



Micron Announces Proposed \$1.1 Billion Offering of Convertible Senior Notes

May 16, 2007 at 12:00 AM EDT

Boise, Idaho , Wednesday, May 16, 2007 – Micron Technology, Inc., (NYSE:MU) today announced that it intends to offer, subject to market and other considerations, \$1.1 billion aggregate principal amount of unsecured Convertible Senior Notes due June 1, 2014. Micron also intends to grant the underwriters an over-allotment option to purchase up to \$165 million aggregate principal amount of additional notes. The interest rate, conversion price and other terms of the notes will be determined by negotiations between Micron and the underwriters. Morgan Stanley & Co. Incorporated will act as sole bookrunning manager for the offering.

In connection with this offering, Micron plans to enter into capped call transactions with one or more counterparties, which may include some of the underwriters and/or their affiliates. The capped call transactions are expected to reduce the potential dilution upon conversion of the notes. The capped call transactions are expected to be in three tranches with cap prices ranging from approximately 50% to 100% higher than the closing price of our common stock on the date of pricing.

Micron intends to use a portion of the net proceeds from this offering to pay the cost of the capped call transactions entered into in connection with the offering of the notes. The remaining proceeds from the offering will be used for general corporate purposes, including working capital and capital expenditures.

In connection with establishing their initial hedge of the capped call transactions, Micron expects that the counterparties will enter into various over-the-counter cash-settled derivative transactions with respect to Micron's common stock concurrently with, or shortly after, the pricing of the notes and, may unwind or enter into various over-the-counter derivatives and/or purchase Micron's common stock in secondary market transactions following the pricing of the notes. These activities could have the effect of increasing or preventing a decline in the price of Micron's common stock concurrently with or following the pricing of the notes. In addition, the counterparties may modify or unwind their hedge positions by entering into or unwinding various derivative transactions and/or purchasing or selling Micron's common stock in secondary market transactions prior to maturity of the notes (and are likely to do so during any conversion period related to conversion of the notes).

The securities will be issued pursuant to an effective registration statement filed with the U.S. Securities and Exchange Commission. A prospectus relating to the offering may be obtained by contacting Morgan Stanley & Co. Incorporated, Attn: Prospectus Dep't, 180 Varick Street, New York, NY 10004, 212-761-4000.

This announcement shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any offer of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction.

About Micron

Micron Technology, Inc., is one of the world's leading providers of advanced semiconductor solutions. Through its worldwide operations, Micron manufactures and markets DRAMs, NAND Flash memory, CMOS image sensors, other semiconductor components, and memory modules for use in leading-edge computing, consumer, networking and mobile products. Micron's common stock is traded on the New York Stock Exchange (NYSE) under the MU symbol.

This press release contains forward-looking statements related to the proposed public offering of convertible senior notes and capped call transactions. Actual events or results may differ materially from those contained in the forward-looking statements. Please refer to the documents the Company files on a consolidated basis 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 on a consolidated basis to differ materially from those contained in our forward-looking statements (see Certain Factors). 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 this press release to conform to actual results.

Related Links

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