

Micron Technology Financial Conference Call

Third Quarter of Fiscal 2010



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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.

Ron Foster

CFO and VP of Finance

Financial Summary

Dollars in millions, except per share	Q3 – 2010	% of Sales	Q2 – 2010	% of Sales
Net sales	\$2,288	100%	\$1,961	100%
Gross margin	848	37%	642	33%
Operating income	540	24%	415	21%
Gain on acquisition of Numonyx	437		--	
Income tax (provision) benefit	41		(4)	
Net income attributable to noncontrolling interests	(21)		(14)	
Net income attributable to Micron shareholders	\$939	41%	\$365	19%
Diluted earnings per share	\$0.92		\$0.39	
Shares in diluted EPS calc	1,049.4		1,005.3	

Numonyx Acquisition

Purchase Accounting Summary

Dollars in millions	Fair Value
Current assets	\$1,201
Current liabilities	<u>396</u>
Working capital	805
Noncurrent assets	962
Noncurrent liabilities	<u>167</u>
Total fair value	1,600
Purchase price	<u>1,112</u>
Gain on acquisition	<u>\$ 488</u>

Financial Summary

Dollars in millions	Sales	COGS	SG&A	Other Expense	Micron Net Income
As reported	\$2,288	\$1,440	\$190	\$(19)	\$939
Numonyx acquisition-related gains					(488)

Financial Summary

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Legal settlements accrual			(64)		64

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Lexar NAND purchases settlement		41			(41)

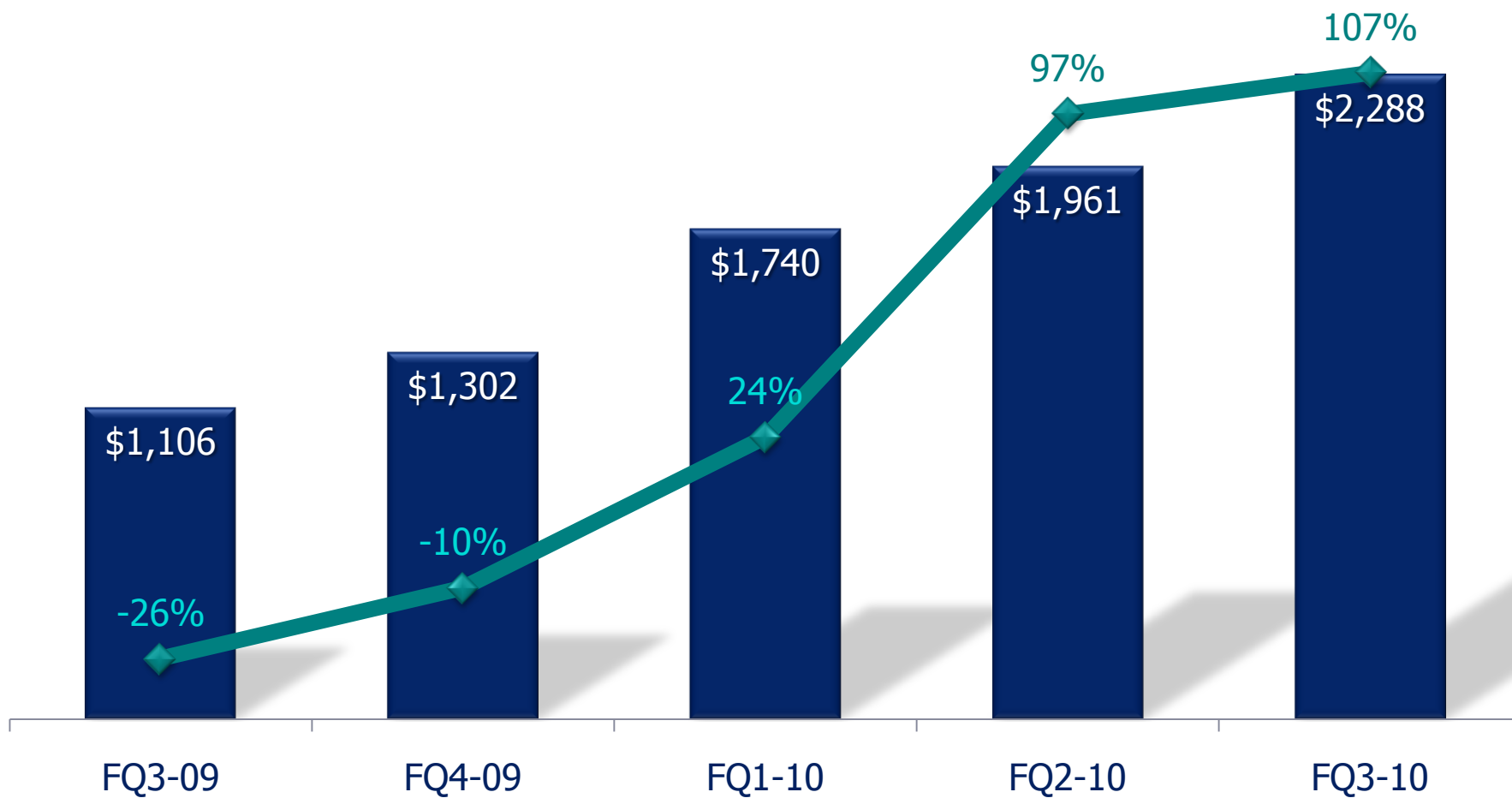
Financial Summary

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Lexar NAND purchases settlement		41			(41)
Grants and incentives		10		16	(26)

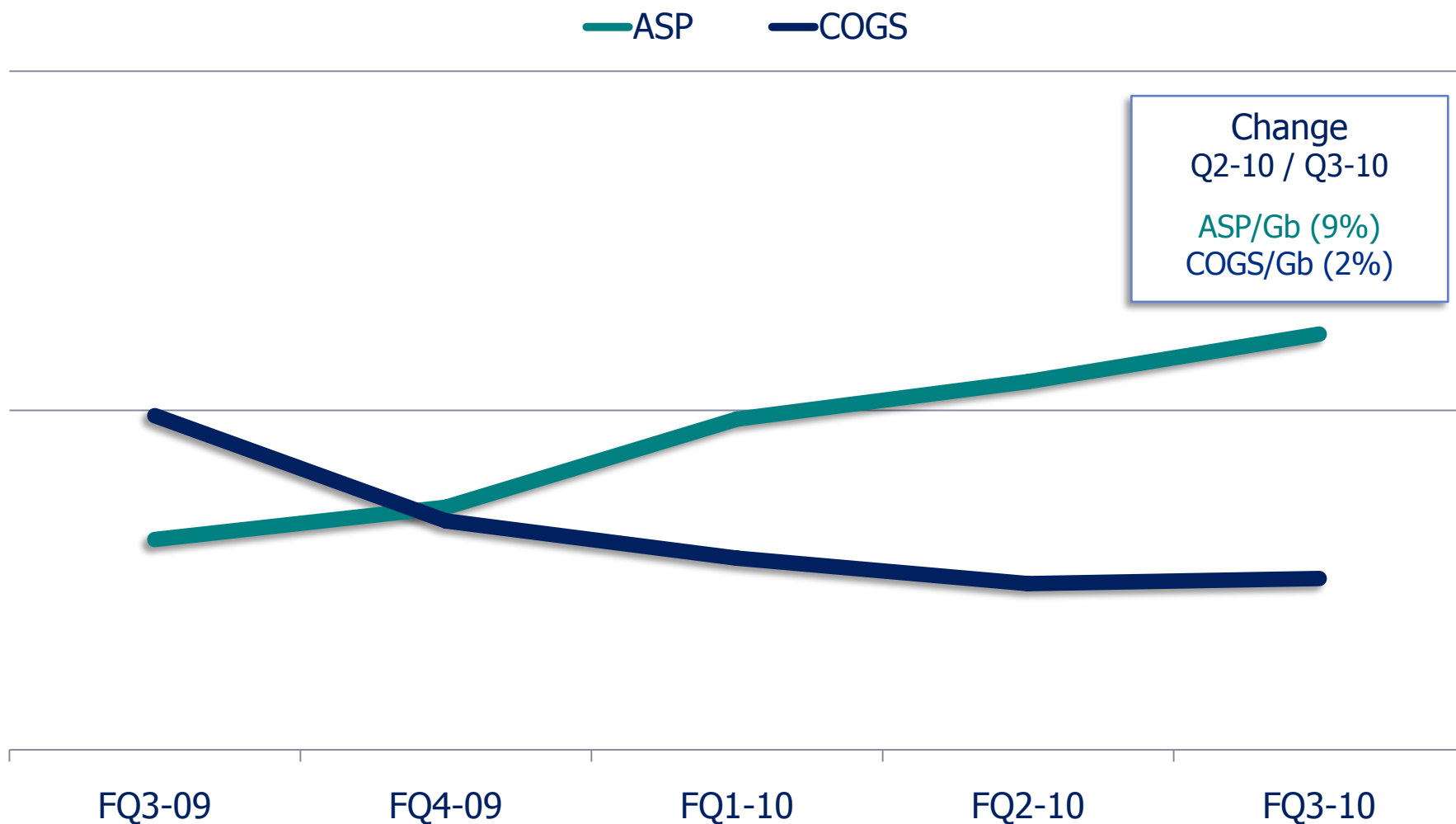
Total Revenue

Millions of US\$

■ Total Revenue ◆ Y/Y Growth

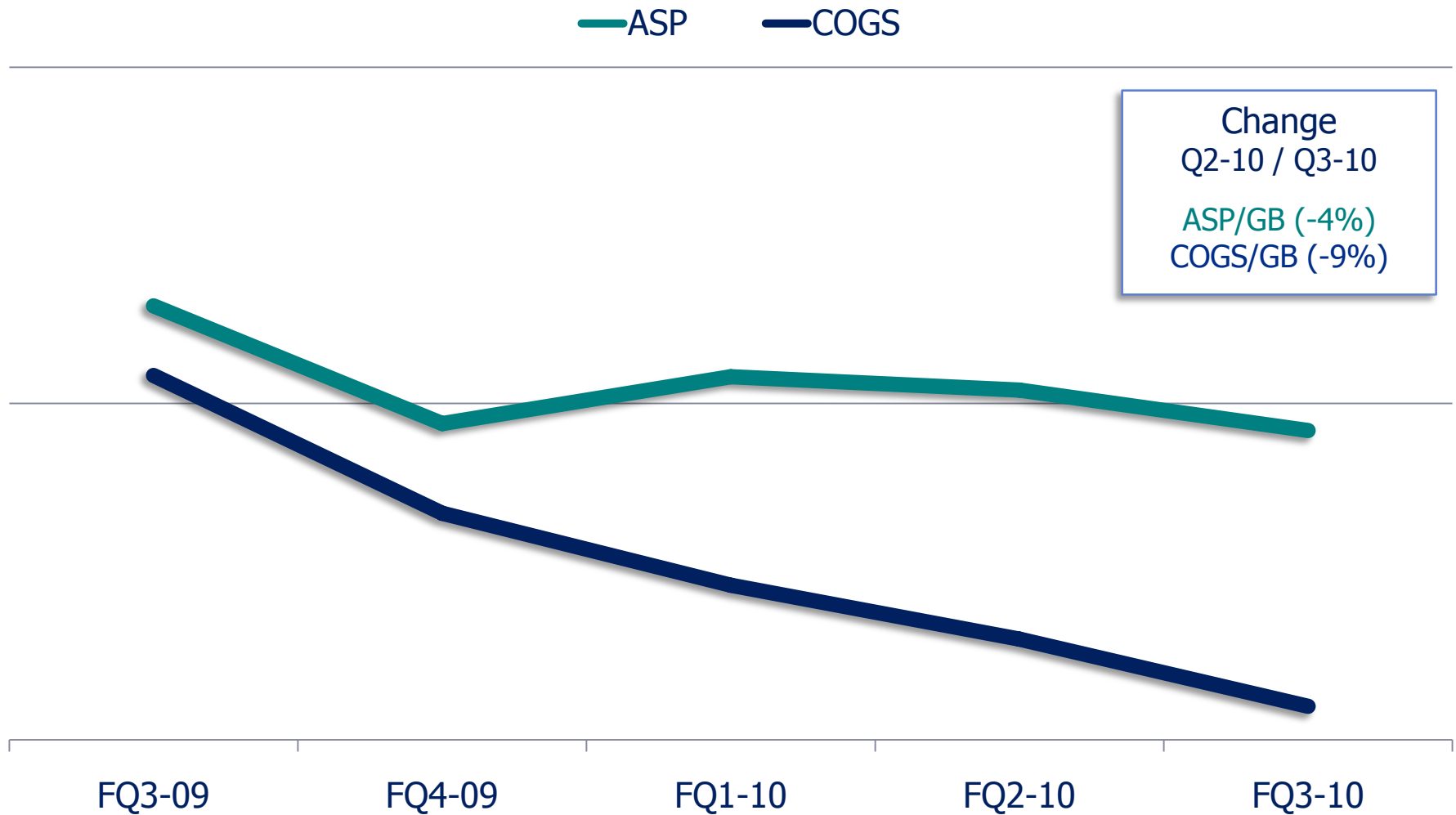


Micron DRAM ASP & Cost Trends



Note: COGS/GB excludes NRV and idle facility costs

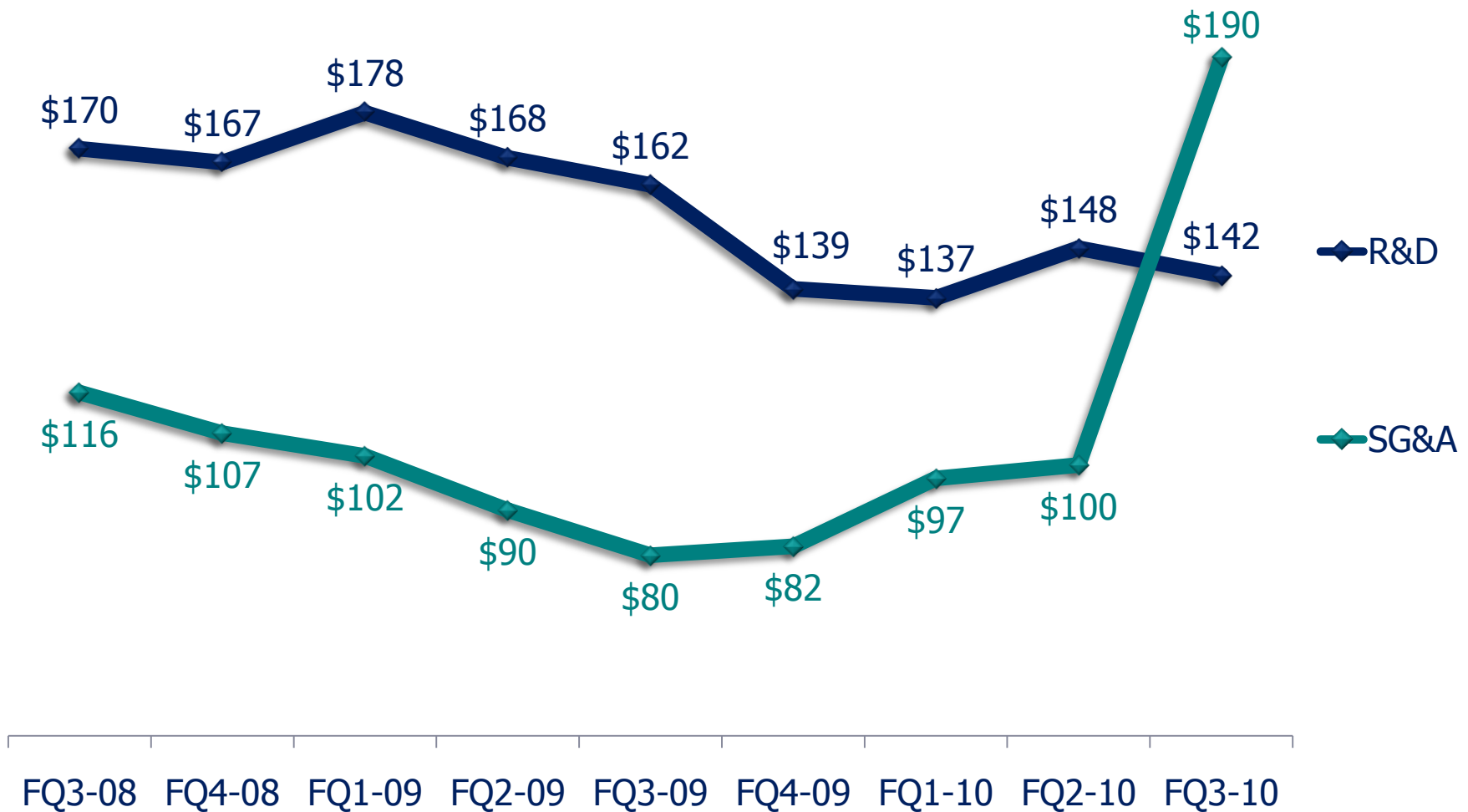
Micron NAND ASP & Cost Trends



Note: COGS/GB excludes NRV and idle facility costs

Operating Expenses

Millions of US\$

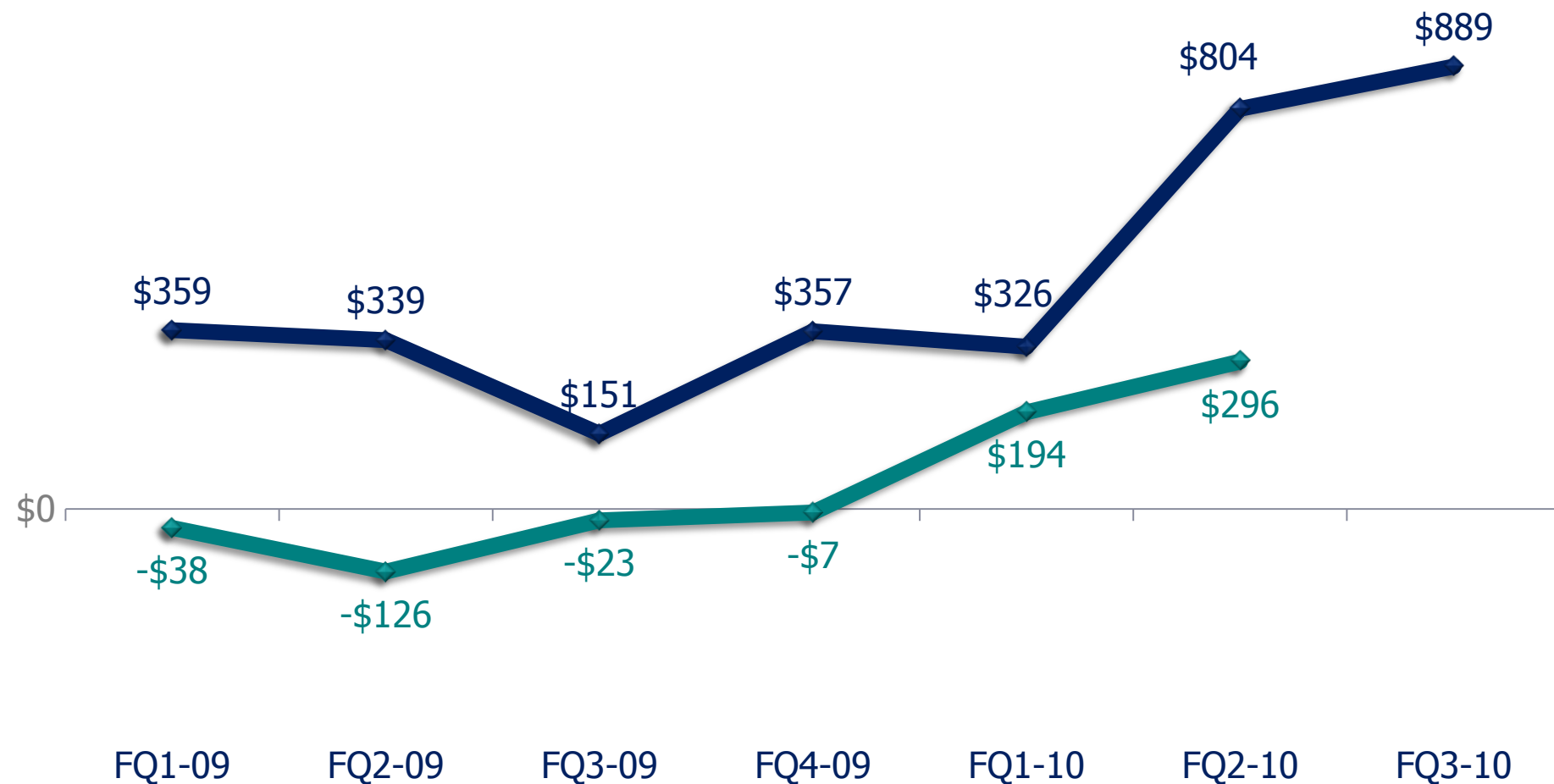


Note: SG&A includes one-time unusual items

Cash Flow From Operations

Millions of US\$

◆ Micron ◆ Market



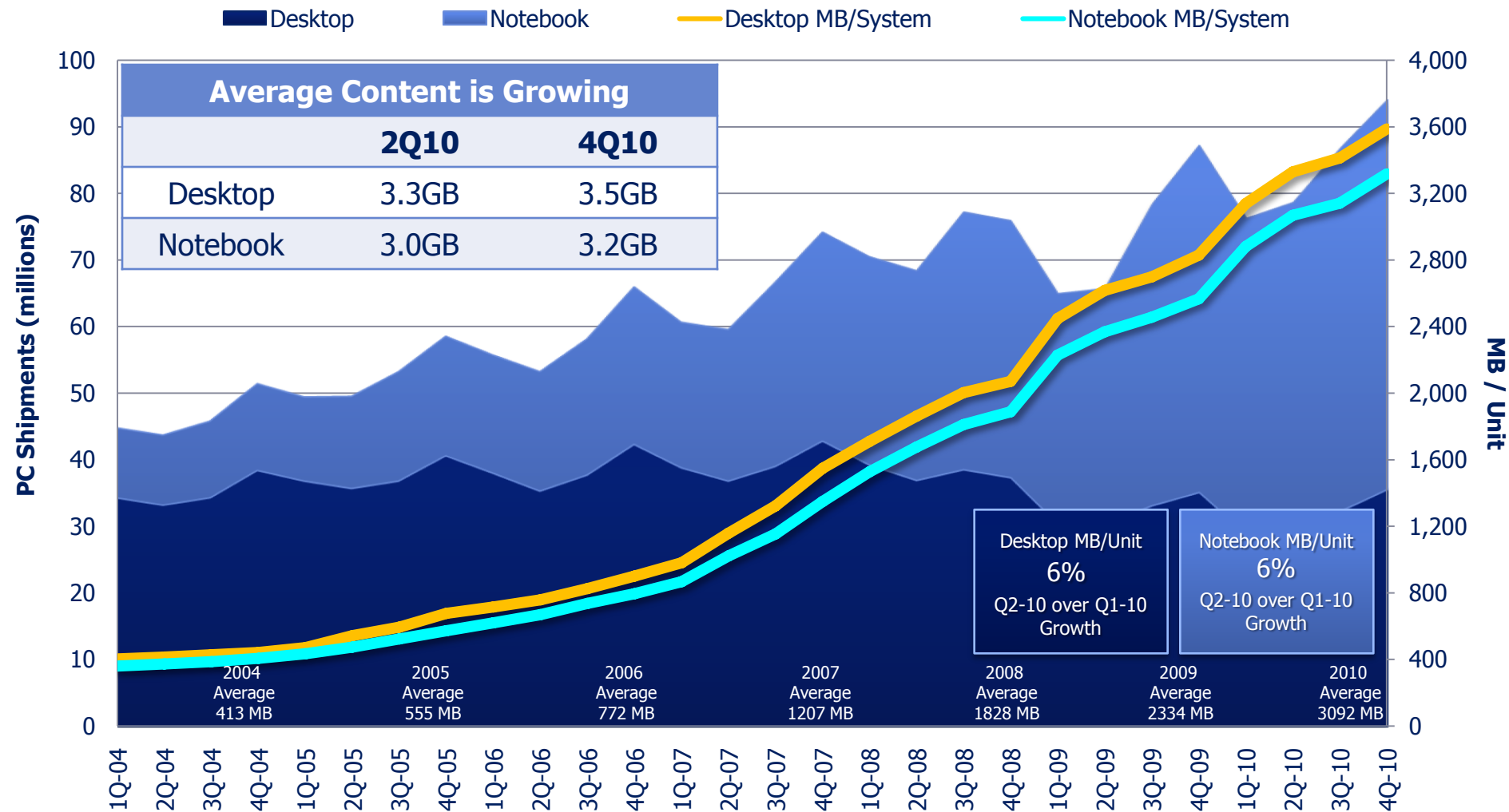
All competitor data based on closest calendar quarter; Micron data based on fiscal quarters
Source: Company Data, Finance Strategy Group

Market: Elpida, Hynix, Inotera, Nanya, Powerchip, ProMOS, Winbond
Market FQ1-10: Elpida, Inotera, and Winbond – others N/A
Represented by a simple average of competitors' respective operating cash flows

Mark Adams

VP of Worldwide Sales

PC Shipments & Memory Content

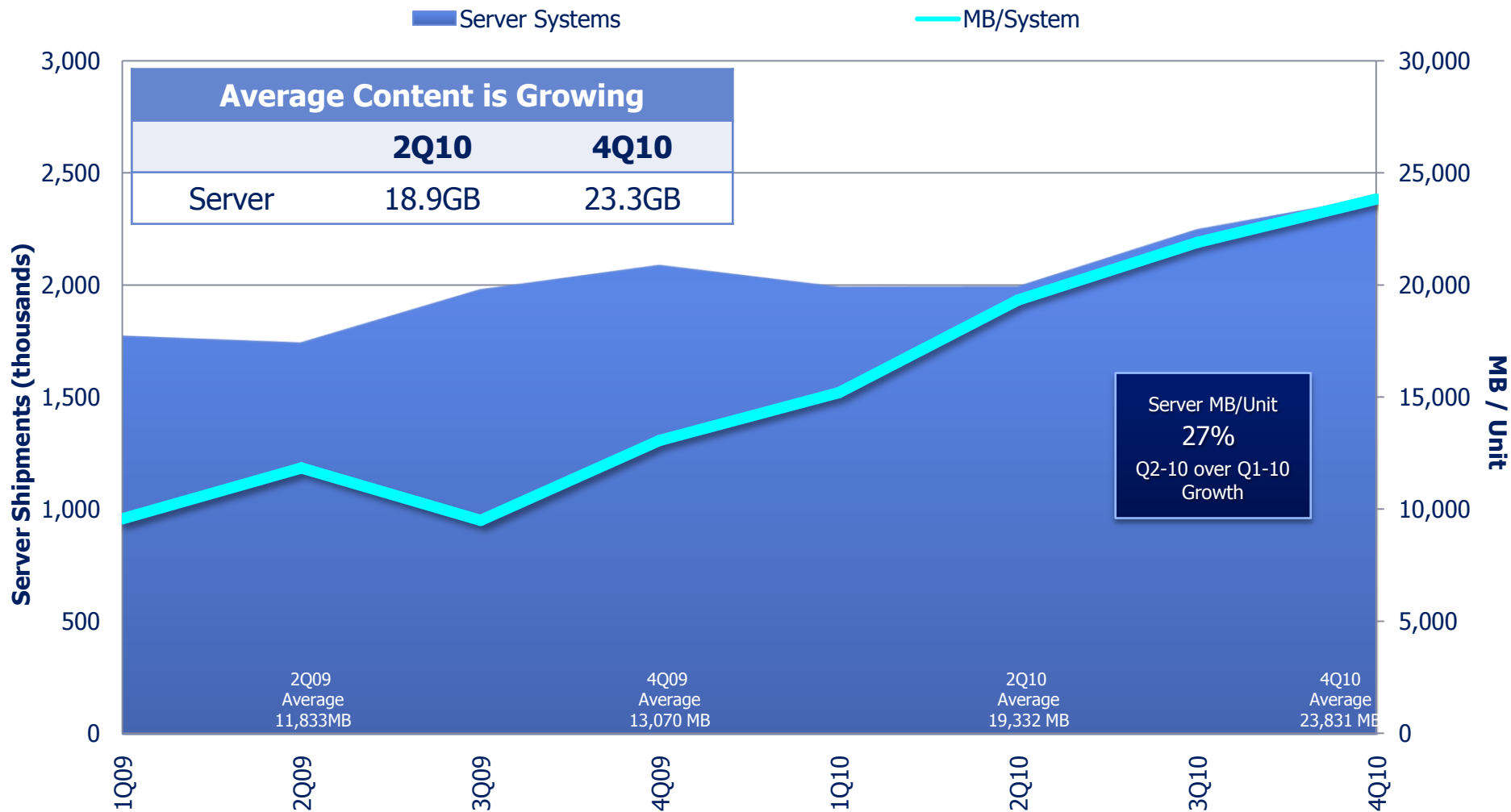


All data is in calendar quarters

Q2-10 through Q4-10 forecast

Source: iSuppli

Server Shipments & Memory Content



All data is in calendar quarters

Q2-10 through Q4-10 Forecast

Source: Gartner; Average of Entry-Level and Midrange

Non-PC DRAM Markets

Total Non-PC DRAM Revenue
CAGR 2009-2011: 22%

\$8.7 B



2009

\$13.1 B



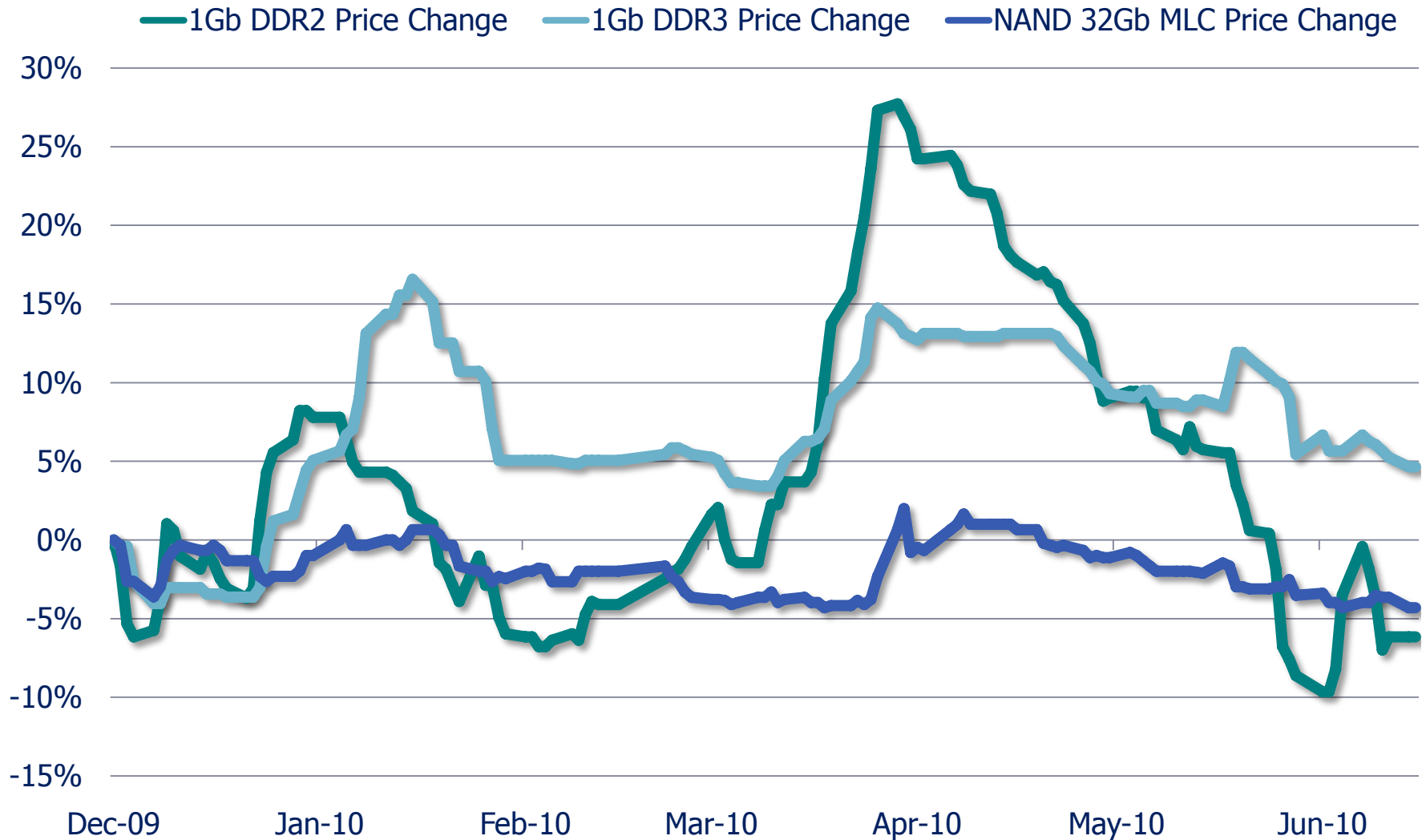
2010

- Networking
- AIMM
- Consumer
- Server
- Mobile

Source: Gartner

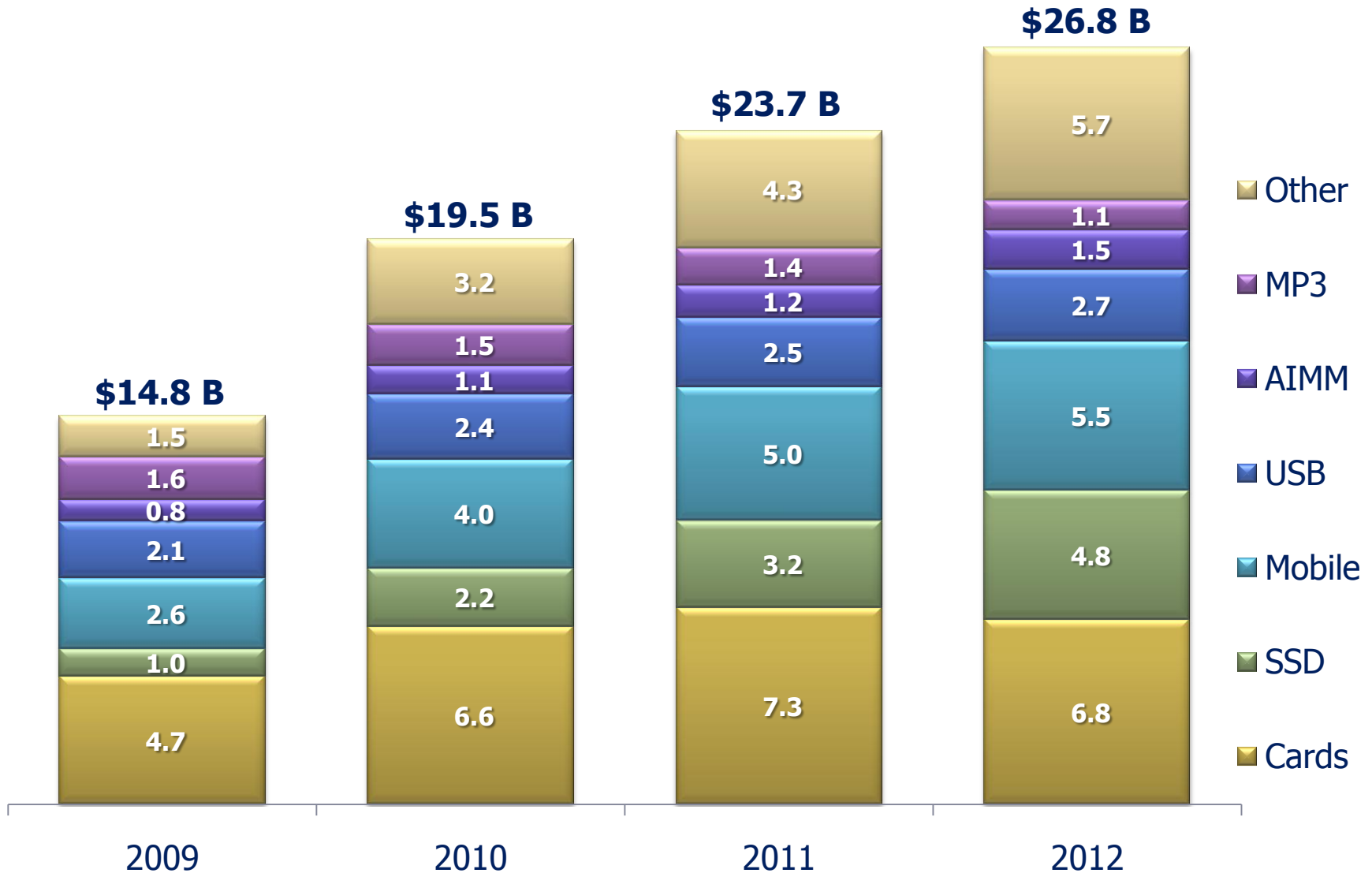
Memory Pricing

DRAM & NAND Spot Market ASP Change



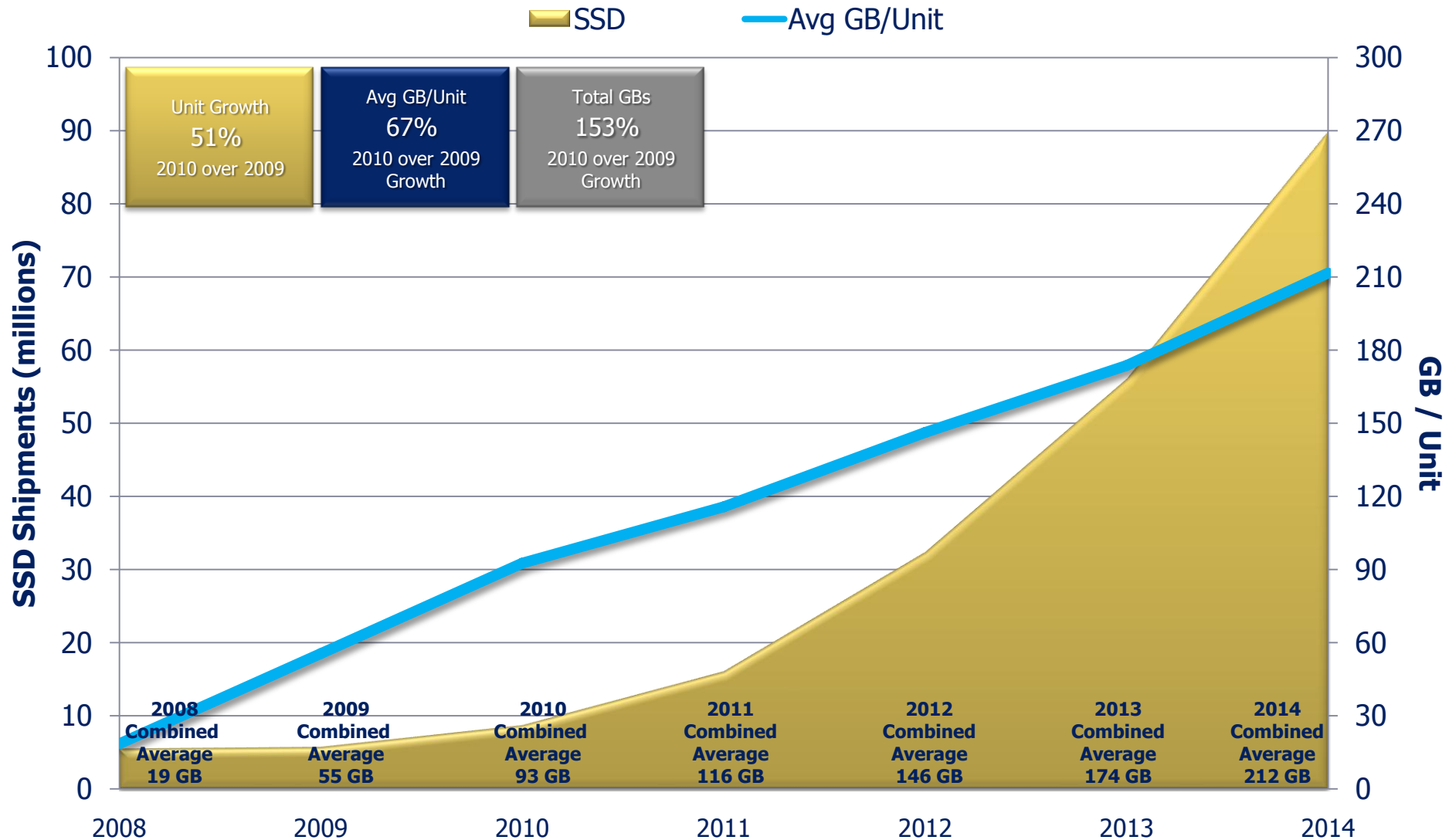
Source: DRAM eXchange

NAND TAM by Segment



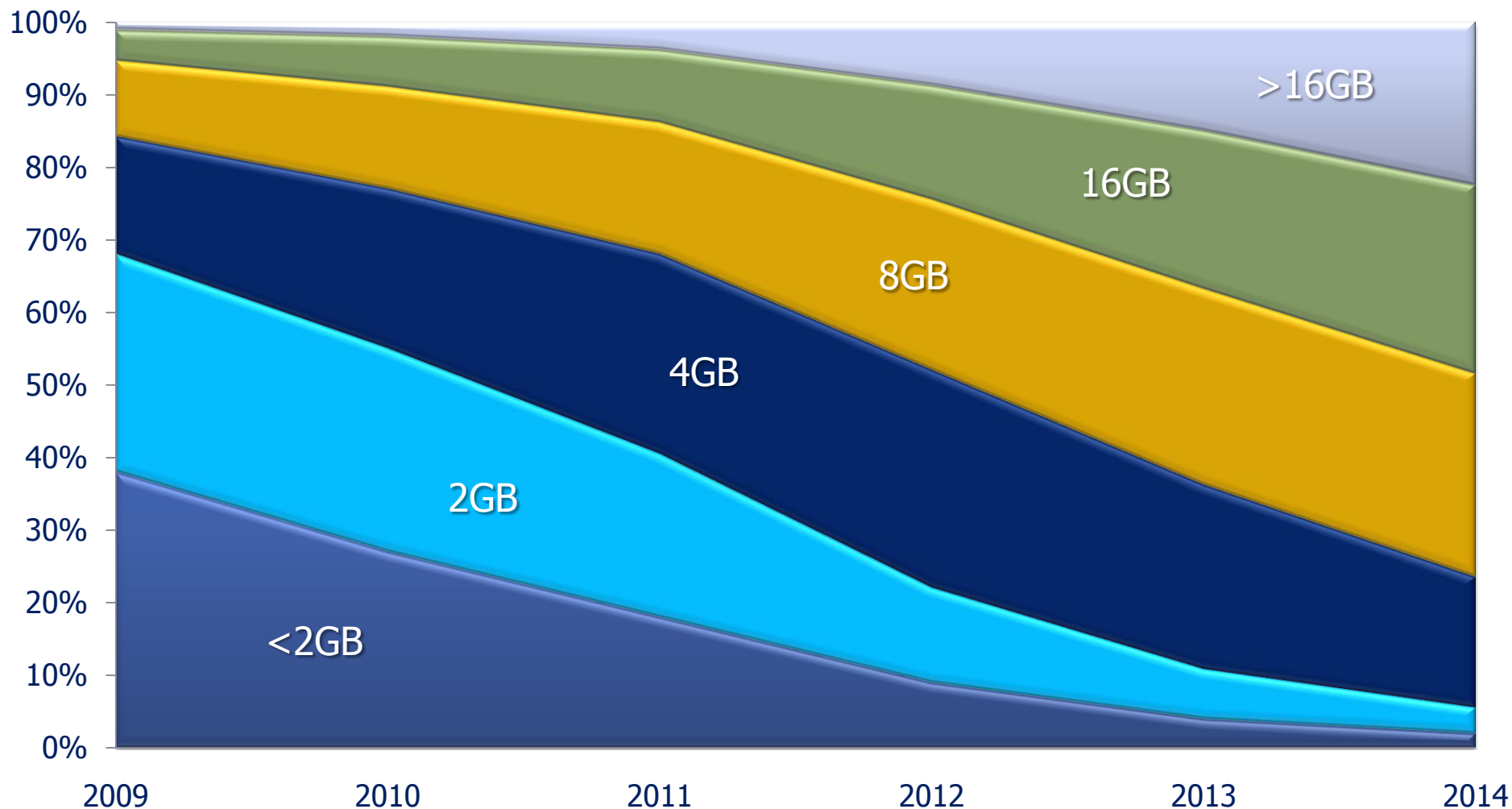
Source: Gartner, 2Q10

SSD Unit Shipments & SSD NAND Content



Source: Forward Insights, 2Q10

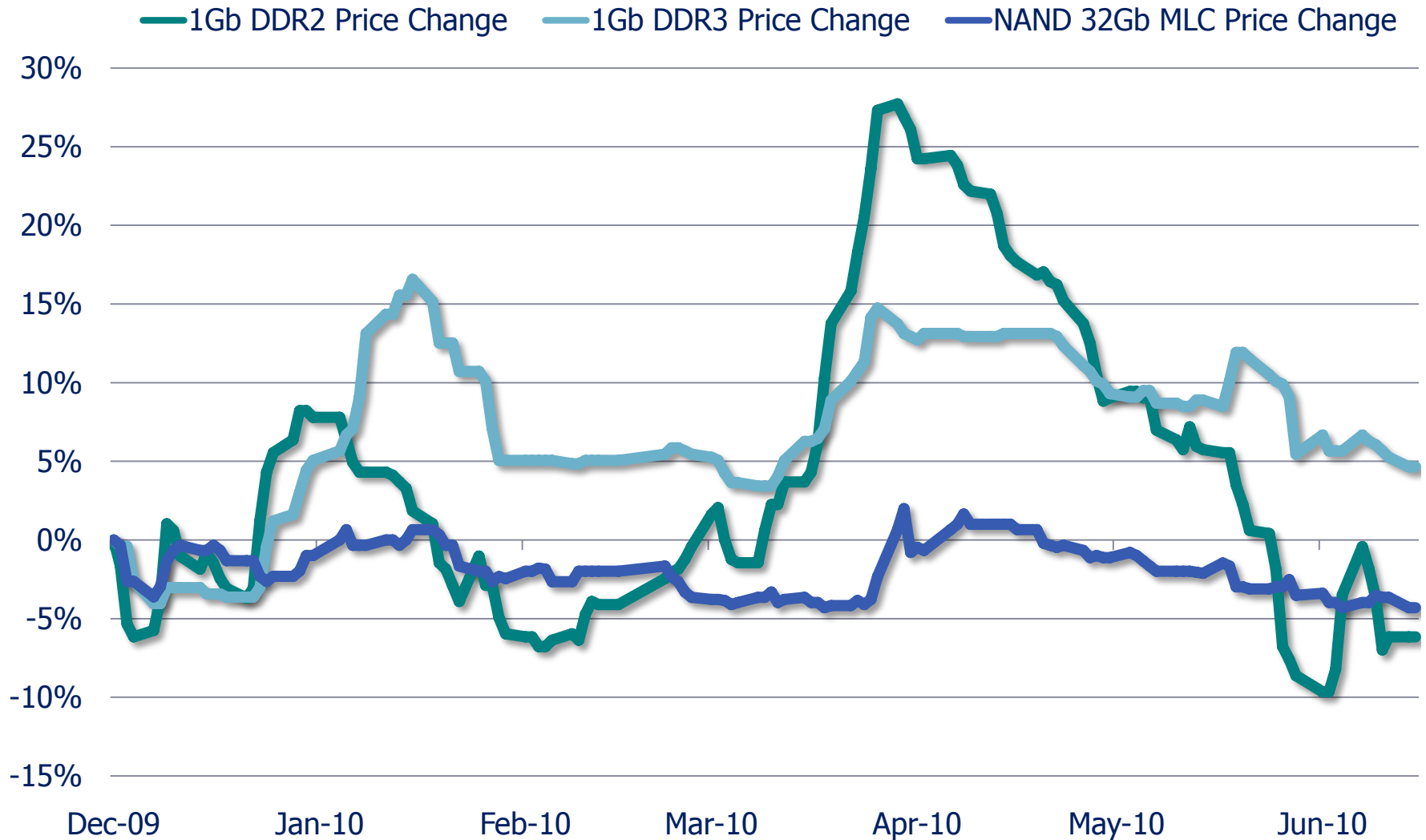
Flash Card Density Migration



Source: iSuppli, 1Q10

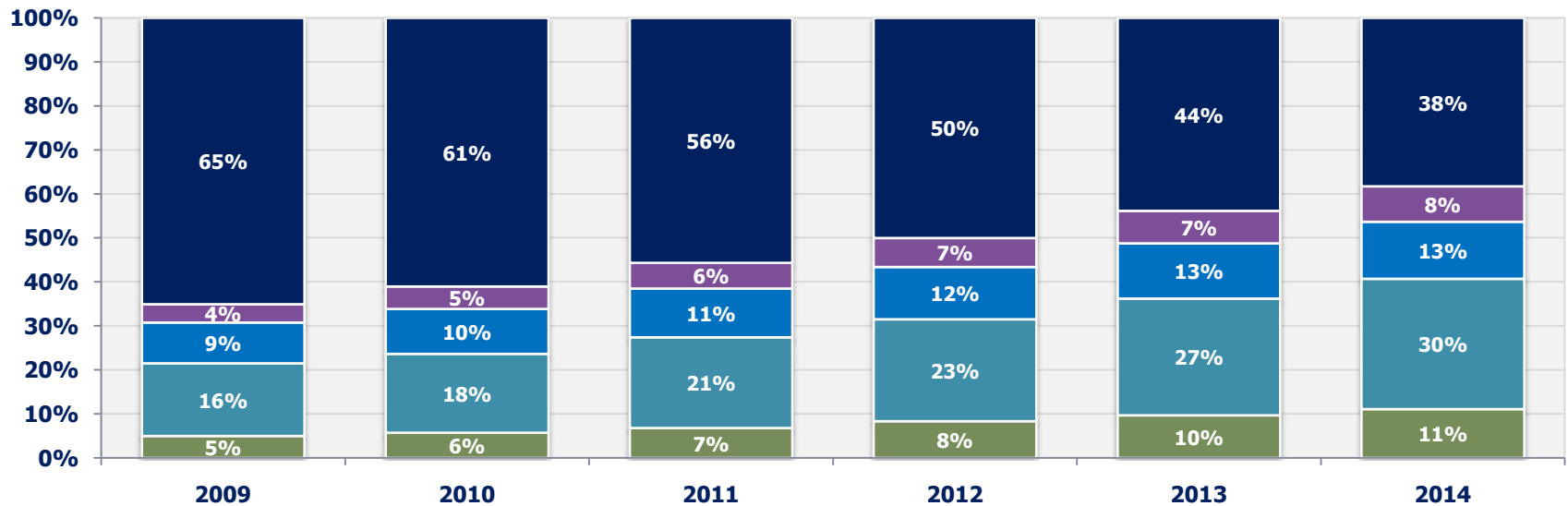
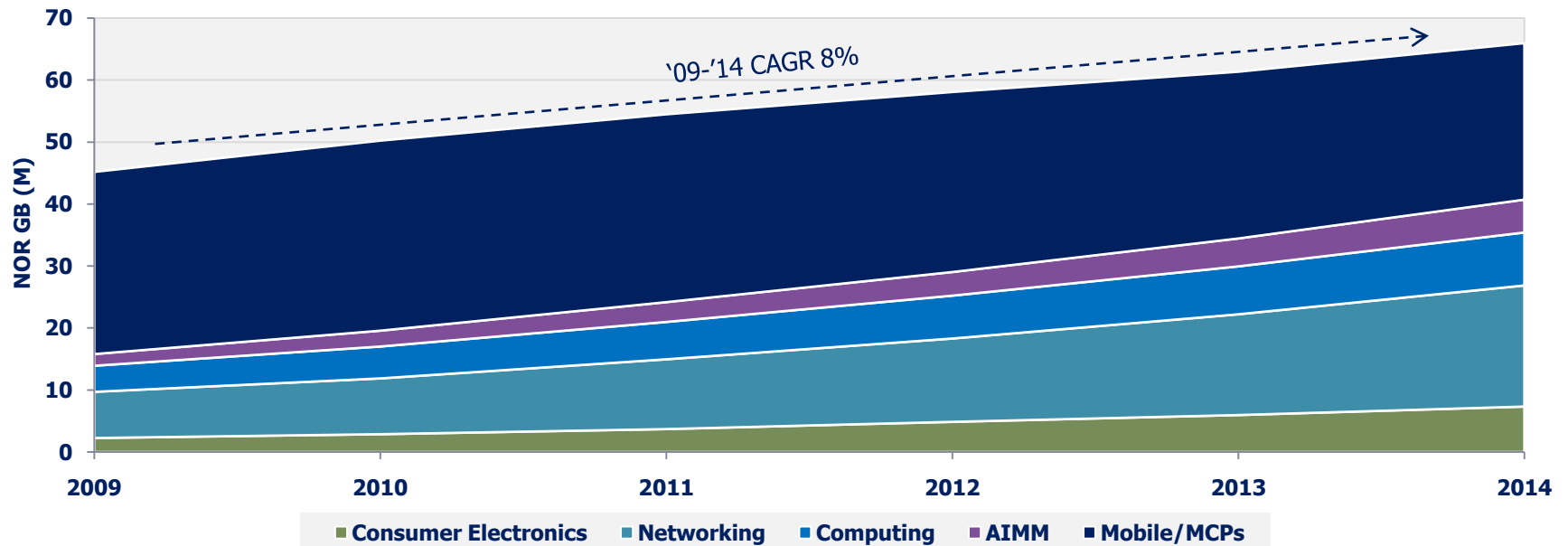
Memory Pricing

DRAM & NAND Spot Market ASP Change



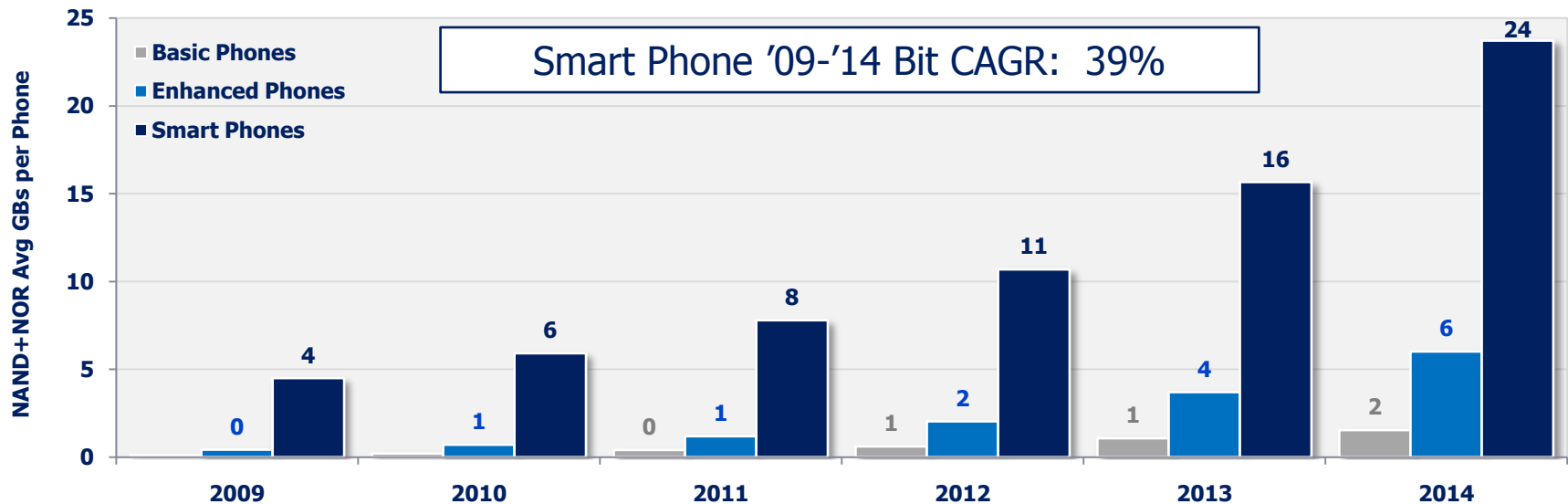
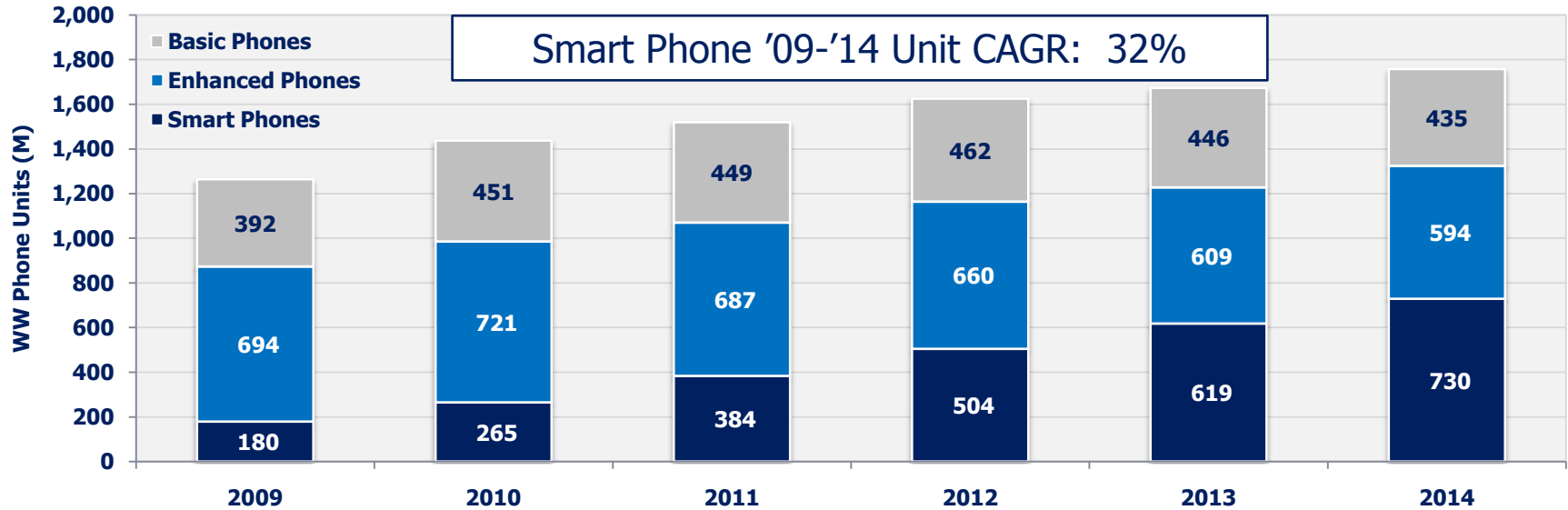
Source: DRAM eXchange

NOR Bit Forecast Indicates Continued Growth



Source: Gartner

Smart Phone Growth to Drive Non-volatile Memory Demand



Source: Gartner; On-board Memory Only, Excludes Cards
 Basic=entry-level, voice centric; Enhanced=added features, such as camera, MP3, and/or video; Smartphone=OS-equipped with advanced features such as browsing, navigation, gaming, and/or TV.

Q&A

