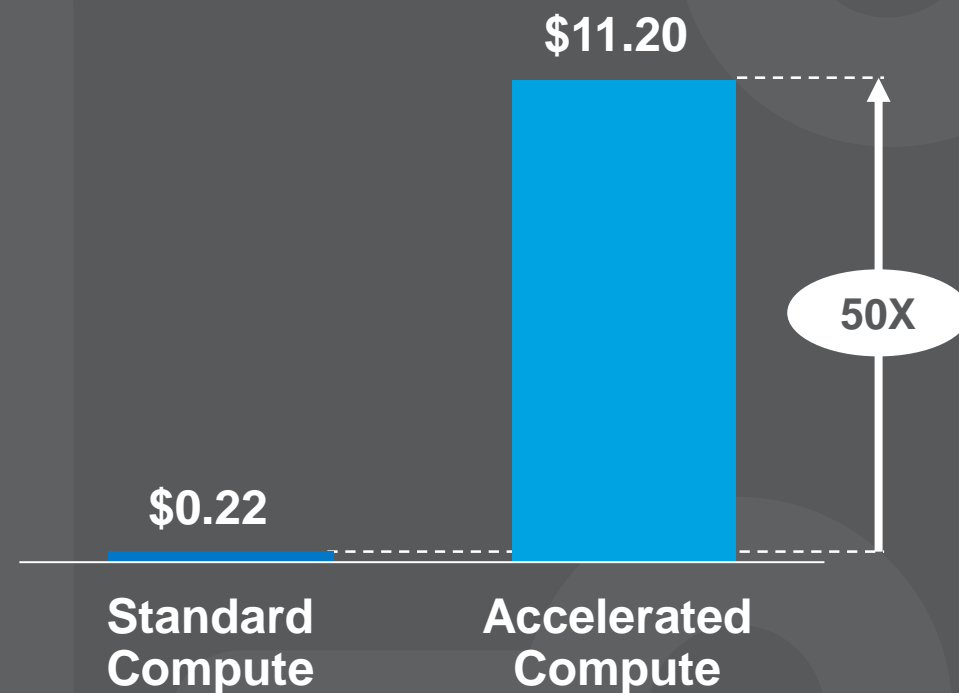




Data Center Growth Drivers

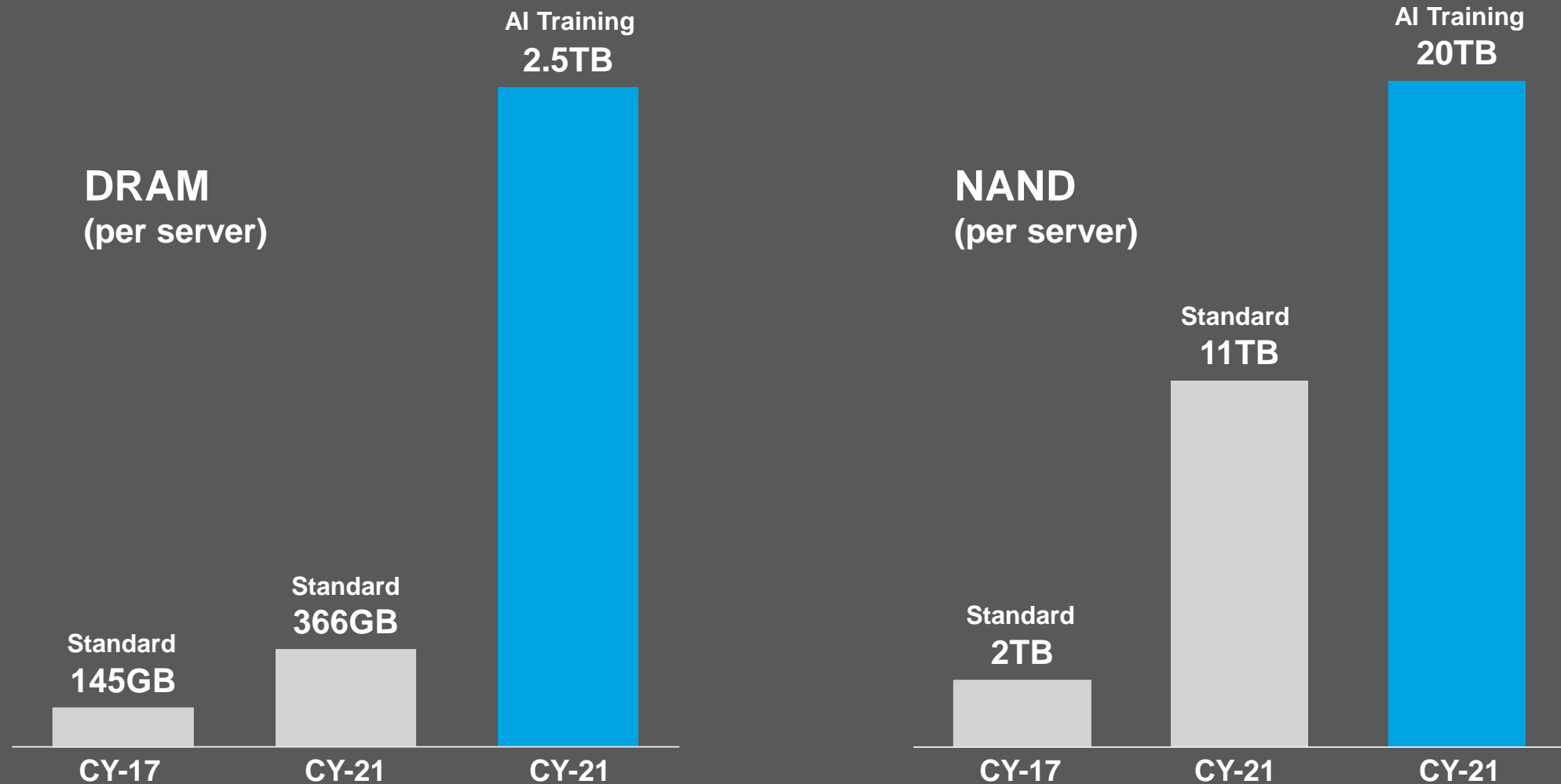
AI Services Drive Premium Offerings

Hourly Pricing of AI Services



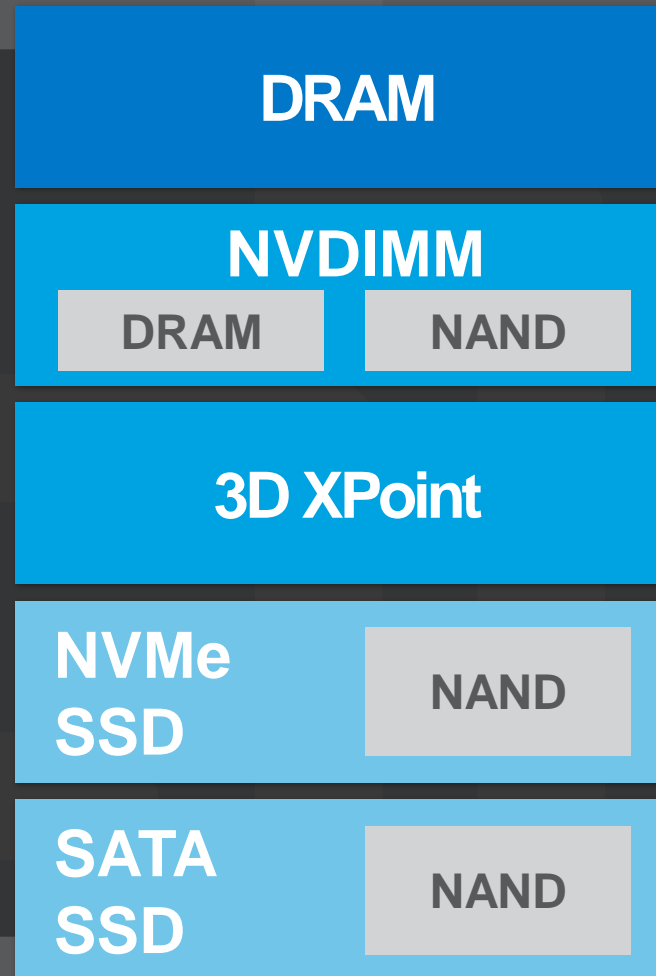
AI Workloads Unleash the Need For More Memory & Storage

Significant Growth Across Private, Public & Hybrid Cloud



Micron: The Only Portfolio Spanning the Data Center Hierarchy

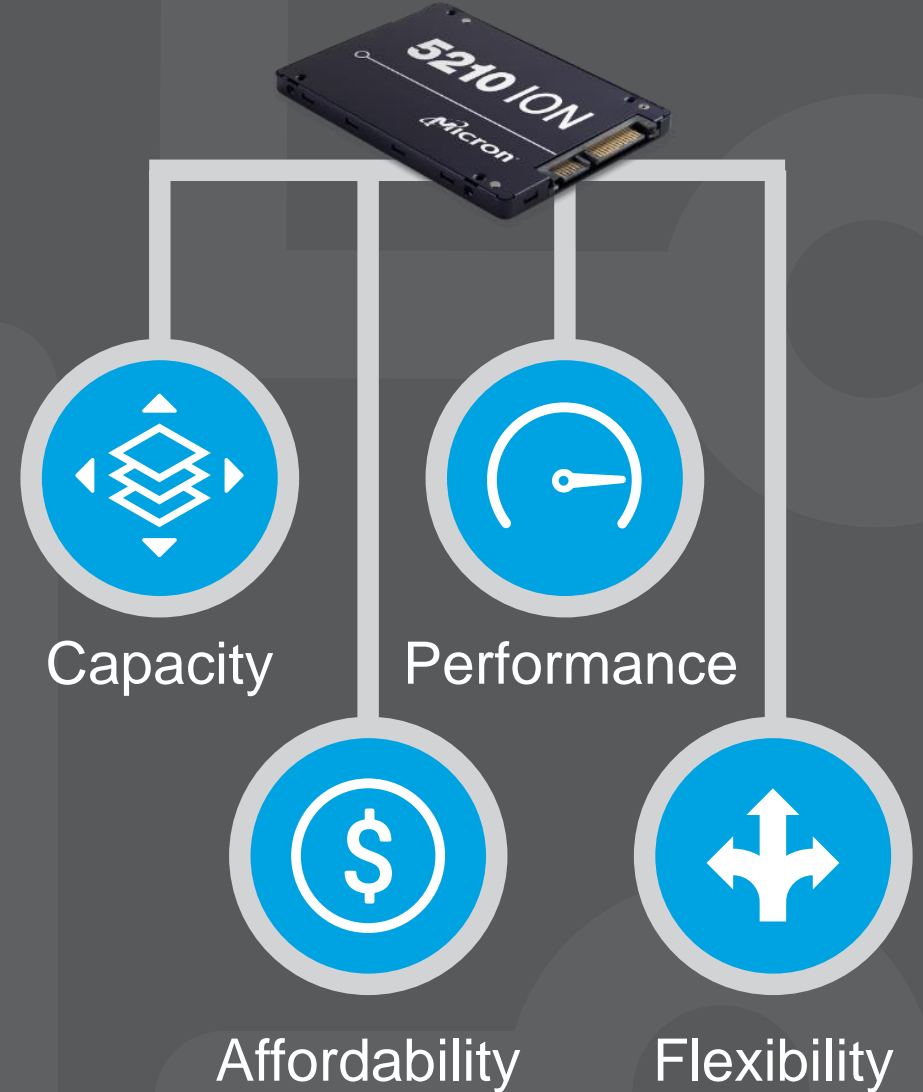
Compelling Mix of Memory, Storage & Persistent Memory Solutions



- Lower Latency
- Higher Bandwidth
- Higher Capacity
- High Performance Storage
- Lowest TCO

Now Shipping the **Industry's** **First** QLC SSD

Read-Intensive Enterprise Workloads
at 7X lower TCO

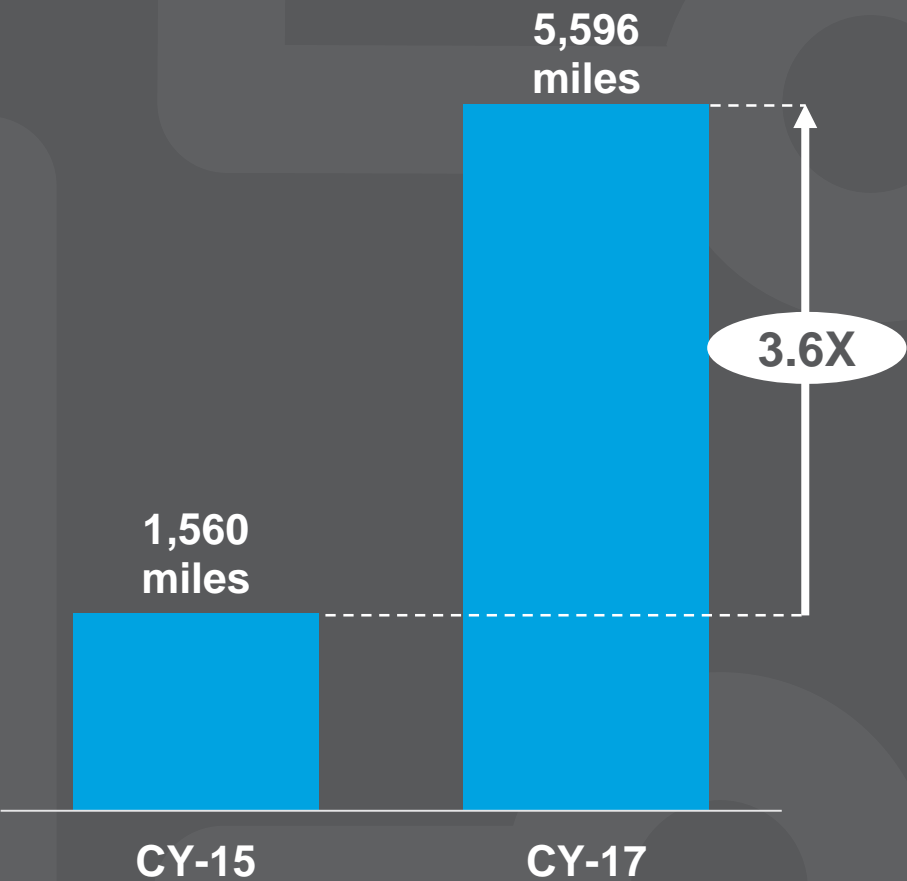




Automotive Growth Drivers

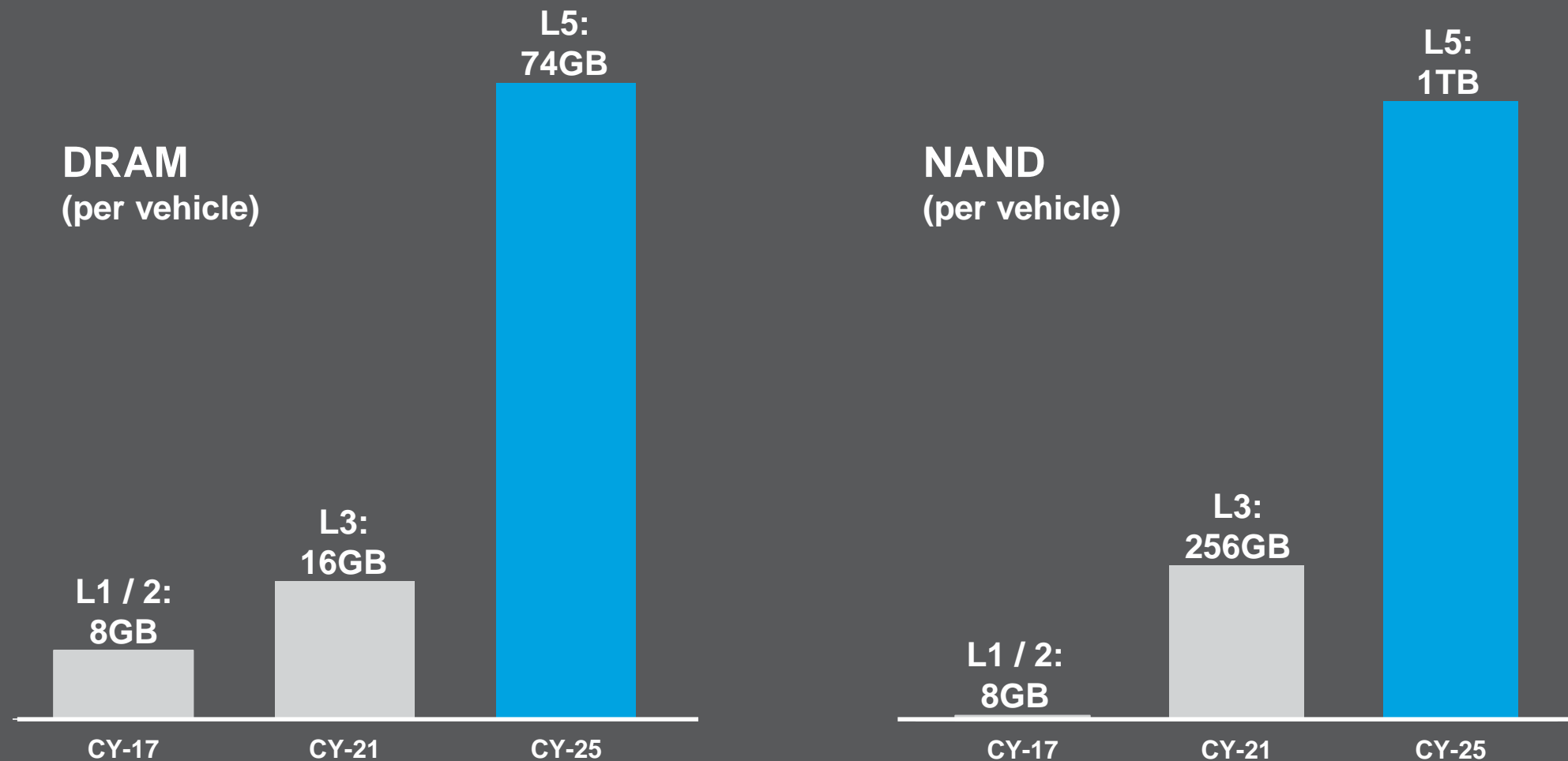
Dramatic Improvements in Software Capability

Continuous Miles Driven in Autonomy



47 Average number of miles driven per vehicle in a fully autonomous mode without the system being disengaged and the test driver taking immediate manual control of the vehicle. Source: Waymo, California DMV

Autonomous Vehicles: Resetting the Bar for Memory & Storage Consumption



Driving Automotive Leadership & Innovation

#1 share
in automotive

Leading Solutions

- Highest Speed Low Power DDR4
- First to market with Auto Grade GDDR6
- 4th generation of Auto Grade storage for infotainment & dashboard

Support & Services

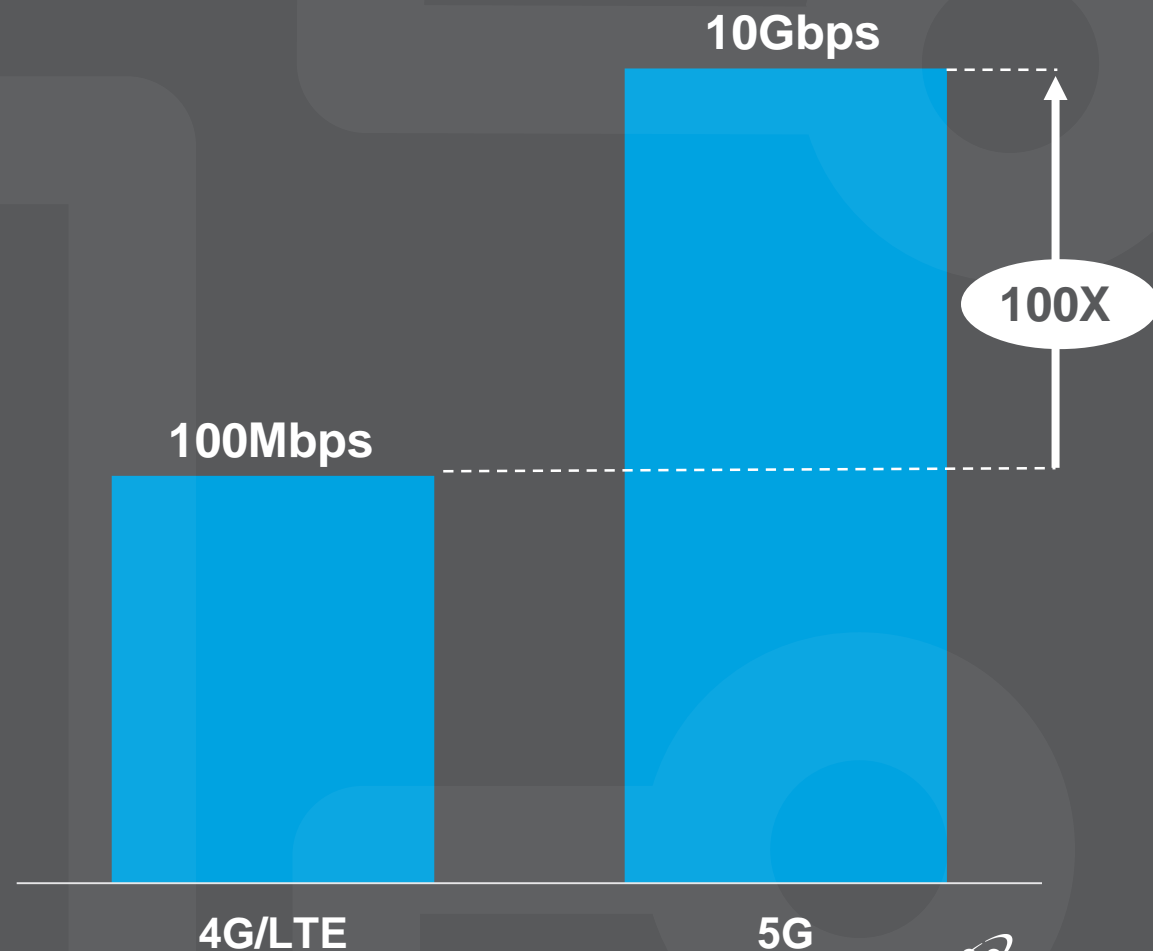
- >25 Years of Auto Expertise & Leadership
- Global Customer Engineering Labs
- Product & Manufacturing Longevity
- Automotive Electronics Council (AEC)-Q100 Qualification / IATF 16949 QMS



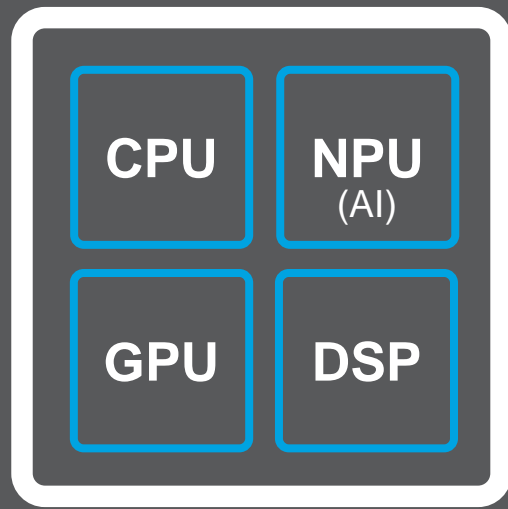
Mobile Growth Drivers

A Network Quantum Leap

Peak Download Speeds
(Log₁₀ Scale)



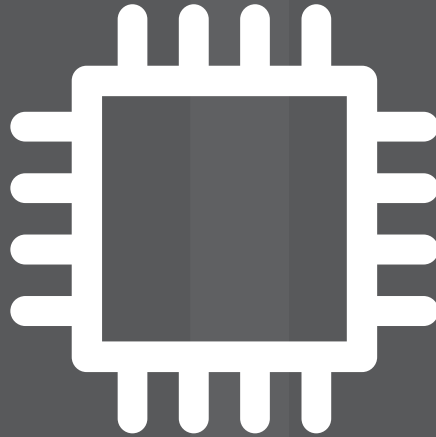
Next Generation User Experiences Require Larger & Faster Memory Subsystems



Smartphone SoC



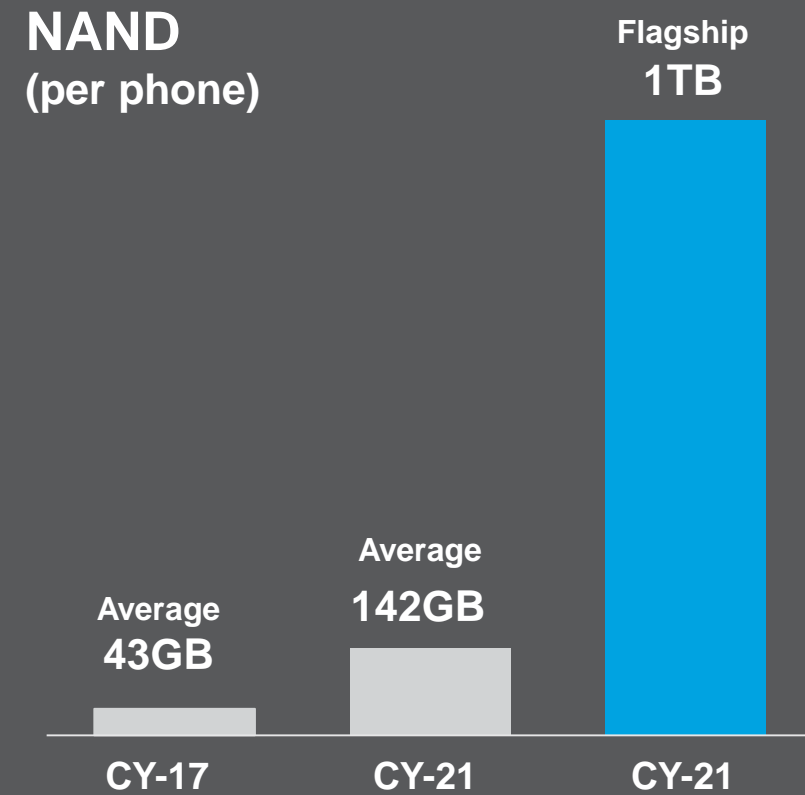
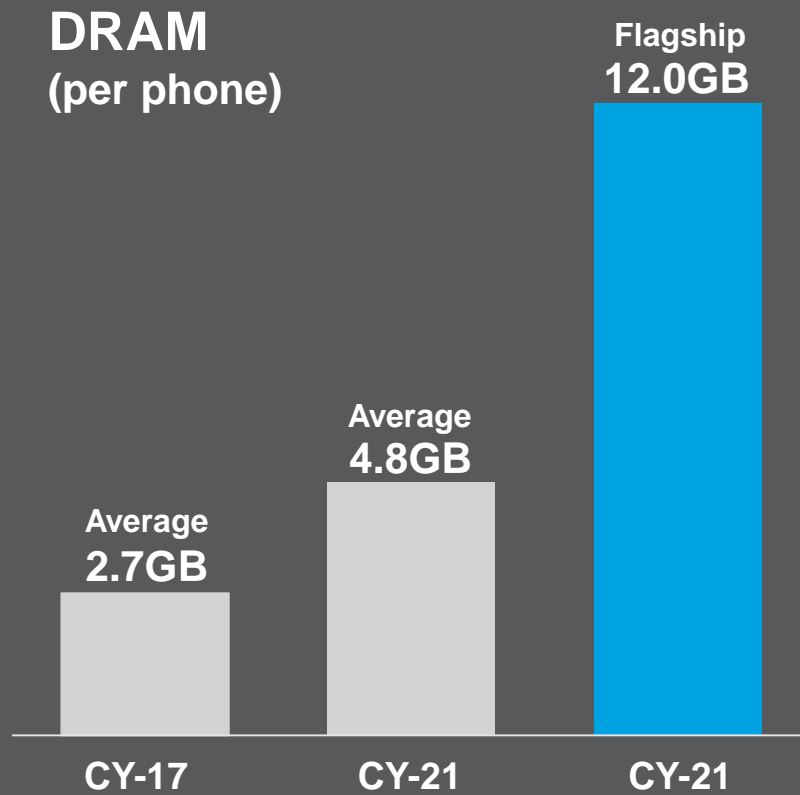
FAST



Memory & Storage
Subsystem

- 5G proliferation
- Higher resolution images, videos & screens
- On-device AI engines & applications
- Advanced user authentication
- Augmented reality

Rich Mobile Applications Drive Increased Memory & Storage



Market Leadership in Mobile

Product Accomplishments

- Industry's smallest 512Gb TLC 3D NAND die
- Lowest power in LPDDR4X
- First-to-market with 12Gb LP die

Customer Engagement

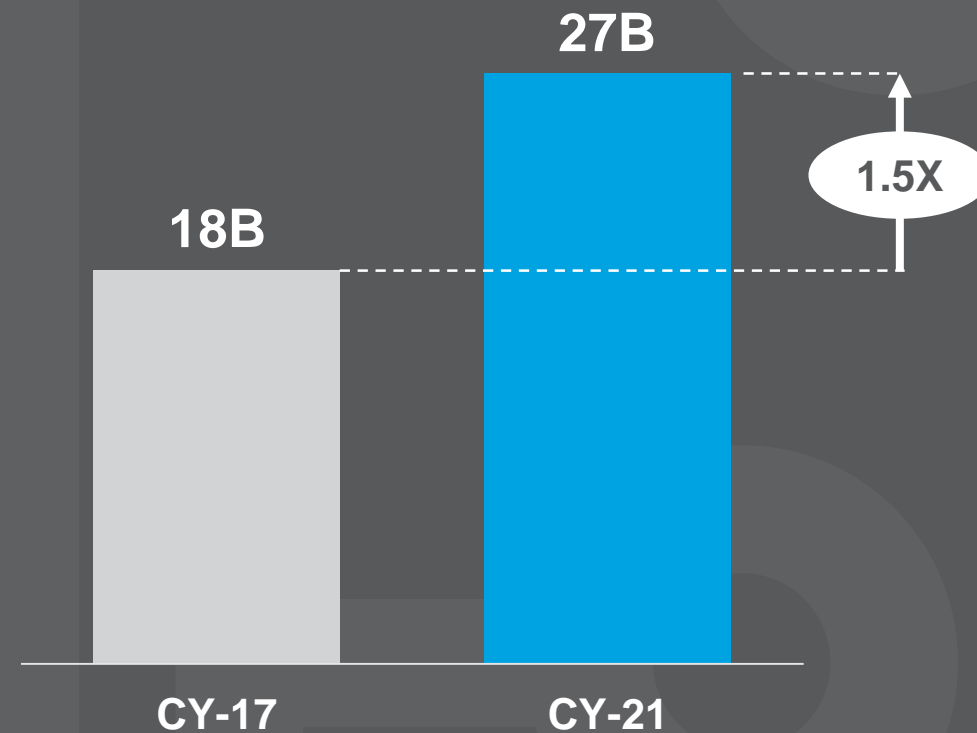
- Engaged with all top 10 handset OEMs
- #1 quality ranking at multiple customers
- Deep engagement across all mobile Chipset Vendors
- Gaining share in managed NAND



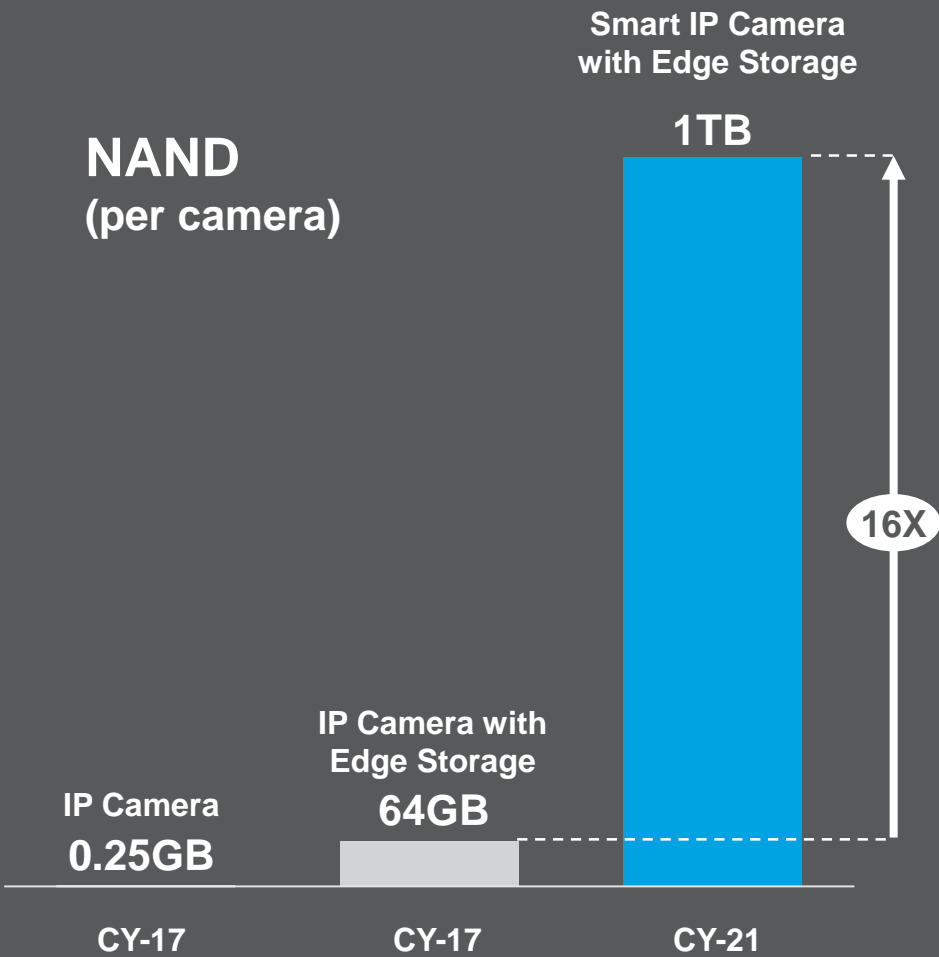
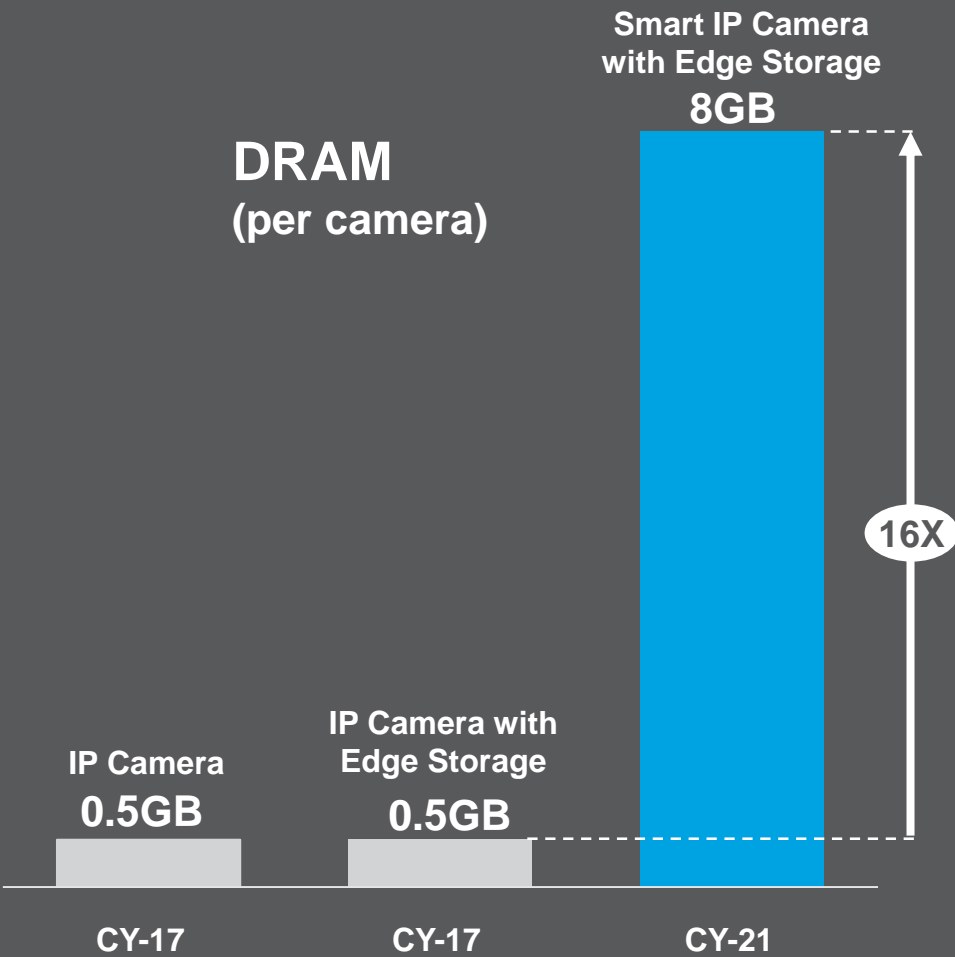
Internet of Things Growth Drivers

A World of Intelligent Devices

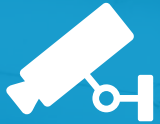
Number of Networked Devices



Intelligent Surveillance Consuming More Memory & Storage



Micron Leads in Enabling Intelligence at the Edge



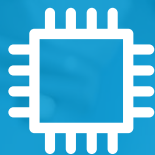
Industrial-grade storage for professional IP surveillance & IoT applications



Superior endurance compared to retail surveillance cards



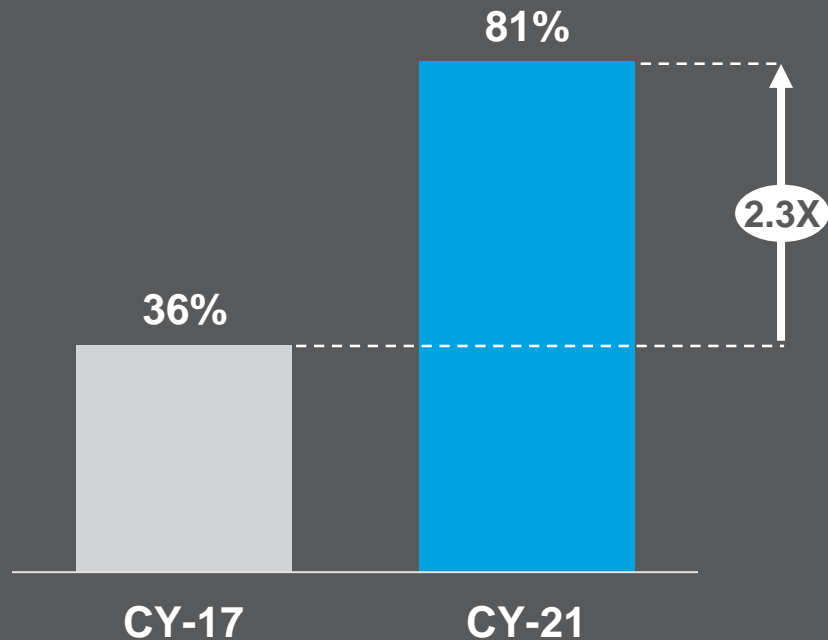
Authenta™ Technology for IoT security



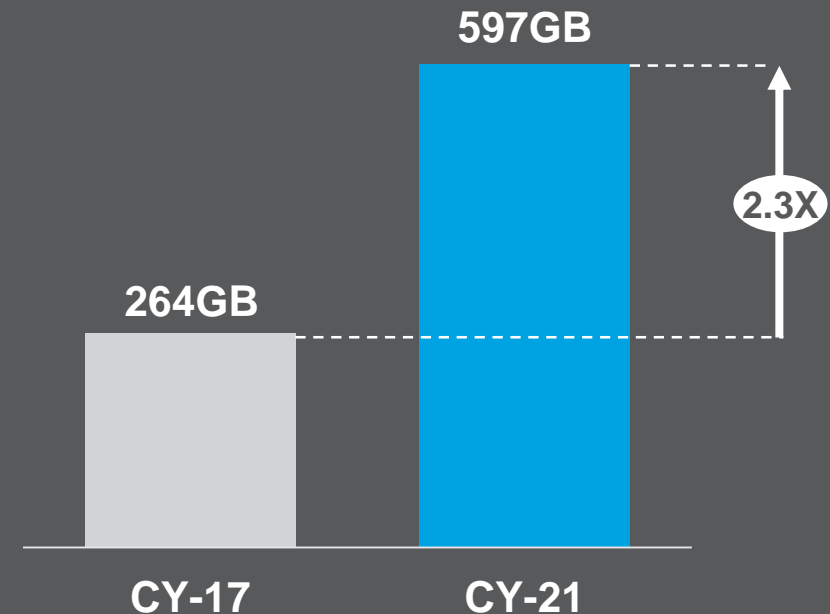
Multi Chip Package: 2x performance in 90% of footprint

Client SSD: Compelling Value Drives Adoption, Average Capacity













Market Adoption SSD Penetration %



Average Capacity per unit



Growth Drivers & Business Units

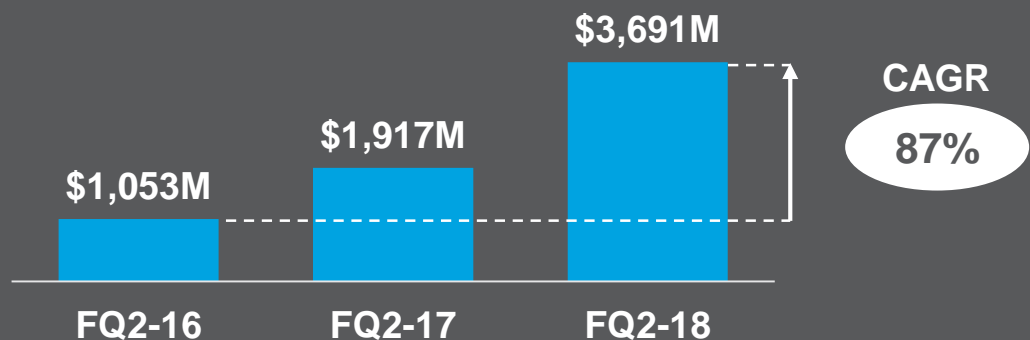
		CNBU	MBU	SBU	EBU
Data Center					
Automotive					
Smart Phones					
Internet of Things					
Client Compute					

Improving Execution Drives Record Financial Results

CNBU



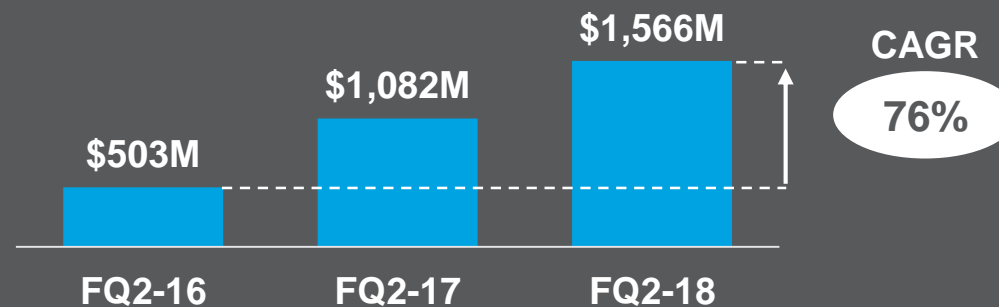
Revenue



MBU



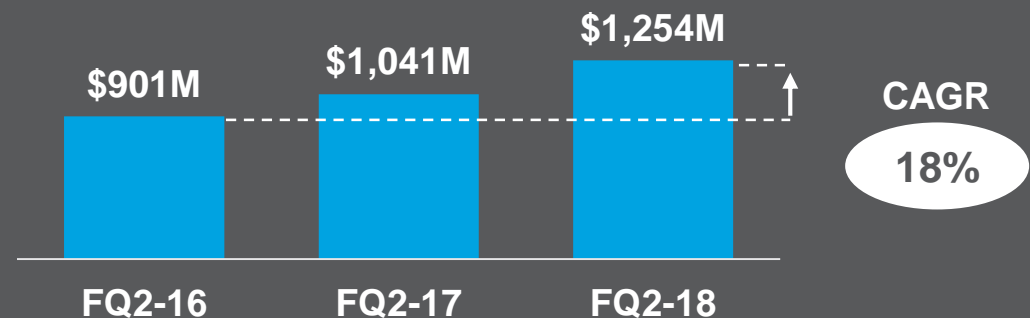
Revenue



SBU



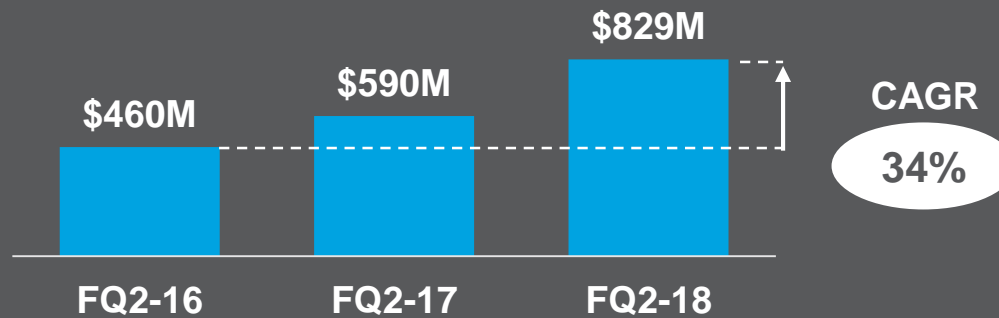
Revenue



EBU



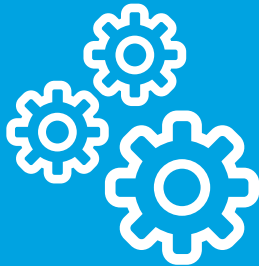
Revenue



Executing a Winning Strategy



**Cost
Competitiveness**



**Execution
Excellence**



**High-Value
Solutions**



**Customer
Focus**



**Talent and
Culture**

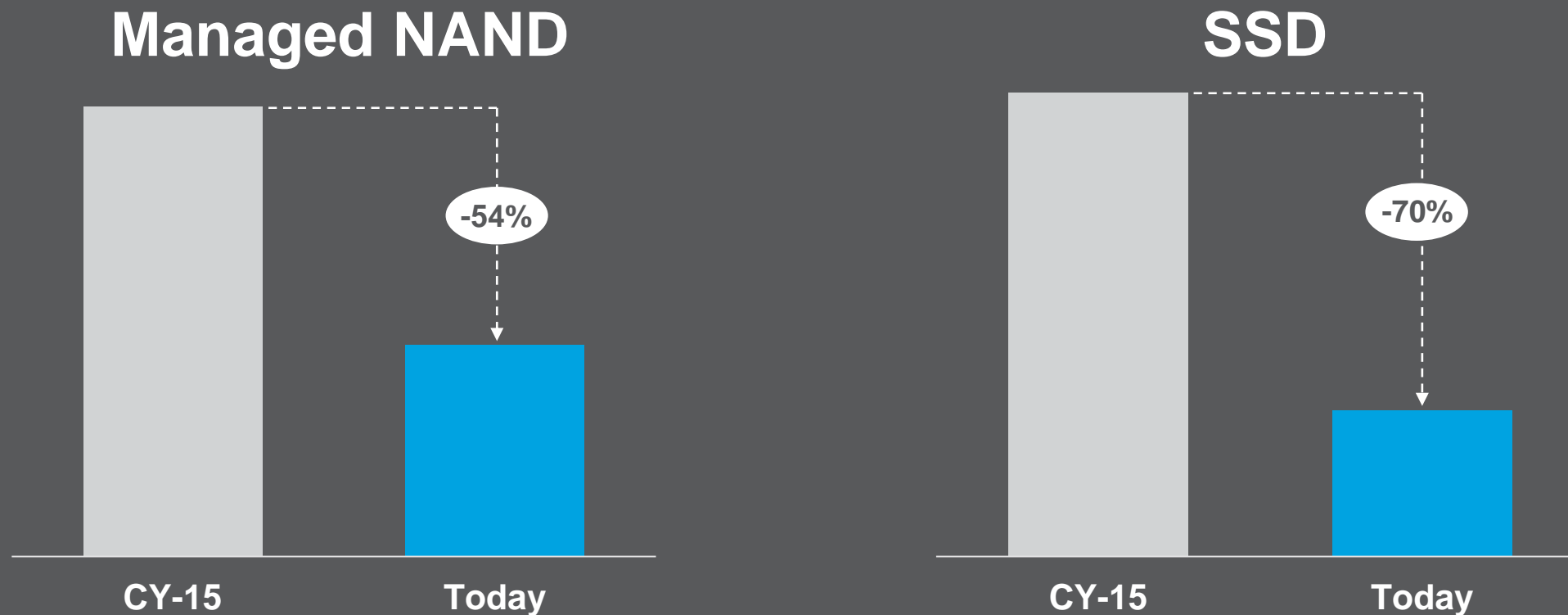
Product Excellence: Silicon to System Solutions



Accelerating Time to Market

Improving Our Engineering Capabilities to Deliver Leadership in High-Value Solutions

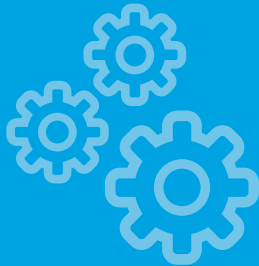
Time from Component to High-Value Solution Availability



Executing a Winning Strategy



**Cost
Competitiveness**



**Execution
Excellence**



**High-Value
Solutions**



**Customer
Focus**

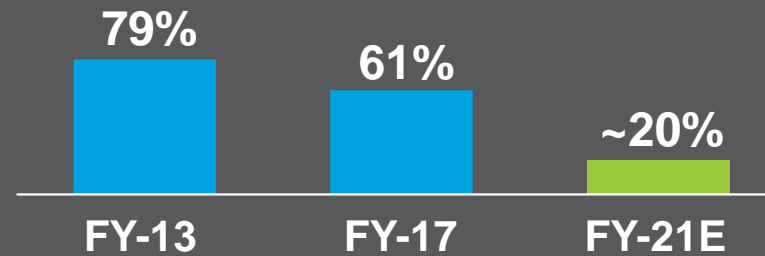


**Talent and
Culture**

NAND Leadership

Growing Solution Sales

Average Component Bits as % of Trade NAND



- Fewer discrete component sales
- Increased SSD, Managed NAND share
- QLC innovation



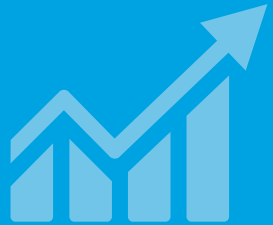
High-Value Solutions

NAND Market Coverage

		FY-16	FY-17	FY-18	FY-19
Client	SATA	●	●	●	●
	NVMe				●
Cloud/Enterprise	SATA	●	●	●	●
	NVMe			◐	●
Managed NAND	Discrete			◐	●
	MCP	◑	◐	◑	●

Market coverage based on competitive position related to percent of TAM covered by portfolio offerings, product maturity and competitiveness;
Source: Micron

DRAM & Emerging Memory Leadership



High-Value Solutions

High Performance

- Leading graphics (GDDR) performance
- Extending GDDR to Automotive, Networking, AI
- High Bandwidth Memory (HBM) in development

Long Life Cycle Markets

- Automotive - #1 share
- Networking - #1 share

Mobile

- LPDDR4X: lowest power in industry
- First to market with 12Gb die

Cloud

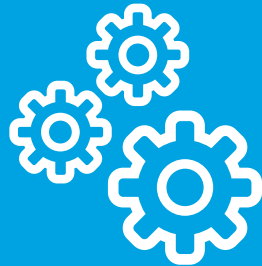
- 8X growth in Cloud DRAM revenue (FQ2-16 to FQ2-18)
- Leading transition to Persistent Memory with NV-DIMM-N

Future: 3D XPoint & Emerging Memory Solutions

Executing a Winning Strategy



**Cost
Competitiveness**



**Execution
Excellence**



**High-Value
Solutions**



**Customer
Focus**



**Talent and
Culture**

Unique Technology Advantages

Industry Leading Excellence

1 of 6

major NAND companies

1 of 3

major DRAM companies

1 of 2

3D XPoint companies

THE ONLY company in the world with all three technologies

The New Micron

**Secular
Growth Drivers**

**Portfolio
Transformation**

**Execution
Excellence**

**World Class
Talent**

**Financial
Performance**

The Pursuit of Excellence

**2018 —
Analyst
& Investor
Event | NY**

The New Micron Technology Leadership

Scott DeBoer
EVP Technology Development

Technology Leadership

Innovation

Building on 40 years of industry technology firsts

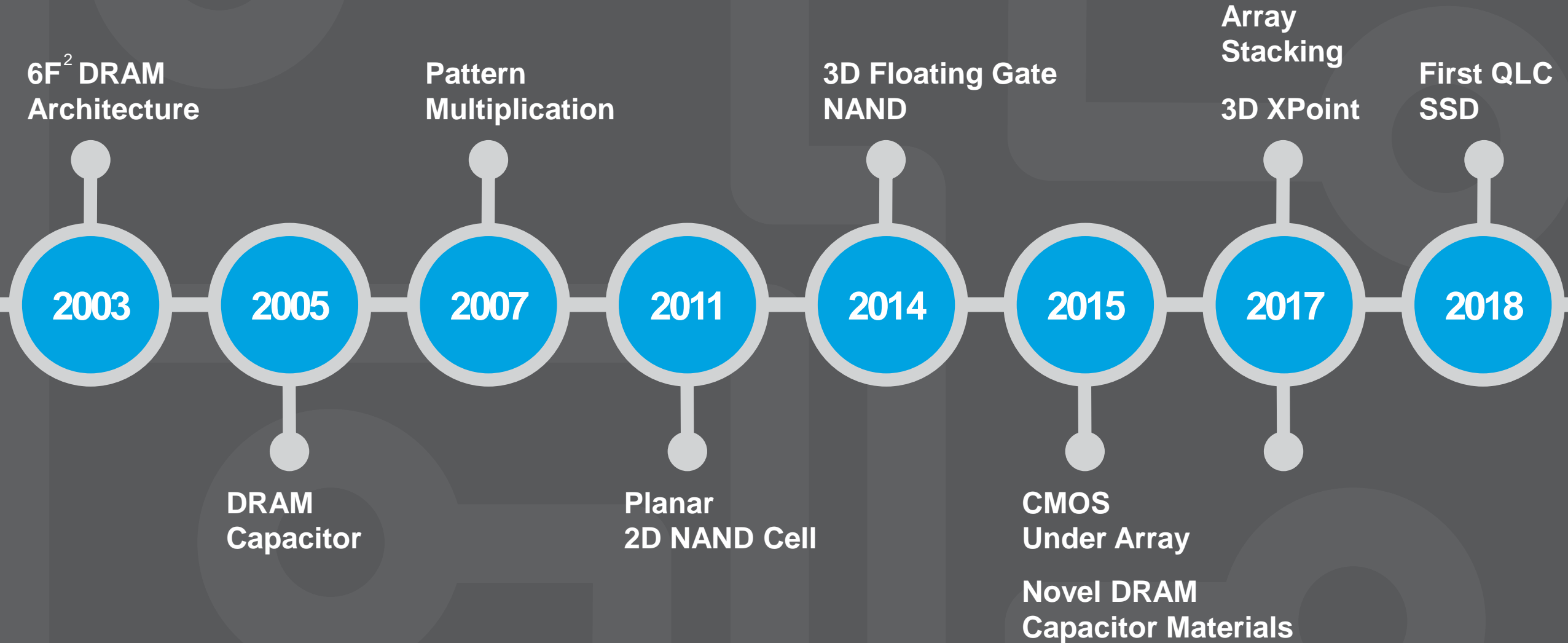
Execution

Technology delivery supporting market requirements

Acceleration

Driving leading edge technologies to market

A Legacy of Industry Firsts

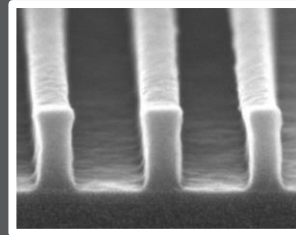


2007

Pattern Multiplication Revolutionized Industry's Ability to Scale Below 40nm

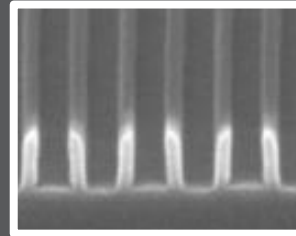
Example
Feature

60nm



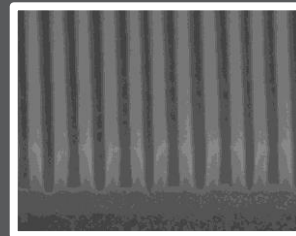
Printed Feature

30nm



Pattern Doubling

15nm

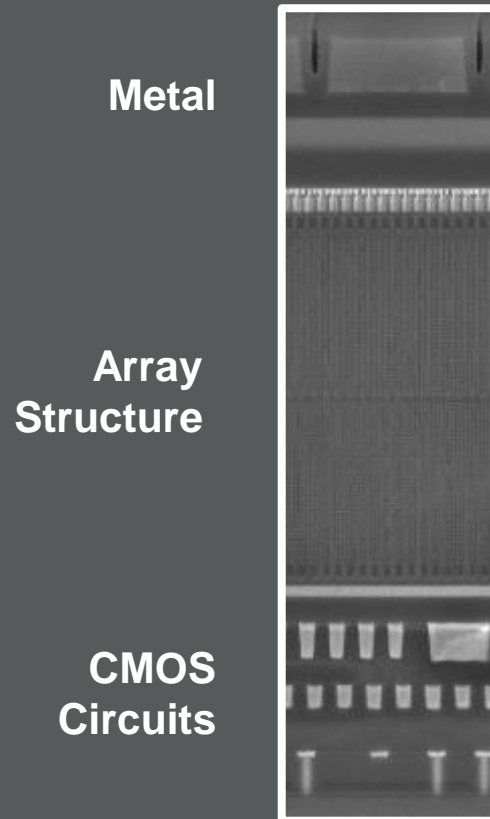


Pattern Quadrupling

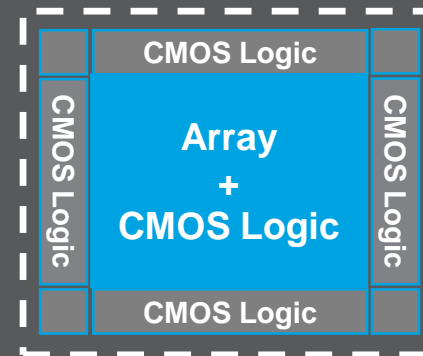
2015

CMOS Under Array (CUA) Took 3D Technology to Next Level

NAND with CUA



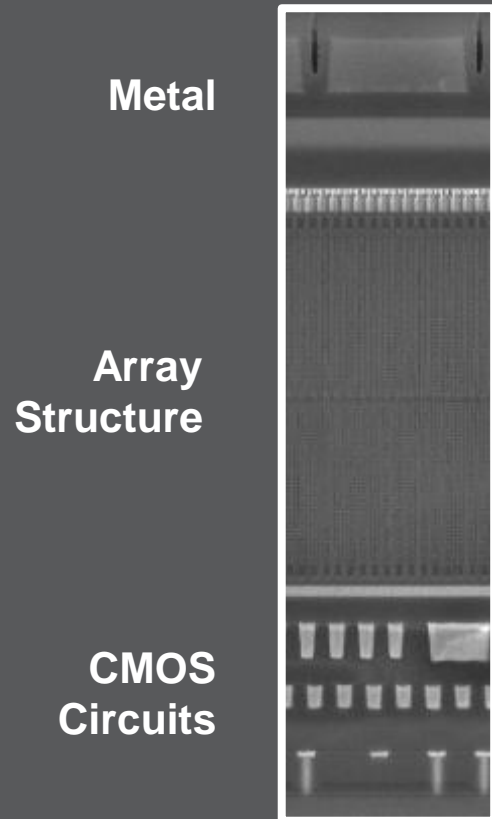
Top Down View CMOS under Array



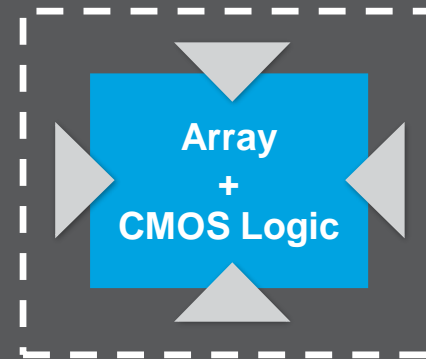
2015

CMOS Under Array (CUA) Took 3D Technology to Next Level

NAND with CUA



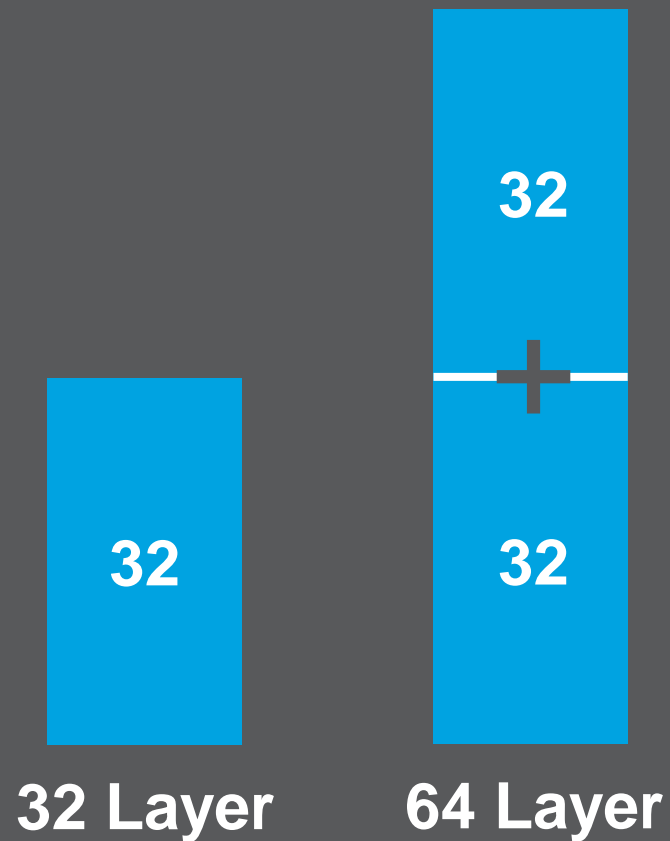
Top Down View CMOS under Array



Enabled Cost Reduction &
Performance Improvements

2017

Array Stacking Paved the Way for 3D NAND Scaling



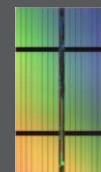
- Stacked two high yielding arrays
- Relaxed technology & equipment requirements
- Accelerated NAND technology roadmap

CY-17: Outstanding Technology Progress

DRAM

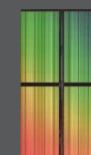
Improved Competitive Position

CY-16



20nm

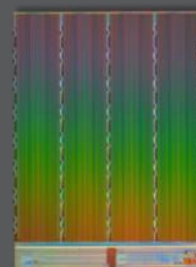
CY-17



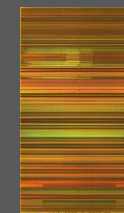
1Xnm

NAND

Achieved Technology Leadership



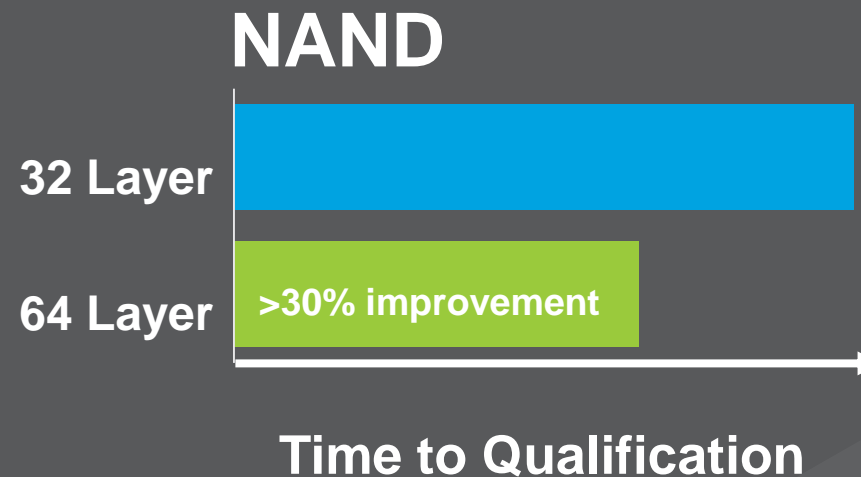
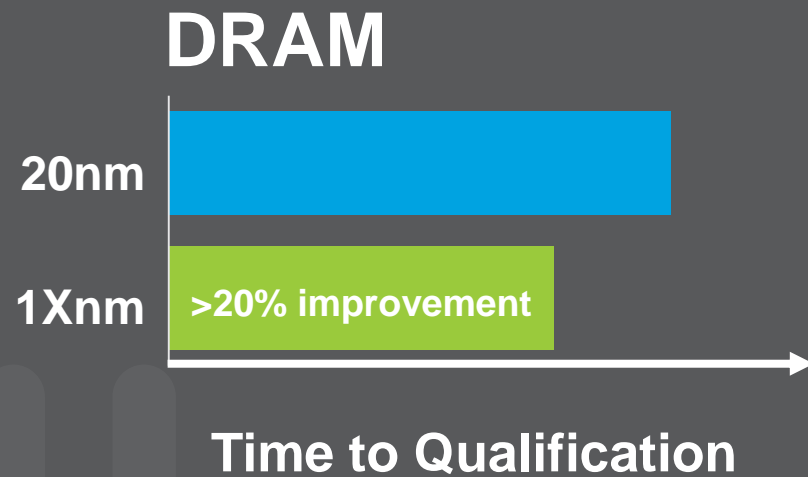
32 Layer



64 Layer

CY-17: Outstanding Technology Progress

Accelerated Time to Qualification



Global Technology Model Drives Strong Results

Expanded Capability to Accelerate Disruptive Innovation



Core R&D
Idaho, U.S.

Strengthened Development Capability at Manufacturing Locations



DRAM
Japan



NAND
Singapore



3D XPoint
Utah, U.S.



Packaging
Taiwan



A Portfolio of Feature Rich Technologies

DRAM

NAND

3D XPoint



Data Center



Automotive



Mobile
& Client

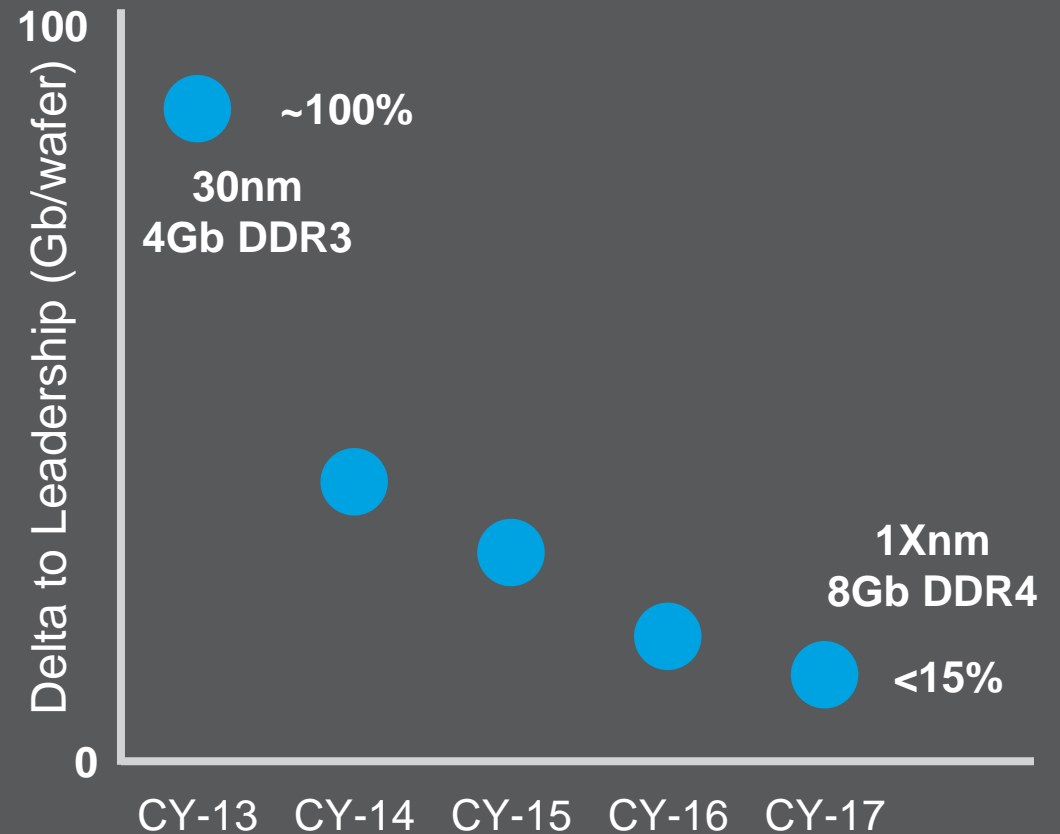


Internet of
Things

DRAM: Closing the Competitive Gap

- Relentless focus on execution
- Validating development model
- Gaining future DRAM momentum
- Leading in quality & performance

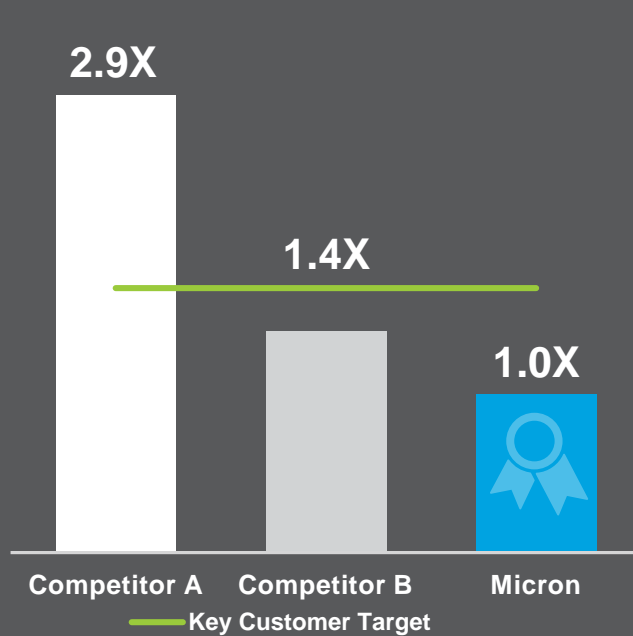
DRAM Technology Capability Delta



DRAM: Delivering What Customers Want

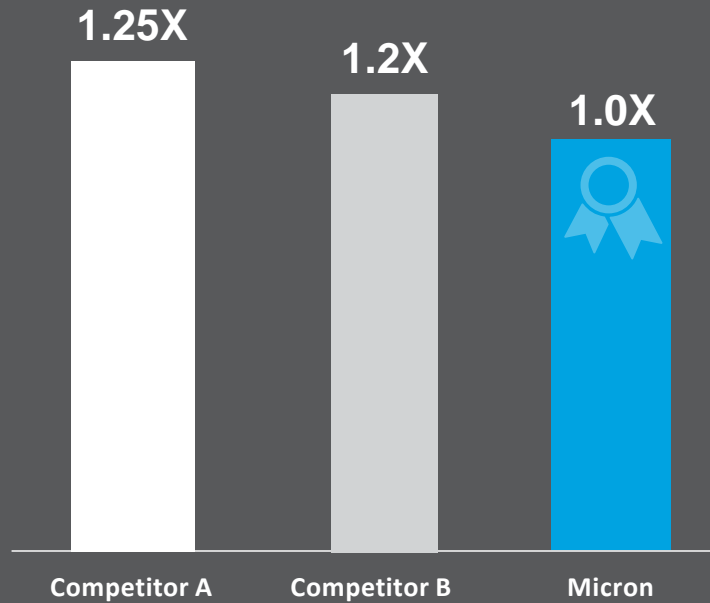
Quality Leadership

Defects per Million

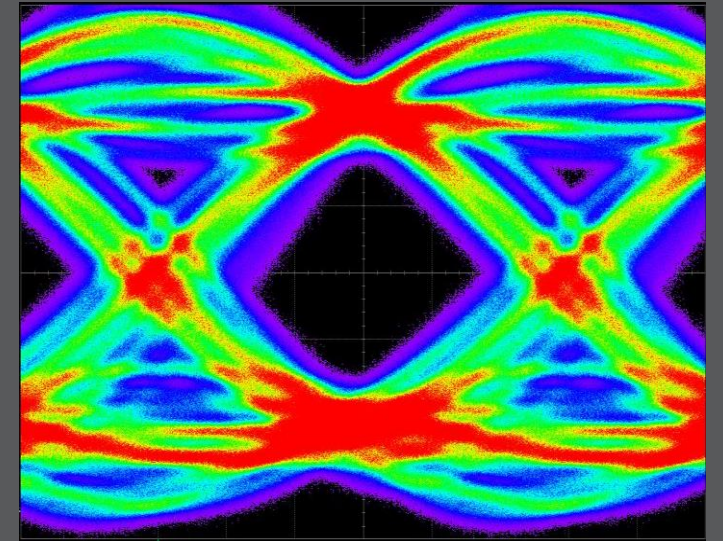


Low Power Leadership

In-Use Power Consumption

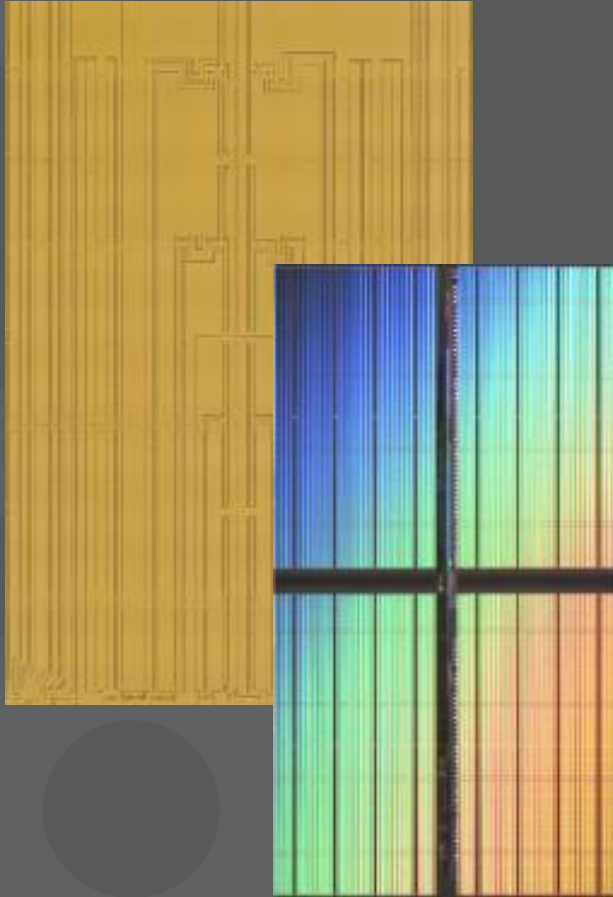


Bandwidth Leadership



Fastest Graphics bandwidth (20 Gbps/pin)
demonstrated at DesignCon 2018

1Ynm DRAM: On Schedule & On Target



1Ynm

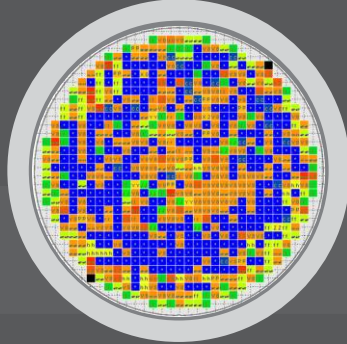
- Rapid progress on 1Ynm yield ramp
- 1Ynm output in 2H CY-18
- Strengthening competitive position across multiple markets

DRAM: Confidence in Future Scaling

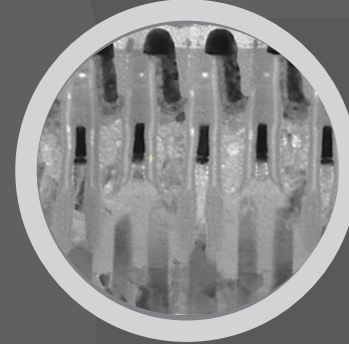
1Y Customer
Qualification



1Z Process
Optimization



1α Technology
Integration



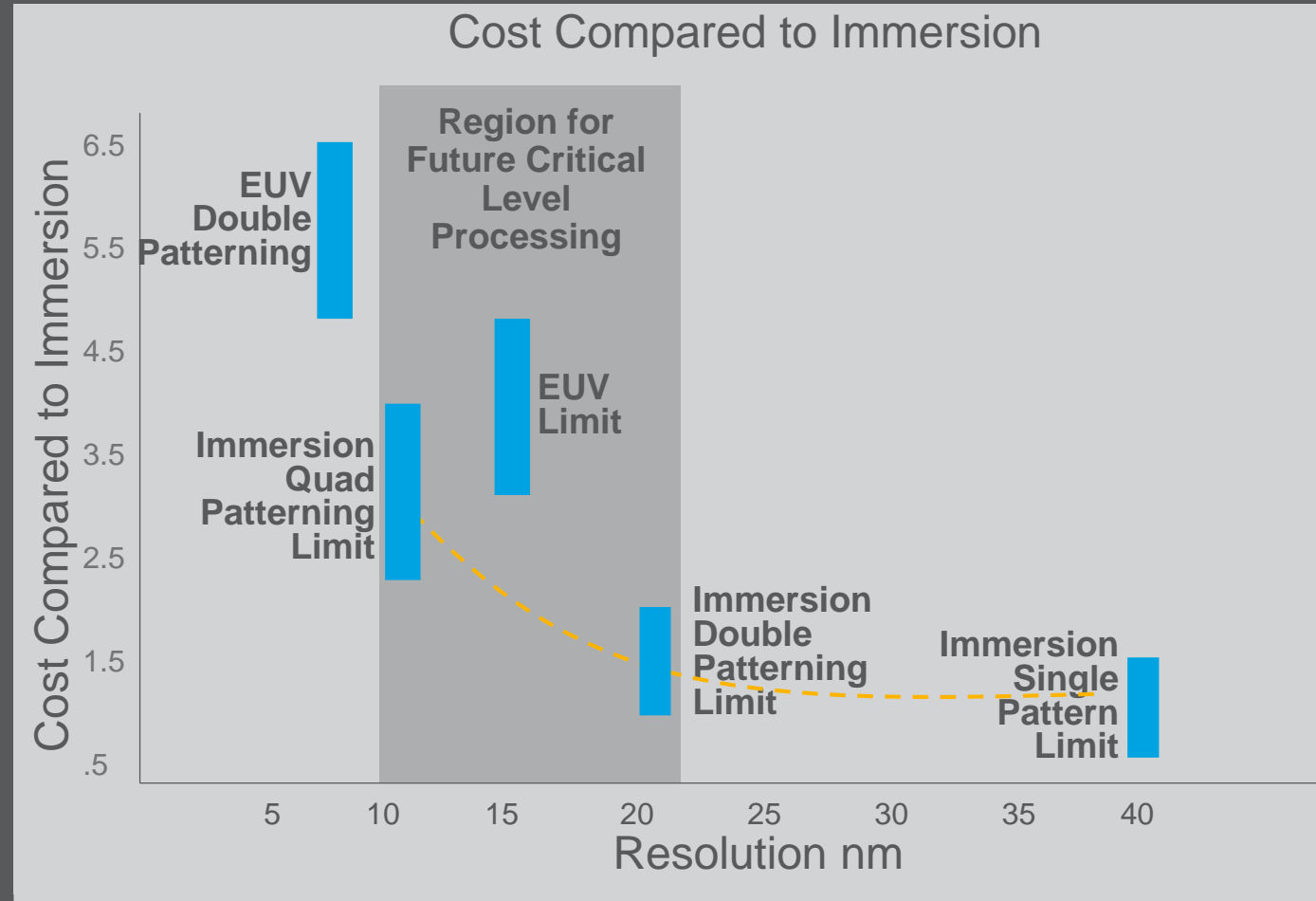
1β Module
Integration



- Clear & confident technology roadmap
- Parallel progress on multiple nodes
- Strengthening competitive position with 1Z, 1α and 1β
- Extreme Ultra Violet Lithography (EUV) not required for scaling

DRAM: Lithography Optimizing Process Capability & Cost

- Competitive lithography strength
- DRAM technology roadmap ideally enabled with pattern multiplication
- Beyond 1 β node, EUV potentially beneficial

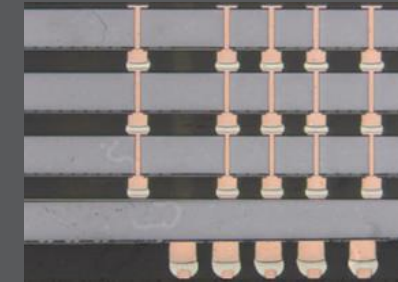


Lithography technology breakpoints & relative costs

DRAM: Continued Advancement in Stacking Technologies

■ DDR4/5 High Performance

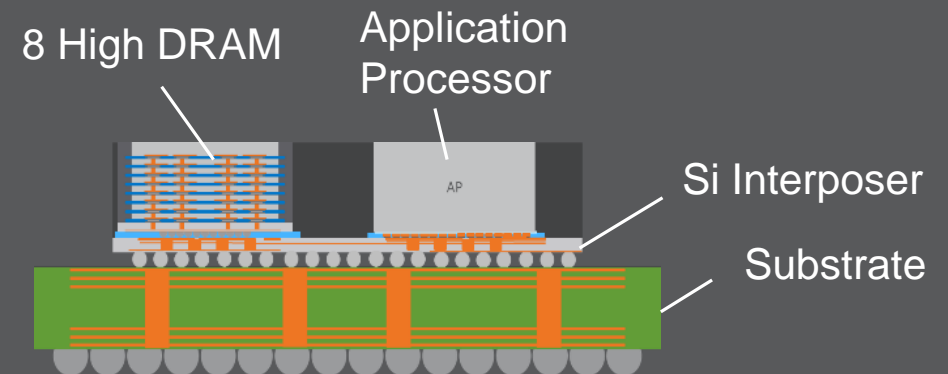
- Enterprise & cloud server, networking & automotive applications
- Through Silicon Via (TSV) enabled technology
- DDR4 products customer qualified



4 High DRAM Products

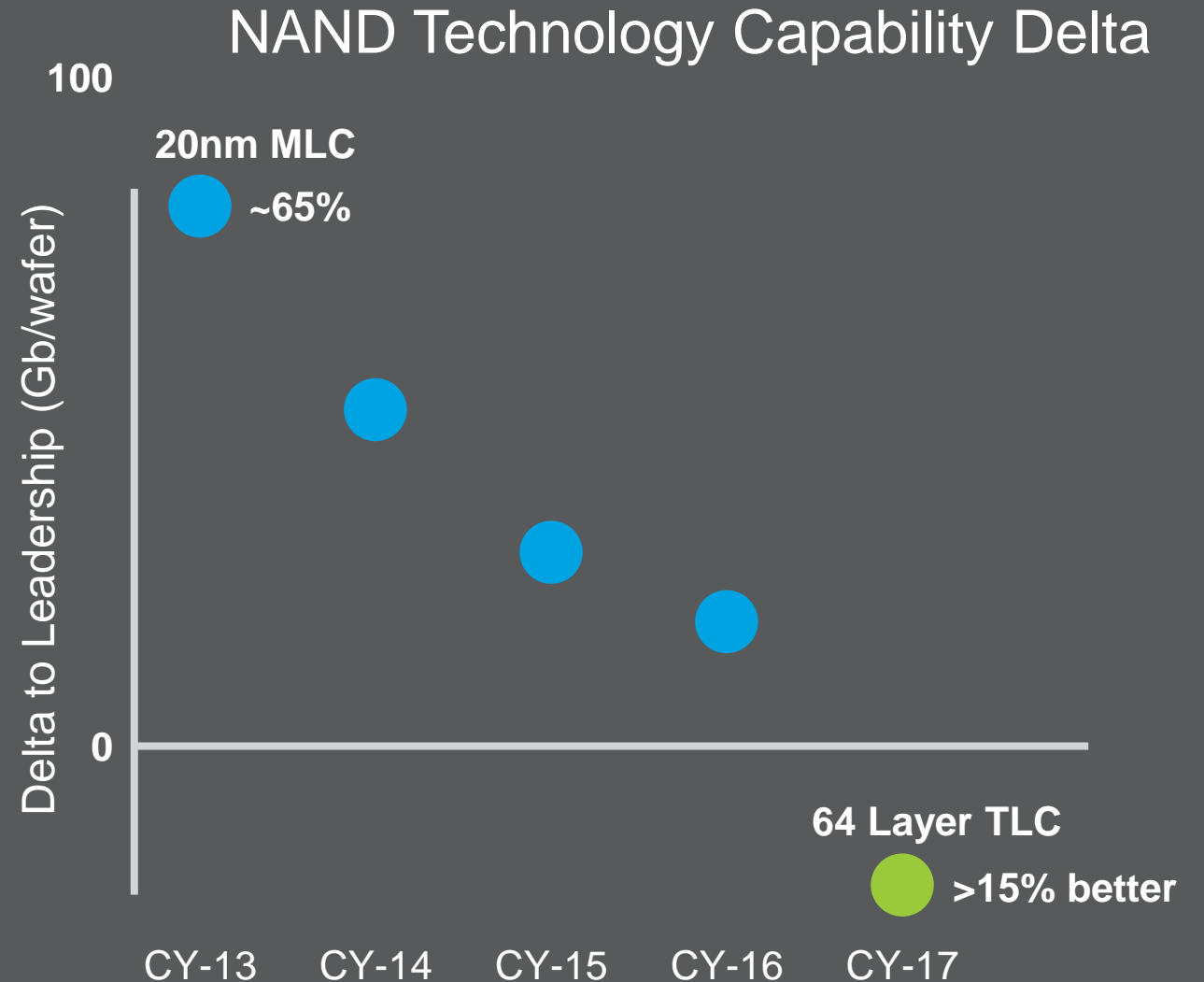
■ High Bandwidth Memory (HBM)

- AI, machine learning, networking & graphics applications
- TSV enabled technology
- HBM products under development



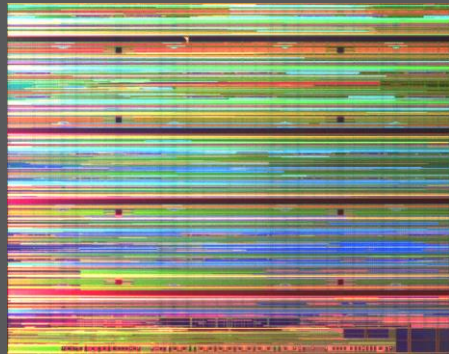
NAND: Leading the Industry in Technology Transitions

- Rapid progress through 3D NAND conversion
- Successful TLC transition
- Innovation enables leadership

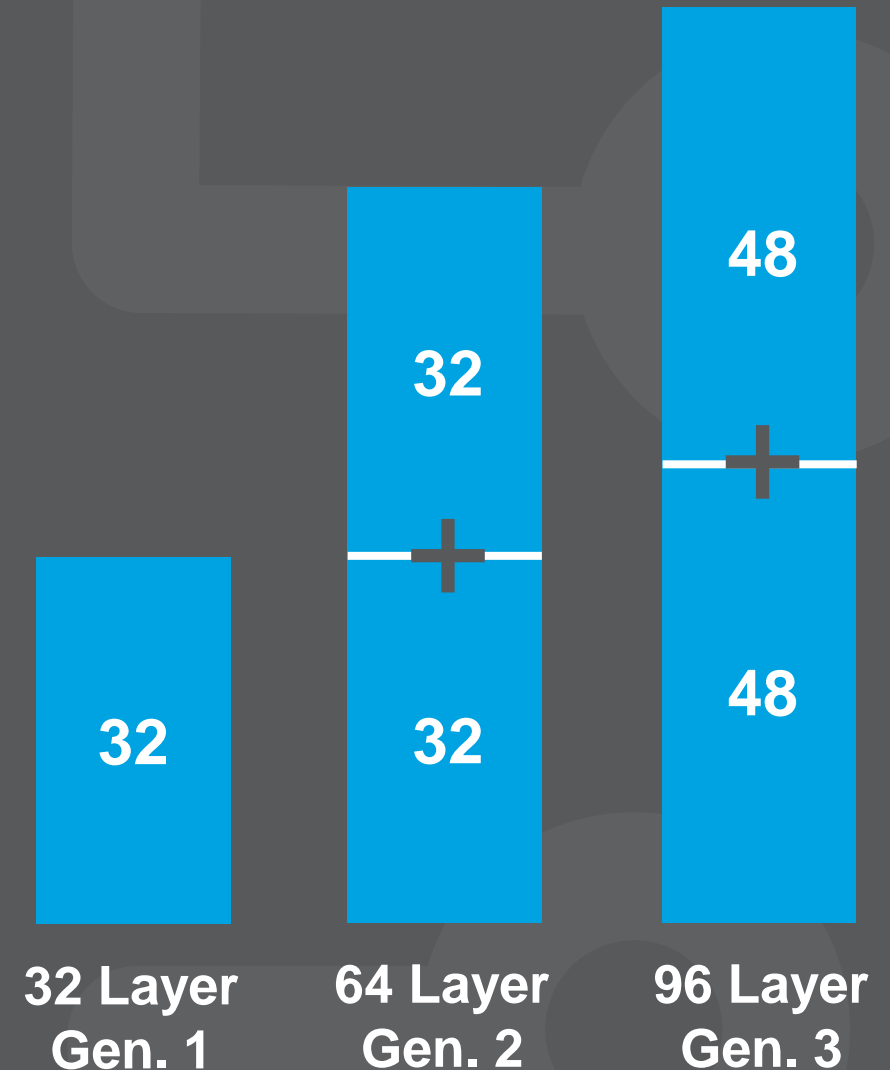


3D NAND: 96 Layer Creates Competitive Advantage

- 50% increase in layers
- Sets write bandwidth benchmarks
- Array stacking for the 2nd time
- Uses CMOS under array for the 3rd time



**World's
smallest
512Gb die**





4th Gen 3D NAND: Optimized for Performance & Scaling

Micron Developed

Micron's solely developing Replacement Gate (RG) technology

Uniquely Designed

Incorporates unique combination of CMOS under array with novel charge trap cell technology

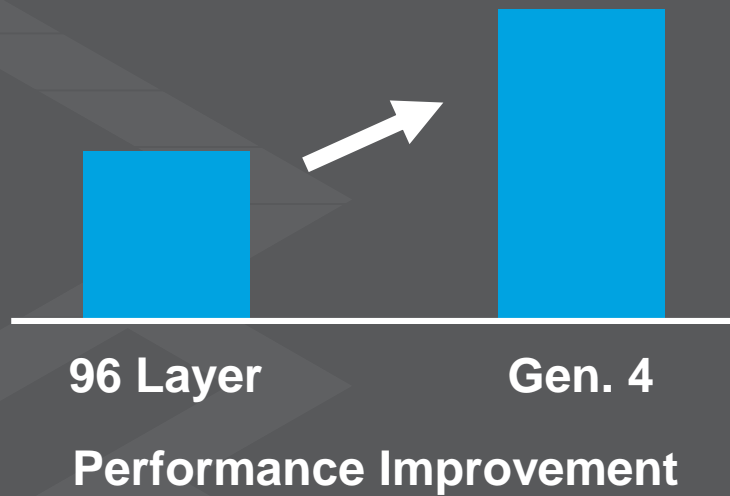
Industry Leading

Targets industry-leading die size & performance

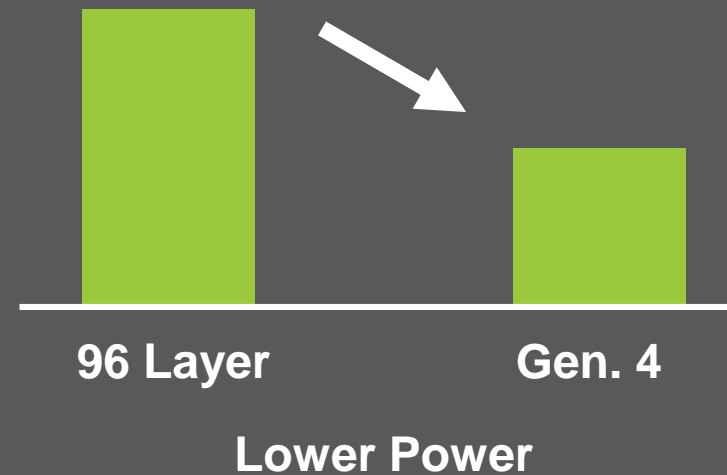
4th Gen 3D NAND: Optimized for Performance & Scaling

Significant Improvements Optimized To Meet Future
Needs Of Multiple End Markets

Write Bandwidth
> 30% Increase

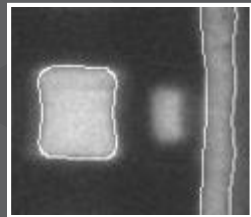


Energy/Bit
> 40% Decrease

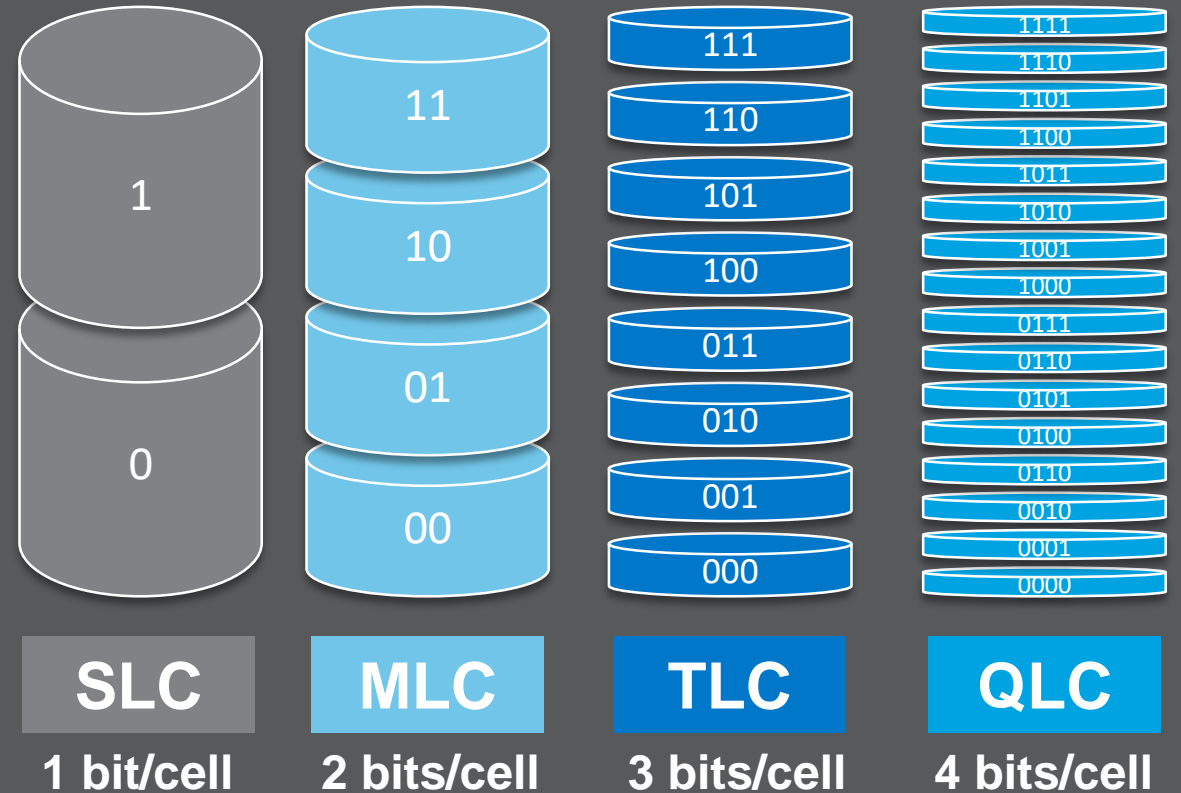


NAND: Leading the Industry in 4 Bits per Cell (QLC)

- First 64 Layer QLC (4 bits/cell) SSD solution
- Industry's first 1Tb die
- Achieves 33% density increase over TLC

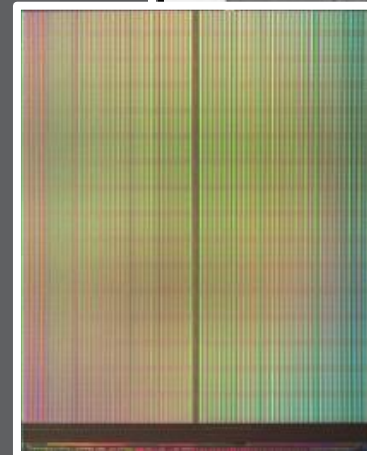
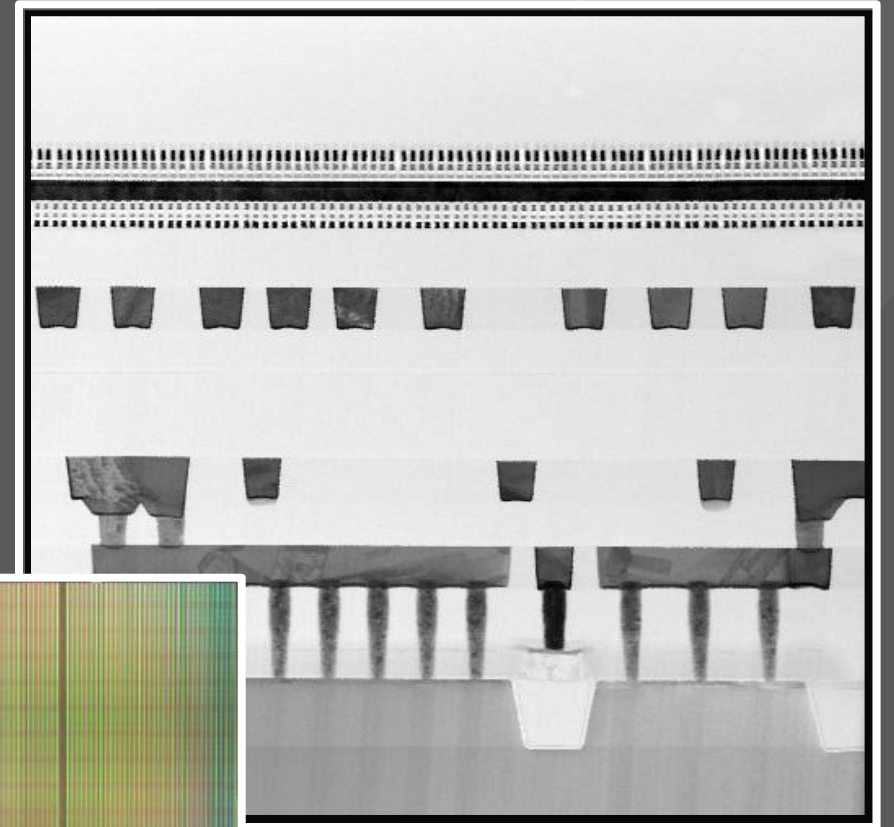


Single NAND Cell



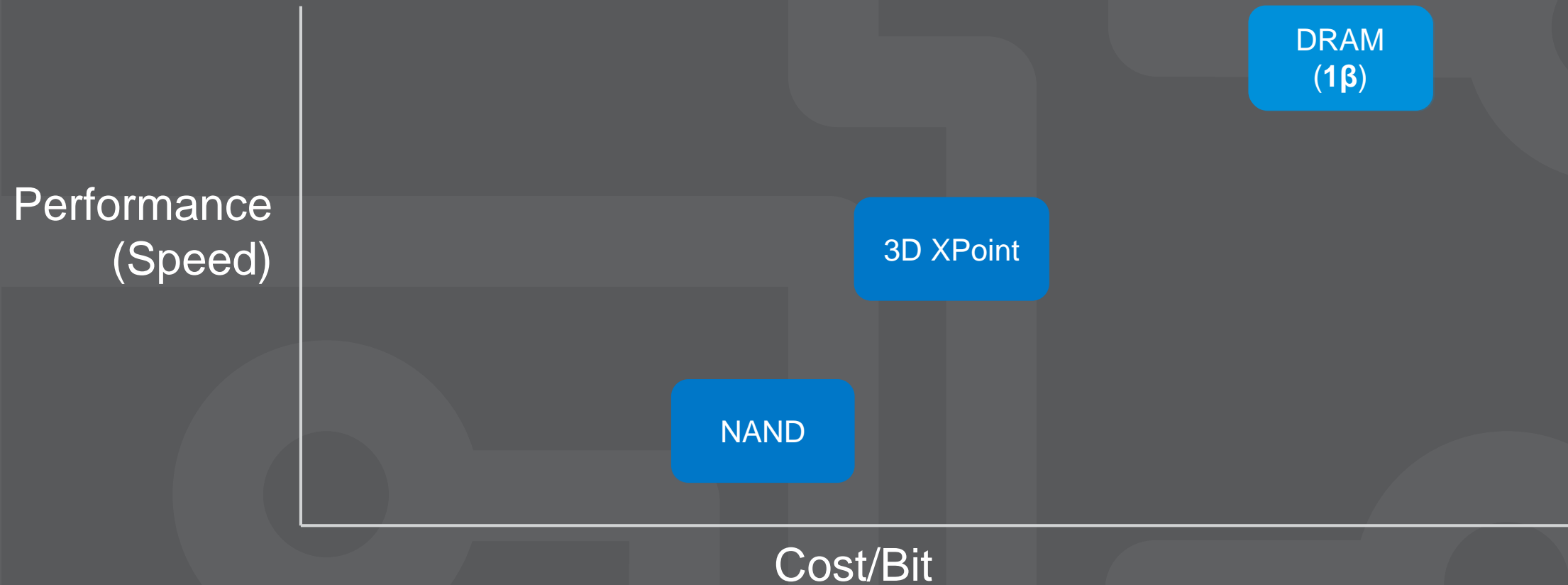
3D XPoint Memory: First Commercial Storage Class Memory

- Second generation introduced to manufacturing
- Combines high performance, high density, & non-volatility
- CMOS under Array technology
- Breakthroughs will continue to enable broader market segments

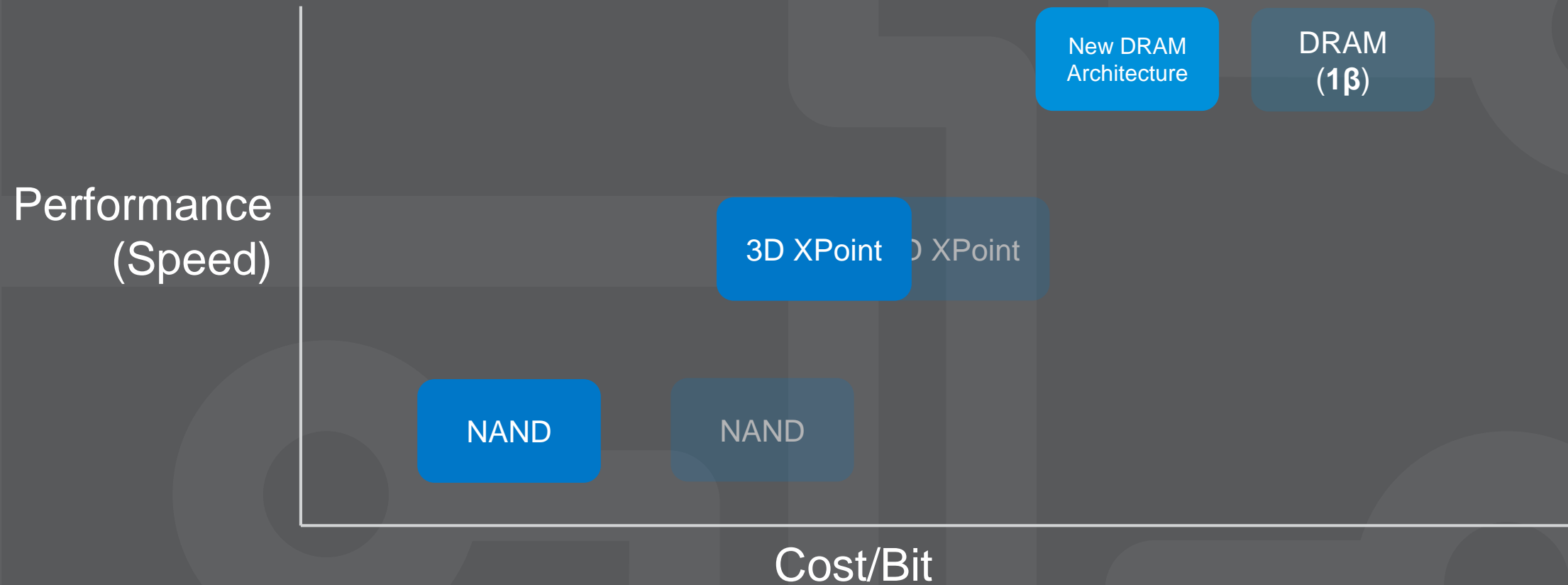


3D XPoint Die

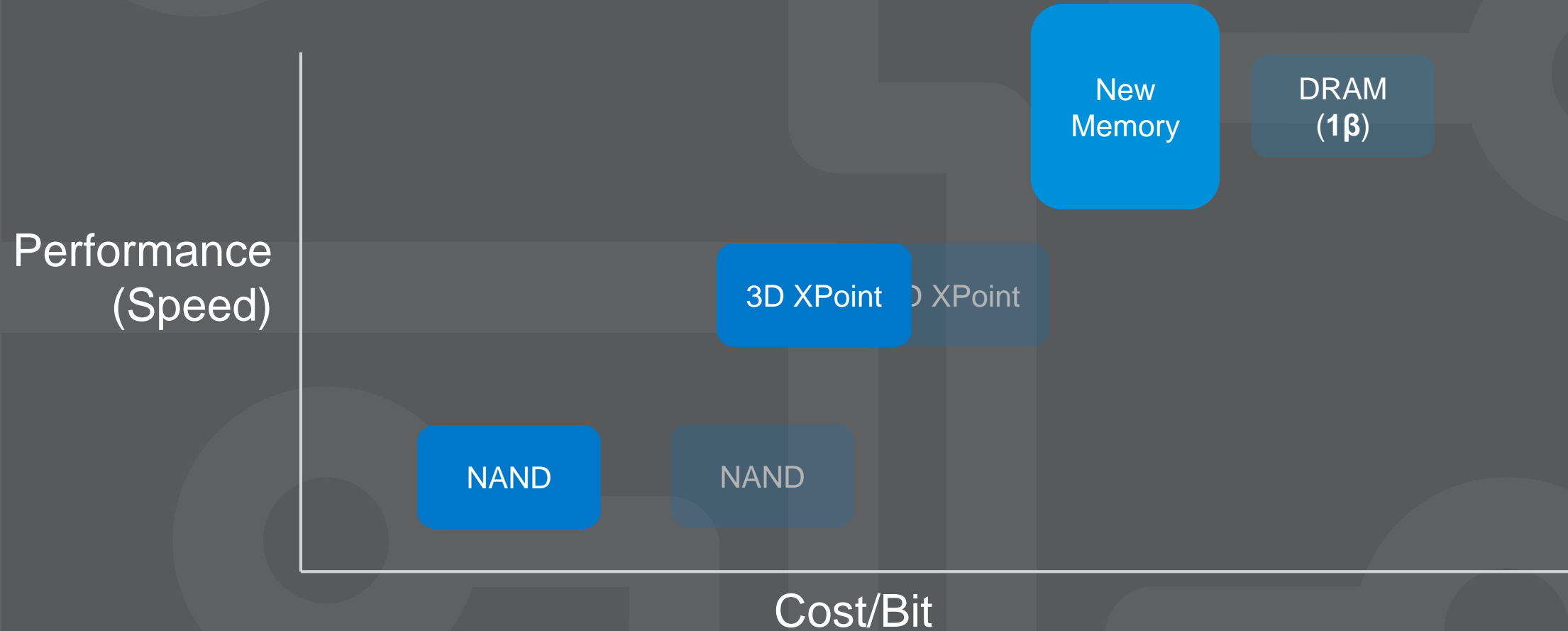
Technology Scaling Continues Despite Complexity



Technology Scaling Continues Despite Complexity



Technology Scaling Continues Despite Complexity



The New Micron

Innovation

Building on a
40-year history

Core Strength

Competitive
progress &
optimized model

Acceleration

Sense of
urgency for future
execution

Future

Driving new
memory
technology
leadership

**2018 —
Analyst
& Investor
Event | NY**

The New Micron

Operational Excellence

Manish Bhatia
EVP Global Operations

Operational Excellence

Scale

Cost

Quality

Speed

Scale

Cost

Quality

Speed

Centers of Excellence

Innovation Deployed at Scale

DRAM Centers of Excellence

Efficiently Deploying Advanced Technology at Scale



Japan

Technology development
Pilot line
Wafer manufacturing



Taiwan

Wafer manufacturing
Component assembly & test
Advanced packaging development

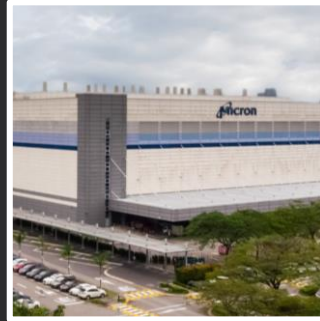


China

Component assembly & test
Module manufacturing

NAND Centers of Excellence

Vertical Integration From Wafer to SSD



Singapore & Malaysia

Technology development

Pilot line

Wafer manufacturing

Component assembly & test

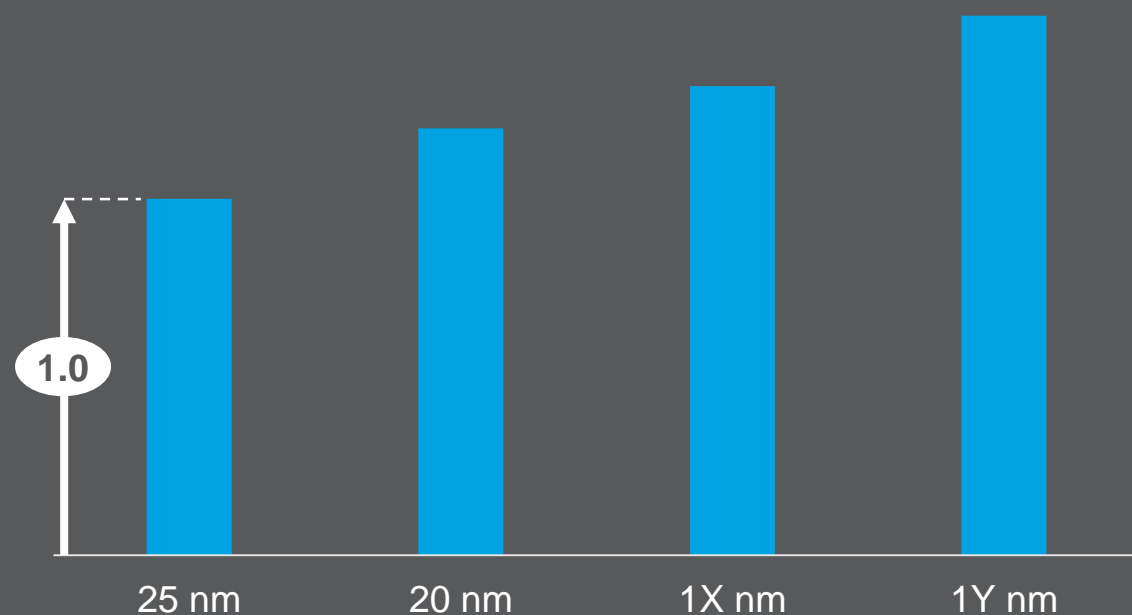
SSD manufacturing

Advanced Technology Nodes Require More Space

More Cleanroom Space is Needed for Each Technology Node to Maintain Wafer Output

DRAM

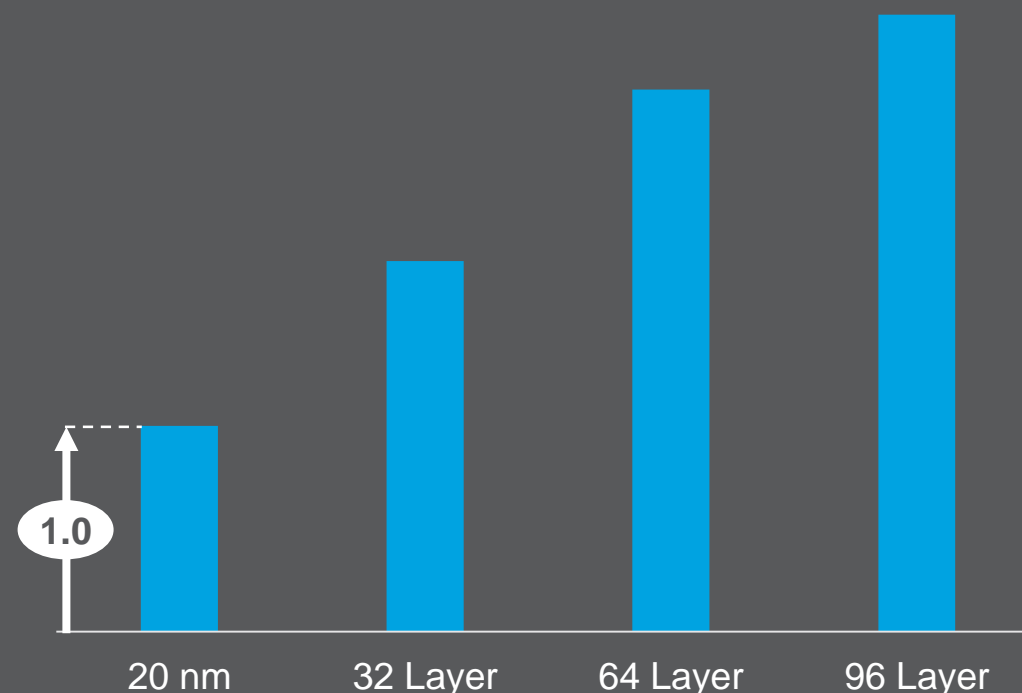
Cleanroom ft² per wafer out



Source: Micron

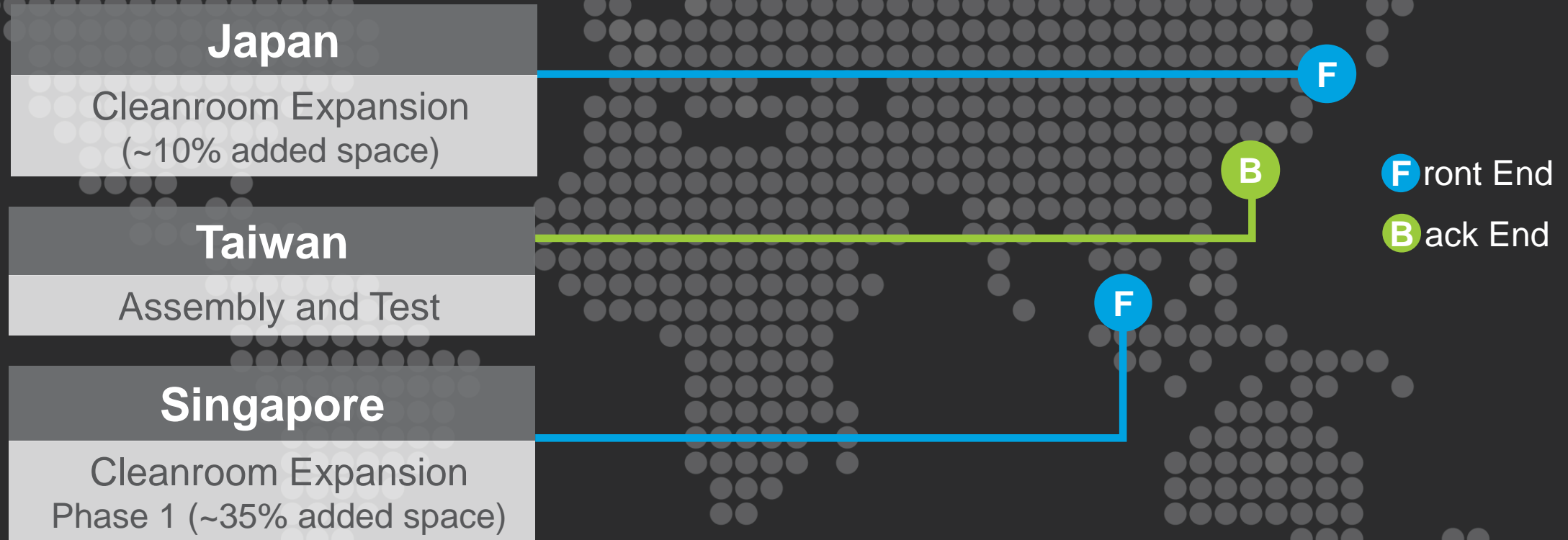
NAND

Cleanroom ft² per wafer out



Current Site Expansions

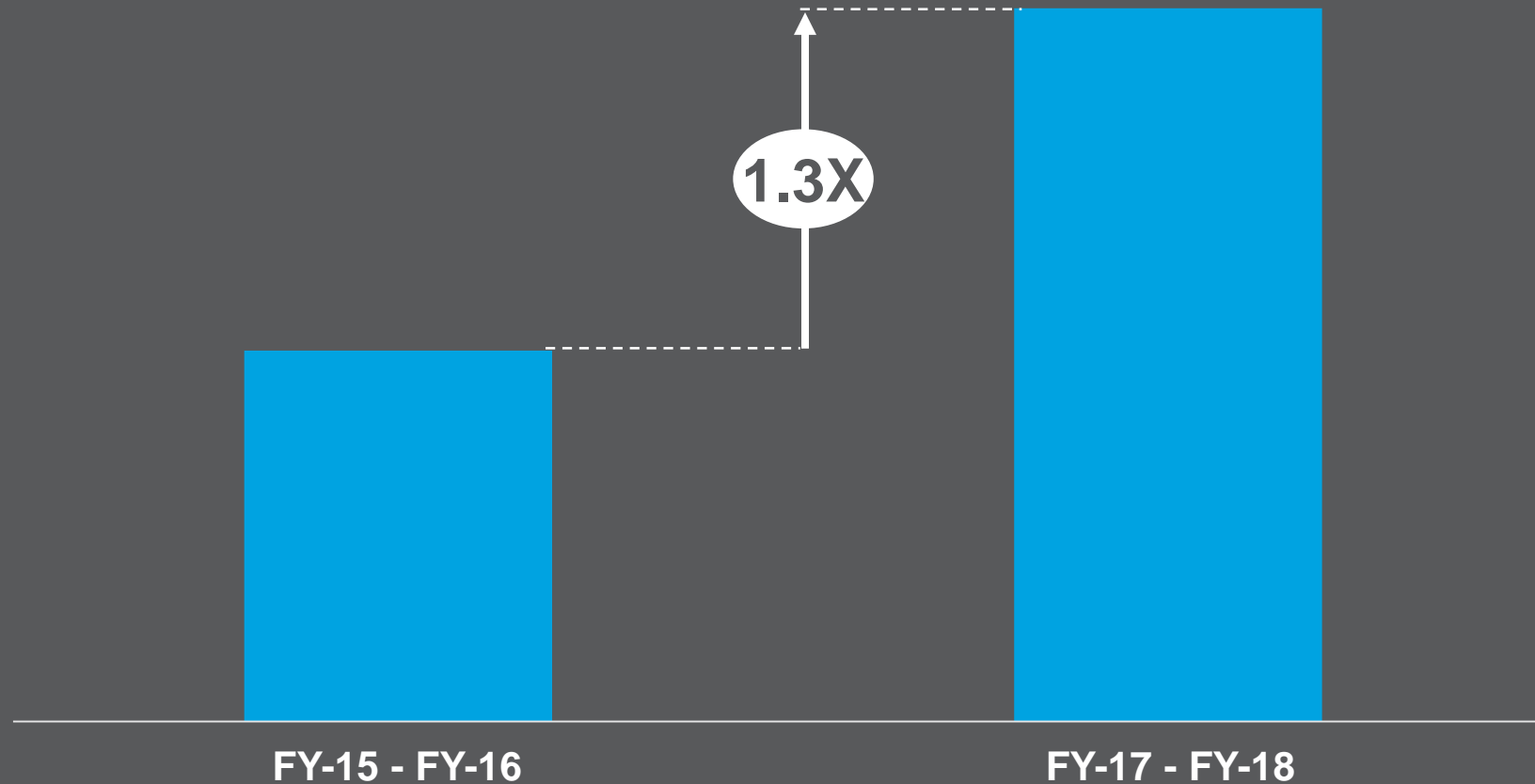
Continued Scale Up of Existing Sites to Maintain Wafer Capacity & Improve Cost Competitiveness



Growing Capital Requirements Beyond Fab

Need for Capital Expenditures Outside Wafer Fab Equipment Have Grown

Assembly & Test, Technology Development, IT, Other CapEx Spending



Supply Growth Projections

Industry & Micron Supply Growth in a Healthy Range

DRAM

CY-18	
Industry	Approximately 20%
Micron	In-line with industry On track for 1X bit output cross-over by end of CY-18

NAND

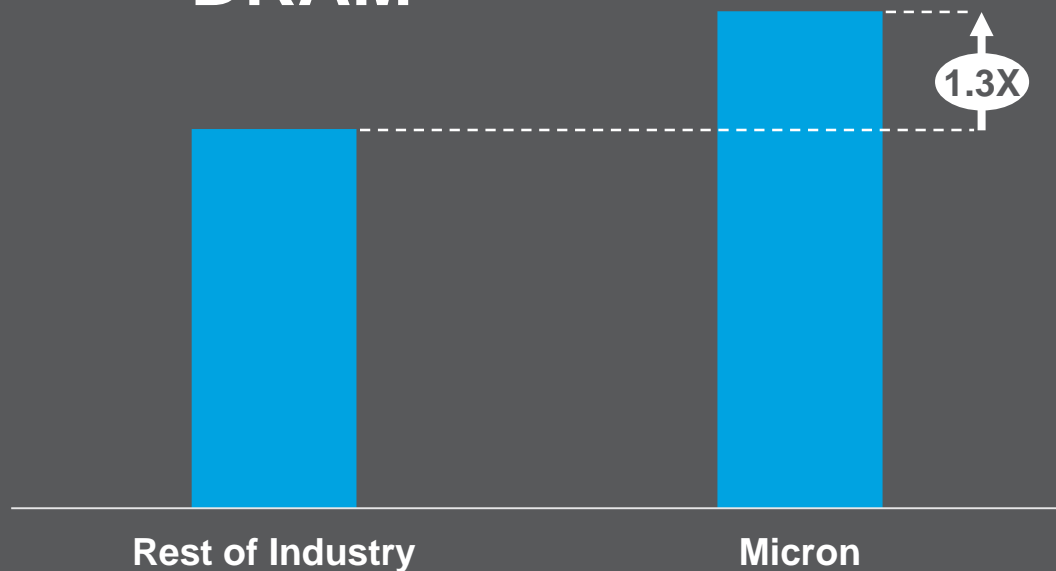
CY-18	
Industry	40 – 45%
Micron	Somewhat above industry Achieved 64 layer bit output cross-over in FQ3-18

Faster Technology Deployment

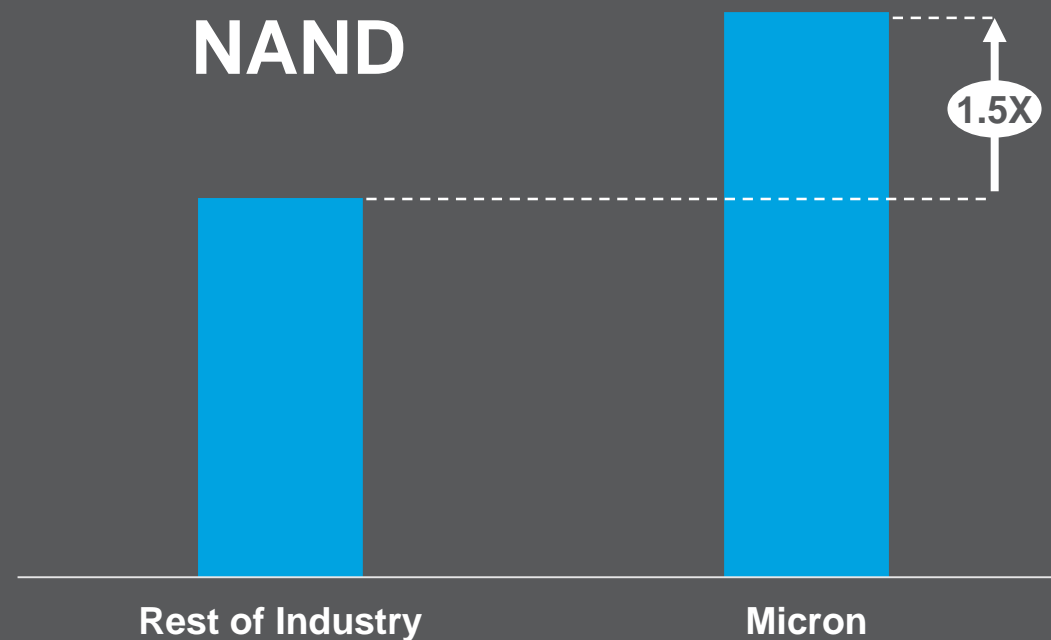
Gains in Bit-per-Wafer Outpacing Competitors

Two Year Blended Bit-per-Wafer Growth Rate for CY-16 to CY-17

DRAM



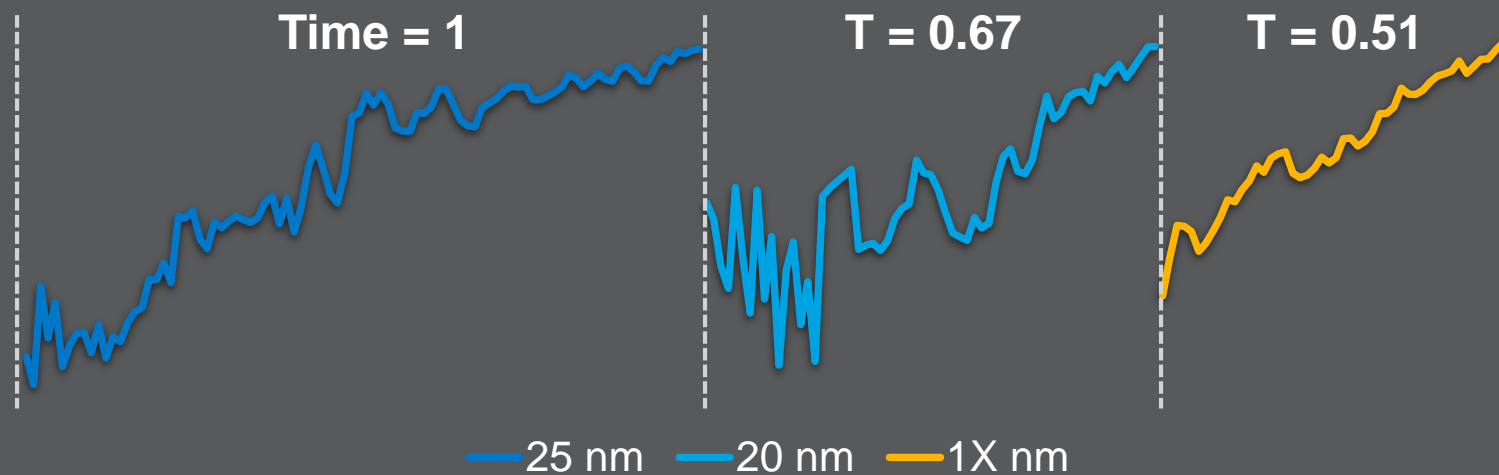
NAND



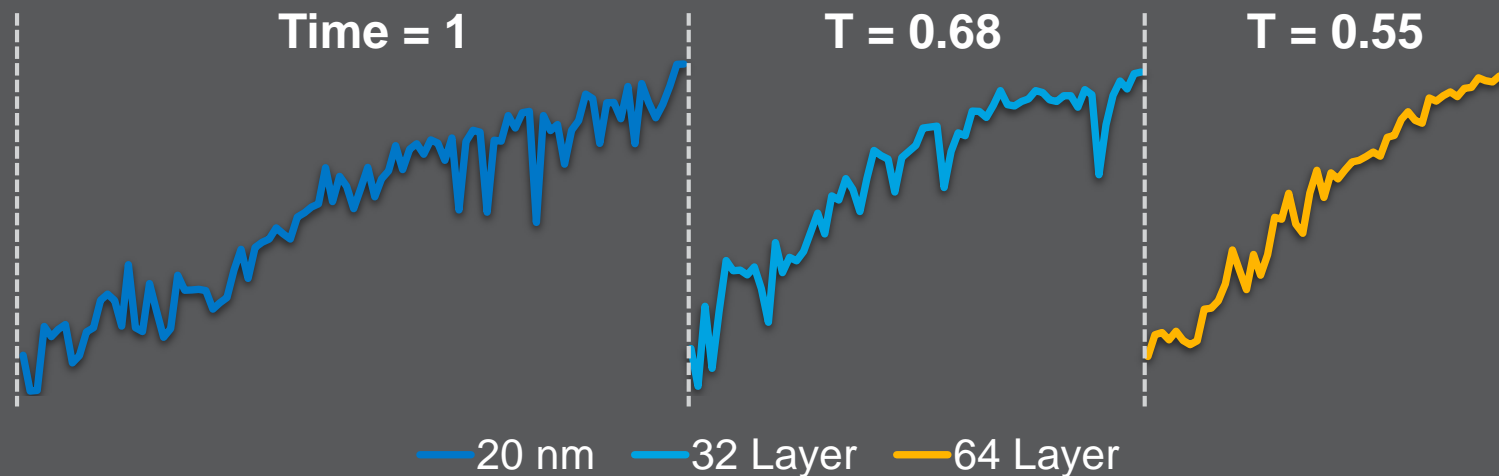
Faster Yield Ramps

Time to Mature Yield Reduced by Half

DRAM

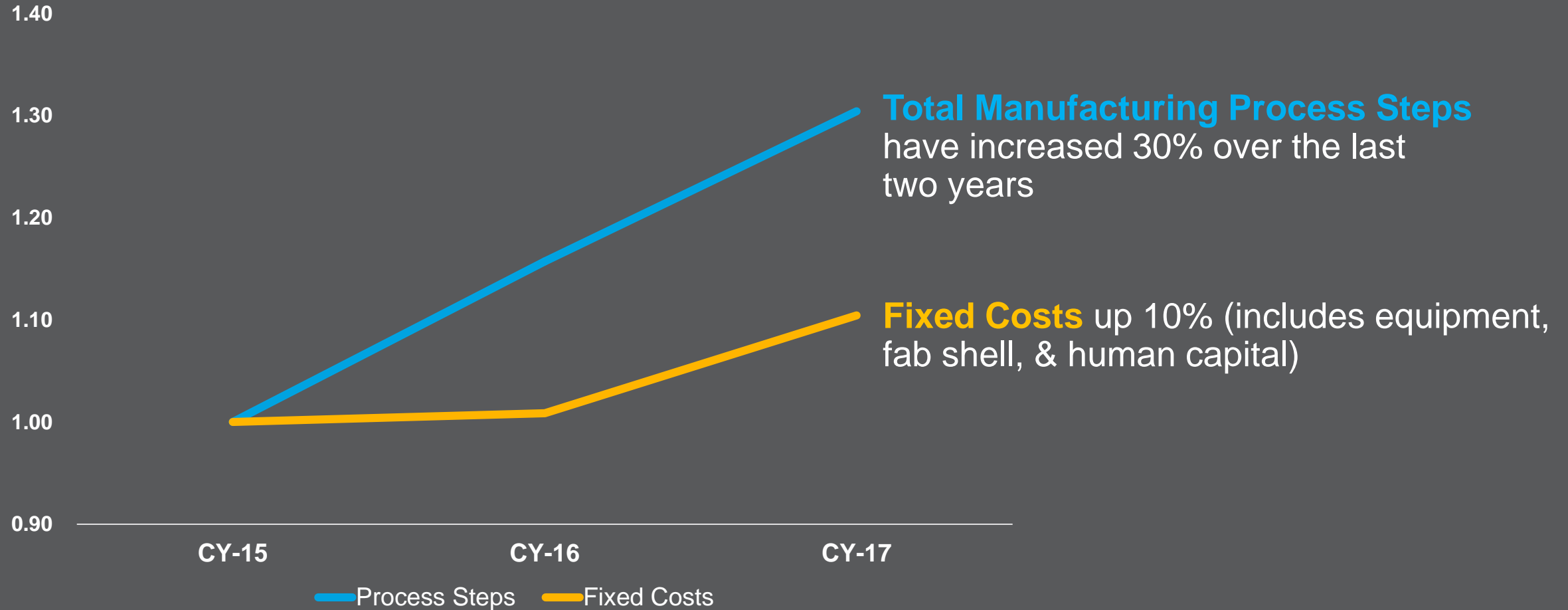


NAND



Greater Economies of Scale

Fab Productivity Up Across Existing Footprint



Structural Improvement in Cost Competitiveness

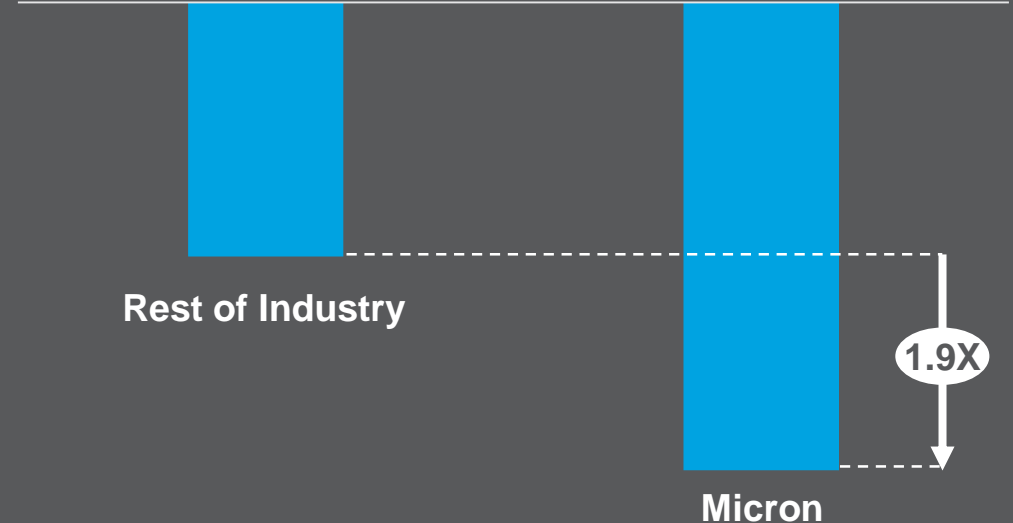
Reducing Cost Faster than the Competition

Two Year Blended COGS-Per-Bit Reduction for CY-16 to CY-17

DRAM



NAND



DRAM Drivers

- Increased volume on advanced nodes
- Higher capital productivity
- Faster yield ramps

NAND Drivers

- Industry leading 3D NAND technology
- Conversion to majority TLC mix
- Faster yield ramps

Dedicated Facilities for Specialized Products

Utah
3D XPoint



Virginia
Long Life Cycle Products
NAND, NOR, DRAM

High-Value Solutions Require High-Quality Memory

Micron Provides Differentiated Value to Our Customers

Commitment to Quality



1st memory supplier to earn International Automotive Task Force quality certification



Virginia

1st memory supplier with a fab dedicated to legacy products

Business Success

Leadership in the most demanding markets

Highest share in automotive memory



Highest share in networking memory



Recognition

Customer Quality Rankings

1. **Micron**

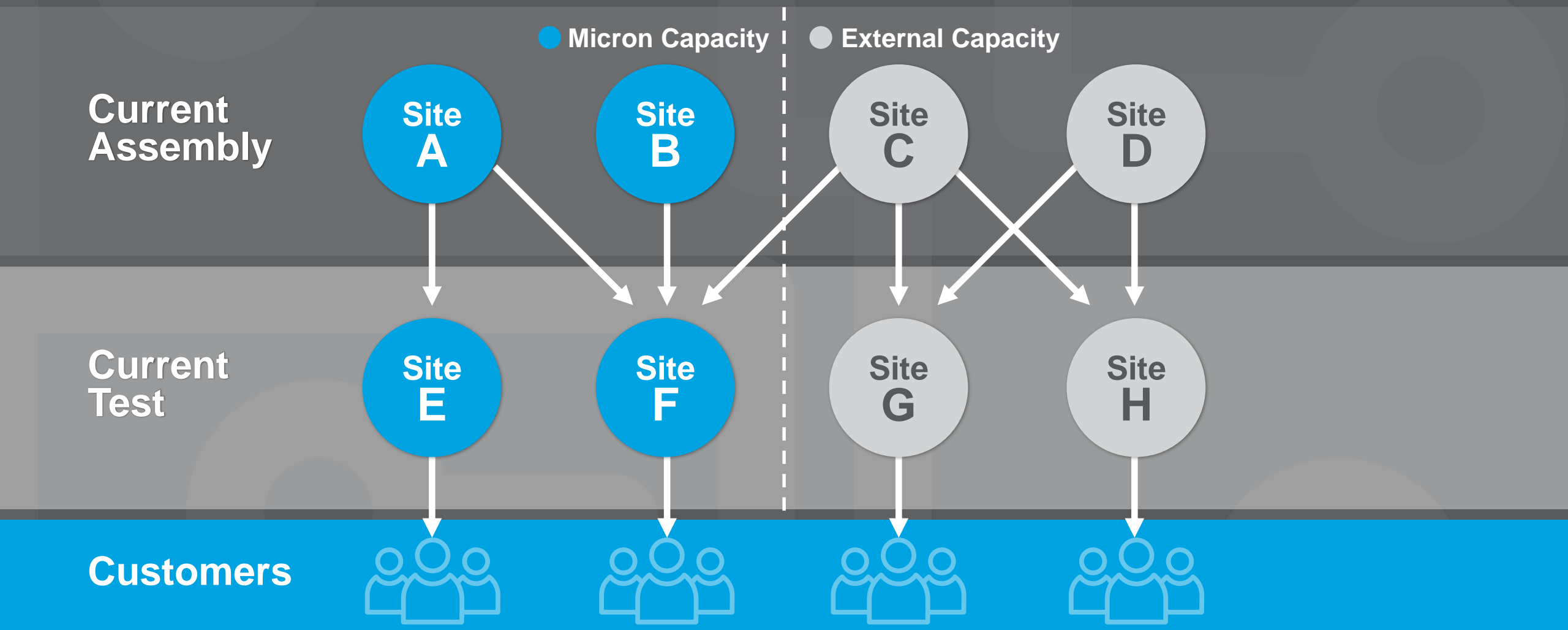
2.

3.

4.

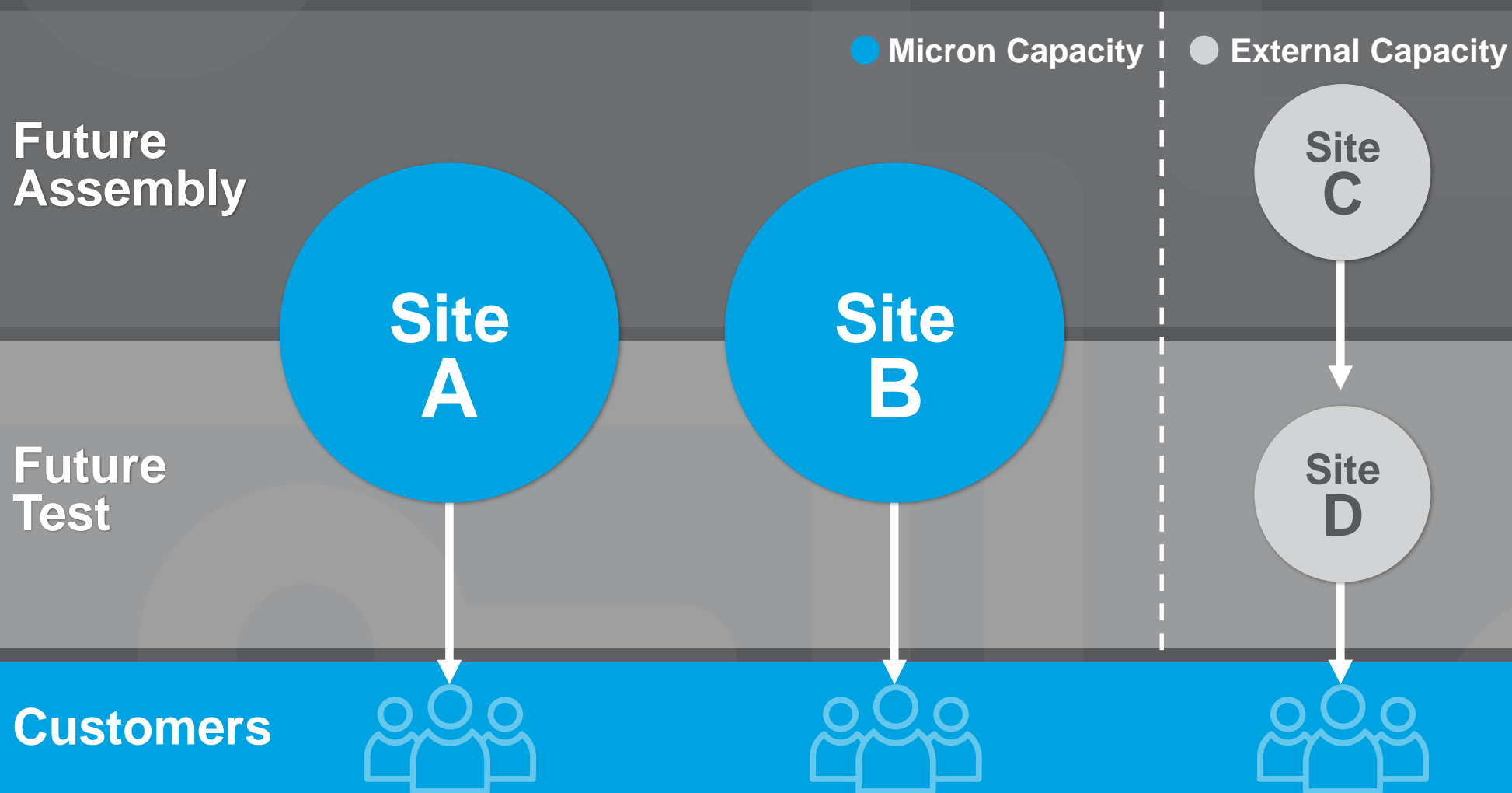
Two-thirds of our customers rank us **Number One** in quality

Streamlining Assembly & Test Network



Streamlining Assembly & Test Network

Larger, Vertically Integrated Sites Increases Agility & Cost Competitiveness



Responsive Supply Chain

Reducing Inventory AND Improving Customer Service



Finished
Goods
Inventory



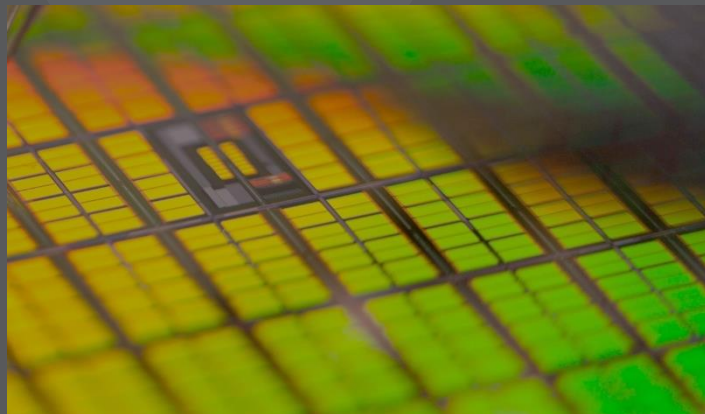
Customer
Delivery
Performance

Transforming our supply chain through:

- Assembly & test agility
- Predictive analytics
- Advanced optimization systems

IT Enabling Micron's Transformation

Applying Data Analytics to Improve Performance



Time to Market

- Device simulation
- Machine learning for defect detection
- Big data for yield improvement

Speed



Manufacturing Costs

- Factory automation
- Smart manufacturing
- Computer vision

Precision



Business Effectiveness

- Unified business platforms
- Algorithmic business processes

Efficiency

Operations Transformation

Focused on Improving Financial Performance

Fab

- Higher capital efficiency
- Faster yield learning

Assembly & Test

- More captive capacity
- Streamlined network

Supply Chain Planning

- Inventory optimization
- Cycle time reduction



**Free
Cash Flow**

The New Micron

Scale

Efficient technology
deployment at scale

Cost

Cost
competitiveness is
foundational

Quality

High quality
enables
high value

Speed

Industry's most
responsive supply
chain

**2018 —
Analyst
& Investor
Event | NY**

The New Micron

Driving Profitability, Creating Value

Dave Zinsner
Chief Financial Officer

Financial Excellence

Transformation

Diversifying markets & products for greater revenue opportunity

Execution

Improving profitability & free cash flow through industry cycles

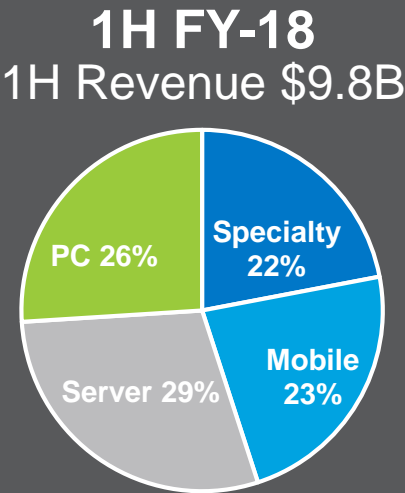
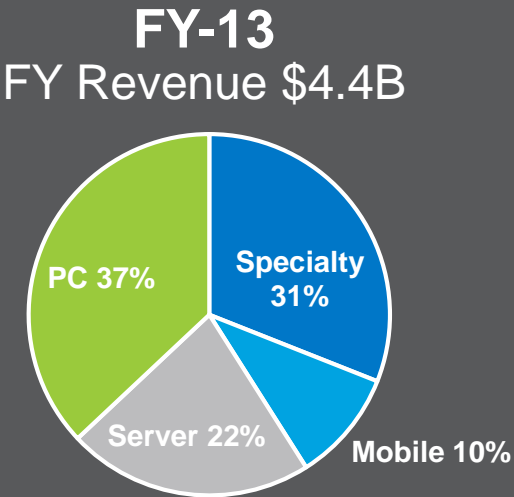
Value Creation

Driving greater returns & enhanced shareholder value

Broad Demand & Portfolio Drives Diversified Revenue

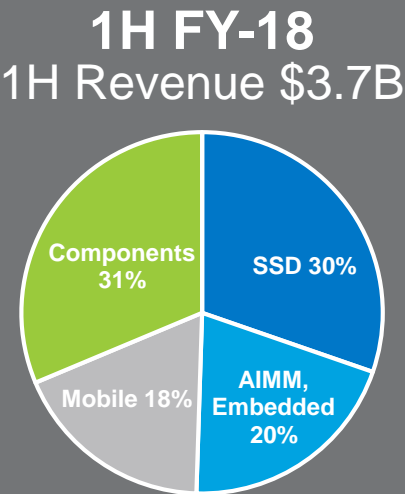
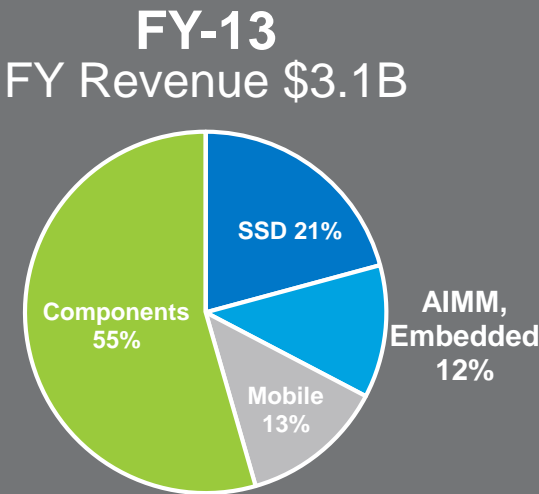
Driving Greater Revenue Opportunity

DRAM



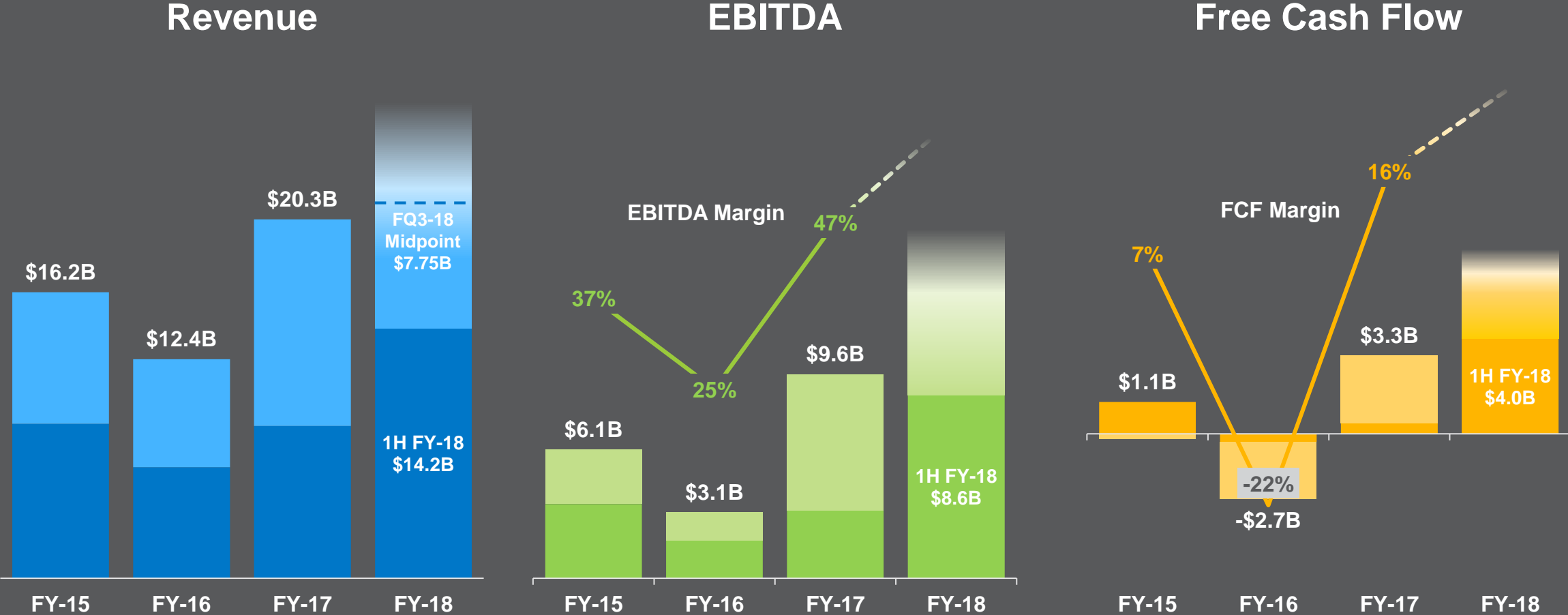
Diversified revenue & exposure across breadth of end markets

NAND



Transitioning sales toward high value solutions

Execution Driven Financial Improvement



FY-18 Revenue and EBITDA based on 1H-18 results annualized.
FY-18 FCF based on 1H-18 operating cash flow annualized less CapEx at the high end of guidance range. CapEx adjusted for partner contributions in FY-17 and 1H-18. 2017 operating cash flow excludes the impact of payments attributed to intercompany balances with Inotera.
Source: Micron

Our Strong Execution Delivering Structural Operating Profit Gains

FY-16 to FY-18

Realized competitive
operating improvements
since FY-16 →

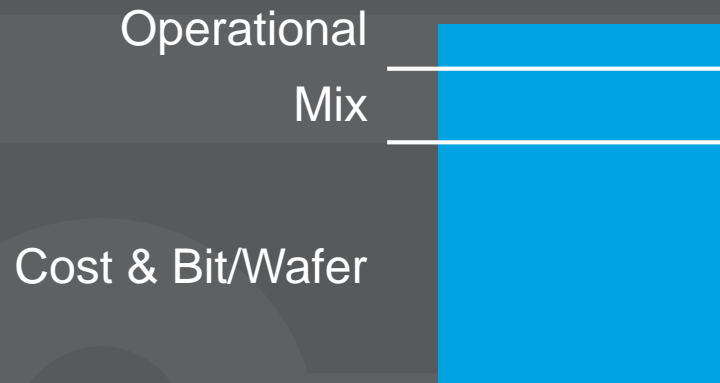
\$6B + \$3B

FY-19 to FY-21

← Continued improvements
planned through FY-21

Execution Resulting in Significant Operating Profit Improvement

FY-16 to FY-18 **\$6B** + **\$3B** FY-19 to FY-21



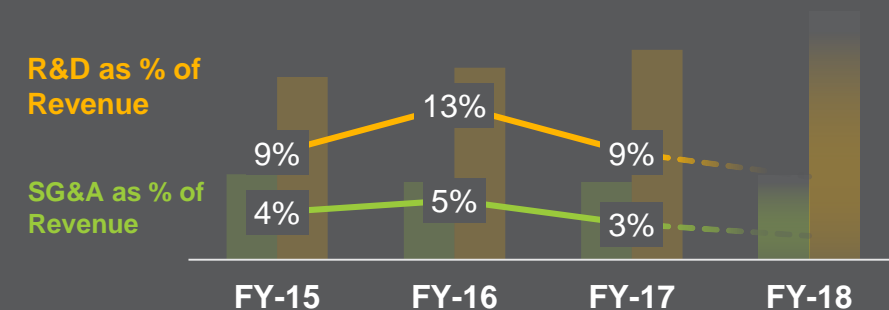
- Aggressive & successful node transitions
- Supply chain optimization
- High-value solutions mix increase
- Focus on cost competitiveness

Balancing Investments to Fuel Growth & Generate Returns



- Increasing R&D investments in products & solutions, now & in FY-19
- Efficient SG&A spend

Non GAAP Operating Expenses



Balancing Investments to Fuel Growth & Generate Returns

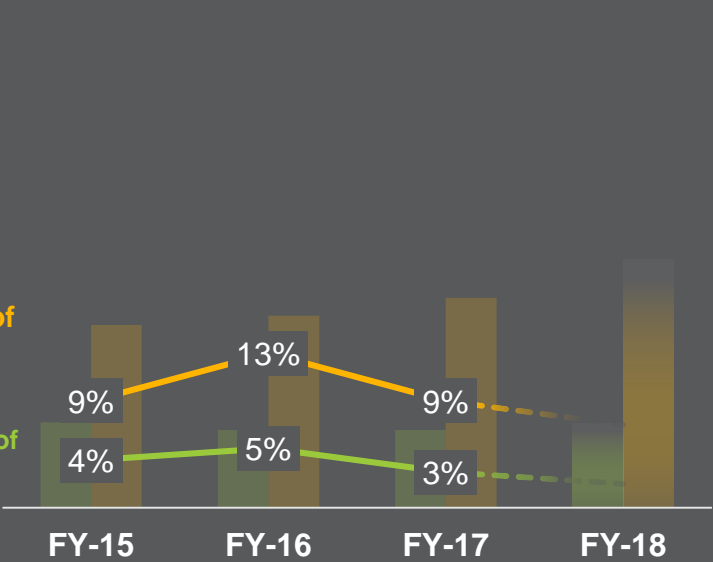


- Efficient SG&A spend
- Increasing R&D investments in products & solutions, now & in FY-19
- Capital investment in cost competitiveness
- Aggressive & successful node transitions
- Inventory & supply chain optimization
- Focus on high-value solutions

Non GAAP Operating Expenses

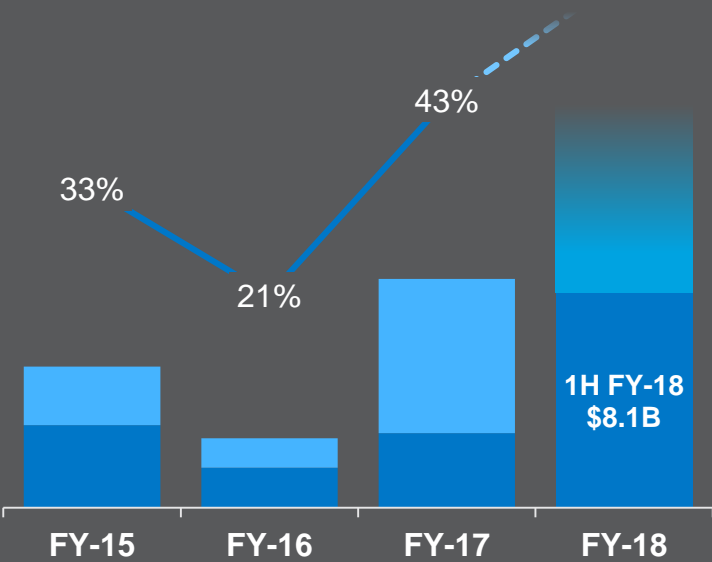
R&D as % of Revenue

SG&A as % of Revenue



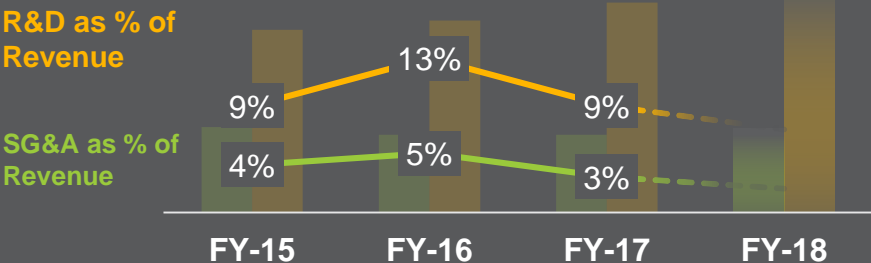
Non GAAP Profitability

Gross Profit Gross Margin %

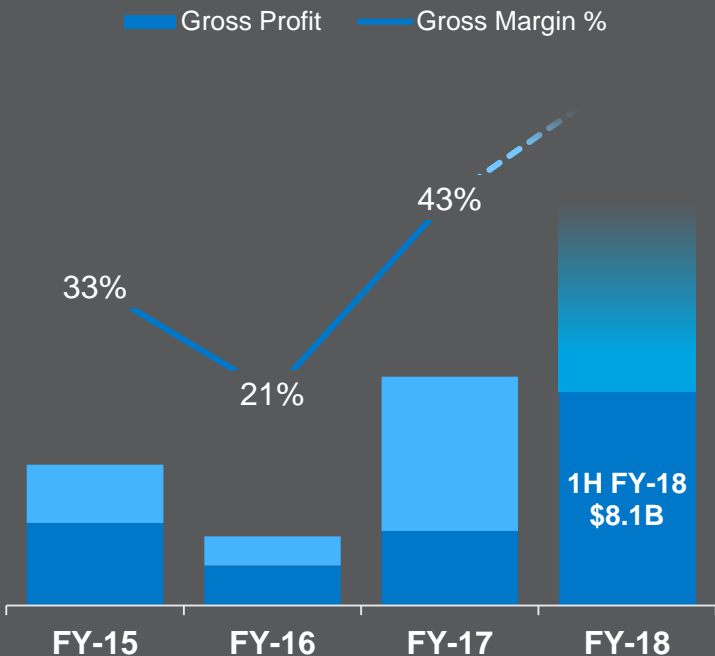


Balancing Investments to Fuel Growth & Generate Returns

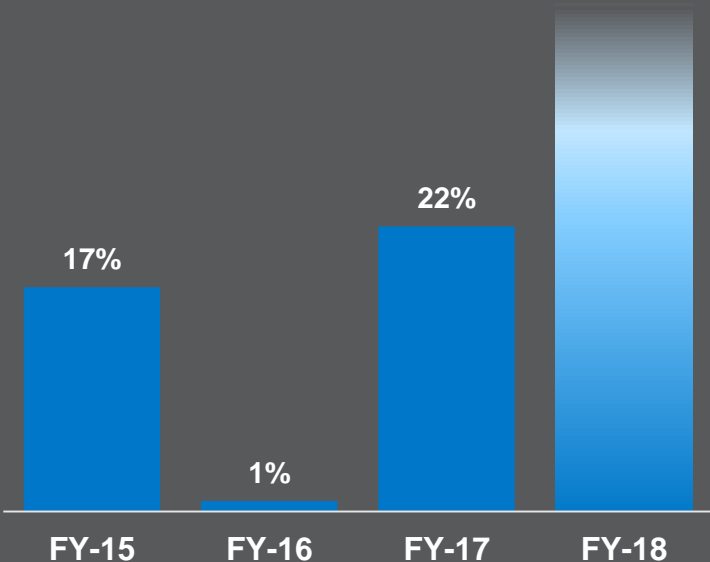
Non GAAP Operating Expenses



Non GAAP Profitability



Return on Invested Capital



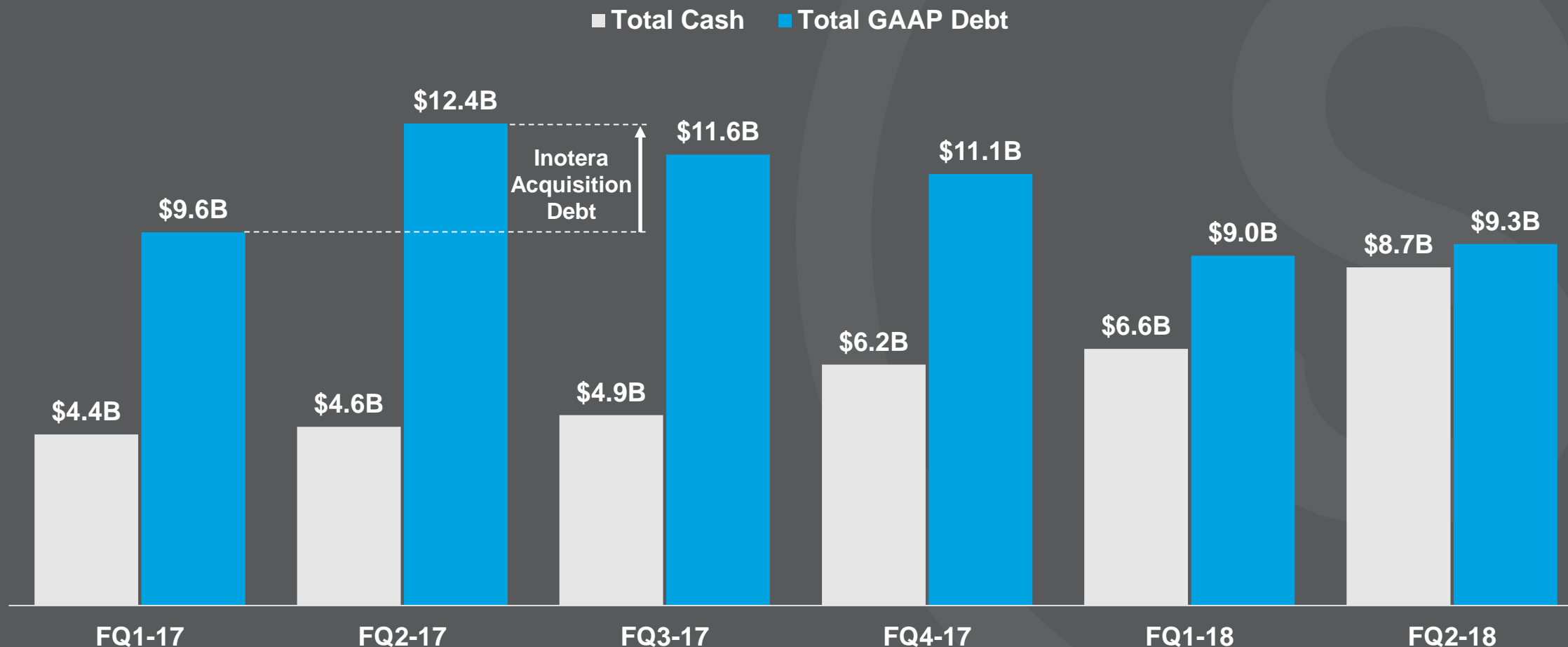
Raising FQ3-18 Outlook

Reflects Consistent Execution & Healthy Industry Environment

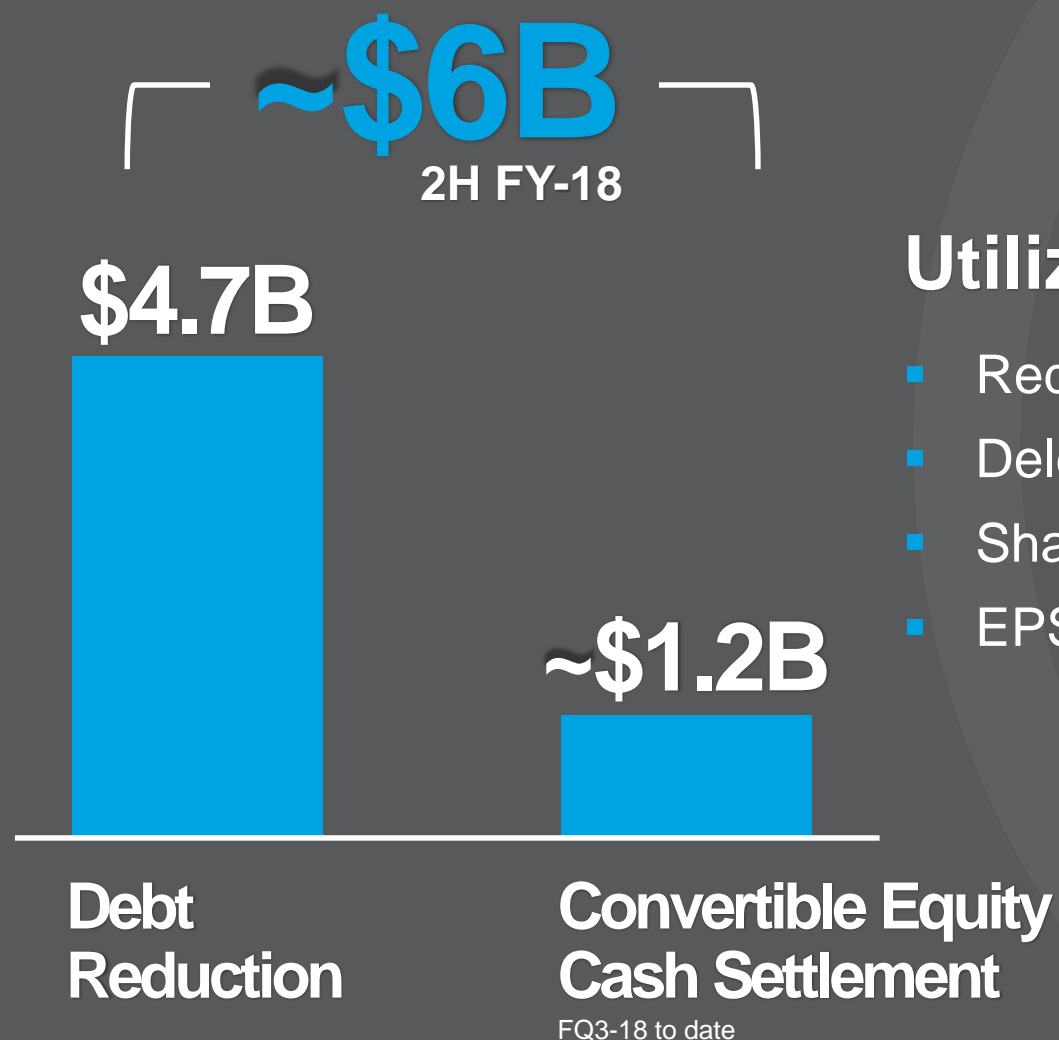
	Prior Guidance Range	Revised Guidance Range
Revenue	\$7.2B - \$7.6B	\$7.7B - \$7.8B
Non GAAP EPS	\$2.76 - \$2.90	\$3.12 - \$3.16

Successfully Strengthened Our Balance Sheet

Forecast to be Net Cash Positive in 2H FY-18



Structurally Improving the Balance Sheet



Utilizing >100% of 2H FY-18 FCF:

- Reduces less desirable secured debt
- Deleverages tax efficiently
- Share reduction via convertible debt redemption
- EPS accretive

\$10 Billion

share repurchase authorization

Capital Return Program

- Transitioning from debt reduction to capital returns
- Initiating share repurchase program starting in FY-19
- Targeting at least 50% of annual free cash flow

Capital Philosophy to Enhance Shareholder Value

**Target at least 50%
annual free cash flow**

**Low 30s, as
percent of sales**

**Remain net
cash positive**

**Low 30s, as
percent of sales**



¹CapEx net of partner contributions

²Cash, short term and long term investments, restricted cash and undrawn revolver capacity

³Cash, short term and long term investments, restricted cash

⁴Starting in FY-19

The New Micron

Strongest Ever Financial Position

Diversifying revenue,
high-value solutions,
successful cost reductions

Execution Driven Performance

Driving structural
improvements for greater
earnings power

Driving Shareholder Value

Shifting capital allocation
from de-leveraging to share
repurchases

Driving Profitability, Creating Value

**2018 —
Analyst
& Investor
Event | NY**

Wrap-up

Sanjay Mehrotra
President and CEO

Strong Market Demand & Favorable Industry Dynamics

- Data Economy driving secular growth in memory & storage
- Industry supply moderating in a healthy range
- Strongest ever industry fundamentals



The New Micron

Technology Innovation

Executing to deliver performance & cost leadership across the industry's broadest set of technologies

Portfolio Transformation

High-value solutions to address demanding customer & market applications

Operational Excellence

Delivering strong performance to delight customers & enhance financial position

Strong, and Getting Stronger

Enhancing Shareholder Value

- ROI Focused investments
- Strong execution driving further operating profit improvements
- Introduced \$10B buyback; returning at least 50% of annual free cash flow, starting in FY-19





The best is yet to come...



Backup Material

Reconciliation of GAAP amounts to Return on Invested Capital

Return on Invested Capital (\$M)	FY 2015	FY 2016	FY 2017	1H FY18 ¹ Annualized
Operating Income	2,998	168	5,868	13,328
Equity in net income (loss) of equity method investees	447	25	8	2
Income tax (provision) benefit	-157	-19	-114	-514
Net Operating Profit After-Tax	3,288	174	5,762	12,816
Average Short-Term and Long-Term Debt	6,926	8,626	10,522	10,225
Average Total Equity	12,401	13,084	16,199	23,018
Average Invested Capital	19,327	21,709	26,721	33,243
Return on Invested Capital	17%	1%	22%	39%

¹Annualized ROIC for FY18 based on 1H FY18 net operating profit multiplied by 2 and divided by average capital (FQ2-18 and FQ4-17)

Reconciliation of Non GAAP Measures

Statement of Operations

Amounts in \$ millions	FY 2015			FY 2016			FY 2017			1H FY 2018			FQ2 2017			FQ2 2018		
	GAAP	Adj	Non GAAP	GAAP	Adj	Non GAAP	GAAP	Adj	Non GAAP	GAAP	Adj	Non GAAP	GAAP	Adj	Non GAAP	GAAP	Adj	Non GAAP
Net sales	16,192	0	16,192	12,399	0	12,399	20,322	0	20,322	14,154	0	14,154	4,648	0	4,648	7,351	0	7,351
Cost of goods sold	10,977	-72	A,K 10,905	9,894	-87	A,K 9,807	11,886	-203	A,I,K 11,683	6,137	-48	A,K 6,089	2,944	-85	A,I,K 2,859	3,081	-26	A,K 3,055
Gross margin	5,215	72	5,287	2,505	87	2,592	8,436	203	8,639	8,017	48	8,065	1,704	85	1,789	4,270	26	4,296
Selling, general, and administrative	719	-61	B 658	659	-69	B 590	743	-88	B,K 655	387	-34	B 353	187	-30	B,K 157	196	-16	B 180
Research and development	1,540	-45	C,K 1,495	1,617	-59	C,K 1,558	1,824	-55	C,K 1,769	971	-28	C,K 943	473	-14	C 459	523	-14	C 509
Restructure and asset impairments	3	-3	D 0	67	-67	D 0	18	-18	D 0	13	-13	D 0	4	-4	D 0	7	-7	D 0
Other operating (income) expense	-45	0	-45	-6	0	-6	-17	0	-17	-18	0	-18	-4	0	-4	-23	0	-23
Total operating expenses	2,217	-109	2,108	2,337	-195	2,142	2,568	-161	2,407	1,353	-75	1,278	660	-48	612	703	-37	666
Operating income	2,998	181	3,179	168	282	450	5,868	364	6,232	6,664	123	6,787	1,044	133	1,177	3,567	63	3,630
Interest expense, net	-336	138	E -198	-395	126	E -269	-560	125	E -435	-162	55	E -107	-153	31	E -122	-61	26	E -35
Other non-operating income (expense), net	-53	55	F,G,J,K 2	-54	23	F,G,J -31	-112	112	F,G,J,K 0	-257	257	F,G,K 0	34	-34	G,J,K 0	-53	53	F,G,K 0
Income tax (provision) benefit	2,609	374	2,983	-281	431	150	5,196	601	5,797	6,245	435	6,680	925	130	1,055	3,453	142	3,595
Equity in net income (loss) of equity method investees	-157	42	M -115	-19	85	M 66	-114	-59	M -173	-257	67	L,M -190	-38	7	M -31	-143	44	L,M -99
Net income	447	-39	D,H 408	25	33	D,H 58	8	17	D,H 25	1	0	1	7	0	7	1	0	1
Net income attributable to noncontrolling interests	2,899	377	3,276	-275	549	274	5,090	559	5,649	5,989	502	6,491	894	137	1,031	3,311	186	3,497
Net income attributable to Micron	0	0	0	-1	0	-1	-1	0	-1	-2	0	-2	0	0	0	-2	0	-2
	2,899	377	3,276	-276	549	273	5,089	559	5,648	5,987	502	6,489	894	137	1,031	3,309	186	3,495

See the following slide for detail of adjustments

Reconciliation of Non GAAP Measures

Statement of Operations - Continued

Amounts in \$ millions		FY 2015	FY 2016	FY 2017	1H FY 18	FQ2 2017	FQ2 2018
A	Stock-based compensation – cost of goods sold	64	76	88	42	23	22
B	Stock-based compensation – sales, general, and administrative	61	66	75	34	18	16
C	Stock-based compensation – research and development	42	49	52	27	14	14
D	Restructure and asset impairments	13	92	34	13	4	7
E	Amortization of debt discount and other costs	138	126	125	55	31	26
F	Loss on debt repurchases and conversions	49	4	100	218	0	23
G	(Gain) loss from changes in currency exchange rates	27	24	74	36	28	27
H	Non-cash taxes from Inotera	-49	8	1	0	0	0
I	Flow-through of inventory step up	0	0	107	0	60	0
J	(Gain) Loss on acquisition	-21	-5	-71	0	-71	0
K	Other	11	24	33	10	23	7
L	Impact of U.S. income tax reform	0	0	0	131	0	131
M	Estimated tax effects of above and non-cash changes in net deferred income taxes	42	85	-59	-64	7	-87
Total		377	549	559	502	137	186

Reconciliation of Non GAAP Measures

EBITDA (amounts in \$ millions)	FY 2015	FY 2016	FY 2017	1H FY 18
Net income (loss)	2,899	-275	5,090	5,989
Interest expense, net	336	395	560	162
Provision (benefit) for income taxes	157	19	114	257
Depreciation and amortization of property, equipment and intangibles	2,667	2,980	3,861	2,241
EBITDA	6,059	3,119	9,625	8,649

Free Cash Flow (amounts in \$ millions)	FY 2015	FY 2016	FY 2017	1H FY 18	FQ2 2017	FQ2 2018
Net cash provided by operating activities	5,208	3,168	8,153	7,984	1,405	4,348
Expenditures for property, plant, and equipment	-4,021	-5,817	-4,734	-4,217	-1,164	-2,261
Payments for equipment purchase contracts	-95	-46	-519	-153	-9	-20
Payments attributed to intercompany balances with Inotera	0	0	361	0	361	0
Net partner contributions	0	0	5	336	-13	167
Free Cash Flow	1,092	-2,695	3,266	3,950	580	2,234

