

Citi Global Technology Conference

Ernie Maddock
Chief Financial Officer

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Favorable Business Environment Drives Improved Results

- Revenues and Gross Margins at or near upper end of Guidance
 - Key mobile customer qualifications completed
 - ASP improvement in spot market and selected contract markets
 - Overall demand continues to be robust while PC stabilizes
 - Lean inventory with OEM and channel customers
 - Slowing industry supply
- Full FY-16 Non-GAAP EPS in positive territory
- Sustained momentum into FQ1-17
- FQ4-16 Earnings Release on October 4th

FY 2017 Investment Plans

DRAM Memory

40-50% of FY-17 CapEx

- Complete 20nm, 1X DRAM ramp
- 1Y and 1Z development

Non-Volatile Memory

30-40% of FY-17 CapEx

- Complete 3D Gen One, ramp Gen 2
- 3D Gen 3 development
- 3D XPoint™ early market adoption

Technology and Product Enablement

15-25% of FY-17 CapEx

- Advanced packaging
- Emerging memory

FY 2017 Capex Guidance
Net to Micron \$4.8-\$5.2B

Estimates include IMI

Investments Drive Bit Growth and Cost Reductions

Two Year CAGR (FY-17 vs. FY-15) ¹		
Bit Shipments		
DRAM	↑ 20-30%	Ahead
NAND	↑ 30-40%	On track

Two Year CAGR (FY-17 vs. FY-15) ¹		
Average Cost per Bit		
DRAM	↓ 15-25%	On track
NAND	↓ 20-30%	On track

FY-17 vs. FY-16 <i>New!</i>	
Average Cost per Bit	
DRAM	↓ 20-25%
NAND	↓ 20-25%

NAND figures based on Trade NAND (excludes Intel portion of IM Flash).

¹Two-year CAGR comparing total annual FY 2017 vs FY 2015.

Key Takeaways

- 1 Market conditions improving
- 2 Full FY-16 Non-GAAP EPS in positive territory
- 3 FY-17 CapEx ~\$5B net of partner contributions
- 4 Execution to key targets remain on track



