



## Micron Prices \$1.135 Billion Offering of Convertible Senior Notes

May 17, 2007 at 12:00 AM EDT

**Boise, Idaho , Thursday, May 17, 2007** – Micron Technology, Inc., (NYSE:MU) today announced the pricing of \$1.135 billion aggregate principal amount of unsecured 1.875% Convertible Senior Notes due June 1, 2014. In connection with the offering, Micron also announced that it has granted the underwriters an over-allotment option to purchase up to \$165 million aggregate principal amount of additional notes. Morgan Stanley & Co. Incorporated is acting as sole book-running manager for the offering and Credit Suisse Securities (USA) LLC and Lehman Brothers Inc. are co-managers for the offering.

Interest on the notes will be paid semiannually on June 1 and December 1 of each year at a rate of 1.875% per year. Upon the occurrence of certain events, the notes will be convertible by the holders based on an initial conversion rate of 70.2679 shares of common stock per \$1,000 principal amount of notes, which is equivalent to an initial conversion price of approximately \$14.23 per share. This initial conversion price represents a premium of 23.75% relative to the last reported sale price on May 17, 2007 of Micron's common stock of \$11.50. Upon conversion, Micron will have the right to elect to deliver, in lieu of shares of Micron's common stock, cash or a combination of cash and shares of Micron's common stock to satisfy its conversion obligation. Holders of the notes may require Micron to repurchase the notes for cash equal to 100% of the principal amount to be repurchased plus accrued and unpaid interest upon the occurrence of certain designated events.

In connection with this offering, Micron entered into capped call transactions with counterparties affiliated with some of the underwriters of the offering. The capped call transactions are expected to reduce the potential dilution upon conversion of the notes. The capped call transactions are in three equal tranches with cap prices that are 50%, 75% and 100% higher than today's last reported sale price of Micron's common stock of \$11.50.

The net proceeds to Micron from this offering will be approximately \$1,112 million, exclusive of any proceeds attributable to the underwriters' possible exercise of their over-allotment option. Micron intends to use a portion of the net proceeds from this offering to pay the cost of the capped call transactions. Micron estimates the cost of the capped call transactions to be approximately \$131.9 million, exclusive of the cost of additional capped call transactions with respect to the underwriters' possible exercise of their over-allotment option. The remaining proceeds from the offering will be used for general corporate purposes, including working capital and capital expenditures. The offering is expected to close on May 23, 2007, subject to customary closing conditions.

In connection with establishing their initial hedge of these 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 after 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 offering and proceeds of our convertible senior notes, as well as the 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 registration statement on Form S-3 (File No. 333-143026) and its 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.*

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