

FORM 10-K

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

(MARK ONE)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT
OF 1934 [FEE REQUIRED]

FOR THE FISCAL YEAR ENDED AUGUST 29, 1996

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE
ACT OF 1934 [NO FEE REQUIRED]

FOR THE TRANSITION PERIOD FROM TO

COMMISSION FILE NUMBER 1-10658

MICRON TECHNOLOGY, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE 75-1618004
(STATE OR OTHER JURISDICTION OF (I.R.S. EMPLOYER
INCORPORATION OR ORGANIZATION) IDENTIFICATION NO.)

8000 S. FEDERAL WAY, P.O. BOX 6, BOISE, IDAHO 83707-0006
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES) (ZIP CODE)

REGISTRANTS TELEPHONE NUMBER, INCLUDING AREA CODE (208) 368-4000

SECURITIES REGISTERED PURSUANT TO SECTION 12(B) OF THE ACT: TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED NEW YORK STOCK EXCHANGE
COMMON STOCK, PAR VALUE \$.10 PER SHARE	

SECURITIES REGISTERED PURSUANT TO SECTION 12(G) OF THE ACT:
NONE
(TITLE OF CLASS)

Indicate by check mark whether the registrant (1) has filed all reports
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of
1934 during the preceding 12 months (or for such shorter period that the
registrant was required to file such reports), and (2) has been subject to
such filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item
405 of Regulation S-K is not contained herein, and will not be contained to
the best of registrants knowledge, in definitive proxy or information
statements incorporated by reference in Part III of this Form 10-K or any
amendment to this Form 10-K.

The aggregate market value of the voting stock held by nonaffiliates of the
registrant, based upon the closing price of such stock on August 29, 1996, as
reported by the New York Stock Exchange, was approximately \$3.9 billion.
Shares of Common Stock held by each officer and director and by each person
who owns 5% or more of the outstanding Common Stock have been excluded in that
such persons may be deemed to be affiliates. This determination of affiliate
status is not necessarily a conclusive determination for other purposes.

The number of outstanding shares of the registrants Common Stock on August
29, 1996 was 208,834,820.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Proxy Statement for registrant's 1996 Annual Meeting of
Shareholders to be held on November 18, 1996, are incorporated by reference
into Part III of this Annual Report on Form 10-K.

PART I

ITEM 1. BUSINESS

The following discussion contains trend information and other forward-looking statements that involve a number of risks and uncertainties. The actual results of Micron Technology, Inc. ("MTI") could differ materially from MTI's historical results of operations and those discussed in the forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, those identified in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations--Certain Factors." All period references are to MTI's fiscal periods ended August 29, 1996, August 31, 1995 or September 1, 1994, unless otherwise indicated.

GENERAL

Micron Technology, Inc. and its subsidiaries (hereinafter referred to collectively as "MTI" or the "Company") principally design, develop, manufacture and market semiconductor memory products, personal computers ("PCs") and custom complex printed circuit board, memory module and system level assemblies.

Micron's semiconductor memory operations focus on the design, development, manufacture and marketing of semiconductor memory components primarily for use in PCs. The Company's primary semiconductor products are dynamic random access memory ("DRAM") components. Micron Semiconductor Products, Inc., which began operations on August 30, 1996, Micron Europe Limited, and Micron Semiconductor Asia Pacific Pte., Ltd., are all wholly-owned subsidiaries of MTI, which provide sales and support services for the Company's semiconductor operations in North America, Europe and Asia Pacific, respectively.

Micron Electronics, Inc. ("MEI") is a majority-owned, publicly traded subsidiary of MTI. As of August 29, 1996, MTI owned approximately 79% of the outstanding common stock of MEI. MEI's businesses include the Company's PC, contract manufacturing and component recovery operations. MEI's PC operations design, develop, market, manufacture and support the Micron brand name PC systems and related hardware incorporating third-party operating systems and application software. MEI's contract manufacturing operation provides a full range of turnkey manufacturing services, including the assembly and test of complex printed circuit boards, memory modules and system level assemblies, design layout and product engineering, materials procurement, inventory management, quality assurance and just-in-time delivery. The component recovery operation recovers nonstandard memory components for specific applications.

Additional majority-owned subsidiaries of MTI include Micron Communications, Inc., which designs and develops remote intelligent communications products; Micron Construction, Inc., which provides construction management and general contractor services; Micron Display Technology, Inc., which designs and develops field emission flat panel displays; and Micron Quantum Devices, Inc., which designs and develops non-volatile semiconductor memory ("Flash") devices.

MTI was incorporated in Idaho in 1978 and reincorporated in Delaware in 1984. The Company's executive offices and principal manufacturing operations are located at 8000 South Federal Way, Boise, Idaho, 83707-0006 and its telephone number is (208) 368-4000.

PRODUCTS

The Company's principal product categories are semiconductor memory products (primarily DRAM), PC systems and custom complex printed circuit board assemblies.

SEMICONDUCTOR MEMORY PRODUCTS

The Company's semiconductor manufacturing operations focus primarily on the design, development and manufacture of semiconductor memory products for standard memory applications, with various packaging and configuration options, architectures and performance characteristics.

DYNAMIC RANDOM ACCESS MEMORY. A DRAM is a semiconductor device which stores digital information in the form of bits and provides high speed storage and retrieval of data. A DRAM is a high density, low cost per bit random access memory component, and is the most widely used semiconductor memory component in most PC systems. The Company's primary product during fiscal 1996 was the 4 Meg DRAM which sells in multiple configurations, speeds and package types. More recently, the Company has begun to transition its manufacturing resources to 16 Meg DRAM. At fiscal 1996 year end, approximately 50% of DRAM wafer starts were 4 Meg and 50% were 16 Meg. The transition to the 16 Meg DRAM as the Company's primary memory device is expected to occur in late calendar 1996. The Company is developing its 64 Meg DRAM and is in the design phase of its 256 Meg DRAM. DRAM sales represented approximately 57%, 68% and 73% of the Company's total net sales in fiscal 1996, 1995 and 1994, respectively. Manufacture of the Company's DRAM products utilizes proprietary advanced complementary metal-oxide-semiconductor ("CMOS") silicon-gate process technology.

The Company's DRAM products use Extended Data Out ("EDO") and Fast Page Mode ("FPM") technology, which in 1996 accounted for approximately 92% of all DRAM sales in the industry. The Company expects a gradual transition by PC manufacturers to faster types of DRAM-based main memory over the next several years. Conventional FPM and EDO DRAM are not expected to meet the bandwidth required for future CPU and video/graphics designs. To that end, the Company is developing synchronous DRAM ("SDRAM") devices expected to be ready for volume production in fiscal 1998. SDRAM is a next generation memory component that operates faster than regular DRAM, due in part to the addition of a clock input that synchronizes all operations and allows PC systems to run faster. The Company is currently sampling an 8 Meg SDRAM that is designed specifically for graphics applications and which is referred to as the synchronous graphics random access memory ("SGRAM"). The Company continues to investigate other designs which will allow future DRAM devices to run even faster than current SDRAM devices.

FLASH MEMORY. Flash memory devices are non-volatile semiconductor devices which retain the contents of their memory when the power is turned off and are electrically erasable and reprogrammable. This means Flash memory can be updated in the system, with new revisions of code, different user parameters or settings and data collected over time. The Company is currently sampling the 2 Meg and 4 Meg SmartVoltage Technology Boot Block Flash. Internal qualification of both parts is expected to occur in the fall of 1996. The Company is also working on higher density Flash memory products to expand the boot block family to 8 Meg and introduce lower programming voltages. The major growth areas for Flash are expected to be in digital cellular phones and networking applications. Workstations, servers and PC manufacturers use Flash memory for BIOS storage with remote update facility, while combined Flash/modem/LAN PCMCIA cards are satisfying applications requiring high density, small packaged devices. Flash memory cards provide code and data file storage advantages to embedded systems and portable electronics systems.

STATIC RANDOM ACCESS MEMORY ("SRAM"). A SRAM is a semiconductor device which performs memory functions much the same as a DRAM, but does not require its memory cells to be electronically refreshed. In addition, a SRAM can be designed to operate faster than a DRAM. A SRAM contains more complex electronic circuitry than a DRAM, and consequently has higher per bit production costs. The Company's SRAM family focuses on the high-performance, or "Very Fast," sector of the SRAM market which supports cache memory requirements in computers. Very Fast SRAM provides access times approximately five times faster than those of a DRAM. The market for

Very Fast SRAM has grown with the number of applications that require a "buffer" or "cache" of high speed memory between the central processing unit and the main DRAM-based memory. The Company manufactures its SRAM products utilizing CMOS silicon-gate process technology. The Company sells primarily 1 and 2 Meg SRAM components in a variety of configurations, speeds and package types, and has a 4 Meg SRAM under development. SRAM sales represented 2%, 6% and 8% of the Company's total net sales in fiscal 1996, 1995 and 1994, respectively. The Company reduced its SRAM sales due to lower profitability relative to DRAM sales.

PERSONAL COMPUTER SYSTEMS

The Company designs, develops, markets, manufactures, sells and supports a range of memory intensive, high performance desktop and notebook PC systems and network servers under the Micron brand name. These systems use Intel Pentium and Pentium Pro microprocessors and are assembled to order with differing memory and storage capacities as well as operating and applications software. The Company also offers a variety of peripheral products with its PC systems, including monitors, modems, graphics cards, accelerators and CD-ROM drives.

The Company's assemble-to-order PC system sales and manufacturing structure enables customers to order custom system configurations and provides customers the flexibility to select modifications to certain standard configurations including, among others, a wide variety of Intel Pentium and Pentium Pro microprocessors, EDO main system memory in 8MB increments generally up to 128MB, Enhanced IDE or SCSI hard disk drives ranging from 1.0GB to 9.0GB, and monitors ranging from 14 inch to 21 inch.

CONTRACT MANUFACTURING

The Company's contract manufacturing operations specialize in custom complex printed circuit board, memory module and system level assemblies. The manufacture of electronic products has become increasingly sophisticated and complex and requires substantial capital investment. In response, many original equipment manufacturers ("OEMs") are adopting manufacturing outsourcing strategies and relying on manufacturing specialists to support their production needs. OEMs generally use contract manufacturers to gain access to leading manufacturing expertise, reduce time to market, enhance their financial flexibility and improve inventory management. The Company's contract manufacturing operations consist of assembling and testing complex printed circuit boards, memory modules and "box build" final product assembly services. In addition to assembly and test functions, the Company offers a broad range of manufacturing services, including design lay-out and product engineering, materials procurement, turnkey and consignment inventory management, quality assurance and just-in-time delivery.

MANUFACTURING

SEMICONDUCTOR MEMORY PRODUCTS

The manufacturing of the Company's semiconductor products is a complex process and involves a number of precise steps, including wafer fabrication, assembly, burn-in and final test. Efficient production of the Company's semiconductor memory products requires utilization of advanced semiconductor manufacturing techniques. Manufacturing cost per unit is primarily a function of die size (since the potential number of good die per wafer increases with reduced die size), number of mask layers and the yield of acceptable die produced on each wafer. Other contributing factors are wafer size, number of fabrication steps, cost and sophistication of the manufacturing equipment, package type, equipment utilization, process complexity and cleanliness. The Company is engaged in ongoing efforts to enhance its production processes to reduce the die size of existing products and increase capacity utilization. Smaller die sizes and higher production yields generally reduce manufacturing cost per unit.

The Company's semiconductor manufacturing facility in Boise, Idaho includes two wafer fabs ("Fab I" and "Fab III") equipped with diffusion tubes, photolithography systems, ion implant equipment, chemical vapor deposition reactors, sputtering systems, plasma and wet etchers and automated mask inspection systems. The production facility operates in 12-hour shifts, 24 hours per day and 7 days per week to reduce down time during shift changes, and to reduce total fabrication costs by maximizing utilization of fabrication facilities. Wafer fabrication occurs in a highly controlled, clean environment to minimize dust and other yield- and quality-limiting contaminants. Despite stringent manufacturing controls, equipment does not consistently perform flawlessly and minute impurities, defects in the photomasks or other difficulties in the process may cause a substantial percentage of the wafers to be rejected or individual circuits to be nonfunctional. The success of the Company's manufacturing operation will be largely dependent on its ability to minimize such impurities and to maximize its yield of acceptable, high-quality circuits. In this regard, the Company employs rigorous quality controls throughout the manufacturing, screening and testing processes.

After fabrication, each silicon wafer is separated into individual die. Functional die are connected to external leads by extremely fine wire and are assembled into plastic packages. Each completed package is then inspected, sealed and tested. The assembly process uses high-speed automatic systems such as wire bonders, as well as semi-automatic plastic encapsulation and solder systems. The Company tests its products at various stages in the manufacturing process, performs high temperature burn-in on finished products and conducts numerous quality control inspections throughout the entire production flow. In addition, through the utilization of its proprietary AMBYX(R) line of intelligent test and burn-in systems, the Company simultaneously conducts circuit testing of all die during the burn-in process, improving quality and reliability data, and reducing testing time and cost.

The Fab III wafer fab was converted to 8-inch wafer processing during fiscal 1996. Completion of the conversion of Fab I to 8-inch wafers is anticipated prior to the end of calendar 1996. Completion of the Company's semiconductor memory manufacturing facility in Lehi, Utah, is on indefinite hold. See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations--Certain Factors--Manufacturing Risks and Volume Production."

PERSONAL COMPUTER SYSTEMS

The Company's PC system manufacturing process is designed to provide custom-configured PC products to its customers, and includes assembling components, loading software and testing each system prior to shipment. The Company's PC systems are generally assembled to customer specifications. Parts and components required for each customer order are selected from inventory and are prepared for assembly into a customized PC system. The Company's desktop PC systems are generally assembled in its own facilities. The Company's notebook PC systems are designed to include feature sets defined by the Company but are assembled by a third-party supplier and sent to the Company for final custom configuration and testing.

CONTRACT MANUFACTURING

Nearly all of the products manufactured by the Company's contract manufacturing operations are assembled utilizing surface mount technology ("SMT") whereby the leads on integrated circuits and other electronic components are soldered to the surface of printed circuit boards. SMT assembly requires expensive capital equipment and a high level of process expertise. The Company has seven SMT lines in its Boise, Idaho facility, which are currently being relocated to the Company's new Nampa, Idaho facility. In addition, the Company has three SMT lines at its Durham, North Carolina facility. The Company also utilizes chip on board ("COB") technology in its manufacturing processes. This emerging technology in packaging is typically utilized for high pin count integrated circuits.

AVAILABILITY OF RAW MATERIALS

SEMICONDUCTOR MEMORY PRODUCTS

Raw materials utilized by the Company's semiconductor memory manufacturing operation generally must meet exacting product specifications. The Company generally uses multiple sources of supply, but the number of suppliers capable of delivering certain raw materials is very limited. The availability of raw materials, such as silicon wafers, molding compound and lead frames, may decline due to the overall increase in worldwide semiconductor manufacturing. Although shortages have occurred from time to time and lead times in the industry have been extended on occasion, to date the Company has not experienced any significant interruption in operations as a result of a difficulty in obtaining raw materials for its semiconductor memory manufacturing operations. Interruption of any one raw material source could adversely affect the Company's operations.

PERSONAL COMPUTER SYSTEMS

The Company relies on third-party suppliers for its PC system components and seeks to identify suppliers which can provide state-of-the-art technology, product quality and prompt delivery at competitive prices. The Company purchases substantially all of its PC components, subassemblies and software from suppliers on a purchase order basis and generally does not have long-term supply arrangements with its suppliers. Any interruption in the supply of any of the components, subassemblies and software currently obtained from a single source or relatively few sources, or a decrease in the general availability of any other components, subassemblies or software used in the Company's PC systems, could result in production delays and adversely affect the Company's business and results of operations.

CONTRACT MANUFACTURING

The Company's contract manufacturing operations use numerous suppliers for the electronic components and materials, including RAM components, used in its operations. Shortages of certain types of electronic components have occurred in the past and may occur in the future. The Company's contract manufacturing operations procure its materials and components based on purchase orders received and accepted from its customers while seeking to minimize its overall level of inventory. Components shortages or price fluctuations could have an adverse effect on the Company's business and results of operations.

MARKETING AND CUSTOMERS

SEMICONDUCTOR MEMORY PRODUCTS

The semiconductor memory industry is characterized by rapid technological change, relatively short product life cycles, frequent product introductions and enhancements, difficult product transitions and volatile market conditions. Historically, the semiconductor industry, and the DRAM market in particular, have been highly cyclical.

The Company's primary semiconductor memory products are essentially interchangeable with, and have similar functionality to, products offered by the Company's competition. Customers for the Company's semiconductor memory products include major domestic computer manufacturers and others in the computer, telecommunications and office automation industries. The Company markets its semiconductor memory products worldwide through independent sales representatives, distributors and its own direct sales force. The Company also maintains semiconductor sales offices in the United Kingdom, Germany, Singapore and Taiwan. Sales representatives are compensated on a commission basis and obtain orders subject to final acceptance by the Company. Shipments against these orders are made directly to the customer by the Company. Distributors carry the Company's products in

inventory and typically sell a variety of other semiconductor products, including competitors' products. Semiconductor memory products sold through distributors approximated 8%, 10% and 12% of total net sales of such products in fiscal 1996, 1995 and 1994, respectively.

Many of MTI's customers require a thorough review or "qualification" of new semiconductor memory products and processes which may take several months. As the Company diversifies its product lines and reduces the die sizes of existing memory products, acceptance of these products and processes is subject to this qualification procedure. There can be no assurance that new products or processes will be qualified for purchase by existing or potential customers.

Sales to Compaq Computer Corporation represented approximately 11%, 11% and 13% of the Company's net sales of semiconductor memory products for fiscal 1996, 1995 and 1994, respectively. Sales to Intel Corporation represented approximately 11% of the Company's net sales of semiconductor memory products in fiscal 1995. No other customer individually accounted for 10% or more of the Company's net sales of semiconductor memory products.

PERSONAL COMPUTER SYSTEMS

The Company's direct marketing approach is aimed toward PC users who evaluate products based on performance, price, reliability, service and support. The Company's PC customer base is comprised primarily of individuals, small to medium sized businesses, and governmental and educational entities. The Company markets its PC systems primarily by strategically placing advertisements in personal computer trade publications, submitting its products for review and evaluation by these publications and advertising its products on its home page on the Internet. The Company also markets its PC systems through direct-mail campaigns and sells a limited number of PCs through its three factory outlet stores located in Idaho, Minnesota and Utah. In addition, the Company sells its PC products through strategic relationships with third parties having large government procurement contracts.

By focusing on the direct sales channel, the Company is able to avoid dealer markups typically experienced in the retail sales channel, can limit inventory carrying costs and can maintain closer contact with its target markets. Direct sales orders are received primarily via telephone, facsimile and from the Company's home page on the Internet. The Company's sales representatives assist customers in determining system configuration, compatibility and current pricing. Customers generally order systems configured with varying feature sets differentiated by microprocessor speed, hard drive capacity, amount of memory, monitor size and resolution and bundled software, as well as other features. The Company offers its customers a variety of payment alternatives, including commercial trade terms, lease financing, cash on delivery, its own private label credit card and other credit cards.

CONTRACT MANUFACTURING

The Company markets its contract manufacturing services through a direct sales force that interfaces with independent sales representatives and OEMs. The Company's contract manufacturing marketing efforts include participating in industry conferences and publishing articles in trade journals.

EXPORT SALES

Export sales totalled approximately \$940 million for fiscal 1996, including approximately \$375 million to Europe, \$320 million to Asia Pacific and approximately \$80 million to Japan. Export sales approximated \$750 million and \$470 million for fiscal 1995 and 1994, respectively. Export sales are transacted primarily in United States dollars. The Company incurs import duties on sales into Europe of up to 7% of the product value.

BACKLOG

SEMICONDUCTOR MEMORY PRODUCTS

The Company primarily manufactures and markets standard memory products. The rate of booking new orders varies from month to month and depends upon the ordering practices of individual customers. Cyclical industry conditions make it difficult for many customers to enter into long-term, fixed-price contracts. Orders for the Company's semiconductor memory products are typically accepted with acknowledgment that the terms may be adjusted to reflect market conditions at the delivery date. For the foregoing reasons, and because of the possibility of customer changes in delivery schedules or cancellation of orders without significant penalty, the Company does not believe that its backlog of semiconductor memory products as of any particular date is firm or a reliable indicator of actual sales for any succeeding period.

PERSONAL COMPUTER SYSTEMS

Levels of unfilled orders for PC systems fluctuate depending upon component availability, demand for certain products and the Company's production schedules. Customers frequently change delivery schedules and orders depending on market conditions and other reasons. Unfilled orders can be canceled by the customer prior to shipment. As of August 29, 1996, the Company had unfilled orders for PC systems of approximately \$63 million compared to \$46 million as of August 31, 1995. The Company anticipates that substantially all of the unfilled orders as of August 29, 1996, other than those subsequently canceled, will be shipped within 45 days. Due to a customer's ability to cancel or reschedule orders without penalty, industry seasonality and customer buying patterns, unfilled orders may not be representative of actual sales for any succeeding period.

CONTRACT MANUFACTURING

Backlog generally consists of purchase orders believed to be firm that are expected to be filled within the next three months. Backlog for the Company's contract manufacturing operations as of August 29, 1996 and August 31, 1995 was approximately \$52 million and \$95 million, respectively. The primary reason for the decline from August 31, 1995 to August 29, 1996 was the decline in selling prices for semiconductor memory. Because of variations in the timing of orders, delivery intervals, material availability, customer and product mix and delivery schedules, among other reasons, the Company's contract manufacturing backlog as of any particular date may not be representative of actual sales for any succeeding period.

PRODUCT WARRANTY

Consistent with semiconductor memory industry practice, the Company generally provides a limited warranty that its semiconductor memory and contract manufactured products are in compliance with specifications existing at the time of delivery. Liability for a stated warranty period is usually limited to replacement of defective items or return of amounts paid.

Customers may generally return PC products within 30 days after shipment for a full refund of the purchase price. The Company generally sells each PC system with the Micron PowerWarranty, a five-year limited warranty on the microprocessor and main memory in its PC systems and a three-year limited warranty on the remaining hardware, covering repair or replacement for defects in workmanship or materials.

COMPETITION

SEMICONDUCTOR MEMORY PRODUCTS

The Company's semiconductor memory operations experience intense competition from a number of substantially larger foreign and domestic companies, including Fujitsu, Ltd., Hitachi, Ltd., Hyundai

Electronics, Co., Ltd., Mitsubishi Electric Corp., Motorola, Inc., NEC Corp., Samsung Semiconductor, Inc., LG Semicon, Texas Instruments Incorporated and Toshiba Corporation. The Company has captured only a small percentage of the semiconductor memory market and may be at a disadvantage in competing against larger manufacturers with significantly greater capital resources or manufacturing capacities, larger engineer and employee bases, larger portfolios of intellectual property and more diverse product lines. The Company's larger competitors may also have long-term advantages in research and new product development and in their ability to withstand current or future downturns in the semiconductor memory market. In addition, the Company believes its competitors have sufficient resources and manufacturing capacity to influence market pricing.

Although recently some of the Company's competitors have announced adjustments to the rate at which they will implement capacity expansion programs, many of the Company's competitors have already added new wafer fabrication facilities, significantly increasing worldwide capacity for the production of semiconductor memory products. Excess supply resulting from increased worldwide semiconductor manufacturing capacity, improved manufacturing yields and changes in demand for semiconductor memory have resulted in downward pricing pressure.

PERSONAL COMPUTER SYSTEMS

Competition in the PC industry is based primarily upon performance, price, reliability, service and support. The PC industry is highly competitive and has been characterized by intense pricing pressure, rapid technological advances in hardware and software, frequent introduction of new products, low gross margin percentages and rapidly declining component costs. The Company believes that the rate of growth in worldwide sales of PC systems, particularly in the United States, where the Company sells a substantial majority of its PC systems, has declined and may remain below the growth rates experienced in recent years. Any general decline in demand, or a decline in the rate of increase of demand, for PC systems could increase price competition and could have a material adverse effect on the Company's business and results of operations. To remain competitive, the Company must frequently introduce new products and price its products and offer customers lead times comparable to its competitors. In addition, to remain competitive, MEI generally reduces the selling prices of its PC systems in connection with declines in its cost of components. The Company competes with a number of PC manufacturers which sell their products primarily through direct channels, including Dell Computer, Inc. and Gateway 2000, Inc. The Company also competes with PC manufacturers, such as Apple Computer, Inc., Compaq Computer Corporation, Hewlett Packard Company, International Business Machines Corporation and Toshiba Corporation, among others, which have traditionally sold their products through national and regional distributors, dealers and value added resellers, retail stores and direct sales forces. Many of the Company's PC competitors offer broader product lines and have substantially greater financial, technical, marketing and other resources than the Company and may enjoy access to more favorable component volume purchasing arrangements than does the Company. In addition, as a result of PC industry standards, the Company and its competitors generally use many of the same components, typically from the same set of suppliers, which limits the Company's ability to technologically and functionally differentiate its products. In the future, the Company expects to face increased competition in the U.S. direct sales market from foreign PC suppliers and from indirect domestic suppliers of PC products that decide to implement, or devote additional resources to, a direct sales strategy. In order to gain an increased share of the U.S. PC direct sales market, these competitors may effect a pricing strategy that is more aggressive than the current pricing in the direct sales market. The Company's ability to continue to produce competitively priced products and to maintain existing gross margin percentages will depend, in large part, on the Company's ability to sustain high levels of sales and contain and reduce manufacturing and component costs. Any failure by the Company to transition to new products effectively or to accurately forecast demand for its products may adversely affect the Company's business and results of operations.

CONTRACT MANUFACTURING

The contract manufacturing industry is highly competitive. The Company's contract manufacturing operations compete against numerous domestic and offshore contract manufacturers, including a significant number of local and regional companies. In addition, the Company competes against in-house manufacturing capabilities of certain of its existing customers as well as with certain large computer manufacturers which also offer third-party contract manufacturing services. The Company's contract manufacturing competitors include, among others, Avex Electronics, Inc., Benchmark Electronics, Inc., Celestica Inc., DOVatron International, Inc., Flextronics International, Group Technologies Corporation, Jabil Circuits, Inc., Sanmina Corporation, SCI Systems, Inc. and Solecron Corporation. Many of the Company's competitors have substantially greater manufacturing, financial and marketing resources than the Company and have manufacturing operations at multiple domestic and overseas locations.

The Company believes the significant competitive factors in contract manufacturing include service, quality, price, technology, location and the ability to offer flexible delivery schedules and deliver finished products on an expeditious and timely basis in accordance with customers' expectations. There can be no assurance that the Company will compete successfully in the future with regard to these factors. The Company may be at a disadvantage as to certain competitive factors when compared to manufacturers with greater resources than the Company, substantial offshore facilities or substantially larger domestic facilities. In order to remain competitive, the Company may be required to expand its contract manufacturing capacity and may be required to establish additional international operations. There can be no assurance the Company will be successful in expanding its contract manufacturing operations on a timely and efficient basis. The failure to do so could have a material adverse effect on the Company's business and results of operations.

RESEARCH AND DEVELOPMENT

Rapid technological change and intense price competition place a premium on both new product and new process development efforts. The Company's continued ability to compete in the semiconductor memory market will depend in part on its ability to continue to develop technologically advanced products and processes, of which there can be no assurance. Research and development is being performed in strategic areas related to the Company's semiconductor expertise. Total research and development expenditures for the Company were \$192 million, \$129 million and \$83 million in fiscal 1996, 1995 and 1994, respectively.

Research and development expenses vary primarily with the number of wafers and personnel dedicated to new product and process development. The Company's research and development efforts are currently focused principally on further development of shrink versions of the 16 Meg DRAM. Development efforts are also focused on 16 Meg and 64 Meg SDRAM and a move from .35 (mu) process technology to .25 (mu) and .18 (mu) process technology. Other research and development efforts are currently devoted to design of the 64 Meg, 256 Meg and 1 Gig DRAMs, and design and development of new technologies including remote intelligent communications products and Flash semiconductor memory products.

The Company maintains a PC research and development operation which had approximately 30 employees as of August 29, 1996. This research and development group focuses its efforts on PC systems, including: motherboards; core logic; embedded PCs, such as those used in point of sale terminal and telecommunication systems; PC BIOS development; and other PC products the Company may choose to develop.

PATENTS AND LICENSES

As of August 29, 1996, the Company owned approximately 1,100 United States patents and 85 foreign patents relating to the use of its products and processes. In addition, the Company has

numerous United States and foreign patent applications pending. There can be no assurance that patents will be issued for such applications or that any patents, if issued, will be determined to be valid. The Company intends to continue to seek patent protection on its significant patentable technology.

The Company has entered into several cross-license agreements with third parties. The agreements typically require one-time and/or periodic royalty payments and expire at various times. One-time payments are typically capitalized and amortized over the shorter of the estimated useful life of the technology, the patent term or the term of the agreement. Royalty and other product and process technology expenses were \$150 million, \$203 million and \$128 million in fiscal 1996, 1995 and 1994, respectively. In the future, it may be necessary or advantageous for the Company to obtain additional patent licenses or to renew existing license agreements. The Company is unable to predict whether these license agreements can be obtained or renewed on terms acceptable to the Company. Failure to obtain or renew such licenses could result in litigation and the attendant cost and diversion of resources associated therewith and could also result in material changes in the Company's production processes or products. An adverse decision on any such litigation or a requirement to effect material changes could have a material adverse effect on the Company's business and results of operations. See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations--Certain Factors--Intellectual Property Matters."

EMPLOYEES

As of August 29, 1996, MTI had approximately 9,900 full-time employees, including approximately 6,900 in the semiconductor memory manufacturing operation (including component recovery operations), 1,950 in the PC operation and 750 in the contract manufacturing operation. Employment levels can vary depending on market conditions and the level of utilization of the Company's production, research and product and process development and administrative support activities. Many of the Company's employees are highly-skilled and the Company's continued success will depend in part upon its ability to retain such employees. None of the Company's employees are represented by a labor organization, the Company has never had a work stoppage as a result of labor issues and the Company considers relations with employees to be satisfactory.

ENVIRONMENTAL COMPLIANCE

Government regulations impose various environmental controls on the discharge of chemicals and gasses used in the Company's manufacturing processes. The Company believes that its activities conform to present environmental regulations. While the Company has not experienced any materially adverse effects on its operations from government regulations, there can be no assurance that changes in such regulations will not impose the need for additional capital equipment or other compliance requirements. Additionally, the extensive process required to obtain permits for expansion of the Company's facilities may impact how quickly the Company can respond to increases in market demand.

OFFICERS AND DIRECTORS OF THE REGISTRANT

The officers and directors of the Company and their ages as of September 30, 1996 are as follows:

NAME	AGE	POSITION
Steven R. Appleton.....	36	Chief Executive Officer, President and Chairman of the Board of Directors
Donald D. Baldwin.....	36	Vice President, Sales
Kipp A. Bedard.....	37	Vice President, Corporate Affairs
Eugene H. Cloud.....	54	Vice President, Marketing
Robert M. Donnelly.....	57	Vice President, SRAM Design and Product Engineering
D. Mark Durcan.....	35	Vice President, Process Research & Development
Jay L. Hawkins.....	36	Vice President, Manufacturing Administration
Edward J. Heitzeberg....	50	Vice President, DRAM Design, Product Engineering and Quality Assurance
Leo B. Jurica.....	46	Vice President, Lehi Operations
Roderic W. Lewis.....	41	Vice President, General Counsel and Corporate Secretary
Nancy M. Self.....	42	Vice President, Administration
Steven L. Stout.....	45	Vice President, Facilities
Wilbur G. Stover, Jr. . .	43	Chief Financial Officer and Vice President, Finance
Jerry M. Hess.....	58	Director
Robert A. Lothrop.....	70	Director
Thomas T. Nicholson.....	60	Director
Don J. Simplot.....	61	Director
John R. Simplot.....	87	Director
Gordon C. Smith.....	67	Director

Steven R. Appleton joined MTI in February 1983 and has served in various capacities with the Company and its subsidiaries. Mr. Appleton first became an officer of MTI in August 1989 and has served in various officer positions, including overseeing the Company's semiconductor operations as President and Chief Executive Officer of Micron Semiconductor, Inc. ("MSI"), then a wholly-owned subsidiary of MTI, from July 1992 to November 1994. Except for a nine day period in January 1996, since May 1994 Mr. Appleton has served as a member of MTI's Board of Directors and since September 1994 Mr. Appleton has served as the Chief Executive Officer, President and Chairman of the Board of Directors of MTI. Mr. Appleton also serves as a member of the Board of Directors of MEI. Mr. Appleton holds a BA in Business Management from Boise State University.

Donald D. Baldwin joined MTI in April 1984 and has served in various capacities with the Company and its subsidiaries. Mr. Baldwin first became an officer of MTI in May 1991 and has served in various officer positions, including Vice President, Sales of MSI from July 1992 to November 1994. Mr. Baldwin has served as Vice President, Sales for MTI since November 1994. Mr. Baldwin holds a BA in Marketing from Boise State University.

Kipp A. Bedard joined MTI in November 1983 and has served in various manufacturing and sales positions with the Company and its subsidiaries. Mr. Bedard first became an officer of MTI in April 1990 and has served in various officer positions, including Vice President, Corporate Affairs of MSI from July 1992 to January 1994. Mr. Bedard has served as Vice President, Corporate Affairs for MTI since January 1994. Mr. Bedard holds a BBA in Accounting from Boise State University.

Eugene H. Cloud joined MTI in January 1985 and has served in various capacities with the Company and its subsidiaries. Mr. Cloud first became an officer of MTI in April 1990 and has served in various officer positions, including Vice President, Marketing of MSI from July 1992 to November

1994. Mr. Cloud has served as Vice President, Marketing for MTI since November 1994. Mr. Cloud holds a BS in Electrical Engineering from Texas A&M University and a MS in Electrical Engineering from Arizona State University.

Robert M. Donnelly joined MTI in September 1988 and has served in various technical positions with the Company and its subsidiaries. Mr. Donnelly first became an officer of MTI in August 1989 and has served in various officer positions, including Vice President, SRAM Products Group of MSI from July 1992 to November 1994. Mr. Donnelly was named Vice President, SRAM Products Group for MTI in November 1994. Mr. Donnelly has served as Vice President, SRAM Design and Product Engineering for MTI since October 1995. Mr. Donnelly holds a BS in Electrical Engineering from the University of Louisville.

D. Mark Durcan joined MTI in 1984 as a diffusion engineer. Since that time he has held a series of positions of increasing responsibility with the Company and its subsidiaries, including Manager of Process Research and Development. Since July 1996, Mr. Durcan has served as Vice President, Process Research and Development. Mr. Durcan holds a BS and MS in Chemical Engineering from Rice University.

Jay L. Hawkins joined MTI in March 1984 and has served in various manufacturing positions for the Company and its subsidiaries, including Director of Manufacturing for MSI from July 1992 to November 1994 and Director of Manufacturing for MTI from November 1994 to February 1996. Since February 1996, Mr. Hawkins has served as Vice President, Manufacturing Administration. Mr. Hawkins holds a BBA in Marketing from Boise State University.

Edward J. Heitzeberg joined MTI in January 1984 and has served in various technical positions with the Company and its subsidiaries. Mr. Heitzeberg first became an officer of MTI in August 1989 and has served in various officer positions, including Vice President, Quality of MSI from July 1992 to November 1994 and Vice President, Quality of MTI from November 1994 to October 1995. Since November 1994, Mr. Heitzeberg has performed the duties of Vice President, DRAM Design, Product Engineering and Quality Assurance of MTI. From February 1996 through September 1996, Mr. Heitzeberg served as a member of the MTI Board of Directors. Mr. Heitzeberg holds a BS in Electrical Engineering from the University of Texas and a MS in Electrical Engineering from Southern Methodist University.

Leo B. Jurica joined MTI in March 1983 and has served in various positions for the Company and its subsidiaries, including Manager of Special Projects for MSI from July 1992 to November 1994. Since February 1996, Mr. Jurica has served as Vice President, Lehi Operations for MTI.

Roderic W. Lewis joined MTI in 1991 as Associate General Counsel. He became Assistant General Counsel in 1993. From April 1995 to July 1996, Mr. Lewis served as Vice President, General Counsel and Corporate Secretary for MEI. Since July 1996, Mr. Lewis has served as Vice President, General Counsel and Corporate Secretary for MTI. Mr. Lewis holds a BA in Economics and Asian Studies from Brigham Young University and a JD from Columbia University School of Law.

Nancy M. Self joined MTI in February 1988 as a benefits specialist. In July 1988, she was named Benefits Manager and served in that position until July 1989, when she was named Risk Manager. Since March 1993, Ms. Self has served as Vice President, Administration. Ms. Self holds a BA in Consumer Economics from Idaho State University and an MBA from Boise State University.

Steven L. Stout joined MTI in September 1983 and has served in various positions for the Company and its subsidiaries, including Plant Operations Manager for MSI from January 1993 to November 1994. Since February 1996, Mr. Stout has served as Vice President, Facilities for MTI.

Wilbur G. Stover, Jr. joined MTI in June 1989 and has served in various financial positions with the Company and its subsidiaries, including Controller from February 1990 to July 1992 and Vice President, Finance and Chief Financial Officer of MSI from August 1992 to September 1994. Since September 1994, Mr. Stover has served as MTI's Chief Financial Officer and Vice President, Finance. From October 1994 through September 1996, Mr. Stover served as a member of the MTI Board of Directors. Mr. Stover holds a BA in Business Administration from Washington State University.

Jerry M. Hess has served as Chairman and Chief Executive Officer of J.M. Hess Construction Company, Inc. since 1959. Mr. Hess was elected to the Board of Directors of MTI in 1994. Mr. Hess also serves as a director of MEI.

Robert A. Lothrop served as Senior Vice President of the J.R. Simplot Company, a food processing, fertilizer and agricultural chemicals manufacturing company, from January 1986 until his retirement in January 1991. He was elected to the Board of Directors of MTI in 1986. In 1992, he was elected to the Board of Directors of MSI and resigned as a director of MTI. Mr. Lothrop was re-elected to MTI's Board of Directors in 1994. Mr. Lothrop also serves as a director of MEI.

Thomas T. Nicholson serves as Vice President of Honda of Seattle. Mr. Nicholson also serves as President of Mountain View Equipment, a farm equipment dealership, and is a partner of CL&T Land & Livestock. He has served on MTI's Board of Directors since 1980.

Don J. Simplot served as the President of Simplot Financial Corporation, a wholly-owned subsidiary of the J.R. Simplot Company, from February 1985 until January 1992. In April 1994, Mr. Don J. Simplot was appointed as a member of the Office of the Chairman of the J.R. Simplot Company. He has served on the Board of Directors of MTI since 1982. Mr. Don Simplot is also a Director of AirSensors, Inc., an alternative fuel conversion equipment company.

John R. Simplot founded and served as the Chairman of the Board of Directors of the J.R. Simplot Company prior to his retirement in April 1994. Mr. John R. Simplot currently serves as Chairman Emeritus of the J.R. Simplot Company. He has served on MTI's Board of Directors since 1980. Mr. Simplot also serves as a director of MEI.

Gordon C. Smith served in various management positions from July 1980 until January 1992 for Simplot Financial Corporation, a wholly-owned subsidiary of the J.R. Simplot Company. From May 1988 until his retirement in March 1994, Mr. Smith served as the President and Chief Executive Officer of the J.R. Simplot Company. He was elected to the Board of Directors of MTI in 1990.

Effective as of September 29, 1996, Edward J. Heitzeberg, Tyler A. Lowrey and Wilbur G. Stover, Jr. resigned as directors of MTI. The Board of Directors of MTI has formed a nominating committee to identify potential independent directors who have outside industry expertise and experience. Mr. Stover continues to serve as Chief Financial Officer and Vice President, Finance, and Mr. Heitzeberg remains as Vice President, DRAM Design, Product Engineering and Quality Assurance. Mr. Lowrey, who formerly served as Chief Operations Officer of the Company, is currently expected to focus his efforts on research and development of advanced process technology. See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations--Certain Factors--Dependence on Key Personnel."

There is no family relationship between any director or executive officer of the Company, except between John R. Simplot and Don J. Simplot, who are father and son, respectively.

ITEM 2. PROPERTIES

The Company's principal semiconductor manufacturing, engineering, administrative, and support facilities are located on an approximately 820 acre site in Boise, Idaho. All facilities have been constructed since 1981 and are owned by the Company. The Company has approximately 1.9 million square feet of building space at this primary site. Of the total, approximately 515,000 square feet is production space, 571,000 square feet is facility support space, and 808,000 square feet is office and other space.

The Company's principal PC manufacturing, contract manufacturing and component recovery operations are located on a 100 acre site in Nampa, Idaho. All facilities are owned by the Company. The Company has approximately 577,000 square feet of building space at the Nampa site. Of the total, approximately 136,000 square feet is PC manufacturing space, 146,000 square feet is contract manufacturing space, 40,000 square feet is component recovery space, and the balance is office and other space. The Company has a 60,000 square feet leased facility in Minneapolis, Minnesota for sales, support and administration of PC operations as well as a 61,000 square foot leased facility in Durham, North Carolina, with approximately 43,000 square feet for contract manufacturing space and 18,000 square feet for office and other space.

In fiscal 1995 the Company initiated construction of an approximate 2 million square foot semiconductor memory manufacturing facility in Lehi, Utah. The completion of the Lehi facility is on indefinite hold. As of August 29, 1996, the Company had incurred construction costs of approximately \$600 million to build the facility. Market conditions for semiconductor memory products will dictate if and when the Lehi complex is completed and production begins.

Equipment with a book value of approximately \$301 million is pledged as collateral for outstanding debt and capital leases as of August 29, 1996.

ITEM 3. LEGAL PROCEEDINGS

The Company is a party in various legal actions arising out of the normal course of business, none of which is expected to have a material effect on the Company's business and results of operations. See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations-- Certain Factors."

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There were no matters submitted to a vote of security holders during the fourth quarter of fiscal 1996.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

MARKET FOR COMMON STOCK

Micron Technology, Inc.'s common stock is listed on the New York Stock Exchange and is traded under the symbol "MU." The following table represents the high and low sales prices for the Company's common stock for each quarter of fiscal 1996 and 1995, as reported by The Wall Street Journal. All stock prices have been restated to reflect a 2 for 1 stock split (to shareholders of record as of May 4, 1995) effected in the form of a stock dividend.

	HIGH	LOW
	-----	-----
1996:		
4th quarter.....	\$32.125	\$17.250
3rd quarter.....	38.375	28.500
2nd quarter.....	54.750	30.875
1st quarter.....	94.375	47.750
1995:		
4th quarter.....	\$78.000	\$44.750
3rd quarter.....	50.750	32.563
2nd quarter.....	33.125	19.938
1st quarter.....	21.625	15.250

HOLDERS OF RECORD

As of August 29, 1996, there were 12,379 shareholders of record of the Company's Common Stock.

DIVIDENDS

The Company declared and paid cash dividends totaling \$0.15 during fiscal 1996, \$0.15 during fiscal 1995 and \$0.06 in fiscal 1994. Future dividends, if any, will vary depending on the Company's profitability and anticipated capital requirements.

ITEM 6. SELECTED FINANCIAL DATA

	1996	1995	1994	1993	1992
	-----	-----	-----	-----	-----
	(AMOUNTS IN MILLIONS, EXCEPT FOR PER SHARE DATA)				
Net sales.....	\$3,653.8	\$2,952.7	\$1,628.6	\$828.3	\$506.3
Gross margin.....	1,455.4	1,624.0	839.2	311.1	116.0
Operating income.....	944.5	1,308.0	625.1	167.1	13.9
Net income.....	593.5	844.1	400.5	104.1	6.6
Fully diluted earnings per share.....	2.76	3.90	1.90	0.51	0.03
Cash dividend declared per share.....	0.15	0.15	0.06	0.01	0.01
Current assets.....	964.0	1,274.1	793.2	440.1	227.0
Property, plant and equipment, net....	2,708.1	1,385.6	663.5	437.8	396.3
Total assets.....	3,751.5	2,774.9	1,529.7	965.7	724.5
Current liabilities.....	664.5	604.8	274.2	210.8	106.1
Long-term debt.....	314.6	129.4	124.7	54.4	61.5
Shareholders' equity.....	2,502.0	1,896.2	1,049.3	639.5	511.2

See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations--Certain Factors."

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion contains trend information and other forward looking statements that involve a number of risks and uncertainties. The Company's actual results could differ materially from the Company's historical results of operations and those discussed in the forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, those identified in "Certain Factors." All period references are to the Company's fiscal periods ended August 29, 1996, August 31, 1995 or September 1, 1994, unless otherwise indicated.

OVERVIEW

The Company designs, develops, manufactures and markets semiconductor memory products, primarily DRAM, for use in PCs. Through its majority-owned subsidiary, MEI, the Company also designs, develops, markets, manufactures and supports Micron brand PC systems, and operates a contract manufacturing and component recovery business.

The Company's semiconductor memory products are commodity products, the price and profitability of which are highly dependent on overall supply-demand dynamics in the industry. Historically, the semiconductor memory industry has experienced declines in average selling prices commensurate with the industry's ability to reduce cost per megabit. Consequently, the Company's operating results are significantly affected by the Company's ability to reduce cost per megabit commensurate with, or at a rate greater than, reductions in average selling prices. Cost reductions are effected through design and ramp up of shrink products, maximizing yield of good die produced and maximizing equipment capacity utilization. The Company's gross margins from fiscal 1993 through fiscal 1995 benefited from the Company's ability to effect such cost reductions while DRAM average sales prices remained relatively stable. From December 1995 through August 1996, the average selling price of the Company's 4 Meg DRAM fell 78% as industry supply exceeded demand. Gross margins for the three fiscal quarters ended August 29, 1996 decreased sequentially as a result of the sharp decline in average selling prices for semiconductor memory products at a rate exceeding the Company's ability to effect cost reductions for such products.

As DRAM prices have fallen and as unit shipments of PC systems have increased, the Company's consolidated operating results have been increasingly affected by the results of the PC operations of MEI. While sales of PC systems, less the sales of the Company's semiconductor memory included therein, constituted approximately 31% of the Company's total net sales for fiscal 1996, such sales in the fourth quarter of fiscal 1996 constituted approximately 50% of the Company's total net sales. Unit sales of PC systems increased in fiscal 1996 compared to fiscal 1995 principally due to increased name recognition and market acceptance of Micron brand PC products. While sales of PC systems generally continued to have a lower gross margin percentage than sales of the Company's semiconductor memory products in 1996, the gross margin percentage on sales of PC systems increased in 1996 compared to 1995 and was higher than the gross margin percentage on sales of semiconductor memory products in the fourth quarter of fiscal 1996. Any reduction in MTI's ownership percentage of MEI, whether caused by future dispositions of shares of common stock of MEI by MTI or issuances of shares of common stock by MEI, will have the effect of reducing MTI's share of future results of operations of MEI.

RESULTS OF OPERATIONS

Net income for 1996 was \$593 million, or \$2.76 per fully diluted share, on net sales of \$3,654 million. The higher level of net sales in 1996 principally resulted from increased production of semiconductor memory products and an increase in PC system sales, which were offset in part by a sharp decline in average selling prices for semiconductor memory products. The decrease in average selling prices for the Company's semiconductor memory products in 1996 at a rate faster than the Company's reductions in cost per megabit resulted in lower net income in 1996 as compared to 1995. Net income for 1995 was \$844 million, or \$3.90 per fully diluted share, on net sales of \$2,953 million.

The Company's results of operations in fiscal 1996 were adversely affected by a restructuring charge of \$29.6 million associated with the discontinuation of sales of ZEOS brand PC systems and the closing of the related PC manufacturing operations in Minneapolis, Minnesota.

NET SALES

The following table presents the Company's net sales by principal product or service. The caption "Other" principally includes revenue from contract manufacturing and from module assembly services. Net sales of semiconductor memory products include sales of such products incorporated in MEI personal computer systems and other products. Corresponding amounts excluded from sales of personal computer systems and other products (\$183.7 million, \$182.5 million and \$81.6 million in 1996, 1995 and 1994, respectively) equal the aggregate purchase prices paid by MEI to MTI for semiconductor memory products.

	1996		1995		1994	
	NET SALES	% OF TOTAL	NET SALES	% OF TOTAL	NET SALES	% OF TOTAL
(DOLLARS IN MILLIONS)						
Semiconductor memory products.....	\$2,210.0	60%	\$2,287.0	77%	\$1,367.5	84%
Personal computer systems.....	1,128.3	31	429.1	15	73.7	5
Other.....	315.5	9	236.6	8	187.4	11
Total net sales.....	\$3,653.8	100%	\$2,952.7	100%	\$1,628.6	100%

Net sales in 1996 increased by 24% over 1995, principally due to a higher level of production of semiconductor memory and a higher level of net sales of PC systems. The effect on net sales of increased production of semiconductor memory products was offset by a sharp decline in average selling prices. Net sales of semiconductor memory products declined as a percentage of total net sales to 60% in 1996 from 77% in 1995, due to the sharp decline in average selling prices for semiconductor memory products and continued growth of the Company's PC system sales. The Company's principal product in 1996 was the 4 Meg DRAM, which comprised approximately 87% of the net sales of the semiconductor memory products, and 53% of total net sales. Net sales of the 4 Meg DRAM were 87% and 76% of net sales of semiconductor memory products in 1995 and 1994, respectively. In 1996, total megabits produced increased approximately 95% and megabits shipped increased by approximately 77% from 1995 levels. These increases were principally due to the conversion of FAB III to 8-inch wafers, ongoing transitions to successive shrink versions of existing memory products, particularly the 4 Meg DRAM, a 17% increase in total wafer outs, a shift in the Company's mix of semiconductor memory products to a higher average density and enhanced yields on existing memory products.

Net sales of PC systems, less sales to MEI of the Company's semiconductor memory included therein, increased to approximately 31% of the Company's total net sales for 1996 from 15% and 5% in 1995 and 1994, respectively, primarily due to significantly higher unit sales of PC systems and, to a lesser extent, higher average selling prices for PC systems. Unit sales of PC systems increased in 1996 compared to 1995, principally due to increased name recognition and market acceptance of Micron brand desktop PC products. Increased sales to governmental entities and increased sales of notebook systems also contributed to higher overall unit sales.

Net sales in 1995 increased by 81% compared to 1994 principally due to relatively stable prices for semiconductor memory products and the comparatively higher volume of semiconductor memory produced in 1995. Total megabits produced increased by approximately 74% in 1995 compared to 1994, principally as a result of ongoing transitions to successive shrink versions of then existing products, a shift in the Company's mix of semiconductor memory products to a higher average density and enhanced yields on then existing memory products. Net sales of PC systems, less the value of the Company's semiconductor memory included therein, increased to approximately 15% of the Company's total net sales for 1995 from 5% in 1994. PC system sales increased principally due to increased demand for the Company's PC systems as a result of greater brand name recognition and market acceptance of such products.

GROSS MARGIN

	1996	% CHANGE	1995	% CHANGE	1994

	(DOLLARS IN MILLIONS)				
Gross margin.....	\$1,455.4	(10.4)%	\$1,624.0	93.5%	\$839.2
as a % of net sales.....	39.8%		55.0%		51.5%

The Company's gross margin percentage in 1996 was lower than in 1995 primarily as a result of lower average selling prices for semiconductor memory products and higher net sales of PC systems as a percentage of total net sales. The Company's gross margin percentage on sales of semiconductor memory products for 1996 was 56%, compared to 65% and 57% in 1995 and 1994, respectively. The lower gross margin percentage on sales of semiconductor memory products in 1996 was principally due to a sharp decline in average selling prices for such products as compared to more gradual decreases in per megabit manufacturing costs. Decreases in the Company's manufacturing costs per megabit were achieved through significant increases in volume production which principally resulted from greater number of die per wafer achieved through conversion of Fab III to 8-inch wafers, transitions to shrink versions of existing products, improved manufacturing yields, increased wafer output and a shift in the Company's mix of semiconductor memory products to higher density devices. The lower gross margin percentage on sales of semiconductor memory products in 1996 was partially offset by the effect of a net reduction of approximately \$55.0 million in accruals recorded in prior years relating to product and process rights contingencies for both semiconductor and personal computer operations.

Sales of PC systems generally had a lower gross margin percentage than sales of the Company's semiconductor memory products in 1996. However, the gross margin percentage on sales of PC systems increased in 1996 compared to 1995 primarily as a result of improved component costs and improved inventory management. In addition, increased sales of notebook PC products favorably affected the gross margin percentage on sales of PC systems. While sales of PC systems generally continued to have a lower gross margin percentage than sales of the Company's semiconductor memory products in fiscal 1996, the gross margin percentage on sales of PC systems was higher in the fourth quarter of fiscal 1996 than the gross margin percentage on sales of semiconductor memory products.

Cost of goods sold includes estimated costs of settlement or adjudication of asserted and unasserted claims for patent infringement prior to the balance sheet date and costs of product and process technology licensing arrangements. Product and process technology costs decreased as a percentage of total net sales in 1996 principally due to the higher level of net sales of PC systems in 1996 which are subject to generally lower royalty costs compared to the Company's semiconductor memory products, and due to the resolution of contingencies for product and process technology rights.

The slight increase in gross margin percentage for 1995 compared to 1994 was principally due to relatively stable prices as compared to reductions in cost per megabit of memory sold for DRAM products. Reductions in cost per megabit of memory sold were realized primarily from a combination of increased wafer output, yield improvements, die shrinks and transitions to generally higher density memory products. This slight increase in gross margin percentage was offset in part by higher net sales of PC systems as a percentage of net sales. Sales of PC systems generally had a lower gross margin percentage than sales of the Company's semiconductor memory products in 1995.

SELLING, GENERAL AND ADMINISTRATIVE

	1996	% CHANGE	1995	% CHANGE	1994

	(DOLLARS IN MILLIONS)				
Selling, general and administrative.....	\$289.4	54.6%	\$187.2	43.2%	\$130.7
as a % of net sales.....	7.9%		6.3%		8.0%

The higher level of selling, general and administrative expenses for 1996 as compared to 1995 principally resulted from a higher level of personnel costs associated with the increased number of administrative employees and sales and technical support employees in the Company's PC operations and, to a lesser extent, increased legal costs associated with the development and resolution of product and process technology rights and contingencies, advertising costs for the Company's PC operations and depreciation expense resulting from the addition of new computer equipment in late 1995 and 1996. In addition, selling, general and administrative expenses for 1996 reflect an approximate \$21 million pretax gain from the disposal of equipment, compared to a \$7 million pretax gain in 1995. During the fourth quarter of fiscal 1996, the Company charged operations with a \$9 million accrual relating to revisions of estimates for selling costs associated with sales of PC systems.

The higher level of selling, general and administrative expenses for 1995 as compared to 1994 principally resulted from a higher level of personnel costs associated with the Company's profit sharing programs, an increased number of administrative employees and, to a lesser extent, increased advertising costs and credit card processing fees associated with the increased level of sales from the Company's PC operations. Such increases were partially offset by a reduction in legal fees compared to 1994 primarily resulting from the Company's resolution of product and process technology rights contingencies.

RESEARCH AND DEVELOPMENT

	1996	% CHANGE	1995	% CHANGE	1994
	-----	-----	-----	-----	-----
	(DOLLARS IN MILLIONS)				
Research and development.....	\$191.9	49.0%	\$128.8	54.4%	\$83.4
as a % of net sales.....	5.3%		4.4%		5.1%

Research and development expenses vary primarily with the number of wafers and personnel dedicated to new product and process development. The Company's research and development efforts are currently focused principally on further development of shrink versions of the 16 Meg DRAM. Development efforts are also focused on 16 Meg and 64 Meg SDRAM and a move from .35 (mu) process technology to .25 (mu) and .18 (mu) process technology. Other research and development efforts are currently devoted to design of the 64 Meg, 256 Meg and 1 Gig DRAMs, and design and development of new technologies including remote intelligent communications products and Flash semiconductor memory products.

INCOME TAX PROVISION

	1996	% CHANGE	1995	% CHANGE	1994
	-----	-----	-----	-----	-----
	(DOLLARS IN MILLIONS)				
Income tax provision.....	\$357.0	(29.5)%	\$506.4	125%	\$225.3

The effective tax rate for 1996 was 37.6%, which primarily reflects the statutory corporate tax rate and the net effect of state taxation. The effective tax rates for 1995 and 1994 were 37.5% and 36.0%, respectively. The changes in the effective tax rates were principally due to the change in the mix of income among taxing jurisdictions and the utilization of state tax credits as a percentage of pretax income. State income taxes have been reduced by state tax credits. As of June 1996, MEI was not consolidated with MTI for federal income tax purposes.

LIQUIDITY AND CAPITAL RESOURCES

As of August 29, 1996, the Company had cash and liquid investments totaling \$287 million, representing a decrease of \$269 million during 1996. Approximately \$115 million of the Company's consolidated cash and liquid investments were held by MEI. Cash generated from operations by MEI is not readily available or anticipated to be available to finance operations or other expenditures of MTI.

The Company's principal sources of liquidity during 1996 were cash flows from operations of \$1,061 million, equipment financing of \$273 million and net borrowings under the Company's bank credit agreements of \$90 million. The principal uses of funds in 1996 were \$1,426 million for property, plant and equipment and \$281 million for repayments of equipment contracts and long-term debt.

Cash flows from operations for fiscal 1996 were slightly higher than cash flows from operations in fiscal 1995. Cash flows from operations are significantly affected by average selling prices and variable cost per megabit for the Company's semiconductor memory products. For example, the Company estimates that each reduction in average selling prices of \$0.25 per megabit reduced the Company's cash flows by approximately \$200 million in fiscal 1996. In the future, to the extent that the Company's level of production increases, similar price decreases may have an even more significant impact. In 1996, the rate of decline in average selling prices for semiconductor memory products surpassed the rate at which the Company was able to decrease costs per megabit, and as a result the Company's cash flows were significantly adversely affected, particularly in the second half of fiscal 1996. In the event that average selling prices were to continue to decline faster than the rate at which the Company is able to decrease costs of production, the Company may not be able to generate sufficient cash flows from operations to sustain operations.

As of August 29, 1996, the Company had contractual commitments extending through calendar year 1997 of approximately \$170 million for equipment purchases and approximately \$9 million for the construction of facilities. The Company believes continuing investments in manufacturing technology, facilities and capital equipment, research and development, and product and process technology are necessary to support future growth, achieve operating efficiencies, and enhance product quality. The Company anticipates that it will need to spend approximately \$500 million in fiscal 1997 to continue its capacity enhancement program. However, due to current market conditions the Company may not have sufficient internal sources of liquidity to continue its capacity enhancement program. As a result, in order to continue its capacity enhancement program as planned, the Company may need to secure additional financing from external sources. As of year end, the Company was evaluating a number of financing alternatives. There can be no assurance that external sources of liquidity will be available to fund the Company's ongoing operations or expansion, diversification and capital improvements in accordance with the Company's capacity enhancement program. The failure to obtain external sources of liquidity would hinder the Company's ability to make continued investments in its capacity enhancement program, which could materially adversely affect the Company's business and results of operations.

During the third quarter of 1996, the Company established a \$500 million revolving credit agreement expiring in May 1999. The credit facility was amended in the fourth quarter of 1996 to reduce the total potential borrowing to \$400 million and to modify the covenants to reflect changes in industry conditions. As of August 29, 1996, the Company had borrowings of \$90 million outstanding under the facility. The amended agreement contains certain restrictive covenants and conditions including a borrowing base tied to the Company's accounts receivable, an Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") covenant, and a maximum net loss covenant. The Company was not in compliance with the EBITDA covenant at the end of the third fiscal quarter, at which time the Company obtained a waiver. As of August 29, 1996 the Company was in compliance with all bank covenants and conditions. There can be no assurance that the Company will continue to be able to meet the terms of the covenants and conditions or be able to borrow the full amount of the credit facility.

The Company's majority-owned subsidiary, MEI, has an unsecured revolving credit facility with two financial institutions providing for borrowings of up to \$40 million. As of August 29, 1996, there were no borrowings outstanding under the agreement. Borrowings are limited based on the amount of

MEI's eligible receivables. As of August 29, 1996, MEI was eligible to borrow the entire \$40 million pursuant to the agreement.

CERTAIN FACTORS

In addition to the factors discussed elsewhere in this Annual Report on Form 10-K, the following are important factors which could cause actual results or events to differ materially from those contained in any forward-looking statement made by or on behalf of the Company.

VOLATILITY OF THE SEMICONDUCTOR MEMORY INDUSTRY; RECENT MARKET CONDITIONS

The semiconductor memory industry is characterized by rapid technological change, frequent product introductions and enhancements, difficult product transitions, relatively short product life cycles, rapid changes in market prices and volatile market conditions. Historically, the semiconductor industry has been highly cyclical, particularly in the market for DRAM products, which are the Company's primary semiconductor memory products. The selling prices for the Company's semiconductor memory products fluctuate significantly with changes in the balance of supply and demand for these commodity products. Market conditions through the end of fiscal 1996 indicated that growth in worldwide supply outpaced growth in demand. Many of the Company's competitors have recently added significant capacity for the production of semiconductor memory components. The amount of capacity placed into production and future yield improvements by the Company's competitors could dramatically increase worldwide supply of semiconductor memory and increase downward pressure on pricing.

Average sales prices for 4 Meg DRAM, the Company's primary product, declined approximately 78% from early December 1995 to late August 1996, while industry-wide average sales prices for 16 Meg DRAM products declined approximately 75% for the same period. There can be no assurance that the rate of decline of average sales prices will lessen or that market conditions will improve in the foreseeable future. These declines have had a material adverse effect on the Company's business and results of operations. Further declines in average sales prices for the Company's DRAM products could have a material adverse effect on the Company's business and results of operations.

DEPENDENCE ON PERSONAL COMPUTER INDUSTRY; CUSTOMER CONCENTRATION

DRAMs are the most widely used semiconductor memory component in most personal computer systems. Approximately 75% of the Company's sales of semiconductor memory products during the fourth quarter of fiscal 1996 were into the PC or peripheral markets. The Company believes that the rate of growth in overall worldwide sales of PC systems has declined and may remain below prior years' growth rates for the foreseeable future. In addition, the growth rate in the amount of semiconductor memory per PC system may decrease in the future as well. Should demand for PC systems decrease or the growth rate in the amount of memory per PC system decrease, growth in demand for semiconductor memory could also decrease, placing further downward pressure on selling prices for the Company's semiconductor memory products. The Company is unable to predict changes in industry supply, major customer inventory management strategies or end user demand, which are significant factors influencing pricing for the Company's semiconductor memory products.

Approximately 22% of the Company's net sales for fiscal 1996 were to the Company's top five customers. As a result of this concentration of the Company's customer base, loss or cancellation of business from any of these major PC system customers, significant changes in scheduled deliveries to any of these customers or decreases in the prices of products sold to any of these customers could have a material adverse effect on the Company's business and results of operations. Certain of MTI's key semiconductor memory customers compete directly with MEI in the sale of PC systems, and there

can be no assurance that in the future such customers will, as a result of this competition with MEI, continue to purchase the Company's semiconductor memory products. A loss of any of these customers could have a material adverse effect on the Company's business and results of operations.

FLUCTUATIONS IN OPERATING RESULTS

The Company's past operating results have been, and its future operating results may be, subject to annual and quarterly fluctuations as a result of a wide variety of factors, including, without limitation, the cyclical nature of the semiconductor memory industry, the introduction and announcement of new products and process technologies by the Company or its competitors, pricing pressures, the speed in which the Company reduces costs for any particular new product, fluctuations in manufacturing yields, changes in product mix, the cost and availability of raw materials and general worldwide economic conditions. During the three fiscal quarters ended August 29, 1996, DRAM market conditions were characterized by excess supply over demand, resulting in declining prices. Any additional price declines for memory products in the future, either due to increased supply or decreased demand, could have an adverse effect on the Company's business and results of operations.

The Company's operating results are also significantly impacted by the operating results of its consolidated subsidiaries, in particular MEI. As DRAM prices have fallen and as unit shipments of PC systems have increased, MTI's consolidated results of operations have been increasingly affected by MEI's results of operations. While sales of PC systems, less sales to MEI of MTI's semiconductor memory products included therein, constituted approximately 31% of MTI's total net sales for fiscal 1996, such sales in the fourth quarter of fiscal 1996 constituted approximately 50% of MTI's total net sales. MEI's past operating results have been, and its future operating results may be, subject to fluctuations, on a quarterly and an annual basis, as a result of a wide variety of factors, including, but not limited to, the timing of new product introductions by MEI and its competitors, fluctuating market pricing for computer and semiconductor memory products, industry competition, fluctuating component costs, inventory obsolescence, critical component availability, seasonal cycles common in the personal computer industry, seasonal government purchasing cycles, the effect of product reviews and industry awards, changes in product mix, manufacturing and production constraints and the timing of orders from and shipments to OEM customers.

MANUFACTURING RISKS AND VOLUME PRODUCTION

The manufacturing of the Company's semiconductor memory products is a complex process and involves a number of precise steps, including wafer fabrication, assembly in a variety of packages, burn-in and final test. Efficient production of the Company's semiconductor memory products requires utilization of advanced semiconductor manufacturing techniques. The Company is engaged in ongoing efforts to enhance its production processes to reduce the die size of existing products and increase capacity. The Company has completed the conversion of Fab III to process 8-inch wafers and is continuing the conversion of Fab I to process 8-inch wafers, with completion anticipated prior to the end of calendar year 1996. There can be no assurance that the Company will not experience an interruption of its manufacturing processes or experience decreases in manufacturing yield as a result of conversions of wafer process technology. Wafer fabrication occurs in a highly controlled, clean environment to minimize dust and other yield- and quality-limiting contaminants. Despite stringent manufacturing controls, equipment does not consistently perform flawlessly and minute impurities, defects in the photo masks, or other difficulties in the process may cause a substantial percentage of the wafers to be rejected or individual circuits to be nonfunctional. The success of the Company's manufacturing operation will be largely dependent on its ability to minimize such impurities and to maximize its yield of acceptable high-quality circuits. In addition, the Company's manufacturing yields could be adversely affected in the event of future power outages similar to the power outages that have affected the Pacific Northwest during calendar year 1996. There can be no assurance that the Company will not experience decreases in manufacturing yields as a result of any such manufacturing problems.

Completion of MTI's semiconductor manufacturing facility in Lehi, Utah is on indefinite hold as a result of the decline in average selling prices for semiconductor memory products. As of August 29, 1996, MTI had invested approximately \$600 million in the Lehi facility. The cost to complete the Lehi facility is estimated to approximate \$1.5 billion. There can be no assurance that MTI will be able to fund the completion of the Lehi manufacturing facility. The failure by MTI to complete the facility would likely result in MTI being required to write off all or a portion of the facility's cost, which, if required, could have a material adverse effect on the Company's business and results of operations. In addition, in the event that market conditions improve, there can be no assurance that MTI will successfully commence manufacturing at the Lehi facility in a manner that enables it to take advantage of the improved market conditions. Any such failure to respond to improved market conditions could have a material adverse effect on MTI's business and results of operations.

As a result of the significant investment in facilities and equipment associated with the production of DRAM products and the industry's history of declining average sales prices as products mature, the Company must produce and sell its DRAM products in significant volume and continue to reduce per megabit manufacturing costs in order to achieve profitability. There can be no assurance that revenues derived from sales of MTI's products will be sufficient to cover current fixed costs. In order to achieve profitability, the Company must continue to significantly increase its output of semiconductor memory.

LIQUIDITY AND FUTURE CAPITAL NEEDS

DRAM manufacturers generally have substantial ongoing capital requirements to maintain or increase manufacturing capacity. Historically, the Company has reinvested substantially all of its cash flow from operations in capacity expansion and improvement programs. The Company's cash flows from operations are significantly affected by average selling prices and variable cost per megabit for the Company's semiconductor memory products. For example, the Company estimates that each reduction in average selling price of \$0.25 per megabit reduced the Company's cash flows by approximately \$200 million in fiscal 1996. In the future, to the extent that the Company's level of production increases, similar price decreases may have an even more significant impact. In 1996, the rate of decline in average selling prices for semiconductor memory products surpassed the rate at which the Company was able to decrease costs per megabit, and as a result the Company's cash flows were significantly adversely affected, particularly in the second half of fiscal 1996. In the event that average selling prices were to continue to decline faster than the rate at which the Company is able to decrease costs of production, the Company may not be able to generate sufficient cash flows from operations to sustain operations. The Company anticipates that it will need to spend approximately \$500 million in fiscal 1997 to continue its capacity enhancement program. However, due to current market conditions the Company may not have sufficient internal sources of liquidity to continue its capacity enhancement program. As a result, in order to continue its capacity enhancement program as planned, the Company may need to secure additional financing from external sources. As of year end, the Company was evaluating a number of financing alternatives. There can be no assurance that external sources of liquidity will be available to fund the Company's ongoing operations or the Company's capacity enhancement program. In addition, cash generated from operations by MEI is not readily available or anticipated to be available to finance operations or other expenditures of MTI. The failure to obtain financing would hinder the Company's ability to make continued investments in its capacity enhancement program, which could materially adversely affect the Company's business and results of operations. The Company was not in compliance with one of its financial covenants under its revolving credit agreement at the end of the third fiscal quarter of 1996, at which time the Company obtained a waiver. As of August 29, 1996 the Company was in compliance with its covenants and conditions under the revolving credit agreement. There can be no assurance that the Company will continue to be able to meet the terms of the covenants and conditions or be able to borrow the full amount of the credit facility.

PRODUCT DEVELOPMENT

From time to time, the Company has experienced volatility in its manufacturing yields, as it has encountered difficulties in ramping shrink versions of existing devices or new generation devices to commercial volumes. The Company is continuing the transition of its primary semiconductor memory products from the relatively mature 4 Meg DRAM to the 16 Meg DRAM. The conversion to the 16 Meg DRAM is expected to occur in late calendar year 1996. The Company is developing various SDRAM products which are expected to be ready for volume production in fiscal 1998, as the Company expects a gradual transition by computer manufacturers to faster types of DRAM-based main memory, including but not limited to SDRAM, over the next several years. During periods of transition to new generation products, including the transition to the 16 Meg DRAM, the Company's gross margins have been adversely affected and there can be no assurance that they will not continue to be adversely affected as a result of the continuing transition to the 16 Meg DRAM or the transition to the SDRAM product. Rapid technological change and intense price competition place a premium on both new product and new process development efforts. The Company's continued ability to compete in the semiconductor memory market will depend in part on its ability to continue to develop technologically advanced products and processes, of which there can be no assurance. Research and development expenses vary primarily with the number of wafers and personnel dedicated to new product and process development. The Company's research and development efforts are currently focused principally on further development of shrink versions of the 16 Meg DRAM. Development efforts are also focused on 16 Meg and 64 Meg SDRAM and a move from .35 (mu) process technology to .25 (mu) and .18 (mu) process technology. Other research and development efforts are currently devoted to design of the 64 Meg, 256 Meg and 1 Gig DRAMs, and design and development of new technologies including remote intelligent communications products and Flash semiconductor memory products. There can be no assurance that the Company will be successful in shrinking the 16 Meg DRAM as fast as its competitors, or that the Company's competitors will not be able to develop and offer 64 Meg or 256 Meg DRAM products before the Company is able to bring comparable products to market. The Company's ability to reduce costs per megabit of its semiconductor memory products is largely dependent on its ability to design and develop new generation products and shrink versions of existing products and its ability to ramp such products at acceptable rates to acceptable yields, of which there can be no assurance. In the event that the Company is unable to decrease costs per megabit for semiconductor memory products at a rate equal to the rate of decline in selling prices for such products, the Company's business and results of operations will be adversely impacted.

COMPETITION

The Company's semiconductor memory operations experience intense competition from a number of substantially larger foreign and domestic companies, including Fujitsu, Ltd., Hitachi, Ltd., Hyundai Electronics, Co., Ltd., Mitsubishi Electronic Corp., Motorola, Inc., NEC Corp., Samsung Semiconductor, Inc., LG Semicon, Texas Instruments Incorporated and Toshiba Corporation. The Company has captured only a small percentage of the semiconductor memory market and may be at a disadvantage in competing against larger manufacturers with significantly greater capital resources or manufacturing capacities, larger engineer and employee bases, larger portfolios of intellectual property, and more diverse product lines that provide cash flows counter cyclical to fluctuations in semiconductor memory operations. The Company's larger competitors also have long-term advantages over MTI in research and new product development and in their ability to withstand periodic downturns in the semiconductor memory market. The Company believes that its competition has sufficient resources and manufacturing capacity to influence market pricing. Many of the Company's competitors have recently added new wafer fabrication facilities, significantly increasing worldwide capacity for the production of semiconductor memory products, resulting in downward price pressures on semiconductor memory products.

INTELLECTUAL PROPERTY MATTERS

The semiconductor industry has experienced a substantial amount of litigation regarding patent and other intellectual property rights. In the future, litigation may be necessary to enforce patents issued to the Company, to protect trade secrets or know-how owned by the Company, or to defend the Company against claimed infringement of the rights of others. The Company has from time to time received, and may in the future receive, communications alleging that the technology used by the Company in the manufacture of some or all of its products may infringe on product or process technology rights held by others. The Company has entered into a number of patent and intellectual property license agreements with third parties, some of which require one-time or periodic royalty payments. It may be necessary or advantageous in the future for the Company to obtain additional patent licenses or to renew existing license agreements, some of which expire at the end of calendar year 1996. The Company is unable to predict whether these license agreements can be obtained or renewed on terms acceptable to the Company. Failure to obtain or renew such licenses could result in litigation. Any determination that the Company's manufacturing processes or products have infringed on the product or process rights held by others could have a material adverse effect on the Company's business and results of operations. Further, adverse determinations could result in the Company's loss of proprietary rights, subject the Company to significant liabilities to third parties, require the Company to seek licenses from third parties or prevent the Company from manufacturing or selling its products, any of which could have a material adverse effect on the Company's business and results of operations.

The Company intends to continue to pursue patent, trade secret and mask work protection for its semiconductor process technologies and designs. To that end, the Company has obtained certain patents and patent licenses and intends to continue to seek patents on its inventions and manufacturing processes, as appropriate. The process of seeking patent protection can be long and expensive, and there is no assurance that patents will be issued from currently pending or future applications or that, if patents are issued, they will be of sufficient scope or strength to provide meaningful protection or any commercial advantage to the Company. In particular, there can be no assurance that any patents held by the Company will not be challenged, invalidated or circumvented. The Company also relies on trade secret protection for its technology, in part through confidentiality agreements with its employees, consultants and third parties. There can be no assurance that these agreements will not be breached, that the Company will have adequate remedies for any breach or that the Company's trade secrets will not otherwise become known to or independently developed by others. In addition, the laws of certain territories in which the Company's products are or may be developed, manufactured or sold may not protect the Company's products and intellectual property rights to the same extent as do the laws of the United States.

STATE TAXATION

Several states have enacted legislation which would require out of state direct marketers to collect and remit sales and use taxes based on certain limited contacts with the state. Taxation authorities in certain states have, from time to time, solicited information from the Company to determine whether the Company has sufficient contacts with such states to require payment of sales and use taxes on its PC systems sold to customers in those states. The Company could be required to pay sales and use taxes and income and franchise taxes related to the Company's operations in prior periods, which could have a material adverse effect on the Company's business and results of operations. In addition, the Company may be increasing its contacts and presence in various states as it pursues its business strategies. As a result of its contacts, the Company may be required to collect and remit sales and use taxes in the future, which could materially adversely affect the Company's business and results of operations.

DEPENDENCE ON LIMITED SOURCES OF SUPPLY

Raw materials utilized by the Company's semiconductor manufacturing operation generally must meet exacting product specifications. The Company generally uses multiple sources of supply, but there are only a limited number of suppliers capable of delivering certain raw materials that meet the Company's specifications. Additionally, the availability of raw materials may decline due to the overall increase in world-wide semiconductor manufacturing. Although shortages have occurred from time to time and lead times in the industry have been extended on occasion, to date the Company has not experienced any significant interruption in operations as a result of a difficulty in obtaining raw materials for its semiconductor manufacturing operations. Interruption of any one raw material source could have a material adverse effect on the Company's business and results of operations.

DEPENDENCE ON KEY PERSONNEL

The Company is dependent upon a limited number of key management and technical personnel. In addition, the Company's future success will depend in part upon its ability to attract and retain highly qualified personnel. The Company competes for such personnel with other companies, academic institutions, government entities and other organizations. In recent periods, the Company has experienced increased recruitment of its existing personnel by other employers. There can be no assurance that the Company will be successful in hiring or retaining qualified personnel. On September 30, 1996, MTI announced that Tyler A. Lowrey, previously the Chief Operations Officer and a director of MTI, had resigned as a director and will no longer serve as Chief Operations Officer. There can be no assurance that any of MTI's key personnel will remain employed by MTI. Any loss of key personnel or the inability to hire or retain qualified personnel could have a material adverse effect on the Company's business and results of operations.

ENVIRONMENTAL REGULATIONS

The Company is subject to a variety of federal, state and local governmental regulations related to the storage, use, discharge and disposal of toxic, volatile or otherwise hazardous chemicals used in its manufacturing process. Increasing public attention has been focused on the environmental impact of semiconductor manufacturing operations. There can be no assurance that changes in environmental regulations will not impose the need for additional capital equipment or other requirements. Any failure by the Company to control the use of, or adequately to restrict the discharge of, hazardous substances under present or future regulations could subject MTI to substantial liability or could cause its manufacturing operations to be suspended. Such liability or suspension of manufacturing operations could have a material adverse effect on the Company's business and results of operations.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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MICRON TECHNOLOGY, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
(AMOUNTS IN MILLIONS, EXCEPT FOR PER SHARE DATA)

	FISCAL YEAR ENDED		
	AUGUST 29, 1996	AUGUST 31, 1995	SEPTEMBER 1, 1994
Net sales.....	\$3,653.8	\$2,952.7	\$1,628.6
Costs and expenses:			
Cost of goods sold.....	2,198.4	1,328.7	789.4
Selling, general and ad- ministrative.....	289.4	187.2	130.7
Research and development..	191.9	128.8	83.4
Restructuring charge.....	29.6	--	--
	-----	-----	-----
Total costs and ex- penses.....	2,709.3	1,644.7	1,003.5
	-----	-----	-----
Operating income.....	944.5	1,308.0	625.1
Gain from merger transac- tion.....	--	29.0	--
Interest income, net.....	14.3	25.0	5.7
Minority interests.....	(8.3)	(11.5)	(5.0)
Income before income taxes..	950.5	1,350.5	625.8
Income tax provision.....	357.0	506.4	225.3
	-----	-----	-----
Net income.....	\$ 593.5	\$ 844.1	\$ 400.5
	=====	=====	=====
Earnings per share:			
Primary.....	\$ 2.76	\$ 3.95	\$ 1.92
Fully diluted.....	2.76	3.90	1.90
Number of shares used in per share calculation:			
Primary.....	215.0	213.9	208.9
Fully diluted.....	215.0	216.2	210.4

The accompanying notes are an integral part of the financial statements.

MICRON TECHNOLOGY, INC.

CONSOLIDATED BALANCE SHEETS
(DOLLARS IN MILLIONS, EXCEPT FOR PAR VALUE DATA)

	AS OF	
	AUGUST 29, 1996	AUGUST 31, 1995
	-----	-----
ASSETS		
Cash and equivalents.....	\$ 276.1	\$ 128.1
Liquid investments.....	10.7	427.7
Receivables.....	347.4	455.4
Inventories.....	251.4	204.8
Prepaid expenses.....	13.4	9.1
Deferred income taxes.....	65.0	49.0
	-----	-----
Total current assets.....	964.0	1,274.1
Product and process technology, net.....	43.2	41.6
Property, plant and equipment, net.....	2,708.1	1,385.6
Other assets.....	36.2	73.6
	-----	-----
Total assets.....	\$3,751.5	\$2,774.9
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable and accrued expenses.....	\$ 423.7	\$ 502.3
Short-term debt.....	90.0	--
Deferred income.....	7.8	16.4
Equipment purchase contracts.....	67.8	59.6
Current portion of long-term debt.....	75.2	26.5
	-----	-----
Total current liabilities.....	664.5	604.8
Long-term debt.....	314.6	129.4
Deferred income taxes.....	157.4	93.3
Non-current product and process technology.....	43.5	3.6
Other liabilities.....	15.7	9.4
	-----	-----
Total liabilities.....	1,195.7	840.5
	-----	-----
Minority interests.....	53.8	38.2
Commitments and contingencies		
Common stock, \$0.10 par value, authorized 1.0 billion shares, issued and outstanding 208.8 million and 206.4 million shares, respectively.....	20.9	20.6
Additional capital.....	434.7	391.5
Retained earnings.....	2,046.4	1,484.1
	-----	-----
Total shareholders' equity.....	2,502.0	1,896.2
	-----	-----
Total liabilities and shareholders' equity.....	\$3,751.5	\$2,774.9
	=====	=====

The accompanying notes are an integral part of the financial statements.

MICRON TECHNOLOGY, INC.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

(DOLLARS AND SHARES IN MILLIONS)

	FISCAL YEAR ENDED					
	AUGUST 29, 1996		AUGUST 31, 1995		SEPTEMBER 1, 1994	
	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMOUNT
COMMON STOCK						
Balance at beginning of year.....	206.4	\$ 20.6	101.9	\$ 10.2	40.1	\$ 4.0
Stock sold.....	0.4	0.1	0.2	0.0	0.1	0.0
Stock option plan.....	2.0	0.2	1.4	0.1	0.8	0.1
Stock split.....	--	--	102.9	10.3	60.9	6.1
Balance at end of year..	208.8	\$ 20.9	206.4	\$ 20.6	101.9	\$ 10.2
ADDITIONAL CAPITAL						
Balance at beginning of year.....		\$ 391.5		\$ 368.3		\$ 353.0
Stock sold.....		11.1		5.6		1.9
Stock option plan.....		11.5		14.3		8.9
Tax effect of stock purchase plans.....		20.6		13.6		10.6
Stock split.....		--		(10.3)		(6.1)
Balance at end of year..		\$ 434.7		\$ 391.5		\$ 368.3
RETAINED EARNINGS						
Balance at beginning of year.....		\$1,484.1		\$ 670.8		\$ 282.5
Net income.....		593.5		844.1		400.5
Dividends paid.....		(31.2)		(30.8)		(12.2)
Balance at end of year..		\$2,046.4		\$1,484.1		\$ 670.8

The accompanying notes are an integral part of the financial statements.

MICRON TECHNOLOGY, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(DOLLARS IN MILLIONS)

	FISCAL YEAR ENDED		
	AUGUST 29, 1996	AUGUST 31, 1995	SEPTEMBER 1, 1994
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income.....	\$ 593.5	\$ 844.1	\$ 400.5
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation.....	363.7	199.0	138.8
Decrease (increase) in receivables.....	107.5	(197.9)	(81.0)
Increase in inventories.....	(61.1)	(76.0)	(17.9)
Increase (decrease) in accounts payable and accrued expenses.....	(80.6)	249.4	45.2
Increase in non-current product and process liability.....	40.0	2.1	0.5
Restructuring charge.....	29.6	--	--
Gain from equipment sales.....	(20.7)	(7.4)	(3.3)
Increase in deferred income taxes.....	48.1	24.8	2.7
Gain from merger transaction.....	--	(29.0)	--
Other.....	40.5	29.7	72.0
Net cash provided by operating activities.....	1,060.5	1,038.8	557.5
CASH FLOWS FROM INVESTING ACTIVITIES			
Expenditures for property, plant and equipment.....	(1,425.9)	(730.0)	(251.0)
Purchase of available-for-sale and held-to-maturity securities.....	(194.6)	(719.6)	(403.6)
Proceeds from sales and maturities of securities.....	613.8	651.8	185.3
Proceeds from sale of equipment.....	33.8	13.7	8.7
Other.....	(7.5)	13.5	(19.2)
Net cash used for investing activities....	(980.4)	(770.6)	(479.8)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of long-term debt..	264.7	62.4	119.2
Net proceeds from borrowings on lines of credit.....	90.0	--	--
Payments on equipment purchase contracts..	(226.1)	(202.5)	(119.3)
Repayments of long-term debt.....	(54.9)	(63.4)	(46.2)
Proceeds from issuance of common stock....	25.1	18.4	12.1
Payment of dividends.....	(31.2)	(30.8)	(12.2)
Other.....	0.3	(2.6)	(0.4)
Net cash provided by (used for) financing activities.....	67.9	(218.5)	(46.8)
Net increase in cash and equivalents.....	148.0	49.7	30.9
Cash and equivalents at beginning of year.....	128.1	78.4	47.5
Cash and equivalents at end of year.....	\$ 276.1	\$ 128.1	\$ 78.4
Supplemental disclosures			
Income taxes paid, net.....	\$ (403.4)	\$ (438.6)	\$ (197.4)
Interest paid, net of amounts capitalized.....	(12.3)	(9.5)	(6.6)
Noncash investing and financing activities:			
Equipment acquisitions on contracts payable and capital leases.....	273.0	230.8	125.6
Assets acquired, net of cash and liabilities assumed in merger transaction.....	--	26.0	--

The accompanying notes are an integral part of the financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(ALL TABULAR DOLLAR AND SHARE AMOUNTS ARE STATED IN MILLIONS)

SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION: The consolidated financial statements include the accounts of Micron Technology, Inc. and its domestic and foreign subsidiaries (the "Company"). The Company designs, develops, manufactures, and markets semiconductor memory products, primarily DRAM, for use in personal computers ("PCs"). Through its majority-owned subsidiary, Micron Electronics, Inc. ("MEI"), the Company also designs, develops, markets, manufactures and supports Micron brand PC systems and operates a contract manufacturing and component recovery business. All significant intercompany accounts and transactions have been eliminated. The Company's fiscal year ends on the Thursday closest to August 31.

CERTAIN CONCENTRATIONS AND ESTIMATES: Approximately 80% of the Company's sales of semiconductor memory products are to the PC or peripheral markets. Certain components used by the Company in manufacturing of PC systems are purchased from a limited number of suppliers.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

REVENUE RECOGNITION: Revenue from product sales to direct customers is recognized when title transfers to the customer, primarily upon shipment. The Company defers recognition of sales to distributors, which allow certain rights of return and price protection, until distributors have sold the products. Net sales include construction management fees earned, and revenues under cross-license agreements with third parties and under government research contracts.

EARNINGS PER SHARE: Earnings per share are computed using the weighted average number of common and common equivalent shares outstanding. Common equivalent shares result from the assumed exercise of outstanding stock options and affect earnings per share when they have a dilutive effect.

FINANCIAL INSTRUMENTS: Cash equivalents include highly liquid short-term investments with original maturities of three months or less, readily convertible to known amounts of cash. The amounts reported as cash and equivalents, liquid investments, receivables, other assets, accounts payable and accrued expenses, equipment purchase contracts and long-term debt are considered to be reasonable approximations of their fair values. The fair value estimates presented herein were based on market information available to management as of August 29, 1996. The use of different market assumptions and/or estimation methodologies could have a material effect on the estimated fair value amounts. The reported fair values do not take into consideration potential expenses that would be incurred in an actual settlement.

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash, liquid investments and trade accounts receivable. The Company invests cash through high-credit-quality financial institutions and performs periodic evaluations of the relative credit standing of these financial institutions. The Company, by policy, limits the concentration of credit exposure by restricting investments with any single obligor, instrument or geographic area. A concentration of credit risk may exist with respect to trade receivables, as a substantial portion of the Company's customers are affiliated with the computer, telecommunications and office automation industries. The Company performs ongoing credit evaluations of customers worldwide and generally does not require collateral from its customers. Historically, the Company has not experienced significant losses related to receivables for individual customers or groups of customers in any particular industry or geographic area.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-- (CONTINUED)

INVENTORIES: Inventories are stated at the lower of average cost or market. Cost includes labor, material and overhead costs, including product and process technology costs.

PROPERTY, PLANT AND EQUIPMENT: Property, plant and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of 5 to 30 years for buildings and 2 to 5 years for equipment.

PRODUCT AND PROCESS TECHNOLOGY: Costs related to the conceptual formulation and design of products and processes are expensed as research and development. Costs incurred to establish patents and acquire product and process technology are capitalized. Capitalized costs are amortized on the straight-line method over the shorter of the estimated useful life of the technology, the patent term or the agreement, ranging up to 10 years. The Company has royalty-bearing license agreements that allow it to manufacture and sell semiconductor memory devices, hardware and software. Royalty costs are accrued and included in cost of goods sold when the sale is recognized.

ADVERTISING: Advertising costs are charged to operations as incurred.

RECENTLY ISSUED ACCOUNTING STANDARDS: In March 1995, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of." The Company has not elected early adoption of SFAS 121. The Company will adopt the provisions of SFAS 121 in fiscal 1997. Adoption of SFAS 121 is not expected to have a material effect on the Company's financial position, results of operations or cash flows.

In October 1995, the FASB issued SFAS 123, "Accounting for Stock-Based Compensation." The Company has not elected early adoption of SFAS 123. The Company intends to adopt SFAS 123 in fiscal 1997. As permitted under SFAS 123, the Company will continue to measure compensation expense for its stock-based employee compensation plans using the intrinsic value method prescribed by Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," and will provide pro forma disclosures of net income and earnings per share as if a fair value-based method had been applied in measuring compensation expense. As a result, adoption of SFAS 123 is not expected to have a material effect on the Company's financial position, results of operations or cash flows.

FOREIGN CURRENCY: The U.S. dollar is the Company's functional currency for financial reporting.

RESTATEMENTS AND RECLASSIFICATIONS: On March 27, 1995, the Company's Board of Directors announced a 2 for 1 stock split effected in the form of a stock dividend to shareholders of record as of May 4, 1995. On March 1, 1994, the Company's Board of Directors announced a 5 for 2 stock split effected in the form of a stock dividend to shareholders of record as of April 1, 1994. The Company distributed cash in lieu of fractional shares resulting from the stock split. The Company's par value of \$0.10 per share remained unchanged. Historical share and per share amounts have been restated to reflect retroactively the stock splits.

On December 31, 1995, the company reclassified a portion of its held-to-maturity liquid investment securities to available-for-sale concurrent with the Company's adoption of the FASB's special report on implementing Statement 115, "Accounting for Certain Investments in Debt and Equity Securities."

MICRON TECHNOLOGY, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-- (CONTINUED)

Certain other reclassifications have been made, none of which affected results of operations, to present the financial statements on a consistent basis.

LIQUID INVESTMENTS

	8/29/96	8/31/95
	-----	-----
Available-for-sale securities:		
U.S. Government agency.....	\$ 1.8	\$ 28.6
State and local governments.....	2.3	7.6
Corporate notes.....	--	4.0
Commercial paper.....	3.9	--
	-----	-----
	8.0	40.2
Held-to-maturity securities:		
State and local governments.....	24.7	196.2
Commercial paper.....	80.3	118.3
U.S. Government agency.....	12.8	88.8
Bankers' acceptances.....	30.9	44.5
Corporate notes.....	--	16.5
Other.....	2.7	4.1
	-----	-----
	151.4	468.4
Total investments.....	159.4	508.6
Less cash equivalents.....	(148.7)	(80.9)
	-----	-----
	\$ 10.7	\$427.7
	=====	=====

Securities classified as available-for-sale are stated at fair value which approximates cost. Securities classified as held-to-maturity are stated at amortized cost. Securities classified as available-for-sale mature within one year, and securities classified as held-to-maturity have maturities within 90 days.

RECEIVABLES

	8/29/96	8/31/95
	-----	-----
Trade receivables.....	\$288.2	\$457.4
Income taxes receivable.....	69.1	--
Other.....	17.6	14.6
Allowance for returns and discounts.....	(18.5)	(9.2)
Allowance for doubtful accounts.....	(9.0)	(7.4)
	-----	-----
	\$347.4	\$455.4
	=====	=====

INVENTORIES

	8/29/96	8/31/95
	-----	-----
Finished goods.....	\$ 54.3	\$ 17.8
Work in progress.....	112.8	99.1
Raw materials and supplies.....	84.3	87.9
	-----	-----
	\$251.4	\$204.8
	=====	=====

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

PRODUCT AND PROCESS TECHNOLOGY

Amortization of capitalized product and process technology costs was \$13.6 million in 1996; \$10.3 million in 1995; and \$40.9 million in 1994. Accumulated amortization was \$124.3 million and \$110.7 million as of August 29, 1996, and August 31, 1995, respectively.

PROPERTY, PLANT AND EQUIPMENT

	8/29/96	8/31/95
	-----	-----
Land.....	\$ 37.3	\$ 34.4
Buildings.....	674.4	392.0
Equipment.....	2,073.4	1,338.4
Construction in progress.....	753.9	259.2
	-----	-----
	3,539.0	2,024.0
Less accumulated depreciation and amortization.....	(830.9)	(638.4)
	-----	-----
	\$2,708.1	\$1,385.6
	=====	=====

As of August 29, 1996, property, plant and equipment included costs of \$616.9 million of the Company's semiconductor memory manufacturing facility in Lehi, Utah, of which \$577.8 million remained in construction in progress, and \$13.4 million for the expansion of the Company's corporate administration building in Boise, Idaho. The completion of both projects is on indefinite hold.

ACCOUNTS PAYABLE AND ACCRUED EXPENSES

	8/29/96	8/31/95
	-----	-----
Accounts payable.....	\$232.4	\$193.2
Salaries, wages and benefits.....	67.3	103.2
Product and process technology payable.....	39.7	91.5
Income taxes payable.....	22.7	72.7
Other.....	61.6	41.7
	-----	-----
	\$423.7	\$502.3
	=====	=====

SHORT-TERM DEBT

The Company has a revolving credit facility that provides for borrowings up to \$400 million and expires in May 1999. As of August 29, 1996 the Company had borrowings of \$90 million outstanding under the facility. The interest rate on borrowed funds is based on various pricing options and was 6.19% as of August 29, 1996. The agreement contains certain restrictive covenants and conditions including a borrowing base tied to the Company's accounts receivable, an Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) covenant, and a maximum net loss covenant.

The Company's majority-owned subsidiary, Micron Electronics, Inc. (MEI), has an unsecured credit facility with financial institutions providing for borrowings of up to \$40 million based on the amount of MEI's eligible receivables. As of August 29, 1996, MEI was eligible to borrow \$40 million pursuant to the agreement but had no borrowings outstanding.

MICRON TECHNOLOGY, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

LONG-TERM DEBT

	8/29/96	8/31/95
	-----	-----
Notes payable in periodic installments through July 2015, weighted average interest rate 7.28% and 6.82%, respectively..	\$322.0	\$ 89.3
Capitalized lease obligations payable in monthly installments through August 2002, weighted average interest rate of 7.72% and 8.94%, respectively.....	42.8	8.8
Noninterest bearing obligations, \$3 million due October 1997 and \$20.5 million due December 1997, weighted average imputed interest rate of 7.17%.....	21.6	20.0
Noninterest bearing obligation, \$19.8 million retired in May 1996 by an offset against accounts receivable, imputed interest rate of 6.50%.....	--	17.8
Notes payable, due at maturity, ranging from December 1997 to June 1998, weighted average interest rate of 5.30% and 5.50%, respectively.....	3.0	15.0
Noninterest bearing obligation, \$0.5 million due in December 1998, \$4.5 million retired in July 1996 by cash payment and an offset against accounts receivable, imputed interest rate of 6.25% and stated interest rate of 5.44%, respectively.....	0.4	5.0
	-----	-----
	389.8	155.9
Less current portion.....	(75.2)	(26.5)
	-----	-----
	\$314.6	\$129.4
	=====	=====

Certain notes payable are collateralized by plant and equipment with a total cost of approximately \$351.5 million and accumulated depreciation of approximately \$89.1 million as of August 29, 1996. Equipment under capital leases, and the accumulated depreciation thereon, were approximately \$53.3 million and \$14.3 million, respectively, as of August 29, 1996, and \$16.7 million and \$10.7 million, respectively, as of August 31, 1995. Maturities of long-term debt are as follows:

FISCAL YEAR	NONINTEREST		
	NOTES PAYABLE	BEARING OBLIGATIONS	CAPITAL LEASES
-----	-----	-----	-----
1997.....	\$ 66.3	\$ 0.3	\$ 11.1
1998.....	91.3	23.6	8.4
1999.....	62.0	--	7.4
2000.....	60.4	--	7.4
2001.....	44.6	--	15.3
2002 and thereafter.....	0.4	--	3.4
Less discount and interest.....	--	(1.9)	(10.2)
	-----	-----	-----
	\$325.0	\$22.0	\$ 42.8
	=====	=====	=====

Interest income in 1996, 1995, and 1994 is net of interest expense of \$8.6 million, \$7.3 million, and \$5.8 million, respectively. Construction period interest of \$7.5 million, \$4.9 million and \$2.6 million was capitalized in 1996, 1995 and 1994, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

STOCK PURCHASE PLANS

The Company's 1985 and 1994 Stock Option Plans ("Stock Plans") provide for the granting of incentive or nonstatutory stock options. As of August 29, 1996, there was an aggregate of 19.6 million shares of the Company's common stock available for issuance, of which 14.5 million shares have been granted, under the Stock Plans. Options are subject to terms and conditions determined by the Board of Directors, and generally are exercisable in increments of 20% during each year of employment beginning one year from date of grant and expiring six years from date of grant.

Option activity under the Stock Plans is summarized as follows:

	FISCAL YEAR ENDED		
	8/29/96	8/31/95	9/1/94
Outstanding at beginning of year.....	13.7	11.6	9.7
Granted.....	3.3	5.0	5.0
Terminated or cancelled.....	(0.5)	(0.5)	--
Exercised.....	(2.0)	(2.4)	(3.1)
Outstanding at end of year.....	14.5	13.7	11.6
Exercisable at end of year.....	2.9	1.4	.8
Shares available for future grants.....	5.1	3.3	5.8

Options outstanding under the Stock Plans as of August 29, 1996, were at per share prices ranging from \$1.72 to \$80.25. Options exercised were at per share prices ranging from \$1.53 to \$28.87 in 1996, \$1.30 to \$21.33 in 1995 and \$1.30 to \$4.71 in 1994.

On September 30, 1996, the Board of Directors approved an option exchange program pursuant to which employees with options having an exercise price in excess of \$30.00 per share under the Stock Plans may elect to exchange such options for non statutory stock options having 1) an exercise price equal to the average closing price of the Company's common stock for the five business days preceding October 18, 1996, and 2) generally the same terms and conditions, including vesting and expiration terms, as the options surrendered. Options to purchase 2.8 million shares of the Company's common stock under the 1985 Stock Option Plan are eligible for exchange for options issued under the Nonstatutory Stock Option Plan adopted by the Board of Directors on September 30, 1996. Options to purchase 907,000 shares of the Company's common stock are eligible for exchange under the 1994 Stock Option Plan.

The Company's 1989 Employee Stock Purchase Plan and MEI's 1995 Employee Stock Purchase Plan allow eligible employees to purchase shares of the Company's common stock and MEI's common stock through payroll deductions. The shares can be purchased for 85% of the lower of the beginning or ending fair market value of each offering period and are restricted from resale for a period of one year from the date of purchase. Purchases are limited to 20% of an employees eligible compensation. A total of 6.8 million shares of Company common stock are reserved for issuance under the purchase plan, of which 5.8 million shares have been issued as of August 29, 1996. A total of 2.5 million shares of MEI common stock are reserved for issuance under MEI's plan, of which approximately 136,000 shares had been issued as of August 29, 1996.

On April 7, 1995, the Company's subsidiaries Micron Computer, Inc. and Micron Custom Manufacturing Services, Inc. were merged with and into ZEOS International, Ltd. ("ZEOS"), a personal computer manufacturer. The newly merged company was renamed Micron Electronics, Inc. ("MEI"), and is a majority-owned subsidiary of MTI.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-- (CONTINUED)

MEI's 1995 Stock Option Plan provides for the granting of incentive and nonstatutory stock options. As of August 29, 1996, there were 5 million shares of MEI's common stock reserved for issuance under the plan. Options are granted subject to terms and conditions determined by the MEI Board of Directors, and generally are exercisable in increments of 20% for each year of employment beginning one year from date of grant and expiring six years from date of grant. As of August 29, 1996, there were options outstanding to purchase approximately 1.9 million shares of MEI common stock at prices ranging from \$8.89 to \$23.83 of which options to purchase approximately 121,000 shares of common stock were exercisable.

Granting of options under ZEOS' stock option plans was suspended after the merger. During 1996 and subsequent to the merger in 1995, options to purchase approximately 993,000 and 84,000 of MEI's common stock shares, respectively, were exercised at per share prices ranging from \$0.33 to \$17.00 and \$2.63 to \$8.50, respectively. As of August 29, 1996, options to purchase approximately 49,000 shares of MEI common stock were outstanding under this plan, all of which were exercisable at per share prices ranging from \$2.63 to \$10.75.

In December 1994, ZEOS awarded shares of its common stock to certain employees subject to their continued employment as of January 1, 1996. Compensation expense was recognized over the vesting period based upon the fair market value of the stock at the date of award. To satisfy this award, the Company issued approximately 151,000 shares of the Company's common stock in January 1996.

EMPLOYEE SAVINGS PLAN

The Company has 401(k) profit-sharing plans ("RAM Plans") in which substantially all employees are participants. Employees may contribute from 2% to 16% of their eligible pay to various savings alternatives in the RAM Plans. The Company's contribution provides for an annual match of the first \$1,500 of eligible employee contributions, in addition to contributions based on the Company's financial performance. The Company's RAM Plans expenses were \$14.2 million in 1996, \$15.9 million in 1995 and \$8.2 million in 1994.

COMMITMENTS

As of August 29, 1996, the Company had commitments of \$169.6 million for equipment purchases and \$9.4 million for the construction of buildings.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-- (CONTINUED)

INCOME TAXES

The provision for income taxes consists of the following:

	8/29/96	8/31/95	9/1/94
	-----	-----	-----
Current:			
U.S. federal.....	\$274.5	\$409.3	\$192.4
State.....	25.1	64.6	25.2
Foreign.....	9.3	7.0	5.0
	-----	-----	-----
	308.9	480.9	222.6
Deferred:			
U.S. federal.....	45.5	21.6	2.3
State.....	2.6	3.9	0.4
	-----	-----	-----
	48.1	25.5	2.7
Income tax provision.....	\$357.0	\$506.4	\$225.3
	=====	=====	=====

The tax benefit associated with the exercise of nonstatutory stock options and disqualifying dispositions by employees of shares issued in the Company's stock purchase plans reduced taxes payable by \$20.6 million, \$13.6 million and \$10.6 million for 1996, 1995 and 1994, respectively. Such benefits are reflected as additional capital.

A reconciliation between income tax computed using the federal statutory rate and the income tax provision follows:

	8/29/96	8/31/95	9/1/94
	-----	-----	-----
U.S. federal income tax at statutory rate.....	\$332.7	\$472.7	\$219.0
State taxes, net of federal benefit.....	17.5	47.4	16.7
Other.....	6.8	(13.7)	(10.4)
	-----	-----	-----
Income tax provision.....	\$357.0	\$506.4	\$225.3
	=====	=====	=====

State taxes reflect utilization of investment tax credits of \$31.2 million, \$19.1 million and \$20.1 million for 1996, 1995 and 1994, respectively.

MICRON TECHNOLOGY, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-- (CONTINUED)

Deferred income taxes reflect the net tax effects of temporary differences between the basis of assets and liabilities for financial reporting and income tax purposes. Deferred income tax assets totaled \$127.0 million and \$85.7 million and liabilities totaled \$219.4 million and \$130.0 million at August 29, 1996 and August 31, 1995, respectively. The approximate tax effects of temporary differences which give rise to the net deferred tax liability are as follows:

	8/29/96	8/31/95
	-----	-----
Current deferred tax asset:		
Accrued product and process technology.....	\$ 13.7	\$ 10.4
Inventory.....	13.3	9.7
Accrued compensation.....	7.0	6.0
Deferred income.....	3.4	3.4
Net operating loss acquired in merger.....	2.6	2.8
Other.....	25.0	16.7
	-----	-----
Net deferred tax asset.....	65.0	49.0
	-----	-----
Noncurrent deferred tax asset (liability):		
Excess tax over book depreciation.....	(131.5)	(83.5)
Accrued product and process technology.....	21.3	15.3
Investment in subsidiary.....	(16.4)	(11.5)
Other.....	(30.8)	(13.6)
	-----	-----
Net deferred tax liability.....	(157.4)	(93.3)
	-----	-----
Total net deferred tax liability.....	\$ (92.4)	\$ (44.3)
	=====	=====

The Company has not recognized a deferred tax liability for the difference between the book basis and tax basis of the common stock of its domestic subsidiaries (such difference relates primarily to unremitted earnings) to the extent the Company expects these basis differences to not be subject to tax at the parent level.

EXPORT SALES AND MAJOR CUSTOMERS

Export sales were \$938.4 million for 1996, including \$375.9 million to Europe and \$320.9 million to Asia Pacific. Export sales were \$753.7 million and \$471.0 million in 1995 and 1994, respectively. Sales to one personal computer manufacturing customer approximated 11% of total net sales in 1994. No other customer individually accounted for 10% or more of the Company's total net sales.

CONTINGENCIES

Periodically, the Company is made aware that technology used by the Company in the manufacture of some or all of its products may infringe on product or process technology rights held by others. The Company has accrued a liability and charged operations for the estimated costs of settlement or adjudication of asserted and unasserted claims for alleged infringement prior to the balance sheet date. Determination that the Company's manufacture of products has infringed on valid rights held by others could have a material adverse effect on the Company's financial position, results of operations or cash flows and could require changes in production processes and products.

The Company is currently a party to various other legal actions arising out of the normal course of business, none of which are expected to have a material effect on the Company's financial position or results of operations.

MICRON TECHNOLOGY, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

QUARTERLY FINANCIAL AND MARKET INFORMATION (UNAUDITED)
(Dollars in millions, except for per share data)

	1ST	2ND	3RD	4TH
	-----	-----	-----	-----
1996 QUARTER				
Net sales.....	\$1,185.8	\$996.5	\$771.0	\$ 700.5
Costs and expenses:				
Cost of goods sold.....	538.1	552.1	558.0	550.2
Selling, general and administrative.....	72.7	72.4	65.1	79.2
Research and development.....	46.6	48.0	51.2	46.1
Restructuring charge.....	--	29.9	--	(0.3)
Total costs and expenses.....	657.4	702.4	674.3	675.2
Operating income.....	528.4	294.1	96.7	25.3
Interest income (expense), net.....	8.4	4.4	2.1	(.6)
Minority interests.....	(3.7)	2.0	(2.0)	(4.6)
Income before income taxes.....	533.1	300.5	96.8	20.1
Income tax provision.....	204.6	112.3	38.6	1.5
Net income.....	\$ 328.5	\$188.2	\$ 58.2	\$ 18.6
Fully diluted earnings per share.....	\$ 1.51	\$ 0.87	\$ 0.27	\$ 0.09
Quarterly stock price:				
High.....	\$ 94.38	\$54.75	\$38.38	\$ 32.13
Low.....	47.75	30.88	28.50	17.25
Dividends declared per share.....	0.05	0.05	0.05	--
1995 QUARTER				
Net sales.....	\$ 535.0	\$628.5	\$761.2	\$1,028.0
Costs and expenses:				
Cost of goods sold.....	224.5	267.5	357.2	479.5
Selling, general, and administrative.....	36.6	36.3	50.9	63.4
Research and development.....	27.0	28.9	33.6	39.3
Total costs and expenses.....	288.1	332.7	441.7	582.2
Operating income.....	246.9	295.8	319.5	445.8
Gain from merger transaction.....	--	--	29.0	--
Interest income, net.....	3.6	6.5	7.4	7.5
Minority interests.....	(1.6)	(2.7)	(3.5)	(3.7)
Income before income taxes.....	248.9	299.6	352.4	449.6
Income tax provision.....	89.6	116.1	132.2	168.5
Net income.....	\$ 159.3	\$183.5	\$220.2	\$ 281.1
Fully diluted earnings per share.....	\$.75	\$.86	\$ 1.02	\$ 1.29
Quarterly stock price:				
High.....	\$ 21.63	\$33.13	\$50.75	\$ 78.00
Low.....	15.25	19.94	32.56	44.75
Dividends declared per share.....	0.025	0.025	0.050	0.050

As of August 29, 1996, the Company had 12,379 shareholders of record.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(CONTINUED)

Results of operations in the fourth quarter of 1996 benefited from 1) a decrease in the estimated effective income tax rate for fiscal 1996, resulting in a reduction of income tax expense of approximately \$6.1 million, 2) a pretax reduction of cost of goods sold of \$54.9 million for the release of previously established accruals upon resolution of product and process rights contingencies, and 3) a \$6.6 million pretax gain from disposal of equipment which is included in selling, general and administrative expense. Fourth quarter selling, general and administrative expenses include a \$9 million pretax charge for estimated selling costs on computer systems.

Selling, general and administrative expenses in the third quarter of 1996 reflect a \$12.0 million pretax gain from disposal of equipment.

REPORT OF INDEPENDENT ACCOUNTANTS

The Shareholders and Board of Directors
Micron Technology, Inc.

We have audited the consolidated financial statements of Micron Technology, Inc., listed in the index on page 27 of this Form 10-K. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Micron Technology, Inc., as of August 29, 1996, and August 31, 1995, and the consolidated results of their operations and their cash flows for each of the three years in the period ended August 29, 1996, in conformity with generally accepted accounting principles.

/s/ Coopers & Lybrand L.L.P.

Boise, Idaho
September 19, 1996,
except as to the Stock
Purchase Plans Note to
Consolidated Financial
Statements, the date of
which is September 30, 1996

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

ITEM 11. EXECUTIVE COMPENSATION

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Certain information concerning the registrant's executive officers is included under the caption "Officers and Directors of the Registrant" following Part I, Item 1 of this report. Other information required by Items 10, 11, 12 and 13 will be contained in the registrant's Proxy Statement which will be filed with the Securities and Exchange Commission within 120 days after August 29, 1996, and is incorporated herein by reference.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a) The following documents are filed as part of this report:

Consolidated financial statements and financial statement schedules--see "Item 8. Financial Statements and Supplementary Data--Notes to Consolidated Financial Statements--Contingencies."

EXHIBIT DESCRIPTION

- 3.1 Certificate of Incorporation of the Registrant, as amended. (6)
- 3.7 Bylaws of the Registrant, as amended.
- 10.82 Form of Indemnification Agreement between the Registrant and its officers and directors. (1)
- 10.91 Board Resolution regarding stock and bonus plan vesting schedules in the event of change in control of the Registrant. (2)
- 10.92 Additional provisions related to Management Bonus Arrangements for Certain Executive Officers. (2)
- 10.100 Amended and Restated 1985 Incentive Stock Option Plan. (3)
- 10.103 Real Estate Agreement and Addendum dated May 29, 1991, between the Registrant and Thomas T. Nicholson, Allen T. Noble, Don J. Simplot, J. R. Simplot, Ronald C. Yanke, Semienterprises, a partnership and Macron, a partnership. (4)
- 10.105 Form of Management bonus arrangements for Executive Officers of Micron Technology, Inc., and Micron Semiconductor, Inc., for 1993. (4)
- 10.109 Form of Management bonus arrangements for Executive Officers of Micron Technology, Inc., and Micron Semiconductor, Inc., for 1994. (5)
- 10.110 1994 Stock Option Plan. (6)
- 10.111 Executive Bonus Plan. (6)
- 10.112 Forms of Severance Agreement. (8)
- 10.113 Revolving Credit Agreement dated February 12, 1996, among the Registrant and several financial institutions. (8)
- 10.114 Revolving Credit Agreement dated as of May 14, 1996, among the Registrant and several financial institutions. (9)
- 10.115 First Amendment to Revolving Credit Agreement, dated as of August 20, 1996, among the Registrant and several financial institutions.
- 10.116 Registration Rights Agreement dated as of June 28, 1996, between the Registrant and Canadian Imperial Bank of Commerce.
- 10.117 Registration Rights Agreement dated as of July 29, 1996, between the Registrant and Canadian Imperial Bank of Commerce.
- 10.118 Irrevocable Proxy dated June 28, 1996, by Canadian Imperial Bank of Commerce in favor of Micron Technology, Inc.
- 10.119 Irrevocable Proxy dated July 29, 1996, by J. R. Simplot Company in favor of Micron Technology, Inc.
- 11.1 Computation of Per Share Earnings.

EXHIBIT DESCRIPTION

- 21.1 Subsidiaries of the Registrant.
- 23.1 Consent of Independent Accountants.
- 27.1 Financial Data Schedule.

- -----

- (1) Incorporated by Reference to Proxy Statement for the 1986 Annual Meeting of Shareholders.
- (2) Incorporated by Reference to Annual Report on Form 10-K for the fiscal year ended August 31, 1989.
- (3) Incorporated by Reference to Registration Statements on Forms S-8 (Reg. Nos. 33-38665, 33-38926, and 33-52653).
- (4) Incorporated by Reference to Annual Report on Form 10-K for the fiscal year ended September 3, 1992.
- (5) Incorporated by Reference to Annual Report on Form 10-K for the fiscal year ended September 2, 1993.
- (6) Incorporated by Reference to Annual Report on Form 10-K for the fiscal year ended August 31, 1995.
- (7) Incorporated by Reference to Registration Statement on Form S-8 (No. 333-07283).
- (8) Incorporated by Reference to Quarterly Report on Form 10-Q for the fiscal quarter ended February 29, 1996.
- (9) Incorporated by Reference to Quarterly Report on Form 10-Q/A for the fiscal quarter ended May 30, 1996.

Exhibit numbers from Registration Statement on Form S-1 (Reg. No. 2-93343) retained, where applicable.

(b) Reports on Form 8-K:

The registrant did not file any Reports on Form 8-K during the quarter ended August 29, 1996.

SIGNATURES

PURSUANT TO THE REQUIREMENTS OF SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934, THE REGISTRANT HAS DULY CAUSED THIS REPORT TO BE SIGNED ON ITS BEHALF BY THE UNDERSIGNED, THEREUNTO DULY AUTHORIZED, IN THE CITY OF BOISE, STATE OF IDAHO, ON THE 4TH DAY OF OCTOBER, 1996.

Micron Technology, Inc.

/s/ Wilbur G. Stover, Jr.

By: _____
 WILBUR G. STOVER, JR., VICE
 PRESIDENT, FINANCE, CHIEF
 FINANCIAL OFFICER
 (PRINCIPAL FINANCIAL AND
 ACCOUNTING OFFICER)

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES EXCHANGE ACT OF 1934, THIS ANNUAL REPORT HAS BEEN SIGNED BELOW BY THE FOLLOWING PERSONS ON BEHALF OF THE REGISTRANT AND IN THE CAPACITIES AND ON THE DATES INDICATED.

SIGNATURE	TITLE	DATE
/s/ Steven R. Appleton ----- (STEVEN R. APPLETON)	Chairman of the Board, Chief Executive Officer and President	October 4, 1996
/s/ Jerry M. Hess ----- (JERRY M. HESS)	Director	October 4, 1996
/s/ Robert A. Lothrop ----- (ROBERT A. LOTHROP)	Director	October 4, 1996
/s/ Thomas T. Nicholson ----- (THOMAS T. NICHOLSON)	Director	October 4, 1996
/s/ Don J. Simplot ----- (DON J. SIMPLOT)	Director	October 4, 1996
/s/ John R. Simplot ----- (JOHN R. SIMPLOT)	Director	October 4, 1996
/s/ Gordon C. Smith ----- (GORDON C. SMITH)	Director	October 4, 1996

BYLAWS
OF
MICRON TECHNOLOGY, INC.

ARTICLE I

OFFICES

SECTION 1. The registered office shall be 100 West Tenth Street, in the City of Wilmington, County of New Castle, State of Delaware.

SECTION 2. The corporation may also have offices at such other places both within and without the State of Delaware as the Board of Directors may from time to time determine or the business of the corporation may require.

ARTICLE II

MEETINGS OF STOCKHOLDERS

SECTION 1. All meetings of the stockholders shall be held at the principal office of the corporation in the City of Boise, State of Idaho, or at such other place either within or without the State of Delaware as shall be designated in the notice of the meeting or in a duly executed waiver of notice thereof.

SECTION 2. Annual meetings of stockholders shall be held on such day and such hour as shall be designated from time to time by the Board of Directors and stated in the notice of the meeting. At such meeting, the stockholders shall elect a Board of Directors and transact such other business as may properly be brought before the meeting.

SECTION 3. Written notice of the annual meeting stating the place, date and hour of the meeting shall be given to each stockholder entitled to vote at such meeting not less than ten nor more than sixty days before the date of the meeting.

SECTION 4. The officer who has charge of the stock ledger of the corporation shall prepare and make, at least ten days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the

name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or, if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

SECTION 5. Special meetings of the stockholders, for any purpose or purposes, unless otherwise prescribed by statute or by the Certificate of Incorporation, may be called by the Board of Directors, the Chairman of the Board, the president, or by the holders of shares entitled to cast not less than twenty percent (20%) of the votes at the meeting. Such request shall state the purpose or purposes of the proposed meeting.

SECTION 6. Written notice of a special meeting stating the place, date and hour of the meeting and the purpose or purposes for which the meeting is called, shall be given to each stockholder entitled to vote at such meeting not less than ten nor more than sixty days before the date of the meeting.

SECTION 7. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice.

SECTION 8. The holders of a majority of the stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business except as otherwise provided by statute or by the Certificate of Incorporation. If, however, such quorum shall not be present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally notified. If the adjournment is for more than thirty days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

SECTION 9. When a quorum is present at any meeting, the vote of the holders of a majority of the stock having

voting power present in person or represented by proxy shall decide any question brought before such meeting, unless the question is one upon which by express provision of the statutes or of the Certificate of Incorporation, a different vote is required in which case such express provision shall govern and control the decision of the question.

SECTION 10. Unless otherwise provided in the Certificate of Incorporation, each stockholder shall at every meeting of the stockholders be entitled to one vote in person or by proxy for each share of the capital stock having voting power held by such stockholder, regardless of class, but no proxy shall be voted on or after three years from its date, unless the proxy provides for a longer period. Vote may be viva voice or by ballot; provided, however, that elections for directors must be by ballot upon demand by a shareholder at the meeting and before the voting begins.

At all elections of directors of the corporation each stockholder having voting power shall be entitled to exercise the right of cumulative voting as provided in the Certificate of Incorporation.

SECTION 11. Unless otherwise provided in the Certificate of Incorporation, any action required to be taken at any annual or special meeting of stockholders of the corporation, or any action which may be taken at any annual or special meeting of the stockholders, may be taken without a meeting, without prior notice and without a vote, of a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

ARTICLE III

DIRECTORS

SECTION 1. The authorized number of directors of the corporation shall be nine. The number of directors provided in this Section 1 may be changed by a Bylaw duly adopted by the affirmative vote of a majority of the outstanding shares entitled to vote or by a resolution of the Board of Directors.

SECTION 2. The directors shall be elected at each annual meeting of shareholders, but if any such annual meeting is not held, or the directors are not elected thereat, the directors may be elected at any special meeting of the shareholders held for that purpose. All directors shall hold office until the expiration of the term for which elected and until their respective successors are elected, except in the case of death, resignation or removal of any director. A director need not be a shareholder.

SECTION 3. Any director may resign effective upon giving written notice to the Chairman of the Board, the President, the Secretary of the Board of Directors of the corporation, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected to take office when the resignation becomes effective.

SECTION 4. The entire Board of Directors or any individual director may be removed from office, prior to the expiration of their or his term of office only in the manner and within the limitations provided by the General Corporation Law of Delaware.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of such director's term of office.

SECTION 5. A vacancy in the Board of Directors shall be deemed to exist in case of the death, resignation or removal of any director, or if the authorized number of directors be increased, or if the shareholders fail at any annual or special meeting of shareholders at which any director or directors are elected to elect the full authorized number of directors to be voted for at that meeting.

Vacancies in the Board of Directors may be filled by a majority of the directors then in office, whether or not less than a quorum, or by a sole remaining director. Each director so elected shall hold office until the expiration of the term for which he was elected and until his successor is elected at an annual or a special meeting of the shareholders, or until his death, resignation or removal.

The shareholders may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors. Any such election by written consent shall require the consent of a majority of the outstanding shares

entitled to vote.

SECTION 6. The business of the corporation shall be managed by or under the direction of its Board of Directors which may exercise all such powers of the corporation and do all such lawful acts and things as are not by statute or by the Certificate of Incorporation or these Bylaws directed or required to be exercised or done by the stockholders.

MEETING OF THE BOARD OF DIRECTORS

SECTION 7. The Board of Directors of the corporation may hold meetings, both regular and special, either within or without the State of Delaware.

SECTION 8. The first meeting of each newly elected Board of Directors shall be held at such time and place as shall be fixed by the vote of the stockholders at the annual meeting and no notice of such meeting shall be necessary to the newly elected directors in order legally to constitute the meeting, provided a quorum shall be present. In the event of the failure of the stockholders to fix the time or place of such first meeting of the newly elected Board of Directors, or in the event such meeting is not held at the time and place so fixed by the stockholders, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors, or as shall be specified in a written waiver signed by all of the directors.

SECTION 9. Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall from time to time be determined by the Board.

SECTION 10. Special meetings of the Board may be called by the president on two days' notice to each director, either personally or by mail or by telegram; special meetings shall be called by the president or secretary in like manner and on like notice on the written request of the Chairman of the Board or two directors.

SECTION 11. At all meetings of the Board a majority of the authorized number of directors shall constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by the Certificate of Incorporation. If a

quorum shall not be present at any meeting of the Board of Directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

SECTION 12. Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee.

SECTION 13. Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors, or any committee, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

COMMITTEES OF DIRECTORS

SECTION 14. The Board of Directors may, by resolution passed by a majority of the authorized number of directors, appoint an executive committee consisting of two or more of the directors of the corporation. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. The executive committee, to the extent provided in the resolution of the Board of Directors and subject to any limitation by statute, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it; but it shall not have the power or authority in reference to amending the Certificate of Incorporation, adopting an agreement of merger or consolidation, recommending to the stockholders the sale, lease or exchange of all or substantially all the corporation's property and assets, recommending to the stockholders a dissolution of the corporation or a revocation of a dissolution, or amending the Bylaws of the corporation; and, unless the resolution or the Certificate of Incorporation expressly so provide, it shall not have the power or authority to declare a dividend or to authorize the issuance of stock.

SECTION 15. The Board of Directors may, by

resolution adopted by a majority of the authorized number of directors, designate such other committees, each consisting of 2 or more directors, as it may from time to time deem advisable to perform such general or special duties as may from time to time be delegated to any such committee by the Board of Directors, subject to the limitations imposed by statute or by the Certificate of Incorporation or by these Bylaws. The Board may designate one or more directors as alternate members of any committee, who may replace any absent member at any meeting of the committee.

COMPENSATION OF DIRECTORS

SECTION 17. Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, the Board of Directors shall have the authority to fix the compensation of directors. The directors may be paid their expenses, if any, of attendance of each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary as director. No such payment shall preclude any director from serving the corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

ARTICLE IV

NOTICES

SECTION 1. Whenever, under the provisions of the statutes or of the Certificate of Incorporation or of these Bylaws, notice is required to be given to any director or stockholder, it shall not be construed to mean personal notice, but such notice may be given in writing, by mail, addressed to such director or stockholder, at his address as it appears on the records of the corporation, with postage thereon prepaid, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Notice to directors may also be given by telegram.

SECTION 2. Whenever any notice is required to be given under the provisions of the Delaware statutes or of the Certificate of Incorporation or of these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

ARTICLE V

OFFICERS

SECTION 1. The officers of the corporation shall be chosen by the Board of Directors, and shall be a president,

a vice-president, a secretary, and a treasurer. The Board of Directors may also choose additional vice-presidents, and one or more assistant secretaries and assistant treasurers. Any number of offices may be held by the same person, unless the Certificate of Incorporation or these Bylaws otherwise provide.

SECTION 2. The Board of Directors at its first meeting after each annual meeting of stockholders shall choose a president, one or more vice-presidents, a secretary and a treasurer.

SECTION 3. The Board of Directors may appoint such other officers and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

SECTION 4. The salaries of all officers and agents of the corporation shall be fixed by the Board of Directors.

SECTION 5. The officers of the corporation shall hold office until their successors are chosen and qualify. Any officer elected or appointed by the Board of Directors may be removed at any time by the affirmative vote of a majority of the Board of Directors. Any vacancy occurring in any office of the corporation shall be filled by the Board of Directors.

Any officer may resign at any time by giving written notice to the corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

THE CHAIRMAN OF THE BOARD

SECTION 6. The Chairman of the Board, if there shall be such an officer, shall, if present, preside at all meetings of the Board of Directors, and exercise and perform such other powers and duties as may be from time to time assigned to him by the Board of Directors or prescribed by these Bylaws.

THE PRESIDENT

SECTION 7. Subject to such supervisory powers, if any, as may be given by the Board of Directors to the Chairman of the Board, if there be such an officer, the President shall be the general manager of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and officers of the corporation. He shall preside

at all meetings of the shareholders and in the absence of the Chairman of the Board or if there be none, at all meetings of the Board of Directors. He shall be ex officio a member of all the standing committees, including the executive committee, if any, and shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or by these Bylaws.

SECTION 8. He shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the corporation.

THE VICE-PRESIDENTS

SECTION 9. In the absence of the president or in the event of his inability or refusal to act, the vice president (or in the event there be more than one vice president, the vice-presidents in the order designated by the directors, or in the absence of any designation, then in the order of their election) shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. The vice-presidents shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

SECRETARY AND ASSISTANT SECRETARY

SECTION 10. The Secretary shall attend all meetings of the Board of Directors and all meetings of the stockholders and record all the proceedings of the meetings of the corporation and of the Board of Directors in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or president, under whose supervision he shall be placed. He shall have custody of the corporate seal of the corporation and he, or an assistant secretary, shall have authority to affix the same to any instrument requiring it and when so affixed, it may be attested by his signature or by the signature of such assistant secretary. The Board of Directors may give general authority to any other officer to affix the seal of the corporation and to attest the affixing by his signature.

SECTION 11. The assistant secretary, or if there be more than one, the assistant secretaries in the order determined by the Board of Directors (or if there be no such determination, then in the order of their election) shall, in the absence of the secretary or in the event of his inability or refusal to act, perform the duties and exercise the powers of the secretary and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

THE TREASURER AND ASSISTANT TREASURERS

SECTION 12. The treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the Board of Directors.

SECTION 13. He shall disburse the funds of the corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the president and the Board of Directors, at its regular meetings, or when the Board of Directors so requires, an account of all his transactions as treasurer and of the financial condition of the corporation.

SECTION 14. If required by the Board of Directors, he shall give the corporation a bond (which shall be renewed every six years) in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his office and for the restoration to the corporation, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the corporation.

SECTION 15. If the assistant treasurer, or if there shall be more than one, the assistant treasurers in the order determined by the Board of Directors (or if there be no such determination, then in the order of their election) shall, in the absence of the treasurer or in the event of his inability or refusal to act, perform the duties and exercise the powers of the treasurer and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

ARTICLE VI

CERTIFICATE OF STOCK

SECTION 1. Every holder of stock in the corporation shall be entitled to have a certificate, signed by, or in the name of the corporation by, the chairman or vicechairman of the Board of Directors, or the president or a vice president and the treasurer or an assistant treasurer, or the secretary or an assistant secretary of the corporation, certifying the number of shares owned by him in the corporation.

Certificates may be issued for partly paid shares and in such case upon the face or back of the certificates issued to represent any such partly paid shares, the total amount of the consideration to be paid therefor, and the amount paid thereon shall be specified.

If the corporation shall be authorized to issue more than one class of stock or more than one series of any class, the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualification, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate which the corporation shall issue to represent such class or series of stock, provided that, except as otherwise provided in section 202 of the General Corporation Law of Delaware, in lieu of the foregoing requirements, there may be set forth on the face or back of the certificate which the corporation shall issue to represent such class or series of stock, a statement that the corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

SECTION 2. Any or all of the signatures on the certificate may be facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature have been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

LOST CERTIFICATES

SECTION 3. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit to that fact by the person

claiming the certificate of stock to be lost, stolen or destroyed. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed certificate or certificates, or his legal representative, to advertise the same in such manner as it shall require and/or to give the corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

TRANSFER OF STOCK

SECTION 4. Upon surrender to the corporation or the transfer agent of the corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books.

FIXING RECORD DATE

SECTION 5. In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty nor less than ten days before the date of such meeting, nor more than sixty days prior to any such other action. A determination of shareholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

REGISTERED STOCKHOLDERS

SECTION 6. The corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

SECTION 7. The accounting books and records, and

minutes of proceedings of the shareholders and the Board of Directors and committees of the Board shall be open to inspection upon written demand made upon the corporation by any shareholder or the holder of a voting trust certificate, at any reasonable time during usual business hours, for a purpose reasonably related to his interest as a shareholder, or as the holder of such voting trust certificate. The record of shareholders shall also be open to inspection by any shareholder or holder of a voting trust certificate at any time during usual business hours upon written demand on the corporation, for a purpose reasonably related to such holder's interest as a shareholder or holder of a voting trust certificate. Such inspection may be made in person or by an agent or attorney, and shall include the right to copy and to make extracts.

ARTICLE VII

GENERAL PROVISIONS

DIVIDENDS

SECTION 1. Dividends upon the capital stock of the corporation, subject to the provision of the Certificate of Incorporation, if any, may be declared by the Board of Directors at any regular or special meeting, pursuant to law. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the Certificate of Incorporation.

SECTION 2. Before payment of any dividend, there may be set aside out of funds of the corporation available for dividends such sum or sums as the directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the corporation, or for such other purpose as the directors shall think conducive to the interest of the corporation, and the directors may modify or abolish any such reserve in the manner in which it was created.

CHECKS

SECTION 3. All checks or demands for money and notes of the corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

FISCAL YEAR

SECTION 4. The fiscal year of the corporation shall

be fixed by resolution of the Board of Directors.

SEAL

SECTION 5. The corporate seal shall have inscribed thereon the name of the corporation, the year of its organization and the words "Corporate Seal, Delaware." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

INDEMNIFICATION

SECTION 6. The corporation shall indemnify its officers, directors, employees and agents to the extent permitted by the General Corporation Law of Delaware.

ARTICLE VIII

AMENDMENTS

SECTION 1. These Bylaws may be altered, amended or repealed or new Bylaws may be adopted by the stockholders or by the Board of Directors at any regular meeting of the stockholders or of the Board of Directors or at any special meeting of the stockholders or the Board of Directors if notice of such alteration, amendment, repeal or adoption of new Bylaws be contained in the notice of such special meeting. If the power to adopt, amend or repeal Bylaws is conferred upon the Board of Directors by the Certificate of Incorporation it shall not divest or limit the power of the stockholders to adopt, amend or repeal Bylaws.

I, Nancy A. Stanger, the secretary of Micron Technology, Inc., a Delaware corporation, hereby certify:

The foregoing bylaws, comprising 14 pages, were adopted as the bylaws of Micron Technology on May 21, 1984.

DATED: May 25 , 19 84
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/s/ Nancy A. Stanger

Nancy A. Stanger

SEAL

CERTIFICATE OF FIRST AMENDMENT
TO THE BYLAWS OF
MICRON TECHNOLOGY, INC.

We, the undersigned, being the President and Secretary, respectively, of MICRON TECHNOLOGY, INC., a corporation organized and existing under the laws of the State of Delaware, do hereby certify that a meeting of the Board of Directors of this Corporation was held on December 17, 1984 and an amendment to the Bylaws of MICRON TECHNOLOGY, INC. was unanimously adopted.

The amendment adopted was pursuant to a Resolution reading as follows:

RESOLVED: The Board hereby approves that the second paragraph of Article II Section 10 of the Bylaws of the Company be amended to read as follows:

"At all elections of directors of the corporation each stockholder having voting power shall be entitled to exercise the right of cumulative voting as provided in the Certificate of Incorporation. However, no stockholder shall be entitled to cumulate votes for a candidate or candidates unless such candidate's name or candidate's names have been placed in nomination prior to the voting and a stockholder has given notice at the meeting prior to the voting of the stockholder's intention to cumulate votes. If any stockholder has given such notice, all stockholders may cumulate their votes for candidates in nomination."

IN WITNESS WHEREOF, we have hereunto set our hands and the seal of the Corporation this 5th day of ____ July, 1985.

MICRON TECHNOLOGY, INC.

BY: /s/ Joseph L. Parkinson

Joseph L. Parkinson, President

(SEAL)

BY: /s/ Cathy L. Smith

Cathy L. Smith, Secretary

STATE OF IDAHO)
) ss.
County of Ada)

On this 5th day of July, 1985, before me, the undersigned, personally appeared

JOSEPH L. PARKINSON and CATHY L. SMITH, known to me to be the President and Secretary, respectively, of MICRON TECHNOLOGY, INC., the corporation that executed the instrument or the persons who executed the instrument on behalf of said corporation, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand

and affixed my official seal in said County the day and year first above written.

/s/ Jill L. Henson

Notary Public
for Idaho Residing at Boise

CERTIFICATE OF SECOND AMENDMENT
TO THE BYLAWS OF
MICRON TECHNOLOGY, INC.

I, Cathy L. Smith, Corporate Secretary of Micron Technology, Inc., a Delaware corporation, hereby certify that the following resolution was adopted by the Board of Directors on March 3, 1986:

RESOLVED: Article III Section 1 of the Bylaws of this corporation are hereby amended to read as follows:

SECTION 1. The authorized number of directors of the Corporation shall be ten. The number of directors provided in this Section 1 may be changed by a Bylaw duly adopted by the affirmative vote of a majority of the outstanding shares entitled to vote or by a resolution of the Board of Directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said corporation effective as of the 3rd day of March, 1986.
--- -----

/s/ Cathy L. Smith

Corporate Secretary

(SEAL)

CERTIFICATE
THIRD AMENDMENT
TO THE BYLAWS
OF
MICRON TECHNOLOGY, INC.

I, Cathy L. Smith, Corporate Secretary of Micron Technology, Inc., a Delaware corporation, hereby certify that the following resolution was adopted by the Board of Directors on November 24, 1986:

RESOLVED: Article III

Section

1 of the Bylaws of this corporation are hereby amended to read as follows:

SECTION 1. The authorized number of directors of the Corporation shall be nine. The number of directors provided in this Section 1 may be changed by a Bylaw duly adopted by the affirmative vote of a majority of the outstanding shares entitled to vote or by a resolution of the Board of Directors.

IN WITNESS WHEREOF, I hereunto set my hand and affixed the corporate seal of said corporation effective as of the 24th day of November, 1986.

/s/ Cathy L. Smith

Corporate Secretary

(SEAL)

CERTIFICATE OF FOURTH AMENDMENT
TO THE BYLAWS OF
MICRON TECHNOLOGY, INC.

I, Cathy L. Smith, Corporate Secretary of Micron Technology, Inc., a Delaware corporation, hereby certify that the following resolution was adopted by the Board of Directors on September 28, 1987:

RESOLVED: Article III Section 1 of the Bylaws of this corporation are hereby amended to read as follows:

SECTION 1. The authorized number of directors of the Corporation shall be eight. The number of directors provided in this Section 1 may be changed by a Bylaw duly adopted by the affirmative vote of a majority of the outstanding shares entitled to vote or by a resolution of the Board of Directors.

IN WITNESS WHEREOF, I hereunto set my hand and affixed the corporate seal of said corporation effective as of the 28th day of September, 1987.

/s/ Cathy L. Smith

Cathy L. Smith
Corporate Secretary

(SEAL)

CERTIFICATE OF FIFTH AMENDMENT
TO THE BYLAWS OF
MICRON TECHNOLOGY, INC.

I, Cathy L. Smith, Corporate Secretary of Micron Technology, Inc., a Delaware corporation, hereby certify that the following resolution was adopted by the Board of Directors on March 28, 1988:

RESOLVED: Article III Section 1 of the Bylaws of this corporation are hereby amended to read as follows:

SECTION 1. The authorized number of directors of the Corporation shall be nine. The number of directors provided in this Section 1 may be changed by a Bylaw duly adopted by the affirmative vote of a majority of the outstanding shares entitled to vote or by a resolution of the Board of Directors.

IN WITNESS WHEREOF, I hereunto set my hand and affixed the corporate seal of said corporation effective as of the 28th day of March, 1988.

/s/Cathy L. Smith

Corporate Secretary

(SEAL)

CERTIFICATE OF SIXTH AMENDMENT
TO THE BYLAWS OF
MICRON TECHNOLOGY, INC.

I, Cathy L. Smith, Corporate Secretary of Micron Technology, Inc., a Delaware corporation, hereby certify that the following resolution was

adopted by the Board of Directors on October 3, 1988:

RESOLVED: Article III Section 1 of the Bylaws of this corporation are hereby amended to read as follows:

SECTION 1. The authorized number of directors of the Corporation shall be ten. The number of directors provided in this Section 1 may be changed by a Bylaw duly adopted by the affirmative vote of a majority of the outstanding shares entitled to vote or by a resolution of the Board of Directors.

IN WITNESS WHEREOF, I hereunto set my hand and affixed the corporate seal of said corporation effective as of the 17th day of October, 1988.

/s/ Cathy L. Smith

Corporate Secretary

(SEAL)

CERTIFICATE OF SEVENTH AMENDMENT TO THE BYLAWS
OF
MICRON TECHNOLOGY, INC.

I, Cathy L. Smith, Corporate Secretary of Micron Technology, Inc., a Delaware corporation, hereby certify that the following resolution was adopted by the Board of Directors on September 25, 1989:

RESOLVED: Article III Section 1 of the Bylaws of this corporation are hereby amended to read as follows:

SECTION 1. The authorized number of directors of the Corporation shall be nine. The number of directors provided in this Section 1 may be changed by a Bylaw duly adopted by the affirmative vote of a majority of the outstanding shares entitled to vote or by a resolution of the Board of Directors.

IN WITNESS WHEREOF, I hereunto set my hand and affixed the corporate seal of said corporation effective as of the 28th day September, 1989.

Cathy L. Smith -----Corporate
Secretary
(SEAL)

CERTIFICATE OF EIGHTH AMENDMENT TO THE BYLAWS OF MICRON TECHNOLOGY, INC.

I, Cathy L. Smith, Corporate Secretary of Micron Technology, Inc., a Delaware corporation, hereby certify that the following resolution was adopted by the Board of Directors on October 30, 1989: RESOLVED: Article III Section 1 of the Bylaws of this corporation are hereby amended to read as follows:

SECTION 1. The authorized number of directors of the Corporation shall be eight. The number of directors provided in this Section 1 may be changed by a Bylaw duly adopted by the affirmative vote of a majority of the outstanding shares entitled to vote or by a resolution of the Board of Directors.

IN WITNESS WHEREOF, I hereunto set my hand and affixed the corporate seal of said corporation effective as of the 30th day of October, 1989.

Cathy L. Smith -----
- - -

Corporate Secretary
(SEAL)

CERTIFICATE OF NINTH AMENDMENT TO THE BYLAWS OF MICRON TECHNOLOGY, INC.

I, Cathy L. Smith, Corporate Secretary of Micron Technology, Inc., a Delaware corporation, hereby certify that the following resolution was adopted by the Board of Directors on August 27, 1990:

RESOLVED: Article III Section 1 of the

Bylaws of this corporation are hereby amended to read as follows:

SECTION 1. The authorized number of directors of the Corporation shall be nine. The number of directors provided in this Section 1 may be changed by a Bylaw duly adopted by the affirmative vote of a majority of the outstanding shares entitled to vote or by a resolution of the Board of Directors.

IN WITNESS WHEREOF, I hereunto set my hand and affixed the corporate seal of said corporation effective as of the 27th day of August, 1990.

Cathy L. Smith -----Corporate
Secretary
(SEAL)

CERTIFICATE OF TENTH AMENDMENT TO THE BYLAWS OF MICRON TECHNOLOGY, INC.

I, Cathy L. Smith, Corporate Secretary of Micron Technology, Inc., a Delaware corporation, hereby certify that the following resolution was adopted by the Board of Directors on September 24, 1990:

RESOLVED: Article III, Section 1 of the Bylaws of this corporation are hereby amended to read as follows:

SECTION 1. The authorized number of directors of the Corporation shall be ten. The number of directors provided in this Section 1 may be changed by a Bylaw duly adopted by the affirmative vote of a majority of the outstanding shares entitled to vote or by a resolution of the Board of Directors.

IN WITNESS WHEREOF, I hereunto set my hand and affixed the corporate seal of said corporation effective as of the 24th day of September, 1990.

Cathy L. Smith -----Corporate
Secretary
(SEAL)

CERTIFICATE OF ELEVENTH AMENDMENT TO THE BYLAWS OF MICRON TECHNOLOGY, INC.

I, Cathy L. Smith, Corporate Secretary of Micron Technology, Inc., a Delaware corporation, hereby certify that the following resolution was adopted by the Board of Directors on July 27, 1992:

RESOLVED: Article III Section 1 of the Bylaws of this corporation are hereby amended to read as follows:

SECTION 1. The authorized number of directors of the Corporation shall be eight. The number of directors provided in this Section 1 may be changed by a Bylaw duly adopted by the affirmative vote of a majority of the outstanding shares entitled to vote or by a resolution of the Board of Directors.

IN WITNESS WHEREOF, I hereunto set my hand and affixed the corporate seal of said corporation effective as of the 27th day of July, 1992.
Cathy L. Smith -----Corporate
Secretary

(SEAL)

CERTIFICATE OF TWELFTH AMENDMENT TO THE BYLAWS OF MICRON TECHNOLOGY, INC.

I, Cathy L. Smith, Corporate Secretary of Micron Technology, Inc. a Delaware corporation, hereby certify that the following resolution was adopted by the Board of Directors on May 23, 1994:

RESOLVED: Article III, Section I of the Bylaws of this corporation are hereby amended to read as follows:

SECTION I. The authorized number of directors of the Corporation shall be ten. The number of directors provided in this Section

I may be changed by a Bylaw duly adopted by the affirmative vote of a majority of the outstanding shares entitled to vote or by a resolution of the Board of Directors.

IN WITNESS WHEREOF, I hereunto set my hand and affixed the corporate seal of said corporation effective as of the 23rd day of May, 1994.
Cathy L. Smith -----Corporate
Secretary
(SEAL)

CERTIFICATE OF THIRTEENTH AMENDMENT TO THE BYLAWS OF MICRON TECHNOLOGY, INC.

I, Cathy L. Smith, Corporate Secretary of Micron Technology, Inc. a Delaware corporation, hereby certify that the following resolution was adopted by the Board of Directors on September 1, 1994:

RESOLVED: Article III, Section I of the Bylaws of this corporation are hereby amended to read as follows:

SECTION I. The authorized number of directors of the Corporation shall be eleven. The number of directors provided in this Section I may be changed by a Bylaw duly adopted by the affirmative vote of a majority of the outstanding shares entitled to vote or by a resolution of the Board of Directors.

IN WITNESS WHEREOF, I hereunto set my hand and affixed the corporate seal of said corporation effective as of the 1st day of September , 1994.
Cathy L. Smith -----Corporate
Secretary
(SEAL)

CERTIFICATE OF FOURTEENTH AMENDMENT TO THE BYLAWS OF MICRON TECHNOLOGY, INC.

I, Cathy L. Smith, Corporate Secretary of Micron Technology, Inc. a Delaware corporation, hereby certify that the following resolution was adopted by the Board of Directors on October 27, 1994:

RESOLVED: Article III, Section I of the Bylaws of this corporation are hereby amended to read as follows:

SECTION I. The authorized number of directors of the Corporation shall be ten. The number of directors provided in this Section I may be changed by a Bylaw duly adopted by the affirmative vote of a majority of the outstanding shares entitled to vote or by a resolution of the Board of Directors.

IN WITNESS WHEREOF, I hereunto set my hand and affixed the corporate seal of said corporation effective as of the 27th day of October, 1994.

Cathy L. Smith -----Corporate
Secretary
(SEAL)

CERTIFICATE OF FIFTEENTH AMENDMENT TO THE BYLAWS OF MICRON TECHNOLOGY, INC.

I, Jan R. Reimer, Assistant Secretary of Micron Technology, Inc., a Delaware corporation, hereby certify that the following resolution was adopted by the Board of Directors on February 5, 1996:

RESOLVED, that pursuant to Article VIII, Section 1 of the Company's Bylaws, the Board hereby amends Article V, Section 1 of the Bylaws to read in its entirety as follows:

The officers of the corporation shall be chosen by the Board of Directors, and shall be a president or chief executive officer, a secretary, and a treasurer. The Board of Directors may also choose additional officers, including a president, vice president(s), and one or more assistant secretaries and assistant treasurers. Any number of offices may be held by the same person, unless the Certificate of Incorporation or these Bylaws otherwise provide.

IN WITNESS WHEREOF, I hereunto set my hand

and affixed the corporate seal of said corporation effective as of the 7th day of February, 1996.

Jan R. Reimer -----Assistant
Secretary (SEAL)

CERTIFICATE OF SIXTEENTH AMENDMENT TO THE BYLAWS OF MICRON TECHNOLOGY, INC.

I, Jan R. Reimer, Assistant Secretary of Micron Technology, Inc., a Delaware corporation, hereby certify that the following resolutions were adopted by the Board of Directors on September 30, 1996:

RESOLVED, that Article II, Section 10 of the Bylaws of this Company be amended to read as follows:

SECTION 10. At all elections of directors of the corporation each stockholder having voting power shall be entitled to exercise the right of cumulative voting as provided in the Certificate of Incorporation. However, no stockholder shall be entitled to cumulate votes for a candidate or candidates unless such candidate's name or candidates' names have been placed in nomination prior to the voting and a stockholder has given written notice to Secretary of the corporation of the stockholder's intention to cumulate votes at least 15 days prior to the date of the meeting. If any stockholder has given such notice, all stockholders may cumulate their votes for candidates in nomination.

RESOLVED FURTHER, that Article II of the Bylaws of this Company be amended to add Section 12, which will read in its entirety as follows:

SECTION 12. Advance Notice of Stockholder Nominees and Stockholder Business

(a) To be properly brought before an annual meeting or special meeting, nominations for the election of directors

or other business must be (i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the board of directors, (ii) otherwise properly brought before the meeting by or at the direction of the board of directors or (iii) otherwise properly brought before the meeting by a stockholder.

(b) For business to be properly brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the corporation. To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive office of the corporation not less than one hundred twenty (120) calendar days in advance of the date specified in the corporation's proxy statement released to stockholders in connection with the previous year's annual meeting of stockholders; provided, however, that in the event that no annual meeting was held in the previous year or the date of the annual meeting has been changed by more than thirty (30) days from the date contemplated at the time of the previous year's proxy statement, notice by the stockholder to be timely must be so received a reasonable time before the solicitation is made. A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting: (i) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (ii) the name and address, as they appear on the corporation's books, of the stockholder proposing such business, (iii) the class and number of shares of the corporation which are beneficially owned by the stockholder, (iv) any material interest of the stockholder in such business and (v) any other information that is required to be provided by the stockholder pursuant to Regulation 14A under the securities Exchange Act of 1934, as amended (the "Exchange Act"), in his capacity as a proponent to a stockholder proposal. Notwithstanding the foregoing, in order to

include information with respect to a stockholder proposal in the proxy statement and form of proxy for a stockholders' meeting, stockholders must provide notice as required by the regulations promulgated under the Exchange Act. Notwithstanding anything in these bylaws to the contrary, no business shall be conducted at any annual meeting except in accordance with the procedures set forth in this Section 12. The chairman of the annual meeting shall, if the facts warrant, determine and declare at the meeting that business was not properly brought before the meeting and in accordance with the provisions of this Section 12, and, if he should so determine, he shall so declare at the meeting that any such business not properly brought before the meeting shall not be transacted.

(c) Only persons who are nominated in accordance with the procedures set forth in this paragraph (c) shall be eligible for election as directors. Nominations of persons for election to the Board of Directors of the corporation may be made at a meeting of stockholders by or at the direction of the Board of Directors or by any stockholder of the corporation entitled to vote in the election of directors at the meeting who complies with the notice procedures set forth in this paragraph (c). Such nominations, other than those made by or at the direction of the Board of Directors, shall be made pursuant to timely notice in writing to the Secretary of the corporation in accordance with the provisions of paragraph (b) of this Section 12. Such stockholder's notice shall set forth (i) as to each person, if any, whom the stockholder proposes to nominate for election or re-election as a director: (A) the name, age, business address and residence address of such person, (B) the principal occupation or employment of such person, (C) the class and number of shares of the corporation which are beneficially owned by such person, (D) a description of all arrangements or understandings between the stockholder and each nominee and any other person or persons

(naming such person or persons) pursuant to which the nominations are to be made by the stockholder and (E) any other information relating to such person that is required to be disclosed in solicitations of proxies for elections of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act (including without limitation such person's written consent to being named in the proxy statement, if any, as a nominee and to serving as a director if elected); and (ii) as to such stockholder giving notice, the information required to be provided pursuant to paragraph (b) of this Section 12. At the request of the Board of Directors, any person nominated by a stockholder for election as a director shall furnish to the Secretary of the corporation that information required to be set forth in the stockholder's notice of nomination which pertains to the nominee. No person shall be eligible for election as a director of the corporation unless nominated in accordance with the procedures set forth in this paragraph (c). The chairman of the meeting shall, if the facts warrant, determine and declare at the meeting that a nomination was not made in accordance with the procedures prescribed by these bylaws; and if he should so determine, he shall so declare at the meeting, and the defective nomination shall be disregarded.

RESOLVED FURTHER, that Article III, Section 1 of the Bylaws of this Company be amended to read as follows:

SECTION 1. The authorized number of directors of the Corporation shall be seven. The number of directors provided in this Section 1 may be changed by a Bylaw duly adopted by the affirmative vote of a majority of the outstanding shares entitled to vote or by a resolution of the Board of Directors.

IN WITNESS WHEREOF, I hereunto set my hand and affixed the corporate seal of said

corporation effective as of the 30th day of September, 1996.

/s/ Jan R. Reimer -----

Assistant Secretary

(SEAL)

FIRST AMENDMENT TO REVOLVING CREDIT AGREEMENT

THIS FIRST AMENDMENT TO REVOLVING CREDIT AGREEMENT (the "Amendment"),

dated as of August 20, 1996, is entered into by and among MICRON TECHNOLOGY,
INC. (the "Company"), BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, as

agent for itself and the Banks (the "Agent"), and the several financial

institutions party to the Credit Agreement (collectively, the "Banks").

RECITALS

- A. The Company, the Banks and the Agent are parties to a Revolving Credit Agreement dated as of May 14, 1996 (the "Credit Agreement"), pursuant to

which the Banks have extended certain credit facilities to the Company.
- B. The Company has requested that the Agent and the Banks agree to certain amendments of the Credit Agreement.
- C. The Agent and the Banks are willing to amend the Credit Agreement, subject to the terms and conditions of this Amendment.

NOW, THEREFORE, for valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

- 1. Defined Terms. Unless otherwise defined herein, capitalized terms

used herein shall have the meanings assigned to them in the Credit Agreement.
- 2. Amendments to Credit Agreement.

(a) Subsection 5.11(b) and Section 5.19 of the Credit Agreement are each hereby amended by deleting the date "March 15, 1996" set forth therein and inserting the date "July 24, 1996" in its place.

(b) Section 6.02 of the Credit Agreement is hereby amended by (i) deleting the word "and" at the end of subsection (d), (ii) deleting the period at the end of subsection (e) and replacing it with "; and" and (iii) adding the following subsection (f) at the end thereof:

"(f) on or before February 27, 1997 (2Q97), a certificate executed by a Responsible Officer indicating whether the Company has consummated equipment financings of at least \$300,000,000 from and including February 29, 1996 through and including February 27, 1997 (2Q97)."

(c) Subsection 7.01(j) of the Credit Agreement is hereby amended by deleting the reference to "15%" therein and replacing it with "20%".

(d) Subsection 7.03(c) of the Credit Agreement is hereby amended and restated in its entirety so as to read as follows:

"(c) any other material (greater than \$1,000,000 individually) assets, including the capital stock of Subsidiaries owned by the Company, outside the ordinary course of business (the parties hereby agreeing that dispositions of inventory, or used, worn-out or surplus equipment, or equipment pursuant to Permitted Sale-Leaseback Transactions shall be considered to be dispositions in the ordinary course of business), if the aggregate fair market value of all material assets so sold by the Company and its Subsidiaries, together with the aggregate fair market value of any material (greater than \$1,000,000 individually) assets disposed of pursuant to sale-leaseback transactions which do not constitute Permitted Sale-Leaseback Transactions, on a cumulative basis, would exceed 10% of the Company's consolidated tangible assets as of the last day of the fiscal quarter most recently ended prior thereto; provided that

any such dispositions of assets by or among the Company and its Subsidiaries must be permitted by Section 7.07."

(e) Subsection 7.04(d) of the Credit Agreement is hereby amended and restated in its entirety so as to read as follows:

"(d) any Subsidiary may liquidate or dissolve, provided, that if such Subsidiary is not a Wholly-Owned Subsidiary, any proceeds of such liquidation or dissolution which the Company is entitled to receive by virtue of its ownership in such Subsidiary and which are not distributed directly or indirectly to the Company would be a distribution permitted under Section 7.09(d)."

(f) Subsection 7.05(c) of the Credit Agreement is hereby amended and restated in its entirety so as to read as follows:

"(c) Investments made by the Company to or in its Subsidiaries (including Micron Electronics, Inc.), or by a Subsidiary of the Company to or in the Company or another Subsidiary, to the extent permitted by Section 7.07, provided, that (i) Investments to or in Micron Electronics, Inc. may not at any time exceed \$100,000,000 in aggregate principal amount outstanding, and (ii) Investments to or in any Subsidiary that is not a Wholly-Owned Subsidiary (other than Micron Electronics, Inc.) may not at any time exceed, in aggregate principal amount outstanding, an amount equal to 5% of Consolidated Tangible Net Worth as of the last day of the fiscal quarter most recently ended prior thereto;"

(g) Clause (i) of subsection 7.05(e) of the Credit Agreement is hereby amended and restated in its entirety so as to read as follows:

"(i) the cumulative aggregate consideration paid (including the assumption of debt), or outstanding principal amount, in the case of an advance, loan or other extension of credit, or assets contributed in all such Investments after the Closing Date (including the proposed Investment) does not at any time exceed 25% of the consolidated tangible assets of the Company as of the last day of the fiscal quarter most recently ended prior thereto,"

(h) Subsection 7.06(h) of the Credit Agreement is hereby amended and restated in its entirety so as to read as follows:

"(h) Indebtedness incurred by Subsidiaries of the Company (including Micron Electronics, Inc.) from Persons other than the Company or another Subsidiary (excluding Indebtedness permitted under subsection 7.06(d)) up to a maximum aggregate principal amount outstanding of \$100,000,000;"

(i) Section 7.12 of the Credit Agreement is hereby amended and restated in its entirety so as to read as follows:

"7.12 Adjusted Quick Ratio. The Company shall not permit, -----
as of the last day of any fiscal quarter, the ratio of (a) the sum of (i) cash, cash equivalents and liquid investments, and (ii) net trade accounts receivable of the Company and its Subsidiaries on a consolidated basis, to (b) the sum (without duplication) of (i) current liabilities of the Company and its Subsidiaries on a consolidated basis (plus long-term liabilities related to customer deposits), and (ii) any Loans outstanding, to be less than the amount set forth below for the applicable date:

Minimum Adjusted Quick Ratio -----	As of the last day of the fiscal quarter ending -----
0.45 to 1.00	August 29, 1996 (4Q96)
0.40 to 1.00	November 28, 1996 (1Q97)
0.40 to 1.00	February 27, 1997 (2Q97)
0.40 to 1.00	May 29, 1997 (3Q97)
0.50 to 1.00	August 28, 1997 (4Q97)
0.50 to 1.00	November 27, 1997 (1Q98)
0.50 to 1.00	February 26, 1998 (2Q98)
0.70 to 1.00	May 28, 1998 (3Q98) and as of the last day of each fiscal quarter thereafter

(j) Section 7.13 of the Credit Agreement is hereby amended and restated in its entirety so as to read as follows:

"7.13 Consolidated Tangible Net Worth. The Company shall -----
not permit, as of the last day of any fiscal quarter, Consolidated Tangible Net Worth to be less than an amount equal to \$2,172,333,000, plus the sum of (a) 75% of Consolidated Net Income (not reduced by -----
Consolidated Net Loss for any period) earned in each fiscal quarterly accounting period commencing after the Closing Date, and (b) 100% of the amount by which Consolidated Tangible Net Worth increases as a result of any secondary public or private offering of equity securities by the Company and its Subsidiaries (not in connection with an Acquisition or employee stock option or purchase plans) after the Closing Date."

(k) Section 7.15 of the Credit Agreement is hereby amended and restated in its entirety so as to read as follows:

"7.15 Minimum Cash Flow. The Company shall not permit,

as of the last day of any fiscal quarter, EBITDA for the fiscal quarter then ending, to be less than the amount set forth below:

Minimum EBITDA -----	For the fiscal quarter ending -----
\$ 70,000,000	August 29, 1996 (4Q96)
\$100,000,000	November 28, 1996 (1Q97)
\$110,000,000	February 27, 1997 (2Q97)
\$165,000,000	May 29, 1997 (3Q97)
\$205,000,000	August 28, 1997 (4Q97)
\$215,000,000	November 27, 1997 (1Q98)
\$230,000,000	February 26, 1998 (2Q98)
\$250,000,000	May 28, 1998 (3Q98)
\$300,000,000	September 3, 1998 (4Q98)

and as of the last day of each
fiscal quarter thereafter

(l) Article VII of the Credit Agreement is hereby amended by adding the following Section 7.16 at the end thereof:

"7.16 Maximum Consolidated Net Loss. The Company shall

not permit, as of the last day of the applicable fiscal quarter, Consolidated Net Loss to exceed (a) \$25,000,000, for the fiscal quarter ending August 29, 1996 (4Q96), (b) \$15,000,000, for the fiscal quarter ending November 28, 1996 (1Q97), and (c) \$5,000,000, for the fiscal quarter ending February 27, 1997 (2Q97).

(m) Section 8.04 of the Credit Agreement is hereby amended and restated in its entirety so as to read as follows:

"8.04 Certain Financial Covenant Defaults. In the event

that, after taking into account any extraordinary charge to earnings taken or to be taken as of the end of any fiscal period of the Company (a "Charge"), and if solely by virtue of such

Charge, there would exist an Event of Default due to the breach of any of Sections 7.12, 7.13, 7.14, 7.15 or 7.16 as of such fiscal period end date, such Event of Default shall be deemed to arise upon the earlier of (a) the date after such fiscal period end date on which the Company announces publicly it will take, is taking or has taken such Charge (including an announcement in the form of a statement in a report filed with the SEC) or, if such announcement is made prior to such fiscal period end date, the date that is such fiscal period end date, and (b) the date the Company delivers to the Agent its audited annual or unaudited quarterly financial statements in respect of such fiscal period reflecting such Charge as taken."

(n) Schedule 2.01 (Commitments and Pro Rata Shares) to the Credit Agreement is hereby replaced in its entirety by Schedule 2.01 attached hereto.

(o) Exhibit C (Form of Borrowing Base Certificate) to the Credit Agreement is hereby replaced in its entirety by Exhibit C attached hereto.

(p) Exhibit D (Form of Compliance Certificate) to the Credit Agreement is hereby replaced in its entirety by Exhibit D attached hereto.

(q) The definitions of the following terms contained in Annex I to the Credit Agreement are each hereby amended and restated in their entirety so as to read as follows:

"Applicable Fee Percentage" means, for any date, the per annum percentage amount set forth below based on the Leverage Ratio set forth in the Compliance Certificate most recently delivered pursuant to Section 6.02(b):

Leverage Ratio -----	Applicable Fee Percentage -----
Less than 0.250	0.150%
Greater than or equal to 0.250 but less than 0.450	0.225%
Greater than or equal to 0.450 but less than 0.650	0.275%
Greater than or equal to 0.650	0.350%

The Applicable Fee Percentage shall be adjusted automatically as to the commitment fee then accruing effective as of the 90th day after the end of each fiscal year and the 45th day of the end of the first three fiscal quarters of each fiscal year based on the Leverage Ratio set forth in the most recently delivered Compliance Certificate.

"Applicable Margin" means, for any date, with respect to -----
each Offshore Rate Loan or Base Rate Loan outstanding on such date, the applicable margin (on a per annum basis) set forth below based on the Leverage Ratio set forth in the Compliance Certificate most recently delivered pursuant to Section 6.02(b):

Leverage Ratio -----	Applicable Margin	
	Offshore Rate Loans -----	Base Rate Loans -----
Less than 0.250	0.400%	0.000%
Greater than or equal to 0.250 but less than 0.450	0.650%	0.000%
Greater than or equal to 0.450 but less than 0.650	0.750%	0.000%
Greater than or equal to 0.650	0.875%	0.000%

Provided, that at any time as the aggregate outstanding principal amount of Loans exceeds \$250,000,000, the Applicable Margin in respect of any Offshore Rate Loans and Base Rate Loans then outstanding shall be increased by an additional 0.250%.

The Applicable Margin shall be adjusted automatically as to all Loans then outstanding effective as of the 90th day after the end of each fiscal year and the 45th day of the end of the first three fiscal quarters of each fiscal year based on the Leverage Ratio set forth in the most recently delivered Compliance Certificate.

"Borrowing Base" means, as of any date of determination,

an amount equal to (a) \$200,000,000, plus (b) 70% of the Adjusted Net Accounts Receivables Amount, less (c) the Pari Passu Debt Amount, as of such date; provided, however, that if the average

daily used portion of the combined Commitments of all the Banks for the prior fiscal month (computed on a monthly basis in arrears on the last Business Day of each fiscal month based upon the daily utilization for that fiscal month as calculated by the Agent) exceeds 50%, (i) on and after May 30, 1997, or (ii) on and after February 28, 1997 if the Company has not consummated equipment financings of at least \$300,000,000 from and including February 29, 1996 through and including February 27, 1997 (2Q97), then,

"Borrowing Base" shall mean, as of any date of determination, an amount equal to (a) 70% of the outstanding face amount of Eligible Accounts Receivable, less (b) the Pari Passu Debt Amount, as of such date.

"EBITDA" means, for any period, Consolidated Net Income or

Consolidated Net Loss, as the case may be, for such period, plus

the sum of (a) consolidated interest expense, (b) income tax expense, (c) depreciation expense, and (d) amortization expense, which were deductible in determining Consolidated Net Income or Consolidated Net Loss.

(r) The definition of the term "Net Proceeds" contained in Annex I to the Credit Agreement is hereby deleted.

(s) Annex I to the Credit Agreement is hereby amended to add the following defined term therein, in appropriate alphabetical order:

"Permitted Sale-Leaseback Transaction" means a transaction pursuant to

which the Company or any of its Subsidiaries purchases equipment and, within 12 months thereafter, sells such equipment to, and leases back such equipment from, a third-party pursuant to an operating or capital lease.

3. Representations and Warranties. The Company hereby represents and

warrants to the Agent and the Banks as follows:

(a) No Default or Event of Default has occurred and is continuing.

(b) The execution, delivery and performance by the Company of this Amendment have been duly authorized by all necessary corporate and other action and do not and will not require any registration with, consent or approval of, notice to or action by, any Person (including any Governmental Authority) in order to be effective and enforceable. The Credit Agreement as amended by this Amendment constitutes the legal, valid and binding obligations of the Company, enforceable against it in accordance with its respective terms.

(c) The representations and warranties of the Company contained in Article V of the Credit Agreement (except for the representations and warranties contained in Sections 5.05 and 5.14) are true and correct, except to the extent such representations and warranties relate to an earlier date, in which case they were true and correct as of such earlier date.

(d) The Company is entering into this Amendment on the basis of its own investigation and for its own reasons, without reliance upon the Agent and the Banks or any other Person.

4. Effective Date. This Amendment will become effective as of August 20, _____, 1996 (the "Effective Date"), provided that each of the following conditions _____ precedent is satisfied:

(a) The Agent has received from the Company and the Majority Banks a duly executed original (or, if elected by the Agent, an executed facsimile copy) of this Amendment.

(b) All representations and warranties contained herein are true and correct as of the Effective Date.

(c) The Agent has received from the Company, for the account of the Banks, a non-refundable amendment fee in the amount of \$500,000, to be allocated among the Banks on the basis of their respective Pro Rata Shares of the Commitment, as reduced by this Amendment.

(d) The Agent has received from the Company, solely for the account of the Agent, such other fees as may be agreed to by the Agent and the Company.

5. Reservation of Rights. The Company acknowledges and agrees that the _____ execution and delivery by the Agent and the Banks of this Amendment shall not be deemed to create a course of dealing or otherwise obligate the Agent or the Banks to forbear or execute similar amendments under the same or similar circumstances in the future.

6. Miscellaneous. _____

(a) Except as herein expressly amended, all terms, covenants and provisions of the Credit Agreement are and shall remain in full force and effect and all references therein to such Credit Agreement shall henceforth refer to the Credit Agreement as amended by this Amendment. This Amendment shall be deemed incorporated into, and a part of, the Credit Agreement.

(b) This Amendment shall be binding upon and inure to the benefit of the parties hereto and thereto and their respective successors and assigns. No third party beneficiaries are intended in connection with this Amendment.

(c) This Amendment shall be governed by and construed in accordance with the law of the State of California.

(d) This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Each of the parties hereto understands and agrees that this document may be delivered by any party thereto either in the form of an executed original or an executed original sent by facsimile transmission to be followed promptly by mailing of a hard copy original, and that receipt by the Agent of a facsimile transmitted document purportedly bearing the signature of a Bank or the

Company shall bind such Bank or the Company, respectively, with the same force and effect as the delivery of a hard copy original. Any failure by the Agent to receive the hard copy executed original of such document shall not diminish the binding effect of receipt of the facsimile transmitted executed original of such document of the party whose hard copy page was not received by the Agent.

(e) This Amendment, together with the Credit Agreement, contains the entire and exclusive agreement of the parties hereto with reference to the matters discussed herein and therein. This Amendment supersedes all prior drafts and communications with respect thereto. This Amendment may not be amended except in accordance with the provisions of Section 10.01 of the Credit Agreement.

(f) If any term or provision of this Amendment shall be deemed prohibited by or invalid under any applicable law, such provision shall be invalidated without affecting the remaining provisions of this Amendment or the Credit Agreement, respectively.

(g) The Company covenants to pay to or reimburse the Agent, upon demand, for all costs and expenses (including allocated costs of in-house counsel) incurred in connection with the development, preparation, negotiation, execution and delivery of this Amendment.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Amendment as of the date first above written.

MICRON TECHNOLOGY, INC.

By: /s/ Norman L. Schlachter

Name: Norman L. Schlachter
Title: Treasurer

BANK OF AMERICA NATIONAL TRUST
AND SAVINGS ASSOCIATION, as Agent

By: /s/ Wendy M. Young

Name: Wendy M. Young
Title: Vice President

BANK OF AMERICA NATIONAL TRUST
AND SAVINGS ASSOCIATION, as a Bank

By: /s/ Michael J. McCutchin

Name: Michael J. McCutchin
Title: Vice President

SEATTLE FIRST NATIONAL BANK, as Co-Agent

By: /s/ Thomas P. Rook

Name: Thomas P. Rook
Title: Vice President

BANK OF MONTREAL, as Co-Agent

By: /s/ Authorized Signatory

Name:
Title:

PNC BANK, NATIONAL ASSOCIATION,
as Co-Agent

By: /s/ Jeffrey P. White

Name: Jeffrey P. White
Title: Commercial Banking Officer

UNITED STATES NATIONAL BANK OF OREGON,
as Co-Agent

By: /s/ Jeff A. Killian

Name: Jeff A. Killian
Title: Vice President

ABN AMRO BANK N.V. SEATTLE BRANCH
By: ABN AMRO North America, Inc., as agent

By: /s/ Lee-Lee Miao

Name: Lee-Lee Miao
Title: Vice President and Director

By: /s/ Leif H. Olsson

Name: Leif H. Olsson
Title: Group Vice President and Director

BANQUE NATIONALE DE PARIS

By: /s/ Rafael C. Lumanlan

Name: Rafael C. Lumanlan
Title: Vice President

By: /s/ Charles Day

Name: Charles Day
Title: Assistant Vice President

FIRST SECURITY BANK OF IDAHO, N.A.

By: /s/ Brian W. Cook

Name: Brian W. Cook
Title: Vice President

FLEET NATIONAL BANK

By: /s/ Frank Bonesh

Name: Frank Bonesh
Title: Vice President

KEY BANK OF WASHINGTON

By: /s/ Richard J. Amery

Name: Richard J. Amery
Title: Assistant Vice President

MELLON BANK, N.A.

By: /s/ B. Charles Jackson

Name: B. Charles Jackson
Title: Senior Vice President

ROYAL BANK OF CANADA

By: /s/ Michael Cole

Name: Michael Cole
Title: Manager

THE BANK OF NEW YORK

By: /s/ Bruce C. Miller

Name: Bruce C. Miller
Title: Vice President and
Division Manager

THE BANK OF NOVA SCOTIA

By: /s/ J.S. York

Name: J.S. York
Title: Vice President

THE DAI-ICHI KANGYO BANK, LIMITED, SAN
FRANCISCO AGENCY

By: /s/ Seigo Makino

Name: Seigo Makino
Title: Joint General Manager

THE FUJI BANK, LIMITED, LOS ANGELES
AGENCY

By: /s/ Nobuhiro Umemura

Name: Nobuhiro Umemura
Title: Joint General Manager

THE INDUSTRIAL BANK OF JAPAN, LIMITED,
SAN FRANCISCO AGENCY

By: /s/ Yoh Nakahara

Name: Yoh Nakahara
Title: General Manager

THE LONG-TERM CREDIT BANK OF JAPAN,
LTD., LOS ANGELES AGENCY

By:/s/Motokazu Uematsu

Name: Motokazu Uematsu
Title: General Manager

THE SUMITOMO BANK LIMITED, LOS ANGELES
BRANCH

By:/s/Tatsuo Ueda

Name: Tatsuo Ueda
Title: General Manager

SCHEDULE 2.01
 COMMITMENTS AND PRO RATA SHARES

Bank	Commitment	Pro Rata Share
-----	-----	-----
Bank of America National Trust and Savings Association	\$ 31,200,000	7.800000000%
Seattle First National Bank	31,200,000	7.800000000
Bank of Montreal	31,200,000	7.800000000
PNC Bank, National Association	31,200,000	7.800000000
United States National Bank of Oregon	31,200,000	7.800000000
ABN AMRO Bank, N.V. Seattle Branch	23,200,000	5.800000000
The Bank of Nova Scotia	23,200,000	5.800000000
The Industrial Bank of Japan, Limited, San Francisco Agency	23,200,000	5.800000000
Key Bank of Washington	23,200,000	5.800000000
Royal Bank of Canada	23,200,000	5.800000000
Banque Nationale de Paris	19,200,000	4.800000000
The Fuji Bank, Limited, Los Angeles Agency	19,200,000	4.800000000
The Bank of New York	12,800,000	3.200000000
The Dai-Ichi Kangyo Bank, Limited, San Francisco Agency	12,800,000	3.200000000
First Security Bank of Idaho, N.A.	12,800,000	3.200000000
Fleet National Bank	12,800,000	3.200000000
The Long-Term Credit Bank of Japan, Ltd., Los Angeles Agency	12,800,000	3.200000000
Mellon Bank, N.A.	12,800,000	3.200000000
The Sumitomo Bank Limited Los Angeles Branch	12,800,000	3.200000000
	-----	-----
TOTAL	\$400,000,000 =====	100.000000000% =====

EXHIBIT C

FORM OF BORROWING BASE CERTIFICATE

MICRON TECHNOLOGY, INC.
DATED AS OF: _____, 199__

Reference is made to that certain Revolving Credit Agreement dated as of May 14, 1996 (as extended, renewed, amended or restated from time to time, the "Credit Agreement") among Micron Technology, Inc. (the "Company"), the several ----- financial institutions from time to time party to this Credit Agreement (the "Banks"), and Bank of America National Trust and Savings Association, as agent ----- for the Banks (in such capacity, the "Agent"). Unless otherwise defined herein, ----- capitalized terms used herein have the respective meanings assigned to them in the Credit Agreement.

The undersigned Responsible Officer of the Company hereby certifies as of the date hereof that he/she is the [Chief Financial Officer] [Treasurer] of the Company, and that, as such, he/she is authorized to execute and deliver this Certificate to the Banks and the Agent on the behalf of the Company and its consolidated Subsidiaries, and that:

1. The Pari Passu Debt Amount (outstanding Senior Unsecured Debt plus outstanding Indebtedness permitted pursuant to Section 7.06(h)) is \$_____.

2. Prior to the dates referred to in Paragraph 3 below:

(a) The Adjusted Net Accounts Receivables Amount (80%/*/ of the face amount of net trade receivables determined in accordance with GAAP) is \$_____; and

(b) The Borrowing Base (\$200,000,000 plus 70% of the Adjusted Net Accounts Receivables Amount, less the Pari Passu Debt Amount) is \$_____.

3. On and after May 30, 1997, or on and after February 28, 1997, if the Company has not consummated equipment financings of at least \$300,000,000 from and including February 29, 1996 through and including February 27, 1997 (2Q97):

(a) The outstanding face amount of all Eligible Accounts Receivable is \$_____;

(b) The Borrowing Base (70% of the outstanding face amount of all Eligible Accounts Receivable, less the Pari Passu Debt Amount) is \$_____.

4. The aggregate principal amount of all outstanding Loans is \$_____.

5. The amount by which the aggregate principal amount of all outstanding Loans is [greater] [less] than the Borrowing Base is \$_____.

6. Attached as Schedule 1 hereto is a true and correct copy of supporting ----- details for the foregoing calculations.

/*/ Subject to adjustment.

7. The values used to calculate the Borrowing Base are true and correct and in agreement with the records of the Company, and the calculations made above and on Schedule 1 are mathematically accurate.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of _____, 199__.

MICRON TECHNOLOGY, INC.

By: _____
Title:

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EXHIBIT D

FORM OF COMPLIANCE CERTIFICATE

MICRON TECHNOLOGY, INC.
FINANCIAL STATEMENT DATE: _____, 199__

Reference is made to that certain Revolving Credit Agreement dated as of May 14, 1996 (as extended, renewed, amended or restated from time to time, the "Credit Agreement") among Micron Technology, Inc. (the "Company"), the several financial institutions from time to time party to this Credit Agreement (the "Banks"), and Bank of America National Trust and Savings Association, as agent for the Banks (in such capacity, the "Agent"). Unless otherwise defined herein, capitalized terms used herein have the respective meanings assigned to them in the Credit Agreement.

The undersigned Responsible Officer of the Company hereby certifies as of the date hereof that he/she is the [Chief Financial Officer] [Treasurer] of the Company, and that, as such, he/she is authorized to execute and deliver this Certificate to the Banks and the Agent on the behalf of the Company and its consolidated Subsidiaries, and that:

[Use the following paragraph if this Certificate is delivered in connection with the financial statements required by subsection 6.01(a) of the Credit Agreement.]

1. Attached as Schedule 1 hereto are true and correct copies of the

audited consolidated balance sheet of the Company and its Subsidiaries as at the end of the fiscal year ended _____, 199__ and the related consolidated statements of income or operations, shareholders' equity and cash flows for such year, setting forth in each case in comparative form the figures for the previous fiscal year, accompanied by the opinion of the Independent Auditor, which opinion (a) states that such consolidated financial statements present fairly in all material respects the financial position of the Company as of the date thereof and the results of operations for the periods indicated in conformity with GAAP applied on a basis consistent with prior years, except as otherwise indicated therein, and (b) is not qualified or limited because of a restricted or limited examination by the Independent Auditor of any material portion of the Company's or any Subsidiary's records.

[Use the following paragraph if this Certificate is delivered in connection with the financial statements required by subsection 6.01(b) of the Credit Agreement.]

1. Attached as Schedule 1 hereto are true and correct copies of the

unaudited consolidated balance sheet of the Company and its Subsidiaries as of the end of the fiscal quarter ended _____, 199__ and the related consolidated statements of income for the period commencing on the first day and ending on the last day of such quarter, and statement of cash flows for the year to date, which fairly present in all material respects, in accordance with GAAP (subject to ordinary, good faith year-end audit adjustments and except for the absence of footnotes), the financial position and the results of operations of the Company and the Subsidiaries.

2. The undersigned has reviewed and is familiar with the terms of the Credit Agreement and has made, or has caused to be made under his/her supervision, a detailed review of the transactions and conditions (financial or otherwise) of the Company during the accounting period covered by the attached financial statements.

3. The Company, during such period, has observed, performed or satisfied all of its covenants and other agreements, and satisfied every condition in the Credit Agreement to be observed, performed or satisfied by the Company, and the undersigned has no knowledge of any Default or Event of Default.

4. The representations and warranties of the Company contained in Article V of the Credit Agreement are true and correct as though made on and as of the date hereof (except to the extent such representations and warranties relate to an earlier date, in which case they were true and correct as of such earlier date).

5. The following financial covenant analyses and information set forth on Schedule 2 attached hereto are true and accurate on and as of the date of this _____ Certificate.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of _____, 199__.

MICRON TECHNOLOGY, INC.

By: _____
Title:

SCHEDULE 2

to the Compliance Certificate
(\$ in 000's)

Date: _____, 199__
For the fiscal quarter/year
ended _____, 199__

	Actual	Required/Permitted
	-----	-----
1. Section 7.12: Adjusted Quick Ratio.		

The ratio of:		
A. the sum of:		
(i) cash, cash equivalents and liquid investments	_____	
plus		

(ii) net trade accounts receivable	_____	
(i) + (ii)	= _____	
B. the sum (without duplication) of:		
(i) current liabilities	_____	
plus		

(ii) long-term liabilities related to customer deposits and loans	_____	
plus		

(iii) any Loans outstanding	_____	
(i) + (ii) + (iii)	= _____	
A		

B	= _____	Not less than:

		Minimum Adjusted Quick Ratio

		As of the Last Day of the Fiscal Quarter Ending

		0.45 to 1.00
		August 29, 1996
		0.40 to 1.00
		November 28, 1996
		0.40 to 1.00
		February 27, 1997
		0.40 to 1.00
		May 29, 1997
		0.50 to 1.00
		August 28, 1997
		0.50 to 1.00
		November 27, 1997
		0.50 to 1.00
		February 26, 1998
		0.70 to 1.00
		May 28, 1998 and thereafter

	Actual	Required/Permitted
	-----	-----
2. Section 7.13: Consolidated Tangible Net Worth.		

Consolidated Tangible Net Worth:		
A. total stockholders' equity	_____	
less		

B. the net book value of all assets including deferred charges, leasehold conversion costs, franchise rights, non-compete agreements, research and development costs, capitalized costs associated with software development expenses, goodwill, unamortized debt discounts, patents, patent applications, trademarks, trade names, and copyrights and licenses	_____	
A - B	=	
	=====	
		Not to be less than the sum of:
		A. \$2,172,333,000
		plus

		B. 75% of Consolidated Net Income (not reduced by Consolidated Net Loss) earned in each quarterly accounting period commencing after 5/14/96 _____
		plus

		C. 100% of increase in Consolidated Tangible Net Worth from certain equity securities issued after 5/14/96 _____
		A + B + C = _____
		=====

	Actual	Required/Permitted
	-----	-----
3. Section 7.14: Leverage Ratio.		

The ratio of:		
A. Consolidated Adjusted Total Liabilities		
(i) total liabilities	_____	
plus		

(ii) certain off-balance sheet obligations	_____	
(i) + (ii)	= _____	
B. Consolidated Tangible Net Worth: (from #2 above)	= _____	
A		

B	=	===== Not greater than 0.75 to 1.00

	Actual	Required/Permitted
	-----	-----
4. Section 7.15: Minimum Cash Flow.		

A. EBITDA means the sum of:		
(i) Consolidated Net Income (or Consolidated Net Loss)	_____	
plus		

(ii) consolidated interest expense/1/	_____	
plus		

(iii) income tax expense/1/	_____	
plus		

(iv) depreciation expense/1/	_____	
plus		

(v) amortization expense/1/	_____	
(i) + (ii) + (iii) + (iv) + (v)	= _____	Not less than:
	=====	
		Minimum EBITDA

		For the Quarter Ending

		\$ 70,000,000 August 29, 1996
		\$100,000,000 November 28, 1996
		\$110,000,000 February 27, 1997
		\$165,000,000 May 29, 1997
		\$205,000,000 August 28, 1997
		\$215,000,000 November 27, 1997
		\$230,000,000 February 26, 1998
		\$250,000,000 May 28, 1998
		\$300,000,000 September 3, 1998 and thereafter

5. Section 7.16: Maximum Consolidated Net Loss.

Consolidated Net Loss for the fiscal quarter ending:

August 29, 1996	_____	Not greater than \$25,000,000
November 28, 1996	_____	Not greater than \$15,000,000
February 27, 1997	_____	Not greater than \$5,000,000

/1/ To the extent deductible in determining Consolidated Net Income or Consolidated Net Loss.

	Actual	Required/Permitted
	-----	-----
6. Section 7.01(j): Purchase Money Liens. -----		
Indebtedness secured by purchase money and other similar security interests =	\$ _____	Not to exceed 20% of consolidated net property, plant and equipment = \$ _____
7. Section 7.01(q): Secured Swap Obligations. -----		
Permitted Swap Obligations secured by cash collateral or government securities =	\$ _____	Not to exceed 5% of consolidated tangible fixed assets = \$ _____
8. Section 7.03(c): Disposition of Material Assets. -----		
Aggregate fair market value of all material assets sold outside of ordinary course of business =	\$ _____	Not to exceed 10% of consolidated tangible assets = \$ _____
9. Section 7.05(c): Affiliate Investments. -----		
Investment to or in Micron Electronics, Inc. =	\$ _____	Not to exceed \$100,000,000
Investments to or in any other non-Wholly-Owned Subsidiary	\$ _____	Not to exceed 5% of Consolidated Tangible Net Worth = \$ _____
10. Section 7.05(e): Acquisitions or Minority Investments. -----		
Aggregate consideration (including assumption of debt) or assets contributed in order to consummate Acquisitions or minority Investments =	\$ _____	Not to exceed 25% of consolidated tangible assets = \$ _____
11. Section 7.05(l): Other Investments. -----		
Investments not otherwise permitted by Section 7.05 =	\$ _____	Not to exceed 2% of consolidated tangible assets = \$ _____
12. Section 7.06(h): Third-Party Indebtedness. -----		
Indebtedness incurred by Subsidiaries from Persons other than the Company or another Subsidiary (excluding Indebtedness permitted under subsection 7.06(d)) =	\$ _____	Not to exceed \$100,000,000

Pages D-7 and D-8 to be furnished (1) as of the end of each fiscal year and (2) as and when requested by Agent or Majority Banks

	Actual	Required/Permitted
	-----	-----
13. Section 7.06(j): Subordinated Debt/Senior Unsecured Debt. -----		
(i) Subordinated Debt =	\$ _____	
plus		
(ii) Senior Unsecured Debt =	\$ _____	
(i) + (ii) =	\$ _____ =====	Not to exceed the greater of:
		(a) \$150,000,000
		and
		(b) 10% of:
		(i) Company's stockholder equity
		less
		(ii) principal amount of all Company's
		committed or outstanding secured
		debt, subordinated debt, guarantees
		and senior unsecured debt
		(including under this Agreement)
		= \$ _____
14. Section 7.06(m): Other Indebtedness/Contingent Obligations. -----		
Indebtedness and Contingent Obligations other than for borrowed money, to the extent not otherwise permitted by Section 7.06 =	\$ _____	Not to exceed \$100,000,000
15. Section 7.09: Restricted Payments. -----		
Cash Restricted Payments permitted by Section 7.09(d) =	\$ _____	Not to exceed 25% of Consolidated Net Income, on a rolling four quarter basis = \$ _____

Pages D-7 and D-8 to be furnished (1) as of
the end of each fiscal year and (2) as and
when requested by Agent or Majority Banks

MICRON TECHNOLOGY, INC.

REGISTRATION RIGHTS AGREEMENT

Dated as of June 28, 1996

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REGISTRATION RIGHTS AGREEMENT

REGISTRATION RIGHTS AGREEMENT, dated as of June 28, 1996, between Micron Technology, Inc., a Delaware corporation (the "Company") and Canadian Imperial Bank of Commerce ("CIBC").

1. Introduction. Simplot Canada Limited ("Simplot") has pledged

2,600,000 shares of the Company's common stock, par value \$.10 per share (the "Common Shares"), to CIBC under a Pledge dated June 28, 1996 between Simplot and CIBC (the "Pledge"). The Pledge secures Simplot's obligations to CIBC under, among other things, a Loan Agreement dated as of June 28, 1996 (the "Loan Agreement") and a Master Agreement dated June 28, 1996 (together with the Schedule thereto and the confirmation entered into thereunder and dated as of June 28, 1996, the "Forward Agreement"), each between Simplot and CIBC. Micron is willing to provide certain registration rights to CIBC with respect to the Common Shares pledged by Simplot, and CIBC is willing to pay certain of the Company's expenses under this Agreement on the terms set forth herein. Certain capitalized terms used in this Agreement are defined in section 3 hereof; references to sections shall be to sections of this Agreement.

2. Registration under Securities Act, etc.

2.1 Registration on Request.

(a) Request. At any time during the two-year period (or such

shorter holding period as may in the good faith determination of CIBC be applicable to CIBC as holder of the Common Shares under Rule 144 under the Securities Act or any similar or successor rule or regulation hereafter adopted by the Commission) after the earlier of (i) June 27, 2003 and (ii) the date on which CIBC shall have foreclosed on the Common Shares under the Pledge OR otherwise received the Common Shares under the Forward Agreement, upon the written request of CIBC, requesting that the Company effect the registration under the Securities Act of all or part of the Common Shares and specifying the intended method of disposition thereof, the Company will, subject to the terms of this Agreement, use commercially reasonable efforts to effect the registration under the Securities Act of the Common Shares for disposition in accordance with the intended method of disposition stated in CIBC's request, to the extent requisite to permit the disposition (in accordance with the intended methods thereof as aforesaid) of the Common Stock so to be registered; provided,

however, that the Company shall not be

obligated to register the Common Shares (i) during the period described above if the Commission shall have issued a no-action letter that would allow CIBC to sell the Common Shares publicly without a registration statement during such period or (ii) if the Company provides CIBC with an opinion of counsel satisfactory in form and substance to CIBC that CIBC may sell the shares publicly without a registration statement.

(b) Registration Statement Form. Registrations under this section

2.1 shall be on such appropriate registration form of the Commission (i) as

shall be selected by the Company and (ii) as shall permit the disposition of the

Common Shares in accordance with the intended method or methods of disposition
specified in CIBC's request for such registration.

(c) Expenses. CIBC shall pay all Registration Expenses in

connection with any registration requested pursuant to this section 2.1.

(d) Notwithstanding the foregoing, (i) the Company shall not be obligated to take any action pursuant to this section 2.1 if the Company shall furnish to CIBC a certificate signed by the Chief Executive Officer of the Company stating that in the good faith judgment of its Board of Directors it would be seriously detrimental to the Company or its shareholders for registration statements to be filed in the near future, then the Company's obligation to use commercially reasonable efforts to file a registration statement shall be deferred for a period not to exceed one hundred twenty (120) days from the receipt of the request to file such registration by CIBC and (ii) the Company may register other securities in a registration statement filed pursuant to this section 2.1.

2.2 Registration Procedures. If and whenever the Company is required

to use commercially reasonable efforts to effect the registration of the Common Shares under the Securities Act as provided in section 2.1, the Company shall, as expeditiously as possible:

(i) prepare and within 60 days after CIBC's request file with the Commission the requisite registration statement to effect such registration (including such audited financial statements as may be required by the Securities Act or the rules and regulations promulgated thereunder) and thereafter use commercially reasonable efforts to cause such registration statement to become and remain effective for a period of not more than 180 days, provided however that before filing such

registration statement or any amendments thereto, the Company will furnish to the counsel selected by CIBC copies of all such

documents proposed to be filed, which documents will be subject to the review of such counsel;

(ii) prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for a period of not more than 180 days and to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement;

(iii) furnish to CIBC such number of conformed copies of such registration statement and of each such amendment and supplement thereto (in each case including all exhibits), such number of copies of the prospectus contained in such registration statement (including each preliminary prospectus and any summary prospectus) and any other prospectus filed under Rule 424 under the Securities Act, in conformity with the requirements of the Securities Act, and such other documents, as CIBC may reasonably request in order to facilitate the disposition of the Common Shares in accordance with the intended method of disposition;

(iv) use commercially reasonable efforts to register or qualify the Common Shares under such other securities laws or blue sky laws of such jurisdictions as CIBC shall reasonably request, to keep such registrations or qualifications in effect for so long as such registration statement remains in effect, and take any other action which may be reasonably necessary or advisable to enable CIBC to consummate the disposition in such jurisdictions of the Common Shares, except that the Company shall not for any such purpose be required to qualify generally to do business as a foreign corporation in any jurisdiction wherein it would not but for the requirements of this subdivision (iv) be obligated to be so qualified or to consent to general service of process in any such jurisdiction;

(v) use commercially reasonable efforts for so long as such registration statement remains in effect to cause all the Common Shares to be registered with or approved by such governmental agencies or authorities as CIBC shall reasonably request to enable CIBC to consummate the disposition of the Common Shares;

(vi) notify CIBC promptly and confirm such advice in writing promptly thereafter:

(1) when the registration statement, the prospectus or any prospectus supplement related thereto or post-effective amendment to the registration statement has been filed, and, with respect to the registration statement or any post-effective amendment thereto, when the same has become effective;

(2) of any request by the Commission for amendments or supplements to the registration statement or the prospectus or for additional information;

(3) of the issuance by the Commission of any stop order suspending the effectiveness of the registration statement or the initiation of any proceedings by any Person for that purpose;

(4) of the receipt by the Company of any notification with respect to the suspension of the qualification of any Common Shares for sale under the securities or blue sky laws of any jurisdiction or the initiation or threat of any proceeding for such purpose; and

(vii) notify CIBC, at any time when with respect to the Common Shares a prospectus relating thereto is required to be delivered under the Securities Act, upon the Company's discovery that, or upon the happening of any event as a result of which, the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing, and at the request of CIBC promptly prepare and furnish to CIBC a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such securities, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing;

(viii) use commercially reasonable efforts to obtain the withdrawal of any order suspending the effectiveness of the registration statement at the earliest possible moment; and

(ix) otherwise use commercially reasonable efforts to comply with all applicable rules and regulations of the Commission, and make available to its security holders, as soon as reasonably practicable, an earnings

statement covering the period of at least twelve months, but not more than eighteen months, beginning with the first full calendar month after the effective date of such registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder, and furnish to CIBC at least five business days prior to the filing thereof a copy of any amendment or supplement to such registration statement or prospectus and shall not file any thereof to which CIBC shall have reasonably objected on the grounds that such amendment or supplement does not comply in all material respects with the requirements of the Securities Act or of the rules or regulations thereunder.

CIBC shall furnish the Company such information regarding CIBC and the distribution of such securities as the Company may from time to time reasonably request in writing.

The Company will not file any registration statement or amendment thereto or any prospectus or any supplement thereto (including such documents incorporated by reference and proposed to be filed after the initial filing of the registration statement) in satisfaction of its obligations pursuant to this section 2 to which CIBC shall reasonably object, provided that the Company may -----
file such document in a form required by law or upon the advice of its counsel.

CIBC shall be deemed to have agreed by acquisition of the Common Shares that, upon receipt of any notice from the Company of the occurrence of any event of the kind described in subdivision (vii) of this section 2.2, CIBC will forthwith discontinue its disposition of the Common Shares pursuant to the registration statement relating thereto until CIBC's receipt of the copies of the supplemented or amended prospectus contemplated by subdivision (vii) of this section 2.2 and, if so directed by the Company, will deliver to the Company (at CIBC's expense) all copies, other than permanent file copies, then in CIBC's possession of the prospectus relating to the Common Shares current at the time of receipt of such notice. In the event the Company shall give any such notice, the period mentioned in paragraph (ii) of this section 2.2 shall be extended by the length of the period from and including the date CIBC shall have received such notice to the date on which CIBC has received the copies of the supplemented or amended prospectus contemplated by paragraph (vii) of this section 2.2.

2.3 Preparation; Reasonable Investigation. In connection with the -----
preparation and filing of each registration statement under the Securities Act pursuant to this Agreement, the Company will give CIBC and its counsel and accountants the opportunity to participate in the preparation of such registration statement, each prospectus included therein or filed with the Commission, and each amendment thereof or supplement thereto, and will give each of them such access to its financial books and

records and such opportunities to discuss the business of the Company with its officers and the independent public accountants who have certified its financial statements as shall be necessary, in the opinion of CIBC's counsel, to conduct a reasonable investigation within the meaning of the Securities Act. The Company shall not be responsible for any cost or expense incurred by CIBC, its counsel or accountants pursuant to this section 2.3. All information obtained by CIBC, its counsel or accountants pursuant to this section 2.3 shall be subject to the confidentiality provisions of section 4 herein.

2.4 Indemnification.

(a) Indemnification by the Company. In the event of any

registration of the Common Shares under the Securities Act pursuant to the terms of this Agreement, the Company will, and hereby does agree to, indemnify and hold harmless CIBC, its directors and officers and each other Person, if any, who controls CIBC within the meaning of the Securities Act, against any losses, claims, damages or liabilities, joint or several, to which CIBC or any such director or officer or controlling person may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any registration statement under which such securities were registered under the Securities Act, any preliminary prospectus, final prospectus or summary prospectus contained therein, or any amendment or supplement thereto, or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and the Company will reimburse CIBC and each such director, officer and controlling person for any legal or any other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, liability, action or proceeding, provided that the Company shall not be liable in any such case to the extent that any such loss, claim, damage, liability (or action or proceeding in respect thereof) or expense arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in such registration statement, any such preliminary prospectus, final prospectus, summary prospectus, amendment or supplement in reliance upon and in conformity with written information furnished to the Company through an instrument duly executed by CIBC. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of CIBC or any such director, officer, or controlling person and shall survive the transfer of such securities by CIBC.

(b) Indemnification by CIBC. CIBC shall indemnify and hold

harmless (in the same manner and to the same extent as set forth in subdivision (a) of this section 2.4) the Company, each director of the Company, each officer of the Company

and each other person, if any, who controls the Company within the meaning of the Securities Act, with respect to any statement or alleged statement in or omission or alleged omission from such registration statement, any preliminary prospectus, final prospectus or summary prospectus contained therein, or any amendment or supplement thereto, if such statement or alleged statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company through an instrument duly executed by CIBC specifically stating that it is for use in the preparation of such registration statement, preliminary prospectus, final prospectus, summary prospectus, amendment or supplement. Such indemnity shall remain in full force and effect, regardless of any investigation made by or on behalf of the Company or any such director, officer or controlling person and shall survive the transfer of such securities by CIBC.

(c) Notices of Claims, etc. Promptly after receipt by an

indemnified party of notice of the commencement of any action or proceeding involving a claim referred to in the preceding subdivisions of this section 2.4, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party, give written notice to the latter of the commencement of such action, provided that the failure of any indemnified party to give notice as provided herein shall not relieve the indemnifying party of its obligations under the preceding subdivisions of this section 2.4, except to the extent that the indemnifying party is actually prejudiced by such failure to give notice. In case any such action is brought against an indemnified party, unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist in respect of such claim, the indemnifying party shall be entitled to participate in and to assume the defense thereof, jointly with any other indemnifying party similarly notified, to the extent that the indemnifying party may wish, with counsel reasonably satisfactory to such indemnified party, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party for any legal or other expenses subsequently incurred by the latter in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the consent of the indemnified party, consent to entry of any judgment or enter into any settlement of any such action which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation. No indemnified party shall consent to entry of any judgment or enter into any settlement of any such action the defense of which has been assumed by an indemnifying party without the consent of such indemnifying party.

(d) Other Indemnification. Indemnification similar to that

specified in the preceding subdivisions of this section 2.4 (with appropriate modifications) shall be given by the Company and CIBC with respect to any required registration or other qualification of securities under any Federal or state law or regulation of any governmental authority, other than the Securities Act.

(e) Indemnification Payments. The indemnification required by

this section 2.4 shall be made by periodic payments of the amount thereof during the course of the investigation or defense upon thirty days written invoice of such bills expense, loss, damage or liability.

(f) Contribution. If the indemnification provided for in the

preceding subdivisions of this section 2.4 is unavailable to an indemnified party in respect of any expense, loss, claim, damage or liability referred to therein, then each indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified party as a result of such expense, loss, claim, damage or liability in such proportion as is appropriate to reflect the relative fault of the Company on the one hand and of CIBC on the other in connection with the statements or omissions which resulted in such expense, loss, damage or liability, as well as any other relevant equitable considerations. The relative fault of the Company on the one hand and of CIBC on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission to state a material fact relates to information supplied by the Company, by CIBC and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission, provided that the foregoing contribution agreement shall not inure to the benefit of any indemnified party if indemnification would be unavailable to such indemnified party by reason of the provisions contained in the first sentence of subdivision (a) of this section 2.4, and in no event shall the obligation of any indemnifying party to contribute under this subdivision (f) exceed the amount that such indemnifying party would have been obligated to pay by way of indemnification if the indemnification provided for under subdivisions (a) or (b) of this section 2.4 had been available under the circumstances.

The Company and CIBC agree that it would not be just and equitable if contribution pursuant to this subdivision (f) were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in the immediately preceding paragraph. The amount paid or payable by an indemnified party as a result of the losses, claims, damages and liabilities referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth in the preceding sentence and subdivision (c) of this section 2.4, any

legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim.

Notwithstanding the provisions of this subdivision (f), CIBC shall not be required to contribute any amount in excess of the amount by which the net proceeds received by CIBC from the sale of the Common Shares exceeds, in any such case, the amount of any damages that CIBC has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

3. Definitions. As used herein, unless the context otherwise requires, the following terms have the following respective meanings:

Commission: The Securities and Exchange Commission or any other Federal agency at the time administering the Securities Act.

Common Shares: As defined in section 1.

Company: As defined in the introductory paragraph of this Agreement.

Exchange Act: The Securities Exchange Act of 1934, or any similar Federal statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time. Reference to a particular section of the Securities Exchange Act of 1934 shall include a reference to the comparable section, if any, of any such similar Federal statute.

Person: A corporation, an association, a partnership, an organization, business, an individual, a governmental or political subdivision thereof or a governmental agency.

Registration Expenses: All expenses incident to the Company's performance of or compliance with section 2, including, without limitation, all registration, filing and NASD fees, all stock exchange listing fees, all fees and expenses of complying with securities or blue sky laws, all word processing, duplicating and printing expenses, messenger and delivery expenses, the reasonable fees and disbursements of a single outside counsel for the Company, including the expenses of any special audits or "cold

comfort" letters required by or incident to such performance and compliance, and the fees and disbursements of any counsel and accountants retained by CIBC. Such expenses shall not include salaries of Company personnel or general overhead expenses of the Company, auditing fees, or other expenses for the preparation of financial statements or other data normally prepared by the Company in the ordinary course of its business or which the Company would have incurred in any event.

Securities Act: The Securities Act of 1933, or any similar Federal

statute, and the rules and regulations of the Commission thereunder, all as of the same shall be in effect at the time. References to a particular section of the Securities Act of 1933 shall include a reference to the comparable section, if any, of any such similar Federal statute.

4. Confidential Information. CIBC agrees that any information

obtained pursuant to this Agreement which is, or would reasonably be perceived to be, proprietary to the Company or otherwise confidential will not be disclosed without the prior written consent of the Company. Notwithstanding the foregoing, CIBC may disclose such information, on a need to know basis, to its employees, accountants or attorneys (so long as each such person to whom confidential information is disclosed agrees to keep such information confidential), as required by applicable law or regulation based on the written advice of CIBC's counsel (a copy of which shall be provided to the Company unless CIBC is prevented from revealing such disclosure by such applicable law or regulation or the relevant government agency requesting such disclosure) or in compliance with a court order or when otherwise necessary to enforce any of their rights hereunder. CIBC further acknowledges, understands and agrees that any confidential information will not be utilized in connection with purchases and/or sales of the Company's securities except in compliance with applicable state and federal antifraud statutes.

5. Restrictive Legend. During all periods of time in which an

effective registration statement of the Common Shares under the Securities Act is not in effect, each certificate representing any portion or all of the Common Shares and any certificate reflecting any stock split, stock dividend, recapitalization, merger, consolidation or similar event with respect to the Common Shares shall (unless otherwise permitted by the provisions of section 6 below) be stamped or otherwise imprinted with the following legend (in addition to any legend required under applicable state securities laws):

"THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD, ASSIGNED, PLEDGED OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE, PLEDGE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT.

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON THEIR SALE, ASSIGNMENT, PLEDGE OR TRANSFER SET FORTH IN SECTION 6 OF A REGISTRATION RIGHTS AGREEMENT DATED AS OF June 28, 1996 AMONG MICRON TECHNOLOGY, INC. AND CERTAIN OTHER PARTIES. COPIES OF SUCH AGREEMENT MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION."

Each party consents to the Company making a notation on its records and giving instructions to any transfer agent of the Company Shares in order to implement the restrictions on transfer established in this Agreement.

6. Notice of Proposed Transfers. The holder of each certificate

representing Common Shares by acceptance thereof agrees to comply in all respects with the provisions of this section 6. Prior to any proposed sale, pledge, assignment or transfer of any Common Shares (other than a transfer not involving a change in beneficial ownership) unless there is in effect a registration statement under the Securities Act covering the proposed transfer, the holder thereof shall give written notice to the Company of such holder's intention to effect such transfer, sale, assignment or pledge. Each such notice shall describe the manner and circumstances of the proposed transfer, sale, assignment or pledge in sufficient detail, and shall be accompanied, at such holder's expense by either (i) an unqualified written opinion of legal counsel who shall, and whose legal opinion shall, be reasonably satisfactory to the Company addressed to the Company, to the effect that the proposed transfer of the Common Shares may be effected without registration under the Securities Act, or (ii) a "no action" letter from the Commission to the effect that the transfer of such securities without registration will not result in a recommendation by the staff of the Commission that action be taken with respect thereto, whereupon the holder of such Common Shares shall be entitled to

transfer such Common Shares in accordance with the terms of the notice delivered by the holder to the Company. Each certificate evidencing the Common Shares transferred as above provided shall bear, unless such transfer is made pursuant to an effective registration statement, the appropriate restrictive legend set forth in section 5 above, except that such certificate shall not bear such restrictive legend if in the opinion of counsel for such holder and the Company such legend is not required in order to establish compliance with any provision of the Securities Act.

7. Rules 144 and 144A. The Company shall timely file the reports

required to be filed by it under the Securities Act and the Exchange Act (including but not limited to the reports under sections 13 and 15(d) of the Exchange Act referred to in subparagraph (c) of Rule 144 adopted by the Commission under the Securities Act) and the rules and regulations adopted by the Commission thereunder (or, if the Company is not required to file such reports, will, upon the request of CIBC, make publicly available other information) and will take such further action as CIBC may reasonably request, all to the extent required from time to time to enable CIBC to sell the Common Shares without registration under the Securities Act within the limitation of the exemptions provided by (a) Rule 144 or Rule 144A under the Securities Act,
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as such Rule may be amended from time to time, or (b) any similar rule or
-
regulation hereafter adopted by the Commission.

8. Amendments and Waivers. This Agreement may be amended only with

the written consent of the parties hereto.

9. Notices. Except as otherwise provided in this Agreement, all

notices, requests and other communications to any Person provided for hereunder shall be in writing and shall be given to such Person (a) in the case of CIBC,
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at 161 Bay Street, 5th Floor, Toronto, Ontario, Canada, M5J 2S8 to the attention of its Office of General Counsel, with copies to Alexander Bakal at Canadian Imperial Bank of Commerce, 425 Lexington Avenue, New York, New York 10017 and to John W. Osborn at Skadden, Arps, Slate, Meagher & Flom, 919 Third Avenue, New York, New York 10023, or at such other address, or to the attention of such other officer, as CIBC shall have furnished to the Company, or (b) in the case
-
of the Company, at 8000 South Federal Way, P.O. Box 6, Boise, Idaho 83707 to the attention of its General Counsel, or at such other address, or to the attention of such other officer, as the Company shall have furnished to CIBC. Each such notice, request or other communication shall be effective (i) if given by mail,
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72 hours after such communication is deposited in the mails with first class postage prepaid, addressed as aforesaid or (ii) if given by any other means
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(including, without limitation, by air courier), when delivered at the address specified above.

10. Assignment. This Agreement shall be binding upon and inure to

the benefit of and be enforceable by the parties hereto and their respective
successors and assigns.

11. Descriptive Headings. The descriptive headings of the several

sections and paragraphs of this Agreement are inserted for reference only and
shall not limit or otherwise affect the meaning hereof.

12. GOVERNING LAW. THIS AGREEMENT SHALL BE CONSTRUED AND ENFORCED

IN ACCORDANCE WITH, AND THE RIGHTS OF THE PARTIES SHALL BE GOVERNED BY, THE LAWS
OF THE STATE OF IDAHO WITHOUT REFERENCE TO THE PRINCIPLES OF CONFLICTS OF LAWS.

13. Counterparts. This Agreement may be executed simultaneously in

any number of counterparts, each of which shall be deemed an original, but all
such counterparts shall together constitute one and the same instrument.

14. Entire Agreement. This Agreement embodies the entire agreement

and understanding between the Company and each other party hereto relating to
the subject matter hereof and supersedes all prior agreements and understandings
relating to such subject matter.

15. SUBMISSION TO JURISDICTION. ANY LEGAL ACTION OR PROCEEDING WITH

RESPECT TO THIS AGREEMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF IDAHO OR
NEW YORK OR OF THE UNITED STATES OF AMERICA FOR THE DISTRICT OF IDAHO OR THE
SOUTHERN DISTRICT OF NEW YORK, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT,
THE PARTIES HEREBY ACCEPT FOR THEMSELVES AND IN RESPECT OF THEIR PROPERTY,
GENERALLY AND UNCONDITIONALLY, THE JURISDICTION OF THE AFORESAID COURTS AND
APPELLATE COURTS FROM ANY THEREOF. EACH PARTY HERETO HEREBY IRREVOCABLY
CONSENTS TO THE SERVICE OF PROCESS OUT OF ANY OF THE AFOREMENTIONED COURTS IN
ANY ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF TO SUCH PARTY BY
REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, RETURN RECEIPT REQUESTED, TO SUCH
PARTY AT ITS ADDRESS SPECIFIED IN SECTION 9. THE PARTIES HERETO HEREBY
IRREVOCABLY WAIVE TRIAL BY JURY, AND THE PARTIES HEREBY IRREVOCABLY WAIVE ANY
OBJECTION, INCLUDING, WITHOUT LIMITATION, ANY OBJECTION TO THE LAYING OF VENUE
OR

BASED ON THE GROUNDS OF FORUM NON CONVENIENS, WHICH THEY MAY NOW OR HEREAFTER

HAVE TO THE BRINGING OF ANY SUCH ACTION OR PROCEEDING IN SUCH RESPECTIVE
JURISDICTIONS.

16. Severability. If any provision of this Agreement, or the

application of such provisions to any Person or circumstance, shall be held
invalid, the remainder of this Agreement, or the application of such provision
to Persons or circumstances other than those to which it is held invalid, shall
not be affected thereby.

17. Enforceability and Validity. In addition to all other actions

necessary to make this Agreement a valid, binding and enforceable agreement
among the parties, Micron shall have first received (or shall receive
contemporaneous with the execution of this Agreement) an opinion satisfactory to
Micron from outside counsel to Simplot that the pledge of the Common Shares
pursuant to the Pledge Agreement, the Loan Agreement and the Master Agreement,
shall not violate applicable securities laws and is exempt from registration
under the Securities Act.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

MICRON TECHNOLOGY, INC.

By /s/ W. B. Stover, Jr.

Title: Vice President, Finance
Chief Financial Officer

CANADIAN IMPERIAL BANK OF COMMERCE

By /s/ Eric Claus

Title: Managing Director

MICRON TECHNOLOGY, INC.

REGISTRATION RIGHTS AGREEMENT

Dated as of July 29, 1996

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REGISTRATION RIGHTS AGREEMENT

REGISTRATION RIGHTS AGREEMENT, dated as of July 29, 1996, between Micron Technology, Inc., a Delaware corporation (the "Company") and Canadian Imperial Bank of Commerce ("CIBC").

1. Introduction. J.R. Simplot Company, a Nevada corporation

("Simplot"), has entered into a Pledge dated July 29, 1996 between Simplot and CIBC (the "Pledge") pursuant to which Simplot has pledged to CIBC 5,000,000 shares of the Company's common stock, par value \$.10 per share (as such shares may be substituted by other like shares from time to time in accordance with the terms of the Pledge, the "Common Shares"). The Pledge secures Simplot's obligations to CIBC under, among other things, a Loan Agreement dated as of July 29, 1996 (the "Loan Agreement") and a Master Agreement dated July 29, 1996 (together with the Schedule thereto and the confirmation entered into thereunder and dated as of July 29, 1996, the "Forward Agreement"), each between Simplot and CIBC. Micron is willing to provide certain registration rights to CIBC with respect to the Common Shares pledged by Simplot, and CIBC is willing to pay certain of the Company's expenses under this Agreement on the terms set forth herein. Certain capitalized terms used in this Agreement are defined in section 3 hereof; references to sections shall be to sections of this Agreement.

2. Registration under Securities Act, etc.

2.1 Registration on Request.

(a) Request. At any time during the two-year period (or such

shorter holding period as may in the good faith determination of CIBC be applicable to CIBC as holder of the Common Shares under Rule 144 under the Securities Act or any similar or successor rule or regulation hereafter adopted by the Commission) after the earlier of (i) July 29, 2003 and (ii) the date on which CIBC shall have foreclosed on the Common Shares under the Pledge OR otherwise received the Common Shares under the Forward Agreement, upon the written request of CIBC, requesting that the Company effect the registration under the Securities Act of all or part of the Common Shares and specifying the intended method of disposition thereof, the Company will, subject to the terms of this Agreement, use commercially reasonable efforts to effect the registration under the Securities Act of the Common Shares for disposition in accordance with the intended method of disposition stated in CIBC's request, to the extent requisite to permit

the disposition (in accordance with the intended methods thereof as aforesaid) of the Common Stock so to be registered; provided, however, that the Company

shall not be obligated to register the Common Shares (i) during the period described above if the Commission shall have issued a no-action letter that would allow CIBC to sell the Common Shares publicly without a registration statement during such period or (ii) if the Company provides CIBC with an opinion of counsel satisfactory in form and substance to CIBC that CIBC may sell the shares publicly without a registration statement.

(b) Registration Statement Form. Registrations under this section

2.1 shall be on such appropriate registration form of the Commission (i) as shall be selected by the Company and (ii) as shall permit the disposition of the Common Shares in accordance with the intended method or methods of disposition specified in CIBC's request for such registration.

(c) Expenses. CIBC shall pay all Registration Expenses in

connection with any registration requested pursuant to this section 2.1.

(d) Notwithstanding the foregoing, (i) the Company shall not be obligated to take any action pursuant to this section 2.1 if the Company shall furnish to CIBC a certificate signed by the Chief Executive Officer of the Company stating that in the good faith judgment of its Board of Directors it would be seriously detrimental to the Company or its shareholders for registration statements to be filed in the near future, then the Company's obligation to use commercially reasonable efforts to file a registration statement shall be deferred for a period not to exceed one hundred twenty (120) days from the receipt of the request to file such registration by CIBC and (ii) the Company may register other securities in a registration statement filed pursuant to this section 2.1.

2.2 Registration Procedures. If and whenever the Company is required

to use commercially reasonable efforts to effect the registration of the Common Shares under the Securities Act as provided in section 2.1, the Company shall, as expeditiously as possible:

(i) prepare and within 60 days after CIBC's request file with the Commission the requisite registration statement to effect such registration (including such audited financial statements as may be required by the Securities Act or the rules and regulations promulgated thereunder) and thereafter use commercially reasonable efforts to cause such registration statement to become and remain effective for a period of not more than 180 days, provided however that before filing such registration statement or

any amendments thereto, the

Company will furnish to the counsel selected by CIBC copies of all such documents proposed to be filed, which documents will be subject to the review of such counsel;

(ii) prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for a period of not more than 180 days and to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement;

(iii) furnish to CIBC such number of conformed copies of such registration statement and of each such amendment and supplement thereto (in each case including all exhibits), such number of copies of the prospectus contained in such registration statement (including each preliminary prospectus and any summary prospectus) and any other prospectus filed under Rule 424 under the Securities Act, in conformity with the requirements of the Securities Act, and such other documents, as CIBC may reasonably request in order to facilitate the disposition of the Common Shares in accordance with the intended method of disposition;

(iv) use commercially reasonable efforts to register or qualify the Common Shares under such other securities laws or blue sky laws of such jurisdictions as CIBC shall reasonably request, to keep such registrations or qualifications in effect for so long as such registration statement remains in effect, and take any other action which may be reasonably necessary or advisable to enable CIBC to consummate the disposition in such jurisdictions of the Common Shares, except that the Company shall not for any such purpose be required to qualify generally to do business as a foreign corporation in any jurisdiction wherein it would not but for the requirements of this subdivision (iv) be obligated to be so qualified or to consent to general service of process in any such jurisdiction;

(v) use commercially reasonable efforts for so long as such registration statement remains in effect to cause all the Common Shares to be registered with or approved by such governmental agencies or authorities as CIBC shall reasonably request to enable CIBC to consummate the disposition of the Common Shares;

(vi) notify CIBC promptly and confirm such advice in writing promptly thereafter:

(1) when the registration statement, the prospectus or any prospectus supplement related thereto or post-effective amendment to the registration statement has been filed, and, with respect to the registration statement or any post-effective amendment thereto, when the same has become effective;

(2) of any request by the Commission for amendments or supplements to the registration statement or the prospectus or for additional information;

(3) of the issuance by the Commission of any stop order suspending the effectiveness of the registration statement or the initiation of any proceedings by any Person for that purpose;

(4) of the receipt by the Company of any notification with respect to the suspension of the qualification of any Common Shares for sale under the securities or blue sky laws of any jurisdiction or the initiation or threat of any proceeding for such purpose; and

(vii) notify CIBC, at any time when with respect to the Common Shares a prospectus relating thereto is required to be delivered under the Securities Act, upon the Company's discovery that, or upon the happening of any event as a result of which, the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing, and at the request of CIBC promptly prepare and furnish to CIBC a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such securities, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing;

(viii) use commercially reasonable efforts to obtain the withdrawal of any order suspending the effectiveness of the registration statement at the earliest possible moment; and

(ix) otherwise use commercially reasonable efforts to comply with all applicable rules and regulations of the Commission, and make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least twelve months, but not more than eighteen months, beginning with the first full calendar month after the effective date of such registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder, and furnish to CIBC at least five business days prior to the filing thereof a copy of any amendment or supplement to such registration statement or prospectus and shall not file any thereof to which CIBC shall have reasonably objected on the grounds that such amendment or supplement does not comply in all material respects with the requirements of the Securities Act or of the rules or regulations thereunder.

CIBC shall furnish the Company such information regarding CIBC and the distribution of such securities as the Company may from time to time reasonably request in writing.

The Company will not file any registration statement or amendment thereto or any prospectus or any supplement thereto (including such documents incorporated by reference and proposed to be filed after the initial filing of the registration statement) in satisfaction of its obligations pursuant to this section 2 to which CIBC shall reasonably object, provided that the Company may -----
file such document in a form required by law or upon the advice of its counsel.

CIBC shall be deemed to have agreed by acquisition of the Common Shares that, upon receipt of any notice from the Company of the occurrence of any event of the kind described in subdivision (vii) of this section 2.2, CIBC will forthwith discontinue its disposition of the Common Shares pursuant to the registration statement relating thereto until CIBC's receipt of the copies of the supplemented or amended prospectus contemplated by subdivision (vii) of this section 2.2 and, if so directed by the Company, will deliver to the Company (at CIBC's expense) all copies, other than permanent file copies, then in CIBC's possession of the prospectus relating to the Common Shares current at the time of receipt of such notice. In the event the Company shall give any such notice, the period mentioned in paragraph (ii) of this section 2.2 shall be extended by the length of the period from and including the date CIBC shall have received such notice to the date on which CIBC has received the copies of the supplemented or amended prospectus contemplated by paragraph (vii) of this section 2.2.

2.3 Preparation; Reasonable Investigation. In connection with the -----
preparation and filing of each registration statement under the Securities Act pursuant to this Agreement, the Company will give CIBC and its counsel and accountants the

opportunity to participate in the preparation of such registration statement, each prospectus included therein or filed with the Commission, and each amendment thereof or supplement thereto, and will give each of them such access to its financial books and records and such opportunities to discuss the business of the Company with its officers and the independent public accountants who have certified its financial statements as shall be necessary, in the opinion of CIBC's counsel, to conduct a reasonable investigation within the meaning of the Securities Act. The Company shall not be responsible for any cost or expense incurred by CIBC, its counsel or accountants pursuant to this section 2.3. All information obtained by CIBC, its counsel or accountants pursuant to this section 2.3 shall be subject to the confidentiality provisions of section 4 herein.

2.4 Indemnification.

(a) Indemnification by the Company. In the event of any

registration of the Common Shares under the Securities Act pursuant to the terms of this Agreement, the Company will, and hereby does agree to, indemnify and hold harmless CIBC, its directors and officers and each other Person, if any, who controls CIBC within the meaning of the Securities Act, against any losses, claims, damages or liabilities, joint or several, to which CIBC or any such director or officer or controlling person may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any registration statement under which such securities were registered under the Securities Act, any preliminary prospectus, final prospectus or summary prospectus contained therein, or any amendment or supplement thereto, or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and the Company will reimburse CIBC and each such director, officer and controlling person for any legal or any other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, liability, action or proceeding, provided that the Company shall not be liable in any such case to

the extent that any such loss, claim, damage, liability (or action or proceeding in respect thereof) or expense arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in such registration statement, any such preliminary prospectus, final prospectus, summary prospectus, amendment or supplement in reliance upon and in conformity with written information furnished to the Company through an instrument duly executed by CIBC. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of CIBC or any such director, officer, or controlling person and shall survive the transfer of such securities by CIBC.

(b) Indemnification by CIBC. CIBC shall indemnify and hold

harmless (in the same manner and to the same extent as set forth in subdivision (a) of this section 2.4) the Company, each director of the Company, each officer of the Company and each other person, if any, who controls the Company within the meaning of the Securities Act, with respect to any statement or alleged statement in or omission or alleged omission from such registration statement, any preliminary prospectus, final prospectus or summary prospectus contained therein, or any amendment or supplement thereto, if such statement or alleged statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company through an instrument duly executed by CIBC specifically stating that it is for use in the preparation of such registration statement, preliminary prospectus, final prospectus, summary prospectus, amendment or supplement. Such indemnity shall remain in full force and effect, regardless of any investigation made by or on behalf of the Company or any such director, officer or controlling person and shall survive the transfer of such securities by CIBC.

(c) Notices of Claims, etc. Promptly after receipt by an

indemnified party of notice of the commencement of any action or proceeding involving a claim referred to in the preceding subdivisions of this section 2.4, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party, give written notice to the latter of the commencement of such action, provided that the failure of any indemnified party to give notice

as provided herein shall not relieve the indemnifying party of its obligations under the preceding subdivisions of this section 2.4, except to the extent that the indemnifying party is actually prejudiced by such failure to give notice. In case any such action is brought against an indemnified party, unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist in respect of such claim, the indemnifying party shall be entitled to participate in and to assume the defense thereof, jointly with any other indemnifying party similarly notified, to the extent that the indemnifying party may wish, with counsel reasonably satisfactory to such indemnified party, and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party for any legal or other expenses subsequently incurred by the latter in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the consent of the indemnified party, consent to entry of any judgment or enter into any settlement of any such action which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation. No indemnified party shall consent to entry of any judgment or enter into any settlement of any such action the defense of

which has been assumed by an indemnifying party without the consent of such indemnifying party.

(d) Other Indemnification. Indemnification similar to that

specified in the preceding subdivisions of this section 2.4 (with appropriate modifications) shall be given by the Company and CIBC with respect to any required registration or other qualification of securities under any Federal or state law or regulation of any governmental authority, other than the Securities Act.

(e) Indemnification Payments. The indemnification required by

this section 2.4 shall be made by periodic payments of the amount thereof during the course of the investigation or defense upon thirty days written invoice of such bills expense, loss, damage or liability.

(f) Contribution. If the indemnification provided for in the

preceding subdivisions of this section 2.4 is unavailable to an indemnified party in respect of any expense, loss, claim, damage or liability referred to therein, then each indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified party as a result of such expense, loss, claim, damage or liability in such proportion as is appropriate to reflect the relative fault of the Company on the one hand and of CIBC on the other in connection with the statements or omissions which resulted in such expense, loss, damage or liability, as well as any other relevant equitable considerations. The relative fault of the Company on the one hand and of CIBC on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission to state a material fact relates to information supplied by the Company, by CIBC and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission, provided that the foregoing contribution agreement shall not inure to the

benefit of any indemnified party if indemnification would be unavailable to such indemnified party by reason of the provisions contained in the first sentence of subdivision (a) of this section 2.4, and in no event shall the obligation of any indemnifying party to contribute under this subdivision (f) exceed the amount that such indemnifying party would have been obligated to pay by way of indemnification if the indemnification provided for under subdivisions (a) or (b) of this section 2.4 had been available under the circumstances.

The Company and CIBC agree that it would not be just and equitable if contribution pursuant to this subdivision (f) were determined by pro rata

allocation or by any other method of allocation that does not take account of the equitable considerations referred to in the immediately preceding paragraph. The amount paid or payable by an

indemnified party as a result of the losses, claims, damages and liabilities referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth in the preceding sentence and subdivision (c) of this section 2.4, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim.

Notwithstanding the provisions of this subdivision (f), CIBC shall not be required to contribute any amount in excess of the amount by which the net proceeds received by CIBC from the sale of the Common Shares exceeds, in any such case, the amount of any damages that CIBC has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

3. Definitions. As used herein, unless the context otherwise

requires, the following terms have the following respective meanings:

Commission: The Securities and Exchange Commission or any other

Federal agency at the time administering the Securities Act.

Common Shares: As defined in section 1.

Company: As defined in the introductory paragraph of this Agree ment.

Exchange Act: The Securities Exchange Act of 1934, or any similar

Federal statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time. Reference to a particular section of the Securities Exchange Act of 1934 shall include a reference to the comparable section, if any, of any such similar Federal statute.

Person: A corporation, an association, a partnership, an

organization, business, an individual, a governmental or political subdivision thereof or a governmental agency.

Registration Expenses: All expenses incident to the Company's

performance of or compliance with section 2, including, without limitation, all registration, filing and NASD fees, all stock exchange listing fees, all fees and expenses of complying with securities or blue sky laws, all word

processing, duplicating and printing expenses, messenger and delivery expenses, the reasonable fees and disbursements of a single outside counsel for the Company, including the expenses of any special audits or "cold comfort" letters required by or incident to such performance and compliance, and the fees and disbursements of any counsel and accountants retained by CIBC. Such expenses shall not include salaries of Company personnel or general overhead expenses of the Company, auditing fees, or other expenses for the preparation of financial statements or other data normally prepared by the Company in the ordinary course of its business or which the Company would have incurred in any event.

Securities Act: The Securities Act of 1933, or any similar Federal

statute, and the rules and regulations of the Commission thereunder, all as of the same shall be in effect at the time. References to a particular section of the Securities Act of 1933 shall include a reference to the comparable section, if any, of any such similar Federal statute.

4. Confidential Information. CIBC agrees that any information

obtained pursuant to this Agreement which is, or would reasonably be perceived to be, proprietary to the Company or otherwise confidential will not be disclosed without the prior written consent of the Company. Notwithstanding the foregoing, CIBC may disclose such information, on a need to know basis, to its employees, accountants or attorneys (so long as each such person to whom confidential information is disclosed agrees to keep such information confidential), as required by applicable law or regulation based on the written advice of CIBC's counsel (a copy of which shall be provided to the Company unless CIBC is prevented from revealing such disclosure by such applicable law or regulation or the relevant government agency requesting such disclosure) or in compliance with a court order or when otherwise necessary to enforce any of their rights hereunder. CIBC further acknowledges, understands and agrees that any confidential information will not be utilized in connection with purchases and/or sales of the Company's securities except in compliance with applicable state and federal antifraud statutes.

5. Restrictive Legend. During all periods of time in which an

effective registration statement of the Common Shares under the Securities Act is not in effect, each certificate representing any portion or all of the Common Shares and any certificate reflecting any stock split, stock dividend, recapitalization, merger, consolidation or similar event with respect to the Common Shares shall (unless otherwise permitted by the provisions of section 6 below) be stamped or otherwise imprinted with

the following legend (in addition to any legend required under applicable state securities laws):

"THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD, ASSIGNED, PLEDGED OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE, PLEDGE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT.

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON THEIR SALE, ASSIGNMENT, PLEDGE OR TRANSFER SET FORTH IN SECTION 6 OF A REGISTRATION RIGHTS AGREEMENT DATED AS OF JULY 29, 1996 AMONG MICRON TECHNOLOGY, INC. AND CERTAIN OTHER PARTIES. COPIES OF SUCH AGREEMENT MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE CORPORATION AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION."

Each party consents to the Company making a notation on its records and giving instructions to any transfer agent of the Company Shares in order to implement the restrictions on transfer established in this Agreement.

6. Notice of Proposed Transfers. The holder of each certificate

representing Common Shares by acceptance thereof agrees to comply in all respects with the provisions of this section 6. Prior to any proposed sale, pledge, assignment or transfer of any Common Shares (other than a transfer not involving a change in beneficial ownership) unless there is in effect a registration statement under the Securities Act covering the proposed transfer, the holder thereof shall give written notice to the Company of such holder's intention to effect such transfer, sale, assignment or pledge. Each such notice shall describe the manner and circumstances of the proposed transfer, sale, assignment or pledge in sufficient detail, and shall be accompanied, at such holder's expense by either (i) an unqualified written opinion of legal counsel who shall, and whose legal opinion shall, be reasonably satisfactory to the Company addressed to the Company, to the effect that the proposed transfer of the Common Shares may be effected without registration under the Securities Act, or (ii) a "no action" letter from the

Commission to the effect that the transfer of such securities without registration will not result in a recommendation by the staff of the Commission that action be taken with respect thereto, whereupon the holder of such Common Shares shall be entitled to transfer such Common Shares in accordance with the terms of the notice delivered by the holder to the Company. Each certificate evidencing the Common Shares transferred as above provided shall bear, unless such transfer is made pursuant to an effective registration statement, the appropriate restrictive legend set forth in section 5 above, except that such certificate shall not bear such restrictive legend if in the opinion of counsel for such holder and the Company such legend is not required in order to establish compliance with any provision of the Securities Act.

7. Rules 144 and 144A. The Company shall timely file the reports

required to be filed by it under the Securities Act and the Exchange Act (including but not limited to the reports under sections 13 and 15(d) of the Exchange Act referred to in subparagraph (c) of Rule 144 adopted by the Commission under the Securities Act) and the rules and regulations adopted by the Commission thereunder (or, if the Company is not required to file such reports, will, upon the request of CIBC, make publicly available other information) and will take such further action as CIBC may reasonably request, all to the extent required from time to time to enable CIBC to sell the Common Shares without registration under the Securities Act within the limitation of the exemptions provided by (a) Rule 144 or Rule 144A under the Securities Act,

as such Rule may be amended from time to time, or (b) any similar rule or

regulation hereafter adopted by the Commission.

8. Amendments and Waivers. This Agreement may be amended only with

the written consent of the parties hereto.

9. Notices. Except as otherwise provided in this Agreement, all

notices, requests and other communications to any Person provided for hereunder shall be in writing and shall be given to such Person (a) in the case of CIBC,

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at 161 Bay Street, 5th Floor, Toronto, Ontario, Canada, M5J 2S8 to the attention of its Office of General Counsel, with copies to Alexander Bakal at Canadian Imperial Bank of Commerce, 425 Lexington Avenue, New York, New York 10017 and to John W. Osborn at Skadden, Arps, Slate, Meagher & Flom, 919 Third Avenue, New York, New York 10023, or at such other address, or to the attention of such other officer, as CIBC shall have furnished to the Company, or (b) in the case

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of the Company, at 8000 South Federal Way, P.O. Box 6, Boise, Idaho 83707 to the attention of its General Counsel, or at such other address, or to the attention of such other officer, as the Company shall have furnished to CIBC. Each such notice, request or other communication shall be effective (i) if given by mail,

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72 hours after such communication is deposited in the mails

with first class postage prepaid, addressed as aforesaid or (ii) if given by any other means (including, without limitation, by air courier), when delivered at the address specified above.

10. Assignment. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.

11. Descriptive Headings. The descriptive headings of the several sections and paragraphs of this Agreement are inserted for reference only and shall not limit or otherwise affect the meaning hereof.

12. GOVERNING LAW. THIS AGREEMENT SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, AND THE RIGHTS OF THE PARTIES SHALL BE GOVERNED BY, THE LAWS OF THE STATE OF IDAHO WITHOUT REFERENCE TO THE PRINCIPLES OF CONFLICTS OF LAWS.

13. Counterparts. This Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original, but all such counterparts shall together constitute one and the same instrument.

14. Entire Agreement. This Agreement embodies the entire agreement and understanding between the Company and each other party hereto relating to the subject matter hereof and supersedes all prior agreements and understandings relating to such subject matter.

15. SUBMISSION TO JURISDICTION. ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF IDAHO OR NEW YORK OR OF THE UNITED STATES OF AMERICA FOR THE DISTRICT OF IDAHO OR THE SOUTHERN DISTRICT OF NEW YORK, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, THE PARTIES HEREBY ACCEPT FOR THEMSELVES AND IN RESPECT OF THEIR PROPERTY, GENERALLY AND UNCONDITIONALLY, THE JURISDICTION OF THE AFORESAID COURTS AND APPELLATE COURTS FROM ANY THEREOF. EACH PARTY HERETO HEREBY IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF ANY OF THE AFOREMENTIONED COURTS IN ANY ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF TO SUCH PARTY BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, RETURN RECEIPT REQUESTED, TO

SUCH PARTY AT ITS ADDRESS SPECIFIED IN SECTION 9. THE PARTIES HERETO HEREBY IRREVOCABLY WAIVE TRIAL BY JURY, AND THE PARTIES HEREBY IRREVOCABLY WAIVE ANY OBJECTION, INCLUDING, WITHOUT LIMITATION, ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, WHICH THEY MAY NOW OR HEREAFTER

HAVE TO THE BRINGING OF ANY SUCH ACTION OR PROCEEDING IN SUCH RESPECTIVE JURISDICTIONS.

16. Severability. If any provision of this Agreement, or the

application of such provisions to any Person or circumstance, shall be held invalid, the remainder of this Agreement, or the application of such provision to Persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

17. Enforceability and Validity. In addition to all other actions

necessary to make this Agreement a valid, binding and enforceable agreement among the parties, Micron shall have first received (or shall receive contemporaneous with the execution of this Agreement) an opinion satisfactory to Micron from outside counsel to Simplot that the pledge of the Common Shares pursuant to the Pledge Agreement, the Loan Agreement and the Master Agreement, shall not violate applicable securities laws and is exempt from registration under the Securities Act.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

MICRON TECHNOLOGY, INC.

By /s/ Steven R. Appleton

Title:

CANADIAN IMPERIAL BANK OF COMMERCE

By /s/ Eric Claus

Title: Managing Director

Irrevocable Proxy
(Canadian Imperial Bank of Commerce)

Canadian Imperial Bank of Commerce ("CIBC"), a Canadian bank, hereby irrevocably appoints such persons to be serving from time to time as the Chairman of the Board of Micron Technology, Inc., a Delaware corporation ("Micron"), the Chief Financial Officer of Micron, and each of them alone, as his or her true and lawful proxy and attorney-in-fact, with full power of substitution and resubstitution (i) to represent J.R. Simplot Company, a Nevada corporation (the "Company"), at the annual meetings of the stockholders of Micron to be held in 1996, 1997, 1998, 1999, 2000, 2001 and 2002, and at any adjournment thereof, and to vote, in his or her discretion (including cumulatively, if required) 2,600,000 shares (the "Shares") of common stock, \$.10 par value, of Micron held by the Company; (ii) to represent the Company at any special meeting of stockholders of Micron, and at any adjournment thereof, and to vote (including cumulatively, if required) all the Shares in his or her discretion; and (iii) to vote all the Shares in his or her discretion upon such other matter or matters which may properly come before the stockholders of Micron by written consent or otherwise.

This Irrevocable Proxy may be exercised at any time after the date hereof and prior to June 27, 2003, except that such proxy shall expire immediately upon the termination for any reason of the dividend swap transaction contemplated by the letter agreement by and between the Company and CIBC dated June 28, 1996.

Dated: June 28, 1996

CANADIAN IMPERIAL BANK OF
COMMERCE

By: /s/ Eric Claus

Name: Eric Claus

Title: Vice President

By: /s/ Bruce J. Berger

Name: Bruce J. Berger

Title: Vice President

Irrevocable Proxy
(J.R. Simplot Company)

J.R. Simplot Company, a Nevada corporation (the "Company"), hereby irrevocably appoints such persons as may be serving from time to time as the Chairman of the Board of Micron Technology, Inc., a Delaware corporation ("Micron"), the Chief Financial Officer of Micron, and each of them alone, as its true and lawful proxy and attorney-in-fact, with full power of substitution and resubstitution (i) to represent the Company at the annual meetings of the stockholders of Micron to be held in 1996, 1997, 1998, 1999, 2000, 2001 and 2002, and at any adjournment thereof, and to vote, in its discretion (including cumulatively, if required) 5,000,000 shares (the "Shares") of common stock, \$.10 par value, of Micron held by the Company and evidenced by certificate numbers MC38051, MC38054, MC38057, MC38061, MC38063, MC38067 and MC51861 (of which all the shares of Common Stock evidences by certificate numbers MC83051, MC38054, MC38057, MC38061 and MC38063, 882,500 shares of Common Stock evidenced by certificate number MC38067 and 1,244,750 shares of Common Stock evidenced by certificate number MC51861 are subject to this proxy) or any certificates issued to the Company as a replacement therefor; (ii) to represent the Company at any special meeting of stockholders of Micron, and at any adjournment thereof, and to vote (including cumulatively, if required) all the Shares in its discretion; and (iii) to vote all the Shares in its discretion upon such other matter or matters which may properly come before the stockholders of Micron by written consent or otherwise. The Company retains the voting rights with regard to the remaining 1,098,750 shares of Common Stock evidenced by certificate number MC38067 and the remaining 1,099,000 shares of Common Stock evidenced by certificate number MC51861.

This irrevocable proxy may be exercised at any time after the date hereof and prior to July 29, 2003, except that such proxy shall expire immediately upon the termination for any reason of the dividend swap transaction contemplated by the letter agreement between the Company and Canadian Imperial Bank of Commerce dated July 29, 1996.

Dated: July 29, 1996

J.R. SIMPLOT COMPANY

By: /s/ L.E. Costello

Name: L.E. Costello

Title: Sr. Vice President & C.F.O.

MICRON TECHNOLOGY, INC.

COMPUTATION OF PER SHARE EARNINGS
(AMOUNTS IN MILLIONS EXCEPT FOR PER SHARE DATA)

	FISCAL YEAR ENDED		
	AUGUST 29, 1996	AUGUST 31, 1995	SEPTEMBER 1, 1994
PRIMARY			
Weighted average shares			
outstanding.....	207.8	205.1	202.4
Net effect of dilutive stock			
options.....	7.2	8.8	6.5
	-----	-----	-----
Total shares.....	215.0	213.9	208.9
	=====	=====	=====
Net income.....	\$593.5	\$844.1	\$400.5
	=====	=====	=====
Primary earnings per share..	\$ 2.76	\$ 3.95	\$ 1.92
	=====	=====	=====
FULLY DILUTED			
Weighted average shares			
outstanding.....	207.8	205.1	202.4
Net effect of dilutive stock			
options.....	7.2	11.1	8.0
	-----	-----	-----
Total shares.....	215.0	216.2	210.4
	=====	=====	=====
Net income.....	\$593.5	\$844.1	\$400.5
	=====	=====	=====
Fully diluted earnings per			
share.....	\$ 2.76	\$ 3.90	\$ 1.90
	=====	=====	=====

MICRON TECHNOLOGY, INC.

SUBSIDIARIES OF THE REGISTRANT

NAME -----	STATE (OR JURISDICTION) IN WHICH INCORPORATED -----
Micron Communications, Inc.	Idaho
Micron Construction, Inc.	Idaho
Micron Construction of New Mexico, Inc.	New Mexico
Micron Display Technology, Inc.	Idaho
Micron Electronics, Inc.	Minnesota
Micron Custom Manufacturing Services, Inc.	Idaho
M.C.M.S. SDN. BHD.	Malaysia
Micron Electronics (H.K.) Limited.....	Hong Kong
Micron Electronics Japan K.K.	Japan
Micron Electronics Overseas Trading, Inc.	Barbados
PC Tech, Inc.	Minnesota
Micron Europe Limited.....	United Kingdom
Micron International Sales, Inc.	Barbados
Micron Quantum Devices, Inc.	California
Micron Semiconductor Asia Pacific Pte. Ltd.	Singapore
Micron Semiconductor Asia Pacific Inc.	Idaho
Micron Semiconductor (Deutschland) GmbH.....	Germany
Micron Semiconductor Products, Inc.	Idaho
Micron Technology International, Inc.	British Virgin Islands

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference in the registration statements of Micron Technology, Inc., on Forms S-8 (File Nos. 33-3686, 33-16832, 33-27078, 33-38665, 33-38926, 33-65050, 33-52653, 33-57887 and 333-07283) of our report dated September 19, 1996, except as to the Stock Purchase Plans Note to Consolidated Financial Statements, the date of which is September 30, 1996, on our audits of the consolidated financial statements of Micron Technology, Inc., as of August 29, 1996, and August 31, 1995, and for each of the three years in the period ended August 29, 1996, which report is included in this Annual Report on Form 10-K.

/s/ Coopers & Lybrand L.L.P.

Boise, Idaho
October 3, 1996

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE ACCOMPANYING FINANCIAL STATEMENTS AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000,000

YEAR	YEAR		YEAR	
	AUG-31-1995	AUG-31-1995	AUG-29-1996	AUG-29-1996
		128		276
	428		11	
	472		375	
	17		28	
	205		251	
	1,274		964	
		2,024		3,539
	638		831	
	2,775		3,752	
605			665	
	0		0	0
	0		0	0
	21		21	
	1,877		2,481	
2,775		3,752		
	2,953		3,654	
		1,329		2,198
	1,656		2,709	
	(29)		0	
	0		0	
(25)			(14)	
	1,350		951	
	506		357	
0			0	
	0		0	
	0		0	
		0		0
	844		594	
	3.95		2.76	
	3.90		2.76	