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

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended September 3, 2015
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

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 incorporation or organization)	(IRS Employer Identification No.)
8000 S. Federal Way, Boise, Idaho	**83716-9632**
(Address of principal executive offices)	(Zip Code)
Registrant's 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
Common Stock, par value $.10 per share	NASDAQ Global Select Market

Securities registered pursuant to Section 12(g) of the Act:

None
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

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 whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's 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. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act:

Large Accelerated Filer ☒	Accelerated Filer ☐	Non-Accelerated Filer ☐ (Do not check if a smaller reporting company)	Smaller Reporting Company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the voting stock held by non-affiliates of the registrant, based upon the closing price of such stock on March 5, 2015, as reported by the NASDAQ Global Select Market, was approximately $27.7 billion. Shares of common stock held by each executive 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 registrant's common stock as of October 21, 2015, was 1,085,753,663.

DOCUMENTS INCORPORATED BY REFERENCE: Portions of the Proxy Statement for the registrant's Fiscal 2015 Annual Meeting of Shareholders to be held on January 28, 2016, are incorporated by reference into Part II and Part III of this Annual Report on Form 10-K.

Definitions of Commonly Used Terms

As used herein, "we," "our," "us," and similar terms include Micron Technology, Inc. and its subsidiaries, unless the context indicates otherwise. Abbreviations, terms, or acronyms are commonly used or found in multiple locations throughout this report and include the following:

Term	Definition	Term	Definition
2014 Notes	1.875% Convertible Notes due 2014	LPDRAM	Mobile Low-Power DRAM
2022 Notes	5.875% Senior Notes due 2022	MAI	Micron Akita, Inc.
2023 Notes	5.250% Senior Notes due 2023	MCP	Multi-Chip Package
2024 Notes	5.250% Senior Notes due 2024	Micron	Micron Technology, Inc. (Parent Company)
2025 Notes	5.500% Senior Notes due 2025	MIT	Micron Technology, Italia, S.r.l.
2026 Notes	5.625% Senior Notes due 2026	MLC	Multi-Level Cell
2027 Notes	1.875% Convertible Notes due 2027	MMJ	Micron Memory Japan, Inc.
2031 Notes	2031A and 2031B Notes	MMJ Companies	MAI and MMJ
2031A Notes	1.500% Convertible Senior Notes due 2031	MMJ Group	MMJ and its subsidiaries
2031B Notes	1.875% Convertible Senior Notes due 2031	MMT	Micron Memory Taiwan Co., Ltd.
2032 Notes	2032C and 2032D Notes	MP Mask	MP Mask Technology Center, LLC
2032C Notes	2.375% Convertible Senior Notes due 2032	OEM	Original Equipment Manufacturer
2032D Notes	3.125% Convertible Senior Notes due 2032	Photronics	Photronics, Inc.
2033 Notes	2033E and 2033F Notes	PSRAM	Pseudo-static DRAM
2033E Notes	1.625% Convertible Senior Notes due 2033	Qimonda	Qimonda AG
2033F Notes	2.125% Convertible Senior Notes due 2033	R&D	Research and Development
2043G Notes	3.00% Convertible Senior Notes due 2043	Rexchip	Rexchip Electronics Corporation
Aptina	Aptina Imaging Corporation	RLDRAM	Reduced Latency DRAM
Elpida	Elpida Memory, Inc.	SEC	Securities and Exchange Commission
Gb	Gigabit	SG&A	Selling, General and Administration
HMC	Hybrid Memory Cube	SLC	Single-Level Cell
HP	Hewlett-Packard Company	SSD	Solid-State Drive
IMFT	IM Flash Technologies, LLC	ST	STMicroelectronics S.r.l.
Inotera	Inotera Memories, Inc.	Tera Probe	Tera Probe, Inc.
Intel	Intel Corporation	TLC	Triple-Level Cell
Japan Court	Tokyo District Court	VIE	Variable Interest Entity

PART I

ITEM 1. BUSINESS

The following discussion contains trend information and other forward-looking statements that involve a number of risks and uncertainties. Forward-looking statements include, but are not limited to, statements such as those made in "Products" regarding increased sales of DDR4 products, growth in demand for NAND Flash products and SSDs, and production of 3D NAND Flash and 3D XPoint™ memory, and in "Manufacturing" regarding the transition to smaller line-width process technologies and 3D NAND Flash. Our actual results could differ materially from our historical results 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 1A. Risk Factors." All period references are to our fiscal periods unless otherwise indicated.

Corporate Information

Micron, a Delaware corporation, was incorporated in 1978. Our executive offices are located at 8000 South Federal Way, Boise, Idaho 83716-9632 and our telephone number is (208) 368-4000. Information about us is available on the internet at www.micron.com. Copies of our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K, as well as any amendments to these reports, are available through our website as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. Materials filed or furnished by us with the SEC are also available at the SEC's Public Reference Room at 100 F Street, NE, Washington, D.C. 20549. Information on the operation of the Public Reference Room is available by calling (800) SEC-0330. Also available on our website are our: Corporate Governance Guidelines, Governance Committee Charter, Compensation Committee Charter, Audit Committee Charter, and Code of Business Conduct and Ethics. Any amendments or waivers of our Code of Business Conduct and Ethics will also be posted on our website at www.micron.com within four business days of the amendment or waiver. Copies of these documents are available to shareholders upon request. Information contained or referenced on our website is not incorporated by reference and does not form a part of this Annual Report on Form 10-K.

Overview

Micron Technology, Inc., including its consolidated subsidiaries, is a global leader in advanced semiconductor systems. Our broad portfolio of high-performance memory technologies, including DRAM, NAND Flash, and NOR Flash, is the basis for solid-state drives, modules, multi-chip packages, and other system solutions. Our memory solutions enable the world's most innovative computing, consumer, enterprise storage, networking, mobile, embedded, and automotive applications. We market our products through our internal sales force, independent sales representatives, and distributors primarily to OEMs and retailers located around the world. Our success is largely dependent on the market acceptance of our diversified portfolio of semiconductor products, efficient utilization of our manufacturing infrastructure, successful ongoing development of advanced product and process technologies, and generating a return on R&D investments.

We obtain products for sale to our customers from our wholly-owned manufacturing facilities and our joint ventures. In recent years, we have increased our manufacturing scale and product diversity through strategic acquisitions and various partnering arrangements.

We make significant investments to develop the proprietary product and process technologies that are implemented in our worldwide manufacturing facilities and through our joint ventures. These investments enable our production of semiconductor products with increasing functionality and performance at lower costs. We generally reduce the manufacturing cost of each generation of product through advancements in product and process technologies, such as our leading-edge line-width process technology. We continue to introduce new generations of products that offer improved performance characteristics, including higher data transfer rates, reduced package size, lower power consumption, improved read/write reliability, and increased memory density. To leverage our significant investments in R&D, we have formed, and may continue to form, strategic joint ventures that allow us to share the costs of developing memory product and process technologies with joint venture partners. In addition, from time to time, we also sell and/or license technology to other parties. We continue to pursue additional opportunities to monetize our investment in intellectual property through partnering and other arrangements.

On July 31, 2013, we completed the acquisition of Elpida, now known as MMJ, and a controlling interest in Rexchip, now known as MMT (together, the "MMJ Acquisition"). The MMJ Acquisition included a 300mm DRAM wafer fabrication facility located in Hiroshima, Japan, a 300mm DRAM wafer fabrication facility in Taichung City, Taiwan, and an assembly and test facility located in Akita, Japan. These wafer fabrication facilities together represented approximately 30% of our total wafer capacity for 2015. The operations from the MMJ Acquisition, which are included primarily in our MBU and CNBU segments, include the manufacture of mobile DRAM targeted to mobile phones and tablets and computing DRAM targeted to desktop PCs, servers, notebooks, and workstations. (See "Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Micron Memory Japan, Inc.")

Business Segments

We have the following four business units, which are our reportable segments:

Compute and Networking Business Unit ("CNBU"): Includes memory products sold into compute, networking, graphics, and cloud server markets.

Mobile Business Unit ("MBU"): Includes memory products sold into smartphone, tablet, and other mobile-device markets.

Storage Business Unit ("SBU"): Includes memory products sold into enterprise, client, cloud, and removable storage markets. SBU also includes products sold to Intel through our IMFT joint venture.

Embedded Business Unit ("EBU"): Includes memory products sold into automotive, industrial, connected home, and consumer electronics markets.

For more information regarding our segments, see "Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Segment Information."

Products

DRAM

DRAM products are high-density, low-cost-per-bit, random access memory devices that provide high-speed data storage and retrieval with a variety of performance, pricing, and other characteristics. Sales of DRAM products were 64%, 68%, and 48% of our total net sales in 2015, 2014, and 2013, respectively. DRAM products are sold by CNBU, MBU, and EBU.

DDR3 DRAM is a standardized, high-density, high-volume, DRAM product, which offers high speed and high bandwidth at a relatively low cost. DDR3 products are primarily targeted at computers, servers, networking devices, communications equipment, consumer electronics, automotive, and industrial applications. In 2015, we offered DDR3 products in 1Gb, 2Gb, 4Gb, and 8Gb densities. We also offered next generation DDR4 DRAM products in 4Gb and 8Gb densities in 2015 and we expect sales of these products to increase significantly in 2016 as they replace DDR3 DRAM products in many applications. Sales of DDR3 and DDR4 DRAM products were 38%, 40%, and 31% of our total net sales in 2015, 2014, and 2013, respectively.

LPDRAM products offer lower power consumption relative to other DRAM products and are used primarily in mobile phones, tablets, embedded applications, ultra-thin laptop computers, and other mobile consumer devices that require low power consumption. We offer DDR4, DDR3, DDR2, and DDR versions of LPDRAM. Sales of LPDRAM products were 18%, 20%, and 6% of our total net sales in 2015, 2014, and 2013, respectively.

We also offer other DRAM products targeted to specialty markets including DDR2 DRAM, DDR DRAM, GDDR5 DRAM, SDRAM, RLDRAM, and PSRAM. These products are used primarily in networking devices, servers, consumer electronics, communications equipment, computer peripherals, automotive and industrial applications, and computer memory upgrades. We offer HMC products, which are semiconductor memory devices where vertical stacks of DRAM die that are connected using through-silicon-via interconnects are placed above a small, high-speed logic layer. HMC enables ultra-high system performance and is targeted primarily at networking and high performance computing applications.

Non-Volatile Memory

Non-Volatile Memory includes NAND Flash and 3D XPoint™ memory. Through 2015, substantially all of our Non-Volatile Memory sales were from NAND Flash products. NAND Flash products are electrically re-writeable, non-volatile semiconductor memory devices that retain content when power is turned off. NAND Flash sales were 33%, 27%, and 40% of our total net sales in 2015, 2014, and 2013, respectively. NAND Flash is ideal for mass-storage devices due to its fast erase and write times, high density, and low cost per bit relative to other solid-state memories. Embedded NAND Flash-based storage devices are utilized in mobile phones, SSDs, tablets, computers, industrial and automotive applications, networking, and other personal and consumer applications. Removable storage devices, such as USB and Flash memory cards, are used with applications such as PCs, digital still cameras, and mobile phones. The market for NAND Flash products has grown rapidly and we expect it to continue to grow due to increased demand for these and other embedded and removable storage devices. NAND Flash products are sold by SBU, EBU, MBU, and CNBU.

Our NAND Flash products feature a small cell structure that enables higher densities for demanding applications. We offer high-speed SLC, MLC, and TLC NAND Flash products that are compatible with advanced interfaces. MLC and TLC products have two and three times, respectively, the bit density of SLC products. In 2015, we offered SLC NAND Flash products in 1Gb to 64Gb densities; 2-bit-per-cell MLC NAND Flash products in 8Gb to 128Gb densities; and 3-bit-per-cell TLC NAND Flash in 128Gb density. In 2015, we began sampling products featuring our new 3D NAND Flash technology, which stacks layers of data storage cells vertically to create storage devices with three times higher capacity than competing NAND Flash technologies. This enables more storage in a smaller space, bringing significant cost savings, low power usage and high performance to a range of mobile consumer devices as well as the most demanding enterprise deployments. We expect to be in production of a 256Gb MLC version and 384Gb TLC version of 3D NAND Flash products by the end of calendar year 2015.

We offer client and enterprise SSDs which feature higher performance, reduced-power consumption, and enhanced reliability as compared to typical hard disk drives. Our client SSDs are targeted at notebooks, desktops, workstations, and other consumer applications. Using our NAND Flash process technology and a leading-edge SATA 6 Gb per second interface, our SSDs deliver read and write speeds that help improve boot and application load times and deliver higher performance than hard disk drives. Our client SSDs feature industry-leading encryption for corporate users and are offered in a 2.5-inch, M.2., and mSATA modules, with densities up to 1 terabyte. Our enterprise SSDs are targeted at server and storage applications and incorporate our Extended Performance and Enhanced Reliability Technology ("XPERT") architecture, which closely incorporates the storage and controller through highly optimized firmware algorithms and hardware enhancements. The end result is a set of market-focused enterprise features that deliver ultra-low latencies, improved data transfer time, power-loss protection, and cost-effectiveness, along with higher capacities and power efficiency. We offer enterprise SSDs with both PCIe and SATA interfaces and capacities up to 1.4 terabytes. We expect that demand for both client and enterprise SSDs will continue to increase significantly over the next several years.

We also offer managed MCP products, which incorporate our NAND Flash. These managed NAND Flash products include e-MMC, e-MCP, and embedded USB. Our e-MMC products combine NAND Flash with a logic controller that performs media management and Error Code Correction ("ECC"), which provides reduced ECC complexity, better system performance, improved reliability, easy integration, and lower overall system costs. Our e-MCP products combine e-MMC with LPDRAM on the same substrate, which improves overall functionality and performance while simplifying system design.

Through our Lexar® brand, we sell high-performance digital media products and other flash-based storage products through retail and OEM channels. Our digital media products include a variety of flash memory cards and JumpDrive® products with a range of speeds, capacities, and value-added features. We offer flash memory cards in a variety of speeds and capacities and in all major media formats, including CompactFlash®, Memory Stick®, and Secure Digital ("SD") formats. CompactFlash and Memory Stick products sold by us incorporate our patented controller technology. Other products, including SD memory cards and some JumpDrive products, incorporate third party controllers. We also manufacture products that are sold under other brand names and resell flash memory products that are purchased from other NAND Flash suppliers.

In the fourth quarter of 2015, we introduced 3D XPoint technology, a new category of non-volatile memory. 3D XPoint memory's innovative, transistor-less, cross point architecture creates a three-dimensional checkerboard where memory cells sit at the intersection of word lines and bit lines, allowing the cells to be addressed individually. As a result, data can be written and read in small sizes, leading to fast and efficient read/write processes. We plan to produce commercial volumes of 3D XPoint memory products in 2016.

Other

Other products included primarily NOR Flash, which are electrically re-writeable, semiconductor memory devices that offer fast read times which are used in wireless and embedded applications.

Partnering Arrangements

The following is a summary of our partnering arrangements as of September 3, 2015:

Entity		Member or Partner	Micron Ownership Interest	Formed/ Acquired	Product Market
Consolidated entities:					
IMFT	(1)	Intel Corporation	51%	2006	Non-Volatile
MP Mask	(2)	Photronics, Inc.	50%	2006	Photomasks
Equity method investments:					
Inotera	(3)	Nanya Technology Corporation	33%	2009	DRAM
Tera Probe	(4)	Various	40%	2013	Wafer Probe

(1) ***IMFT:*** We partner with Intel for the design, development, and manufacture of NAND Flash and 3D XPoint memory products. In connection therewith, we formed the IMFT joint venture with Intel to manufacture NAND Flash and 3D XPoint memory products for the exclusive use of the members. The members share the output of IMFT generally in proportion to their investment. We sell a portion of our products to Intel through IMFT at long-term negotiated prices approximating cost. We generally share with Intel the costs of product design and process development activities for NAND Flash memory and 3D XPoint memory. The IMFT joint venture agreement extends through 2024 and includes certain buy-sell rights. Commencing in January 2015, Intel can put to us, and commencing in January 2018, we can call from Intel, Intel's interest in IMFT, in either case, for an amount equal to the noncontrolling interest balance attributable to Intel at that time. If Intel elects to sell to us, we can elect to set the closing date of the transaction to be any time within two years following such election by Intel and can elect to receive financing of the purchase price from Intel for one to two years from the closing date. (See "Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Equity – Noncontrolling Interests in Subsidiaries – IMFT.")

(2) ***MP Mask:*** We produce photomasks for leading-edge and advanced next-generation semiconductors through MP Mask, a joint venture with Photronics. On March 24, 2015, we notified Photronics of our election to terminate MP Mask effective in May 2016. Upon termination, we have the right to acquire Photronics' interest in MP Mask for an amount equal to the noncontrolling interest balance. Since its inception, we and Photronics have each owned approximately 50% of MP Mask. We purchase a substantial majority of the photomasks produced by MP Mask pursuant to a supply arrangement. (See "Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Equity – Noncontrolling Interests in Subsidiaries – MP Mask.")

(3) ***Inotera:*** We partner with Nanya for the manufacture of DRAM products by Inotera, a Taiwan DRAM memory company. Since January 2013, we have purchased all of Inotera's DRAM output at prices reflecting discounts from market prices for our comparable components under a supply agreement. In the second quarter of 2015, we executed a supply agreement, to be effective beginning on January 1, 2016 (the "2016 Supply Agreement"), which will replace the current agreement. Under the 2016 Supply Agreement, the price for DRAM products sold to us will be based on a formula that equally shares margin between Inotera and us. The 2016 Supply Agreement has an initial two-year term, followed by a three-year wind-down period, and contemplates negotiations in late 2016 with respect to a two-year extension, and annual negotiations thereafter with respect to successive one-year extensions. Upon termination of the initial two-year term of the 2016 Supply Agreement, or any extensions, we would purchase DRAM from Inotera during the wind-down period. Our share of Inotera's capacity would decline over the wind-down period. (See "Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Equity Method Investments – Inotera.")

(4) ***Tera Probe:*** We have an approximate 40% ownership interest in Tera Probe, an entity that provides semiconductor wafer testing and probe services to us and others.

Manufacturing

Our manufacturing facilities are located in the United States, China, Japan, Malaysia, Singapore, and Taiwan. Our Inotera joint venture has a wafer fabrication facility in Taiwan. Nearly all of our products are manufactured on 300mm wafers in facilities that generally operate 24 hours per day, 7 days per week. Semiconductor manufacturing is extremely capital intensive, requiring large investments in sophisticated facilities and equipment. A significant portion of our semiconductor equipment is replaced every three to five years with increasingly advanced equipment. DRAM, NAND Flash, and NOR Flash products share a number of common manufacturing processes, enabling us to leverage our product and process technologies and manufacturing infrastructure across these product lines. In 2015, we began construction of a significant expansion of our wafer fabrication facilities in Singapore for production of NAND Flash memory.

Our process for manufacturing semiconductor products is complex, involving a number of precise steps, including wafer fabrication, assembly, and test. Efficient production of semiconductor products requires utilization of advanced semiconductor manufacturing techniques and effective deployment of these techniques across multiple facilities. The primary determinants of manufacturing cost are process line-width, number of mask layers, number of fabrication steps, and number of good die produced on each wafer. Other factors that contribute to manufacturing costs are wafer size, cost and sophistication of manufacturing equipment, equipment utilization, process complexity, cost of raw materials, labor productivity, package type, and cleanliness of the manufacturing environment. We continuously enhance our production processes, reducing die sizes, and transitioning to higher density products. In 2015, the majority of our DRAM production was manufactured on our 25nm line-width process technologies. We expect that by the second half of 2016 the majority of our DRAM production will be manufactured on our 20nm line-width process technology. In 2015, a majority of our NAND Flash production was manufactured on our 20nm and 16nm line-width process technology. We began production of 3D NAND Flash products in 2015 and expect that in 2016 the majority of our NAND Flash production will be manufactured using 16nm line-width process technology or 3D NAND technology.

Wafer fabrication occurs in a highly controlled, clean environment to minimize dust and other yield and quality-limiting contaminants. Despite stringent manufacturing controls, individual circuits may be nonfunctional or wafers may need to be scrapped due to equipment errors, minute impurities in materials, defects in photomasks, circuit design marginalities or defects, and dust particles. Success of our manufacturing operations depends largely on minimizing defects to maximize yield of high-quality circuits. In this regard, we employ rigorous quality controls throughout the manufacturing, screening, and testing processes. We are able to recover certain devices by testing and grading them to their highest level of functionality.

We test our products at various stages in the manufacturing process, perform high temperature burn-in on finished products, and conduct numerous quality control inspections throughout the entire production flow. In addition, we use our proprietary AMBYX™ line of intelligent test and burn-in systems to perform simultaneous circuit tests of semiconductor memory die during the burn-in process, capturing quality and reliability data, and reducing testing time and cost.

We sell semiconductor products in both packaged and unpackaged (i.e. "bare die") forms. Our packaged products include memory modules, SSDs, MCPs, managed NAND, memory cards, USB devices, and HMCs. We assemble many products in-house and, in some cases, outsource assembly services where we can reduce costs and minimize our capital investment. We contract with independent foundries and assembly and testing companies to manufacture NAND Flash media products such as memory cards and USB devices.

In recent years, we have produced an increasingly broad portfolio of products, which enhances our ability to allocate resources to our most profitable products but also increases the complexity of our manufacturing operations. Although our product lines generally use similar manufacturing processes, our overall cost efficiency can be affected by frequent conversions to new products, the allocation of manufacturing capacity to more complex, smaller-volume parts, and the reallocation of manufacturing capacity across various product lines.

Availability of Raw Materials

Our operations require raw materials that meet exacting standards. We generally have multiple sources of supply for our raw materials; however, only a limited number of suppliers are capable of delivering certain raw materials that meet our standards. In some cases, materials are provided by a single supplier. Various factors could reduce the availability and increase the cost of raw materials such as silicon wafers, photomasks, chemicals, gases, photoresist, lead frames, and molding compound. Shortages may occur from time to time in the future. We and/or our suppliers could be affected by laws and regulations enacted in response to concerns regarding climate change, which could increase the cost and limit the supply of our raw materials. In addition, disruptions in transportation lines could delay our receipt of raw materials. Lead times for the supply of raw materials have been extended in the past. If our supply of raw materials is disrupted or our lead times extended, our business, results of operations, or financial condition could be materially adversely affected.

Marketing and Customers

Our products are sold into compute and graphics, mobile, SSD and other storage, automotive, industrial, medical, and other embedded and server markets. Market concentrations from 2015 net sales were approximately as follows: 25% for compute and graphics (including desktop PCs, notebooks, and workstations); 25% for mobile; 20% for SSD and other storage; 15% for server; and 10% for automotive, industrial, medical, and other embedded. Sales to Kingston, primarily DRAM, were 11% of our net sales in 2015 and 10% of our net sales in 2014. Sales to Intel, primarily NAND Flash products through IMFT were 8% of our net sales in 2015, 8% of our net sales in 2014, and 10% of our net sales in 2013. Sales to HP, primarily DRAM, were 7% of our net sales in 2015, 9% of our net sales in 2014, and 10% of our net sales in 2013.

Our semiconductor memory products are offered under the Micron®, Lexar, Crucial®, SpecTek®, and Elpida® brand names and private labels. We market our semiconductor memory products primarily through our own direct sales force and maintain sales or representative offices in our primary markets around the world. We sell Lexar-branded NAND Flash memory products primarily through retail channels and our Crucial-branded products through a web-based customer direct sales channel as well as through channel and distribution partners. Our products are also offered through independent sales representatives and distributors. Independent sales representatives obtain orders subject to final acceptance by us and are compensated on a commission basis. We make shipments against these orders directly to the customer. Distributors carry our products in inventory and typically sell a variety of other semiconductor products, including competitors' products. We maintain inventory at locations in close proximity to certain key customers to facilitate rapid delivery of products. Many of our customers require a thorough review or qualification of semiconductor products, which may take several months.

Backlog

Because of volatile industry conditions, customers are reluctant to enter into long-term, fixed-price contracts. Accordingly, new order volumes for our semiconductor products fluctuate significantly. We typically accept orders with acknowledgment that the terms may be adjusted to reflect market conditions at the date of shipment. For these reasons, we do not believe that our order backlog as of any particular date is a reliable indicator of actual sales for any succeeding period.

Product Warranty

Because the design and manufacturing process for semiconductor products is highly complex, it is possible that we may produce products that do not comply with customer specifications, contain defects, or are otherwise incompatible with end uses. In accordance with industry practice, we generally provide a limited warranty that our products are in compliance with our specifications existing at the time of delivery. Under our general terms and conditions of sale, liability for certain failures of product during a stated warranty period is usually limited to repair or replacement of defective items or return of, or a credit with respect to, amounts paid for such items. Under certain circumstances, we provide more extensive limited warranty coverage than that provided under our general terms and conditions.

Competition

We face intense competition in the semiconductor memory market from a number of companies, including Intel; Samsung Electronics Co., Ltd.; SanDisk Corporation; SK Hynix Inc.; and Toshiba Corporation. Some of our competitors are large corporations or conglomerates that may have greater resources to withstand downturns in the semiconductor markets in which we compete, invest in technology, and capitalize on growth opportunities. Our competitors seek to increase silicon capacity, improve yields, reduce die size, and minimize mask levels in their product designs resulting in significantly increased worldwide supply and downward pressure on prices. Many of our high-volume memory products are manufactured to industry standard specifications and as such have similar performance characteristics to those of our competitors. For these high-volume memory products, the principal competitive factors are generally price and performance characteristics including: operating speed, power consumption, reliability, compatibility, size, and form factors. For our other memory products, the aforementioned performance characteristics generally take precedence over pricing.

Research and Development

Our process technology R&D efforts are focused primarily on development of successively smaller line-width process technologies, as well as new, fundamentally different memory structures, materials, and packages, which are designed to facilitate our transition to next generation memory products. Additional process technology R&D efforts focus on the enablement of advanced computing and mobile memory architectures, the investigation of new opportunities that leverage our core semiconductor expertise, and the development of new manufacturing materials. Product design and development efforts include our high density DDR3 and DDR4 DRAM and LPDRAM products as well as high density and mobile NAND Flash memory (including 3D NAND and MLC and TLC technologies), 3D XPoint memory, NOR Flash memory, specialty memory, SSDs**,** HMCs, and other memory technologies and systems.

Our R&D expenses were $1.54 billion, $1.37 billion, and $931 million in 2015, 2014, and 2013, respectively. We generally share with Intel the costs of product design and process development activities for NAND Flash memory and 3D XPoint memory. Our R&D expenses reflect net reductions of $231 million, $162 million, and $176 million in 2015, 2014, and 2013, respectively, as a result of reimbursements under our Intel and other cost-sharing arrangements.

To compete in the semiconductor memory industry, we must continue to develop technologically advanced products and processes. We believe that expansion of our semiconductor product offerings is necessary to meet expected market demand for specific memory solutions. Our process, design, and package development efforts occur at multiple locations across the world, with our largest R&D center located in Boise, Idaho, and other significant R&D centers in Japan, China, and other sites in the U.S. In addition, we develop photolithography mask technology at our MP Mask joint venture facility in Boise.

R&D expenses vary primarily with the number of development wafers processed, the cost of advanced equipment dedicated to new product and process development, and personnel costs. Because of the lead times necessary to manufacture our products, we typically begin to process wafers before completion of performance and reliability testing. We deem development of a product complete once the product has been thoroughly reviewed and tested for performance and reliability. R&D expenses can vary significantly depending on the timing of product qualification.

Geographic Information

Sales to customers outside the United States totaled $13.63 billion for 2015 and included sales of $6.66 billion in China, $2.24 billion in Taiwan, $1.25 billion in Europe, $1.03 billion in Japan, and $2.04 billion in the rest of the Asia Pacific region (excluding China, Japan, and Taiwan). Sales to customers outside the United States totaled $13.81 billion for 2014 and $7.56 billion for 2013. As of September 3, 2015, we had net property, plant, and equipment of $3.64 billion in the United States, $3.24 billion in Singapore, $2.17 billion in Japan, $1.07 billion in Taiwan, $331 million in China, and $96 million in other countries. (See "Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Geographic Information" and "Item 1A. Risk Factors.")

Patents and Licenses

In recent years, we have been recognized as a leader in per capita and quality of patents issued. As of September 3, 2015, we owned approximately 16,800 U.S. patents and 4,200 foreign patents. In addition, we have thousands of U.S. and foreign patent applications pending. Our patents have various terms expiring through 2034.

We have a number of patent and intellectual property license agreements and have from time to time licensed or sold our intellectual property to third parties. Some of these license agreements require us to make one-time or periodic payments while others have resulted in us receiving payments. We may need to obtain additional patent licenses or renew existing license agreements in the future and we may enter into additional sales or licenses of intellectual property and partnering arrangements. We are unable to predict whether these license agreements can be obtained or renewed on acceptable terms.

Employees

As of September 3, 2015, we had approximately 31,800 employees.

Environmental Compliance

Government regulations impose various environmental controls on raw materials and discharges, emissions, and solid wastes from our manufacturing processes. In 2015, our wafer fabrication facilities continued to conform to the requirements of ISO 14001 certification. To continue certification, we must meet annual requirements in environmental policy, compliance, planning, management, structure and responsibility, training, communication, document control, operational control, emergency preparedness and response, record keeping, and management review. While we have not experienced any material adverse effects to our operations from environmental regulations, changes in the regulations could necessitate additional capital expenditures, modification of our operations, or other compliance actions.

Directors and Executive Officers of the Registrant

Our executive officers are appointed annually by the Board of Directors and our directors are elected annually by our shareholders. Any directors appointed by the Board of Directors to fill vacancies on the Board serve until the next election by the shareholders. All officers and directors serve until their successors are duly chosen or elected and qualified, except in the case of earlier death, resignation, or removal.

As of September 3, 2015, the following executive officers and directors were subject to the reporting requirements of Section 16(a) of the Securities Exchange Act of 1934, as amended.

Name	Age	Position
Mark W. Adams	51	President
April S. Arnzen	44	Vice President, Human Resources
Scott J. DeBoer	49	Vice President, Research & Development
D. Mark Durcan	54	Director and Chief Executive Officer
Ernest E. Maddock	57	Chief Financial Officer and Vice President, Finance
Joel L. Poppen	51	Vice President, Legal Affairs, General Counsel, and Corporate Secretary
Brian M. Shirley	46	Vice President, Memory Technology and Solutions
Steven L. Thorsen, Jr.	50	Vice President, Worldwide Sales
Robert L. Bailey	58	Director
Richard M. Beyer	66	Director
Patrick J. Byrne	54	Director
D. Warren A. East	53	Director
Mercedes Johnson	61	Director
Lawrence N. Mondry	55	Director
Robert E. Switz	68	Chairman

Mark W. Adams joined us in June 2006 and served as our Vice President of Digital Media and Vice President of Worldwide Sales before being appointed our President in February 2012. Mr. Adams also served as our interim Chief Financial Officer from March 2015 through May 2015. From January 2006, until he joined us, Mr. Adams was the Chief Operating Officer of Lexar Media, Inc. Mr. Adams served as the Vice President of Sales and Marketing for Creative Labs, Inc. from December 2002 to January 2006. From March 2000 to September 2002, Mr. Adams was the Chief Executive Officer of Coresma, Inc. Mr. Adams currently serves as a member of the Board of Directors for Cadence Design Systems, Inc. Mr. Adams holds a BA in Economics from Boston College and an MBA from Harvard Business School.

April S. Arnzen joined us in December 1996 and has served in various leadership positions since that time. Ms. Arnzen was appointed our Vice President, Human Resources in January 2015. Ms. Arnzen holds a BS in Human Resource Management and Marketing from the University of Idaho.

Scott J. DeBoer joined us in February 1995 and has served in various leadership positions since that time. Dr. DeBoer became an officer in May 2007 and, in January 2013, he was appointed our Vice President, Research & Development. Dr. DeBoer holds a PhD in Electrical Engineering and an MS in Physics from Iowa State University. He completed his undergraduate degree at Hastings College.

D. Mark Durcan joined us in June 1984 and has served in various positions since that time. Mr. Durcan was appointed our Chief Operating Officer in February 2006, President in June 2007, and Director and Chief Executive Officer in February 2012. Mr. Durcan has been an officer since 1996. Mr. Durcan is a member of the Board of Directors of AmerisourceBergen Corporation and Freescale Semiconductor, Inc. Mr. Durcan holds a BS and MChE in Chemical Engineering from Rice University.

Ernest E. Maddock joined us in June 2015 as our Chief Financial Officer and Vice President, Finance. From April 2013 until he joined us, Mr. Maddock served as Executive Vice President and Chief Financial Officer of Riverbed Technology. From October 2008 to April 2013, Mr. Maddock served as Executive Vice President and Chief Financial Officer of Lam Research Corporation after serving as Lam's Vice President of Global Operations from October 2003 to September 2008. Mr. Maddock currently serves as a member of the Board of Directors for Intersil Corporation. Mr. Maddock holds a BS in Industrial Management from the Georgia Institute of Technology and an MBA from Georgia State University.

Joel L. Poppen joined us in October 1995 and has held various leadership positions since that time. He was appointed to his current position in December 2013. Mr. Poppen holds a BS in Electrical Engineering from the University of Illinois and a JD from the Duke University School of Law.

Brian M. Shirley joined us in August 1992 and has served in various leadership positions since that time. Mr. Shirley became Vice President of Memory in February 2006, Vice President of DRAM Solutions in June 2010 and has served as Vice President, Memory Technology and Solutions since April 2014. Mr. Shirley holds a BS in Electrical Engineering from Stanford University.

Steven L. Thorsen, Jr. joined us in September 1988 and has served in various leadership positions since that time including Vice President and Chief Procurement Officer. Mr. Thorsen became Vice President, Worldwide Sales in April 2012. Mr. Thorsen holds a BA in Business Administration from Washington State University.

Robert L. Bailey was the Chairman of the Board of Directors of PMC-Sierra, Inc. from 2005 until May 2011 and also served as PMC's Chairman from February 2000 until February 2003. Mr. Bailey served as a director of PMC from October 1996 to May 2011. He also served as the Chief Executive Officer of PMC from July 1997 until May 2008. PMC is a leading provider of broadband communication and semiconductor storage solutions for the next-generation Internet. Mr. Bailey holds a BS in Electrical Engineering from the University of Bridgeport and an MBA from the University of Dallas. Mr. Bailey has served on our Board of Directors since 2007.

Richard M. Beyer was Chairman and CEO of Freescale Semiconductor, Inc. from 2008 through June 2012 and served as a director with Freescale until April 2013. Prior to Freescale, Mr. Beyer was President, Chief Executive Officer and a Director of Intersil Corporation from 2002 to 2008. He has also previously served in executive management roles at FVC.com, VLSI Technology, and National Semiconductor Corporation. He currently serves on the Board of Directors of Dialog Semiconductor and Analog Devices, Inc. Mr. Beyer served three years as an officer in the United States Marine Corps. He holds a BA and an MA in Russian from Georgetown University and an MBA in Marketing and International Business from Columbia University Graduate School of Business. Mr. Beyer has served on our Board of Directors since 2013.

Patrick J. Byrne has served as the President of Tektronix, a subsidiary of Danaher Corporation, since July 2014. Mr. Byrne was Vice President of Strategy and Business Development and Chief Technical Officer of Danaher from November 2012 to July 2014. Danaher designs, manufactures, and markets innovative products and services to professional, medical, industrial, and commercial customers. Prior to that, Mr. Byrne served as Director, President and Chief Executive Officer of Intermec, Inc. from 2007 to May 2012. Mr. Byrne was with Agilent Technologies, Inc. from 1999 to 2007 and served in various management positions. Mr. Byrne holds a BS in Electrical Engineering from the University of California, Berkeley, and an MS in Electrical Engineering from Stanford University. Mr. Byrne has served on our Board of Directors since 2011.

D. Warren A. East has served as CEO of Rolls-Royce Holdings plc since July 2015. Mr. East was the CEO of ARM Holdings PLC from October 2001 to July 2013. He originally joined ARM in 1994, and served in various roles prior to being appointed CEO. He currently serves on the Board of Directors of Rolls-Royce plc. Mr. East is a chartered engineer, Distinguished Fellow of the British Computer Society, Fellow of the Institution of Engineering and Technology, Fellow of the Royal Academy of Engineering, and a Companion of the Chartered Management Institute. Mr. East holds a BA BSc(Eng) and an MBA MEng in Engineering Science from Oxford University and an MBA and honorary doctorate from Cranfield University. Mr. East has served on our Board of Directors since 2013.

Mercedes Johnson was the Senior Vice President and Chief Financial Officer of Avago Technologies Limited, a supplier of analog interface components for communications, industrial and consumer applications, from December 2005 to August 2008. She also served as the Senior Vice President, Finance, of Lam Research Corporation from June 2004 to January 2005 and as Lam's Chief Financial Officer from May 1997 to May 2004. Ms. Johnson holds a degree in Accounting from the University of Buenos Aires and currently serves on the Board of Directors for Intersil Corporation, Juniper Networks, Inc., and Teradyne, Inc. Ms. Johnson is the Chairman of the Board's Audit Committee and has served on our Board of Directors since 2005.

Lawrence N. Mondry was the Chief Executive Officer of Apollo Brands, a consumer products portfolio company, from February 2014 to February 2015. Mr. Mondry was the Chief Executive Officer of Flexi Compras Corporation, a rent-to-own retailer, from June 2013 to February 2014. Mr. Mondry was the President and Chief Executive Officer of CSK Auto Corporation, a specialty retailer of automotive aftermarket parts, from August 2007 to July 2008. Prior to his appointment at CSK, Mr. Mondry served as the Chief Executive Officer of CompUSA Inc. from November 2003 to May 2006. Mr. Mondry joined CompUSA in 1990. Mr. Mondry holds a BA degree from Boston University. Mr. Mondry is the Chairman of the Board's Compensation Committee and Governance Committee and has served on our Board of Directors since 2005.

Robert E. Switz was the Chairman, President and Chief Executive Officer of ADC Telecommunications, Inc., a supplier of network infrastructure products and services from August 2003 until December 2010, when Tyco Electronics Ltd. acquired ADC. Mr. Switz joined ADC in 1994 and throughout his career there held numerous leadership positions. Mr. Switz holds an MBA from the University of Bridgeport and a BS in Business Administration from Quinnipiac University. Mr. Switz also serves on the Board of Directors for Broadcom Corporation, GT Advanced Technologies, and Gigamon Inc. Mr. Switz was appointed Chairman of the Board in 2012 and has served on our Board of Directors since 2006.

There are no family relationships between any of our directors or executive officers.

Additional Information

ITEM 1A. RISK FACTORS

In addition to the factors discussed elsewhere in this 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 statements made by or on behalf of us.

We have experienced dramatic declines in average selling prices for our semiconductor memory products which have adversely affected our business.

If average selling prices for our memory products decrease faster than we can decrease per gigabit costs, our business, results of operations, or financial condition could be materially adversely affected. We have experienced significant decreases in our average selling prices per gigabit in previous years as noted in the table below and may continue to experience such decreases in the future. In some prior periods, average selling prices for our memory products have been below our manufacturing costs and we may experience such circumstances in the future.

	DRAM	Trade NAND Flash*
	(percentage change in average selling prices)	
2015 from 2014	(11)%	(17)%
2014 from 2013	6 %	(23)%
2013 from 2012	(11)%	(18)%
2012 from 2011	(45)%	(55)%
2011 from 2010	(39)%	(12)%

** Trade NAND Flash excludes sales to Intel from IMFT.*

We may be unable to maintain or improve gross margins.

Our gross margins are dependent upon continuing decreases in per gigabit manufacturing costs achieved through improvements in our manufacturing processes and product designs, including, but not limited to, process line-width, architecture, number of mask layers, number of fabrication steps, and yield. In future periods, we may be unable to reduce our per gigabit manufacturing costs at sufficient levels to maintain or improve gross margins. Factors that may limit our ability to reduce costs include, but are not limited to, strategic product diversification decisions affecting product mix, the increasing complexity of manufacturing processes, difficulty in transitioning to smaller line-width process technologies, technological barriers, and changes in process technologies or products that may require relatively larger die sizes. Per gigabit manufacturing costs may also be affected by the relatively smaller production quantities and shorter product lifecycles of certain specialty memory products.

The semiconductor memory industry is highly competitive.

We face intense competition in the semiconductor memory market from a number of companies, including Intel; Samsung Electronics Co., Ltd.; SanDisk Corporation; SK Hynix Inc.; and Toshiba Corporation. Some of our competitors are large corporations or conglomerates that may have greater resources to invest in technology, capitalize on growth opportunities, and withstand downturns in the semiconductor markets in which we compete. Consolidation of industry competitors could put us at a competitive disadvantage. In addition, some governments, such as China, have provided, and may continue to provide, significant financial assistance to some of our competitors or to new entrants. Our competitors seek to increase silicon capacity, improve yields, reduce die size, and minimize mask levels in their product designs. Transitions to smaller line-width process technologies and product and process improvements have resulted in significant increases in the worldwide supply of semiconductor memory. Increases in worldwide supply of semiconductor memory also result from semiconductor memory fab capacity expansions, either by way of new facilities, increased capacity utilization, or reallocation of other semiconductor production to semiconductor memory production. Our competitors may increase capital expenditures resulting in future increases in worldwide supply. In recent periods, we and some of our competitors have begun construction on or announced plans to build new fabrication facilities. Increases in worldwide supply of semiconductor memory, if not accompanied by commensurate increases in demand, would lead to further declines in average selling prices for our products and would materially adversely affect our business, results of operations, or financial condition.

Debt obligations could adversely affect our financial condition.

In recent periods, our debt levels have increased due to the capital intensive nature of our business, business acquisitions, and restructuring of our capital structure. As of September 3, 2015, we had debt with a carrying value of $7.34 billion. In addition, the conversion value in excess of principal amount for our convertible notes outstanding as of September 3, 2015 was $553 million. In 2015, we paid $1.43 billion to repurchase and settle conversion obligations for convertible notes with a principal amount of $489 million. In 2014, we paid $2.30 billion to repurchase and settle conversion obligations for convertible notes with a principal amount of $1.09 billion. As of September 3, 2015, we had (1) revolving credit facilities available that provide for up to $842 million of additional financing and (2) a term loan agreement available to obtain financing collateralized by certain property, plant, and equipment in the amount of 6.90 billion New Taiwan dollars or an equivalent amount in U.S. dollars (approximately $213 million as of September 3, 2015), of which we drew $40 million in 2015. The availability of these revolving and other facilities is subject to certain conditions, including outstanding balances of trade receivables; inventories; collateralization of certain property, plant, and equipment; and other conditions. Events and circumstances may occur which would cause us to not be able to satisfy these applicable drawdown conditions and utilize these facilities. We have in the past and expect in the future to continue to incur additional debt to finance our capital investments, business acquisitions, and restructuring of our capital structure.

Our debt obligations could adversely impact us. For example, these obligations could:

- require us to use a large portion of our cash flow to pay principal and interest on debt, which will reduce the amount of cash flow available to fund working capital, capital expenditures, acquisitions, R&D expenditures, and other business activities;
- continue to dilute our earnings per share as a result of the conversion provisions in our convertible notes;
- require us to continue to pay cash amounts substantially in excess of the principal amounts upon settlement of our convertible notes to minimize dilution of our earnings per share;
- limit our future ability to raise funds for capital expenditures, strategic acquisitions or business opportunities, R&D, and other general corporate requirements;
- adversely impact our credit rating, which could increase future borrowing costs; and
- increase our vulnerability to adverse economic and semiconductor memory industry conditions.

Our ability to meet our payment obligations under our debt instruments depends on our ability to generate significant cash flows in the future. This, to some extent, is subject to general economic, financial, competitive, legislative, and regulatory factors as well as other factors that are beyond our control. There can be no assurance that our business will generate cash flow from operations, or that additional capital will be available to us, in an amount sufficient to enable us to meet our debt payment obligations and to fund other liquidity needs. If we are unable to generate sufficient cash flow to service our debt obligations, we may need to refinance or restructure our debt, sell assets, reduce or delay capital investments, or seek to raise additional capital. If we were unable to implement one or more of these alternatives, we may be unable to meet our debt payment obligations, which could have a material adverse effect on our business, results of operations, or financial condition.

We may be unable to generate sufficient cash flows or obtain access to external financing necessary to fund our operations, make scheduled debt payments, and make adequate capital investments.

Our cash flows from operations depend primarily on the volume of semiconductor memory sold, average selling prices, and manufacturing costs. To develop new product and process technologies, support future growth, achieve operating efficiencies, and maintain product quality, we must make significant capital investments in manufacturing technology, capital equipment, facilities, R&D, and product and process technology. We estimate that cash expenditures in 2016 for property, plant, and equipment will be approximately $5.3 billion to $5.8 billion. Investments in capital expenditures for 2015 were $4.12 billion. In addition, as a result of the MMJ acquisition and our capacity expansion in Singapore, we expect our future capital spending will be higher than our historical levels. As of September 3, 2015, we had cash and marketable investments of $5.63 billion, which included $748 million held by the MMJ Group and $134 million held by IMFT, none of which is generally available to finance our other operations.

As a result of the Japan Proceedings, for so long as such proceedings are continuing, the MMJ Companies and their subsidiaries are subject to certain restrictions on dividends, loans, and advances. The plans of reorganization of the MMJ Companies prohibit the MMJ Companies from paying dividends, including any cash dividends, to us and require that excess earnings be used in their businesses or to fund the MMJ Companies' installment payments. These prohibitions would also effectively prevent the subsidiaries of the MMJ Companies from paying cash dividends to us in respect of the shares of such subsidiaries owned by the MMJ Companies, as any such dividends would have to be first paid to the MMJ Companies which are prohibited from repaying those amounts to us as dividends under the plans of reorganization. In addition, pursuant to an order of the Japan Court, the MMJ Companies cannot make loans or advances, other than certain ordinary course advances, to us without the consent of the Japan Court. Moreover, loans or advances by subsidiaries of the MMJ Companies may be considered outside of the ordinary course of business and subject to approval of the legal trustees and Japan Court. As a result, the assets of the MMJ Companies and their subsidiaries, while available to satisfy the MMJ Companies' installment payments and the other obligations, capital expenditures, and other operating needs of the MMJ Companies and their subsidiaries, are not available for use by us in our other operations. Furthermore, certain uses of the assets of the MMJ Group, including investments in certain capital expenditures and in MMT, may require consent of MMJ's trustees and/or the Japan Court.

In the past we have utilized external sources of financing when needed. As a result of our debt levels, expected debt amortization and general economic conditions, it may be difficult for us to obtain financing on terms acceptable to us. There can be no assurance that we will be able to generate sufficient cash flows, use cash held by MMJ to fund its capital expenditures, access capital markets or find other sources of financing to fund our operations, make debt payments, and make adequate capital investments to remain competitive in terms of technology development and cost efficiency. Our inability to do the foregoing could have a material adverse effect on our business, results of operations, or financial conditions.

The acquisition of our ownership interest in Inotera from Qimonda has been challenged by the administrator of the insolvency proceedings for Qimonda.

On January 20, 2011, Dr. Michael Jaffé, administrator for Qimonda insolvency proceedings, filed suit against Micron and Micron Semiconductor B.V., our Netherlands subsidiary ("Micron B.V."), in the District Court of Munich, Civil Chamber. The complaint seeks to void under Section 133 of the German Insolvency Act a share purchase agreement between Micron B.V. and Qimonda signed in fall 2008 pursuant to which Micron B.V. purchased substantially all of Qimonda's shares of Inotera Memories, Inc. (the "Inotera Shares"), representing approximately 55% of our total shares in Inotera as of September 3, 2015, and seeks an order requiring us to re-transfer those shares to the Qimonda estate. The complaint also seeks, among other things, to recover damages for the alleged value of the joint venture relationship with Inotera and to terminate under Sections 103 or 133 of the German Insolvency Code a patent cross-license between us and Qimonda entered into at the same time as the share purchase agreement.

Following a series of hearings with pleadings, arguments, and witnesses on behalf of the Qimonda estate, on March 13, 2014, the Court issued judgments: (1) ordering Micron B.V. to pay approximately $1 million in respect of certain Inotera shares sold in connection with the original share purchase; (2) ordering Micron B.V. to disclose certain information with respect to any Inotera Shares sold by it to third parties; (3) ordering Micron B.V. to disclose the benefits derived by it from ownership of the Inotera Shares, including in particular, any profits distributed on such shares and all other benefits; (4) denying Qimonda’s claims against Micron for any damages relating to the joint venture relationship with Inotera; and (5) determining that Qimonda's obligations under the patent cross-license agreement are canceled. In addition, the Court issued interlocutory judgments ordering, among other things: (1) that Micron B.V. transfer to the Qimonda estate the Inotera Shares still owned by it and pay to the Qimonda estate compensation in an amount to be specified for any Inotera Shares sold to third parties; and (2) that Micron B.V. pay the Qimonda estate as compensation an amount to be specified for benefits derived by it from ownership of the Inotera Shares. The interlocutory judgments have no immediate, enforceable effect on us, and, accordingly, we expect to be able to continue to operate with full control of the Inotera Shares subject to further developments in the case. We have filed a notice of appeal, and the parties have submitted briefs to the appeals court. The next hearing on the matter has not yet been scheduled.

We are unable to predict the outcome of the matter and therefore cannot estimate the range of possible loss. The final resolution of this lawsuit could result in the loss of the Inotera shares or monetary damages, unspecified damages based on the benefits derived by Micron B.V. from the ownership of the Inotera Shares, and/or the termination of the patent cross-license, which could have a material adverse effect on our business, results of operation, or financial condition. As of September 3, 2015, the Inotera Shares had a carrying value for purposes of our financial reporting of $683 million and a market value of $846 million.

Our future success depends on our ability to develop and produce competitive new memory technologies.

Our key semiconductor memory technologies of DRAM, NAND Flash, and NOR Flash face technological barriers to continue to meet long-term customer needs. These barriers include potential limitations on the ability to shrink products in order to reduce costs, meet higher density requirements, and improve power consumption and reliability. To meet these requirements, we expect that new memory technologies will be developed by the semiconductor memory industry. Our competitors are working to develop new memory technologies that may offer performance and/or cost advantages to our existing memory technologies and render existing technologies obsolete. Accordingly, our future success may depend on our ability to develop and produce viable and competitive new memory technologies. There can be no assurance of the following:

- that we will be successful in developing competitive new semiconductor memory technologies;
- that we will be able to cost-effectively manufacture new products;
- that we will be able to successfully market these technologies; and
- that margins generated from sales of these products will allow us to recover costs of development efforts.

In the fourth quarter of 2015, we announced the development of new 3D XPoint technology, which is an entirely new class of non-volatile memory. There is no assurance that our efforts to develop and market this new product technology will be successful. If our efforts to develop new semiconductor memory technologies are unsuccessful, our business, results of operations, or financial condition may be materially adversely affected.

New product development may be unsuccessful.

We are developing new products, including system-level memory products, that complement our traditional memory products or leverage their underlying design or process technology. We have made significant investments in product and process technologies and anticipate expending significant resources for new semiconductor product development over the next several years. The process to develop DRAM, NAND Flash, NOR Flash, and certain specialty memory products, requires us to demonstrate advanced functionality and performance, many times well in advance of a planned ramp of production, in order to secure design wins with our customers. There can be no assurance of the following:

- that our product development efforts will be successful;
- that we will be able to cost-effectively manufacture new products;
- that we will be able to successfully market these products; or
- that margins generated from sales of these products will allow us to recover costs of development efforts.

If our efforts to develop new products are unsuccessful, our business, results of operations, or financial condition may be materially adversely affected.

Products that fail to meet specifications, are defective, or that are otherwise incompatible with end uses could impose significant costs on us.

Products that do not meet specifications or that contain, or are perceived by our customers to contain, defects or that are otherwise incompatible with end uses could impose significant costs on us or otherwise materially adversely affect our business, results of operations, or financial condition. From time to time we experience problems with nonconforming, defective or incompatible products after we have shipped such products. In recent periods we have further diversified and expanded our product offerings which could potentially increase the chance that one or more of our products could fail to meet specifications in a particular application. As a result of these problems we could be adversely affected in several ways, including the following:

- we may be required to compensate customers for costs incurred or damages caused by defective or incompatible product or replace products;
- we could incur a decrease in revenue or adjustment to pricing commensurate with the reimbursement of such costs or alleged damages; and
- we may encounter adverse publicity, which could cause a decrease in sales of our products.

A determination that our products or manufacturing processes infringe the intellectual property rights of others or entering into a license agreement covering such intellectual property could materially adversely affect our business, results of operations, or financial condition.

As is typical in the semiconductor and other high technology industries, from time to time others have asserted, and may in the future assert, that our products or manufacturing processes infringe their intellectual property rights. We are unable to predict the outcome of assertions of infringement made against us. A determination that our products or manufacturing processes infringe the intellectual property rights of others, or entering a license agreement covering such intellectual property, could result in significant liability and/or require us to make material changes to our products and/or manufacturing processes. Any of the foregoing results could have a material adverse effect on our business, results of operations, or financial condition. (See "Part II. Financial Information – Item 8. Financial Statements – Notes to Consolidated Financial Statements – Contingencies.")

We have a number of intellectual property license agreements. Some of these license agreements require us to make one time or periodic payments. We may need to obtain additional patent licenses or renew existing license agreements in the future. We are unable to predict whether these license agreements can be obtained or renewed on acceptable terms.

Our joint ventures and strategic relationships involve numerous risks.

We have entered into strategic relationships to manufacture products and develop new manufacturing process technologies and products. These relationships include our IMFT joint venture with Intel, our Inotera joint venture with Nanya, and our MP Mask joint venture with Photronics. These joint ventures and strategic relationships are subject to various risks that could adversely affect the value of our investments and our results of operations. These risks include the following:

- our interests could diverge from our partners or we may not be able to agree with partners on ongoing manufacturing and operational activities, or on the amount, timing, or nature of further investments in our joint venture;
- our joint venture partners' products may compete with our products;
- we may experience difficulties in transferring technology to joint ventures;
- we may experience difficulties and delays in ramping production at joint ventures;
- our control over the operations of our joint ventures is limited;
- we may recognize losses from our equity method investments;
- due to financial constraints, our joint venture partners may be unable to meet their commitments to us or our joint ventures and may pose credit risks for our transactions with them;
- due to differing business models or long-term business goals, our partners may decide not to join us in funding capital investment in our joint ventures, which may result in higher levels of cash expenditures by us;
- cash flows may be inadequate to fund increased capital requirements;
- we may experience difficulties or delays in collecting amounts due to us from our joint ventures and partners;
- the terms of our partnering arrangements may turn out to be unfavorable; and
- changes in tax, legal, or regulatory requirements may necessitate changes in the agreements with our partners.

If our joint ventures and strategic relationships are unsuccessful, our business, results of operations, or financial condition may be materially adversely affected.

If our manufacturing process is disrupted, our business, results of operations, or financial condition could be materially adversely affected.

We manufacture products using highly complex processes that require technologically advanced equipment and continuous modification to improve yields and performance. Difficulties in the manufacturing process or the effects from a shift in product mix can reduce yields or disrupt production and may increase our per gigabit manufacturing costs. We maintain operations and continuously implement new product and process technology at our manufacturing operations which are widely dispersed in multiple locations in several countries including the U.S., Singapore, Taiwan, Japan, Malaysia, and China. Additionally, our control over operations at IMFT, Inotera, MP Mask, and Tera Probe is limited by our agreements with our partners. From time to time, we have experienced disruptions in our manufacturing process as a result of power outages, improperly functioning equipment, equipment failures, earthquakes, or other environmental events. If production at a fabrication facility is disrupted for any reason, manufacturing yields may be adversely affected or we may be unable to meet our customers' requirements and they may purchase products from other suppliers. This could result in a significant increase in manufacturing costs, loss of revenues, or damage to customer relationships, any of which could materially adversely affect our business, results of operations, or financial condition.

The operations of the MMJ Companies are subject to continued oversight by the Japan Court during the pendency of the corporate reorganization proceedings.

Because the plans of reorganization of the MMJ Companies provide for ongoing payments to creditors following the closing of our acquisition of MMJ, the Japan Proceedings are continuing, and the MMJ Companies remain subject to the oversight of the Japan Court and of the trustees (including a trustee designated by us, who we refer to as the business trustee, and a trustee designated by the Japan Court, who we refer to as the legal trustee), pending completion of the Japan Proceedings. The Japan Proceedings and oversight of the Japan Court are expected to continue until the final creditor payment is made under the MMJ Companies' plans of reorganization, which is scheduled to occur in December 2019, but may occur on a later date to the extent any claims of creditors remain unfixed on the final scheduled installment payment date. Although we may be able to petition the court to terminate the Japan Proceedings once two-thirds of all payments under the plans of reorganization are made, there can be no assurance that the Japan Court will grant any such petition.

During the pendency of the Japan Proceedings, the MMJ Companies are obligated to provide periodic financial reports to the Japan Court and may be required to obtain the consent of the Japan Court prior to taking a number of significant actions relating to their businesses, including transferring or disposing of, or acquiring, certain material assets, incurring or guaranteeing material indebtedness, settling disputes, or entering into certain material agreements. The consent of the legal trustee may also be required for matters that would likely have a material impact on the operations or assets of the MMJ Companies and their subsidiaries or for transfers of material assets, to the extent the matters or transfers would reasonably be expected to materially and adversely affect execution of the plans of reorganization of the MMJ Companies. Accordingly, during the pendency of the Japan Proceedings, our ability to effectively integrate the MMJ Companies as part of our global operations or to cause the MMJ Companies to take certain actions that we deem advisable for their businesses could be adversely affected if the Japan Court or the legal trustee is unwilling to consent to various actions that we may wish to take with respect to the MMJ Companies.

Our Inotera supply agreements involves numerous risks.

Since January 2013, we have purchased all of Inotera's DRAM output at a price reflecting a discount from market prices for our comparable components under a supply agreement. In the second quarter of 2015, we executed a supply agreement, to be effective beginning on January 1, 2016 (the "2016 Supply Agreement"), which will replace the current agreement. Under the 2016 Supply Agreement, the price for DRAM products sold to us will be based on a formula that equally shares margin between Inotera and us. The 2016 Supply Agreement has an initial two-year term, followed by a three-year wind-down period, and contemplates negotiations in late 2016 with respect to a two-year extension, and annual negotiations thereafter with respect to successive one-year extensions. Upon termination of the initial two-year term of the 2016 Supply Agreement, or any extensions, we would purchase DRAM from Inotera during the wind-down period. Our share of Inotera's capacity would decline over the wind-down period. Our Inotera supply agreements involve numerous risks including the following:

- higher costs for supply obtained under the Inotera supply agreements as compared to our wholly-owned facilities;
- difficulties and delays in ramping production at Inotera;
- difficulties in transferring technology to Inotera; and
- difficulties in coming to an agreement with Nanya regarding major corporate decisions, such as capital expenditures or capital structure.

In 2015 and in 2014, our cost of products purchased from Inotera was significantly higher than our cost of similar products manufactured in our wholly-owned facilities, due to the pricing formula of the current agreement and strong market conditions. For 2015, we purchased $2.37 billion of DRAM products from Inotera and our supply from Inotera accounted for 35% of our aggregate DRAM gigabit production. If our supply of DRAM from Inotera is impacted, our business, results of operations, or financial condition could be materially adversely affected.

Changes in foreign currency exchange rates could materially adversely affect our business, results of operations, or financial condition.

Across our global operations, there are transactions and balances denominated in currencies other than the U.S. dollar (our reporting currency), primarily the British pound, euro, shekel, Singapore dollar, New Taiwan dollar, yen, and yuan. We recorded net losses from changes in currency exchange rates of $27 million for 2015, $28 million for 2014, and $229 million for 2013. Based on our foreign currency exposures from monetary assets and liabilities, offset by balance sheet hedges, we estimate that a 10% adverse change in exchange rates versus the U.S. dollar would result in losses of approximately $3 million as of September 3, 2015. In addition, a significant portion of our manufacturing costs are denominated in foreign currencies. Exchange rates for some of these currencies against the U.S. dollar, particularly the yen, have been volatile in recent periods. If these currencies strengthen against the U.S. dollar, our manufacturing costs could significantly increase. In the event that exchange rates for the U.S. dollar adversely change against our foreign currency exposures, our results of operations or financial condition may be adversely affected.

We may make future acquisitions and/or alliances, which involve numerous risks.

Acquisitions and the formation or operation of alliances, such as joint ventures and other partnering arrangements, involve numerous risks including the following:

- integrating the operations, technologies, and products of acquired or newly formed entities into our operations;
- increasing capital expenditures to upgrade and maintain facilities;
- increased debt levels;
- the assumption of unknown or underestimated liabilities;
- the use of cash to finance a transaction, which may reduce the availability of cash to fund working capital, capital expenditures, R&D expenditures, and other business activities;
- diverting management's attention from daily operations;
- managing larger or more complex operations and facilities and employees in separate and diverse geographic areas;
- hiring and retaining key employees;
- requirements imposed by governmental authorities in connection with the regulatory review of a transaction, which may include, among other things, divestitures or restrictions on the conduct of our business or the acquired business;
- inability to realize synergies or other expected benefits;
- failure to maintain customer, vendor, and other relationships;
- inadequacy or ineffectiveness of an acquired company's internal financial controls, disclosure controls and procedures, and/or environmental, health and safety, anti-corruption, human resource, or other policies or practices; and
- impairment of acquired intangible assets and goodwill as a result of changing business conditions, technological advancements, or worse-than-expected performance of the acquired business.

In previous years, supply of memory products has significantly exceeded customer demand resulting in significant declines in average selling prices for DRAM, NAND Flash, and NOR Flash products. Resulting operating losses have led to the deterioration in the financial condition of a number of industry participants, including the liquidation of Qimonda and the 2012 bankruptcy filing by Elpida (now known as MMJ). These types of proceedings often lead to court-directed processes involving the sale of related businesses or assets. We believe the global memory industry is experiencing a period of consolidation as a result of these market conditions and other factors, and we may engage in discussions regarding potential acquisitions and similar opportunities arising out of these industry conditions. To the extent we are successful in completing any such transactions, we could be subject to some or all of the risks described above, including the risks pertaining to funding, assumption of liabilities, integration challenges, and increases in debt that may accompany such transactions. Acquisitions of, or alliances with, high-technology companies are inherently risky and may not be successful and may materially adversely affect our business, results of operations, or financial condition.

Breaches of our network security could expose us to losses.

We manage and store on our network systems various proprietary information and sensitive or confidential data relating to our operations. We also process, store, and transmit large amounts of data relating to our customers and employees, including sensitive personal information. Unauthorized users may be able to gain access to our network system and steal proprietary information, compromise confidential information, create system disruptions, or cause shutdowns. These parties may also be able to develop and deploy viruses, worms, and other malicious software programs that disrupt our operations and create security vulnerabilities. Attacks on our network systems could result in significant losses and damage our reputation with customers, and could expose us to litigation if the confidential information of our customers, suppliers, or employees is compromised.

Compliance with regulations regarding the use of conflict minerals could limit the supply and increase the cost of certain metals used in manufacturing our products.

Increased focus on environmental protection and social responsibility initiatives led to the passage of Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act") and its implementing Securities and Exchange Commission regulations. The Dodd-Frank Act imposes supply chain diligence and disclosure requirements for certain manufacturers of products containing specific minerals that may originate in or near the Democratic Republic of the Congo (the "DRC") and finance or benefit local armed groups. These "conflict minerals" are commonly found in materials used in the manufacture of semiconductors. The implementation of these new regulations may limit the sourcing and availability of some of these materials. This in turn may affect our ability to obtain materials necessary for the manufacture of our products in sufficient quantities and may affect related material pricing. Some of our customers may elect to disqualify us as a supplier or reduce purchases from us if we are unable to verify that our products are DRC conflict free.

We may incur additional tax expense or become subject to additional tax exposure.

We operate in a number of locations outside the U.S., including in Singapore, and, to a lesser extent, Taiwan, where we have tax incentive agreements that are, in part, conditional upon meeting certain business operations and employment thresholds. Our domestic and international taxes are dependent upon the distribution of our earnings among these different jurisdictions. Our provision for income taxes and cash tax liabilities in the future could be adversely affected by numerous factors, including challenges by tax authorities to our tax structure, income before taxes being lower than anticipated in countries with lower statutory tax rates and higher than anticipated in countries with higher statutory tax rates, changes in the valuation of deferred tax assets and liabilities, failure to meet performance obligations with respect to tax incentive agreements, and changes in tax laws and regulations. We file income tax returns with the U.S. federal government, various U.S. states, and various other jurisdictions throughout the world. Our U.S. federal and state tax returns remain open to examination for 2011 through 2015. In addition, tax returns open to examination in multiple other taxing jurisdictions range from the years 2007 to 2015. The results of audits and examinations of previously filed tax returns and continuing assessments of our tax exposures may have an adverse effect on our provision for income taxes and cash tax liability.

We may not utilize all of our net deferred tax assets.

We have substantial deferred tax assets, which include, among others, net operating loss and credit carryforwards. As of September 3, 2015, our U.S. federal and state net operating loss carryforwards, including uncertain tax benefits, were $4.02 billion and $2.05 billion, respectively, which, if not utilized, will expire at various dates from 2016 through 2035. As of September 3, 2015, our foreign net operating loss carryforwards were $5.15 billion, including $3.81 billion pertaining to Japan, which, if not utilized, substantially all will expire at various dates from 2017 through 2025. As of September 3, 2015, we had valuation allowances of $1.16 billion and $710 million against our net deferred tax assets in the U.S. and Japan, respectively.

The limited availability of raw materials, supplies, or capital equipment could materially adversely affect our business, results of operations, or financial condition.

Our operations require raw materials, and in certain cases, third party services, that meet exacting standards. We generally have multiple sources of supply for our raw materials and services. However, only a limited number of suppliers are capable of delivering certain raw materials and services that meet our standards. In some cases, materials, components, or services are provided by a single supplier. Various factors could reduce the availability of raw materials or components such as silicon wafers, controllers, photomasks, chemicals, gases, photoresist, lead frames, and molding compound. Shortages may occur from time to time in the future. We and/or our suppliers could be affected by laws and regulations enacted in response to concerns regarding climate change, which could increase the cost and limit the supply of our raw materials. In addition, disruptions in transportation lines could delay our receipt of raw materials. Lead times for the supply of raw materials have been extended in the past. If our supply of raw materials or services is disrupted or our lead times extended, our business, results of operations, or financial condition could be materially adversely affected.

Our operations are dependent on our ability to procure advanced semiconductor manufacturing equipment that enables the transition to lower cost manufacturing processes. For certain key types of equipment, including photolithography tools, we are sometimes dependent on a single supplier. From time to time we have experienced difficulties in obtaining some equipment on a timely basis due to the supplier's limited capacity. Our inability to obtain this equipment timely could adversely affect our ability to transition to next generation manufacturing processes and reduce costs. Delays in obtaining equipment could also impede our ability to ramp production at new facilities and increase our overall costs of the ramp. If we are unable to obtain advanced semiconductor manufacturing equipment in a timely manner, our business, results of operations, or financial condition could be materially adversely affected.

A downturn in the worldwide economy may harm our business.

Downturns in the worldwide economy have harmed our business in the past and future downturns could also adversely affect our business. Adverse economic conditions affect demand for devices that incorporate our products, such as personal computers, mobile devices, solid-state drives, and servers. Reduced demand for these products could result in significant decreases in our average selling prices and product sales. A deterioration of current conditions in worldwide credit markets could limit our ability to obtain external financing to fund our operations and capital expenditures. In addition, we may experience losses on our holdings of cash and investments due to failures of financial institutions and other parties. Difficult economic conditions may also result in a higher rate of loss on our accounts receivables due to credit defaults. As a result, our business, results of operations, or financial condition could be materially adversely affected.

Our results of operations could be affected by natural disasters and other events in the locations in which we or our customers or suppliers operate.

We have manufacturing and other operations in locations subject to natural occurrences such as severe weather and geological events including earthquakes or tsunamis that could disrupt operations. In addition, our suppliers and customers also have operations in such locations. A natural disaster, fire, explosion, or other event that results in a prolonged disruption to our operations, or the operations of our customers or suppliers, may materially adversely affect our business, results of operations, or financial condition.

We face risks associated with our international sales and operations that could materially adversely affect our business, results of operations, or financial condition.

Sales to customers outside the United States approximated 84% of our consolidated net sales for 2015. In addition, a substantial portion of our manufacturing operations are located outside the United States. In particular, a significant portion of our manufacturing operations are concentrated in Singapore, Taiwan, and Japan. Our international sales and operations are subject to a variety of risks, including:

- export and import duties, changes to import and export regulations, customs regulations and processes, and restrictions on the transfer of funds;
- compliance with U.S. and international laws involving international operations, including the Foreign Corrupt Practices Act, export and import laws, and similar rules and regulations;
- protection of intellectual property;
- political and economic instability;
- problems with the transportation or delivery of our products;
- issues arising from cultural or language differences and labor unrest;
- longer payment cycles and greater difficulty in collecting accounts receivable;
- compliance with trade, technical standards, and other laws in a variety of jurisdictions;
- contractual and regulatory limitations on our ability to maintain flexibility with our staffing levels;
- disruptions to our manufacturing operations as a result of actions imposed by foreign governments;
- changes in economic policies of foreign governments; and
- difficulties in staffing and managing international operations.

These factors may materially adversely affect our business, results of operations, or financial condition.

We are subject to counterparty default risks.

We have numerous arrangements with financial institutions that subject us to counterparty default risks, including cash deposits, investments, capped-call contracts on our stock, and derivative instruments. As a result, we are subject to the risk that the counterparty to one or more of these arrangements will default on its performance obligations. A counterparty may not comply with their contractual commitments which could then lead to their defaulting on their obligations with little or no notice to us, which could limit our ability to take action to mitigate our exposure. Additionally, our ability to mitigate our exposures may be constrained by the terms of our contractual arrangements or because market conditions prevent us from taking effective action. If one of our counterparties becomes insolvent or files for bankruptcy, our ability to recover any losses suffered as a result of that counterparty's default may be limited by the liquidity of the counterparty or the applicable laws governing the bankruptcy proceeding. In the event of such default, we could incur significant losses, which could adversely impact our business, results of operations, or financial condition.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our corporate headquarters are located in Boise, Idaho. The following is a summary of our principal facilities as of September 3, 2015:

Location	Principal Operations
Boise, Idaho	R&D, including wafer fabrication; reticle manufacturing; test and module assembly
Lehi, Utah	Wafer fabrication
Manassas, Virginia	Wafer fabrication
Singapore	Three wafer fabrication facilities and a test, assembly and module assembly facility
Xi’an, China	Module assembly and test
Muar, Malaysia	Assembly and test
Taichung City, Taiwan	Wafer fabrication
Hiroshima, Japan	Wafer fabrication and R&D
Akita, Japan	Module assembly and test

Substantially all of the capacity of the facilities listed above is fully utilized. Our Inotera joint venture has a 300mm wafer fabrication facility in Kueishan, Taiwan. Under our supply agreement with Inotera, we purchase all of the output of Inotera. We also own and lease a number of other facilities in locations throughout the world that are used for design, R&D, and sales and marketing activities.

Our facility in Lehi is owned and operated by our IMFT joint venture with Intel. (See "Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Equity – Noncontrolling Interests in Subsidiaries – IMFT.")

In December 2014, we announced plans to add approximately 255,000 square feet of clean room space to our fabrication facility in Singapore to implement 3D NAND Flash production. Construction of the additional space began in 2015 with initial manufacturing output likely in 2017.

We believe that our existing facilities are suitable and adequate for our present purposes. We do not identify or allocate assets by operating segment. (See "Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Geographic Information.")

ITEM 3. LEGAL PROCEEDINGS

Reorganization Proceedings of the MMJ Companies

On July 31, 2013, we completed the acquisition of Elpida, now known as MMJ, a Japanese corporation, pursuant to the terms and conditions of an Agreement on Support for Reorganization Companies (as amended, the "Sponsor Agreement") that we entered into on July 2, 2012 with the trustees of the MMJ Companies' pending corporate reorganization proceedings under the Corporate Reorganization Act of Japan.

The MMJ Companies filed petitions for commencement of corporate reorganization proceedings with the Japan Court under the Corporate Reorganization Act of Japan on February 27, 2012, and the Japan Court issued an order to commence the reorganization proceedings (the "Japan Proceedings") on March 23, 2012. On July 2, 2012, we entered into the Sponsor Agreement with the legal trustees of the MMJ Companies and the Japan Court approved the Sponsor Agreement. Under the Sponsor Agreement, we agreed to provide certain support for the reorganization of the MMJ Companies and the trustees agreed to prepare and seek approval from the Japan Court and the MMJ Companies' creditors of plans of reorganization consistent with such support.

The trustees initially submitted the proposed plans of reorganization for the MMJ Companies to the Japan Court on August 21, 2012 and submitted final proposed plans on October 29, 2012. On October 31, 2012, the Japan Court approved submission of the trustees' proposed plans of reorganization to creditors for approval. On February 26, 2013, the MMJ Companies' creditors approved the reorganization plans and on February 28, 2013, the Japan Court issued an order approving the plans of reorganization. Appeals filed by certain creditors of MMJ in Japan challenging the plan approval order issued by the Japan Court were denied.

In a related action, MMJ filed a Verified Petition for Recognition and Chapter 15 Relief in the United States Bankruptcy Court for the District of Delaware (the "U.S. Court") on March 19, 2012 and, on April 24, 2012, the U.S. Court entered an order that, among other things, recognized MMJ's corporate reorganization proceeding as a foreign main proceeding pursuant to 11 U.S.C. § 1517(b). On June 25, 2013, the U.S. Court issued a recognition order, which recognized the order of the Japan Court approving MMJ's plan of reorganization. On November 19, 2013, the U.S. Court closed the U.S. Chapter 15 proceeding.

The plans of reorganization provide for payments by the MMJ Companies to their secured and unsecured creditors in an aggregate amount of 200 billion yen, less certain expenses of the reorganization proceedings and certain other items. The plans of reorganization also provided for the investment by us pursuant to the Sponsor Agreement of 60 billion yen ($615 million) paid at closing in cash into MMJ in exchange for 100% ownership of MMJ's equity and the use of such investment to fund the initial installment payment by the MMJ Companies to their creditors of 60 billion yen, subject to reduction for certain items specified in the Sponsor Agreement and plans of reorganization.

Under MMJ's plan of reorganization, secured creditors will recover 100% of the amount of their fixed claims and unsecured creditors will recover at least 17.4% of the amount of their fixed claims. The actual recovery of unsecured creditors will be higher, however, based, in part, on events and circumstances occurring following the plan approval. The remaining portion of the unsecured claims will be discharged, without payment, over the period that payments are made pursuant to the plans of reorganization. The secured creditors will be paid in full on or before the sixth installment payment date, while the unsecured creditors will be paid in seven installments. MAI's plan of reorganization provides that secured creditors will recover 100% of the amount of their claims, whereas unsecured creditors will recover 19% of the amount of their claims. The secured creditors of MAI were paid in full on the first installment payment date, while the unsecured creditors will be paid in seven installments.

Because the plans of reorganization of the MMJ Companies provide for ongoing payments to creditors following the closing of the MMJ acquisition, the Japan Proceedings are continuing and the MMJ Companies remain subject to the oversight of the Japan Court and of the trustees (including a trustee designated by us, who we refer to as the business trustee, and a trustee designated by the Japan Court, who we refer to as the legal trustee), pending completion of the reorganization proceedings. The business trustee makes decisions in relation to the operation of the businesses of the MMJ Companies, other than decisions in relation to acts that need to be carried out in connection with the Japan Proceedings, which are the responsibility of the legal trustee. The Japan Proceedings and oversight of the Japan Court will continue until the final creditor payment is made under the MMJ Companies' plans of reorganization, which is scheduled to occur in December 2019, but may occur on a later date to the extent any claims of creditors remain unfixed on the final scheduled installment payment date. The MMJ Companies may petition the Japan Court for an early termination of the Japan Proceedings once two-thirds of all payments under the plans of reorganization are made. Although such early terminations are customarily granted, there can be no assurance that the Japan Court will grant any such petition in these particular cases.

During the pendency of the Japan Proceedings, the MMJ Companies are obligated to provide periodic financial reports to the Japan Court and may be required to obtain the consent of the Japan Court prior to taking a number of significant actions relating to their businesses, including transferring or disposing of, or acquiring, certain material assets, incurring or guaranteeing material indebtedness, settling material disputes, or entering into certain material agreements. The consent of the legal trustee may also be required for matters that would likely have a material impact on the operations or assets of the MMJ Companies and their subsidiaries or for transfers of material assets, to the extent the matters or transfers would reasonably be expected to materially and adversely affect execution of the plans of reorganization of the MMJ Companies. Accordingly, during the pendency of the Japan Proceedings, our ability to effectively integrate the MMJ Companies as part of our global operations or to cause the MMJ Companies to take certain actions that we deem advisable for their businesses could be adversely affected if the Japan Court or the legal trustee is unwilling to consent to various actions that we may wish to take with respect to the MMJ Companies.

For a discussion of other legal proceedings, see "Part II Financial Information – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Contingencies" and "Item 1A. Risk Factors."

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market for Common Stock

Our common stock is listed on the NASDAQ Global Select Market and trades under the symbol "MU." The following table represents the high and low closing sales prices for our common stock for each quarter of 2015 and 2014, as reported by Bloomberg L.P.:

	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
2015:				
High	$ 26.59	$ 29.52	$ 36.49	$ 36.10
Low	14.27	26.31	28.35	27.03
2014:				
High	$ 34.64	$ 28.61	$ 25.49	$ 21.17
Low	28.59	21.13	20.67	13.57

Holders of Record

As of October 21, 2015, there were 2,378 shareholders of record of our common stock.

Dividends

We have not declared or paid cash dividends since 1996 and do not intend to pay cash dividends for the foreseeable future.

As a result of the Japan Proceedings, for so long as such proceedings continue, the MMJ Group is subject to certain restrictions on dividends, loans, and advances. Our ability to access IMFT's cash and other assets through dividends, loans, or advances, including to finance our other operations, is subject to agreement by Intel.

Equity Compensation Plan Information

The information required by this item is incorporated by reference from the information to be set forth in our 2015 Proxy Statement under the section entitled "Equity Compensation Plan Information," which will be filed with the Securities and Exchange Commission within 120 days after September 3, 2015.

Issuer Purchases of Equity Securities

Since the first quarter of 2015, our Board of Directors authorized the repurchase of up to $1.25 billion of our common stock, $250 million of which was authorized in the first quarter of 2016. Any repurchases under the authorization may be made in open market purchases, block trades, privately negotiated transactions, and/or derivative transactions, subject to market conditions and our ongoing determination that it is the best use of available cash. During the fourth quarter of 2015, we purchased 35,495,175 shares of our common stock through open market transactions.

During the fourth quarter of 2015, we also received 2,685,482 shares of our common stock from the share settlement for a portion of our 2031 Capped Calls.

Period	(a) Total number of shares purchased	(b) Average price paid per share[1]	(c) Total number of shares (or units) purchased as part of publicly announced plans or programs	(d) Maximum number (or approximate dollar value) of shares (or units) that may yet be purchased under the plans or programs[2]
June 5, 2015 – July 9, 2015	2,196,500	$ 18.67	2,196,500	$ 766,818,080
July 10, 2015 – August 6, 2015	19,961,832	18.21	18,507,698	430,818,357
August 7, 2015 – September 3, 2015	16,022,325	17.69	14,790,977	169,836,046
	38,180,657	18.02	35,495,175	

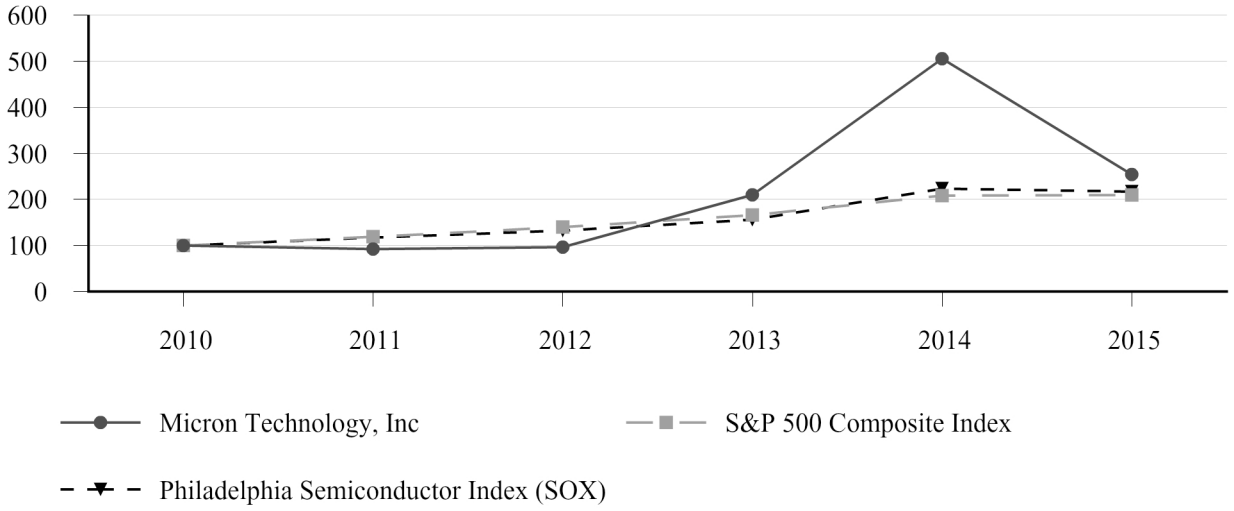
[1] Excludes commissions.

[2] Does not include $250 million repurchase authorization received in the first quarter of 2016.

In our consolidated financial statements, we also treat shares of common stock withheld as payment of withholding taxes or exercise prices in connection with the vesting or exercise of equity awards as common stock repurchases. Those withheld shares of common stock are not considered common stock repurchases under an authorized common stock repurchase plan and accordingly are excluded from the above table.

Performance Graph

The following graph illustrates a five-year comparison of cumulative total returns for our common stock, the S&P 500 Composite Index, and the Philadelphia Semiconductor Index (SOX) from August 31, 2010, through August 31, 2015. We operate on a 52 or 53 week fiscal year which ends on the Thursday closest to August 31. Accordingly, the last day of our fiscal year varies. For consistent presentation and comparison to the industry indices shown herein, we have calculated our stock performance graph assuming an August 31 year end.



Note: Management cautions that the stock price performance information shown in the graph above is provided as of August 31 for the years presented and may not be indicative of current stock price levels or future stock price performance.

The performance graph above assumes $100 was invested on August 31, 2010 in common stock of Micron Technology, Inc., the S&P 500 Composite Index, and the Philadelphia Semiconductor Index (SOX). Any dividends paid during the period presented were assumed to be reinvested. The performance was plotted using the following data:

	2010	2011	2012	2013	2014	2015
Micron Technology, Inc.	$ 100	$ 92	$ 96	$ 210	$ 505	$ 254
S&P 500 Composite Index	100	119	140	166	208	209
Philadelphia Semiconductor Index (SOX)	100	117	132	156	223	217

ITEM 6. SELECTED FINANCIAL DATA

	2015	2014	2013	2012	2011
	(in millions except per share amounts)				
Net sales	$ 16,192	$ 16,358	$ 9,073	$ 8,234	$ 8,788
Gross margin	5,215	5,437	1,847	968	1,758
Operating income (loss)	2,998	3,087	236	(612)	761
Net income (loss)	2,899	3,079	1,194	(1,031)	190
Net income (loss) attributable to Micron	2,899	3,045	1,190	(1,032)	167
Diluted earnings (loss) per share	2.47	2.54	1.13	(1.04)	0.17
Cash and short-term investments	3,521	4,534	3,101	2,559	2,160
Total current assets	8,596	10,245	8,911	5,758	5,832
Property, plant and equipment, net	10,554	8,682	7,626	7,103	7,555
Total assets	24,143	22,416	19,068	14,295	14,730
Total current liabilities	3,905	4,791	4,122	2,243	2,480
Long-term debt	6,252	4,893	4,406	3,005	1,839
Redeemable convertible notes	49	68	—	—	—
Total Micron shareholders' equity	12,302	10,760	9,142	7,700	8,470
Noncontrolling interests in subsidiaries	937	802	864	717	1,382
Total equity	13,239	11,562	10,006	8,417	9,852

On July 31, 2013, we completed the MMJ Acquisition, in which we acquired Elpida, now known as MMJ, and a controlling interest in Rexchip, now known as MMT. The MMJ Group's products include mobile DRAM targeted to mobile phones and tablets and computing DRAM targeted to desktop PCs, servers, notebooks, and workstations. The MMJ Acquisition included a 300mm DRAM wafer fabrication facility located in Hiroshima, Japan, a 300mm DRAM wafer fabrication facility in Taichung City, Taiwan, and an assembly and test facility located in Akita, Japan. In connection with the MMJ Acquisition, we recorded net assets of $2.60 billion, noncontrolling interests of $168 million, and a gain on the transaction of $1.48 billion in 2013. (See "Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Micron Memory Japan, Inc.")

We entered into a joint venture relationship with Intel to form IMFT in 2006 and IM Flash Singapore, LLP ("IMFS") in 2007 to manufacture NAND Flash memory products for the exclusive use of the members. We have owned 51% of IMFT from inception through September 3, 2015. Our ownership percentage of IMFS had increased from 51% at inception to 82% as of April 6, 2012 due to a series of contributions by us that were not fully matched by Intel. On April 6, 2012, we entered into a series of agreements with Intel to restructure IMFT and IMFS, in which we acquired Intel's remaining 18% interest in IMFS for $466 million. In addition, we acquired IMFT's assets located at our Virginia wafer fabrication facility, for which Intel received a distribution from IMFT of $139 million. For both transactions, the amounts Intel received approximated the book values of Intel's interests in the assets acquired. We consolidate IMFT (and IMFS through April 6, 2012) and report Intel's ownership interests as noncontrolling interests in subsidiaries. (See "Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Equity – Noncontrolling Interests in Subsidiaries – IMFT.")

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. Forward-looking statements include, but are not limited to, statements such as those made in "Liquidity and Capital Resources" regarding our pursuit of additional financing and debt restructuring, regarding capital spending in 2016, regarding the expansion of our clean room space in Singapore, regarding the sufficiency of our cash and investments, cash flows from operations, and available financing to meet our requirements for at least the next 12 months, and regarding the timing of payments for certain contractual obligations; and in "Recently Issued Accounting Standards" regarding the impact of adopting these new standards. Our actual results could differ materially from our historical results 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 "Part I, Item 1A. Risk Factors." This discussion should be read in conjunction with the consolidated financial statements and accompanying notes for the year ended September 3, 2015. All period references are to our fiscal periods unless otherwise indicated. Our fiscal year is the 52 or 53-week period ending on the Thursday closest to August 31. Our fiscal 2015 contains 53 weeks and our fiscal 2014 and fiscal 2013 each contained 52 weeks. All production data includes the production of IMFT and Inotera. All tabular dollar amounts are in millions except per share amounts.

Our Management's Discussion and Analysis ("MD&A") is provided in addition to the accompanying consolidated financial statements and notes to assist readers in understanding our results of operations, financial condition, and cash flows. MD&A is organized as follows:

- ***Overview:*** Overview of our operations and business.
- ***Results of Operations:*** An analysis of our financial results consisting of the following:
  - Consolidated results;
  - Operating results by business segment;
  - Operating results by product; and
  - Operating expenses and other.
- ***Liquidity and Capital Resources:*** An analysis of changes in our balance sheet and cash flows and discussion of our financial condition and potential sources of liquidity.
- ***Off-Balance Sheet Arrangements:*** Description of off-balance sheet arrangements.
- ***Critical Accounting Estimates:*** Accounting estimates that we believe are most important to understanding the assumptions and judgments incorporated in our reported financial results and forecasts.
- ***Recently Adopted and Issued Accounting Standards***

Overview

For an overview of our business, see "Part I – Item 1. – Business – Overview."

Results of Operations

Consolidated Results

For the year ended	2015		2014		2013	
Net sales	$16,192	100 %	$16,358	100 %	$ 9,073	100 %
Cost of goods sold	10,977	68 %	10,921	67 %	7,226	80 %
Gross margin	5,215	32 %	5,437	33 %	1,847	20 %
Selling, general and administrative	719	4 %	707	4 %	562	6 %
Research and development	1,540	10 %	1,371	8 %	931	10 %
Restructure and asset impairments	3	— %	40	— %	126	1 %
Other operating (income) expense, net	(45)	— %	232	1 %	(8)	— %
Operating income	2,998	19 %	3,087	19 %	236	3 %
Interest income (expense), net	(336)	(2)%	(329)	(2)%	(217)	(2)%
Gain on MMJ Acquisition	—	— %	(33)	— %	1,484	16 %
Other non-operating income (expense), net	(53)	— %	8	— %	(218)	(2)%
Income tax (provision) benefit	(157)	(1)%	(128)	(1)%	(8)	— %
Equity in net income (loss) of equity method investees	447	3 %	474	3 %	(83)	(1)%
Net income attributable to noncontrolling interests	—	— %	(34)	— %	(4)	— %
Net income attributable to Micron	$ 2,899	18 %	$ 3,045	19 %	$ 1,190	13 %

Business Segments

We have the following four business units, which are our reportable segments:

Compute and Networking Business Unit ("CNBU"): Includes memory products sold into compute, networking, graphics, and cloud server markets.

Mobile Business Unit ("MBU"): Includes memory products sold into smartphone, tablet, and other mobile-device markets.

Storage Business Unit ("SBU"): Includes memory products sold into enterprise, client, cloud, and removable storage markets. SBU also includes products sold to Intel through our IMFT joint venture.

Embedded Business Unit ("EBU"): Includes memory products sold into automotive, industrial, connected home, and consumer electronics markets.

Acquisition of Micron Memory Japan, Inc.

On July 31, 2013, we completed the MMJ Acquisition, in which we acquired Elpida, now known as MMJ, and a controlling interest in Rexchip, now known as MMT. In 2014, we purchased additional interests in MMT, increasing our ownership interest to 99.5%. In connection with the MMJ Acquisition, we recorded net assets of $2.60 billion, noncontrolling interests of $168 million and a gain on the transaction of $1.48 billion in 2013. In the second quarter of 2014, the provisional amounts recorded in connection with the MMJ Acquisition were adjusted, primarily for pre-petition liabilities. As a result, other non-operating expense for 2014 included these measurement period adjustments of $33 million. (See "Item 8. Financial Statements – Notes to Consolidated Financial Statements – Micron Memory Japan, Inc.")

The MMJ Acquisition included a 300mm DRAM wafer fabrication facility located in Hiroshima, Japan, a 300mm DRAM wafer fabrication facility in Taichung City, Taiwan, and an assembly and test facility located in Akita, Japan. These wafer fabrication facilities together represented approximately 30% of our total wafer capacity for 2015. The MMJ Group's products include mobile DRAM targeted to mobile phones and tablets, and computing DRAM targeted to desktop PCs, servers, notebooks, and workstations. The operations from the MMJ Acquisition are included primarily in the MBU and CNBU segments.

Net Sales

For the year ended	2015		2014		2013	
CNBU	$ 6,725	42%	$ 7,333	45%	$ 3,462	38%
MBU	3,692	23%	3,627	22%	1,214	13%
SBU	3,687	23%	3,480	21%	2,824	31%
EBU	1,999	12%	1,774	11%	1,275	14%
All Other	89	1%	144	1%	298	3%
	$16,192		$16,358		$ 9,073	

Percentages reflect rounding and may not total 100%.

Total net sales for 2015 decreased 1% as compared to 2014 primarily due to lower CNBU sales as a result of decreases in DRAM sales as declines in average selling prices outpaced increases in gigabit sales volumes. SBU and MBU sales for 2015 increased as compared to 2014 as a result of higher NAND Flash sales due to increases in gigabit sales volumes partially offset by declines in average selling prices. EBU sales for 2015 increased as compared to 2014 due to higher sales volumes as a result of increases in market demand. The increases in gigabit sales volumes for 2015 were primarily attributable to higher manufacturing output due to improvements in product and process technologies.

Total net sales for 2014 increased 80% as compared to 2013 primarily due to higher CNBU and MBU sales resulting from the MMJ Acquisition. Net sales for all segments in 2014 also benefitted, as compared to 2013, from increases in DRAM and NAND Flash sales volumes driven primarily by higher manufacturing output as a result of improvements in product and process technology and an increased share of output from Inotera.

Gross Margin

Our overall gross margin percentage declined to 32% for 2015 from 33% for 2014 primarily due to declines in average selling prices partially offset by manufacturing cost reductions. CNBU and SBU experienced declines in gross margin percentage for 2015 as compared to 2014 as declines in average selling price outpaced manufacturing cost reductions. MBU's gross margin percentage for 2015 improved as compared to 2014 as manufacturing cost reductions outpaced declines in average selling prices.

Since January 2013, we have purchased all of Inotera's DRAM output at prices reflecting discounts from market prices for our comparable components under a supply agreement. In the second quarter of 2015, we executed a supply agreement, to be effective beginning on January 1, 2016 (the "2016 Supply Agreement"), which will replace the current agreement. Under the 2016 Supply Agreement, the price for DRAM products sold to us will be based on a formula that equally shares margin between Inotera and us. The 2016 Supply Agreement has an initial two-year term, followed by a three-year wind-down period, and contemplates negotiations in late 2016 with respect to a two-year extension, and annual negotiations thereafter with respect to successive one-year extensions. Upon termination of the initial two-year term of the 2016 Supply Agreement, or any extensions, we would purchase DRAM from Inotera during the wind-down period. Our share of Inotera's capacity would decline over the wind-down period. In 2015 and 2014, our cost of products purchased from Inotera was significantly higher than our cost of similar products manufactured in our wholly-owned facilities, due to the pricing formula of the current agreement and strong market conditions. Under the market conditions prevailing in the fourth quarter of 2015, costs of products purchased under the current agreement were higher than they would have been under the pricing formula of the 2016 Supply Agreement. We purchased $2.37 billion, $2.68 billion, and $1.26 billion of DRAM products from Inotera in 2015, 2014, and 2013, respectively.

Our overall gross margin percentage improved to 33% for 2014 from 20% for 2013 primarily due to improvements in the gross margin percentage for CNBU and MBU as a result of higher margins for DRAM products. The gross margin improvements for CNBU and MBU for 2014 as compared to 2013 resulted primarily from the MMJ Acquisition, manufacturing cost reductions, and higher average selling prices for CNBU. Our gross margin percentage on sales of DRAM products for 2014 improved from 2013 primarily due to reductions in costs and increases in average selling prices. Cost reductions for 2014 primarily reflected improvements in product and process technologies and the comparatively lower manufacturing costs of the MMJ Group, partially offset by higher costs for product obtained under the Inotera supply agreement. For 2014 and the fourth quarter of 2013, our costs of goods sold for DRAM products included the sale of the MMJ Group's inventories recorded at fair value in the MMJ Acquisition, which was higher than the manufacturing cost of such inventories. This increased our costs of goods sold by approximately $153 million for 2014 and $41 million for 2013.

Operating Results by Business Segments

CNBU

For the year ended	2015	2014	2013
Net sales	$ 6,725	$ 7,333	$ 3,462
Operating income	1,481	1,957	160

CNBU sales and operating results are significantly impacted by average selling prices, gigabit sales volumes, and cost per gigabit of our DRAM products. (See "Operating Results by Product – DRAM" for further detail.) CNBU sales for 2015 decreased 8% as compared to 2014 primarily due to declines in average selling prices as a result of continued weakness in the PC sector, partially offset by increases in gigabits sold. CNBU operating income for 2015 declined from 2014 as decreases in average selling prices outpaced manufacturing cost reductions.

CNBU sales for 2014 increased 112% as compared to 2013 primarily due to (1) the MMJ Acquisition, (2) higher average selling prices, (3) increased DRAM supply from Inotera as a result of the restructuring of our supply agreement, and (4) higher output due to improvements in product and process technologies. CNBU sales for 2014 as compared to 2013 were adversely impacted by the transition of production at one of our Singapore wafer fabrication facilities from DRAM to NAND Flash. CNBU operating income for 2014 improved from 2013 primarily due to the MMJ Acquisition, higher average selling prices, and manufacturing cost reductions.

MBU

For the year ended	2015	2014	2013
Net sales	$ 3,692	$ 3,627	$ 1,214
Operating income (loss)	1,126	683	(265)

In 2015 and 2014, MBU sales were comprised primarily of DRAM, NAND Flash, and NOR Flash, in decreasing order of revenue, with mobile DRAM products accounting for a significant majority of the sales. MBU sales for 2015 increased 2% as compared to 2014 primarily due to significant increases in gigabit sales volumes for managed NAND Flash and MCP products partially offset by lower sales of mobile DRAM products as a result of declines in average selling prices and sales volumes. MBU operating income for 2015 improved from 2014 as manufacturing cost reductions outpaced declines in average selling prices.

MBU sales for 2014 increased 199% as compared to 2013 primarily due to significant increases in mobile DRAM sales as a result of the MMJ Acquisition. MBU operating margin for 2014 also improved from 2013 primarily due to the MMJ Acquisition and manufacturing cost reductions, which significantly outpaced declines in average selling prices.

SBU

For the year ended	2015	2014	2013
Net sales	$ 3,687	$ 3,480	$ 2,824
Operating income (loss)	(89)	255	173

SBU sales and operating results are significantly impacted by average selling prices, gigabit sales volumes, and cost per gigabit of our NAND Flash products. (See "Operating Results by Product – Non-Volatile Memory" for further details.) SBU sales for 2015 increased 6% from 2014 primarily due to increases in gigabits sold partially offset by declines in average selling prices. SBU sells a portion of its products to Intel through our IMFT joint venture at long-term negotiated prices approximating cost. SBU sales of products to Intel under this arrangement were $420 million, $423 million, and $387 million for 2015, 2014, and 2013, respectively. All other SBU products are sold to OEMs, resellers, retailers, and other customers (including Intel), which we collectively refer to as "trade customers."

SBU sales of NAND Flash products to trade customers for 2015 increased 7% as compared to 2014 primarily due to increases in gigabits sold partially offset by declines in average selling prices. Increases in gigabits sold for 2015 as compared to 2014 were primarily due to higher manufacturing output. SBU operating margin for 2015 declined from 2014 as decreases in average selling prices outpaced manufacturing cost reductions and R&D costs increased in connection with increased spending on controllers, firmware, and engineering for SSDs and managed NAND Flash products.

SBU sales for 2014 increased 23% from 2013 primarily due to increases in gigabits sold partially offset by declines in average selling prices. Increases in gigabits sold for 2014 were primarily due to the transition in 2014 of production at one of our wafer fabrication facilities in Singapore from DRAM to NAND Flash and improvements in product and process technologies. SBU sales of NAND Flash products to trade customers for 2014 increased 26% as compared to 2013 primarily due to an increase in gigabits sold partially offset by declines in average selling prices. SBU operating income for 2014 improved from 2013 primarily due to higher gigabit sales volumes as manufacturing cost reductions were essentially offset by declines in average selling prices.

EBU

For the year ended	2015	2014	2013
Net sales	$ 1,999	$ 1,774	$ 1,275
Operating income	435	331	227

In 2015 and 2014, EBU sales were comprised of DRAM, NAND Flash, and NOR Flash in decreasing order of revenue. EBU sales for 2015 increased 13% as compared to 2014 primarily due to higher sales volumes of DRAM and NAND Flash products as a result of increases in demand. EBU operating income for 2015 improved as compared to 2014 primarily due to the higher sales volumes.

EBU sales for 2014 increased 39% as compared to 2013 primarily due to increased sales volumes of DRAM and NAND Flash products partially offset by declines in average selling prices. EBU operating income for 2014 improved as compared to 2013 primarily due to higher margins on sales of DRAM and NAND Flash products as a result of the increase in sales and cost reductions.

Operating Results by Product

Net Sales by Product

For the year ended	2015		2014		2013	
DRAM	$10,339	64%	$11,164	68%	$ 4,361	48%
Non-Volatile Memory	5,274	33%	4,468	27%	3,589	40%
Other	579	4%	726	4%	1,123	12%
	$16,192		$16,358		$ 9,073	

Percentages reflect rounding and may not total 100%.

Non-Volatile Memory includes NAND Flash and 3D XPoint memory. Through 2015, substantially all of our Non-Volatile Memory sales were from NAND Flash products. Sales of NOR Flash products are included in Other. Information regarding our MCP products, which combine both NAND Flash and DRAM components, is reported within Non-Volatile Memory.

DRAM

For the year ended	2015	2014
	(percentage change from prior period)	
Net sales	(7)%	156 %
Average selling prices per gigabit	(11)%	6 %
Gigabits sold	4 %	142 %
Cost per gigabit	(12)%	(20)%

The increase in gigabit sales volumes of DRAM products for 2015 as compared to 2014 was primarily due to increases in gigabit production despite our continued preparation of fabrication facilities for production of the next technology node, which constrained output. DRAM gigabit production growth in 2015 was also impacted by a shift to a higher mix of mobile and DDR4 products, which have larger die sizes and therefore produce fewer bits per wafer. The increase in gigabit sales of DRAM products for 2014 as compared to 2013 was primarily due to higher production volumes resulting from the MMJ Acquisition, increased supply under the Inotera supply agreement, and improved product and process technologies, partially offset by the transition of one of our wafer fabrication facilities in Singapore from DRAM to NAND Flash. In 2014, DRAM products produced by facilities acquired in the MMJ Acquisition constituted 54% of our aggregate DRAM gigabit production as compared to 9% in 2013.

In 2015 and 2014, our cost of products purchased from Inotera was significantly higher than our cost of similar products manufactured in our wholly-owned facilities, due to the pricing formula of the current agreement and strong market conditions. Under the market conditions prevailing in the fourth quarter of 2015, costs of products purchased under the current agreement were higher than they would have been under the pricing formula of the 2016 Supply Agreement. DRAM products acquired from Inotera accounted for 35% of our aggregate DRAM gigabit production for 2015 as compared to 38% for 2014 and 54% for 2013.

Our gross margin percentage on sales of DRAM products for 2015 improved from 2014 as manufacturing cost reductions outpaced declines in average selling prices. Our gross margin percentage on sales of DRAM products for 2014 improved from 2013 primarily due to reductions in costs and increases in average selling prices. Cost reductions for 2014 primarily reflected improvements in product and process technologies and the comparatively lower manufacturing costs of the MMJ Group partially offset by higher costs for product obtained under the Inotera supply agreement and the sale of the MMJ Group's inventories recorded in the MMJ Acquisition.

Non-Volatile Memory

The following discussion focuses on sales of NAND Flash products which constituted substantially all of Non-Volatile Memory sales through 2015. This discussion of NAND Flash excludes NAND Flash products manufactured and sold to Intel through IMFT at long-term negotiated prices approximating cost.

For the year ended	**2015**	**2014**
	(percentage change from prior period)	
Sales to trade customers:		
Net sales	20 %	27 %
Average selling prices per gigabit	(17)%	(23)%
Gigabits sold	45 %	65 %
Cost per gigabit	(10)%	(23)%

The increase in NAND Flash gigabits sold to trade customers for 2015 as compared to 2014 was primarily due to higher production from improved product and process technologies and the transition of our wafer fabrication facility in Singapore from DRAM to NAND Flash production. Increases in gigabit production of NAND Flash products for 2015 as compared to 2014 were limited by a shift in product mix to higher levels of managed NAND Flash and MCP products, which have both higher average selling prices and costs per gigabit. Increases in NAND Flash gigabits sold to trade customers for 2014 as compared to 2013 were primarily due to the transition of our wafer fabrication facility in Singapore from DRAM to NAND Flash production and improvements in product and process technologies.

Our gross margin percentage on sales of trade NAND Flash products for 2015 declined from 2014 as the declines in average selling prices outpaced manufacturing cost reductions resulting from improvements in product and process technologies. Our gross margin percentage on sales of trade NAND Flash products for 2014 was relatively unchanged from 2013 as manufacturing cost reductions offset declines in average selling prices. Manufacturing cost reductions for 2014 as compared to 2013 primarily resulted from improvements in product and process technologies.

Operating Expenses and Other

Selling, General and Administrative

SG&A expenses for 2015 increased 2% as compared to 2014 primarily due to an additional week in 2015 and higher legal costs.

SG&A expenses for 2014 increased 26% as compared to 2013 primarily due to the incremental costs resulting from the MMJ Acquisition and higher payroll costs resulting primarily from the reinstatement of variable pay plans.

Research and Development

R&D expenses for 2015 increased 12% from 2014 primarily due to a higher volume of development wafers processed, an increase in depreciation expense due to R&D capital expenditures, higher payroll costs, higher subcontracted engineering and other professional service costs, and an additional week in 2015. Increases in R&D expenses for 2015 as compared to 2014 were partly attributable to increased spending on controllers, firmware, and engineering to support system level products, including SSD, managed NAND Flash, and HMC products.

R&D expenses for 2014 increased 47% from 2013 primarily due to the incremental costs resulting from the MMJ Acquisition, higher payroll costs resulting primarily from the reinstatement of variable pay plans, and increased resources dedicated to development efforts.

We generally share with Intel the costs of product design and process development activities for NAND Flash memory and 3D XPoint memory. Our R&D expenses reflect net reductions of $231 million, $162 million, and $176 million in 2015, 2014, and 2013, respectively, as a result of reimbursements under our Intel and other cost-sharing arrangements.

Our process technology R&D efforts are focused primarily on development of successively smaller line-width process technologies which are designed to facilitate our transition to next generation memory products. Additional process technology R&D efforts focus on the enablement of advanced computing and mobile memory architectures, the investigation of new opportunities that leverage our core semiconductor expertise, and the development of new manufacturing materials. Product design and development efforts include our high density DDR3 and DDR4 DRAM, Mobile LPDRAM products, high density NAND Flash memory (including 3D NAND and MLC and TLC technologies), 3D XPoint memory, SSDs, Hybrid Memory Cubes, specialty memory, NOR Flash memory, and other memory technologies and systems.

Restructure and Asset Impairments

For the year ended	2015	2014	2013
Loss on impairment of LED assets	$ 1	$ (6)	$ 33
Loss on impairment of MIT assets	—	(5)	62
Gain on termination of lease to Transform	—	—	(25)
Loss on restructure of ST consortium agreement	—	—	26
Other	2	51	30
	$ 3	$ 40	$ 126

In order to optimize operations, improve efficiency, and increase our focus on our core memory operations, we have entered into various restructure activities. For 2014 and 2013, other restructure included charges associated with our efforts to wind down our 200mm operations primarily in Agrate, Italy and Kiryat Gat, Israel and charges associated with workforce optimization activities, primarily related to our MBU and EBU operating segments. As of September 3, 2015, we do not anticipate incurring any significant additional costs for these restructure activities. (See "Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Restructure and Asset Impairments.")

Interest Income (Expense)

Net interest expense for 2015, 2014, and 2013, included aggregate amounts of amortization of debt discount and other costs of $138 million, $167 million, and $122 million, respectively.

Income Taxes

Our effective tax rates were 6.0%, 4.7%, and 0.6% for 2015, 2014, and 2013, respectively. Our effective tax rates reflect the following:

- operations in tax jurisdictions, including Singapore and Taiwan, where our earnings are indefinitely reinvested and the effective tax rates in these jurisdictions are significantly lower than the U.S. statutory rate;
- operations outside the U.S., including Singapore and, to a lesser extent Taiwan, where we have tax incentive arrangements that decrease our effective tax rates; and
- a valuation allowance against substantially all of our U.S. net deferred tax assets.

Income taxes for 2015 and 2014 included $80 million and $59 million, respectively, related to changes in amounts of net deferred tax assets associated with the MMJ Group. Income taxes for 2013 included benefits of $19 million from the favorable resolution of prior year tax matters and a change in tax laws applicable to prior years. The remaining tax provision for 2015, 2014, and 2013 primarily reflects taxes on our other non-U.S. operations. Income taxes on U.S. operations for 2015, 2014, and 2013 were substantially offset by changes in the valuation allowance.

We have a full valuation allowance for our net deferred tax asset associated with our U.S. operations. Management continues to evaluate future projected financial performance to determine whether such performance is sufficient evidence to support a reduction in or reversal of the valuation allowances. The amount of the deferred tax asset considered realizable could be adjusted if significant positive evidence increases.

We operate in a number of locations outside the U.S., including Singapore and, to a lesser extent, Taiwan, where we have tax incentive agreements that are conditional upon meeting certain business operations and employment thresholds. The effect of tax incentive arrangements, which expire in whole or in part at various dates through 2030, reduced our tax provision for 2015, 2014, and 2013 by $338 million (benefitting our diluted earnings per share by $0.29), $286 million ($0.24 per diluted share), and $141 million ($0.13 per diluted share), respectively.

(See "Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Income Taxes.")

Equity in Net Income (Loss) of Equity Method Investees

We recognize our share of earnings or losses from equity method investments, generally on a two-month lag. Equity in net income (loss) of equity method investees, net of tax, included the following:

For the year ended	2015	2014	2013
Inotera	$ 445	$ 465	$ (79)
Tera Probe	1	11	—
Other	1	(2)	(4)
	$ 447	$ 474	$ (83)

Our share of earnings for 2015 included $49 million for the net effect of Inotera's full release of its valuation allowance against net deferred tax assets related to its net operating loss carryforward and the resulting tax provision in subsequent periods. As a result of the release, Inotera's future net income is subject to tax provisions. Our equity in net income of Inotera declined for 2015 as compared to 2014 due to a decrease in Inotera's operating results as a result of declines in average selling prices.

Since January 2013, we have purchased all of Inotera's DRAM output at prices reflecting a discount from market prices for our comparable components under a supply agreement. In the second quarter of 2015, we executed the 2016 Supply Agreement, to be effective beginning on January 1, 2016, which will replace the current agreement. Under the 2016 Supply Agreement, the price for DRAM products sold to us will be based on a formula that equally shares margin between Inotera and us. In 2015 and in 2014, our cost of products purchased from Inotera was significantly higher than our cost of similar products manufactured in our wholly-owned facilities, due to the pricing formula of the current agreement and strong market conditions. Under the market conditions prevailing in the fourth quarter of 2015, costs of products purchased under the current agreement were higher than they would have been under the pricing formula of the 2016 Supply Agreement.

Other Operating and Non-Operating

In 2014, we settled all pending litigation between us and Rambus, including all antitrust and patent matters, and entered into a patent cross-license agreement. As a result, other operating expense for 2014 included a $233 million charge to accrue a liability, which reflects the discounted value of amounts due under this arrangement.

Other non-operating expense for 2015, 2014, and 2013 included losses from the restructure of our debt of $49 million, $184 million, and $31 million, respectively. (See "Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Debt.")

Other non-operating expense included losses from changes in currency exchange rates of $27 million, $28 million, and $229 million for 2015, 2014, and 2013, respectively. The loss for 2013 included a $228 million loss for currency contracts to hedge our yen-denominated obligations in connection with the MMJ Acquisition.

On August 15, 2014, ON Semiconductor Corporation acquired Aptina for approximately $433 million and we recognized a non-operating gain of $119 million on the sale of our shares based on our diluted ownership interest of approximately 27%.

On May 15, 2014, Inotera issued 400 million common shares in a public offering at a price equal to 31.50 New Taiwan dollars per share, which was in excess of our carrying value per share. As a result of the issuance, our ownership interest decreased from 35% to 33% and we recognized a non-operating gain of $93 million in 2014. On May 28, 2013, Inotera issued 634 million common shares to Nanya and certain of its affiliates in a private placement at a price equal to 9.47 New Taiwan dollars per share, which was in excess of our carrying value per share. As a result of the issuance, our ownership interest decreased from 40% to 35% and we recognized a non-operating gain of $48 million in 2013.

Further discussion of other operating and non-operating income and expenses can be found in the following notes contained in "Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements":

- Equity Plans
- Other Operating (Income) Expense, Net
- Other Non-Operating Income (Expense), Net

Liquidity and Capital Resources

Our primary sources of liquidity are cash generated from operations and financing obtained from capital markets. We generated cash from operations of $5.21 billion in 2015 and $5.70 billion in 2014. Cash generated from operations is highly dependent on selling prices for our products, which can vary significantly from period to period. We obtained $2.50 billion from debt and lease financing in 2015 and $2.23 billion in 2014. As of September 3, 2015, we had (1) revolving credit facilities available that provide for up to $842 million of additional financing based on eligible receivables and inventories and (2) a term loan agreement available to obtain financing collateralized by certain property, plant, and equipment in the amount of 6.90 billion New Taiwan dollars or an equivalent amount in U.S. dollars (approximately $213 million as of September 3, 2015), of which we drew $40 million on June 18, 2015. We are continuously evaluating alternatives for efficiently funding capital expenditures, dilution-management activities (including repurchases of convertible notes and our common stock), and ongoing operations. We expect, from time to time in the future, to engage in a variety of transactions for such purposes, including the issuance or incurrence of secured and unsecured debt and the refinancing and restructuring of existing debt.

To develop new product and process technologies, support future growth, achieve operating efficiencies, and maintain product quality, we must continue to invest in manufacturing technologies, facilities and equipment, and R&D. As a result of the MMJ acquisition and our expansion in Singapore, we expect our future capital spending will be higher than our historical levels. We estimate that cash expenditures in 2016 for property, plant, and equipment will be approximately $5.3 billion to $5.8 billion, which includes amounts we expect to be funded by our partners. The actual amounts for 2016 will vary depending on market conditions. Investments in capital expenditures for 2015 were $4.12 billion. Total additions to property, plant, and equipment were $4.46 billion, which, in comparison to cash expenditures, reflects differences in timing of receipts and payments for equipment as well as non-cash additions such as equipment leases. As of September 3, 2015, we had commitments of approximately $1.62 billion for the acquisition of property, plant, and equipment, substantially all of which is expected to be paid within one year.

In December 2014, we announced plans to add approximately 255,000 square feet of clean room space to our fabrication facility in Singapore. This expansion facilitates efficient implementation of 3D NAND Flash production at the Singapore facility and gives us the flexibility to gradually add incremental capacity in response to market requirements. Construction of the additional space began in 2015 with initial manufacturing output likely in 2017. Subject to market conditions, we estimate capital expenditures of approximately $1.93 billion in 2016 related to this facility.

Since the first quarter of 2015, our Board of Directors has authorized the discretionary repurchase of up to $1.25 billion of our outstanding common stock, $250 million of which was authorized in the first quarter of 2016. Any repurchases under the authorization may be made in open market purchases, block trades, privately-negotiated transactions, and/or derivative transactions. Repurchases are subject to market conditions and our ongoing determination of the best use of available cash. During 2015, we repurchased 42 million shares for $831 million (including commissions) in the open market.

We expect that our cash and investments, cash flows from operations, and available financing will be sufficient to meet our requirements at least through the next 12 months.

As of	2015	2014
Cash and equivalents and short-term investments:		
Bank deposits	$ 1,684	$ 2,445
Corporate bonds	618	154
Government securities	449	136
Certificates of deposit	339	410
Commercial paper	255	107
Money market funds	168	1,281
Asset-backed securities	8	1
	$ 3,521	$ 4,534
Long-term marketable investments	$ 2,113	$ 819

As of September 3, 2015, $2.17 billion of our cash and equivalents and short-term investments was held by foreign subsidiaries, of which $149 million was denominated in currencies other than the U.S. dollar. To mitigate credit risk, we invest through high-credit-quality financial institutions and, by policy, generally limit the concentration of credit exposure by restricting the amount of investments with any single obligor.

Limitations on the Use of Cash and Investments

MMJ Group: Cash and equivalents and short-term investments in the table above included an aggregate of $748 million held by the MMJ Group as of September 3, 2015. As a result of the corporate reorganization proceedings of the MMJ Companies entered into in March 2012 and for so long as such proceedings are continuing, the MMJ Companies and their subsidiaries are subject to certain restrictions on dividends, loans, and advances. The plans of reorganization of the MMJ Companies prohibit the MMJ Companies from paying dividends, including any cash dividends, to us and require that excess earnings be used in their businesses or to fund the MMJ Companies' installment payments. These prohibitions also effectively prevent the subsidiaries of the MMJ Companies from paying cash dividends. In addition, pursuant to an order of the Japan Court, the MMJ Companies cannot make loans or advances, other than certain ordinary course advances, to us without the consent of the Japan Court. Moreover, loans or advances by subsidiaries of the MMJ Companies may be considered outside of the ordinary course of business and subject to approval of the legal trustee and Japan Court. As a result, the assets of the MMJ Group are not available for use by us in our other operations. Moreover, certain uses of the assets of the MMJ Group, including investments in certain capital expenditures and in MMT, may require consent of MMJ's trustees and/or the Japan Court.

IMFT: Cash and equivalents and short-term investments in the table above included $134 million held by IMFT as of September 3, 2015. Our ability to access funds held by IMFT to finance our other operations is subject to agreement by Intel and contractual limitations. Amounts held by IMFT are not anticipated to be available to finance our other operations.

Indefinitely Reinvested: As of September 3, 2015, we had $1.48 billion of cash and equivalents and short-term investments, including substantially all of the amounts held by the MMJ Group, that were held by foreign subsidiaries whose earnings were considered to be indefinitely reinvested and repatriation of these funds to the U.S. would subject these funds to U.S. federal income taxes. Determination of the amount of unrecognized deferred tax liabilities related to investments in these foreign subsidiaries is not practicable.

Operating Activities

Net cash provided by operating activities was $5.21 billion for 2015. Cash provided by operating activities was due primarily to net income generated by our operations, adjusted for certain non-cash items.

Investing Activities

Net cash used for investing activities was $6.23 billion for 2015, which consisted primarily of cash expenditures of $4.02 billion for property, plant, and equipment and $2.14 billion of net outflows for investments in available-for-sale securities.

Financing Activities

Net cash used by financing activities was $718 million for 2015, which included outflows of $2.33 billion for repayments of debt (including $932 million for the amount in excess of principal of our convertible notes), $831 million for the open-market repurchases of 42 million shares of our common stock, and $95 million of payments on equipment purchase contracts. Cash outflows for financing activities in 2015 were partially offset by inflows of $2.00 billion in aggregate from the issuance of the 2023 Notes, 2024 Notes, and 2026 Notes, $291 million from the proceeds of sale-leaseback transactions, $125 million from draws on our revolving credit facilities, and $87 million from term loans.

2015 Debt Activity

Throughout 2015, we reduced the dilutive effects of our convertible notes through conversions and repurchases. As a result, we eliminated convertible notes that were convertible into approximately 37 million shares of our common stock. The following table summarized our debt restructure activities in 2015.

	Increase (Decrease) in Principal	Increase (Decrease) in Carrying Value	Increase (Decrease) in Cash	(Decrease) in Equity	Loss[1]
Conversions and settlements	$ (121)	$ (367)	$ (408)	$ (15)	$ (22)
Repurchases	(368)	(319)	(1,019)	(676)	(22)
Issuances	2,000	1,979	1,979	—	—
Early repayment	(121)	(115)	(122)	—	(5)
	$ 1,390	$ 1,178	$ 430	$ (691)	$ (49)

[1] *Included in other non-operating expense.*

Potential Settlement Obligations of Convertible Notes

Since the closing price of our common stock for at least 20 trading days in the 30 trading day period ended September 30, 2015 exceeded 130% of the conversion price per share of our 2032 Notes and 2033 Notes, holders of those notes have the right to convert their notes at any time through December 31, 2015. For all of our convertible notes, we have either: (1) the requirement to pay cash for the principal amount and the option to pay either cash, shares of our common stock, or any combination thereof for any remaining conversion obligation, or (2) the option to pay cash, issue shares of common stock, or any combination thereof for the aggregate amount due upon conversion.

The following table summarizes the potential settlements, as of September 3, 2015, that we could be required to make if all holders converted their 2032 Notes and 2033 Notes:

	Conversion Price Per Share	Settlement Option for Principal Amount	Outstanding Principal	If Settled With Minimum Cash Required[1]		If Settled Entirely With Cash[2]
				Cash	Remainder in Shares	Cash
2032C Notes	$ 9.63	Cash and/or shares	$ 224	$ —	23	$ 385
2032D Notes	9.98	Cash and/or shares	177	—	18	294
2033E Notes	10.93	Cash	233	233	7	354
2033F Notes	10.93	Cash	297	297	9	451
			$ 931	$ 530	57	$ 1,484

(1) *We are required to settle the principal amount of the 2033 Notes in cash. The remaining conversion obligation paid in shares is based on our closing share price of $16.59 as of September 3, 2015.*

(2) *Based on our closing share price of $16.59 as of September 3, 2015. Assumes we elect cash settlement for the entire obligation.*

Contractual Obligations

	Payments Due by Period				
As of September 3, 2015	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Notes payable[1][2]	$ 9,429	$ 556	$ 1,315	$ 1,712	$ 5,846
Capital lease obligations[2]	852	349	304	123	76
Operating leases[3]	682	218	402	27	35
Purchase obligations	2,545	2,189	335	11	10
Other long-term liabilities[4]	716	222	304	152	38
Total	$ 14,224	$ 3,534	$ 2,660	$ 2,025	$ 6,005

(1) *Amounts include MMJ Creditor Installment Payments, convertible notes, and other notes. Any future redemptions, repurchases, or conversions of convertible debt could impact the amount and timing of our cash payments.*

(2) *Amounts include principal and interest.*

(3) *Amounts include contractually obligated minimum lease payments for operating leases having an initial noncancelable term in excess of one year.*

(4) *Amounts represent future cash payments to satisfy other long-term liabilities recorded on our consolidated balance sheet, including $222 million for the current portion of these long-term liabilities. We are unable to reliably estimate the timing of future payments related to uncertain tax positions and noncurrent deferred tax liabilities; therefore, $91 million in aggregate of long-term income taxes payable and noncurrent deferred tax liabilities has been excluded from the preceding table. However, other noncurrent liabilities recorded on our consolidated balance sheet included these uncertain tax positions and noncurrent deferred tax liabilities.*

The expected timing of payment amounts of the obligations discussed above is estimated based on current information. Timing and actual amounts paid may differ depending on the timing of receipt of goods or services, market prices, changes to agreed-upon amounts, or timing of certain events for some obligations. The contractual obligations in the table above include the current portions of the related long-term obligations. All other current liabilities are excluded.

Purchase obligations include all commitments to purchase goods or services of either a fixed or minimum quantity that meet any of the following criteria: (1) they are noncancelable, (2) we would incur a penalty if the agreement was canceled, or (3) we must make specified minimum payments even if we do not take delivery of the contracted products or services ("take-or-pay"). If the obligation to purchase goods or services is noncancelable, the entire value of the contract was included in the above table. If the obligation is cancelable, but we would incur a penalty if canceled, the dollar amount of the penalty was included as a purchase obligation. Contracted minimum amounts specified in take-or-pay contracts are also included in the above table as they represent the portion of each contract that is a firm commitment.

***Inotera Supply Agreements*:** Since January 2013, we have purchased all of Inotera's DRAM output at prices reflecting discounts from market prices for our comparable components under a supply agreement. In the second quarter of 2015, we executed the 2016 Supply Agreement, to be effective beginning on January 1, 2016, which will replace the current agreement. Under the 2016 Supply Agreement, the price for DRAM products sold to us will be based on a formula that equally shares margin between Inotera and us. The 2016 Supply Agreement has an initial two-year term, followed by a three-year wind-down period, and contemplates negotiations in late 2016 with respect to a two-year extension, and annual negotiations thereafter with respect to successive one-year extensions. Upon termination of the initial two-year term of the 2016 Supply Agreement, or any extensions, we would purchase DRAM from Inotera during the wind-down period. Our share of Inotera's capacity would decline over the wind-down period. We purchased $2.37 billion of DRAM products from Inotera in 2015 under the current agreement. The current agreement does not contain a fixed or minimum purchase quantity as quantities are based on qualified production output and pricing fluctuates as it is based on market prices. Therefore, we did not include any amounts under the current agreement in the contractual obligations table above. Under the 2016 Supply Agreement, payments are primarily based on fluctuating quantities and prices, but a portion of the expected costs under the agreement meet the criteria of a minimum lease payment under an operating lease and are included in the table above.

Off-Balance Sheet Arrangements

We have entered into capped calls, which are intended to reduce the effect of potential dilution from our convertible notes. The capped calls provide for our receipt of cash or shares, at our election, from our counterparties if the trading price of our stock is above a specified initial strike price at the expiration dates. The amounts receivable varies based on the trading price of our stock, up to specified cap prices. The dollar value of the cash or shares that we would receive from the capped calls on their expiration dates ranges from $0 if the trading price of our stock is below the initial strike price for all of the capped calls to $814 million if the trading price of our stock is at or above the cap price for all of the capped calls. We paid $57 million in 2011, $103 million in 2012, and $48 million in 2013 to purchase capped calls. The amounts paid were recorded as charges to additional capital. For further details of our capped call arrangements, see "Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Equity – Micron Shareholders' Equity – Capped Calls."

Critical Accounting Estimates

The preparation of financial statements and related disclosures in conformity with U.S. GAAP requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues, expenses, and related disclosures. Estimates and judgments are based on historical experience, forecasted events, and various other assumptions that we believe to be reasonable under the circumstances. Estimates and judgments may vary under different assumptions or conditions. We evaluate our estimates and judgments on an ongoing basis. Our management believes the accounting policies below are critical in the portrayal of our financial condition and results of operations and requires management's most difficult, subjective, or complex judgments.

***Business Acquisitions*:** Accounting for acquisitions requires us to estimate the fair value of consideration paid and the individual assets and liabilities acquired, which involves a number of judgments, assumptions, and estimates that could materially affect the amount and timing of costs recognized. Accounting for acquisitions can also involve significant judgment to determine when control of the acquired entity is transferred. We typically obtain independent third party valuation studies to assist in determining fair values, including assistance in determining future cash flows, appropriate discount rates, and comparable market values. The items involving the most significant assumptions, estimates, and judgments included determining the fair value of the following:

- Property, plant, and equipment, including determination of values in a continued-use model;
- Deferred tax assets, including projections of future taxable income and tax rates;
- Inventory, including estimated future selling prices, timing of product sales, and completion costs for work in process;
- Debt, including discount rate and timing of payments; and
- Intangible assets, including valuation methodology, estimations of future revenue and costs, profit allocation rates attributable to the acquired technology, and discount rates.

***Consolidations*:** We have interests in joint venture entities that are VIEs. Determining whether to consolidate a VIE requires judgment in assessing whether an entity is a VIE and if we are the entity's primary beneficiary. To determine if we are the primary beneficiary of a VIE, we evaluate whether we have the power to direct the activities that most significantly impact the VIE's economic performance and the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE. Our evaluation includes identification of significant activities and an assessment of our ability to direct those activities based on governance provisions and arrangements to provide or receive product and process technology, product supply, operations services, equity funding, financing, and other applicable agreements and circumstances. Our assessment of whether we are the primary beneficiary of our VIEs requires significant assumptions and judgment.

***Contingencies*:** We are subject to the possibility of losses from various contingencies. Considerable judgment is necessary to estimate the probability and amount of any loss from such contingencies. An accrual is made when it is probable that a liability has been incurred or an asset has been impaired and the amount of loss can be reasonably estimated. We accrue a liability and charge operations for the estimated costs of adjudication or settlement of asserted and unasserted claims existing as of the balance sheet date. In accounting for the resolution of contingencies, considerable judgment may be necessary to estimate amounts pertaining to periods prior to the resolution that are charged to operations in the period of resolution, and amounts related to future periods.

***Income Taxes*:** We are required to estimate our provision for income taxes and amounts ultimately payable or recoverable in numerous tax jurisdictions around the world. These estimates involve judgment and interpretations of regulations and are inherently complex. Resolution of income tax treatments in individual jurisdictions may not be known for many years after completion of any fiscal year. We are also required to evaluate the realizability of our deferred tax assets on an ongoing basis in accordance with U.S. GAAP, which requires the assessment of our performance and other relevant factors. Realization of deferred tax assets is dependent on our ability to generate future taxable income. In recent periods, our results of operations have benefitted from increases in the amount of deferred taxes we expect to realize, primarily from the levels of capital spending and increases in the amount of taxable income we expect to realize in Japan and Taiwan. Our income tax provision or benefit is dependent, in part, on our ability to forecast future taxable income in these and other jurisdictions. Such forecasts are inherently difficult and involve numerous judgments including, among others, projecting future average selling prices and sales volumes, manufacturing and overhead costs, levels of capital spending, and other factors that significantly impact our analyses of the amount of net deferred tax assets that are more likely than not to be realized.

***Inventories*:** Inventories are stated at the lower of average cost or net realizable value. Cost includes depreciation, labor, material and overhead costs, including product and process technology costs. Determining net realizable value of inventories involves numerous judgments, including projecting future average selling prices, sales volumes, and costs to complete products in work in process inventories. To project average selling prices and sales volumes, we review recent sales volumes, existing customer orders, current contract prices, industry analyses of supply and demand, seasonal factors, general economic trends, and other information. When these analyses reflect estimated net realizable value below our manufacturing costs, we record a charge to cost of goods sold in advance of when the inventory is actually sold. Differences in forecasted average selling prices used in calculating lower of cost or net realizable value adjustments can result in significant changes in the estimated net realizable value of product inventories and accordingly the amount of write-down recorded. For example, a 5% variance in the estimated selling prices would have changed the estimated net realizable value of our memory inventory by approximately $195 million as of September 3, 2015. Due to the volatile nature of the semiconductor memory industry, actual selling prices and volumes often vary significantly from projected prices and volumes; as a result, the timing of when product costs are charged to operations can vary significantly.

U.S. GAAP provides for products to be grouped into categories in order to compare costs to net realizable values. The amount of any inventory write-down can vary significantly depending on the determination of inventory categories. Inventories are primarily categorized as memory (including DRAM, non-volatile, and other memory) for purposes of determining lower of average cost or net realizable value. The major characteristics we consider in determining inventory categories are product type and markets.

***Property, Plant and Equipment*:** We review the carrying value of property, plant, and equipment for impairment when events and circumstances indicate that the carrying value of an asset or group of assets may not be recoverable from the estimated future cash flows expected to result from its use and/or disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to the amount by which the carrying value exceeds the estimated fair value of the assets. The estimation of future cash flows involves numerous assumptions which require judgment by us, including, but not limited to, future use of the assets for our operations versus sale or disposal of the assets, future selling prices for our products and future production and sales volumes. In addition, judgment is required in determining the groups of assets for which impairment tests are separately performed.

***Research and Development*:** Costs related to the conceptual formulation and design of products and processes are expensed as R&D as incurred. Determining when product development is complete requires judgment by us. We deem development of a product complete once the product has been thoroughly reviewed and tested for performance and reliability. Subsequent to product qualification, product costs are valued in inventory.

***Stock-based Compensation*:** Stock-based compensation is estimated at the grant date based on the fair value of the award and is recognized as expense using the straight-line amortization method over the requisite service period. For performance-based stock awards, the expense recognized is dependent on the probability of the performance measure being achieved. We utilize forecasts of future performance to assess these probabilities and this assessment requires considerable judgment.

Determining the appropriate fair-value model and calculating the fair value of stock-based awards at the grant date requires considerable judgment, including estimating stock price volatility, expected option life, and forfeiture rates. We develop these estimates based on historical data and market information which can change significantly over time. A small change in the estimates used can result in a relatively large change in the estimated valuation. We use the Black-Scholes option valuation model to value employee stock awards. We estimate stock price volatility based on an average of its historical volatility and the implied volatility derived from traded options on our stock.

Recently Adopted Accounting Standards

See "Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Recently Adopted Accounting Standards."

Recently Issued Accounting Standards

See "Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Recently Issued Accounting Standards."

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

We are exposed to interest rate risk related to our indebtedness and our investment portfolio. Substantially all of our indebtedness is at fixed interest rates. As a result, the fair value of our debt fluctuates based on changes in market interest rates. We estimate that, as of September 3, 2015 and August 28, 2014, a hypothetical decrease in market interest rates of 1% would increase the fair value of our notes payable by approximately $366 million and $250 million, respectively. The increase in interest expense caused by a 1% increase in the interest rates of our variable-rate debt would not be significant.

As of September 3, 2015 and August 24, 2014, we held debt securities of $3.83 billion and $1.65 billion, respectively, that were subject to interest rate risk. We estimate that a 0.5% increase in market interest rates would decrease the fair value of these instruments by approximately $13 million as of September 3, 2015 and $6 million as of August 28, 2014.

Foreign Currency Exchange Rate Risk

The information in this section should be read in conjunction with the information related to changes in the currency exchange rates in "Part I – Item 1A. Risk Factors." Changes in currency exchange rates could materially adversely affect our results of operations or financial condition.

The functional currency for all of our consolidated subsidiaries is the U.S. dollar. The substantial majority of our revenues are transacted in the U.S. dollar; however, significant amounts of our operating expenditures and capital purchases are incurred in or exposed to other currencies, primarily the British pound, the euro, the shekel, the Singapore dollar, the New Taiwan dollar, the yen, and the yuan. We have established currency risk management programs for our operating expenditures and capital purchases to hedge against fluctuations in the fair value and volatility of future cash flows caused by changes in currency exchange rates. We utilize currency forward and option contracts in these hedging programs, which reduce, but do not always entirely eliminate, the impact of currency exchange rate movements. We do not use derivative financial instruments for trading or speculative purposes.

To hedge our exposure to changes in currency exchange rates from our monetary assets and liabilities, we utilize a rolling hedge strategy for our primary currency exposures with currency forward contracts that generally mature within 35 days. Based on our foreign currency exposures from monetary assets and liabilities, offset by balance sheet hedges, we estimate that a 10% adverse change in exchange rates versus the U.S. dollar would result in losses of approximately $3 million as of September 3, 2015 and $7 million as of August 28, 2014. To hedge the exposure of changes in cash flows from changes in currency exchange rates for certain capital expenditures, we utilize currency forward contracts that generally mature within 12 months.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Index to Consolidated Financial Statements

MICRON TECHNOLOGY, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions except per share amounts)

For the year ended	September 3, 2015	August 28, 2014	August 29, 2013
Net sales	$ 16,192	$ 16,358	$ 9,073
Cost of goods sold	10,977	10,921	7,226
Gross margin	5,215	5,437	1,847
Selling, general and administrative	719	707	562
Research and development	1,540	1,371	931
Restructure and asset impairments	3	40	126
Other operating (income) expense, net	(45)	232	(8)
Operating income	2,998	3,087	236
Interest income	35	23	14
Interest expense	(371)	(352)	(231)
Gain on MMJ Acquisition	—	(33)	1,484
Other non-operating income (expense), net	(53)	8	(218)
	2,609	2,733	1,285
Income tax (provision) benefit	(157)	(128)	(8)
Equity in net income (loss) of equity method investees	447	474	(83)
Net income	2,899	3,079	1,194
Net income attributable to noncontrolling interests	—	(34)	(4)
Net income attributable to Micron	$ 2,899	$ 3,045	$ 1,190
Earnings per share:			
Basic	$ 2.71	$ 2.87	$ 1.16
Diluted	2.47	2.54	1.13
Number of shares used in per share calculations:			
Basic	1,070	1,060	1,022
Diluted	1,170	1,198	1,057

See accompanying notes to consolidated financial statements.

MICRON TECHNOLOGY, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in millions)

For the year ended	September 3, 2015	August 28, 2014	August 29, 2013
Net income	$ 2,899	$ 3,079	$ 1,194
Other comprehensive income (loss), net of tax:			
Foreign currency translation adjustments	(42)	(2)	(5)
Gain (loss) on derivatives, net	(18)	(9)	(9)
Gain (loss) on investments, net	(4)	1	(1)
Pension liability adjustments	20	3	(1)
Other comprehensive income (loss)	(44)	(7)	(16)
Total comprehensive income	2,855	3,072	1,178
Comprehensive (income) loss attributable to noncontrolling interests	1	(34)	(5)
Comprehensive income attributable to Micron	$ 2,856	$ 3,038	$ 1,173

See accompanying notes to consolidated financial statements.

MICRON TECHNOLOGY, INC.

CONSOLIDATED BALANCE SHEETS
(in millions except par value amounts)

As of	September 3, 2015	August 28, 2014
Assets		
Cash and equivalents	$ 2,287	$ 4,150
Short-term investments	1,234	384
Receivables	2,507	2,906
Inventories	2,340	2,455
Other current assets	228	350
Total current assets	8,596	10,245
Long-term marketable investments	2,113	819
Property, plant and equipment, net	10,554	8,682
Equity method investments	1,379	971
Intangible assets, net	449	468
Deferred tax assets	597	816
Other noncurrent assets	455	415
Total assets	$ 24,143	$ 22,416
Liabilities and equity		
Accounts payable and accrued expenses	$ 2,611	$ 2,864
Deferred income	205	309
Current debt	1,089	1,618
Total current liabilities	3,905	4,791
Long-term debt	6,252	4,893
Other noncurrent liabilities	698	1,102
Total liabilities	10,855	10,786
Commitments and contingencies		
Redeemable convertible notes	49	68
Micron shareholders' equity:		
Common stock, $0.10 par value, 3,000 shares authorized, 1,084 shares issued and outstanding (1,073 as of August 28, 2014)	108	107
Additional capital	7,474	7,868
Retained earnings	5,588	2,729
Treasury stock, 45 shares held as of September 3, 2015	(881)	—
Accumulated other comprehensive income	13	56
Total Micron shareholders' equity	12,302	10,760
Noncontrolling interests in subsidiaries	937	802
Total equity	13,239	11,562
Total liabilities and equity	$ 24,143	$ 22,416

See accompanying notes to consolidated financial statements.

MICRON TECHNOLOGY, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(in millions)

	Micron Shareholders								
	Common Stock								
	Number of Shares	Amount	Additional Capital	Retained Earnings (Accumulated Deficit)	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total Micron Shareholders' Equity	Noncontrolling Interests in Subsidiaries	Total Equity
Balance at August 30, 2012	1,018	$ 102	$ 8,920	$ (1,402)	$ —	$ 80	$ 7,700	$ 717	$ 8,417
Net income				1,190			1,190	4	1,194
Other comprehensive income (loss), net						(17)	(17)	1	(16)
Stock issued under stock plans	27	2	148				150		150
Stock-based compensation expense			91				91		91
Contributions from noncontrolling interests							—	11	11
Distributions to noncontrolling interests							—	(37)	(37)
Noncontrolling interests acquired in connection with business combination							—	168	168
Repurchase and retirement of stock	(1)	—	(5)				(5)		(5)
Purchase and settlement of capped calls			(24)				(24)		(24)
Issuance and repurchase of convertible notes			57				57		57
Balance at August 29, 2013	1,044	$ 104	$ 9,187	$ (212)	$ —	$ 63	$ 9,142	$ 864	$ 10,006
Net income				3,045			3,045	34	3,079
Other comprehensive income (loss), net						(7)	(7)		(7)
Stock issued under stock plans	36	4	262				266		266
Stock-based compensation expense			115				115		115
Contributions from noncontrolling interests							—	102	102
Distributions to noncontrolling interests							—	(18)	(18)
Acquisitions of noncontrolling interests			34				34	(180)	(146)
Repurchase and retirement of stock	(4)	(1)	(33)	(42)			(76)		(76)
Settlement of capped calls and share retirement	(3)	—	62	(62)			—		—
Redeemable convertible notes			(68)				(68)		(68)
Exchange, conversion and repurchase of convertible notes			(1,691)				(1,691)		(1,691)
Balance at August 28, 2014	1,073	$ 107	$ 7,868	$ 2,729	$ —	$ 56	$ 10,760	$ 802	$ 11,562
Net income				2,899			2,899	—	2,899
Other comprehensive income (loss), net						(43)	(43)	(1)	(44)
Stock issued under stock plans	13	1	73				74		74
Stock-based compensation expense			168				168		168
Contributions from noncontrolling interests							—	142	142
Distributions to noncontrolling interests							—	(6)	(6)
Repurchase and retirement of stock	(2)	—	(13)	(40)			(53)		(53)
Repurchase of treasury stock					(831)		(831)		(831)
Settlement of capped calls			50		(50)		—		—
Redeemable convertible notes			19				19		19
Conversion and repurchase of convertible notes			(691)				(691)		(691)
Balance at September 3, 2015	1,084	$ 108	$ 7,474	$ 5,588	$ (881)	$ 13	$ 12,302	$ 937	$ 13,239

See accompanying notes to consolidated financial statements.

MICRON TECHNOLOGY, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

For the year ended	September 3, 2015	August 28, 2014	August 29, 2013
Cash flows from operating activities			
Net income	$ 2,899	$ 3,079	$ 1,194
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation expense and amortization of intangible assets	2,667	2,103	1,804
Amortization of debt discount and other costs	138	167	122
Stock-based compensation	168	115	91
(Gain) loss from currency hedges, net	64	27	222
Loss on restructure of debt	49	195	31
Noncash restructure and asset impairment, net	1	(17)	106
(Gain) on MMJ Acquisition	—	33	(1,484)
Equity in net (income) loss of equity method investees	(447)	(474)	83
Gain from Inotera issuance of shares	(3)	(97)	(48)
Gain from disposition of interest in Aptina	(1)	(119)	—
Change in operating assets and liabilities:			
Receivables	393	(518)	(409)
Inventories	116	194	83
Accounts payable and accrued expenses	(691)	671	28
Deferred income taxes, net	168	68	(7)
Other noncurrent liabilities	(16)	243	(15)
Other	(297)	29	10
Net cash provided by operating activities	5,208	5,699	1,811
Cash flows from investing activities			
Purchases of available-for-sale securities	(4,392)	(1,063)	(924)
Expenditures for property, plant and equipment	(4,021)	(3,107)	(1,442)
Payments to settle hedging activities	(132)	(26)	(253)
(Increase) decrease in restricted cash	(15)	536	—
Proceeds from sales and maturities of available-for-sale securities	2,248	557	678
Cash received from disposition of interest in Aptina	1	105	—
Other	79	96	31
Net cash provided by (used for) investing activities	(6,232)	(2,902)	(1,910)
Cash flows from financing activities			
Repayments of debt	(2,329)	(3,843)	(743)
Cash paid to acquire treasury stock	(884)	(76)	(5)
Payments on equipment purchase contracts	(95)	(30)	(16)
Proceeds from issuance of debt	2,212	2,212	1,121
Proceeds from equipment sale-leaseback transactions	291	14	126
Contributions from noncontrolling interests	142	102	11
Proceeds from issuance of stock under equity plans	73	265	150
Other	(128)	(143)	(124)
Net cash provided by (used for) financing activities	(718)	(1,499)	520
Effect of changes in currency exchange rates on cash and equivalents	(121)	(28)	—
Net increase (decrease) in cash and equivalents	(1,863)	1,270	421
Cash and equivalents at beginning of period	4,150	2,880	2,459
Cash and equivalents at end of period	$ 2,287	$ 4,150	$ 2,880
Supplemental disclosures			
Income taxes refunded (paid), net	$ (63)	$ (43)	$ 4
Interest paid, net of amounts capitalized	(226)	(163)	(107)
Noncash investing and financing activities:			
Exchange of convertible notes	—	756	—
Acquisition of noncontrolling interest	—	127	—

See accompanying notes to consolidated financial statements.

Significant Accounting Policies

Basis of Presentation: We are a global leader in advanced semiconductor systems. Our broad portfolio of high-performance memory technologies, including DRAM, NAND Flash, and NOR Flash, is the basis for solid-state drives, modules, multi-chip packages, and other system solutions. Our memory solutions enable the world's most innovative computing, consumer, enterprise storage, networking, mobile, embedded, and automotive applications. The accompanying consolidated financial statements include the accounts of Micron Technology, Inc. and its consolidated subsidiaries and have been prepared in accordance with accounting principles generally accepted in the United States of America.

Certain reclassifications have been made to prior period amounts to conform to current period presentation. In addition, amounts for certain equipment purchases were reclassified from financing to investing within the statement of cash flows to better reflect the current nature of these transactions and to improve comparability with our industry peers. In the fourth quarter of 2015, we adopted, on a retrospective basis, Accounting Standards Update 2015-03 – *Simplifying the Presentation of Debt Issuance Costs*. (See "Debt – Retrospective Application of a New Accounting Standard" note.)

Our fiscal year is the 52 or 53-week period ending on the Thursday closest to August 31. Fiscal year 2015 contained 53 weeks and fiscal years 2014 and 2013 each contained 52 weeks. All period references are to our fiscal periods unless otherwise indicated.

Derivative and Hedging Instruments: We use derivative instruments to manage a portion of our exposure to changes in currency exchange rates from our monetary assets and liabilities or future cash flows and to reduce volatility in our earnings caused by changes in interest rates that affect our variable-rate debt. Our derivatives have consisted of forward and option contracts and we have also entered into interest rate swap contracts. We do not use derivative instruments for trading or speculative purposes. Derivative instruments are measured at their fair values and recognized as either assets or liabilities. The accounting for changes in the fair value of derivative instruments is based on the intended use of the derivative and the resulting designation. For derivative instruments that are not designated as hedges for accounting purpose, gains or losses from changes in fair values are recognized in other non-operating income (expense). For derivative instruments designated as cash-flow hedges, the effective portion of the gain or loss is included as a component of other comprehensive income (loss), and the ineffective or excluded portion of the gain or loss is included in other non-operating income (expense). The amounts in accumulated other comprehensive income (loss) from these cash flow hedges are reclassified into earnings in the same line items of the consolidated statements of operation and in the same periods in which the underlying transactions affect earnings. Effectiveness is measured by comparing the cumulative change in the fair value of the hedge contract with the cumulative change in the forecasted cash flows of the hedged item. For the effectiveness assessment of our cash-flow hedges, changes in the time value are excluded for forward contracts.

We enter into master netting arrangements with our counterparties to mitigate credit risk in derivative hedge transactions. These master netting arrangements allow us and our counterparties to net settle amounts owed to each other. Derivative assets and liabilities that can be net settled with each counterparty have been presented in our consolidated balance sheet on a net basis.

(See "Derivative Instruments" note.)

Financial Instruments: Cash equivalents include highly liquid short-term investments with original maturities to us of three months or less that are readily convertible to known amounts of cash. Investments with maturities greater than three months and less than one year are included in short-term investments. Investments with remaining maturities greater than one year are included in long-term marketable investments. The carrying value of investment securities sold is determined using the specific identification method.

Functional Currency: The U.S. dollar is the functional currency for all of our consolidated subsidiaries.

Inventories: Inventories are stated at the lower of average cost or net realizable value. Cost includes depreciation, labor, material, and overhead costs, including product and process technology costs. Determining net realizable value of inventories involves numerous judgments, including projecting future average selling prices, sales volumes, and costs to complete products in work in process inventories. When net realizable value is below cost, we record a charge to cost of goods sold to write down inventories to their estimated net realizable value in advance of when the inventories are actually sold. Inventories are primarily categorized as memory (including DRAM, non-volatile, and other memory) for purposes of determining the lower of average cost or net realizable value. The major characteristics considered in determining inventory categories for purposes of determining the lower of cost or net realizable value are product type and markets. We remove amounts from inventory and charge such amounts to cost of goods sold on an average cost basis.

Product and Process Technology: Costs incurred to (1) acquire product and process technology, (2) patent technology, and (3) maintain patent technology are capitalized and amortized on a straight-line basis over periods ranging up to 12.5 years. We capitalize a portion of the costs incurred to patent technology based on historical and projected patents issued as a percent of patents we file. Capitalized product and process technology costs are amortized over the shorter of (1) the estimated useful life of the technology, (2) the patent term, or (3) the term of the technology agreement. Fully-amortized assets are removed from product and process technology and accumulated amortization.

Product Warranty: We generally provide a limited warranty that our products are in compliance with our specifications existing at the time of delivery. Under our general terms and conditions of sale, liability for certain failures of product during a stated warranty period is usually limited to repair or replacement of defective items or return of, or a credit with respect to, amounts paid for such items. Under certain circumstances, we provide more extensive limited warranty coverage than that provided under our general terms and conditions. Our warranty obligations are not significant.

Property, Plant and Equipment: Property, plant, and equipment is stated at cost and depreciated using the straight-line method over estimated useful lives of generally 10 to 30 years for buildings, 5 to 7 years for equipment, and 3 to 5 years for software. Assets held for sale are carried at the lower of cost or estimated fair value and are included in other noncurrent assets. When property, plant, or equipment is retired or otherwise disposed, the net book value is removed and we recognize any gain or loss in our results of operations.

We capitalize interest on borrowings during the period of time over which we carry out the activities necessary to bring the asset to the condition of its intended use and location. Capitalized interest becomes part of the cost of the underlying assets and amortized over the useful lives of the assets.

Research and Development: Costs related to the conceptual formulation and design of products and processes are expensed as research and development as incurred. Determining when product development is complete requires judgment. Development of a product is deemed complete once the product has been thoroughly reviewed and has passed tests for performance and reliability. Subsequent to product qualification, product costs are valued in inventory. Product design and other research and development costs for certain technologies are shared with our joint venture partners. Amounts receivable from cost-sharing arrangements are reflected as a reduction of research and development expense. (See "Equity – Noncontrolling Interests in Subsidiaries – IMFT" note.)

Revenue Recognition: We recognize product or license revenue when persuasive evidence that a sales arrangement exists, delivery has occurred, the price is fixed or determinable, and collectability is reasonably assured. If we are unable to reasonably estimate returns or the price is not fixed or determinable, sales made under agreements allowing rights of return or price protection are deferred until customers have resold the product.

Stock-based Compensation: Stock-based compensation is measured at the grant date, based on the fair value of the award, and recognized as expense under the straight-line attribution method over the requisite service period. We issue new shares upon the exercise of stock options or conversion of share units. (See "Equity Plans" note.)

Treasury Stock: When we retire our treasury stock, any excess of the repurchase price paid over par value is allocated between additional capital and retained earnings.

Use of Estimates: The preparation of financial statements and related disclosures in conformity with accounting principles generally accepted in the United States of America requires our management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues, expenses, and related disclosures. Estimates and judgments are based on historical experience, forecasted events, and various other assumptions that we believe to be reasonable under the circumstances. Estimates and judgments may differ under different assumptions or conditions. We evaluate our estimates and judgments on an ongoing basis. Actual results could differ from estimates.

Variable Interest Entities

We have interests in entities that are VIEs. If we are the primary beneficiary of a VIE, we are required to consolidate it. To determine if we are the primary beneficiary, we evaluate whether we have the power to direct the activities that most significantly impact the VIE's economic performance and the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE. Our evaluation includes identification of significant activities and an assessment of our ability to direct those activities based on governance provisions and arrangements to provide or receive product and process technology, product supply, operations services, equity funding, financing, and other applicable agreements and circumstances. Our assessments of whether we are the primary beneficiary of our VIEs require significant assumptions and judgments.

Unconsolidated VIEs

Inotera: Inotera is a VIE because of the terms of its supply agreement with us. We have determined that we do not have the power to direct the activities of Inotera that most significantly impact its economic performance, primarily due to limitations on our governance rights that require the consent of other parties for key operating decisions and due to Inotera's dependence on Nanya for financing and the ability of Inotera to operate in Taiwan. Therefore, we do not consolidate Inotera and we account for our interest under the equity method. (See "Equity Method Investments – Inotera" note.)

EQUVO: EQUVO HK Limited ("EQUVO") is a special purpose entity created to facilitate an equipment sale-leaseback financing transaction between us and a consortium of financial institutions. Neither we nor the financing entities have an equity interest in EQUVO. EQUVO is a VIE because its equity is not sufficient to permit it to finance its activities without additional support from the financing entities and because the third-party equity holder lacks characteristics of a controlling financial interest. By design, the arrangement with EQUVO is merely a financing vehicle and we do not bear any significant risks from variable interests with EQUVO. Therefore, we have determined that we do not have the power to direct the activities of EQUVO that most significantly impact its economic performance and we do not consolidate EQUVO.

SC Hiroshima Energy Corporation: SC Hiroshima Energy Corporation ("SCHE") is an entity created to construct and operate a cogeneration, electrical power plant to support our wafer manufacturing facility in Hiroshima, Japan. SCHE is a VIE due to the nature of its tolling agreements with us and our purchase and call options for SCHE's assets. We do not have an equity ownership interest in SCHE. We do not control the operation and maintenance of the plant, which we have determined are the activities of SCHE that most significantly impact its economic performance. Therefore, we do not consolidate SCHE.

Consolidated VIEs

IMFT: IMFT is a VIE because all of its costs are passed to us and its other member, Intel, through product purchase agreements and because IMFT is dependent upon us or Intel for additional cash requirements. The primary activities of IMFT are driven by the constant introduction of product and process technology. Because we perform a significant majority of the technology development, we have the power to direct its key activities. In addition, IMFT manufactures certain products exclusively for us using our technology. We consolidate IMFT because we have the power to direct the activities of IMFT that most significantly impact its economic performance and because we have the obligation to absorb losses and the right to receive benefits from IMFT that could potentially be significant to it.

MP Mask: MP Mask is a VIE because substantially all of its costs are passed to us and its other member, Photronics, through product purchase agreements and MP Mask is dependent upon us or Photronics for any additional cash requirements. We have tie-breaking voting rights over key operating decisions and nearly all key MP Mask activities are driven by our supply needs. We consolidate MP Mask because we have the power to direct the activities of MP Mask that most significantly impact its economic performance and because we have the obligation to absorb losses and the right to receive benefits from MP Mask that could potentially be significant to it.

(See "Equity – Noncontrolling Interests in Subsidiaries" note.)

Recently Adopted Accounting Standards

In July 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2015-11 – *Simplifying the Measurement of Inventory,* which changed the subsequent measurement guidance from the lower of cost or market to the lower of cost or net realizable value, with net realizable value defined as the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. No other changes were made to the current guidance on inventory measurement. We adopted this standard in the fourth quarter of 2015. The adoption of this standard did not have a material impact on our financial statements.

In April 2015, the FASB issued ASU 2015-03 – *Simplifying the Presentation of Debt Issuance Costs*, which requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, as appropriate, consistent with debt discounts, as opposed to an asset. We adopted this standard in the fourth quarter of 2015 on a retrospective basis. As a result of adopting this standard, we presented our debt issuance costs for recognized debt liabilities as a direct reduction of the related debt liability in the consolidated balance sheets for all periods presented. (See "Debt – Retrospective Application of a New Accounting Standard" note.)

Recently Issued Accounting Standards

In April 2015, the FASB issued ASU 2015-05 – *Customer's Accounting for Fees Paid in a Cloud Computing Arrangement*, which provides additional guidance to customers about whether a cloud computing arrangement includes a software license. Under ASU 2015-05, if a software cloud computing arrangement contains a software license, customers should account for the license element of the arrangement in a manner consistent with the acquisition of other software licenses. If the arrangement does not contain a software license, customers should account for the arrangement as a service contract. ASU 2015-05 also removes the requirement to analogize to ASC 840-10 – *Leases* to determine the asset acquired in a software licensing arrangement. This ASU will be effective for us beginning in our first quarter of 2017 and early adoption is permitted. We are evaluating the effects of the adoption of this ASU on our financial statements.

In February 2015, the FASB issued ASU 2015-02 – *Amendments to the Consolidation Analysis*, which amends the consolidation requirements in Accounting Standards Codification 810 – *Consolidation*. ASU 2015-02 makes targeted amendments to the current consolidation guidance for VIEs, which could change consolidation conclusions. This ASU will be effective for us beginning in our first quarter of 2017 and early adoption is permitted. We are evaluating the effects of the adoption of this ASU on our financial statements.

In May 2014, the FASB issued ASU 2014-09 – *Revenue from Contracts with Customers*, which supersedes nearly all existing revenue recognition guidance under generally accepted accounting principles in the U.S. The core principal of this ASU is that an entity should recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. Including the one-year extension of this ASU provided by ASU 2015-14, we are required to adopt this ASU beginning in our first quarter of 2019; however, we are permitted to adopt this ASU as early as our first quarter of 2018. This ASU allows for either full retrospective or modified retrospective adoption. We are evaluating the timing of our adoption, the transition method we will elect, and the effects of the adoption of this ASU on our financial statements.

Micron Memory Japan, Inc.

On July 31, 2013, we acquired Elpida, now known as MMJ, and a controlling interest in Rexchip, now known as MMT, for an aggregate of $949 million in cash (collectively, "the MMJ Acquisition"). The MMJ Acquisition included (1) the acquisition of MMJ, including its 65% interest in MMT and (2) the acquisition of an additional 24% interest in MMT from Powerchip Technology Corporation (the "MMT Share Purchase"). The MMJ Acquisition was treated as a single business combination because: (1) the two transactions were entered into and closed contemporaneously, and (2) the MMT Share Purchase was negotiated in contemplation of the acquisition of MMJ and its completion was contingent on the closing of the acquisition of MMJ.

In 2014, we purchased additional interests in MMT, increasing our ownership interest to 99.5%. (See "Equity – Noncontrolling Interest in Subsidiaries – MMT" note.)

The MMJ Acquisition included a 300mm DRAM wafer fabrication facility located in Hiroshima, Japan, a 300mm DRAM wafer fabrication facility located in Taichung City, Taiwan, and an assembly and test facility located in Akita, Japan. The operations from the MMJ Acquisition, which are included primarily in our MBU and CNBU segments, include the manufacture of mobile DRAM targeted to mobile phones and tablets and computing DRAM targeted to desktop PCs, servers, notebooks, and workstations.

We estimated the provisional fair values of the assets and liabilities of the MMJ Group as of the July 31, 2013 acquisition date using an in-use model, which reflects its value through its use in combination with other assets as a group and we recognized a gain in 2013 of $1.48 billion. In the second quarter of 2014, the provisional amounts recorded in connection with the MMJ Acquisition were adjusted, primarily for pre-petition liabilities, and we recognized a charge in 2014 for these measurement period adjustments. The valuation of assets acquired and liabilities assumed were as follows:

Assets acquired and liabilities assumed:		
Cash and equivalents	$	999
Receivables		697
Inventories		962
Restricted cash		557
Other current assets		142
Property, plant and equipment		935
Equity method investment		40
Intangible assets		10
Deferred tax assets		811
Other noncurrent assets		66
Accounts payable and accrued expenses		(409)
Current portion of long-term debt		(673)
Long-term debt		(1,461)
Other noncurrent liabilities		(75)
Total net assets acquired		2,601
Noncontrolling interest in MMJ		168
Consideration		949
Preliminary gain on acquisition recognized in 2013		1,484
Adjustment for preliminary pre-petition liabilities		(33)
Final gain on acquisition	$	1,451

Our results of operations for 2013 included $355 million of net sales and $46 million of operating income from the MMJ Group's operations after the July 31, 2013 acquisition date. Selling, general, and administrative expenses in our results of operations for 2013 included transaction costs of $50 million incurred in connection with the MMJ Acquisition.

The acquisition of MMJ was pursuant to the terms and conditions of an Agreement on Support for Reorganization Companies (as amended, the "Sponsor Agreement") that we entered into in July 2012 with the trustees of the MMJ Companies pursuant to and in connection with the MMJ Companies' corporate reorganization proceedings under the Corporate Reorganization Act of Japan. As a result of the Japan Proceedings, for so long as such proceedings are continuing, the MMJ Companies are subject to certain restrictions on dividends, loans, and advances. The plans of reorganization of the MMJ Companies prohibit the MMJ Companies from paying dividends, including any cash dividends, to us and require that excess earnings be used in their businesses or to fund the MMJ Companies' installment payments. These prohibitions would also effectively prevent the subsidiaries of the MMJ Companies from paying cash dividends to us as any such dividends would have to be first paid to the MMJ Companies which are prohibited from repaying those amounts to us as dividends under the plans of reorganization. In addition, pursuant to an order of the Japan Court, the MMJ Companies cannot make loans or advances, other than certain ordinary-course advances, to us without the consent of the Japan Court. Moreover, loans or advances by subsidiaries of the MMJ Companies may be considered outside the ordinary course of business and may require consent of MMJ's trustees or, in certain cases, approval by the Japan Court. As a result, the assets of the MMJ Companies, while available to satisfy the MMJ Companies' installment payments and other obligations, capital expenditures, and other operating needs of the MMJ Companies, are not available for use by us in our other operations. Certain uses of the assets of the MMJ Companies, including investments in certain capital expenditures and in MMT, may require consent of MMJ's trustees or, in certain cases, approval by the Japan Court. Disposition of certain assets of the MMJ Companies may also require consent of one or more of the secured creditors.

Unaudited Pro Forma Financial Information

The following unaudited pro forma financial information presents the combined results of operations as if the MMJ Acquisition had occurred on September 2, 2011. The pro forma financial information includes the accounting effects of the business combination, including adjustments to the amortization of intangible assets; depreciation of property, plant, and equipment; interest expense; and elimination of intercompany activities. The historical results of operations of the MMJ Group for the eleven months ended May 31, 2013 included a gain of $1.69 billion for the forgiveness of debt related to liabilities subject to compromise upon approval of the plans of reorganization by the creditors and the Japan Court. No adjustments were made to the unaudited pro forma financial information for this item, consistent with the requirements for preparation of the pro forma financial information. The unaudited pro forma financial information below is not necessarily indicative of either future results of operations or results that might have been achieved had the MMJ Acquisition occurred on September 2, 2011.

For the year ended		2013
Net sales	$	12,494
Net income		3,825
Net income attributable to Micron		3,770
Earnings per share:		
Basic	$	3.69
Diluted		3.57

The unaudited pro forma financial information for 2013 includes our results for the year ended August 29, 2013, which includes one month of results from the MMJ Group following the closing of the MMJ Acquisition, and the results of the MMJ Group, including the adjustments described above, for the eleven months ended May 31, 2013.

Cash and Investments

Cash and the fair values of our available-for-sale investments, which approximated amortized costs, were as follows:

As of	September 3, 2015				August 28, 2014			
	Cash and Equivalents	Short-term Investments	Long-term Marketable Investments[3]	Total Fair Value	Cash and Equivalents	Short-term Investments	Long-term Marketable Investments[3]	Total Fair Value
Cash	$ 1,684	$ —	$ —	$ 1,684	$ 2,445	$ —	$ —	$ 2,445
Level 1[1]								
Money market funds	168	—	—	168	1,281	—	—	1,281
Marketable equity securities	—	—	—	—	—	—	1	1
	168	—	—	168	1,281	—	1	1,282
Level 2[2]								
Corporate bonds	2	616	1,261	1,879	—	154	407	561
Government securities	58	391	254	703	—	136	284	420
Asset-backed securities	—	8	575	583	—	1	127	128
Certificates of deposit	311	28	23	362	402	8	—	410
Commercial paper	64	191	—	255	22	85	—	107
	435	1,234	2,113	3,782	424	384	818	1,626
	$ 2,287	$ 1,234	$ 2,113	$ 5,634	$ 4,150	$ 384	$ 819	$ 5,353

[1] *The fair value of Level 1 securities is measured based on quoted prices in active markets for identical assets.*

[2] *The fair value of Level 2 securities is measured using information obtained from pricing services, which obtain quoted market prices for similar instruments, non-binding market consensus prices that are corroborated by observable market data, or various other methodologies, to determine the appropriate value at the measurement date. We perform supplemental analysis to validate information obtained from these pricing services. As of September 3, 2015, no adjustments were made to such pricing information.*

[3] *The maturities of our long-term marketable securities generally range from one to four years.*

Proceeds from sales of available-for-sale securities for 2015, 2014, and 2013 were $1.49 billion, $355 million, and $526 million, respectively. Gross realized gains and losses from sales of available-for-sale securities were not significant for any period presented. As of September 3, 2015, none of our available-for-sale securities had been in a loss position for longer than 12 months.

Receivables

As of	2015	2014
Trade receivables	$ 2,188	$ 2,524
Income and other taxes	116	104
Other	203	278
	$ 2,507	$ 2,906

As of September 3, 2015 and August 28, 2014, other receivables included $120 million and $70 million, respectively, due from Intel for amounts related to product design and process development activities under cost-sharing agreements for NAND Flash memory and 3D XPoint memory. (See "Equity – Noncontrolling Interests in Subsidiaries – IMFT" note.)

Inventories

As of	2015	2014
Finished goods	$ 785	$ 898
Work in process	1,315	1,372
Raw materials and supplies	240	185
	$ 2,340	$ 2,455

Property, Plant and Equipment

As of	2014	Additions	Retirements and Other	2015
Land	$ 86	$ 2	$ —	$ 88
Buildings (includes $289 as of 2014 and $271 as of 2015 for capital leases)	5,093	273	(8)	5,358
Equipment[1] (includes $1,113 as of 2014 and $1,192 as of 2015 for capital leases)	17,781	3,805	(566)	21,020
Construction in progress[2]	114	345	(23)	436
Software	358	39	(24)	373
	23,432	4,464	(621)	27,275
Accumulated depreciation (includes $695 as of 2014 and $717 as of 2015 for capital leases)	(14,750)	(2,550)	579	(16,721)
	$ 8,682	$ 1,914	$ (42)	$ 10,554

[1] *Included costs related to equipment not placed into service of $928 million and $826 million, as of September 3, 2015 and August 28, 2014, respectively.*

[2] *Included building-related construction and tool installation costs on assets not placed into service.*

Depreciation expense was $2.55 billion, $1.99 billion, and $1.72 billion for 2015, 2014, and 2013, respectively. Other noncurrent assets included land held for development of $58 million as of September 3, 2015 and $57 million as of August 28, 2014. As of September 3, 2015, production equipment and buildings with an aggregate carrying value of $248 million and land with a carrying value of $42 million were pledged as collateral under various notes payable. (See "Debt – Other Facilities" note.)

Equity Method Investments

As of	2015		2014	
	Investment Balance	Ownership Percentage	Investment Balance	Ownership Percentage
Inotera[1]	$ 1,332	33%	$ 914	33%
Tera Probe	38	40%	48	40%
Other	9	Various	9	Various
	$ 1,379		$ 971	

[1] *Entity is a variable interest entity.*

As of September 3, 2015, substantially all of our maximum exposure to loss from our VIEs that were not consolidated was the $1.33 billion carrying value of our investment in Inotera. We may also incur losses in connection with our rights and obligations to purchase all of Inotera's wafer production capacity under our supply agreements with Inotera.

We recognize our share of earnings or losses from our equity method investees generally on a two-month lag. Our share of earnings for 2015 included $49 million for the net effect of Inotera's full release of its valuation allowance against net deferred tax assets related to its net operating loss carryforward and the resulting tax provision in subsequent periods. Equity in net income (loss) of equity method investees, net of tax, included the following:

For the year ended	2015	2014	2013
Inotera	$ 445	$ 465	$ (79)
Tera Probe	1	11	—
Other	1	(2)	(4)
	$ 447	$ 474	$ (83)

The summarized financial information in the tables below reflects aggregate amounts for our equity method investees. Financial information is presented for equity method investments as of the respective dates and for the periods through which we recorded our proportionate share of each investee's results of operations. Summarized results of operations are presented only for the periods subsequent to the acquisition or through the disposition of our ownership interests.

As of	2015	2014
Current assets	$ 1,980	$ 2,233
Noncurrent assets	3,038	2,502
Current liabilities	436	1,417
Noncurrent liabilities	119	254

For the year ended	2015	2014	2013
Net sales	$ 2,647	$ 3,382	$ 1,788
Gross margin	1,253	1,576	1
Operating income (loss)	1,191	1,371	(203)
Net income (loss)	1,361	1,339	(188)

Inotera

We have partnered with Nanya in Inotera, a Taiwan DRAM memory company, since 2009. In 2013, Inotera issued 634 million common shares to Nanya and certain of its affiliates in a private placement at a price equal to 9.47 New Taiwan dollars per share, which was in excess of our carrying value per share. As a result of the issuance, our ownership interest decreased from 40% to 35% and we recognized a non-operating gain of $48 million in 2013. In 2014, Inotera issued 400 million common shares in a public offering at a price equal to 31.50 New Taiwan dollars per share, which was in excess of our carrying value per share. As a result of the issuance, our ownership interest decreased from 35% to 33% and we recognized a non-operating gain of $93 million in 2014. As of September 3, 2015, we held a 33% ownership interest in Inotera, Nanya and certain of its affiliates held a 33% ownership interest, and the remaining ownership interest in Inotera was publicly held.

As of September 3, 2015, the market value of our equity interest in Inotera was $1.53 billion based on the closing trading price of 23.20 New Taiwan dollars per share in an active market. As of September 3, 2015 and August 28, 2014, there were gains of $13 million and $44 million, respectively, in accumulated other comprehensive income (loss) for cumulative translation adjustments from our equity investment in Inotera.

Since January 2013, we have purchased all of Inotera's DRAM output at prices reflecting discounts from market prices for our comparable components under a supply agreement. In the second quarter of 2015, we executed a supply agreement, to be effective beginning on January 1, 2016 (the "2016 Supply Agreement"), which will replace the current agreement. Under the 2016 Supply Agreement, the price for DRAM products sold to us will be based on a formula that equally shares margin between Inotera and us. The 2016 Supply Agreement has an initial two-year term, followed by a three-year wind-down period, and contemplates negotiations in late 2016 with respect to a two-year extension, and annual negotiations thereafter with respect to successive one-year extensions. Upon termination of the initial two-year term of the 2016 Supply Agreement, or any extensions, we would purchase DRAM from Inotera during the wind-down period. Our share of Inotera's capacity would decline over the wind-down period. In 2015 and 2014, our cost of products purchased from Inotera was significantly higher than our cost of similar products manufactured in our wholly-owned facilities. We purchased $2.37 billion, $2.68 billion and $1.26 billion of DRAM products in 2015, 2014, and 2013 respectively.

Tera Probe

In 2013, as part of the MMJ Acquisition, we acquired a 40% interest in Tera Probe, which provides semiconductor wafer testing and probe services to us and others. The initial net carrying value of our investment was less than our proportionate share of Tera Probe's equity and the difference is being amortized as a credit to our earnings through equity in net income (loss) of equity method investees (the "Tera Probe Amortization"). As of September 3, 2015, the remaining balance of the Tera Probe Amortization was $27 million and is expected to be amortized over a weighted-average period of seven years. Based on closing trading prices, the market value of our equity interest in Tera Probe was $32 million as of September 3, 2015 and $41 million as of June 30, 2015 (the other-than-temporary impairment measurement date for our fourth quarter, commensurate with our lag period). We evaluated our investment in Tera Probe and concluded that the decline in the market value did not indicate an other-than-temporary impairment primarily because of the limited amount of time of the decline and historical volatility of Tera Probe's stock price. In the first quarter of 2015, we recorded an impairment charge of $10 million within equity in net income of equity method investees to write down the carrying value of our investment in Tera Probe to its fair value, based on its trading price (Level 1 fair value measurement). We incurred manufacturing costs for 2015, 2014, and 2013 of $90 million, $117 million, and $13 million respectively, for services performed by Tera Probe.

Other

Aptina: We held an equity interest in Aptina until August 15, 2014. On August 15, 2014, ON Semiconductor Corporation acquired Aptina for approximately $433 million and we recognized a non-operating gain of $119 million based on our diluted ownership interest of approximately 27%. The gain approximated our share of the consideration because the carrying value of our investment had been reduced to zero in 2012, at which time we ceased recognizing our proportionate share of Aptina's losses.

Through May 3, 2013, we manufactured components for Complementary Metal-Oxide Semiconductor ("CMOS") image sensors for Aptina under a wafer supply agreement. Subsequent to May 3, 2013, we provided various services for Aptina under a service agreement. For 2014 and 2013, we recognized net sales of $43 million and $182 million, respectively, from products sold to and services performed for Aptina, and cost of goods sold of $37 million and $219 million, respectively. In 2013, we assigned to LFoundry Marsica L.r.l. ("LFoundry") our supply agreement with Aptina to manufacture components for image sensors. (See "Restructure and Asset Impairments" note.)

Intangible Assets

As of	2015		2014	
	Gross Amount	Accumulated Amortization	Gross Amount	Accumulated Amortization
Product and process technology	$ 864	$ (416)	$ 809	$ (341)
Other	2	(1)	1	(1)
	$ 866	$ (417)	$ 810	$ (342)

During 2015 and 2014, we capitalized $98 million and $177 million, respectively, for product and process technology with weighted-average useful lives of seven years and six years, respectively. Amortization expense was $117 million, $110 million, and $83 million for 2015, 2014, and 2013, respectively. The expected annual amortization expense for intangible assets held as of September 3, 2015 is $118 million for 2016, $102 million for 2017, $93 million for 2018, $43 million for 2019, and $26 million for 2020.

Accounts Payable and Accrued Expenses

As of	2015	2014
Accounts payable	$ 1,020	$ 996
Property, plant and equipment payables	577	289
Related party payables	338	673
Salaries, wages and benefits	321	456
Income and other taxes	85	71
Customer advances	15	98
Other	255	281
	$ 2,611	$ 2,864

As of September 3, 2015 and August 28, 2014, related party payables included $327 million and $660 million, respectively, due to Inotera primarily for the purchase of DRAM products. As of September 3, 2015 and August 28, 2014, related party payables also included $11 million and $13 million, respectively, due to Tera Probe for probe services performed. (See "Equity Method Investments" note.)

As of August 28, 2014, customer advances included $90 million, and other noncurrent liabilities also included $90 million, for amounts received from a customer in 2014 under a DRAM supply agreement, all of which was applied to purchases during 2015.

Debt

Instrument[1]	Stated Rate	Effective Rate	2015 Current	2015 Long-Term	2015 Total	2014 Current	2014 Long-Term	2014 Total
MMJ creditor installment payments	N/A	6.25%	$ 161	$ 701	$ 862	$ 192	$ 939	$ 1,131
Capital lease obligations[2]	N/A	N/A	326	466	792	323	588	911
1.258% notes	1.258%	1.97%	87	217	304	86	305	391
2022 senior notes	5.875%	6.14%	—	589	589	—	587	587
2023 senior notes	5.250%	5.43%	—	988	988	—	—	—
2024 senior notes	5.250%	5.38%	—	545	545	—	—	—
2025 senior notes	5.500%	5.56%	—	1,138	1,138	—	1,137	1,137
2026 senior notes	5.625%	5.73%	—	446	446	—	—	—
2031B convertible senior notes[3]	1.875%	6.98%	—	—	—	361	—	361
2032C convertible senior notes[4]	2.375%	5.95%	—	197	197	—	309	309
2032D convertible senior notes[4]	3.125%	6.33%	—	150	150	—	284	284
2033E convertible senior notes[4]	1.625%	4.50%	217	—	217	272	—	272
2033F convertible senior notes[4]	2.125%	4.93%	264	—	264	260	—	260
2043G convertible senior notes	3.000%	6.76%	—	644	644	—	631	631
Other notes payable	2.209%	2.38%	34	171	205	124	113	237
			$ 1,089	$ 6,252	$ 7,341	$ 1,618	$ 4,893	$ 6,511

(1) We have either the obligation or the option to pay cash for the principal amount due upon conversion for all of our convertible notes. Since it is our current intent to settle in cash the principal amount of all of our convertible notes upon conversion, the dilutive effect of such notes on earnings per share is computed under the treasury stock method.

(2) Weighted-average imputed rate of 3.7% and 4.3% as of September 3, 2015 and August 28, 2014, respectively.

(3) Amount recorded for 2014 included the debt and equity components. The equity component was reclassified to a debt liability as a result of our obligation to settle the conversions of the 2031B Notes in cash.

(4) Since the closing price of our common stock for at least 20 trading days in the 30 trading day period ending on June 30, 2015 exceeded 130% of the conversion price per share, holders had the right to convert their notes at any time during the calendar quarter ended September 30, 2015. The closing price of our common stock also exceeded the thresholds for the calendar quarter ended September 30, 2015; therefore, these notes are convertible by the holders through December 31, 2015. The 2033 Notes are classified as current because the terms of these notes require us to pay cash for the principal amount of any converted notes.

As of	Expected Remaining Term (Years)[1]	2015 Outstanding Principal	2015 Unamortized Discount and Debt Issuance Costs	2015 Net Carrying Amount	2014 Outstanding Principal	2014 Unamortized Discount and Debt Issuance Costs	2014 Net Carrying Amount
MMJ creditor installment payments	4	$ 1,012	$ (150)	$ 862	$ 1,369	$ (238)	$ 1,131
Capital lease obligations	4	792	—	792	911	—	911
1.258% notes	3	323	(19)	304	416	(25)	391
2022 Notes	6	600	(11)	589	600	(13)	587
2023 Notes	8	1,000	(12)	988	—	—	—
2024 Notes	8	550	(5)	545	—	—	—
2025 Notes	9	1,150	(12)	1,138	1,150	(13)	1,137
2026 Notes	10	450	(4)	446	—	—	—
2031B Notes[2]	N/A	—	—	—	114	(28)	361
2032C Notes	4	224	(27)	197	362	(53)	309
2032D Notes	6	177	(27)	150	344	(60)	284
2033E Notes	2	233	(16)	217	300	(28)	272
2033F Notes	4	297	(33)	264	300	(40)	260
2043G Notes[3]	13	1,025	(381)	644	1,025	(394)	631
Other notes payable	4	205	—	205	243	(6)	237
		$ 8,038	$ (697)	$ 7,341	$ 7,134	$ (898)	$ 6,511

[1] *Expected remaining term for amortization of the remaining unamortized discount and debt issuance costs as of September 3, 2015. The expected remaining term of the 2031B Notes was not applicable because the notes were not outstanding as of September 3, 2015. Expected remaining term for capital lease obligations is the weighted-average remaining term.*

[2] *As holders had elected to convert these notes and we elected to settle the conversions in cash, the net carrying amount for 2014 included the debt component and equity component, which were reclassified to a debt liability as a result of our obligation to settle the conversions of the 2031B Notes in cash, resulting in an aggregate liability of $389 million. The outstanding principal reflects the original principal of the 2031B Notes.*

[3] *The 2043G Notes have an original principal amount of $820 million that accretes up to $917 million through the expected term on November 15, 2028 and $1.03 billion at maturity in 2043. The discount is based on the principal at maturity. See "2043G Notes" below.*

Our convertible and senior notes are unsecured obligations that rank equally in right of payment with all of our other existing and future unsecured indebtedness, and are effectively subordinated to all of our other existing and future secured indebtedness, to the extent of the value of the assets securing such indebtedness. Our parent company, Micron, has $5.18 billion of debt (net of unamortized discount and debt issuance costs), including all of our convertible notes and the 2022 Notes, 2023 Notes, 2024 Notes, 2025 Notes, and 2026 Notes, that is structurally subordinated to all liabilities of its subsidiaries, including trade payables. Micron guarantees certain debt obligations of its subsidiaries. Micron does not guarantee the MMJ creditor installment payments. Micron's guarantees of its subsidiary debt obligations are unsecured obligations ranking equally in right of payment with all of Micron's other existing and future unsecured indebtedness.

2015 Debt Restructure

In 2015, we consummated a number of transactions to restructure our debt, including conversions and settlements, repurchases of convertible notes, issuances of non-convertible notes, and the early repayment of a note. The following table presents the effect of each of the actions in 2015:

	Increase (Decrease) in Principal	Increase (Decrease) in Carrying Value	Increase (Decrease) in Cash	(Decrease) in Equity	(Loss) Gain[1]
Conversions and settlements:					
2031B Notes	$ (114)	$ (361)	$ (389)	$ —	$ (24)
2033E Notes	(7)	(6)	(19)	(15)	2
	(121)	(367)	(408)	(15)	(22)
Repurchases:					
2032C Notes	(139)	(121)	(415)	(283)	(10)
2032D Notes	(166)	(140)	(492)	(341)	(11)
2033E Notes	(60)	(56)	(107)	(49)	(1)
2033F Notes	(3)	(2)	(5)	(3)	—
	(368)	(319)	(1,019)	(676)	(22)
Issuances:					
2023 Notes	1,000	988	988	—	—
2024 Notes	550	545	545	—	—
2026 Notes	450	446	446	—	—
	2,000	1,979	1,979	—	—
Early repayment	(121)	(115)	(122)	—	(5)
	$ 1,390	$ 1,178	$ 430	$ (691)	$ (49)

[1] *Included in other non-operating expense.*

***Conversions and Settlements*:** During 2015, we had the following debt conversions and settlements:

2031B Notes: On July 23, 2014, we called for the redemption of our remaining 2031B Notes effective on August 22, 2014. Prior to such effective date, substantially all of the holders of our 2031B Notes exercised their option to convert their notes and, in each case, we elected to settle the amount due upon conversion entirely in cash. These notes were cash settled in 2015.

2033E Notes: During 2015, holders converted a portion of our 2033E Notes, and we elected to settle the amounts due upon conversion entirely in cash.

As a result of our elections to settle the amounts due upon conversion in cash, each of the settlement obligations became derivative debt liabilities subject to mark-to-market accounting treatment. Under the terms of the indentures for the above notes, cash settlement amounts for these derivative debt liabilities were determined based on the shares underlying the converted notes multiplied by the volume-weighted-average price of our common stock over a period of 20 consecutive trading days. Therefore, at the dates of our election to settle the conversion in cash, we reclassified the fair values of the equity components of each of the converted notes from additional capital to derivative debt liabilities within current debt in our consolidated balance sheet.

***Repurchases*:** During 2015, we repurchased portions of our convertible 2032C Notes, 2032D Notes, 2033E Notes, and 2033F Notes. The liability and equity components of the repurchased notes had previously been stated separately within debt and additional capital in our consolidated balance sheet. As a result, our accounting for the repurchased notes affected debt and equity.

Issuances: On April 30, 2015, we issued $550 million in principal amount of 2024 Notes due January 2024 and $450 million in principal amount of 2026 Notes due January 2026. On February 3, 2015, we issued $1.00 billion in principal amount of 2023 Notes due August 2023. Issuance costs for these notes totaled $21 million. (See further discussion in "Senior Notes" below.)

***Early Repayment*:** On October 17, 2014, we repaid a note prior to its scheduled maturity.

2014 Debt Restructure

In 2014, we consummated a number of transactions to restructure our debt, including exchanges, conversions and settlements, repurchases of convertible notes, issuances of non-convertible notes, and early repayments of notes. The following table presents the net effect of each of the actions:

	Increase (Decrease) in Principal	Increase (Decrease) in Carrying Value	Increase (Decrease) in Cash	(Decrease) in Equity	Loss[(1)]
Exchanges	$ 585	$ 282	$ —	$ (238)	$ 49
Conversions and settlements	(770)	(434)	(1,446)	(886)	130
Repurchases	(320)	(264)	(857)	(567)	23
Issuances	2,212	2,157	2,157	—	—
Early repayments	(336)	(332)	(339)	—	3
	$ 1,371	$ 1,409	$ (485)	$ (1,691)	$ 205

(1) $184 million included in other non-operating expense and $21 million included in interest expense

- *Exchanges:* Exchanged $440 million in aggregate principal amount of our 2027 Notes, 2031A Notes, and 2031B Notes into $1.03 billion principal amount at maturity of 2043G Notes.
- *Conversions and Settlements:* Holders of substantially all of our remaining 2014 Notes, 2027 Notes, and 2031A Notes (with an aggregate principal amount of $770 million) converted their notes and we settled the conversions in cash for $1.45 billion. Holders of substantially all of our remaining 2031B Notes converted their notes in August 2014. As a result of our election to settle the conversion amounts entirely in cash, the settlement obligations became derivative debt liabilities, increasing the carrying value of the 2031B Notes by $275 million in 2014 before being cash settled in 2015.
- *Repurchases:* Repurchased $320 million in aggregate principal amount of our convertible 2031B Notes, 2032C Notes, and 2032D Notes for an aggregate of $857 million in cash.
- *Issuances:* Issued $600 million in principal amount of the 2022 Notes and $1.15 billion in principal amount of the 2025 Notes, and issued $462 million in principal amount of the 1.258% senior notes due 2019.
- *Early Repayments:* Repaid $332 million of notes and capital leases prior to their scheduled maturities.

2013 Debt Restructure

During 2013, we repurchased $464 million in aggregate principal amount of our 2014 Notes for $477 million in cash. The liability and equity components of the 2014 Notes had previously been stated separately within debt and additional capital in our consolidated balance sheet. As a result, the repurchase resulted in the derecognition of $430 million in debt for the principal amount (net of $34 million of debt discount) and $15 million in additional capital for the equity component. We recognized a loss of $31 million in 2013, which was included in other non-operating expense.

MMJ Creditor Installment Payments

Under the MMJ Companies' plans of reorganization, which set forth the treatment of the MMJ Companies' pre-petition creditors and their claims, the MMJ Companies were required to pay 200 billion yen, less certain expenses of the reorganization proceedings and other items, to their secured and unsecured creditors in 7 annual installment payments (the "MMJ Creditor Installment Payments"). The MMJ Creditor Installment Payments do not provide for interest and were recorded at fair value in the MMJ Acquisition. The fair-value discount is accreted to interest expense over the term of the installment payments.

Under the MMJ Companies' corporate reorganization proceedings, the secured creditors of MMJ will recover 100% of their amount of their fixed claims in 6 annual installment payments through December 2018 and the unsecured creditors will recover at least 17.4% of the amount of their fixed claims in 7 annual installment payments through December 2019. In December 2014, we paid the second installment payment of 21 billion yen to the reorganization creditors of the MMJ Companies. The secured creditors of MAI were paid in full with a portion of the first installment payment made in October 2013, while the unsecured creditors of MAI will recover at least 19% of the amount of their claims in 7 installment payments through December 2019. The remaining portion of the unsecured claims of the creditors of the MMJ Companies not recovered pursuant to the Reorganization Proceedings will be discharged, without payment, through December 2019.

The following table presents the remaining amounts of MMJ Creditor Installment Payments (stated in Japanese yen and U.S. dollars) and the amount of unamortized discount as of September 3, 2015:

2016	¥ 19,813	$ 165
2017	19,840	165
2018	19,762	164
2019	28,687	238
2020	33,642	280
	121,744	1,012
Less unamortized discount	(17,981)	(150)
	¥ 103,763	$ 862

Pursuant to the terms of the Sponsor Agreement, we entered into a series of agreements with the MMJ Companies, including supply agreements, research and development services agreements, and general services agreements, which are intended to generate operating cash flows to meet the requirements of the MMJ Companies' businesses, including the funding of the MMJ Creditor Installment Payments.

Capital Lease Obligations

In 2015, we recorded capital lease obligations aggregating $324 million, including $291 million related to equipment sale-leaseback transactions, at a weighted-average effective interest rate of 3.2%, payable in periodic installments through May 2019. In 2014, we recorded capital lease obligations aggregating $121 million at a weighted-average effective interest rate of 4.6%, payable in periodic installments through December 2023.

1.258% Notes

On December 20, 2013, we issued $462 million in principal amount of the 1.258% Notes. The 1.258% Notes mature on January 15, 2019 and are collateralized by certain equipment, which had a carrying value of $95 million as of September 3, 2015. The principal amount of the 1.258% Notes is payable in 10 semiannual installments in January and July of each year, commencing in July 2014. The Export-Import Bank of the United States (the "Ex-Im Bank") guaranteed payment of all regularly scheduled installment payments of principal and interest on the 1.258% Notes. We paid $23 million to Ex-Im Bank for its guarantee upon issuance of the 1.258% Notes.

The 1.258% Notes contain covenants which are customary for financings of this type, including negative covenants that limit or restrict our ability to create liens or dispose of the equipment securing the 1.258% Notes. Events of default also include, among others, the occurrence of any event or circumstance that, in the reasonable judgment of Ex-Im Bank, is likely materially and adversely to affect our ability to perform any payment obligation, or any of our other material obligations under the indenture, the 1.258% Notes, or under any other related transaction documents to which Ex-Im Bank is a party.

Cash Redemption at Our Option: At any time prior to the maturity date of the 1.258% Notes, we may redeem the 1.258% Notes, in whole or in part, at a price equal to the principal amount of the 1.258% Notes to be redeemed plus a make-whole premium as described in the indenture, together with accrued and unpaid interest.

Senior Notes

	Issuance Date	Maturity Date	Principal Issued
2022 Notes	Feb 2014	Feb 2022	$ 600
2023 Notes	Feb 2015	Aug 2023	1,000
2024 Notes	Apr 2015	Jan 2024	550
2025 Notes	Jul 2014	Feb 2025	1,150
2026 Notes	Apr 2015	Jan 2026	450

The senior notes above contain covenants that, among other things, limit, in certain circumstances, our ability and/or the ability of our domestic restricted subsidiaries (which are generally subsidiaries in the U.S. in which we own at least 80% of the voting stock) to (1) create or incur certain liens and enter into sale and lease-back transactions, (2) create, assume, incur, or guarantee certain additional secured indebtedness and unsecured indebtedness of our domestic restricted subsidiaries, and (3) consolidate with or merge with or into, or convey, transfer or lease all or substantially all of our assets, to another entity. These covenants are subject to a number of limitations, exceptions, and qualifications.

Cash Redemption at Our Option: We have the option to redeem these notes. The applicable redemption price will be determined as follows:

	Redemption Period Requiring Payment of:		Redemption up to 35% Using Cash Proceeds From an Equity Offering[3]	
	Make-Whole[1]	Premium[2]	Date	Specified Price
2022 Notes	Prior to Feb 15, 2017	On or after Feb 15, 2017	Prior to Feb 15, 2017	105.875%
2023 Notes	Prior to Feb 1, 2018	On or after Feb 1, 2018	Prior to Feb 1, 2018	105.250%
2024 Notes	Prior to May 1, 2018	On or after May 1, 2018	Prior to May 1, 2018	105.250%
2025 Notes	Prior to Aug 1, 2019	On or after Aug 1, 2019	Prior to Aug 1, 2017	105.500%
2026 Notes	Prior to May 1, 2020	On or after May 1, 2020	Prior to May 1, 2018	105.625%

[1] *If we redeem prior to the applicable date, the price is principal plus a make-whole premium equal to the present value of the remaining scheduled interest payments as described in the applicable indenture, together with accrued and unpaid interest.*

[2] *If we redeem on or after the applicable date, the price is principal plus a premium which declines over time as specified in the applicable indenture, together with accrued and unpaid interest.*

[3] *If we redeem prior to the applicable date with net cash proceeds of one or more equity offerings, the price is equal to the amount specified above, together with accrued and unpaid interest, subject to a maximum redemption of 35% of the aggregate principal amount of the respective notes being redeemed.*

Convertible Senior Notes

Accounting standards for convertible debt instruments that may be fully or partially settled in cash upon conversion require the debt and equity components to be separately accounted for in a manner that reflects a nonconvertible borrowing rate when interest expense is recognized in subsequent periods. The amount initially recorded as debt is based on the fair value of the debt component as a standalone instrument, determined using an interest rate for similar nonconvertible debt issued by entities with credit ratings similar to ours at the time of issuance. The difference between the debt recorded at inception and its principal amount is accreted to principal through interest expense over the estimated life of the note.

As of September 3, 2015, the trading price of our common stock was higher than the initial conversion prices of our 2032 Notes and our 2033 Notes. As a result, the conversion values were in excess of principal amounts for such notes. The following table summarizes our convertible notes outstanding as of September 3, 2015:

	Holder Put Date[1]	Outstanding Principal	Underlying Shares	Conversion Price Per Share	Conversion Price Per Share Threshold[2]	Conversion Value in Excess of Principal[3]
2032C Notes	May 2019	$ 224	23	$ 9.63	$ 12.52	$ 161
2032D Notes	May 2021	177	18	9.98	12.97	117
2033E Notes	February 2018	233	21	10.93	14.21	121
2033F Notes	February 2020	297	27	10.93	14.21	154
2043G Notes[4]	November 2028	1,025	35	29.16	37.91	—
		$ 1,956	124			$ 553

(1) *The terms of our convertible notes give holders the right to require us to repurchase all or a portion of their notes at a date prior to the contractual maturities of the notes at a price equal to the principal amount thereof plus accrued interest.*

(2) *Holders have the right to convert all or a portion of their notes at a date prior to the contractual maturity if, during any calendar quarter, the closing price of our common stock for at least 20 trading days in the 30 consecutive trading days ending on the last trading day of the preceding calendar quarter is more than 130% of the conversion price. The closing price of our common stock exceeded the thresholds for the calendar quarter ended September 30, 2015 for our 2032 Notes and 2033 Notes; therefore, those notes are convertible by the holders through December 31, 2015.*

(3) *Based on our closing share price of $16.59 as of September 3, 2015.*

(4) *See "2043G Notes."*

Carrying amounts of the equity components of our convertible notes, which are included in additional capital in the accompanying consolidated balance sheets were as follows:

As of	2015	2014
2032C Notes	$ 41	$ 67
2032D Notes	35	69
2033E Notes (excludes $16 and $27 million in mezzanine equity, respectively)	8	3
2033F Notes (excludes $33 and $41 million in mezzanine equity, respectively)	8	1
2043G Notes	173	173
	$ 265	$ 313

Interest expense for our convertible notes, consisting of contractual interest and amortization of discount and issuance costs, aggregated $101 million, $132 million, and $156 million for 2015, 2014, and 2013, respectively. Interest expense by note was as follows:

	Contractual Interest			Amortization of Discount and Issuance Costs		
For the year ended	2015	2014	2013	2015	2014	2013
2032C Notes	$ 8	$ 11	$ 13	$ 9	$ 12	$ 14
2032D Notes	9	13	14	6	8	9
2033E Notes	5	5	3	7	7	4
2033F Notes	6	6	3	7	6	3
2043G Notes	31	24	—	13	9	—
Other notes[1]	—	7	27	—	24	66
	$ 59	$ 66	$ 60	$ 42	$ 66	$ 96

(1) *Other notes include the 2014 Notes, 2027 Notes, 2031A Notes, and 2031B Notes.*

2031B Notes: On July 26, 2011, we issued $345 million of 2031B Notes due August 2031. During 2014, we exchanged $205 million of aggregate principal amount of 2031B Notes for a portion of the 2043G Notes, repurchased $26 million of aggregate principal amount for cash, and called for the redemption of the remaining $114 million of aggregate principal amount effective on August 22, 2014. Prior to such effective date, substantially all of the holders of the 2031B Notes had converted their notes, which were settled in cash with payments of $389 million in 2015.

2032C and 2032D Notes: On April 18, 2012, we issued $550 million of the 2032C Notes and $450 million of the 2032D Notes, each due May 2032. The initial conversion rate for the 2032C Notes is 103.8907 shares of common stock per $1,000 principal amount, equivalent to an initial conversion price of approximately $9.63 per share of common stock. The initial conversion rate for the 2032D Notes is 100.1803 shares of common stock per $1,000 principal amount, equivalent to an initial conversion price of approximately $9.98 per share of common stock. Interest is payable in May and November of each year. During 2015 and 2014, we repurchased $139 million and $188 million, respectively of aggregate principal amounts of the 2032C Notes and $166 million and $106 million, respectively of aggregate principal amounts of the 2032D Notes, for cash.

Conversion Rights: Holders may convert their 2032 Notes under the following circumstances: (1) if the 2032 Notes are called for redemption; (2) during any calendar quarter if the closing price of our common stock for at least 20 trading days in the 30 consecutive trading days ending on the last trading day of the preceding calendar quarter is more than 130% of the conversion price of the 2032 Notes (approximately $12.52 per share for the 2032C Notes and $12.97 per share for the 2032D Notes); (3) if the trading price of the 2032 Notes is less than 98% of the product of the closing price of our common stock and the conversion rate of the 2032 Notes during the periods specified in the indenture; (4) if specified distributions or corporate events occur, as set forth in the indenture for the 2032 Notes; or (5) at any time after February 1, 2032.

We have the option to pay cash, issue shares of common stock or any combination thereof for the aggregate amount due upon conversion. It is our intent to settle the principal amount of the 2032 Notes in cash upon any conversion. As a result, only the amounts payable in excess of the principal amounts upon conversion of the 2032 Notes are considered in diluted earnings per share under the treasury stock method.

Cash Redemption at Our Option: We may redeem for cash the 2032C Notes on or after May 1, 2016 and the 2032D Notes on or after May 1, 2017 if the volume weighted average price of our common stock has been at least 130% of the conversion price for at least 20 trading days during any 30 consecutive trading day period. The redemption price will equal the principal amount plus accrued and unpaid interest. If we redeem the 2032C Notes prior to May 4, 2019, or the 2032D Notes prior to May 4, 2021, we will also pay a make-whole premium in cash equal to the present value of all remaining scheduled payments of interest from the redemption date to May 4, 2019 for the 2032C Notes, or to May 4, 2021 for the 2032D Notes, using a discount rate equal to 1.5%.

Cash Repurchase at the Option of the Holder: We may be required by the holders of the 2032 Notes to repurchase for cash all or a portion of the 2032C Notes on May 1, 2019 and all or a portion of the 2032D Notes on May 1, 2021 at a price equal to the principal amount plus accrued and unpaid interest. Upon a change in control or a termination of trading, as defined in the indenture, holders of the 2032 Notes may require us to repurchase for cash all or a portion of their 2032 Notes at a price equal to the principal amount plus accrued and unpaid interest.

2033E and 2033F Notes: On February 12, 2013, we issued $300 million of the 2033E Notes and $300 million of the 2033F Notes. The initial conversion rate for the 2033 Notes is 91.4808 shares of common stock per $1,000 principal amount, equivalent to an initial conversion price of approximately $10.93 per share of common stock. Interest is payable in February and August of each year. During 2015, holders converted $7 million of aggregate principal amounts of the 2033E Notes, and we elected to settle the amounts due upon conversion entirely in cash. During 2015, we repurchased $60 million of aggregate principal amounts of the 2033E Notes and $3 million of aggregate principal amounts of the 2033F Notes, for cash.

Conversion Rights: Holders may convert their 2033 Notes under the following circumstances: (1) if the 2033 Notes are called for redemption; (2) during any calendar quarter if the closing price of our common stock for at least 20 trading days in the 30 consecutive trading days ending on the last trading day of the preceding calendar quarter is more than 130% of the conversion price of the 2033 Notes (approximately $14.21 per share); (3) if the trading price of the 2033 Notes is less than 98% of the product of the closing price of our common stock and the conversion rate of the 2033 Notes during the periods specified in the indenture; (4) if specified distributions or corporate events occur, as set forth in the indenture for the 2033 Notes; or (5) at any time after November 15, 2032.

Upon conversion, we will pay cash equal to the lesser of the aggregate principal amount and the conversion value of the notes being converted and cash, shares of common stock or a combination of cash and shares of common stock, at our option, for any remaining conversion obligation. As a result, only the amounts payable in excess of the principal amounts upon conversion of the 2033 Notes are considered in diluted earnings per share under the treasury stock method.

Cash Redemption at Our Option: We may redeem for cash the 2033E Notes on or after February 20, 2018 and the 2033F Notes on or after February 20, 2020 at a price equal the principal amount plus accrued and unpaid interest.

Cash Repurchase at the Option of the Holder: We may be required by the holders of the 2033 Notes to repurchase for cash all or a portion of the 2033E Notes on February 15, 2018 and on February 15, 2023 and all or a portion of the 2033F Notes on February 15, 2020 and on February 15, 2023 at a price equal to the principal amount plus accrued and unpaid interest. Upon a change in control or a termination of trading, as defined in the indenture, holders of the 2033 Notes may require us to repurchase for cash all or a portion of their 2033 Notes at a price equal to the principal amount plus accrued and unpaid interest.

2043G Notes: On November 12, 2013, we issued $1.03 billion principal amount of the 2043G Notes in exchange for $440 million in aggregate principal amount of our 2027 Notes, 2031A Notes, and 2031B Notes. Each $1,000 of principal amount at maturity had an original issue price of $800. An amount equal to the difference between the original issue price and the principal amount at maturity will accrete in accordance with a schedule set forth in the indenture. The original principal amount of $820 million accretes up to $1.03 billion at maturity in 2043. The initial conversion rate for the 2043G Notes is 34.2936 shares of common stock per $1,000 principal amount at maturity, equivalent to an initial conversion price of approximately $29.16 per share of common stock. Interest is payable in May and November of each year.

Conversion Rights: Holders may convert their 2043G Notes under the following circumstances: (1) if the 2043G Notes are called for redemption; (2) during any calendar quarter if the closing price of our common stock for at least 20 trading days in the 30 consecutive trading days ending on the last trading day of the preceding calendar quarter is more than 130% of the conversion price of the 2043G Notes (approximately $37.91 per share); (3) if the trading price of the 2043G Notes is less than 98% of the product of the closing price of our common stock and the conversion rate of the 2043G Notes during the periods specified in the indenture; (4) if specified distributions or corporate events occur, as set forth in the indenture; or (5) at any time after August 15, 2043.

We have the option to pay cash, issue shares of common stock or any combination thereof, for the aggregate amount due upon conversion. It is our current intent to settle in cash the principal amount of the 2043G Notes upon conversion. As a result, the dilutive effect of the 2043G Notes in earnings per share is computed under the treasury stock method.

Cash Redemption at Our Option: Prior to November 20, 2018, we may redeem for cash the 2043G Notes if the volume weighted average price of our common stock has been at least 130% of the conversion price for at least 20 trading days during any 30 consecutive trading day period. The redemption price will equal the principal amount at maturity plus accrued and unpaid interest. On or after November 20, 2018, we may redeem for cash the 2043G Notes without regard to the closing price of our common stock at a price equal the accreted principal amount plus accrued and unpaid interest. If we redeem the 2043G Notes prior to November 20, 2018, we are required to pay in cash a make-whole premium as specified in the indenture.

Cash Repurchase at the Option of the Holder: Holders of the 2043G Notes may require us to repurchase for cash all or a portion of the 2043G Notes on November 15, 2028 at a price equal to the accreted principal amount of $917 million plus accrued and unpaid interest. Holders of the 2043G Notes may also require us to repurchase for cash all or a portion of their 2043G Notes at a price equal to the accreted principal amount plus accrued and unpaid interest upon a change in control or a termination of trading, as defined in the indenture.

Other Facilities

Revolving Credit Facilities: On February 12, 2015, we terminated our unused $255 million senior three-year revolving credit facility and entered into a senior five-year revolving credit facility. Under this credit facility, we can draw up to the lesser of $750 million or 80% of the net outstanding balance of certain trade receivables, as defined in the facility agreement. Any amounts drawn are collateralized by a security interest in such trade receivables. The credit facility contains customary covenants and conditions, including as a funding condition the absence of any event or circumstance that has a material adverse effect on certain of our operations, assets, prospects, business, or condition, and including negative covenants that limit or restrict our ability to create liens on, or dispose of, the collateral underlying the obligations under this facility. Interest is payable on any outstanding principal balance at a variable rate equal to the London Interbank Offered Rate ("LIBOR") plus an applicable margin ranging between 1.75% to 2.25%, depending upon the utilized portion of the facility. On April 16, 2015, we drew $75 million under this facility at an interest rate equal to 2.15% per annum. As of September 3, 2015, $75 million of principal was outstanding under this facility and $572 million was available for us to draw.

On December 2, 2014, we terminated our unused $153 million senior three-year revolving credit facility and entered into a senior five-year revolving credit facility, collateralized by a security interest in certain trade receivables and inventory. The new credit facility has an aggregate revolving commitment which is subject to certain adjustments, including an availability block that effectively limits the maximum amount we could draw to $540 million. Additionally, the maximum amount we could draw may decrease further if the value, as defined, of our trade receivables and inventory collateralizing the credit facility decreases below a specified threshold. The credit facility contains customary covenants and conditions, including as a funding condition the absence of any event or circumstance that has a material adverse effect on our business or financial condition. Generally, interest is payable on any outstanding principal balance at a variable rate not to exceed LIBOR plus an applicable margin ranging between 1.25% to 1.75%, depending upon the utilized portion of the facility. On April 16, 2015, we drew $50 million under this facility at an interest rate equal to 1.65% per annum. As of September 3, 2015, $50 million of principal was outstanding under this facility and $270 million was available for us to draw.

***Other Facilities*:** On April 14, 2015, our IMFT joint venture entered into a commitment letter and progress payment agreement to obtain up to $275 million of financing collateralized by semiconductor production equipment. The facility was terminated in September 2015 and not utilized.

On May 28, 2015, we entered into a term loan agreement to obtain financing collateralized by certain property, plant, and equipment. Subject to customary conditions, we can draw up to 6.90 billion New Taiwan dollars or an equivalent amount in U.S. dollars (approximately $213 million as of September 3, 2015). On June 18, 2015, we drew $40 million under this arrangement. Subsequent draws must occur by December 18, 2015. Amounts drawn will be made subject to a three-year loan, with equal quarterly principal payments beginning six months after the initial draw. Amounts drawn in New Taiwan dollars will accrue interest at a variable rate equal to the three-month Taipei Interbank Offered Rate ("TAIBOR") plus a margin not to exceed 2.0%. Amounts drawn in U.S. dollars will accrue interest at a variable rate equal to the three-month LIBOR plus a margin not to exceed 2.2%. As of September 3, 2015, the outstanding balance was $40 million.

On March 13, 2015, we borrowed $47 million under a two-year note, collateralized by certain property, plant, and equipment. The note is payable in equal quarterly installments, plus interest at a variable rate equal to the 90-day TAIBOR plus 1.65% per annum. As of September 3, 2015, the outstanding balance was $40 million.

During 2015, we repaid, prior to their scheduled maturities, an aggregate of $159 million to close certain other notes payable with a weighted-average annual interest rate of 2.44% and repaid, according to the scheduled payment terms, another note payable of $127 million, which amount represented the present value of monthly installment payments for the acquisition of an additional 9.9% interest in MMT.

Maturities of Notes Payable and Future Minimum Lease Payments

As of September 3, 2015, maturities of notes payable (including the MMJ Creditor Installment Payments) and future minimum lease payments under capital lease obligations were as follows:

	Notes Payable	Capital Lease Obligations
2016	$ 291	$ 349
2017	289	173
2018	504	131
2019	508	91
2020	702	32
2021 and thereafter	4,844	76
Unamortized discounts and interest, respectively	(589)	(60)
	$ 6,549	$ 792

Retrospective Application of a New Accounting Standard

Effective in the fourth quarter of 2015, we adopted ASU 2015-03 – *Simplifying the Presentation of Debt Issuance Costs.* ASU 2015-03 requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, as appropriate, consistent with debt discounts, as opposed to an asset. The new accounting standard required retrospective application; therefore, our financial statements and notes to these statements contained herein have been adjusted to reflect the impact of adopting this new accounting standard. The following table sets forth the financial statement line items affected by retrospective application of this new accounting standard:

As of August 28, 2014	Previously Reported	Effect of Adoption	Retrospectively Adjusted
Other noncurrent assets	$ 497	$ (82)	$ 415
Current debt	1,638	(20)	1,618
Long-term debt	4,955	(62)	4,893
Redeemable convertible debt	57	11	68
Additional capital	7,879	(11)	7,868

Commitments

As of September 3, 2015, we had commitments of approximately $1.62 billion for the acquisition of property, plant, and equipment. We lease certain facilities and equipment under operating leases. Total rental expense was $48 million, $57 million, and $41 million for 2015, 2014, and 2013, respectively. Minimum future operating lease commitments as of September 3, 2015 were as follows:

2016	$ 218
2017	296
2018	106
2019	15
2020	12
2021 and thereafter	35
	$ 682

Contingencies

We have accrued a liability and charged operations for the estimated costs of adjudication or settlement of various asserted and unasserted claims existing as of the applicable balance sheet dates, including those described below. We are currently a party to other legal actions arising from the normal course of business, none of which is expected to have a material adverse effect on our business, results of operations, or financial condition.

Patent Matters

As is typical in the semiconductor and other high technology industries, from time to time others have asserted, and may in the future assert, that our products or manufacturing processes infringe their intellectual property rights.

On November 21, 2014, Elm 3DS Innovations, LLC ("Elm") filed a patent infringement action against Micron, Micron Semiconductor Products, Inc., and Micron Consumer Products Group, Inc. in the U.S. District Court for the District of Delaware. On March 27, 2015, Elm filed an amended complaint against the same entities. The amended complaint alleges that unspecified semiconductor products of ours that incorporate multiple stacked die infringe thirteen U.S. patents and seeks damages, attorneys' fees, and costs.

On December 15, 2014, Innovative Memory Solutions, Inc. filed a patent infringement action against us in the U.S. District Court for the District of Delaware. The complaint alleges that a variety of our NAND Flash products infringe eight U.S. patents and seeks damages, attorneys' fees, and costs.

Among other things, the above lawsuits pertain to certain of our DDR DRAM, DDR2 DRAM, DDR3 DRAM, DDR4 DRAM, SDR SDRAM, PSRAM, RLDRAM, LPDRAM, NAND Flash, and certain other memory products we manufacture, which account for a significant portion of our net sales.

We are unable to predict the outcome of assertions of infringement made against us and therefore cannot estimate the range of possible loss. A determination that our products or manufacturing processes infringe the intellectual property rights of others or entering into a license agreement covering such intellectual property could result in significant liability and/or require us to make material changes to our products and/or manufacturing processes. Any of the foregoing could have a material adverse effect on our business, results of operations, or financial condition.

Qimonda

On January 20, 2011, Dr. Michael Jaffé, administrator for Qimonda insolvency proceedings, filed suit against Micron and Micron Semiconductor B.V., our Netherlands subsidiary ("Micron B.V."), in the District Court of Munich, Civil Chamber. The complaint seeks to void under Section 133 of the German Insolvency Act a share purchase agreement between Micron B.V. and Qimonda signed in fall 2008 pursuant to which Micron B.V. purchased substantially all of Qimonda's shares of Inotera Memories, Inc. (the "Inotera Shares"), representing approximately 55% of our total shares in Inotera as of September 3, 2015, and seeks an order requiring us to re-transfer those shares to the Qimonda estate. The complaint also seeks, among other things, to recover damages for the alleged value of the joint venture relationship with Inotera and to terminate under Sections 103 or 133 of the German Insolvency Code a patent cross-license between us and Qimonda entered into at the same time as the share purchase agreement.

Following a series of hearings with pleadings, arguments and witnesses on behalf of the Qimonda estate, on March 13, 2014, the Court issued judgments: (1) ordering Micron B.V. to pay approximately $1 million in respect of certain Inotera shares sold in connection with the original share purchase; (2) ordering Micron B.V. to disclose certain information with respect to any Inotera Shares sold by it to third parties; (3) ordering Micron B.V. to disclose the benefits derived by it from ownership of the Inotera Shares, including in particular, any profits distributed on such shares and all other benefits; (4) denying Qimonda's claims against Micron for any damages relating to the joint venture relationship with Inotera; and (5) determining that Qimonda's obligations under the patent cross-license agreement are canceled. In addition, the Court issued interlocutory judgments ordering, among other things: (1) that Micron B.V. transfer to the Qimonda estate the Inotera Shares still owned by it and pay to the Qimonda estate compensation in an amount to be specified for any Inotera Shares sold to third parties; and (2) that Micron B.V. pay the Qimonda estate as compensation an amount to be specified for benefits derived by it from ownership of the Inotera Shares. The interlocutory judgments have no immediate, enforceable effect on us, and, accordingly, we expect to be able to continue to operate with full control of the Inotera Shares subject to further developments in the case. We have filed a notice of appeal, and the parties have submitted briefs to the appeals court. The next hearing on the matter has not yet been scheduled.

We are unable to predict the outcome of the matter and therefore cannot estimate the range of possible loss. The final resolution of this lawsuit could result in the loss of the Inotera Shares or monetary damages, unspecified damages based on the benefits derived by Micron B.V. from the ownership of the Inotera Shares, and/or the termination of the patent cross-license, which could have a material adverse effect on our business, results of operation, or financial condition. As of September 3, 2015, the Inotera Shares had a carrying value in equity method investments for purposes of our financial reporting of $683 million and a market value of $846 million.

Other

In the normal course of business, we are a party to a variety of agreements pursuant to which we may be obligated to indemnify the other party. It is not possible to predict the maximum potential amount of future payments under these types of agreements due to the conditional nature of our obligations and the unique facts and circumstances involved in each particular agreement. Historically, our payments under these types of agreements have not had a material adverse effect on our business, results of operations, or financial condition.

Redeemable Convertible Notes

Under the terms of the indentures governing the 2033 Notes, upon conversion, we would be required to pay cash equal to the lesser amount of (1) the aggregate principal amount or (2) the conversion value of the notes being converted. To the extent the conversion value exceeds the principal amount, we could pay cash, shares of common stock, or a combination thereof, at our option, for the amount of such excess. The 2033 Notes were convertible at the option of the holders as of September 3, 2015 and August 28, 2014. Therefore, the 2033 Notes were classified as current debt and the aggregate difference between the principal amount and the carrying value of $49 million as of September 3, 2015 and $68 million as of August 28, 2014 was classified as redeemable convertible notes in the accompanying consolidated balance sheets. (See "Debt" note.)

Equity

Micron Shareholders' Equity

Common Stock Repurchases: Since the first quarter of 2015, our Board of Directors has authorized the repurchase of up to $1.25 billion of our outstanding common stock, $250 million of which was authorized in the first quarter of 2016. Any repurchases under the authorization may be made in open market purchases, block trades, privately-negotiated transactions, and/or derivative transactions. Repurchases are subject to market conditions and our ongoing determination of the best use of available cash. During 2015, we repurchased 42 million shares for $831 million (including commissions) through open market transactions, which were recorded as treasury stock.

Capped Calls

Issued and Outstanding Capped Calls: We have entered into capped calls, which are intended to reduce the effect of potential dilution from our convertible notes. The capped calls provide for our receipt of cash or shares, at our election, from our counterparties if the trading price of our stock is above a specified initial strike price at the expiration dates. The amounts receivable varies based on the trading price of our stock, up to specified cap prices. The dollar value of the cash or shares that we would receive from the capped calls upon their expiration date ranges from $0 if the trading price of our stock is below the initial strike price for all of the capped calls to $814 million if the trading price of our stock is at or above the cap price for all of the capped calls. We paid $57 million in 2011 to purchase the 2031 Capped Calls, $103 million in 2012 to purchase the 2032 Capped Calls and $48 million in 2013 to purchase the 2033 Capped Calls. The amounts paid were recorded as charges to additional capital.

The following table presents information related to the issued and outstanding capped calls as of September 3, 2015:

Capped Calls	Expiration Dates	Strike Price	Cap Price Range		Underlying Common Shares	Value at Expiration[1]	
			Low	High		Minimum	Maximum
2031	Jan 2016 – Feb 2016	$ 9.50	$ 13.17	$ 13.17	18	$ —	$ 67
2032C	May 2016 – Nov 2017	9.80	14.26	15.69	56	—	307
2032D	Nov 2016 – May 2018	10.16	14.62	16.04	44	—	244
2033E	Jan 2018 – Feb 2018	10.93	14.51	14.51	27	—	98
2033F	Jan 2020 – Feb 2020	10.93	14.51	14.51	27	—	98
					172	$ —	$ 814

(1) *Settlement in cash on the respective expiration dates would result in us receiving an amount ranging from zero, if the market price per share of our common stock is at or below the low strike price, to the maximum amount if the market price per share of our common stock is at or above the high cap price. If share settlement were elected, the number of shares received would be determined by the value of the capped calls at the time of settlement divided by the share price on the settlement date. Settlement of the capped calls prior to the expiration dates may be for an amount less than the maximum value at expiration.*

Expiration and Unwind of Capped Calls: A portion of our 2031 Capped Calls expired in the fourth quarter of 2015. We elected share settlement and received 3 million shares of our stock, equivalent to approximately $50 million based on the trading stock price at the time of expiration, which were recorded as treasury stock. In May 2014, we and the counterparties agreed to terminate and unwind a portion of our 2031 Capped Calls. We elected share settlement and received 3 million shares of our stock, equivalent to approximately $86 million based on the trading stock price at the time of the unwind. The shares received in May 2014 were retired from treasury stock in 2014.

Accumulated Other Comprehensive Income (Loss): Changes in accumulated other comprehensive income (loss) by component for the year ended September 3, 2015, were as follows:

	Cumulative Foreign Currency Translation Adjustments	Gains (Losses) on Derivative Instruments, Net	Gains (Losses) on Investments, Net	Pension Liability Adjustments	Total
Balance as of August 28, 2014	$ 42	$ 12	$ 1	$ 1	$ 56
Other comprehensive income (loss) before reclassifications	(42)	(11)	(2)	33	(22)
Amount reclassified out of accumulated other comprehensive income	—	(6)	(2)	(2)	(10)
Tax effects	—	—	—	(11)	(11)
Other comprehensive income (loss)	(42)	(17)	(4)	20	(43)
Balance as of September 3, 2015	$ —	$ (5)	$ (3)	$ 21	$ 13

Noncontrolling Interests in Subsidiaries

As of	2015		2014	
	Noncontrolling Interest Balance	Noncontrolling Interest Percentage	Noncontrolling Interest Balance	Noncontrolling Interest Percentage
IMFT[1]	$ 829	49%	$ 693	49%
MP Mask[1]	93	50%	93	50%
Other	15	Various	16	Various
	$ 937		$ 802	

(1) *Entity is a variable interest entity.*

IMFT: Since inception in 2006, we have owned 51% of IMFT, a joint venture between us and Intel to manufacture NAND Flash and 3D XPoint memory products for the exclusive use of the members. IMFT is governed by a Board of Managers, for which the number of managers appointed by each member varies based on the members' respective ownership interests. The IMFT joint venture agreement extends through 2024 and includes certain buy-sell rights. Commencing in January 2015, Intel can put to us, and commencing in January 2018, we can call from Intel, Intel's interest in IMFT, in either case, for an amount equal to the noncontrolling interest balance attributable to Intel at that time. If Intel elects to sell to us, we can elect to set the closing date of the transaction to be any time within two years following such election by Intel and can elect to receive financing of the purchase price from Intel for one to two years from the closing date.

IMFT manufactures memory products using designs and technology we develop with Intel. We generally share with Intel the costs of product design and process development activities for NAND Flash memory and 3D XPoint memory. Our R&D expenses were reduced by reimbursements from Intel of $224 million, $137 million, and $127 million for 2015, 2014, and 2013, respectively.

We sell a portion of our products to Intel through our IMFT joint venture at long-term negotiated prices approximating cost. Sales of products to Intel under this arrangement were $420 million, $423 million, and $387 million for 2015, 2014, and 2013, respectively. Receivables from Intel as of September 3, 2015 and August 28, 2014, were $67 million and $66 million, respectively, for these sales.

The following table presents the assets and liabilities of IMFT included in our consolidated balance sheets:

As of	2015	2014
Assets		
Cash and equivalents	$ 134	$ 84
Receivables	79	73
Inventories	65	48
Other current assets	7	5
Total current assets	285	210
Property, plant and equipment, net	1,768	1,545
Other noncurrent assets	49	47
Total assets	$ 2,102	$ 1,802
Liabilities		
Accounts payable and accrued expenses	$ 182	$ 106
Deferred income	9	8
Current debt	22	21
Total current liabilities	213	135
Long-term debt	49	71
Other noncurrent liabilities	100	110
Total liabilities	$ 362	$ 316

Amounts exclude intercompany balances that were eliminated in our consolidated balance sheets.

Creditors of IMFT have recourse only to IMFT's assets and do not have recourse to any other of our assets.

The following table presents IMFT's distributions to and contributions from its shareholders:

For the year ended	2015	2014	2013
IMFT distributions to Micron	$ 6	$ 10	$ 38
IMFT distributions to Intel	6	10	37
Micron contributions to IMFT	148	106	12
Intel contributions to IMFT	142	102	11

MP Mask: In 2006, we formed a joint venture with Photronics to produce photomasks for leading-edge and advanced next generation semiconductors. On March 24, 2015, we notified Photronics of our election to terminate MP Mask effective in May 2016. Upon termination, we have the right to acquire Photronics' interest in MP Mask for an amount equal to the noncontrolling interest balance. Since its inception, we and Photronics have each owned approximately 50% of MP Mask. We purchase a substantial majority of the photomasks produced by MP Mask pursuant to a supply arrangement.

The assets and liabilities of MP Mask included in our consolidated balance sheets were as follows:

As of	2015	2014
Current assets	$ 21	$ 24
Noncurrent assets (primarily property, plant and equipment)	180	203
Current liabilities	21	28
Noncurrent liabilities	—	14

Amounts exclude intercompany balances that were eliminated in our consolidated balance sheets.

Creditors of MP Mask have recourse only to MP Mask's assets and do not have recourse to any other of our assets.

MMT: As of August 29, 2013, noncontrolling interests in MMT were 11%. In 2014, we purchased additional interests in MMT for an aggregate of $146 million, and as of August 28, 2014, noncontrolling interests in MMT were less than 1%. Substantially all of the MMT shares purchased in 2014 were financed with a short-term loan from a seller. As a result of the purchases of MMT shares in 2014, in aggregate, noncontrolling interests decreased by $180 million and additional capital increased by $34 million.

Restrictions on Net Assets

As a result of the reorganization proceedings of the MMJ Companies initiated on March 23, 2012, and for so long as such proceedings continue, the MMJ Group is subject to certain restrictions on dividends, loans, and advances. In addition, our ability to access IMFT's cash and other assets through dividends, loans, or advances, including to finance our other operations, is subject to agreement by Intel. As a result, our total restricted net assets (net assets less intercompany balances and noncontrolling interests) as of September 3, 2015 were $3.35 billion for the MMJ Group and $911 million for IMFT, which included cash and equivalents of $748 million for the MMJ Group and $134 million for IMFT. (See "Micron Memory Japan, Inc." note and "IMFT" above.)

As of September 3, 2015, our retained earnings included undistributed earnings from our equity method investees of $232 million.

Fair Value Measurements

Accounting standards establish three levels of inputs that may be used to measure fair value: quoted prices in active markets for identical assets or liabilities (referred to as Level 1), inputs other than Level 1 that are observable for the asset or liability either directly or indirectly (referred to as Level 2), and unobservable inputs to the valuation methodology that are significant to the measurement of fair value of assets or liabilities (referred to as Level 3).

All of our marketable debt and equity investments (excluding equity method investments) were classified as available-for-sale and carried at fair value. In addition to the fair value measurements disclosed in the "Cash and Investments" note, as of September 3, 2015 and August 28, 2014, we had certificates of deposit classified as restricted cash (included in other noncurrent assets) of $45 million and $27 million, respectively, valued using Level 2 fair value measurements.

In connection with our repurchases of debt in 2015, 2014, and 2013, we determined the fair value of the debt components of our convertible notes as if they were stand-alone instruments, using interest rates for similar nonconvertible debt issued by entities with credit ratings comparable to ours (Level 2).

Amounts reported as cash and equivalents, receivables, and accounts payable and accrued expenses approximate fair value. The estimated fair value and carrying value of debt instruments (carrying value excludes the equity and mezzanine equity components of our convertible notes) were as follows:

As of	2015		2014	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Notes and MMJ creditor installment payments	$ 5,020	$ 5,077	$ 3,634	$ 3,483
Convertible notes	2,508	1,472	5,886	2,117

The fair values of our convertible notes were determined based on inputs that were observable in the market or that could be derived from, or corroborated with, observable market data, including the trading price of our convertible notes when available, our stock price, and interest rates based on similar debt issued by parties with credit ratings similar to ours (Level 2). The fair value of our other debt instruments was estimated based on discounted cash flows using inputs that were observable in the market or that could be derived from, or corroborated with, observable market data, including the trading price of our notes, when available, and interest rates based on similar debt issued by parties with credit ratings similar to ours (Level 2).

In connection with our restructure and asset impairment charges in 2014 and 2013, the fair value of our 200mm wafer fabrication equipment in Kiryat Gat, Israel was determined primarily based on the expected proceeds from the sale and the fair value of a supply agreement to manufacture NOR flash memory at the facility (Level 3). The fair values of our MIT assets and our Light-emitting Diode ("LED") production assets were based on quotations obtained from equipment dealers, which consider the remaining useful life and configuration of the equipment (Level 3). (See "Restructure and Asset Impairments" note.)

Derivative Instruments

We use derivative instruments to manage a portion of our exposure to changes in currency exchange rates from our monetary assets and liabilities denominated in currencies other than the U.S. dollar. We have also had convertible note settlement obligations which were accounted for as derivative instruments as a result of our elections to settle conversions in cash. We do not use derivative instruments for speculative purpose.

Derivative Instruments without Hedge Accounting Designation

Currency Derivatives: We use derivative instruments to manage a portion of our exposure to changes in currency exchange rates from our monetary assets and liabilities. Our primary objective for entering into currency derivatives is to reduce the volatility that changes in currency exchange rates have on our earnings.

To hedge our exposures to monetary assets and liabilities, we generally utilize a rolling hedge strategy with currency forward contracts that mature within 35 days. At the end of each reporting period, monetary assets and liabilities denominated in currencies other than the U.S. dollar are remeasured in U.S. dollars and the associated outstanding forward contracts are marked-to-market. Currency forward contracts are valued at fair values based on the middle of bid and ask prices of dealers or exchange quotations (Level 2 fair value measurements). In connection with the currency exchange rate risk associated with the MMJ Acquisition in July 2013, we entered into currency exchange transactions (the "MMJ Acquisition Hedges"). The MMJ Acquisition Hedges were not designated for hedge accounting and were remeasured at fair value each period. We recorded losses from the MMJ Acquisition Hedges of $228 million in 2013. To mitigate the risk of the yen strengthening against the U.S. dollar on the MMJ creditor installment payments due in December 2014 and December 2015, we entered into forward contracts to purchase 20 billion yen on November 28, 2014 and 10 billion yen on November 27, 2015. In the first quarter of 2015, we paid $33 million to settle the 20 billion yen forward contracts.

Realized and unrealized gains and losses on currency derivatives without hedge accounting designation as well as the change in the underlying monetary assets and liabilities due to changes in currency exchange rates are included in other non-operating income (expense), net.

Convertible Notes Settlement Obligations: During 2015, holders elected to convert a portion of our 2033E Notes. In 2014, holders elected to convert substantially all of our remaining 2014 Notes, 2027 Notes, 2031A Notes, and 2031B Notes. As a result of our elections to settle the amounts due upon conversion in cash, each of the settlement obligations became derivative debt liabilities subject to mark-to-market accounting treatment for a period of approximately 30 days, beginning on the dates we notified the holder of our intention to settle the obligation in cash through the settlement dates. The fair values of the underlying derivative settlement obligations were initially determined using the Black-Scholes option valuation model (Level 2 fair value measurements). The Black-Scholes model requires the input of assumptions, including the stock price, expected stock-price volatility, estimated option life, risk-free interest rate, and dividend rate. The subsequent measurements and final settlement amounts of our convertible note settlement obligations were based on the volume-weighted average stock price (Level 2 fair value measurements). Changes in fair values of the derivative settlement obligations were included in other non-operating income (expense), net.

Total notional amounts and gross fair values for derivative instruments without hedge accounting designation were as follows:

		Fair Value of		
	Notional Amount[1]	Current Assets[2]	Current Liabilities[3]	Noncurrent Liabilities[4]
As of September 3, 2015				
Currency forward contracts:				
Yen	$ 928	$ —	$ (24)	$ —
Singapore dollar	282	—	—	—
New Taiwan dollar	89	—	—	—
Yuan	32	1	—	—
Euro	29	—	—	—
Shekel	27	—	—	—
British Pound	19	—	—	—
	$ 1,406	$ 1	$ (24)	$ —
As of August 28, 2014				
Currency forward contracts:				
Yen	$ 554	$ —	$ (12)	$ (6)
Singapore dollar	330	—	—	—
Euro	245	—	(1)	—
Shekel	62	—	(1)	—
	$ 1,191			
Convertible notes settlement obligations	12	—	(389)	—
		$ —	$ (403)	$ (6)

[1] *Notional amounts of forward contracts in U.S. dollars and convertible notes settlement obligations in shares.*
[2] *Included in receivables – other.*
[3] *Included in accounts payable and accrued expenses – other for forward contracts and in current debt for convertible notes settlement obligations.*
[4] *Included in other noncurrent liabilities.*

Net gains (losses) for derivative instruments without hedge accounting designation were included in other non-operating income (expense), net as follows:

For the year ended	2015	2014	2013
Foreign exchange contracts	$ (64)	$ (27)	$ (222)
Convertible notes settlement obligations	7	(59)	—

Derivative Instruments with Cash Flow Hedge Accounting Designation

Currency Derivatives: We utilize currency forward contracts that generally mature within 12 months to hedge our exposure to changes in cash flows from changes in currency exchange rates for certain capital expenditures. Currency forward contracts are measured at fair value based on market-based observable inputs including currency exchange spot and forward rates, interest rate, and credit risk spread (Level 2 fair value measurements).

For derivative instruments designated as cash flow hedges, the effective portion of the realized and unrealized gain or loss on the derivatives is included as a component of accumulated other comprehensive income (loss). Amounts in accumulated other comprehensive income (loss) are reclassified into earnings in the same line items of the consolidated statements of operations and in the same periods in which the underlying transactions affect earnings. The ineffective or excluded portion of the realized and unrealized gain or loss is included in other non-operating income (expense), net. Total notional amounts and gross fair values for derivative instruments with cash flow hedge accounting designation were as follows:

	Notional Amount (in U.S. Dollars)	Fair Value of	
		Current Assets[1]	Current Liabilities[2]
As of September 3, 2015			
Yen	$ 81	$ 3	$ —
Euro	12	—	—
	$ 93	$ 3	$ —
As of August 28, 2014			
Yen	$ 94	$ —	$ (2)
Euro	24	—	—
	$ 118	$ —	$ (2)

(1) *Included in receivables – other.*

(2) *Included in accounts payable and accrued expenses – other.*

For 2015, 2014, and 2013, we recognized losses of $10 million, $4 million, and $8 million, respectively, in accumulated other comprehensive income (loss) from the effective portion of cash flow hedges. The ineffective and excluded portions of cash flow hedges recognized in other non-operating income (expense) were not significant in 2015, 2014, or 2013. For 2015, 2014, and 2013, we reclassified gains of $6 million, $4 million, and $1 million, respectively, from accumulated other comprehensive income (loss) to earnings. As of September 3, 2015, $3 million of net gains from cash flow hedges included in accumulated other comprehensive income (loss) is expected to be reclassified into earnings in the next 12 months.

Derivative Counterparty Credit Risk and Master Netting Arrangements

Our derivative instruments expose us to credit risk to the extent counterparties may be unable to meet the terms of the contracts. Our maximum exposure to loss due to credit risk if counterparties fail completely to perform according to the terms of the contracts would generally equal the fair value of assets for these contracts as listed in the tables above. We seek to mitigate such risk by limiting our counterparties to major financial institutions and by spreading risk across multiple financial institutions.

We enter into master netting arrangements with our counterparties to mitigate credit risk in derivative hedge transactions. These master netting arrangements allow us and our counterparties to net settle amounts owed to each other. Derivative assets and liabilities that can be net settled with each counterparty under these arrangements have been presented in our consolidated balance sheets on a net basis. As of September 3, 2015 and August 28, 2014, amounts netted were not significant.

Equity Plans

As of September 3, 2015, our equity plans permit us to issue an aggregate of up to 170 million shares of common stock, of which 112 million shares were available for future awards. Awards are subject to terms and conditions as determined by our Board of Directors.

Stock Options

Our stock options are generally exercisable in increments of either one-fourth or one-third per year beginning one year from the date of grant. Stock options issued after February 2014 generally expire eight years from the date of grant. Options issued prior to February 2014 generally expire six years from the date of grant.

Option activity for 2015 is summarized as follows:

	Number of Shares	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Contractual Life (In Years)	Aggregate Intrinsic Value
Outstanding at August 28, 2014	48	$ 10.57		
Granted	8	34.45		
Exercised	(10)	7.35		
Canceled or expired	(2)	15.93		
Outstanding at September 3, 2015	44	15.33	3.8	$ 256
Exercisable at September 3, 2015	18	$ 9.33	2.4	$ 145
Expected to vest after September 3, 2015	25	19.11	4.7	109

The total intrinsic value was $229 million, $421 million, and $103 million for options exercised during 2015, 2014, and 2013, respectively.

Stock options granted and assumptions used in the Black-Scholes option valuation model were as follows:

For the year ended	2015	2014	2013
Stock options granted	8	12	18
Weighted-average grant-date fair value per share	$ 14.79	$ 9.64	$ 3.34
Average expected life in years	5.6	4.9	5.1
Weighted-average expected volatility	45%	48%	59%
Weighted-average risk-free interest rate	1.7%	1.6%	0.7%

The expected volatilities utilized were based on implied volatilities from traded options on our stock and on our historical volatility. The expected lives of options granted were based, in part, on historical experience and on the terms and conditions of the options. The risk-free interest rates utilized were based on the U.S. Treasury yield in effect at each grant date. No dividends were assumed in estimated option values.

Restricted Stock and Restricted Stock Units ("Restricted Stock Awards")

As of September 3, 2015, there were 14 million shares of Restricted Stock Awards outstanding, of which 1 million were performance-based or market-based Restricted Stock Awards. For service-based Restricted Stock Awards, restrictions generally lapse in one-fourth increments during each year of employment after the grant date. Vesting for performance-based awards is contingent upon meeting a specified return on assets ("ROA"), as defined, over a three-year performance period and vesting for market-based Restricted Stock Awards is contingent upon achieving total shareholder return ("TSR") relative to the companies included in the S&P 500 over a three-year performance period. At the end of the performance period, the number of actual shares to be awarded varies between 0% and 200% of target amounts, depending upon the achievement level of the specified ROA or TSR. Restricted Stock Awards activity for 2015 is summarized as follows:

	Number of Shares	Weighted-Average Grant Date Fair Value Per Share
Outstanding at August 28, 2014	13	$ 15.08
Granted	7	32.60
Restrictions lapsed	(5)	13.48
Canceled	(1)	19.81
Outstanding at September 3, 2015	14	23.88
Expected to vest after September 3, 2015	13	$ 23.78

For the year ended	2015	2014	2013
Restricted stock awards granted	7	7	7
Weighted-average grant-date fair values per share	$ 32.60	$ 21.88	$ 6.23
Aggregate fair values at vesting date	155	115	17

Stock-based Compensation Expense

For the year ended	2015	2014	2013
Stock-based compensation expense by caption:			
Cost of goods sold	$ 65	$ 39	$ 27
Selling, general and administrative	60	50	45
Research and development	42	25	18
Other	1	1	1
	$ 168	$ 115	$ 91
Stock-based compensation expense by type of award:			
Stock options	$ 81	$ 61	$ 57
Restricted stock awards	87	54	34
	$ 168	$ 115	$ 91

Stock-based compensation expense of $9 million and $9 million was capitalized and remained in inventory as of September 3, 2015 and August 28, 2014, respectively. As of September 3, 2015, $384 million of total unrecognized compensation costs for unvested awards, net of estimated forfeitures, was expected to be recognized through the fourth quarter of 2019, resulting in a weighted-average period of 1.3 years. Stock-based compensation expense in the above presentation does not reflect any significant income tax benefits, which is consistent with our treatment of income or loss from our U.S. operations.

Employee Benefit Plans

We have employee retirement plans at our U.S. and international sites. Details of the more significant plans are discussed as follows:

Employee Savings Plan for U.S. Employees

We have 401(k) retirement plans under which U.S. employees may contribute up to 75% of their eligible pay (subject to IRS annual contribution limits) to various savings alternatives, none of which include direct investment in our stock. We match in cash eligible contributions from employees up to 5% of the employee's annual eligible earnings. Contribution expense for the 401(k) plans was $55 million, $44 million, and $41 million in 2015, 2014, and 2013, respectively.

Retirement Plans

We have pension plans in various countries. The pension plans are only available to local employees and are generally government mandated. As of September 3, 2015, the projected benefit obligations of our plans was $132 million and plan assets were $105 million. As of August 28, 2014, the projected benefit obligations of our plans was $164 million and plan assets were $90 million. Pension expense was not significant for 2015, 2014, or 2013.

Restructure and Asset Impairments

For the year ended	2015	2014	2013
Loss on impairment of LED assets	$ 1	$ (6)	$ 33
Loss on impairment of MIT assets	—	(5)	62
Gain on termination of lease to Transform	—	—	(25)
Loss on restructure of ST Consortium agreement	—	—	26
Other	2	51	30
	$ 3	$ 40	$ 126

In order to optimize operations, improve efficiency, and increase our focus on our core memory operations, we have entered into various restructure activities. For 2014, our MBU and EBU operating segments recorded restructure and asset impairment charges of $21 million and $20 million, respectively. For 2013, restructure and asset impairment charges of $20 million, $14 million, $12 million, and $12 million were recognized by our SBU, EBU, MBU, and CNBU operating segments, respectively. The remaining restructure and asset impairment charges were recognized by our other segments that do not meet the thresholds of a reportable segment. As of September 3, 2015, we do not anticipate incurring any significant additional costs for these restructure activities.

For 2014 and 2013, other restructure included charges associated with workforce optimization activities and with our efforts to wind down our 200mm operations primarily in Agrate, Italy and Kiryat Gat, Israel.

For 2013, we also recognized charges of $33 million primarily to impair certain production assets used in the development of LED technology, $62 million to impair the assets of MIT, a wholly-owned subsidiary, to their estimated fair values in connection with the sale of MIT to LFoundry, and $26 million in connection with the restructure of a consortium agreement with ST, whereby certain assets and approximately 500 employees from our Agrate, Italy fabrication facility were transferred to ST. For 2013, we also recognized a gain of $25 million related to the termination of a lease with Transform Solar Pty Ltd. ("Transform"), an equity method investee, to a portion of our manufacturing facilities in Boise, Idaho.

Other Operating (Income) Expense, Net

For the year ended	2015	2014	2013
(Gain) loss on disposition of property, plant and equipment	$ (17)	$ 10	$ (3)
Rambus settlement	—	233	—
Other	(28)	(11)	(5)
	$ (45)	$ 232	$ (8)

In December 2013, we settled all pending litigation between us and Rambus, Inc., including all antitrust and patent matters. We also entered into a seven-year term patent cross-license agreement with Rambus, Inc. that allows us to avoid costs of patent-related litigation during the term. The primary benefits we received from these arrangements were (1) the settlement and termination of all existing litigation, (2) the avoidance of future litigation expenses and (3) the avoidance of future management and customer disruptions. As a result, other operating expense for 2014 included a $233 million charge to accrue a liability, which reflects the discounted value of amounts due under this arrangement.

Other Non-Operating Income (Expense), Net

For the year ended	2015	2014	2013
Loss on restructure of debt	$ (49)	$ (184)	$ (31)
Gain (loss) from changes in currency exchange rates	(27)	(28)	(229)
Gain from disposition of interest in Aptina	1	119	—
Gain from issuance of Inotera shares	—	93	48
Other	22	8	(6)
	$ (53)	$ 8	$ (218)

Income Taxes

For the year ended	2015	2014	2013
Income before income taxes, net income attributable to noncontrolling interests and equity in net income (loss) of equity method investees:			
Foreign	$ 2,431	$ 2,619	$ 839
U.S.	178	114	446
	$ 2,609	$ 2,733	$ 1,285
Income tax (provision) benefit:			
Current:			
Foreign	$ (93)	$ (46)	$ (17)
State	(1)	(2)	—
U.S. federal	6	(3)	—
	(88)	(51)	(17)
Deferred:			
Foreign	(85)	(81)	9
U.S. federal	15	4	—
State	1	—	—
	(69)	(77)	9
Income tax (provision) benefit	$ (157)	$ (128)	$ (8)

Income tax (provision) benefit computed using the U.S. federal statutory rate reconciled to income tax (provision) benefit was as follows:

For the year ended	2015	2014	2013
U.S. federal income tax (provision) benefit at statutory rate	$ (913)	$ (956)	$ (450)
Change in unrecognized tax benefits	(118)	(152)	2
Foreign tax rate differential	515	474	339
Change in valuation allowance	260	544	(418)
Noncontrolling investment transactions	57	—	—
Tax credits	53	11	36
State taxes, net of federal benefit	19	(39)	6
Gain on MMJ Acquisition	—	(11)	520
Transaction costs related to the MMJ Acquisition	—	—	(38)
Other	(30)	1	(5)
Income tax (provision) benefit	$ (157)	$ (128)	$ (8)

We operate in tax jurisdictions, including Singapore and Taiwan, where our earnings are indefinitely reinvested and are taxed at lower effective tax rates than the U.S. statutory rate. We operate in a number of locations outside the U.S., including Singapore and, to a lesser extent, Taiwan, where we have tax incentive agreements that are, in part, conditional upon meeting certain business operations and employment thresholds. The effect of tax incentive arrangements, which expire in whole or in part at various dates through 2030, reduced our tax provision for 2015, 2014, and 2013 by $338 million (benefitting our diluted earnings per share by $0.29), $286 million ($0.24 per diluted share), and $141 million ($0.13 per diluted share), respectively.

Deferred income taxes reflect the net tax effects of temporary differences between the bases of assets and liabilities for financial reporting and income tax purposes as well as carryforwards. Deferred tax assets and liabilities consist of the following:

As of	2015	2014
Deferred tax assets:		
Net operating loss and tax credit carryforwards	$ 2,869	$ 3,162
Accrued salaries, wages and benefits	143	152
Other accrued liabilities	97	113
Property, plant and equipment	—	284
Other	86	104
Gross deferred tax assets	3,195	3,815
Less valuation allowance	(2,051)	(2,443)
Deferred tax assets, net of valuation allowance	1,144	1,372
Deferred tax liabilities:		
Debt discount	(207)	(291)
Unremitted earnings on certain subsidiaries	(162)	(115)
Product and process technology	(43)	(29)
Other	(57)	(67)
Deferred tax liabilities	(469)	(502)
Net deferred tax assets	$ 675	$ 870
Reported as:		
Current deferred tax assets (included in other current assets)	$ 104	$ 228
Noncurrent deferred tax assets	597	816
Current deferred tax liabilities (included in accounts payable and accrued expenses)	(4)	(4)
Noncurrent deferred tax liabilities (included in other noncurrent liabilities)	(22)	(170)
Net deferred tax assets	$ 675	$ 870

As of September 3, 2015, we had a valuation allowance of $1.16 billion against substantially all U.S. net deferred tax assets, primarily related to net operating loss carryforwards. The valuation allowance is based on our assessment of the deferred tax assets that are more likely than not to be realized. As of September 3, 2015, we had partial valuation allowances of $710 million for Japan and $177 million for our other foreign subsidiaries against net deferred tax assets, primarily related to net operating loss carryforwards. As of September 3, 2015, we had $3.81 billion of net operating loss carryforwards in Japan of which $2.19 billion is subject to a valuation allowance. Our valuation allowance decreased $392 million in 2015 primarily due to the utilization of U.S. and foreign net operating losses as well as adjustments based on management's assessment of the amount of foreign net operating losses that are more likely than not to be realized.

We have a full valuation allowance for our net deferred tax asset associated with our U.S. operations. Management continues to evaluate future projected financial performance to determine whether such performance is sufficient evidence to support a reduction in or reversal of the valuation allowances. The amount of the deferred tax asset considered realizable could be adjusted if significant positive evidence increases. Income taxes on U.S. operations for 2015 and 2014 were substantially offset by changes in the valuation allowance.

As of September 3, 2015, our federal, state, and foreign net operating loss carryforward amounts and expiration periods as reported to tax authorities, were as follows:

Year of Expiration	U.S. Federal	State	Japan	Other Foreign	Total
2016 - 2020	$ —	$ 103	$ 1,311	$ 1,011	$ 2,425
2021 - 2025	—	265	2,499	294	3,058
2026 - 2030	2,022	1,028	—	—	3,050
2031 - 2035	1,999	652	—	—	2,651
Indefinite	—	—	—	30	30
	$ 4,021	$ 2,048	$ 3,810	$ 1,335	$ 11,214

As of September 3, 2015, our federal and state tax credit carryforward amounts and expiration periods as reported to tax authorities, were as follows:

Year of Tax Credit Expiration	Federal	State	Total
2016 - 2020	$ 20	$ 65	$ 85
2021 - 2025	99	43	142
2026 - 2030	65	61	126
2031 - 2035	119	—	119
Indefinite	—	39	39
	$ 303	$ 208	$ 511

We have not recognized deferred tax assets of $307 million for excess tax benefits that arose directly from tax deductions related to equity compensation greater than amounts recognized for financial reporting. These excess stock compensation benefits will be credited to additional capital if realized. We use the "with and without" method, as described in ASC 740, for purposes of determining when excess tax benefits have been realized.

Provision has been made for deferred taxes on undistributed earnings of non-U.S. subsidiaries to the extent that dividend payments from such companies are expected to result in additional tax liabilities. Remaining undistributed earnings of $6.96 billion as of September 3, 2015 have been indefinitely reinvested; therefore, no provision has been made for taxes due on approximately $8.52 billion of the excess of the financial reporting amount over the tax basis of investments in foreign subsidiaries that are indefinitely reinvested. Generally, this amount becomes taxable upon a repatriation of assets from the subsidiary or a sale or liquidation of the subsidiary. Determination of the amount of unrecognized deferred tax liabilities related to investments in these foreign subsidiaries is not practicable.

Below is a reconciliation of the beginning and ending amount of unrecognized tax benefits:

For the year ended	2015	2014	2013
Beginning unrecognized tax benefits	$ 228	$ 78	$ 77
Increases related to tax positions taken during current year	119	152	4
Increases related to tax positions from prior years	17	—	—
Foreign currency translation increases (decreases) to tax positions	(6)	1	4
Lapse of statute of limitations	(6)	(1)	—
Settlements with tax authorities	(1)	(1)	(8)
Decreases related to tax positions from prior years	—	(1)	—
Unrecognized tax benefits acquired in current year	—	—	1
Ending unrecognized tax benefits	$ 351	$ 228	$ 78

Included in the unrecognized tax benefits balance as of September 3, 2015, August 28, 2014, and August 29, 2013 were $53 million, $66 million, and $63 million, respectively, of unrecognized income tax benefits, which if recognized, would affect our effective tax rate. The increase in unrecognized tax benefits in 2015 primarily related to transfer pricing and other matters which were substantially offset by changes in our deferred tax asset valuation allowance. We recognize interest and penalties related to income tax matters within income tax expense. As of September 3, 2015, August 28, 2014, and August 29, 2013, the amount accrued for interest and penalties related to uncertain tax positions was $16 million, $19 million, and $16 million, respectively. The resolution of tax audits or lapses of statute of limitations could also reduce our unrecognized tax benefits. Although the timing of final resolution is uncertain, the estimated potential reduction in our unrecognized tax benefits in the next 12 months ranges from $0 to $67 million, including interest and penalties.

We and our subsidiaries file income tax returns with the U.S. federal government, various U.S. states and various foreign jurisdictions throughout the world. Our U.S. federal and state tax returns remain open to examination for 2011 through 2015. In addition, tax returns open to examination in multiple foreign taxing jurisdictions range from the years 2007 to 2015. We believe that adequate amounts of taxes and related interest and penalties have been provided for, and any adjustments as a result of examinations are not expected to materially adversely affect our business, results of operations or financial condition.

Earnings Per Share

For the year ended	2015	2014	2013
Net income available to Micron shareholders – Basic	$ 2,899	$ 3,045	$ 1,190
Dilutive effect related to equity method investment	(3)	(2)	—
Net income available to Micron shareholders – Diluted	$ 2,896	$ 3,043	$ 1,190
Weighted-average common shares outstanding – Basic	1,070	1,060	1,022
Dilutive effect of equity plans and convertible notes	100	138	35
Weighted-average common shares outstanding – Diluted	1,170	1,198	1,057
Earnings per share:			
Basic	$ 2.71	$ 2.87	$ 1.16
Diluted	2.47	2.54	1.13

Listed below are the potential common shares, as of the end of the periods shown, that could dilute basic earnings per share in the future that were not included in the computation of diluted earnings per share because to do so would have been antidilutive:

For the year ended	2015	2014	2013
Equity plans	18	7	40
Convertible notes	18	26	186

Our 2033 Notes and, to the extent our 2027 Notes and 2031 Notes were outstanding during the periods presented, contain terms that upon conversion require us to settle the aggregate principal amount in cash and the remainder of our conversion obligation amount in either shares of our common stock or cash, at our election. Our 2032 Notes and 2043 Notes, and, to the extent our 2014 Notes were outstanding during the periods presented, contain terms that upon conversion provide us the option to pay cash, issue shares of common stock, or any combination thereof for the aggregate amount due. It is our current intent to settle the principal amount of our 2032 Notes and 2043 Notes in cash upon conversion. As a result of these conversion terms and stated intent, the shares underlying the 2014 Notes, 2027 Notes, 2031 Notes, 2032 Notes, 2033 Notes, and 2043 Notes were considered in diluted earnings per share for the periods they were outstanding under the treasury stock method. (See "Debt" note.)

Segment Information

Segment information reported herein is consistent with how it is reviewed and evaluated by our chief operating decision maker. We have the following four business units, which are our reportable segments:

Compute and Networking Business Unit ("CNBU"): Includes memory products sold into compute, networking, graphics, and cloud server markets.
Mobile Business Unit ("MBU"): Includes memory products sold into smartphone, tablet, and other mobile-device markets.
Storage Business Unit ("SBU"): Includes memory products sold into enterprise, client, cloud, and removable storage markets. SBU also includes products sold to Intel through our IMFT joint venture.
Embedded Business Unit ("EBU"): Includes memory products sold into automotive, industrial, connected home, and consumer electronics markets.

Certain operating expenses directly associated with the activities of a specific segment are charged to that segment. Other indirect operating expenses (income) are generally allocated to segments based on their respective percentage of cost of goods sold or forecasted wafer production. The unallocated amount of operating expense for 2014 related to the Rambus settlement.

We do not identify or report internally our assets or capital expenditures by segment, nor do we allocate gains and losses from equity method investments, interest, other non-operating income or expense items, or taxes to segments. There are no differences in the accounting policies for segment reporting and our consolidated results of operations.

For the year ended	2015	2014	2013
Net sales:			
CNBU	$ 6,725	$ 7,333	$ 3,462
MBU	3,692	3,627	1,214
SBU	3,687	3,480	2,824
EBU	1,999	1,774	1,275
All Other	89	144	298
	$ 16,192	$ 16,358	$ 9,073
Operating income (loss):			
CNBU	$ 1,481	$ 1,957	$ 160
MBU	1,126	683	(265)
SBU	(89)	255	173
EBU	435	331	227
All Other	45	94	(59)
Unallocated	—	(233)	—
	$ 2,998	$ 3,087	$ 236

Depreciation and amortization expense was as follows:

For the year ended	2015	2014	2013
CNBU	$ 1,058	$ 878	$ 687
MBU	514	475	293
SBU	765	512	551
EBU	322	226	215
All Other	10	11	67
Depreciation and amortization expense included in operating income (loss)	2,669	2,102	1,813
Other amortization	136	168	113
Total depreciation and amortization expense	$ 2,805	$ 2,270	$ 1,926

Product Sales

For the year ended	2015	2014	2013
DRAM	$ 10,339	$ 11,164	$ 4,361
Non-Volatile Memory	5,274	4,468	3,589
Other	579	726	1,123
	$ 16,192	$ 16,358	$ 9,073

Non-Volatile Memory includes NAND Flash and 3D XPoint memory. Through 2015, substantially all of our Non-Volatile Memory sales were from NAND Flash products. Sales of NOR Flash products are included in Other. Information regarding our MCP products, which combine both NAND Flash and DRAM components, is reported within Non-Volatile Memory.

Certain Concentrations

Markets with concentrations of net sales were approximately as follows:

For the year ended	2015	2014	2013
Compute and graphics	25%	30%	20%
Mobile	25%	20%	15%
SSDs and other storage	20%	20%	25%
Server	15%	10%	10%
Automotive, industrial, medical, and other embedded	10%	10%	15%

Customer concentrations included net sales to Kingston of 11% for 2015 and 10% for 2014, net sales to Intel of 10% for 2013, and net sales to HP of 10% for 2013. Substantially all of our sales to Kingston were included in our CNBU and SBU segments, substantially all of our sales to Intel were included in our SBU segment, and substantially all of our sales to HP were included in our CNBU and SBU segments.

Certain of the raw materials and production equipment we use in manufacturing semiconductor products are available from multiple sources and in sufficient supply; however, only a limited number of suppliers are capable of delivering certain raw materials and production equipment that meet our standards. In some cases, materials are provided by a single supplier.

Financial instruments that potentially subject us to concentrations of credit risk consist principally of cash, money market accounts, certificates of deposit, fixed-rate debt securities, trade receivables, and derivative contracts. We invest through high-credit-quality financial institutions and, by policy, generally limit the concentration of credit exposure by restricting investments with any single obligor. A concentration of credit risk may exist with respect to receivables as a substantial portion of our customers are affiliated with the computing industry. We perform ongoing credit evaluations of customers worldwide and generally do not require collateral from our customers. Historically, we have not experienced significant losses on receivables. A concentration of risk may also exist with respect to derivatives as the number of counterparties to our currency hedges is limited and the notional amounts are relatively large. We seek to mitigate such risk by limiting our counterparties to major financial institutions and through entering into master netting arrangements. Capped calls expose us to credit risk to the extent the counterparties may be unable to meet the terms of the agreements. We seek to mitigate such risk by limiting our counterparties to major financial institutions and by spreading the risk across several major financial institutions. In addition, the potential risk of loss with any one counterparty resulting from this type of credit risk is monitored on an ongoing basis.

Geographic Information

Geographic net sales based on customer ship-to location were as follows:

For the year ended	2015	2014	2013
China	$ 6,658	$ 6,715	$ 3,783
United States	2,565	2,551	1,512
Taiwan	2,241	2,313	980
Asia Pacific (excluding China, Taiwan, and Japan)	2,037	1,791	946
Europe	1,248	1,252	820
Japan	1,026	1,253	589
Other	417	483	443
	$ 16,192	$ 16,358	$ 9,073

Net property, plant, and equipment by geographic area was as follows:

As of	2015	2014
United States	$ 3,643	$ 3,282
Singapore	3,238	3,101
Japan	2,173	1,221
Taiwan	1,073	761
China	331	242
Other	96	75
	$ 10,554	$ 8,682

Quarterly Financial Information (Unaudited)
(in millions except per share amounts)

2015	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Net sales	$ 3,600	$ 3,853	$ 4,166	$ 4,573
Gross margin	970	1,202	1,405	1,638
Operating income	427	631	855	1,085
Net income	471	491	935	1,002
Net income attributable to Micron	471	491	934	1,003
Earnings per share:				
Basic	$ 0.44	$ 0.46	$ 0.87	$ 0.94
Diluted	0.42	0.42	0.78	0.84

Results of operations in the fourth, third, and first quarters of 2015 included losses of $1 million, $18 million, and $30 million, respectively, for losses on restructure of debt.

2014	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Net sales	$ 4,227	$ 3,982	$ 4,107	$ 4,042
Gross margin	1,385	1,368	1,403	1,281
Operating income	828	839	869	551
Net income	1,151	806	741	381
Net income attributable to Micron	1,150	806	731	358
Earnings per share:				
Basic	$ 1.08	$ 0.76	$ 0.69	$ 0.34
Diluted	0.96	0.68	0.61	0.30

Results of operations for the first quarter of 2014 included a $233 million charge to accrue a liability for the settlement of all pending litigation between us and Rambus, including all antitrust and patent matters, which reflects the discounted value of amounts due under the arrangement.

Results of operations in the fourth, third, second, and first quarters of 2014 included losses of $17 million, $16 million, $80 million, and $92 million, respectively, for losses on restructure of debt.

Results of operations for the fourth quarter of 2014 included a gain of $93 million from the issuance of shares by Inotera, which reduced our ownership interest from 35% to 33%. (See "Equity Method Investments – Inotera" note.)

Results of operations for the fourth quarter of 2014 included a gain of $119 million from the sale of interest in Aptina to ON Semiconductor Corporation. (See "Equity Method Investments – Other" note.)

Results of operations for the fourth quarter of 2014 included a $66 million charge associated with a license agreement with Tessera executed in the fourth quarter of 2014.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders
of Micron Technology, Inc.

In our opinion, the consolidated financial statements listed in the index appearing under Item 8 present fairly, in all material respects, the financial position of Micron Technology, Inc. and its subsidiaries at September 3, 2015 and August 28, 2014, and the results of their operations and their cash flows for each of the three years in the period ended September 3, 2015 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedules listed in the index appearing under Item 8 present fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of September 3, 2015, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements and financial statement schedules, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on these financial statements, on the financial statement schedules, and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP

San Jose, CA
October 27, 2015

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

None.

ITEM 9A. CONTROLS AND PROCEDURES

An evaluation was carried out under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) as of the end of the period covered by this report. Based upon that evaluation, the principal executive officer and principal financial officer concluded that those disclosure controls and procedures were effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act are recorded, processed, summarized, and reported, within the time periods specified in the Commission's rules and forms and that such information is accumulated and communicated to our management, including the principal executive officer and principal financial officer, to allow timely decision regarding disclosure.

During the fourth quarter of 2015, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America. Our internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately reflect the transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in "Internal Control – Integrated Framework" (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that our internal control over financial reporting was effective as of September 3, 2015. The effectiveness of our internal control over financial reporting as of September 3, 2015 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report, which is included in Part II, Item 8, of this Form 10-K.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

ITEM 11. EXECUTIVE COMPENSATION

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Certain information concerning our executive officers is included under the caption, "Directors and Executive Officers of the Registrant," in Part I, Item 1 of this report. Other information required by Items 10, 11, 12, 13, and 14 will be contained in our Proxy Statement which will be filed with the Securities and Exchange Commission within 120 days after September 3, 2015 and is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

The following documents are filed as part of this report:

1.	Financial Statements: See Index to Consolidated Financial Statements under Item 8.
2.	Certain Financial Statement Schedules have been omitted since they are either not required, not applicable or the information is otherwise included.
3.	Exhibits.

Exhibit Number	Description of Exhibit
2.1*	English Translation of Agreement on Support for Reorganization Companies with Nobuaki Kobayashi and Yukio Sakamoto, the trustees of Elpida Memory, Inc. and its wholly-owned subsidiary, Akita Elpida Memory, Inc. dated July 2, 2012 (3)
2.2*	Share Purchase Agreement dated July 2, 2012, among Micron Technology, Inc., Micron Semiconductor B.V, Powerchip Technology Corporation, Li-Hsin Investment Co. Ltd., Quantum Vision Corporation, Maxchip Electronics Corporation and Dr. Frank Huang (4)
2.3*	English Translation of Agreement Amending Agreement on Support for Reorganization Companies, dated October 29, 2012, by and among Micron Technology, Inc. and Nobuaki Kobayashi and Yukio Sakamoto, the trustees of Elpida Memory, Inc. and Akita Elpida Memory, Inc. (5)
2.4*	English Translation of Agreement Amending Agreement on Support for Reorganization Companies, dated July 31, 2013, by and among Micron Technology, Inc. and Nobuaki Kobayashi and Yukio Sakamoto, the trustees of Elpida Memory, Inc. and Akita Elpida Memory, Inc. (6)
2.5	English Translation of the Reorganization Plan of Elpida Memory, Inc. (6)
3.1	Restated Certificate of Incorporation of the Registrant (7)
3.2	Bylaws of the Registrant, Amended and Restated (31)
4.1	Indenture dated November 3, 2010, by and between Micron Technology, Inc. and Wells Fargo Bank, National Association (9)
4.2	Form of Note (included in Exhibit 4.1) (9)
4.3	Indenture dated as of April 18, 2012, by and between Micron Technology, Inc. and U.S. Bank National Association, as Trustee for 2.375% Convertible Senior Notes due 2032 (1)
4.4	Indenture dated as of April 18, 2012, by and between Micron Technology, Inc. and U.S. Bank National Association, as Trustee for 3.125% Convertible Senior Notes due 2032 (1)
4.5	Form of 2032C Note (included in Exhibit 4.3) (1)
4.6	Form of 2032D Note (included in Exhibit 4.4) (1)
4.7	Indenture dated as of May 23, 2007, by and between Micron Technology, Inc. and Wells Fargo Bank, National Association, as trustee (10)
4.8	Indenture dated July 26, 2011, by and between Micron Technology, Inc. and U.S. Bank National Association, as Trustee for 1.50% Convertible Senior Notes due 2031 (11)
4.9	Indenture dated July 26, 2011, by and between Micron Technology, Inc. and U.S. Bank National Association, as Trustee for 1.875% Convertible Senior Notes due 2031 (11)
4.10	Form of 2031A Note (included in Exhibit 4.8) (11)
4.11	Form of 2031B Note (included in Exhibit 4.9) (11)
4.12	Indenture, dated as of February 12, 2013, by and between Micron Technology, Inc. and U.S. Bank National Association, as trustee (2)
4.13	Indenture, dated as of February 12, 2013, by and between Micron Technology, Inc. and U.S. Bank National Association, as trustee (2)
4.14	Form of 2033E Note (included in Exhibit 4.12) (2)
4.15	Form of 2033F Note (included in Exhibit 4.13) (2)
4.16	Indenture, dated as of November 12, 2013, by and between Micron Technology, Inc. & U.S. Bank National Association (12)
4.17	Form of New Note (included in Exhibit 4.16) (12)

4.18	Indenture dated as of December 16, 2013, by and among Micron Semiconductor Asia Pte., Ltd., Wells Fargo Bank, National Association, and Export-Import Bank of the United States (13)
4.19	Indenture dated as of February 10, 2014, by and between Micron Technology, Inc. and U.S. Bank National Association, as Trustee (14)
4.20	Form of Note (included in Exhibit 4.19) (14)
4.21	Indenture, dated as of July 28, 2014, by and between Micron Technology, Inc. and U.S. Bank National Association, as Trustee (15)
4.22	Form of Note (included in Exhibit 4.21) (15)
4.23	Indenture, dated as of April 30, 2015, by and between Micron Technology, Inc. and U.S. Bank National Association, as Trustee. (8)
4.24	Indenture, dated as of April 30, 2015, by and between Micron Technology, Inc. and U.S. Bank National Association, as Trustee. (8)
4.25	Form of Note (included in Exhibit 4.23). (8)
4.26	Form of Note (included in Exhibit 4.24). (8)
4.27	Indenture, dated as of February 3, 2015, by and between Micron Technology, Inc. and U.S. Bank National Association, as Trustee. (35)
4.28	Form of Note (included in Exhibit 4.27). (35)
10.1	Executive Officer Performance Incentive Plan, as Amended (34)
10.2	1997 Nonstatutory Stock Option Plan, as Amended (4)
10.3	1998 Nonstatutory Stock Option Plan, as Amended (4)
10.4	2001 Stock Option Plan, as Amended (4)
10.5	2001 Stock Option Plan Form of Agreement (17)
10.6	2004 Equity Incentive Plan, as Amended and Restated
10.7	2004 Equity Incentive Plan Forms of Agreement and Terms and Conditions
10.8	Amended and Restated 2007 Equity Incentive Plan
10.9	2007 Equity Incentive Plan Forms of Agreement
10.10	Nonstatutory Stock Option Plan, as Amended
10.11	Nonstatutory Stock Option Plan Form of Agreement and Terms and Conditions
10.12	Numonyx Holdings B.V. Equity Incentive Plan (18)
10.13	Numonyx Holdings B.V. Equity Incentive Plan Forms of Agreement (18)
10.14*	Patent License Agreement dated September 15, 2006, by and among Toshiba Corporation, Acclaim Innovations, LLC and Micron Technology, Inc. (19)
10.15	Form of Indemnification Agreement between the Registrant and its officers and directors (13)
10.16*	Master Agreement dated as of November 18, 2005, between Micron Technology, Inc. and Intel Corporation (20)
10.17*	Supply Agreement dated as of January 6, 2006, between Intel Corporation and IM Flash Technologies, LLC (20)
10.18	Form of Severance Agreement (21)
10.19	Share Purchase Agreement by and among Micron Technology, Inc. as the Buyer Parent, Micron Semiconductor B.V., as the Buyer, Qimonda Ag as the Seller Parent and Qimonda Holding B.V., as the Seller Sub dated as of October 11, 2008 (16)
10.20	Form of Capped Call Confirmation dated as of July 20, 2011, between Micron Technology, Inc. and Société Genérale (22)
10.21	Form of Capped Call Confirmation dated as of July 22, 2011 (22)
10.22*	2012 Master Agreement by and among Intel Corporation, Intel Technology Asia PTE LTD, Micron Technology, Inc., Micron Semiconductor Asia PTE LTD, IM Flash Technologies, LLC and IM Flash Singapore, LLP dated February 27, 2012 (23)
10.23*	Second Amended and Restated Limited Liability Company Operating Agreement of IM Flash Technologies, LLC dated April 6, 2012, between Micron Technology, Inc. and Intel Corporation (24)
10.24*	Amendment to the Master Agreement dated April 6, 2012, between Intel Corporation and Micron Technology, Inc. (24)
10.25*	Amended and Restated Supply Agreement dated April 6, 2012, between Intel Corporation and IM Flash Technologies, LLC (24)
10.26*	Amended and Restated Supply Agreement dated April 6, 2012, between Micron Technology, Inc. and IM Flash Technologies, LLC (24)

10.27*	Product Supply Agreement dated April 6, 2012, among Micron Technology, Inc., Intel Corporation and Micron Semiconductor Asia PTE LTD (24)
10.28*	Wafer Supply Agreement dated April 6, 2012, among Micron Technology, Inc., Intel Corporation and Micron Singapore (24)
10.29	Form of Capped Call Confirmation dated April 2012 (1)
10.30*	Supply Agreement, dated January 17, 2013, by and among Micron Technology, Inc., Micron Semiconductor Asia Pte. Ltd. and Inotera Memories, Inc. (25)
10.31*	Joint Venture Agreement, dated January 17, 2013, by and among Micron Semiconductor B.V., Numonyx Holdings B.V., Micron Technology Asia Pacific, Inc. and Nanya Technology Corporation (25)
10.32*	Facilitation Agreement, dated January 17, 2013, by and among Micron Semiconductor B.V., Numonyx Holdings B.V., Micron Technology Asia Pacific, Inc., Nanya Technology Corporation and Inotera Memories, Inc. (25)
10.33	Micron Guaranty Agreement, dated January 17, 2013, by Micron Technology, Inc. in favor of Nanya Technology Corporation (25)
10.34*	Technology Transfer and License Option Agreement for 20NM Process Node, dated January 17, 2013, by and between Micron Technology, Inc. and Nanya Technology Corporation (26)
10.35*	Omnibus IP Agreement, dated January 17, 2013, by and between Nanya Technology Corporation and Micron Technology, Inc. (25)
10.36*	Second Amended and Restated Technology Transfer and License Agreement for 68-50NM Process Nodes, dated January 17, 2013, by and between Micron Technology, Inc. and Nanya Technology Corporation (26)
10.37*	Third Amended and Restated Technology Transfer and License Agreement, dated January 17, 2013, by and between Micron Technology, Inc. and Nanya Technology Corporation (25)
10.38*	Omnibus IP Agreement, dated January 17, 2013, by and between Micron Technology, Inc. and Inotera Currency Option Transaction 590297603-2 Trade Date March 26, 2013, by and between Micron Technology, Inc. and Deutsche Bank AG, London Branch (25)
10.39*	English Translation of Front-End Manufacturing Supply Agreement, dated July 31, 2013, by and between Micron Semiconductor Asia Pte. Ltd. and Elpida Memory, Inc. (27)
10.40*	English Translation of Research and Development Engineering Services Agreement, dated July 31, 2013, by and between Micron Technology, Inc. and Elpida Memory, Inc. (6)
10.41*	English Translation of General Services Agreement, dated July 31, 2013, by and between Micron Semiconductor Asia Pte. Ltd. and Elpida Memory, Inc. (27)
10.42	Form of Capped Call Confirmation dated February 2013 (2)
10.43	Purchase Agreement, dated as of February 5, 2014, by and among Micron Technology, Inc. and Morgan Stanley & Co. LLC, Goldman, Sachs & Co. and Credit Suisse Securities (USA) LLC, as representatives of the initial purchasers (28)
10.44	Registration Rights Agreement, dated as of February 10, 2014, by and among Micron Technology, Inc. and Morgan Stanley & Co. LLC, Goldman, Sachs & Co. and Credit Suisse Securities (USA) LLC, as representatives of the initial purchasers (14)
10.45	Purchase Agreement, dated as of July 23, 2014, by and among Micron Technology, Inc. and Morgan Stanley & Co LLC, Goldman, Sachs & Co. and Credit Suisse Securities (USA) LLC, as representatives of the initial purchasers (29)
10.46	Registration Rights Agreement dated as of July 28, 2014, by and among Micron Technology, Inc. and Morgan Stanley & Co. LLC, Goldman, Sachs & Co. and Credit Suisse Securities (USA) LLC, as representatives of the initial purchasers (15)
10.47	Credit Agreement dated as of December 2, 2014 among Micron Technology, Inc. and Micron Semiconductor Products, Inc., as Borrowers, HSBC Bank USA, N.A., as Administrative Agent, Co-Collateral Agent, Joint Lead Arranger and Joint Book Runner, JPMorgan Chase Bank, N.A., as Co-Collateral Agent and Syndication Agent, J.P. Morgan Securities LLC, as Joint Lead Arranger and Joint Book Runner, Bank of America, N.A., Citigroup Global Markets, Inc. and Wells Fargo Bank, N.A., as Joint Book Runners and Co-Documentation Agents, and certain financial institutions, as lenders. (30)
10.48	Facility Agreement, dated February 12, 2015, among Micron Semiconductor Asia Pte. Ltd., as borrower, certain financial institutions party thereto, and The Hongkong and Shanghai Banking Corporation Limited, as facility agent, security agent and account bank. (32)
10.49*	2015 Supply Agreement, dated February 10, 2015, by and among Micron Technology, Inc., Micron Semiconductor Asia Pte. Ltd. and Inotera Memories, Inc. (33)
10.50*	2016 Supply Agreement, dated February 10, 2015, by and among Micron Technology, Inc., Micron Semiconductor Asia Pte. Ltd. and Inotera Memories, Inc. (33)
10.51*	Amended and Restated Supply Agreement, dated September 1, 2015, by and among Micron Technology, Inc., Intel Corporation and Micron Semiconductor Asia Pte. Ltd.

10.52*	Supplemental Supply Agreement, dated September 1, 2015, by and among Micron Technology, Inc., Intel Corporation and Micron Semiconductor Asia Pte. Ltd.
10.53*	Wafer Supply Agreement No. 3, dated September 1, 2015, by and among Micron Technology, Inc., Intel Corporation and Micron Semiconductor Asia Pte. Ltd.
10.54*	First Amendment to the Wafer Supply Agreement, dated September 1, 2015, by and among Micron Technology, Inc., Intel Corporation and Micron Semiconductor Asia Pte. Ltd.
10.55	Purchase Agreement, dated as of April 27, 2015, by and among Micron Technology, Inc. and Morgan Stanley & Co. LLC, Goldman, Sachs & Co. and Credit Suisse Securities (USA) LLC, as representatives of the initial purchasers. (8)
21.1	Subsidiaries of the Registrant
23.1	Consent of Independent Registered Public Accounting Firm
31.1	Rule 13a-14(a) Certification of Chief Executive Officer
31.2	Rule 13a-14(a) Certification of Chief Financial Officer
32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. 1350
32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. 1350
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

(1)	Incorporated by reference to Current Report on Form 8-K dated April 12, 2012
(2)	Incorporated by reference to Current Report on Form 8-K dated February 6, 2013
(3)	Incorporated by reference to Current Report on Form 8-K/A dated July 2, 2012, and filed October 31, 2012
(4)	Incorporated by reference to Annual Report on Form 10-K for the fiscal year ended August 30, 2012
(5)	Incorporated by reference to Current Report on Form 8-K dated October 29, 2012
(6)	Incorporated by reference to Current Report on Form 8-K dated July 31, 2013
(7)	Incorporated by reference to Current Report on Form 8-K dated January 26, 2015
(8)	Incorporated by reference to Current Report on Form 8-K dated April 30, 2015
(9)	Incorporated by reference to Current Report on Form 8-K dated November 3, 2010
(10)	Incorporated by reference to Current Report on Form 8-K dated May 17, 2007
(11)	Incorporated by reference to Current Report on Form 8-K dated July 26, 2011
(12)	Incorporated by reference to Current Report on Form 8-K dated November 12, 2013
(13)	Incorporated by reference to Quarterly Report on Form 10-Q for the fiscal quarter ended February 27, 2014
(14)	Incorporated by reference to Current Report on Form 8-K dated February 10, 2014
(15)	Incorporated by reference to Current Report on Form 8-K dated July 28, 2014
(16)	Incorporated by reference to Quarterly Report on Form 10-Q for the fiscal quarter ended December 4, 2008
(17)	Incorporated by reference to Current Report on Form 8-K dated April 3, 2005
(18)	Incorporated by reference to Registration Statement on Form S-8 (Reg. No. 333-167536)
(19)	Incorporated by reference to Quarterly Report on Form 10-Q for the fiscal quarter ended November 30, 2006
(20)	Incorporated by reference to Quarterly Report on Form 10-Q for the fiscal quarter ended December 1, 2005
(21)	Incorporated by reference to Current Report on Form 8-K dated October 26, 2007
(22)	Incorporated by reference to Annual Report on Form 10-K for the fiscal year ended September 1, 2011
(23)	Incorporated by reference to Quarterly Report on Form 10-Q for the fiscal quarter ended March 1, 2012
(24)	Incorporated by reference to Quarterly Report on Form 10-Q for the fiscal quarter ended May 31, 2012
(25)	Incorporated by reference to Quarterly Report on Form 10-Q for the fiscal quarter ended March 5, 2015
(26)	Incorporated by reference to Quarterly Report on Form 10-Q/A Amendment 2 for the fiscal quarter ended February 28, 2013
(27)	Incorporated by reference to Current Report on Form 8-K/A dated July 31, 2013, and filed October 2, 2013
(28)	Incorporated by reference to Current Report on Form 8-K dated February 5, 2014
(29)	Incorporated by reference to Current Report on Form 8-K dated July 23, 2014
(30)	Incorporated by reference to Current Report on Form 8-K dated December 8, 2014
(31)	Incorporated by reference to Current Report on Form 8-K dated April 9, 2014
(32)	Incorporated by reference to Current Report on Form 8-K dated February 12, 2015
(33)	Incorporated by reference to Current Report on Form 8-K dated February 10, 2015
(34)	Incorporated by reference to Definitive Proxy Statement on Form DEF 14A filed on December 12, 2014
(35)	Incorporated by reference to Current Report on Form 8-K dated February 3, 2015

* Portions of this exhibit have been omitted pursuant to a request for confidential treatment filed with the Commission.

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 27th day of October 2015.

Micron Technology, Inc.

By: */s/ Ernest E. Maddock*

Ernest E. Maddock
Chief Financial Officer and Vice President, Finance
(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/ D. Mark Durcan **(D. Mark Durcan)**	Chief Executive Officer (Principal Executive Officer)	October 27, 2015
/s/ Ernest E. Maddock **(Ernest E. Maddock)**	Chief Financial Officer and Vice President, Finance (Principal Financial and Accounting Officer)	October 27, 2015
/s/ Robert L. Bailey **(Robert L. Bailey)**	Director	October 27, 2015
/s/ Richard M. Beyer **(Richard M. Beyer)**	Director	October 27, 2015
/s/ Patrick J. Byrne **(Patrick J. Byrne)**	Director	October 27, 2015
/s/ Warren East **(Warren East)**	Director	October 27, 2015
/s/ Mercedes Johnson **(Mercedes Johnson)**	Director	October 27, 2015
/s/ Lawrence N. Mondry **(Lawrence N. Mondry)**	Director	October 27, 2015
/s/ Robert E. Switz **(Robert E. Switz)**	Chairman of the Board Director	October 27, 2015

SCHEDULE I
CONDENSED FINANCIAL INFORMATION OF THE REGISTRANT

MICRON TECHNOLOGY, INC.
(Parent Company Only)

CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(in millions)

For the year ended	September 3, 2015	August 28, 2014	August 29, 2013
Net sales	$ 5,547	$ 5,819	$ 4,404
Cost of goods sold	3,329	3,514	3,721
Gross margin	2,218	2,305	683
Selling, general and administrative	299	264	238
Research and development	1,483	1,389	921
Other operating (income) expense, net	(12)	251	77
Operating income (loss)	448	401	(553)
Gain on MMJ Acquisition	—	(33)	1,484
Interest income (expense), net	(273)	(209)	(189)
Other non-operating income (expense), net	(85)	(86)	(248)
	90	73	494
Income tax (provision) benefit	38	18	(1)
Equity in earnings (loss) of subsidiaries	2,773	2,956	703
Equity in net loss of equity method investees	(2)	(2)	(6)
Net income attributable to Micron	2,899	3,045	1,190
Other comprehensive income (loss)	(43)	(7)	(17)
Comprehensive income attributable to Micron	$ 2,856	$ 3,038	$ 1,173

See accompanying notes to condensed financial statements.

SCHEDULE I
CONDENSED FINANCIAL INFORMATION OF THE REGISTRANT

MICRON TECHNOLOGY, INC.
(Parent Company Only)

CONDENSED BALANCE SHEETS
(in millions except par value amounts)

As of	September 3, 2015	August 28, 2014
Assets		
Cash and equivalents	$ 721	$ 1,249
Short-term investments	479	384
Receivables	133	114
Notes and accounts receivable from subsidiaries	1,091	1,767
Finished goods	77	84
Work in process	321	228
Raw materials and supplies	86	68
Other current assets	82	215
Total current assets	2,990	4,109
Investment in subsidiaries	13,051	10,149
Long-term marketable investments	932	819
Noncurrent notes receivable from and prepaid expenses to subsidiaries	163	111
Property, plant and equipment, net	1,679	1,519
Equity method investments	—	9
Other noncurrent assets	488	543
Total assets	$ 19,303	$ 17,259
Liabilities and equity		
Accounts payable and accrued expenses	$ 677	$ 766
Short-term debt and accounts payable to subsidiaries	384	619
Current debt	655	1,065
Other current liabilities	8	30
Total current liabilities	1,724	2,480
Long-term debt	4,797	3,191
Other noncurrent liabilities	431	760
Total liabilities	6,952	6,431
Commitments and contingencies		
Redeemable convertible notes	49	68
Micron shareholders' equity:		
Common stock, $0.10 par value, 3,000 shares authorized, 1,084 shares issued and outstanding (1,073 as of August 28, 2014)	108	107
Other equity	12,194	10,653
Total Micron shareholders' equity	12,302	10,760
Total liabilities and equity	$ 19,303	$ 17,259

See accompanying notes to condensed financial statements.

SCHEDULE I
CONDENSED FINANCIAL INFORMATION OF THE REGISTRANT

MICRON TECHNOLOGY, INC.
(Parent Company Only)

CONDENSED STATEMENTS OF CASH FLOWS
(in millions)

For the year ended	September 3, 2015	August 28, 2014	August 29, 2013
Net cash (used for) provided by operating activities	$ 996	$ 888	$ (347)
Cash flows from investing activities			
Purchases of available-for-sale securities	(1,799)	(1,047)	(924)
Expenditures for property, plant, and equipment	(609)	(392)	(350)
Cash contributions to subsidiaries	(151)	(121)	(23)
Payments to settle hedging activities	(135)	(27)	(256)
Cash paid for acquisitions	(57)	—	(596)
Expenditures for intangible assets	(42)	(43)	(34)
Proceeds from sales and maturities of available-for-sale securities	1,581	557	678
Proceeds from settlement of hedging activities	78	23	38
Proceeds from repayment of loans to subsidiaries, net	65	379	851
Cash distributions from subsidiaries	33	227	38
Proceeds from sales of property, plant, and equipment	19	45	38
Proceeds from receipt of loan payments	10	56	—
Cash received from disposition of interest in Aptina	1	105	—
Other	5	7	(36)
Net cash provided by (used for) investing activities	(1,001)	(231)	(576)
Cash flows from financing activities			
Repayments of debt	(1,645)	(2,469)	(777)
Cash paid to acquire treasury stock	(884)	(76)	(5)
Payments of licensing obligations	(82)	(47)	(31)
Proceeds from issuance of debt	2,050	1,750	693
Proceeds from issuance of stock under equity plans	73	265	150
Proceeds from equipment sale-leaseback transactions	—	—	126
Other	(35)	(32)	(43)
Net cash provided by (used for) financing activities	(523)	(609)	113
Effect of changes in currency exchange rates on cash and cash equivalents	—	(1)	—
Net increase (decrease) in cash and equivalents	(528)	47	(810)
Cash and equivalents at beginning of period	1,249	1,202	2,012
Cash and equivalents at end of period	$ 721	$ 1,249	$ 1,202

See accompanying notes to condensed financial statements.

MICRON TECHNOLOGY, INC.
SCHEDULE I
CONDENSED FINANCIAL INFORMATION OF THE REGISTRANT

NOTES TO CONDENSED FINANCIAL STATEMENTS
(All tabular amounts in millions)

Basis of Presentation

Micron, a Delaware corporation, was incorporated in 1978. Micron is the parent company of its consolidated subsidiaries and, together with its consolidated subsidiaries, is a global leader in advanced semiconductor systems.

These condensed financial statements have been prepared on a parent-only basis. Under this parent-only presentation, Micron's investments in its consolidated subsidiaries are presented under the equity method of accounting. In accordance with Rule 12-04 of Regulation S-X, these parent-only financial statements do not include all of the information and footnotes required by Generally Accepted Accounting Principles (GAAP) in the United States for annual financial statements. Because these parent-only financial statements and notes do not include all of the information and footnotes required by GAAP in the U.S. for annual financial statements, these parent-only financial statements and other information included should be read in conjunction with Micron's audited Consolidated Financial Statements contained within Part II, Item 8 of this Form 10-K for the year ended September 3, 2015.

Effective in the fourth quarter of 2015, Micron adopted ASU 2015-03 – *Simplifying the Presentation of Debt Issuance Costs.* ASU 2015-03 requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, as appropriate, consistent with debt discounts, as opposed to an asset. The new accounting standard required retrospective application; therefore, Micron's financial statements and notes to those statements contained herein have been adjusted to reflect the impact of adopting this new accounting standard.

Debt

			2015			2014		
Instrument[1]	**Stated Rate**	**Effective Rate**	**Current**	**Long-Term**	**Total**	**Current**	**Long-Term**	**Total**
Capital lease obligations[2]	N/A	N/A	$ 174	$ 40	$ 214	$ 172	$ 233	$ 405
2022 senior notes	5.875%	6.14%	—	589	589	—	587	587
2023 senior notes	5.250%	5.43%	—	988	988	—	—	—
2024 senior notes	5.250%	5.38%	—	545	545	—	—	—
2025 senior notes	5.500%	5.56%	—	1,138	1,138	—	1,137	1,137
2026 senior notes	5.625%	5.73%	—	446	446	—	—	—
2031B convertible senior notes[3]	1.875%	6.98%	—	—	—	361	—	361
2032C convertible senior notes[4]	2.375%	5.95%	—	197	197	—	309	309
2032D convertible senior notes[4]	3.125%	6.33%	—	150	150	—	284	284
2033E convertible senior notes[4]	1.625%	4.50%	217	—	217	272	—	272
2033F convertible senior notes[4]	2.125%	4.93%	264	—	264	260	—	260
2043G convertible senior notes	3.000%	6.76%	—	644	644	—	631	631
Other	1.654%	1.65%	—	60	60	—	10	10
			$ 655	$ 4,797	$ 5,452	$ 1,065	$ 3,191	$ 4,256

(1) *Micron has either the obligation or the option to pay cash for the principal amount due upon conversion for all of its convertible notes. Micron's current intent is to settle in cash the principal amount of all of its convertible notes upon conversion.*

(2) *Weighted-average imputed rate of 4.5% and 4.7% as of September 3, 2015 and August 28, 2014, respectively.*

(3) *Amount recorded for 2014 included the debt and equity components. The equity component was reclassified to a debt liability as a result of Micron's obligation to settle the conversions of the 2031B Notes in cash.*

(4) *Since the closing price of Micron's common stock for at least 20 trading days in the 30 trading day period ending on June 30, 2015 exceeded 130% of the initial conversion price per share, holders have the right to convert their notes at any time during the calendar quarter ended September 30, 2015. The closing price of Micron's common stock also exceeded the thresholds for the calendar quarter ended September 30, 2015; therefore, these notes are convertible by the holders through December 31, 2015. The 2033 Notes are classified as current because the terms of these notes require us to pay cash for the principal amount of any converted notes.*

Micron's convertible and senior notes are unsecured obligations that rank equally in right of payment with all of Micron's other existing and future unsecured indebtedness, and are effectively subordinated to all of Micron's other existing and future secured indebtedness, to the extent of the value of the assets securing such indebtedness. The convertible notes and the 2022 Notes, 2023 Notes, 2024 Notes, 2025 Notes, and 2026 Notes of Micron are structurally subordinated to all liabilities of its subsidiaries, including trade payables. Micron guarantees certain debt obligations of its subsidiaries. Micron does not guarantee the MMJ creditor installment payments. As of September 3, 2015, Micron had guaranteed $655 million of debt obligations of its subsidiaries. Micron's guarantees of its subsidiary debt obligations are unsecured obligations ranking equally in right of payment with all of its other existing and future unsecured indebtedness.

Capital Lease Obligations

Micron has various capital lease obligations due in periodic installments with a weighted-average remaining term of 1 year. As of September 3, 2015 and August 28, 2014, Micron had production equipment with carrying values of $140 million and $305 million, respectively, under capital leases.

Convertible Senior Notes and Other Senior Notes

For further information, see "Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Debt" of Micron's consolidated financial statements.

Other Facilities

Micron has a credit facility with an aggregate revolving commitment which is subject to certain adjustments, including an availability block that effectively limits the maximum amount Micron could draw to $540 million. As of September 3, 2015, $50 million of principal was outstanding under this facility and $270 million was available for Micron to draw. For further information, see "Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Debt – Other Facilities – Revolving Credit Facilities" of Micron's consolidated financial statements.

Maturities of Notes Payable and Future Minimum Lease Payments

As of September 3, 2015, maturities of notes payable and future minimum lease payments under capital lease obligations were as follows:

	Notes Payable	Capital Lease Obligations
2016	$ —	$ 179
2017	—	30
2018	233	3
2019	224	3
2020	347	3
2021 and thereafter	4,854	3
Unamortized discounts and interest, respectively	(420)	(7)
	$ 5,238	$ 214

Commitments

Micron has provided various financial guarantees issued in the normal course of business on behalf of its subsidiaries. These contracts include debt guarantees and guarantees on certain banking facilities. Micron enters into these arrangements to facilitate commercial transactions with third parties by enhancing the value of the transaction to the third party. Micron has entered into agreements covering certain activities of its subsidiaries, and occasionally Micron may be required to perform under such agreements on behalf of its subsidiaries.

As of September 3, 2015, the maximum potential amount of future payments Micron could have been required to make under its debt guarantees was approximately $655 million. Substantially all of this amount relates to guarantees for debt of wholly-owned entities whereby Micron would be obligated to perform under the guarantee if a subsidiary were to default on the terms of their debt arrangements. In the event of performance under the guarantee, Micron would be permitted to seek reimbursement from the subsidiary company(s) through liquidation of the assets which were collateral under various debt instruments. At the time these contracts were entered into, the collateralized assets approximated the value of the outstanding guarantees. The majority of these guarantees expire at various times between March 2016 and February 2020. Micron guarantees a credit facility of a subsidiary that provides for up to $750 million of financing. As of September 3, 2015, $75 million of principal amount was outstanding under this facility.

Micron guarantees certain banking facilities for its wholly-owned consolidated entities. Substantially all of these guarantees relate to bank overdraft protections. The maximum potential amount of future payments Micron could be required to make under these guarantees varies based on the extent of potential overdrafts. Micron's business processes substantially mitigate the risk of wholly-owned subsidiaries overdrafting their bank accounts. The majority of these guarantees have no contractual expiration.

Contingencies

As is typical in the semiconductor and other high technology industries, from time to time others have asserted, and may in the future assert, that Micron and its subsidiaries' products or manufacturing processes infringe their intellectual property rights. Micron has accrued a liability and charged operations for the estimated costs of adjudication or settlement of various asserted and unasserted claims existing as of the balance sheet date. Micron is currently a party to various litigation regarding patent, commercial, and other matters. Micron is a party to the matters listed in the "Contingencies" note in the consolidated financial statements. For further information, see "Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Contingencies" of Micron's consolidated financial statements.

Redeemable Convertible Notes

For further information, see "Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Redeemable Convertible Notes" of Micron's consolidated financial statements.

Related Party Transactions

Substantially all of Micron's activities relate to manufacturing services performed for a subsidiary and to royalties received from its subsidiaries for use of product and process technology. Micron's net sales to consolidated subsidiaries were $5.42 billion, $5.64 billion, and $4.19 billion for 2015, 2014, and 2013, respectively. Gross margins on manufacturing activities are commensurate with market rates for such services. Transactions between Micron and its consolidated subsidiaries are eliminated in consolidation.

Micron engages in various transactions with its equity method investees and eliminates the profits or losses on those transactions to the extent of its ownership interest until such time as the profits or losses are realized. Micron held an equity interest in Aptina through August 15, 2014. Net sales for 2014 and 2013 included $43 million and $182 million, respectively, from products sold to and services performed for Aptina.

On August 15, 2014, ON Semiconductor Corporation acquired Aptina for approximately $433 million and Micron recognized a non-operating gain of $119 million on the sale of its shares based on its diluted ownership interest of approximately 27%. The gain approximated Micron's share of the consideration because the carrying value of its investment had been reduced to zero since the second quarter of 2012, at which time Micron ceased recognizing its proportionate share of Aptina's losses. For further information regarding transactions between Micron and its equity method investees, see "Part II – Item 8. Financial Statements and Supplementary Data – Notes to Consolidated Financial Statements – Equity Method Investments – Other" of Micron's consolidated financial statements.

SCHEDULE II
VALUATION AND QUALIFYING ACCOUNTS
(in millions)

MICRON TECHNOLOGY, INC.

	Balance at Beginning of Year	Business Acquisitions	Charged (Credited) to Income Tax Provision	Currency Translation and Charges to Other Accounts	Balance at End of Year
Deferred Tax Asset Valuation Allowance					
Year ended September 3, 2015	$ 2,443	$ —	$ (260)	$ (132)	$ 2,051
Year ended August 28, 2014	3,155	—	(544)	(168)	2,443
Year ended August 29, 2013	1,470	1,292	418	(25)	3,155

EXHIBIT 10.6

MICRON TECHNOLOGY, INC.
AMENDED AND RESTATED 2004 EQUITY INCENTIVE PLAN

ARTICLE 1
PURPOSE

1.1. *GENERAL.* The purpose of the Micron Technology, Inc. Amended and Restated 2004 Equity Incentive Plan (the "Plan") is to promote the success, and enhance the value, of Micron Technology, Inc. (the "Company"), by linking the personal interests of employees, officers, directors and consultants of the Company or any Affiliate (as defined below) to those of Company stockholders and by providing such persons with an incentive for outstanding performance. The Plan is further intended to provide flexibility to the Company in its ability to motivate, attract, and retain the services of employees, officers, directors and consultants upon whose judgment, interest, and special effort the successful conduct of the Company's operation is largely dependent. Accordingly, the Plan permits the grant of incentive awards from time to time to selected employees, officers, directors and consultants of the Company and its Affiliates.

ARTICLE 2
DEFINITIONS

2.1. *DEFINITIONS.* When a word or phrase appears in this Plan with the initial letter capitalized, and the word or phrase does not commence a sentence, the word or phrase shall generally be given the meaning ascribed to it in this Section or in Section 1.1 unless a clearly different meaning is required by the context. The following words and phrases shall have the following meanings:

(a) "Affiliate" means (i) any Subsidiary or Parent, or (ii) an entity that directly or through one or more intermediaries controls, is controlled by or is under common control with, the Company, as determined by the Committee.

(b) "Award" means any Option, Stock Appreciation Right, Restricted Stock Award, Restricted Stock Unit Award, Deferred Stock Unit Award, Performance Share, or Other Stock‑Based Award granted to a Participant under the Plan.

(c) "Award Certificate" means a written document, in such form as the Committee prescribes from time to time, setting forth the terms and conditions of an Award. Award Certificates may be in the form of individual award agreements or certificates or a program document describing the terms and provisions of an Awards or series of Awards under the Plan.

(d) "Board" means the Board of Directors of the Company.

(e) "Change in Control" means and includes the occurrence of any one of the following events:

(i) individuals who, on the Effective Date, constitute the Board of Directors of the Company (the "Incumbent Directors") cease for any reason to constitute at least a majority of such Board, provided that any person becoming a director after the Effective Date and whose election or nomination for election was approved by a vote of at least a majority of the Incumbent Directors then on the Board shall be an Incumbent Director; *provided*, *however*, that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to the election or removal of directors ("Election Contest") or other actual or threatened solicitation of proxies or consents by or on behalf of any Person other than the Board

("Proxy Contest"), including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest, shall be deemed an Incumbent Director; or

(ii) any person is or becomes a "beneficial owner" (as defined in Rule 13d-3 under the 1934 Act), directly or indirectly, of either (A) 35% or more of the then-outstanding shares of common stock of the Company ("Company Common Stock") or (B) securities of the Company representing 35% or more of the combined voting power of the Company's then outstanding securities eligible to vote for the election of directors (the "Company Voting Securities"); *provided, however*, that for purposes of this subsection (ii), the following acquisitions shall not constitute a Change in Control: (w) an acquisition directly from the Company, (x) an acquisition by the Company or a Subsidiary of the Company, (y) an acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Subsidiary of the Company, or (z) an acquisition pursuant to a Non-Qualifying Transaction (as defined in subsection (iii) below); or

(iii) the consummation of a reorganization, merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company or a Subsidiary (a "Reorganization"), or the sale or other disposition of all or substantially all of the Company's assets (a "Sale") or the acquisition of assets or stock of another corporation (an "Acquisition"), unless immediately following such Reorganization, Sale or Acquisition: (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the outstanding Company Common Stock and outstanding Company Voting Securities immediately prior to such Reorganization, Sale or Acquisition beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Reorganization, Sale or Acquisition (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets or stock either directly or through one or more subsidiaries, the "Surviving Corporation") in substantially the same proportions as their ownership, immediately prior to such Reorganization, Sale or Acquisition, of the outstanding Company Common Stock and the outstanding Company Voting Securities, as the case may be, and (B) no person (other than (x) the Company or any Subsidiary of the Company, (y) the Surviving Corporation or its ultimate parent corporation, or (z) any employee benefit plan or related trust) sponsored or maintained by any of the foregoing is the beneficial owner, directly or indirectly, of 35% or more of the total common stock or 35% or more of the total voting power of the outstanding voting securities eligible to elect directors of the Surviving Corporation, and (C) at least a majority of the members of the board of directors of the Surviving Corporation were Incumbent Directors at the time of the Board's approval of the execution of the initial agreement providing for such Reorganization, Sale or Acquisition (any Reorganization, Sale or Acquisition which satisfies all of the criteria specified in (A), (B) and (C) above shall be deemed to be a "Non-Qualifying Transaction"); or

(iv) approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

(f) "Code" means the Internal Revenue Code of 1986, as amended from time to time, and includes a reference to the underlying final regulations. Reference to a specific Section of the Code or regulation thereunder shall include such Section or regulation, any valid regulation promulgated under such Section, and any comparable provision of any future law, legislation or regulation amending, supplementing or superseding such Section or regulation.

(g) "Committee" means the committee of the Board described in Article 4.

(h) "Company" means Micron Technology, Inc., a Delaware corporation, or any successor corporation.

(i) "Continuous Status as a Participant" means the absence of any interruption or termination of service as an employee, officer, consultant or director of the Company or any Affiliate, as applicable; provided, however, that for purposes of an Incentive Stock Option, or a Stock Appreciation Right issued in tandem with an Incentive Stock Option, "Continuous Status as a Participant" means the absence of any interruption or termination of service as an employee of the Company or any Parent or Subsidiary, as applicable, pursuant to applicable tax regulations. Continuous Status as a Participant shall not be considered interrupted in the case of any leave of absence authorized in writing by the Company prior to its commencement; provided, however, that for purposes of Incentive Stock Options, no such leave may exceed 90 days, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, on the 91st day of such leave any Incentive Stock Option held by the Participant shall cease to be treated as an Incentive Stock Option and shall be treated for tax purposes as a Nonstatutory Stock Option.

(j) "Covered Employee" means a covered employee as defined in Code Section 162(m)(3).

(k) "Disability" or "Disabled" means the applicable authorized party under the long-term disability plan (the "LTD Plan") maintained by the Participant's employer (either the Company or an Affiliate) has provided written notification that the Participant qualifies for disability benefits under the LTD Plan (a "Disability Notice"). If the Participant is not eligible for disability benefits under any applicable LTD Plan, then the Participant shall not qualify as Disabled under this Plan.

(l) "Deferred Stock Unit" means a right granted to a Participant under Article 11.

(m) "Dividend Equivalent" means a right granted with respect to an Award, as provided in Article 12.

(n) "Effective Date" has the meaning assigned such term in Section 3.1.

(o) "Eligible Participant" means an employee, officer, consultant or director of the Company or any Affiliate.

(p) "Exchange" means the New York Stock Exchange or any other national securities exchange or national market system on which the Stock may from time to time be listed or traded.

(q) "Fair Market Value" of the Stock, on any date, means: (i) if the Stock is listed or traded on any Exchange, the closing price for such Stock (or the closing bid, if no sales were reported) as quoted on such Exchange (or the Exchange with the greatest volume of trading in the Stock) for the last market trading day prior to the day of determination, as reported by *Bloomberg L.P.* or such other source as the Committee deems reliable; (ii) if the Stock is quoted on the over-the-counter market or is regularly quoted by a recognized securities dealer, but selling prices are not reported, the Fair Market Value of the Stock shall be the mean between the high bid and low asked prices for the Stock on the last market trading day prior to the day of determination, as reported by *Bloomberg L.P.* or such other source as the Committee deems reliable, or (iii) in the absence of an established market for the Stock, the Fair Market Value shall be determined by such other method as the Committee determines in good faith to be reasonable and in compliance with Code Section 409A.

(r) "Full-Value Award" means an Award other than in the form of an Option or SAR, and which is settled by the issuance of Stock (or at the discretion of the Committee, settled in cash valued by reference to Stock value).

(s) "Grant Date" of an Award means the first date on which all necessary corporate action has been taken to approve the grant of the Award as provided in the Plan, or such later date as is determined and specified as part of that authorization process. Notice of the grant shall be provided to the grantee within a reasonable time after the Grant Date.

(t) "Incentive Stock Option" means an Option that is intended to be an incentive stock option and meets the requirements of Section 422 of the Code or any successor provision thereto.

(u) "Non-Employee Director" means a director of the Company who is not a common law employee of the Company or an Affiliate.

(v) "Nonstatutory Stock Option" means an Option that is not an Incentive Stock Option.

(w) "Option" means a right granted to a Participant under Article 7 of the Plan to purchase Stock at a specified price during specified time periods. An Option may be either an Incentive Stock Option or a Nonstatutory Stock Option.

(x) "Other Stock-Based Award" means a right, granted to a Participant under Article 13 that relates to or is valued by reference to Stock or other Awards relating to Stock.

(y) "Parent" means a corporation, limited liability company, partnership or other entity which owns or beneficially owns a majority of the outstanding voting stock or voting power of the Company. Notwithstanding the above, with respect to an Incentive Stock Option, Parent shall have the meaning set forth in Section 424(e) of the Code.

(z) "Participant" means a person who, as an employee, officer, director or consultant of the Company or any Affiliate, has been granted an Award under the Plan; provided that in the case of the death of a Participant, the term "Participant" refers to a beneficiary designated pursuant to Section 14.5 or the legal guardian or other legal representative acting in a fiduciary capacity on behalf of the Participant under applicable state law and court supervision.

(aa) "Performance Share" means any right granted to a Participant under Article 9 to a unit to be valued by reference to a designated number of Shares to be paid upon achievement of such performance goals as the Committee establishes with regard to such Performance Share.

(bb) "Person" means any individual, entity or group, within the meaning of Section 3(a)(9) of the 1934 Act and as used in Section 13(d)(3) or 14(d)(2) of the 1934 Act.

(cc) "Plan" means the Micron Technology, Inc. Amended and Restated 2004 Equity Incentive Plan, as amended from time to time.

(dd) "Public Offering" shall occur on closing date of a public offering of any class or series of the Company's equity securities pursuant to a registration statement filed by the Company under the 1933 Act.

(ee) "Qualified Performance-Based Award" means an Award that is either (i) intended to qualify for the Section 162(m) Exemption and is made subject to performance goals based on Qualified Business Criteria as set forth in Section 14.10(b), or (ii) an Option or SAR.

(ff) "Qualified Business Criteria" means one or more of the Business Criteria listed in Section 14.10(b) upon which performance goals for certain Qualified Performance-Based Awards may be established by the Committee.

(gg) "Restricted Stock Award" means Stock granted to a Participant under Article 10 that is subject to certain restrictions and to risk of forfeiture.

(hh) "Restricted Stock Unit Award" means the right granted to a Participant under Article 10 to receive shares of Stock (or the equivalent value in cash or other property if the Committee so provides) in the future, which right is subject to certain restrictions and to risk of forfeiture.

(ii) "Section 162(m) Exemption" means the exemption from the limitation on deductibility imposed by Section 162(m) of the Code that is set forth in Section 162(m)(4)(C) of the Code or any successor provision thereto.

(jj) "Shares" means shares of the Company's Stock. If there has been an adjustment or substitution pursuant to Section 15.1, the term "Shares" shall also include any shares of stock or other securities that are substituted for Shares or into which Shares are adjusted pursuant to Section 15.1.

(kk) "Stock" means the $.10 par value common stock of the Company and such other securities of the Company as may be substituted for Stock pursuant to Article 15.

(ll) "Stock Appreciation Right" or "SAR" means a right granted to a Participant under Article 8 to receive a payment equal to the difference between the Fair Market Value of a Share as of the date of exercise of the SAR over the base price of the SAR, all as determined pursuant to Article 8.

(mm) "Subsidiary" means any corporation, limited liability company, partnership or other entity of which a majority of the outstanding voting stock or voting power is beneficially owned directly or indirectly by the Company. Notwithstanding the above, with respect to an Incentive Stock Option, Subsidiary shall have the meaning set forth in Section 424(f) of the Code.

(nn) "1933 Act" means the Securities Act of 1933, as amended from time to time.

(oo) "1934 Act" means the Securities Exchange Act of 1934, as amended from time to time.

ARTICLE 3
EFFECTIVE TERM OF PLAN

3.1. *EFFECTIVE DATE.* The Plan shall be effective as of the date it is approved by both the Board and the stockholders of the Company (the "Effective Date").

3.2. *TERMINATION OF PLAN.* Unless earlier terminated as provided herein, the Plan shall continue in effect until the tenth anniversary of the Effective Date or, if the stockholders approve an amendment to the Plan that increases the number of Shares subject to the Plan, the tenth anniversary of the date of such approval. The termination of the Plan on such date shall not affect the validity of any Award outstanding on the date of termination, which shall continue to be governed by the applicable terms and conditions of the Plan.

ARTICLE 4
ADMINISTRATION

4.1. *COMMITTEE.* The Plan shall be administered by a Committee appointed by the Board (which Committee shall consist of at least two directors) or, at the discretion of the Board from time to time, the Plan may be administered by the Board. It is intended that at least two of the directors appointed to serve on the Committee shall be "non-employee directors" (within the meaning of Rule 16b-3 promulgated under the 1934 Act) and "outside directors" (within the meaning of Code Section 162(m)) and that any such members of the Committee who do not so qualify shall abstain from participating in any decision to make or administer Awards that are made to Eligible Participants who at the time of consideration for such Award (i) are persons subject to the short‑swing profit rules of Section 16 of the 1934 Act, or (ii) are reasonably anticipated to become Covered Employees during the term of the Award. However, the mere fact that a Committee member shall fail to qualify under either of the foregoing requirements or shall fail to abstain from such action shall not invalidate any Award made by the Committee which Award is otherwise validly made under the Plan. The members of the Committee shall be appointed by, and may be changed at any time and from time to time in the discretion of, the Board. Unless and until changed by the Board, the Compensation Committee of the Board is designated as the Committee to administer the Plan. The Board may reserve to itself any or all of the authority and responsibility of the Committee under the Plan or may act as administrator of the Plan for any and all purposes. To the extent the Board has reserved any authority and responsibility or during any time that the Board is acting as administrator of the Plan, it shall have all the powers of the Committee hereunder, and any reference herein to the Committee (other than in this Section 4.1) shall include the Board. To the extent any action of the Board under the Plan conflicts with actions taken by the Committee, the actions of the Board shall control.

4.2. *ACTION AND INTERPRETATIONS BY THE COMMITTEE.* For purposes of administering the Plan, the Committee may from time to time adopt rules, regulations, guidelines and procedures for carrying out the provisions and purposes of the Plan and make such other determinations, not inconsistent with the Plan, as the Committee may deem appropriate. The Committee's interpretation of the Plan, any Awards granted under the Plan, any Award Certificate and all decisions and determinations by the Committee with respect to the Plan are final, binding, and conclusive on all parties. Each member of the Committee is entitled to, in good faith, rely or act upon any report or other information furnished to that member by any officer or other employee of the Company or any Affiliate, the Company's or an Affiliate's independent certified public accountants, Company counsel or any executive compensation consultant or other professional retained by the Company to assist in the administration of the Plan.

4.3. *AUTHORITY OF COMMITTEE.* Except as provided below, the Committee has the exclusive power, authority and discretion to:

(a) Grant Awards;

(b) Designate Participants;

(c) Determine the type or types of Awards to be granted to each Participant;

(d) Determine the number of Awards to be granted and the number of Shares or dollar amount to which an Award will relate;

(e) Determine the terms and conditions of any Award granted under the Plan, including but not limited to, the exercise price, base price, or purchase price, any restrictions or limitations on the Award, any schedule for lapse of forfeiture restrictions or restrictions on the exercisability of an Award, and accelerations or waivers thereof, based in each case on such considerations as the Committee in its sole discretion determines;

(f) Accelerate the vesting, exercisability or lapse of restrictions of any outstanding Award, in accordance with Article 14, based in each case on such considerations as the Committee in its sole discretion determines;

(g) Determine whether, to what extent, and under what circumstances an Award may be settled in, or the exercise price of an Award may be paid in, cash, Stock, other Awards, or other property, or an Award may be canceled, forfeited, or surrendered;

(h) Prescribe the form of each Award Certificate, which need not be identical for each Participant;

(i) Decide all other matters that must be determined in connection with an Award;

(j) Establish, adopt or revise any rules, regulations, guidelines or procedures as it may deem necessary or advisable to administer the Plan;

(k) Make all other decisions and determinations that may be required under the Plan or as the Committee deems necessary or advisable to administer the Plan;

(l) Amend the Plan or any Award Certificate as provided herein; and

(m) Adopt such modifications, procedures, and subplans as may be necessary or desirable to comply with provisions of the laws of the United States or any non-U.S. jurisdictions in which the Company or any Affiliate may operate, in order to assure the viability of the benefits of Awards granted to participants located in such other jurisdictions and to meet the objectives of the Plan.

Notwithstanding the foregoing, grants of Awards to Non-Employee Directors hereunder shall be made only in accordance with the terms, conditions and parameters of a plan, program or policy for the compensation of Non-Employee Directors as in effect from time to time, and the Committee may not make discretionary grants hereunder to Non-Employee Directors.

Notwithstanding the above, the Board may, by resolution, expressly delegate to a special committee, consisting of one or more directors who are also officers of the Company, the authority, within specified parameters as to the number and terms of Awards, to (i) designate officers, employees and/or consultants of the Company or any of its Affiliates to be recipients of Awards under the Plan, and (ii) to determine the number of such Awards to be received by any such Participants; provided, however, that such delegation of duties and responsibilities to an officer of the Company may not be made with respect to the grant of Awards to eligible participants (a) who are subject to Section 16(a) of the 1934 Act at the Grant Date, or (b) who as of the Grant Date are reasonably anticipated to be become Covered Employees during the term of the Award. The acts of such delegates shall be treated hereunder as acts of the Board and such delegates shall report regularly to the Board and the Committee regarding the delegated duties and responsibilities and any Awards so granted.

4.4. *AWARD CERTIFICATES.* Each Award shall be evidenced by an Award Certificate. Each Award Certificate shall include such provisions, not inconsistent with the Plan, as may be specified by the Committee.

ARTICLE 5
SHARES SUBJECT TO THE PLAN

5.1. *NUMBER OF SHARES.* Subject to adjustment as provided in Sections 5.2 and 15.1, the aggregate number of Shares reserved and available for issuance pursuant to Awards granted under the Plan shall be 106,000,000; provided, however, that each Share issued under the Plan pursuant to a Full-Value Award that is settled in Stock shall reduce the number of available Shares by two (2) shares. The maximum number of Shares that may be issued upon exercise of Incentive Stock Options granted under the Plan shall be 2,000,000.

5.2. *SHARE COUNTING.* Shares covered by an Award shall be subtracted from the Plan share reserve as of the date of the grant, but shall be added back to the Plan share reserve in accordance with Section 5.2.

(a) To the extent that an Award is canceled, terminates, expires, is forfeited or lapses for any reason, any unissued or forfeited Shares originally subject to the Award will be added back to the Plan share reserve and again be available for issuance pursuant to Awards granted under the Plan.

(b) Shares subject to Awards settled in cash will be added back to the Plan share reserve and again be available for issuance pursuant to Awards granted under the Plan.

(c) Substitute Awards granted pursuant to Section 14.14 of the Plan shall not count against the Shares otherwise available for issuance under the Plan under Section 5.1.

(d) The following shares of Stock may not again be made available for issuance as Awards under the Plan: (i) shares of Stock not issued or delivered as a result of the net settlement of an outstanding Option or SAR, (ii) shares of Stock used to pay the exercise price or withholding taxes related to an outstanding Option or SAR, or (iii) shares of Stock repurchased on the open market with the proceeds of the exercise price of an Option.

5.3. *STOCK DISTRIBUTED.* Any Stock distributed pursuant to an Award may consist, in whole or in part, of authorized and unissued Stock, treasury Stock or Stock purchased on the open market.

5.4. *LIMITATION ON AWARDS.* Notwithstanding any provision in the Plan to the contrary (but subject to adjustment as provided in Section 15.1), the maximum number of Shares with respect to one or more Options and/or SARs that may be granted during any one calendar year under the Plan to any one Participant shall be 5,000,000. The maximum aggregate grant with respect to Awards of Restricted Stock, Restricted Stock Units, Deferred Stock Units, Performance Shares or other Stock‑Based Awards (other than Options or SARs) granted in any one calendar year to any one Participant shall be 5,000,000.

5.5. *MINIMUM VESTING REQUIREMENTS.* Except in the case of substitute Awards granted pursuant to Section 14.15, Full-Value Awards granted under the Plan to an Eligible Participant shall either (i) be subject to a minimum vesting period of three years (which may include graduated vesting within such three-year period), or one year if the vesting is based on performance criteria other than continued service, or (ii) be granted solely in exchange for foregone cash compensation. Notwithstanding the foregoing, (i) the Committee may at its discretion permit and authorize acceleration of vesting of such Full-Value Awards in the event of the Participant's death, Disability, or retirement, or the occurrence of a Change in Control (subject to the requirements of Article 11 in the case of Qualified Performance-Based Awards), and (ii) the Committee may grant Full-Value Awards without the above-described minimum vesting requirements, or may permit and authorize acceleration of vesting of Full-Value Awards otherwise subject to the above-described minimum vesting requirements, with respect to Awards covering five percent (5%) or fewer of the total number of Shares authorized under the Plan.

ARTICLE 6
ELIGIBILITY

6.1. *GENERAL.* Awards may be granted only to Eligible Participants; except that Incentive Stock Options may be granted to only to Eligible Participants who are employees of the Company or a Parent or Subsidiary as defined in Section 424(e) and (f) of the Code. Eligible Participants who are service providers to an Affiliate may be granted Options or SARs under this Plan only if the Affiliate qualifies as an "eligible issuer of service recipient stock" within the meaning of §1.409A-1(b)(5)(iii)(E) of the final regulations under Code Section 409A.

ARTICLE 7
STOCK OPTIONS

7.1. *GENERAL.* The Committee is authorized to grant Options to Participants on the following terms and conditions:

(a) EXERCISE PRICE. The exercise price per Share under an Option shall be determined by the Committee, provided that the exercise price for any Option shall not be less than the Fair Market Value as of the Grant Date.

(b) PROHIBITION ON REPRICING. Except as otherwise provided in Article 15, without the prior approval of stockholders of the Company: (i) the exercise price of an Option may not be reduced, directly or indirectly, (ii) an Option may not be cancelled in exchange for cash, other Awards, or Options or SARs with an exercise or base price that is less than the exercise price of the original Option, or otherwise, and (iii) the Company may not repurchase an Option for value (in cash or otherwise) from a Participant if the current Fair Market Value of the Shares underlying the Option is lower than the exercise price per share of the Option.

(c) TIME AND CONDITIONS OF EXERCISE. The Committee shall determine the time or times at which an Option may be exercised in whole or in part, subject to Section 7.1(e). The Committee shall also determine the performance or other conditions, if any, that must be satisfied before all or part of an Option may be exercised or vested. The Committee may waive any exercise or vesting provisions at any time in whole or in part based upon factors as the Committee may determine in its sole discretion so that the Option becomes exercisable or vested at an earlier date. The Committee may permit an arrangement whereby receipt of Stock upon exercise of an Option is delayed until a specified future date.

(d) PAYMENT. The Committee shall determine the methods by which the exercise price of an Option may be paid, the form of payment, and the methods by which Shares shall be delivered or deemed to be delivered to Participants. As determined by the Committee at or after the Grant Date, payment of the exercise price of an Option may be made, in whole or in part, in the form of (i) cash or cash equivalents, (ii) delivery (by either actual delivery or attestation) of previously-acquired Shares based on the Fair Market Value of the Shares on the date the Option is exercised, (iii) withholding of Shares from the Option based on the Fair Market Value of the Shares on the date the Option is exercised, (iv) broker-assisted market sales, or (v) any other "cashless exercise" arrangement.

(e) EXERCISE TERM. In no event may any Option be exercisable for more than eight (8) years from the Grant Date.

(f) NO DEFERRAL FEATURE. No Option shall provide for any feature for the deferral of compensation other than the deferral of recognition of income until the exercise or disposition of the Option.

(g) NO DIVIDEND EQUIVALENTS. No Option shall provide for Dividend Equivalents.

(h) SUSPENSION. Any Participant who is also a participant in the Retirement at Micron ("RAM") Section 401(k) Plan and who requests and receives a hardship distribution from the RAM Plan, is prohibited from making, and must suspend, his or her employee elective contributions to the Plan.

7.2. *INCENTIVE STOCK OPTIONS.* The terms of any Incentive Stock Options granted under the Plan must comply with the following additional rules:

(a) EXERCISE PRICE. The exercise price of an Incentive Stock Option shall not be less than the Fair Market Value as of the Grant Date.

(b) LAPSE OF OPTION. Subject to any earlier termination provision contained in the Award Certificate, an Incentive Stock Option shall lapse upon the earliest of the following circumstances; provided, however, that the Committee may, prior to the lapse of the Incentive Stock Option under the circumstances described in subsections (3), (4) or (5) below, provide in writing that the Option will extend until a later date, but if an Option is so extended and is exercised after the dates specified in subsections (3) and (4) below, it will automatically become a Nonstatutory Stock Option:

(1) The expiration date set forth in the Award Certificate.

(2) The eight (8th) anniversary of the Grant Date.

(3) Three months after termination of the Participant's Continuous Status as a Participant for any reason other than the Participant's Disability or death.

(4) One year after the Participant's Continuous Status as a Participant terminates by reason of the Participant's Disability; provided, however, that to the extent that an Incentive Stock Option is exercised more than three (3) months after a Participant's Continuous Status as a Participant terminates by reason of his or her Disability, the Option shall automatically become a Nonstatutory Stock Option.

(5) One year after the termination of the Participant's death if the Participant dies while employed, or during the three-month period described in paragraph (3) or during the one-year period described in paragraph (4) and before the Option otherwise lapses.

Unless the exercisability of the Incentive Stock Option is accelerated as provided in Article 14, if a Participant exercises an Option after termination of employment, the Option may be exercised only with respect to the Shares that were otherwise vested on the Participant's termination of employment. Upon the Participant's death, any exercisable Incentive Stock Options may be exercised by the Participant's beneficiary, determined in accordance with Section 14.5.

(c) INDIVIDUAL DOLLAR LIMITATION. The aggregate Fair Market Value (determined as of the Grant Date) of all Shares with respect to which Incentive Stock Options are first exercisable by a Participant in any calendar year may not exceed $100,000.00.

(d) TEN PERCENT OWNERS. No Incentive Stock Option shall be granted to any individual who, at the Grant Date, owns stock possessing more than ten percent of the total combined voting power of all classes of stock of the Company or any Parent or Subsidiary unless the exercise price per share of such Option is at least 110% of the Fair Market Value per Share at the Grant Date and the Option expires no later than five years after the Grant Date.

(e) EXPIRATION OF AUTHORITY TO GRANT INCENTIVE STOCK OPTIONS. No Incentive Stock Option may be granted pursuant to the Plan after the day immediately prior to the tenth anniversary of the date the Plan was adopted by the Board, or the termination of the Plan, if earlier.

(f) RIGHT TO EXERCISE. During a Participant's lifetime, an Incentive Stock Option may be exercised only by the Participant or, in the case of the Participant's Disability, by the Participant's guardian or legal representative.

(g) ELIGIBLE GRANTEES. The Committee may not grant an Incentive Stock Option to a person who is not at the Grant Date an employee of the Company or a Parent or Subsidiary.

ARTICLE 8
STOCK APPRECIATION RIGHTS

8.1. *GRANT OF STOCK APPRECIATION RIGHTS.* The Committee is authorized to grant Stock Appreciation Rights to Participants on the following terms and conditions:

(a) RIGHT TO PAYMENT. Upon the exercise of a Stock Appreciation Right, the Participant has the right to receive, for each Share with respect to which the Stock Appreciation Right is being exercised, the excess, if any, of:

(1) The Fair Market Value of one Share on the date of exercise; over

(2) The base price of the Stock Appreciation Right as determined by the Committee, which shall not be less than the Fair Market Value of one Share on the Grant Date.

(b) PROHIBITION ON REPRICING. Except as otherwise provided in Article 15, without the prior approval of stockholders of the Company: (i) the base price of a SAR may not be reduced, directly or indirectly, (ii) a SAR may not be cancelled in exchange for cash, other Awards, or Options or SARs with an exercise or base price that is less than the base price of the original SAR, or otherwise, and (iii) the Company may not repurchase a SAR for value (in cash or otherwise) from a Participant if the current Fair Market Value of the Shares underlying the SAR is lower than the base price per share of the SAR.

(c) TIME AND CONDITIONS OF EXERCISE. The Committee shall determine the time or times at which a SAR may be exercised in whole or in part. No SAR granted under the Plan shall be exercisable for more than eight (8) years from the Grant Date.

(d) NO DEFERRAL FEATURE. No SAR shall provide for any feature for the deferral of compensation other than the deferral of recognition of income until the exercise or disposition of the SAR.

(e) NO DIVIDEND EQUIVALENTS. No SAR shall provide for Dividend Equivalents.

(f) OTHER TERMS. All awards of Stock Appreciation Rights shall be evidenced by an Award Certificate. The terms, methods of exercise, methods of settlement, form of consideration payable in settlement, and any other terms and conditions of any Stock Appreciation Right shall be determined by the Committee at the time of the grant of the Award and shall be reflected in the Award Certificate. In no event may any Stock Appreciation Rights be exercisable for more than eight (8) years from the Grant Date.

ARTICLE 9
PERFORMANCE SHARES

9.1. *GRANT OF PERFORMANCE SHARES.* The Committee is authorized to grant Performance Shares to Participants on such terms and conditions as may be selected by the Committee. The Committee shall have the complete discretion to determine the number of Performance Shares granted to each Participant, subject to Section 5.4, and to designate the provisions of such Performance Shares as provided in Section 4.3. All Performance Shares shall be evidenced by an Award Certificate or a written program established by the Committee, pursuant to which Performance Shares are awarded under the Plan under uniform terms, conditions and restrictions set forth in such written program.

9.2. *PERFORMANCE GOALS.* The Committee may establish performance goals for Performance Shares which may be based on any criteria selected by the Committee. Such performance goals may be described in terms of Company-wide objectives or in terms of objectives that relate to the performance of the Participant, an Affiliate or a division, region, department or function within the Company or an Affiliate. If the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company or the manner in which the Company or an Affiliate conducts its business, or other events or circumstances render performance goals to be unsuitable, the Committee may modify such performance goals in whole or in part, as the Committee deems appropriate. If a Participant is promoted, demoted or transferred to a different business unit or function during a performance period, the Committee may determine that the performance goals or performance period are no longer appropriate and may (i) adjust, change or eliminate the performance goals or the applicable performance period as it deems appropriate to make such goals and period comparable to the initial goals and period, or (ii) make a cash payment to the participant in amount determined by the Committee. The foregoing two sentences shall not apply with respect to an Award of Performance Shares that is intended to be a Qualified Performance‑Based Award if the recipient of such award (a) was a Covered Employee on the date of the modification, adjustment, change or elimination of the performance goals or performance period, or (b) in the reasonable judgment of the Committee, may be a Covered Employee on the date the Performance Award is expected to be paid.

9.3. *RIGHT TO PAYMENT.* The grant of a Performance Share to a Participant will entitle the Participant to receive at a specified later time a specified number of Shares, or the equivalent value in cash or other property, if the performance goals established by the Committee are achieved and the other terms and conditions thereof are satisfied. The Committee shall set performance goals and other terms or conditions to payment of the Performance Shares in its discretion which, depending on the extent to which they are met, will determine the number of the Performance Shares that will be earned by the Participant.

9.4. *OTHER TERMS.* Performance Shares may be payable in cash, Stock, or other property, and have such other terms and conditions as determined by the Committee and reflected in the Award Certificate.

ARTICLE 10
RESTRICTED STOCK AND RESTRICTED STOCK UNIT AWARDS

10.1. *GRANT OF RESTRICTED STOCK AND RESTRICTED STOCK UNITS.* Subject to the terms and conditions of this Article 10, the Committee is authorized to make Awards of Restricted Stock or Restricted Stock Units to Participants in such amounts and subject to such terms and conditions as may be selected by the Committee. An Award of Restricted Stock or Restricted Stock Units shall be evidenced by an Award Certificate setting forth the terms, conditions, and restrictions applicable to the Award.

10.2. *ISSUANCE AND RESTRICTIONS.* Restricted Stock or Restricted Stock Units shall be subject to such restrictions on transferability and other restrictions as the Committee may impose (including, without limitation, limitations on the right to vote Restricted Stock or the right to receive dividends on the Restricted Stock). Subject to the terms and conditions of the Plan, these restrictions may lapse separately or in combination at such times, under such circumstances, in such installments, upon the satisfaction of performance goals or otherwise, as the Committee determines at the time of the grant of the Award or thereafter. Except as otherwise provided in an Award Certificate or any special Plan document governing an Award, the Participant shall have all of the rights of a

stockholder with respect to the Restricted Stock, and the Participant shall have none of the rights of a stockholder with respect to Restricted Stock Units until such time as Shares of Stock are paid in settlement of the Restricted Stock Units.

10.3. *FORFEITURE.* Except as otherwise determined by the Committee at the time of the grant of the Award or thereafter, upon termination of Continuous Status as a Participant during the applicable restriction period or upon failure to satisfy a performance goal during the applicable restriction period, Restricted Stock or Restricted Stock Units that are at that time subject to restrictions shall be forfeited; provided, however, that the Committee may provide in any Award Certificate, subject to the terms and conditions of the Plan, that restrictions or forfeiture conditions relating to Restricted Stock or Restricted Stock Units will be waived in whole or in part in the event of terminations resulting from specified causes, including, but not limited to, death, Disability, or for the convenience or in the best interests of the Company.

10.4. *DELIVERY OF RESTRICTED STOCK.* Shares of Restricted Stock shall be delivered to the Participant at the time of grant either by book-entry registration or by delivering to the Participant, or a custodian or escrow agent (including, without limitation, the Company or one or more of its employees) designated by the Committee, a stock certificate or certificates registered in the name of the Participant. If physical certificates representing shares of Restricted Stock are registered in the name of the Participant, such certificates must bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Stock.

10.5. *DIVIDENDS ON RESTRICTED STOCK*. In the case of Restricted Stock, the Committee may provide that ordinary cash dividends declared on the Shares before they are vested (i) will be forfeited, (ii) will be deemed to have been reinvested in additional Shares or otherwise reinvested (subject to Share availability under Section 5.1 hereof), or (iii) in the case of Restricted Stock that is not subject to performance-based vesting, will be paid or distributed to the Participant as accrued (in which case, such dividends must be paid or distributed no later than the 15th day of the 3rd month following the later of (A) the calendar year in which the corresponding dividends were paid to stockholders, or (B) the first calendar year in which the Participant's right to such dividends is no longer subject to a substantial risk of forfeiture). Unless otherwise provided by the Committee, dividends accrued on Shares of Restricted Stock before they are vested shall, as provided in the Award Certificate, either (i) be reinvested in the form of additional Shares, which shall be subject to the same vesting provisions as provided for the host Award, or (ii) be credited by the Company to an account for the Participant and accumulated without interest until the date upon which the host Award becomes vested, and any dividends accrued with respect to forfeited Restricted Stock will be reconveyed to the Company without further consideration or any act or action by the Participant. In no event shall dividends with respect to Restricted Stock that is subject to performance-based vesting be paid or distributed until the performance-based vesting provisions of such Restricted Stock lapse.

ARTICLE 11
DEFERRED STOCK UNITS

11.1. *GRANT OF DEFERRED STOCK UNITS.* The Committee is authorized to grant Deferred Stock Units to Participants subject to such terms and conditions as may be selected by the Committee. Deferred Stock Units shall entitle the Participant to receive Shares of Stock (or the equivalent value in cash or other property if so determined by the Committee) at a future time as determined by the Committee, or as determined by the Participant within guidelines established by the Committee in the case of voluntary deferral elections. An Award of Deferred Stock Units shall be evidenced by an Award Certificate setting forth the terms and conditions applicable to the Award.

ARTICLE 12
DIVIDEND EQUIVALENTS

12.1. GRANT OF DIVIDEND EQUIVALENTS. The Committee is authorized to grant Dividend Equivalents with respect to Full-Value Awards granted hereunder to Participants subject to such terms and conditions as may be selected by the Committee. Dividend Equivalents shall entitle the Participant to receive payments equal to ordinary cash dividends or distributions with respect to all or a portion of the number of Shares subject to a Full-Value Award, as determined by the Committee. The Committee may provide that Dividend Equivalents (i) will be deemed to have been reinvested in additional Shares, or otherwise reinvested, or (ii) except in the case of Performance Shares, will be paid or distributed as accrued (in which case, such Dividend Equivalents must be paid or distributed no later than the 15th day of the 3rd month following the later of (i) the calendar year in which the corresponding dividends were paid to stockholders, or (ii) the first calendar year in which the Participant's right to such Dividends Equivalents is no longer subject to a substantial risk of forfeiture. Unless otherwise provided by the Committee, Dividend Equivalents accruing on unvested Full-Value Awards shall, as provided in the Award Certificate, either (i) be reinvested in the form of additional Shares, which shall be subject to the same vesting provisions as provided for the host Award, or (ii) be credited by the Company to an account for the Participant and accumulated without interest until the date upon which the host Award becomes vested, and any Dividend Equivalents accrued with respect to forfeited Awards will be reconveyed to the Company without further consideration or any act or action by the Participant. In no event shall Dividend Equivalents with respect to Performance Shares be paid or distributed until the performance-based vesting provisions of the Performance Shares lapse.

ARTICLE 13
STOCK OR OTHER STOCK‑BASED AWARDS

13.1. *GRANT OF STOCK OR OTHER STOCK‑BASED AWARDS.* The Committee is authorized, subject to limitations under applicable law, to grant to Participants such other Awards that are payable in, valued in whole or in part by reference to, or otherwise based on or related to Shares, as deemed by the Committee to be consistent with the purposes of the Plan, including without limitation Shares awarded purely as a "bonus" and not subject to any restrictions or conditions, convertible or exchangeable debt securities, other rights convertible or exchangeable into Shares, and Awards valued by reference to book value of Shares or the value of securities of or the performance of specified Parents or Subsidiaries. The Committee shall determine the terms and conditions of such Awards.

ARTICLE 14
PROVISIONS APPLICABLE TO AWARDS

14.1. *STAND‑ALONE AND TANDEM AWARDS.* Awards granted under the Plan may, in the discretion of the Committee, be granted either alone or in addition to, in tandem with, any other Award granted under the Plan. Subject to Section 16.2, awards granted in addition to or in tandem with other Awards may be granted either at the same time as or at a different time from the grant of such other Awards.

14.2. *TERM OF AWARD.* The term of each Award shall be for the period as determined by the Committee, provided that in no event shall the term of any Incentive Stock Option or a Stock Appreciation Right granted in tandem with the Incentive Stock Option exceed a period of eight (8) years from its Grant Date (or, if Section 7.2(d) applies, five years from its Grant Date).

14.3. *FORM OF PAYMENT FOR AWARDS.* Subject to the terms of the Plan and any applicable law or Award Certificate, payments or transfers to be made by the Company or an Affiliate on the grant or exercise of an Award may be made in such form as the Committee determines at or after the Grant Date, including without limitation, cash, Stock, other Awards, or other property, or any combination, and may be made in a single payment or transfer, in installments, or (except with respect to Options or SARs) on a deferred basis, in each case determined in accordance with rules adopted by, and at the discretion of, the Committee.

14.4. *LIMITS ON TRANSFER.* No right or interest of a Participant in any unexercised or restricted Award may be pledged, encumbered, or hypothecated to or in favor of any party other than the Company or an Affiliate, or shall be subject to any lien, obligation, or liability of such Participant to any other party other than the Company or an Affiliate. No unexercised or restricted Award shall be assignable or transferable by a Participant other than by will or the laws of descent and distribution or, except in the case of an Incentive Stock Option, pursuant to a domestic relations order that would satisfy Section 414(p)(1)(A) of the Code if such Section applied to an Award under the Plan; provided, however, that the Committee may (but need not) permit other transfers (other than transfers for value) where the Committee concludes that such transferability (i) does not result in accelerated taxation, (ii) does not cause any Option intended to be an Incentive Stock Option to fail to so qualify, and (iii) is otherwise appropriate and desirable, taking into account any factors deemed relevant, including without limitation, state or federal tax or securities laws applicable to transferable Awards.

14.5. *BENEFICIARIES.* Notwithstanding Section 14.4, a Participant may, in the manner determined by the Committee, designate a beneficiary to exercise the rights of the Participant and to receive any distribution with respect to any Award upon the Participant's death. A beneficiary, legal guardian, legal representative, or other person claiming any rights under the Plan is subject to all terms and conditions of the Plan and any Award Certificate applicable to the Participant, except to the extent the Plan and Award Certificate otherwise provide, and to any additional restrictions deemed necessary or appropriate by the Committee. If no beneficiary has been designated or survives the Participant, any payment due to the Participant shall be made to the Participant's estate. Subject to the foregoing, a beneficiary designation may be changed or revoked by a Participant, in the manner provided by the Company, at any time provided the change or revocation is filed with the Committee.

14.6. *STOCK CERTIFICATES.* All Stock issuable under the Plan is subject to any stop-transfer orders and other restrictions as the Committee deems necessary or advisable to comply with federal or state securities laws, rules and regulations and the rules of any national securities exchange or automated quotation system on which the Stock is listed, quoted, or traded. The Committee may place legends on any Stock certificate or issue instructions to the transfer agent to reference restrictions applicable to the Stock.

14.7. *ACCELERATION UPON A CHANGE IN CONTROL.* Except as otherwise provided in the Award Certificate or any special Plan document governing an Award, upon the occurrence of a Change in Control, all outstanding Options, SARs, and other Awards in the nature of rights that may be exercised shall become fully exercisable, and all time-based vesting restrictions on outstanding Awards shall lapse. Except as otherwise provided in the Award Certificate or any special Plan document governing an Award, upon the occurrence of a Change in Control, the target payout opportunities attainable under all outstanding performance‑based Awards shall be deemed to have been fully earned as of the effective date of the Change in Control based upon an assumed achievement of all relevant performance goals at the "target" level and there shall be prorata payout to Participants within thirty (30) days following the effective date of the Change in Control based upon the length of time within the performance period that has elapsed prior to the Change in Control.

14.8. *ACCELERATION UPON DEATH OR DISABILITY.* Except as otherwise provided in the Award Certificate or any special Plan document governing an Award, upon the termination of a Participant's Continuous Status as a Participant by reason of his or her death or Disability:

(i) all of such Participant's outstanding Options, SARs, and other Awards in the nature of rights that may be exercised that are solely subject to time-based vesting requirements shall become vested and fully exercisable as of the date of termination of Continuous Status as a Participant, and shall thereafter remain exercisable for a period of twelve (12) months or until the earlier expiration of the original term of the Option, SAR or other Award; provided, however, the to the extent that an Incentive Stock Option is exercised more than three (3) months after a Participant's Continuous Status as a Participant terminates by reason of his or her Disability, the Option shall automatically become a Nonstatutory Stock Option,

(ii) all time-based vesting restrictions on the Participant's outstanding Awards shall lapse as of the date of termination of Continuous Status as a Participant, and

(iii) the target payout opportunities attainable under all of such Participant's outstanding performance-based Awards shall be deemed to have been fully earned as of the date of termination of Continuous Status as a

Participant based upon an assumed achievement of all relevant performance goals at the "target" level and there shall be a payout to the Participant or his or her estate within thirty (30) days following the date of termination of Continuous Status as a Participant.

Except as otherwise provided in this Section 14.8, any Awards shall thereafter continue or lapse in accordance with the other provisions of the Plan and the Awards Certificate. Notwithstanding the foregoing, in the case of a Participant's termination of Continuous Status as a Participant by reason of Disability, this Section 14.8 shall apply to such Participant only if the designated person in the Participant's employer's Human Resources Department has received a copy of the Disability Notice before processing the Participant's termination. To the extent that this provision causes Incentive Stock Options to exceed the dollar limitation set forth in Section 7.2(c), the excess Options shall be deemed to be Nonstatutory Stock Options.

14.9. *ACCELERATION FOR ANY OTHER REASON.* Regardless of whether an event has occurred as described in Section 14.7 or 14.8 above, and subject to Section 5.5 as to Full-Value Awards and Section 14.11 as to Qualified Performance‑Based Awards, the Committee may in its sole discretion at any time determine that all or a portion of a Participant's Options, SARs, and other Awards in the nature of rights that may be exercised shall become fully or partially exercisable, that all or a part of the time-based vesting restrictions on all or a portion of the outstanding Awards shall lapse, and/or that any performance‑based criteria with respect to any Awards shall be deemed to be wholly or partially satisfied, in each case, as of such date as the Committee may, in its sole discretion, declare. The Committee may discriminate among Participants and among Awards granted to a Participant in exercising its discretion pursuant to this Section 14.9.

14.10. *EFFECT OF ACCELERATION.* If an Award is accelerated under Section 14.7, Section 14.8 or Section 14.9, the Committee may, in its sole discretion, provide (i) that the Award will expire after a designated period of time after such acceleration to the extent not then exercised, (ii) that the Award will be settled in cash rather than Stock, (iii) that the Award will be assumed by another party to a transaction giving rise to the acceleration or otherwise be equitably converted or substituted in connection with such transaction, (iv) that the Award may be settled by payment in cash or cash equivalents equal to the excess of the Fair Market Value of the underlying Stock, as of a specified date associated with the transaction, over the exercise price of the Award, or (v) any combination of the foregoing. The Committee's determination need not be uniform and may be different for different Participants whether or not such Participants are similarly situated. To the extent that such acceleration causes Incentive Stock Options to exceed the dollar limitation set forth in Section 7.2(c), the excess Options shall be deemed to be Nonstatutory Stock Options.

14.11. *QUALIFIED PERFORMANCE‑BASED AWARDS.*

(a) The provisions of the Plan are intended to ensure that all Options and Stock Appreciation Rights granted hereunder to any Covered Employee shall qualify for the Section 162(m) Exemption; provided that the exercise or base price of such Award is not less than the Fair Market Value of the Shares on the Grant Date.

(b) When granting any other Award, the Committee may designate such Award as a Qualified Performance‑Based Award, based upon a determination that the recipient is or may be a Covered Employee with respect to such Award, and the Committee wishes such Award to qualify for the Section 162(m) Exemption. If an Award is so designated, the Committee shall establish performance goals for such Award within the time period prescribed by Section 162(m) of the Code based on one or more of the following Qualified Business Criteria, which may be expressed in terms of Company-wide objectives or in terms of objectives that relate to the performance of an Affiliate or a unit, division, region, department or function within the Company or an Affiliate:

- Gross and/or net revenue (including whether in the aggregate or attributable to specific products)
- Cost of Goods Sold and Gross Margin
- Costs and expenses, including Research & Development and Selling, General & Administrative

- Income (gross, operating, net, etc.)
- Earnings, including before interest, taxes, depreciation and amortization (whether in the aggregate or on a per share basis
- Cash flows and share price
- Return on assets, investment, capital, equity
- Manufacturing efficiency (including yield enhancement and cycle time reductions), quality improvements and customer satisfaction
- Product life cycle management (including product and technology design, development, transfer, manufacturing introduction, and sales price optimization and management)
- Economic profit or loss
- Market share
- Employee retention, compensation, training and development, including succession planning
- Objective goals consistent with the Participant's specific officer duties and responsibilities, designed to further the financial, operational and other business interests of the Company, including goals and objectives with respect to regulatory compliance matters.

Performance goals with respect to the foregoing Qualified Business Criteria may be specified in absolute terms (including completion of pre-established projects, such as the introduction of specified products), in percentages, or in terms of growth from period to period or growth rates over time as well as measured relative to an established or specially‑created performance index of Company competitors, peers or other members of high tech industries. Any member of an index that disappears during a measurement period shall be disregarded for the entire measurement period. Performance Goals need not be based upon an increase or positive result under a business criterion and could include, for example, the maintenance of the status quo or the limitation of economic losses (measured, in each case, by reference to a specific business criterion).

(c) Each Qualified Performance‑Based Award (other than an Option or SAR) shall be earned, vested and payable (as applicable) only upon the achievement of performance goals established by the Committee based upon one or more of the Qualified Business Criteria, together with the satisfaction of any other conditions, including the condition as to continued employment as set forth in subsection (g) below, as the Committee may determine to be appropriate; provided, however, that the Committee may provide, in its sole and absolute discretion, either in connection with the grant thereof or by amendment thereafter, that achievement of such performance goals will be waived upon the death or Disability of the Participant, or upon a Change in Control. Performance periods established by the Committee for any such Qualified Performance‑Based Award may be as short as ninety (90) days and may be any longer period. In addition, the Committee has the right, in connection with the grant of a Qualified Performance-Based Award, to exercise negative discretion to determine that the portion of such Award actually earned, vested and/or payable (as applicable) shall be less than the portion that would be earned, vested and/or payable based solely upon application of the applicable performance goals.

(d) The Committee may provide in any Qualified Performance‑Based Award, at the time the performance goals are established, that any evaluation of performance shall include, exclude or otherwise equitably adjust for any event that occurs during a performance period, including by way of example but without limitation the following: (a) asset write‑downs or impairment charges; (b) litigation or claim judgments or settlements; (c) the effect of changes in tax laws, accounting principles or other laws or provisions affecting reported results; (d) accruals for reorganization and restructuring programs; (e) extraordinary nonrecurring items as described in then-current account principles and/or in management's discussion and analysis of financial condition and results of operations appearing in the Company's annual report to stockholders for the applicable year; (f) acquisitions or divestitures; and

(g) foreign exchange gains and losses. To the extent such inclusions or exclusions affect Awards to Covered Employees, they shall be prescribed in a form and at a time that meets the requirements of Code Section 162(m) for deductibility.

(e) Any payment of a Qualified Performance-Based Award granted with performance goals pursuant to subsection (c) above shall be conditioned on the written certification of the Committee in each case that the performance goals and any other material conditions were satisfied. Written certification may take the form of a Committee resolution passed by a majority of the Committee at a properly convened meeting or through unanimous action by the Committee via action by written consent. The certification requirement also may be satisfied by a separate writing executed by the Chairman of the Committee, acting in his capacity as such, following the foregoing Committee action or by the Chairman executing approved minutes of the Committee in which such determinations were made. Except as specifically provided in subsection (c), no Qualified Performance-Based Award held by a Covered Employee or an employee who in the reasonable judgment of the Committee may be a Covered Employee on the date of payment, may be amended, nor may the Committee exercise any discretionary authority it may otherwise have under the Plan with respect to a Qualified Performance-Based Award under the Plan, in any manner to waive the achievement of the applicable performance goal based on Qualified Business Criteria or to increase the amount payable pursuant thereto or the value thereof, or otherwise in a manner that would cause the Qualified Performance-Based Award to cease to qualify for the Section 162(m) Exemption.

(f) Section 5.4 sets forth the maximum number of Shares or dollar value that may be granted in any one-year period to a Participant in designated forms of Qualified Performance-Based Awards.

(g) With respect to a Participant who is an officer of the Company, any payment of a Qualified Performance-Based Award granted with performance goals pursuant to subsection (c) above shall be conditioned on the officer having remained continuously employed by the Company or an Affiliate for the entire performance or measurement period, including, as well, through the date of determination and certification of the payment of any such Award pursuant to subsection (e) above (the "Certification Date"). For purposes of the Plan, with respect to any given performance or measurement period, an officer of the Company who (i) terminates employment (regardless of cause) or who otherwise ceases to be an officer, prior to the Certification Date and (ii) who, pursuant to a separate contractual arrangement with the Company is entitled to receive payments from the Company thereunder extending to or beyond such Certification Date as a result of such termination or cessation in officer status, shall be deemed to have been employed by the Company as an officer through the Certification Date for purposes of payment eligibility.

14.12. *TERMINATION OF EMPLOYMENT.* Whether military, government or other service or other leave of absence shall constitute a termination of employment shall be determined in each case by the Committee at its discretion, and any determination by the Committee shall be final and conclusive. A Participant's Continuous Status as a Participant shall not be deemed to terminate (i) in a circumstance in which a Participant transfers from the Company to an Affiliate, transfers from an Affiliate to the Company, or transfers from one Affiliate to another Affiliate, or (ii) in the discretion of the Committee as specified at or prior to such occurrence, in the case of a spin-off, sale or disposition of the Participant's employer from the Company or any Affiliate. To the extent that this provision causes Incentive Stock Options to extend beyond three months from the date a Participant is deemed to be an employee of the Company, a Parent or Subsidiary for purposes of Sections 424(e) and 424(f) of the Code, the Options held by such Participant shall be deemed to be Nonstatutory Stock Options.

14.13. *DEFERRAL.* Subject to applicable law, the Committee may permit or require a Participant to defer such Participant's receipt of the payment of cash or the delivery of Shares that would otherwise be due to such Participant by virtue of the exercise of an Option or SAR, the lapse or waiver of restrictions with respect to Restricted Stock or Restricted Stock Units, or the satisfaction of any requirements or goals with respect to Performance Shares, and Other Stock-Based Awards. If any such deferral election is required or permitted, the Board shall, in its sole discretion, establish rules and procedures for such payment deferrals in compliance with Section 409A of the Code and other applicable law.

14.14. *FORFEITURE EVENTS.* Awards under the Plan shall be subject to any compensation recoupment policy that the Company will adopt from time to time, as required by law or otherwise, to the extent applicable. In addition, the Committee may specify in an Award Certificate that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events shall include, but shall not be limited to, termination of employment for cause, violation of material Company or Affiliate policies, breach of noncompetition, confidentiality or other restrictive covenants that may apply to the Participant, other conduct by the Participant that is detrimental to the business or reputation of the Company or any Affiliate, or a later determination that the vesting of, or amount realized from, a Performance Award was based on materially inaccurate financial statements or any other materially inaccurate performance metric criteria, whether or not the Participant caused or contributed to such material inaccuracy.

14.15. *SUBSTITUTE AWARDS.* The Committee may grant Awards under the Plan in substitution for stock and stock‑based awards held by employees of another entity who become employees of the Company or an Affiliate as a result of a merger or consolidation of the former employing entity with the Company or an Affiliate or the acquisition by the Company or an Affiliate of property or stock of the former employing corporation. The Committee may direct that the substitute awards be granted on such terms and conditions as the Committee considers appropriate in the circumstances.

ARTICLE 15
CHANGES IN CAPITAL STRUCTURE

15.1. *MANDATORY ADJUSTMENTS.* Subject to any required action by the stockholders of the Company, the number of shares of Common Stock covered by each outstanding Award, and the number of issued shares of Common Stock which have been authorized for issuance under the Plan but as to which no Awards have yet been granted or which have been returned to the Plan upon cancellation or expiration of an Award, as well as the price per share of Common Stock covered by each such outstanding Award, shall be proportionately adjusted for any increase or decrease in the number of issued shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Common Stock or any other increase or decrease in the number of shares of Common Stock effected without receipt of consideration by the Company; provided, however, that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration." Such adjustment shall be made by the Board, whose determination in that respect shall be final, binding, and conclusive. Without limiting the foregoing, in the event of a subdivision of the outstanding Stock (stock‑split), a declaration of a dividend payable in Shares, or a combination or consolidation of the outstanding Stock into a lesser number of Shares, the authorization limits under Section 5.1 and 5.4 shall automatically be adjusted proportionately, and the Shares then subject to each Award shall automatically be adjusted proportionately without any change in the aggregate purchase price therefor. To the extent that any adjustments made pursuant to this Article 15 cause Incentive Stock Options to cease to qualify as Incentive Stock Options, such Options shall be deemed to be Nonstatutory Stock Options. Notwithstanding the foregoing, the Committee shall not make any adjustments to outstanding Options or SARs that would constitute a modification or substitution of the stock right under Treas. Reg. Sections 1.409A-1(b)(5)(v) that would be treated as the grant of a new stock right or change in the form of payment for purposes of Code Section 409A.

15.2. *DISCRETIONARY ADJUSTMENTS.* Upon the occurrence or in anticipation of any corporate event or transaction involving the Company (including, without limitation, any merger, reorganization, recapitalization or combination or exchange of shares or any transaction described in Section 15.1), the Committee may, in its sole discretion, provide (i) that Awards will be settled in cash rather than Stock, (ii) that Awards will become immediately vested and exercisable and will expire after a designated period of time to the extent not then exercised, (iii) that Awards will be assumed by another party to a transaction or otherwise be equitably converted or substituted in connection with such transaction, (iv) that outstanding Awards may be settled by payment in cash or cash equivalents equal to the excess of the Fair Market Value of the underlying Stock, as of a specified date associated with the transaction (or the per-share transaction price), over the exercise or base price of the Award, (v) that applicable performance targets and performance periods for Awards will be modified, consistent with Code Section 162(m) where applicable, or (vi) any combination of the foregoing. The Committee's determination need

not be uniform and may be different for different Participants whether or not such Participants are similarly situated.

15.3 *GENERAL.* Any discretionary adjustments made pursuant to this Article 15 shall be subject to the provisions of Article 16. To the extent that any adjustments made pursuant to this Article 15 cause Incentive Stock Options to cease to qualify as Incentive Stock Options, such Options shall be deemed to be Nonstatutory Stock Options.

ARTICLE 16
AMENDMENT, MODIFICATION AND TERMINATION

16.1. *AMENDMENT, MODIFICATION AND TERMINATION.* The Board or the Committee may, at any time and from time to time, amend, modify or terminate the Plan without stockholder approval; provided, however, that if an amendment to the Plan would, in the reasonable opinion of the Board or the Committee, either (i) materially increase the number of Shares available under the Plan, (ii) expand the types of awards under the Plan, (iii) materially expand the class of participants eligible to participate in the Plan, (iv) materially extend the term of the Plan, or (v) otherwise constitute a material change requiring stockholder approval under applicable laws, policies or regulations or the applicable listing or other requirements of an Exchange, then such amendment shall be subject to stockholder approval; and provided, further, that the Board or Committee may condition any other amendment or modification on the approval of stockholders of the Company for any reason, including by reason of such approval being necessary or deemed advisable to (i) comply with the listing or other requirements of an Exchange, or (ii) to satisfy any other tax, securities or other applicable laws, policies or regulations. Without the prior approval of the stockholders of the Company, the Plan may not be amended to permit: (i) the exercise price or base price of an Option or SAR to be reduced, directly or indirectly, (ii) an Option or SAR to be cancelled in exchange for cash, other Awards, or Options or SARs with an exercise or base price that is less than the exercise price or base price of the original Option or SAR, or otherwise, or (iii) the Company to repurchase an Option or SAR for value (in cash or otherwise) from a Participant if the current Fair Market Value of the Shares underlying the Option or SAR is lower than the exercise price or base price per share of the Option or SAR.

16.2. *AWARDS PREVIOUSLY GRANTED.* At any time and from time to time, the Committee may amend, modify or terminate any outstanding Award without approval of the Participant; provided, however:

(a) Subject to the terms of the applicable Award Certificate, such amendment, modification or termination shall not, without the Participant's consent, reduce or diminish the value of such Award determined as if the Award had been exercised, vested, cashed in or otherwise settled on the date of such amendment or termination (with the per-share value of an Option or Stock Appreciation Right for this purpose being calculated as the excess, if any, of the Fair Market Value as of the date of such amendment or termination over the exercise or base price of such Award);

(b) The original term of an Option may not be extended without the prior approval of the stockholders of the Company;

(c) Except as otherwise provided in Article 15, without the prior approval of the stockholders of the Company: (i) the exercise price or base price of an Option or SAR may not be reduced, directly or indirectly, (ii) an Option or SAR may not be cancelled in exchange for cash, other Awards, or Options or SARs with an exercise or base price that is less than the exercise price or base price of the original Option or SAR, or otherwise, and (iii) the Company may not repurchase an Option or SAR for value (in cash or otherwise) from a Participant if the current Fair Market Value of the Shares underlying the Option or SAR is lower than the exercise price or base price per share of the Option or SAR.

(d) No termination, amendment, or modification of the Plan shall adversely affect any Award previously granted under the Plan, without the written consent of the Participant affected thereby. An outstanding Award shall not be deemed to be "adversely affected" by a Plan amendment if such amendment would not reduce or diminish the value of such Award determined as if the Award had been exercised, vested, cashed in or otherwise settled on the date of such amendment (with the per-share value of an Option or Stock Appreciation Right for this purpose being calculated as the excess, if any, of the Fair Market Value as of the date of such amendment over the exercise or base price of such Award).

16.3. *COMPLIANCE AMENDMENTS.* Notwithstanding anything in the Plan or in any Award Certificate to the contrary, the Committee may amend the Plan or an Award Certificate, to take effect retroactively or otherwise, as deemed necessary or advisable for the purpose of conforming the Plan or Award Certificate to any present or future law relating to plans of this or similar nature (including, but not limited to, Section 409A of the Code), and to the administrative regulations and rulings promulgated thereunder. By accepting an Award under this Plan, a Participant agrees to any amendment made pursuant to this Section 16.3 to any Award granted under the Plan without further consideration or action.

ARTICLE 17
GENERAL PROVISIONS

17.1. *NO RIGHTS TO AWARDS; NON-UNIFORM DETERMINATIONS.* No Participant or any Eligible Participant shall have any claim to be granted any Award under the Plan. Neither the Company, its Affiliates nor the Committee is obligated to treat Participants or Eligible Participants uniformly, and determinations made under the Plan may be made by the Committee selectively among Eligible Participants who receive, or are eligible to receive, Awards (whether or not such Eligible Participants are similarly situated).

17.2. *NO STOCKHOLDER RIGHTS.* No Award gives a Participant any of the rights of a stockholder of the Company unless and until Shares are in fact issued to such person in connection with such Award.

17.3. *SPECIAL PROVISIONS RELATED TO SECTION 409A OF THE CODE*.

(a) It is intended that the payments and benefits provided under the Plan and any Award shall either be exempt from the application of, or comply with, the requirements of Section 409A of the Code. The Plan and all Award Certificates shall be construed in a manner that effects such intent. Nevertheless, the tax treatment of the benefits provided under the Plan or any Award is not warranted or guaranteed. Neither the Company, its Affiliates nor their respective directors, officers, employees or advisers (other than in his or her capacity as a Participant) shall be held liable for any taxes, interest, penalties or other monetary amounts owed by any Participant or other taxpayer as a result of the Plan or any Award.

(b) Notwithstanding anything in the Plan or in any Award Certificate to the contrary, to the extent that any amount or benefit that would constitute non-exempt "deferred compensation" for purposes of Section 409A of the Code ("Non-Exempt Deferred Compensation") would otherwise be payable or distributable, or a different form of payment (e.g., lump sum or installment) would be effected, under the Plan or any Award Certificate by reason of the occurrence of a Change in Control, or the Participant's Disability or separation from service, such Non-Exempt Deferred Compensation will not be payable or distributable to the Participant, and/or such different form of payment will not be effected, by reason of such circumstance unless the circumstances giving rise to such Change in Control, Disability or separation from service meet any description or definition of "change in control event", "disability" or "separation from service", as the case may be, in Section 409A of the Code and applicable regulations (without giving effect to any elective provisions that may be available under such definition). This provision does not prohibit the vesting of any Award upon a Change in Control, Disability or separation from service, however defined. If this provision prevents the payment or distribution of any amount or benefit, or the application of a different form of payment of any amount or benefit, such payment or distribution shall be made at the time and in the form that would have applied absent the Change in Control, Disability or separation from service, as applicable.

(c) If any one or more Awards granted under the Plan to a Participant could qualify for any separation pay exemption described in Treas. Reg. Section 1.409A-1(b)(9), but such Awards in the aggregate exceed the dollar limit permitted for the separation pay exemptions, the Company (acting through the Committee or the Head of Human Resources) shall determine which Awards or portions thereof will be subject to such exemptions.

(d) Notwithstanding anything in the Plan or in any Award Certificate to the contrary, if any amount or benefit that would constitute Non-Exempt Deferred Compensation would otherwise be payable

or distributable under this Plan or any Award Certificate by reason of a Participant's separation from service during a period in which the Participant is a Specified Employee (as defined below), then, subject to any permissible acceleration of payment by the Committee under Treas. Reg. Section 1.409A-3(j)(4)(ii) (domestic relations order), (j)(4)(iii) (conflicts of interest), or (j)(4)(vi) (payment of employment taxes):

(i) if the payment or distribution is payable in a lump sum, the Participant's right to receive payment or distribution of such Non-Exempt Deferred Compensation will be delayed until the earlier of the Participant's death or the first day of the seventh month following the Participant's separation from service; and

(ii) if the payment or distribution is payable over time, the amount of such Non-Exempt Deferred Compensation that would otherwise be payable during the six-month period immediately following the Participant's separation from service will be accumulated and the Participant's right to receive payment or distribution of such accumulated amount will be delayed until the earlier of the Participant's death or the first day of the seventh month following the Participant's separation from service, whereupon the accumulated amount will be paid or distributed to the Participant and the normal payment or distribution schedule for any remaining payments or distributions will resume.

For purposes of this Plan, the term "Specified Employee" has the meaning given such term in Code Section 409A and the final regulations thereunder, provided, however, that, as permitted in such final regulations, the Company's Specified Employees and its application of the six-month delay rule of Code Section 409A(a)(2)(B)(i) shall be determined in accordance with rules adopted by the Board or any committee of the Board, which shall be applied consistently with respect to all nonqualified deferred compensation arrangements of the Company, including this Plan.

(e) If, pursuant to an Award, a Participant is entitled to a series of installment payments, such Participant's right to the series of installment payments shall be treated as a right to a series of separate payments and not to a single payment. For purposes of the preceding sentence, the term "series of installment payments" has the meaning provided in Treas. Reg. Section 1.409A-2(b)(2)(iii) (or any successor thereto).

(f) The Company shall have the sole authority to make any accelerated distribution permissible under Treas. Reg. section 1.409A-3(j)(4) to Participants of deferred amounts, provided that such distribution(s) meets the requirements of Treas. Reg. section 1.409A-3(j)(4).

(g) Whenever an Award conditions a payment or benefit on the Participant's execution and non-revocation of a release of claims, such release must be executed and all revocation periods shall have expired within 60 days after the date of termination of the Participant's employment; failing which such payment or benefit shall be forfeited. If such payment or benefit is exempt from Section 409A of the Code, the Company may elect to make or commence payment at any time during such 60-day period. If such payment or benefit constitutes Non-Exempt Deferred Compensation, then, subject to subsection (d) above, (i) if such 60-day period begins and ends in a single calendar year, the Company may make or commence payment at any time during such period at its discretion, and (ii) if such 60-day period begins in one calendar year and ends in the next calendar year, the payment shall be made or commence during the second such calendar year (or any later date specified for such payment under the applicable Award), even if such signing and non-revocation of the release occur during the first such calendar year included within such 60-day period.

17.4. *WITHHOLDING.* The Company or any Affiliate shall have the authority and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy federal, state, and local taxes (including the Participant's FICA obligation) required by law to be withheld with respect to any exercise, lapse of restriction or other taxable event arising as a result of the Plan. If Shares are surrendered to the Company to satisfy withholding obligations in excess of the minimum withholding obligation, such Shares must have been held by the Participant as fully vested shares for such period of time, if any, as necessary to avoid the recognition of an expense under generally accepted accounting principles. The Company shall have the authority to require a Participant to remit cash to the Company in lieu of the surrender of Shares for tax withholding obligations if the surrender of Shares in satisfaction of such withholding obligations would result in the Company's recognition of expense under generally accepted accounting principles. With respect to withholding required upon any taxable event under the Plan, the Committee may, at the time the Award is granted or thereafter, require or permit that any such withholding requirement be satisfied, in whole or in part, by withholding from the Award Shares having a Fair Market Value on the date of withholding equal to the minimum amount (and not any greater amount) required to be withheld for tax purposes, all in accordance with such procedures as the Committee establishes.

17.5. *NO RIGHT TO CONTINUED SERVICE.* Nothing in the Plan, any Award Certificate or any other document or statement made with respect to the Plan, shall interfere with or limit in any way the right of the Company or any Affiliate to terminate any Participant's employment or status as an officer, director or consultant at any time, nor confer upon any Participant any right to continue as an employee, officer, director or consultant of the Company or any Affiliate, whether for the duration of a Participant's Award or otherwise.

17.6. *UNFUNDED STATUS OF AWARDS.* The Plan is intended to be an "unfunded" plan for incentive and deferred compensation. With respect to any payments not yet made to a Participant pursuant to an Award, nothing contained in the Plan or any Award Certificate shall give the Participant any rights that are greater than those of a general creditor of the Company or any Affiliate. This Plan is not intended to be subject to ERISA.

17.7. *RELATIONSHIP TO OTHER BENEFITS.* No payment under the Plan shall be taken into account in determining any benefits under any pension, retirement, savings, profit sharing, group insurance, welfare or benefit plan of the Company or any Affiliate unless provided otherwise in such other plan.

17.8. *EXPENSES.* The expenses of administering the Plan shall be borne by the Company and its Affiliates.

17.9. *TITLES AND HEADINGS.* The titles and headings of the Sections in the Plan are for convenience of reference only, and in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control.

17.10. *GENDER AND NUMBER.* Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine; the plural shall include the singular and the singular shall include the plural.

17.11. *FRACTIONAL SHARES.* No fractional Shares shall be issued and the Committee shall determine, in its discretion, whether cash shall be given in lieu of fractional Shares or whether such fractional Shares shall be eliminated by rounding up or down.

17.12. *GOVERNMENT AND OTHER REGULATIONS.*

(a) Notwithstanding any other provision of the Plan, no Participant who acquires Shares pursuant to the Plan may, during any period of time that such Participant is an affiliate of the Company (within the meaning of the rules and regulations of the Securities and Exchange Commission under the 1933 Act), sell such Shares, unless such offer and sale is made (i) pursuant to an effective registration statement under the 1933 Act, which is current and includes the Shares to be sold, or (ii) pursuant to an appropriate exemption from the registration requirement of the 1933 Act, such as that set forth in Rule 144 promulgated under the 1933 Act.

(b) Notwithstanding any other provision of the Plan, if at any time the Committee shall determine that the registration, listing or qualification of the Shares covered by an Award upon any Exchange or under any foreign, federal, state or local law or practice, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the granting of such Award or the purchase or receipt of Shares thereunder, no Shares may be purchased, delivered or received pursuant to such Award unless and until such registration, listing, qualification, consent or approval shall have been effected or obtained free of any condition not acceptable to the Committee. Any Participant receiving or purchasing Shares pursuant to an Award shall make such representations and agreements and furnish such information as the Committee may request to assure compliance with the foregoing or any other applicable legal requirements. The Company shall not be required to issue or deliver any certificate or certificates for Shares under the Plan prior to the Committee's determination that all related requirements have been fulfilled. The Company shall in no event be obligated to register any securities pursuant to the 1933 Act or applicable state or foreign law or to take any other action in order to cause the issuance and delivery of such certificates to comply with any such law, regulation or requirement.

17.13. *GOVERNING LAW.* To the extent not governed by federal law, the Plan and all Award Certificates shall be construed in accordance with and governed by the laws of the State of Delaware.

17.14. *ADDITIONAL PROVISIONS.* Each Award Certificate may contain such other terms and conditions as the Committee may determine; provided that such other terms and conditions are not inconsistent with the provisions of the Plan.

17.15. *NO LIMITATIONS ON RIGHTS OF COMPANY.* The grant of any Award shall not in any way affect the right or power of the Company to make adjustments, reclassification or changes in its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets. The Plan shall not restrict the authority of the Company, for proper corporate purposes, to draft or assume awards, other than under the Plan, to or with respect to any person. If the Committee so directs, the Company may issue or transfer Shares to an Affiliate, for such lawful consideration as the Committee may specify, upon the condition or understanding that the Affiliate will transfer such Shares to a Participant in accordance with the terms of an Award granted to such Participant and specified by the Committee pursuant to the provisions of the Plan.

17.16. *INDEMNIFICATION.* Each person who is or shall have been a member of the Committee, or of the Board, or an officer of the Company to whom authority was delegated in accordance with Article 4 shall be indemnified and held harmless by the Company against and from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under the Plan and against and from any and all amounts paid by him or her in settlement thereof, with the Company's approval, or paid by him or her in satisfaction of any judgment in any such action, suit, or proceeding against him or her, provided he or she shall give the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf, unless such loss, cost, liability, or expense is a result of his or her own willful misconduct or except as expressly provided by statute. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's Certificate of Incorporation or Bylaws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

17.17. *SEVERABILITY.* In the event that any provision of this Plan is found to be invalid or otherwise unenforceable under any applicable law, such invalidity or unenforceability will not be construed as rendering any other provisions contained herein as invalid or unenforceable, and all such other provisions will be given full force and effect to the same extent as though the invalid or unenforceable provision was not contained herein.

Exhibit 10.7

AMENDED AND RESTATED 2004 EQUITY INCENTIVE PLAN
RESTRICTED STOCK AGREEMENT
TERMS AND CONDITIONS

1. Grant of Shares. The Company hereby grants to the Grantee named in the notice of award ("Grantee"), subject to the restrictions and the other terms and conditions set forth in the Micron Technology, Inc. Amended and Restated 2004 Equity Incentive Plan (the "Plan") and in this award agreement (this "Agreement"), the number of shares indicated in the notice of award of the Company's $0.10 par value common stock (the "Shares"). Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Plan.

2. General Acknowledgements. By accepting the Shares, Grantee hereby acknowledges that he or she has reviewed the terms and conditions of this Agreement and the Plan, and is familiar with the provisions thereof. Grantee hereby accepts the Shares subject to all the terms and conditions of this Agreement and the Plan. Grantee acknowledges that a Prospectus relating to the Plan was made available for review. Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan. Grantee acknowledges that the grant and acceptance of the Shares do not constitute an employment agreement and do not assure continuous employment with the Company or any of its Affiliates.

3. Restrictions. The Shares are subject to each of the following restrictions. "Restricted Shares" mean those Shares that are subject to the restrictions imposed hereunder and such restrictions have not then expired or terminated. Restricted Shares may not be sold, transferred, exchanged, assigned, pledged, hypothecated or otherwise encumbered. If Grantee's Continuous Status as a Participant terminates for any reason other than as set forth in paragraph (b) of Section 4 hereof, then Grantee shall forfeit all of Grantee's right, title and interest in and to the Restricted Shares as of the date of termination of such service or employment, and such Restricted Shares shall revert to the Company. The restrictions imposed under this Section shall apply to all shares of the Company's Stock with respect to the Restricted Shares or other securities issued in connection with any merger, reorganization, consolidation, recapitalization, stock dividend or other change in corporate structure affecting the Stock of the Company.

4. Expiration and Termination of Restrictions. The restrictions imposed under Section 3 will expire on the earliest to occur of the following (the period prior to such expiration being referred to herein as the "Restricted Period"):

(a) On the respective vesting dates specified in the notice of award as to the number of Shares specified therein; provided Grantee remains in Continuous Status as a Participant on each vesting date specified therein;

(b) Termination of Grantee's Continuous Status as a Participant by reason of death or Disability; or

(c) Upon the occurrence of a Change in Control.

5. Delivery of Shares. The Shares will be registered in the name of Grantee as of the Grant Date and will be held by the Company during the Restricted Period in certificated or uncertificated form. If a certificate for Restricted Shares is issued during the Restricted Period with respect to such Shares, such certificate shall be registered in the name of Grantee and shall bear a legend in substantially the following form: "This certificate and the shares of stock represented hereby are subject to the terms and conditions (including forfeiture and restrictions against transfer) contained in a Restricted Stock Agreement between the registered owner of the shares represented hereby and Micron Technology, Inc. Release from such terms and conditions shall be made only in accordance with the provisions of such Agreement, copies of which are on file in the offices of Micron Technology, Inc." Stock certificates for the Shares, without the above legend, shall be delivered to Grantee or Grantee's designee upon request of Grantee after the expiration of the Restricted Period, but delivery may be postponed for such period as may be required for the Company with reasonable diligence to comply if deemed advisable by the Company, with registration requirements under the Securities Act of 1933, listing requirements under the rules of any stock exchange, and requirements under any other law or regulation applicable to the issuance or transfer of the Shares.

6. Voting and Dividend Rights. Grantee, as beneficial owner of the Shares, shall have full voting rights with respect to the Shares during and after the Restricted Period. Grantee shall accrue cash and non-cash dividends, if any, paid with respect to the Restricted Shares, but the payment of such dividends shall be deferred and held (without interest) by the Company for the account of Grantee until the expiration of the Restricted Period. During the Restricted Period, such dividends shall be subject to the same vesting restrictions imposed under Section 3 as the Restricted Shares to which they relate. Accrued dividends deferred and held pursuant to the foregoing provision shall be paid by the Company to Grantee promptly upon the expiration of the Restricted Period (and in any event within thirty (30) days of the date of such expiration). If Grantee forfeits any rights he may have under this Agreement in accordance with Section 3, Grantee shall no longer have any rights as a shareholder with respect to the Restricted Shares or any interest therein and Grantee shall no longer be entitled to receive dividends on such stock.

7. Limitation of Rights. With respect to a grantee who is employed by the Company or an Affiliate, nothing in this Agreement shall interfere with or limit in any way the right of the Company or any Affiliate to terminate such grantee's employment at any time, nor

confer upon any such grantee any right to continue in the employ of the Company or any Affiliate. Grantee waives all and any rights to any compensation or damages for the termination of Grantee's office or employment with the Company or an Affiliate for any reason (including unlawful termination of employment) insofar as those rights arise from Grantee ceasing to have rights in relation to the Shares as a result of that termination or from the loss or diminution in value of such rights. The grant of the Shares does not give Grantee any right to participate in any future grants of share incentive awards.

8. Payment of Taxes. Upon issuance of the Shares hereunder, Grantee may make an election to be taxed upon such award under Section 83 (b) of the Code. Grantee will, no later than the date as of which any amount related to the Shares first becomes includable in Grantee's gross income for federal income tax purposes, pay to the Company, or make other arrangements satisfactory to the Committee regarding payment of, any federal, state and local taxes of any kind required by law to be withheld with respect to such amount. The Committee may permit Grantee to surrender to the Company a number of Shares from this Award as necessary to pay the minimum applicable withholding tax obligation. The obligations of the Company under this Agreement will be conditional on such payment or arrangements, and the Company, and, where applicable, its Affiliates will, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to Grantee.

9. Amendment. The Committee may amend, modify or terminate the Award and this Agreement without approval of the Grantee; provided, however, that such amendment, modification or termination shall not, without the Grantee's consent, reduce or diminish the value of this Award determined as if it had been fully vested on the date of such amendment or termination. Notwithstanding anything herein to the contrary, the Company is authorized, without Grantee's consent, to amend or interpret this Award and this Agreement certificate to the extent necessary, if any, to comply with Section 409A of the Code and Treasury regulations and guidance with respect to such law.

10. Plan Controls. The terms contained in the Plan are incorporated into and made a part of this Agreement and this Agreement shall be governed by and construed in accordance with the Plan. In the event of any actual or alleged conflict between the provisions of the Plan and the provisions of this Agreement, the provisions of the Plan shall be controlling and determinative.

11. Successors. This Agreement shall be binding upon any successor of the Company, in accordance with the terms of this Agreement and the Plan.

12. Severability. If any one or more of the provisions contained in this Agreement is deemed to be invalid, illegal or unenforceable, the other provisions of this Agreement will be construed and enforced as if the invalid, illegal or unenforceable provision had never been included.

13. Notice. Notices and communications under the this Agreement must be in writing and either personally delivered or sent by registered or certified United States mail, return receipt requested, postage prepaid. Notices to the Company must be addressed to: Micron Technology, Inc., 8000 S. Federal Way, P.O. Box 6, Boise, ID 83716-9632, Attn: Corporate Secretary, or any other address designated by the Company in a written notice to Grantee. Notices to Grantee will be directed to the address of Grantee then currently on file with the Company, or at any other address given by Grantee in a written notice to the Company.

14. Data Processing. By accepting the Shares, Grantee gives explicit consent to the Company and other persons who administer the Plan to process and use all personal data relevant to Plan administration, including without limitation his or her name, address, Social Security Number or other applicable tax identification number, and bank and brokerage account details, and to the transfer of any such personal data outside the country in which Grantee works or is employed, including to the United States.

AMENDED AND RESTATED 2004 EQUITY INCENTIVE PLAN
OPTION AGREEMENT
TERMS AND CONDITIONS

1. Grant of Option. Micron Technology, Inc. (the "Company") hereby grants to the Optionee named in the notice of grant ("Optionee"), under the Micron Technology, Inc. Amended and Restated 2004 Equity Incentive Plan (the "Plan"), stock options to purchase from the Company (the "Options"), on the terms and on conditions set forth in this agreement (this "Agreement"), the number of shares indicated in the notice of grant of the Company's $0.10 par value common stock, at the exercise price per share set forth in the notice of grant. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Plan.

2. General Acknowledgements. By accepting the Options, Grantee hereby acknowledges that he or she has reviewed the terms and conditions of this Agreement and the Plan, and is familiar with the provisions thereof. Grantee hereby accepts the Options subject to all the terms and conditions of this Agreement and the Plan. Grantee acknowledges that a Prospectus relating to the Plan was made available for review. Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan. Grantee acknowledges that the grant and acceptance of the Options do not constitute an employment agreement and do not assure continuous employment with the Company or any of its Affiliates.

3. Vesting of Options. The Option shall vest (become exercisable) in accordance with the schedule shown in the notice of grant, provided Grantee remains in Continuous Status as a Participant on each vesting date specified therein. Notwithstanding the foregoing vesting schedule, upon termination of Optionee's Continuous Status as a Participant by reason of his or her death or Disability, or upon a Change in Control, all Options shall become fully vested and exercisable.

4. Term of Options and Limitations on Right to Exercise. The term of the Options will be for a period of eight years, expiring at 5:00 p.m., Mountain Time, on the eighth anniversary of the Grant Date (the "Expiration Date"). To the extent not previously exercised, the Options will lapse prior to the Expiration Date upon the earliest to occur of the following circumstances:

(a) Thirty days after the termination of Optionee's Continuous Status as a Participant for any reason other than by reason of Optionee's death or Disability.

(b) Twelve months after termination of Optionee's Continuous Status as Participant by reason of Disability.

(c) Twelve months after the date of Optionee's death, if Optionee dies while in Continuous Status as a Participant. Upon Optionee's death, the Options may be exercised by Optionee's beneficiary designated pursuant to the Plan.

The Committee may, prior to the lapse of the Options under the circumstances described in paragraphs (a), (b) or (c) above, extend the time to exercise the Options as determined by the Committee in writing. If Optionee or his or her beneficiary exercises an Option after termination of service, the Options may be exercised only with respect to the Shares that were otherwise vested on Optionee's termination of service.

5. Exercise of Option. The Options shall be exercised by (a) written notice directed to the Global Stock Department of the Company or its designee at the address and in the form specified by the Company from time to time and (b) payment to the Company in full for the Shares subject to such exercise (unless the exercise is a broker-assisted cashless exercise, as described below). If the person exercising an Option is not Optionee, such person shall also deliver with the notice of exercise appropriate proof of his or her right to exercise the Option. Payment for such Shares may be, in (a) cash, (b) in the discretion of the Company, Shares previously acquired by the purchaser, or (c) any combination thereof, for the number of Shares specified in such written notice. The value of surrendered Shares for this purpose shall be the Fair Market Value as of the last trading day immediately prior to the exercise date. To the extent permitted under Regulation T of the Federal Reserve Board, and subject to applicable securities laws and any limitations as may be applied from time to time by the Committee (which need not be uniform), the Options may be exercised through a broker in a so-called "cashless exercise" whereby the broker sells the Option Shares on behalf of Optionee and delivers cash sales proceeds to the Company in payment of the exercise price. In such case, the date of exercise shall be deemed to be the date on which notice of exercise is received by the Company and the exercise price shall be delivered to the Company by the settlement date.

6. Beneficiary Designation. Optionee may, in the manner determined by the Committee, designate a beneficiary to exercise the rights of Optionee hereunder and to receive any distribution with respect to the Options upon Optionee's death. A beneficiary, legal guardian, legal representative, or other person claiming any rights hereunder is subject to all terms and conditions of this Agreement and the Plan, and to any additional restrictions deemed necessary or appropriate by the Committee. If no beneficiary has been designated or survives Optionee, the Options may be exercised by the legal representative of Optionee's estate, and payment shall be made to Optionee's estate. Subject to the foregoing, a beneficiary designation may be changed or revoked by Optionee at any time.

7. Withholding. The Company or any employer Affiliate has the authority and the right to deduct or withhold, or require Optionee to remit to the employer, an amount sufficient to satisfy federal, state, and local taxes (including Optionee's FICA obligation) required by

law to be withheld with respect to any taxable event arising as a result of the exercise of the Options. The withholding requirement may be satisfied, in whole or in part, at the election of the Company, by withholding from the Options Shares having a Fair Market Value on the date of withholding equal to the minimum amount (and not any greater amount) required to be withheld for tax purposes, all in accordance with such procedures as the Company establishes.

8. Limitation of Rights. The Options do not confer to Optionee or Optionee's beneficiary designated pursuant to Section 6 any rights of a shareholder of the Company unless and until Shares are in fact issued to such person in connection with the exercise of the Options. Nothing in this Agreement shall interfere with or limit in any way the right of the Company or any Affiliate to terminate Optionee's service at any time, nor confer upon Optionee any right to continue in the service of the Company or any Affiliate. Optionee waives all and any rights to any compensation or damages for the termination of Optionee's office or employment with the Company or an Affiliate for any reason (including unlawful termination of employment) insofar as those rights arise from Optionee ceasing to have rights in relation to the Units as a result of that termination or from the loss or diminution in value of such rights. The grant of the Options does not give Optionee any right to participate in any future grants of share incentive awards.

9. Stock Reserve. The Company shall at all times during the term of this Agreement reserve and keep available such number of Shares as will be sufficient to satisfy the requirements of this Agreement.

10. Restrictions on Transfer and Pledge. No right or interest of Optionee in the Options may be pledged, encumbered, or hypothecated to or in favor of any party other than the Company or an Affiliate, or shall be subject to any lien, obligation, or liability of Optionee to any other party other than the Company or an Affiliate. The Options are not assignable or transferable by Optionee other than by will or the laws of descent and distribution or pursuant to a domestic relations order that would satisfy Section 414(p)(1)(A) of the Code if such Section applied to an Option under the Plan; provided, however, that the Committee may (but need not) permit other transfers. The Options may be exercised during the lifetime of Optionee only by Optionee or any permitted transferee.

11. Restrictions on Issuance of Shares. If at any time the Committee shall determine in its discretion, that registration, listing or qualification of the Shares covered by the Options upon any Exchange or under any foreign, federal, or local law or practice, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition to the exercise of the Options, the Options may not be exercised in whole or in part unless and until such registration, listing, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

12. Amendment. The Committee may amend, modify or terminate this Agreement without approval of the Optionee; provided, however, that such amendment, modification or termination shall not, without the Optionee's consent, reduce or diminish the value of this award determined as if it had been fully vested and exercised on the date of such amendment or termination (with the per-share value being calculated as the excess, if any, of the Fair Market Value over the exercise price of the Options). Notwithstanding anything herein to the contrary, the Company is authorized, without Grantee's consent, to amend or interpret this Agreement to the extent necessary, if any, to comply with Section 409A of the Code and Treasury regulations and guidance with respect to such law.

13. Plan Controls. The terms and conditions contained in the Plan are incorporated into and made a part of this Agreement and this Agreement shall be governed by and construed in accordance with the Plan. In the event of any actual or alleged conflict between the provisions of the Plan and the provisions of this Agreement, the provisions of the Plan shall be controlling and determinative.

14. Successors. This Agreement shall be binding upon any successor of the Company, in accordance with the terms of this Agreement and the Plan.

15. Severability. If any one or more of the provisions contained in this Agreement is invalid, illegal or unenforceable, the other provisions of this Agreement will be construed and enforced as if the invalid, illegal or unenforceable provision had never been included.

16. Notice. Notices and communications under this Agreement must be in writing and either personally delivered or sent by registered or certified United States mail, return receipt requested, postage prepaid. Notices to the Company must be addressed to: Micron Technology, Inc., 8000 S. Federal Way, P.O. Box 6, Boise, ID 83707-0006, Attn: Corporate Secretary, or any other address designated by the Company in a written notice to Optionee. Notices to Optionee will be directed to the address of Optionee then currently on file with the Company, or at any other address given by Optionee in a written notice to the Company.

17. Data Processing. By accepting the Shares, Optionee gives explicit consent to the Company and other persons who administer the Plan to process and use all personal data relevant to Plan administration, including without limitation his or her name, address, Social Security Number or other applicable tax identification number, and bank and brokerage account details, and to the transfer of any such personal data outside the country in which Optionee works or is employed, including to the United States.

AMENDED AND RESTATED 2004 EQUITY INCENTIVE PLAN
PERFORMANCE-BASED RESTRICTED STOCK AGREEMENT
TERMS AND CONDITIONS

1. Grant of Shares. The Company hereby grants to the Grantee named in the notice of award ("Grantee"), subject to the restrictions and the other terms and conditions set forth in the Micron Technology, Inc. Amended and Restated 2004 Equity Incentive Plan (the "Plan") and in this award agreement (this "Agreement"), the target number of shares indicated in the notice of award of the Company's $0.10 par value common stock (the "Shares"). Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Plan.

2. General Acknowledgements. By accepting the Shares, Grantee hereby acknowledges that he or she has reviewed the terms and conditions of this Agreement and the Plan, and is familiar with the provisions thereof. Grantee hereby accepts the Shares subject to all the terms and conditions of this Agreement and the Plan. Grantee acknowledges that a Prospectus relating to the Plan was made available for review. Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan. Grantee acknowledges that the grant and acceptance of the Shares do not constitute an employment agreement and do not assure continuous employment with the Company or any of its Affiliates.

3. Restrictions. The Shares are subject to each of the following restrictions. "Restricted Shares" mean those Shares that are subject to the restrictions imposed hereunder and such restrictions have not then expired or terminated. Restricted Shares may not be sold, transferred, exchanged, assigned, pledged, hypothecated or otherwise encumbered. If Grantee's Continuous Status as a Participant terminates for any reason other than as set forth in paragraph (b) of Section 3 hereof, then Grantee shall forfeit all of Grantee's right, title and interest in and to the Restricted Shares as of the date of termination of such service or employment, and such Restricted Shares shall revert to the Company. The restrictions imposed under this Section shall apply to all shares of the Company's Stock with respect to the Restricted Shares or other securities issued in connection with any merger, reorganization, consolidation, recapitalization, stock dividend or other change in corporate structure affecting the Stock of the Company.

4. Expiration and Termination of Restrictions. The restrictions imposed under Section 3 will expire, in whole or in part as indicated below, on the earliest to occur of the following (the period prior to such expiration being referred to herein as the "Restricted Period"):

(a) as to the following number of Shares, upon achievement of the performance goal:

% of Shares Vesting*	Achievement of Performance

***Vesting between performance levels will be determined based on straight line interpolation.**

[Insert definition of Performance Period]. The restrictions will expire, as to the applicable number of Shares based upon the level of achievement of the performance goal, on the date of the certification of the level of achievement of the performance goal and approval of the expiration of the restrictions as to the applicable number of Shares, provided that Grantee remains in Continuous Status as a Participant on the date of certification.

(b) If Grantee's Continuous Status as a Participant is terminated during the Performance Period by reason of death or Disability, the number of Shares for which the restrictions shall expire shall be determined by multiplying (i) the number of Shares for which restrictions would have expired if the performance target in this Section 4 were fully satisfied, less any Shares for which restrictions had previously expired, by (ii) a fraction, the numerator of which is the number of days in the Performance Period preceding the date of the termination due to death or Disability and the denominator of which is [days in performance period.]

(c) If a Change in Control occurs during the Performance Period and while Grantee remains in Continuous Status as a Participant, the number of Shares for which the restrictions shall expire shall be determined by multiplying (i) the number of Shares for which Restrictions would have expired if the performance goals in this Section 4 were fully satisfied,) less any Shares for which Restrictions had previously expired, by (ii) a fraction, the numerator of which is the number of days in the Performance Period preceding the date of the Change in Control and the denominator of which is [days in performance period].

Grantee shall forfeit all of Grantee's right, title and interest in and to any of the Restricted Shares for which the restrictions shall not have lapsed as of the end of the Performance Period and such Restricted Shares shall revert to the Company.

5. Delivery of Shares. The Shares will be registered in the name of Grantee as of the Grant Date and will be held by the Company during the Restricted Period in certificated or uncertificated form. If a certificate for Restricted Shares is issued during the Restricted Period

with respect to such Shares, such certificate shall be registered in the name of Grantee and shall bear a legend in substantially the following form: "This certificate and the shares of stock represented hereby are subject to the terms and conditions (including forfeiture and restrictions against transfer) contained in a Restricted Stock Agreement between the registered owner of the shares represented hereby and Micron Technology, Inc. Release from such terms and conditions shall be made only in accordance with the provisions of such Agreement, copies of which are on file in the offices of Micron Technology, Inc." Stock certificates for the Shares, without the above legend, shall be delivered to Grantee or Grantee's designee upon request of Grantee after the expiration of the Restricted Period, but delivery may be postponed for such period as may be required for the Company with reasonable diligence to comply if deemed advisable by the Company, with registration requirements under the Securities Act of 1933, listing requirements under the rules of any stock exchange, and requirements under any other law or regulation applicable to the issuance or transfer of the Shares.

6. Voting and Dividend Rights. Grantee, as beneficial owner of the Shares, shall have full voting rights with respect to the Shares during and after the Restricted Period. Grantee shall accrue cash and non-cash dividends, if any, paid with respect to the Restricted Shares, but the payment of such dividends shall be deferred and held (without interest) by the Company for the account of Grantee until the expiration of the Restricted Period. During the Restricted Period, such dividends shall be subject to the same vesting restrictions imposed under Section 3 as the Restricted Shares to which they relate. Accrued dividends deferred and held pursuant to the foregoing provision shall be paid by the Company to Grantee promptly upon the expiration of the Restricted Period (and in any event within thirty (30) days of the date of such expiration). If Grantee forfeits any rights he may have under this Agreement in accordance with Section 3, Grantee shall no longer have any rights as a shareholder with respect to the Restricted Shares or any interest therein and Grantee shall no longer be entitled to receive dividends on such stock.

7. Limitation of Rights. With respect to a grantee who is employed by the Company or an Affiliate, nothing in this Agreement shall interfere with or limit in any way the right of the Company or any Affiliate to terminate such grantee's employment at any time, nor confer upon any such grantee any right to continue in the employ of the Company or any Affiliate. Grantee waives all and any rights to any compensation or damages for the termination of Grantee's office or employment with the Company or an Affiliate for any reason (including unlawful termination of employment) insofar as those rights arise from Grantee ceasing to have rights in relation to the Shares as a result of that termination or from the loss or diminution in value of such rights. The grant of the Shares does not give Grantee any right to participate in any future grants of share incentive awards.

8. Payment of Taxes. Upon issuance of the Shares hereunder, Grantee may make an election to be taxed upon such award under Section 83 (b) of the Code. Grantee will, no later than the date as of which any amount related to the Shares first becomes includable in Grantee's gross income for federal income tax purposes, pay to the Company, or make other arrangements satisfactory to the Committee regarding payment of, any federal, state and local taxes of any kind required by law to be withheld with respect to such amount. The Committee may permit Grantee to surrender to the Company a number of Shares from this Award as necessary to pay the minimum applicable withholding tax obligation. The obligations of the Company under this Agreement will be conditional on such payment or arrangements, and the Company, and, where applicable, its Affiliates will, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to Grantee.

9. Amendment. The Committee may amend, modify or terminate the Award and this Agreement without approval of the Grantee; provided, however, that such amendment, modification or termination shall not, without the Grantee's consent, reduce or diminish the value of this Award determined as if it had been fully vested on the date of such amendment or termination. Notwithstanding anything herein to the contrary, the Company is authorized, without Grantee's consent, to amend or interpret this Award and this Agreement certificate to the extent necessary, if any, to comply with Section 409A of the Code and Treasury regulations and guidance with respect to such law.

10. Plan Controls. The terms contained in the Plan are incorporated into and made a part of this Agreement and this Agreement shall be governed by and construed in accordance with the Plan. In the event of any actual or alleged conflict between the provisions of the Plan and the provisions of this Agreement, the provisions of the Plan shall be controlling and determinative.

11. Successors. This Agreement shall be binding upon any successor of the Company, in accordance with the terms of this Agreement and the Plan.

12. Severability. If any one or more of the provisions contained in this Agreement is deemed to be invalid, illegal or unenforceable, the other provisions of this Agreement will be construed and enforced as if the invalid, illegal or unenforceable provision had never been included.

13. Notice. Notices and communications under this Agreement must be in writing and either personally delivered or sent by registered or certified United States mail, return receipt requested, postage prepaid. Notices to the Company must be addressed to: Micron Technology, Inc., 8000 S. Federal Way, P.O. Box 6, Boise, ID 83716-9632, Attn: Corporate Secretary, or any other address designated by the Company in a written notice to Grantee. Notices to Grantee will be directed to the address of Grantee then currently on file with the Company, or at any other address given by Grantee in a written notice to the Company.

14. Data Processing. By accepting the Shares, Grantee gives explicit consent to the Company and other persons who administer the Plan to process and use all personal data relevant to Plan administration, including without limitation his or her name, address, Social Security Number or other applicable tax identification number, and bank and brokerage account details, and to the transfer of any such personal data outside the country in which Grantee works or is employed, including to the United States.

AMENDED AND RESTATED 2004 EQUITY INCENTIVE PLAN
PERFORMANCE UNIT AGREEMENT
TERMS AND CONDITIONS

1. Grant of Units. The Company hereby grants to the Grantee named in the notice of award ("Grantee"), subject to the restrictions and the other terms and conditions set forth in the Micron Technology, Inc. Amended and Restated 2004 Equity Incentive Plan (the "Plan") and in this award agreement (this "Agreement"), the target number of performance units indicated in the notice of award (the "Performance Units") representing the right to earn, on a one-for-one basis, shares of Micron Technology, Inc. (the "Company") $0.10 par value common stock ("Shares").

2. General Acknowledgements. By accepting the Performance Units, Grantee hereby acknowledges that he or she has reviewed the terms and conditions of this Agreement and the Plan, and is familiar with the provisions thereof. Grantee hereby accepts the Performance Units subject to all the terms and conditions of this Agreement and the Plan. Grantee acknowledges that a Prospectus relating to the Plan was made available for review. Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan. Grantee acknowledges that the grant and acceptance of the Performance Units do not constitute an employment agreement and do not assure continuous employment with the Company or any of its Affiliates.

3. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Plan. In addition, for purposes of this Agreement:

(a) Confirmed Performance Units is defined in Exhibit A.

(b) Conversion Date is defined in Exhibit A.

(c) Final Payout Factor is defined in Exhibit A.

(d) Performance Period means [_____].

(e) Target Award means the number of performance units granted pursuant to this Agreement, as indicated in the notice of award.

(f) *[Insert Performance Metric and definition]*

4. Performance Units. The Performance Units have been credited to a bookkeeping account on behalf of Grantee. The Performance Units will be earned in whole, in part, or not at all, as provided on Exhibit A attached hereto. Any Performance Units that fail to vest in accordance with the terms of this Agreement will be forfeited and reconveyed to the Company without further consideration or any act or action by Grantee.

5. Conversion to Shares. Except as otherwise provided herein, the Confirmed Performance Units will be converted to actual unrestricted Shares (one Share per Confirmed Performance Unit) on the Conversion Date, provided that Grantee has remained in Continuous Status as a Participant through the Conversion Date. These shares will be registered on the books of the Company in Grantee's name as of the Conversion Date and stock certificates for the Shares shall be delivered to Grantee or Grantee's designee upon request of Grantee. Notwithstanding the foregoing, if Grantee's Continuous Status as a Participant is terminated during the Performance Period by reason of death or Disability, then (A) the number of Performance Units earned shall be determined by multiplying (i) the Target Award, by (ii) a fraction, the numerator of which is the number of days in the Performance Period preceding the date of the termination due to death or Disability and the denominator of which is *[insert number of days in Performance Period]*, and (B) any such earned Performance Units shall convert to Shares on the date of Grantee's termination of Continuous Status as a Participant. If Grantee's Continuous Status as a Participant is terminated during the Performance Period for any reason other than death or Disability, then Grantee's Performance Units will be forfeited and reconveyed to the Company without further consideration or any act or action by Grantee.

6. Change in Control. If a Change in Control occurs during the Performance Period and while Grantee remains in Continuous Status as a Participant, the number of Performance Units earned shall be determined by multiplying (i) the Target Award, by (ii) a fraction, the numerator of which is the number of days in the Performance Period preceding the effective date of the Change in Control and the denominator of which is *[insert number of days in Performance Period]*.

7. Restrictions on Transfer and Pledge. No right or interest of Grantee in the Performance Units may be pledged, encumbered, or hypothecated or be made subject to any lien, obligation, or liability of Grantee to any other party other than the Company. The Performance Units may not be sold, assigned, transferred or otherwise disposed of by Grantee other than by will or the laws of descent and distribution.

8. Restrictions on Issuance of Shares. If at any time the Committee shall determine, in its discretion, that registration, listing or qualification of the Shares underlying the Performance Units upon any securities exchange or similar self-regulatory organization or under any foreign, federal, or local law or practice, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition to the settlement of the Performance Units, stock units will not be converted to Shares in whole or in part unless and until such registration, listing, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

9. Limitation of Rights. The Performance Units do not confer to Grantee or Grantee's beneficiary, executors or administrators any rights of a shareholder of the Company unless and until Shares are in fact issued to such person in connection with the units. Nothing in this Agreement shall interfere with or limit in any way the right of the Company to terminate Grantee's employment at any time, nor confer upon Grantee any right to continue in employment of the Company. Grantee waives all and any rights to any compensation or damages for the termination of Grantee's office or employment with the Company or an Affiliate for any reason (including unlawful termination of employment) insofar as those rights arise from Grantee ceasing to have rights in relation to the Units as a result of that termination or from the loss or diminution in value of such rights. The grant of the Performance Units does not give Grantee any right to participate in any future grants of share incentive awards.

10. Dividend Rights. If any dividends or other distributions are paid with respect to the Shares while the Performance Units are outstanding, the dollar amount or fair market value of such dividends or distributions with respect to the number of Shares then underlying the Performance Units shall be credited to a bookkeeping account and held (without interest) by the Company for the account of Grantee until the Conversion Date. Such amounts shall be subject to the same vesting and forfeiture provisions as the Performance Units to which they relate. Accrued dividends held pursuant to the foregoing provision shall be paid by the Company to Grantee on the Conversion Date, provided Grantee is then still employed by the Company.

11. Payment of Taxes. The Company employing Grantee has the authority and the right to deduct or withhold, or require Grantee to remit to the employer, an amount sufficient to satisfy federal, state, and local taxes (including Grantee's FICA obligation) required by law to be withheld with respect to any taxable event arising as a result of the vesting or settlement of the Performance Units. The withholding requirement may be satisfied, in whole or in part, by withholding Shares upon the settlement of the Performance Units having a Fair Market Value on the date of withholding equal to the minimum amount (and not any greater amount) required to be withheld for tax purposes. The obligations of the Company under this Agreement will be conditional on such payment or arrangements, and the Company will, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to Grantee.

12. Amendment. The Committee may amend, modify or terminate this Agreement without approval of Grantee; provided, however, that such amendment, modification or termination shall not, without Grantee's consent, reduce or diminish the value of this award determined as if it had been fully vested on the date of such amendment or termination.

13. Plan Controls. The terms contained in the Plan are incorporated into and made a part of this Agreement and this Agreement shall be governed by and construed in accordance with the Plan. In the event of any actual or alleged conflict between the provisions of the Plan and the provisions of this Agreement, the provisions of the Plan shall be controlling and determinative.

14. Severability. If any one or more of the provisions contained in this Agreement is deemed to be invalid, illegal or unenforceable, the other provisions of this Agreement will be construed and enforced as if the invalid, illegal or unenforceable provision had never been included.

15. Notice. Notices and communications under this Agreement must be in writing and either personally delivered or sent by registered or certified United States mail, return receipt requested, postage prepaid. Notices to the Company must be addressed to: Micron Technology, Inc., 8000 S. Federal Way, P.O. Box 6, Boise, ID 83716-9632, Attn: Corporate Secretary, or any other address designated by the Company in a written notice to Grantee. Notices to Grantee will be directed to the address of Grantee then currently on file with the Company, or at any other address given by Grantee in a written notice to the Company.

16. Data Processing. By accepting the Shares, Grantee gives explicit consent to the Company and other persons who administer the Plan to process and use all personal data relevant to Plan administration, including without limitation his or her name, address, Social Security Number or other applicable tax identification number, and bank and brokerage account details, and to the transfer of any such personal data outside the country in which Grantee works or is employed, including to the United States.

Exhibit A

Performance Units

The Performance Units will be earned, in whole or in part, based on (i) Grantee's remaining in Continuous Status as a Participant, and (ii) *[the achievement of the performance metric]* over the Performance Period, as follows:

[Performance Metric]	**Payout Factor: % of Target Award Earned [(1)]**

[(1)] Payouts between performance levels will be determined based on straight line interpolation.

Determination of Payout. No later than 60 days after the end of the Performance Period (the "Confirmation Date"), the Committee shall determine and certify (i) *[the results of the performance metric]*, and (ii) the resulting payout factor as set forth above (the "Final Payout Factor"). The Target Award shall be multiplied by the Final Payout Factor to determine the number of Performance Units earned and vested ("Confirmed Performance Units").

Payout Timing (Conversion to Shares). The Confirmed Performance Units shall automatically convert to Shares on the Confirmation Date (the "Conversion Date"); provided that Grantee has remained in Continuous Status as a Participant through the Conversion Date.

Amended and Restated 2004 Equity Incentive Plan
RESTRICTED STOCK UNIT AGREEMENT
TERMS AND CONDITIONS

1. Grant of Units. The Company hereby grants to the Grantee named in the notice of award ("Grantee"), subject to the restrictions and the other terms and conditions set forth in the Micron Technology, Inc. Amended and Restated 2004 Equity Incentive Plan (the "Plan") and in this award agreement (this "Agreement"), the number of restricted stock units indicated in the notice of award (the "Units"), which represent the right to receive an equal number of shares of the Company's $0.10 par value common stock ("Stock") on the terms set forth in this Agreement. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Plan.

2. General Acknowledgements. By accepting the Units, Grantee hereby acknowledges that he or she has reviewed the terms and conditions of this Agreement and the Plan, and is familiar with the provisions thereof. Grantee hereby accepts the Units subject to all the terms and provisions of this Agreement and the Plan. Grantee acknowledges that a Prospectus relating to the Plan was made available for review. Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan. Grantee acknowledges that the grant and acceptance of the Units do not constitute an employment agreement and do not assure continuous employment with the Company or any of its Affiliates.

3. Vesting of Units. The Units have been credited to a bookkeeping account on behalf of Grantee. The Units will vest and become non-forfeitable on the earliest to occur of the following (the "Vesting Date"):

(a) as to the number of Units specified in the vesting schedule provided in the notice of award, on the respective dates specified in such vesting schedule; provided Grantee remains in Continuous Status as a Participant on each respective vesting date; or
(b) termination of Grantee's Continuous Status as a Participant by reason of death or Disability; or
(c) upon the occurrence of a Change in Control.

If Grantee's service terminates prior to the Vesting Date for any reason other than as described in (b) above, Grantee shall forfeit all right, title and interest in and to the unvested Units as of the date of such termination of service and the unvested Units will be reconveyed to the Company without further consideration or any act or action by Grantee. For purpose of Section 409A of the Code, any reference herein to Grantee's "termination of Continuous Status as a Participant," "termination of employment" or "termination of service" or similar words shall be interpreted to mean Grantee's "separation from service" as defined in Code Section 409A and Treasury regulations and guidance with respect to such law.

4. Conversion to Stock. Unless the Units are forfeited prior to the Vesting Date as provided in Section 3 above, the Units will be converted to actual shares of Stock on the Vesting Date (the "Conversion Date"). Shares of Stock will be registered on the books of the Company in the street name of the broker designated by the Company as of the Conversion Date.

5. Dividend Equivalents. The Units shall not be entitled to dividend equivalents.

6. Restrictions on Transfer. No right or interest of Grantee in the Units may be pledged, hypothecated or otherwise encumbered to or in favor of any party other than the Company or an Affiliate, or be subjected to any lien, obligation or liability of Grantee to any other party other than the Company or an Affiliate. Units are not assignable or transferable by Grantee other than by will or the laws of descent and distribution or pursuant to a domestic relations order that would satisfy Section 414(p)(1)(A) of the Code; but the Committee may permit other transfers in accordance with the Plan.

7. Limitation of Rights. The Units do not confer to Grantee or Grantee's beneficiary any rights of a stockholder of the Company unless and until shares of Stock are in fact issued to such person in connection with the Units. Nothing in this Agreement shall interfere with or limit in any way the right of the Company or any Affiliate to terminate Grantee's service at any time, nor confer upon Grantee any right to continue in service of the Company or any Affiliate. Grantee waives all and any rights to any compensation or damages for the termination of Grantee's office or employment with the Company or an Affiliate for any reason (including unlawful termination of employment) insofar as those rights arise from Grantee ceasing to have rights in relation to the Units as a result of that termination or from the loss or diminution in value of such rights. The grant of the Units does not give Grantee any right to participate in any future grants of share incentive awards.

8. Payment of Taxes. Grantee will, no later than the date as of which any amount related to the Units first becomes includable in Grantee's gross income for federal income tax purposes, pay to the Company, or make other arrangements satisfactory to the Committee regarding payment of, any federal, state and local taxes of any kind (including Grantee's FICA obligation) required by law to be withheld with respect to such amount. The obligations of the Company under this Agreement will be conditional on such payment or arrangements, and the Company, and, where applicable, its Affiliates will, to the extent permitted by law, have the right to deduct any such taxes from

any payment of any kind otherwise due to Grantee. The withholding requirement may be satisfied, in whole or in part, at the election of the Company, by withholding from the Award Shares having a Fair Market Value on the date of withholding equal to the minimum amount (and not any greater amount) required to be withheld for tax purposes, all in accordance with such procedures as the Company establishes.

9. Amendment. The Committee may amend, modify or terminate the Award and this Agreement without approval of Grantee; provided, however, that such amendment, modification or termination shall not, without Grantee's consent, reduce or diminish the value of this award determined as if it had been fully vested (i.e., as if all restrictions on the Units hereunder had expired) on the date of such amendment or termination. Notwithstanding anything herein to the contrary, the Committee may, without Grantee's consent, amend or interpret this Agreement to the extent necessary to comply with Section 409A of the Code and Treasury regulations and guidance with respect to such law.

10. Plan Controls. The terms contained in the Plan shall be and are hereby incorporated into and made a part of this Agreement, and this Agreement shall be governed by and construed in accordance with the Plan. In the event of any actual or alleged conflict between the provisions of the approved Plan and the provisions of this Agreement, the provisions of the Plan shall be controlling and determinative.

11. Successors. This Agreement shall be binding upon any successor of the Company, in accordance with the terms of this Agreement and the Plan.

12. Severability. If any one or more of the provisions contained in this Agreement is deemed to be invalid, illegal or unenforceable, the other provisions of this Agreement will be construed and enforced as if the invalid, illegal or unenforceable provision had never been included.

13. Notice. Notices hereunder must be in writing and either personally delivered or sent by registered or certified United States mail, return receipt requested, postage prepaid. Notices to the Company must be addressed to Micron Technology, Inc., 8000 South Federal Way, Boise, Idaho 83706-9632; Attn: Corporate Secretary, or any other address designated by the Company in a written notice to Grantee. Notices to Grantee will be directed to the address of Grantee then currently on file with the Company, or at any other address given by Grantee in a written notice to the Company.

14. Data Processing. By accepting the Shares, Grantee gives explicit consent to the Company and other persons who administer the Plan to process and use all personal data relevant to Plan administration, including without limitation his or her name, address, Social Security Number or other applicable tax identification number, and bank and brokerage account details, and to the transfer of any such personal data outside the country in which Grantee works or is employed, including to the United States.

EXHIBIT 10.8

MICRON TECHNOLOGY, INC.
AMENDED AND RESTATED 2007 EQUITY INCENTIVE PLAN

ARTICLE 1
PURPOSE

1.1. *GENERAL.* The purpose of the Micron Technology, Inc. Amended and Restated 2007 Equity Incentive Plan (the "Plan") is to promote the success, and enhance the value, of Micron Technology, Inc. (the "Company"), by linking the personal interests of employees, non-employee directors and consultants of the Company or any Affiliate (as defined below) to those of Company shareholders and by providing such persons with an incentive for outstanding performance. The Plan is further intended to provide flexibility to the Company in its ability to motivate, attract, and retain the services of employees, non-employee directors and consultants upon whose judgment, interest, and special effort the successful conduct of the Company's operation is largely dependent. Accordingly, the Plan permits the grant of incentive awards from time to time to selected employees, non-employee directors and consultants of the Company and its Affiliates; provided, however, that no Corporate Officer is eligible to be a Participant in the Plan.

ARTICLE 2
DEFINITIONS

2.1. *DEFINITIONS.* When a word or phrase appears in this Plan with the initial letter capitalized, and the word or phrase does not commence a sentence, the word or phrase shall generally be given the meaning ascribed to it in this Section or in Section 1.1 unless a clearly different meaning is required by the context. The following words and phrases shall have the following meanings:

(a) "Affiliate" means (i) any Subsidiary or Parent, or (ii) an entity that directly or through one or more intermediaries controls, is controlled by or is under common control with, the Company, as determined by the Committee.

(b) "Award" means any Option, Stock Appreciation Right, Restricted Stock Award, Restricted Stock Unit Award, Deferred Stock Unit Award, Performance Share, Other Stock-Based Award, or any other right or interest relating to Stock or cash, granted to a Participant under the Plan.

(c) "Award Certificate" means a written document, in such form as the Committee prescribes from time to time, setting forth the terms and conditions of an Award. Award Certificates may be in the form of individual award agreements or certificates or a program document describing the terms and provisions of an Awards or series of Awards under the Plan. The Committee may provide for the use of electronic, internet or other non-paper Award Certificates, and the use of electronic, internet or other non-paper means for the acceptance thereof and actions thereunder by a Participant.

(d) "Board" means the Board of Directors of the Company.

(e) "Change in Control" means and includes the occurrence of any one of the following events:

(i) individuals who, on the Effective Date, constitute the Board of Directors of the Company (the "Incumbent Directors") cease for any reason to constitute at least a majority of such Board, provided that any person becoming a director after the Effective Date and whose election or nomination for election was approved by a vote of at least a majority of the Incumbent Directors then on the Board shall be an Incumbent Director; *provided*, *however*, that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to the election or removal of directors ("Election Contest") or other actual or threatened solicitation of proxies or consents by or on behalf of any Person other than the Board ("Proxy Contest"), including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest, shall be deemed an Incumbent Director; or

(ii) any person is or becomes a "beneficial owner" (as defined in Rule 13d-3 under the 1934 Act), directly or indirectly, of either (A) 35% or more of the then-outstanding shares of common stock of the Company ("Company Common Stock") or (B) securities of the Company representing 35% or more of the combined voting power of the Company's then outstanding securities eligible to vote for the election of directors (the "Company Voting Securities"); *provided*, *however*, that for purposes of this subsection (ii), the following acquisitions shall not constitute a Change in Control: (w) an acquisition directly from the Company, (x) an acquisition by the Company or a Subsidiary of the Company, (y) an acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Subsidiary of the Company, or (z) an acquisition pursuant to a Non-Qualifying Transaction (as defined in subsection (iii) below); or

(iii) the consummation of a reorganization, merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company or a Subsidiary (a "Reorganization"), or the sale or other disposition of all or substantially all of the Company's assets (a "Sale") or the acquisition of assets or stock of another corporation (an "Acquisition"), unless immediately following such Reorganization, Sale or Acquisition: (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the outstanding Company Common Stock and outstanding Company Voting Securities immediately prior to such Reorganization, Sale or Acquisition beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Reorganization, Sale or Acquisition (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets or stock either directly or through one or more subsidiaries, the "Surviving Corporation") in substantially the same proportions as their ownership, immediately prior to such Reorganization, Sale or Acquisition, of the outstanding Company Common Stock and the outstanding Company Voting Securities, as the case may be, and (B) no person (other than (x) the Company or any Subsidiary of the Company, (y) the Surviving Corporation or its ultimate parent corporation, or (z) any employee benefit plan or related trust) sponsored or maintained by any of the foregoing is the beneficial owner, directly or indirectly, of 35% or more of the total common stock or 35% or more of the total voting power of the outstanding voting securities eligible to elect directors of the Surviving Corporation, and (C) at least a majority of the members of the board of directors of the Surviving Corporation were Incumbent Directors at the time of the Board's approval of the execution of the initial agreement providing for such Reorganization, Sale or Acquisition (any Reorganization, Sale or Acquisition which satisfies all of the criteria specified in (A), (B) and (C) above shall be deemed to be a "Non-Qualifying Transaction"); or

(iv) approval by the shareholders of the Company of a complete liquidation or dissolution of the Company.

(f) "Code" means the Internal Revenue Code of 1986, as amended from time to time. Reference to a specific Section of the Code or regulation thereunder shall include such Section or regulation, any valid regulation promulgated under such Section, and any comparable provision of any future law, legislation or regulation amending, supplementing or superseding such Section or regulation.

(g) "Committee" means the committee of the Board described in Article 4.

(h) "Company" means Micron Technology, Inc., a Delaware corporation, or any successor corporation.

(i) "Continuous Status as a Participant" means the absence of any interruption or termination of service as an employee, officer, consultant or non-employee director of the Company or any Affiliate, as applicable; provided, however, that for purposes of an Incentive Stock Option, or a Stock Appreciation Right issued in tandem with an Incentive Stock Option, "Continuous Status as a Participant" means the absence of any interruption or termination of service as an employee of the Company or any Parent or Subsidiary, as applicable, pursuant to applicable tax regulations. Continuous Status as a Participant shall not be considered interrupted in the case of any leave of absence authorized in writing by the Company prior to its commencement; provided, however, that for purposes of Incentive Stock Options, no such leave may exceed 90 days, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, on the 91st day of such leave any Incentive Stock Option held by the Participant shall cease to be treated as an Incentive Stock Option and shall be treated for tax purposes as a Nonstatutory Stock Option.

(j) "Corporate Officer" means an officer of the Company whose compensation is approved by the Compensation Committee of the Board, including without limitation the Chief Executive Officer of the Company.

(k) "Covered Employee" means a covered employee as defined in Code Section 162(m)(3).

(l) "Disability" or "Disabled" means the applicable authorized party under the long-term disability plan (the “LTD Plan”) maintained by the Participant’s employer (either the Company or an Affiliate) has provided written notification that the Participant qualifies for disability benefits under the LTD Plan (a “Disability Notice”). If the Participant is not eligible for disability benefits under any applicable LTD Plan, then the Participant shall not qualify as Disabled under this Plan.

(m) "Deferred Stock Unit" means a right granted to a Participant under Article 11.

(n) "Dividend Equivalent" means a right granted with respect to an Award, as provided in Article 12.

(o) "Effective Date" has the meaning assigned such term in Section 3.1.

(p) "Eligible Participant" means an employee, consultant or non-employee director of the Company or any Affiliate; provided, however, that no Corporate Officer is eligible to be a Participant in the Plan.

(q) "Exchange" means the New York Stock Exchange or any other national securities exchange or national market system on which the Stock may from time to time be listed or traded.

(r) "Fair Market Value" of the Stock, on any date, means: (i) if the Stock is listed or traded on any Exchange, the closing price for such Stock (or the closing bid, if no sales were reported) as quoted on such Exchange (or the Exchange with the greatest volume of trading in the Stock) for the last market trading day prior to the day of determination, as reported by *Bloomberg L.P.* or such other source as the Committee deems reliable; (ii) if the Stock is quoted on the over-the-counter market or is regularly quoted by a recognized securities dealer, but selling prices are not reported, the Fair Market Value of the Stock shall be the mean between the high bid and low asked prices for the Stock on the last market trading day prior to the day of determination, as reported by *Bloomberg L.P.* or such other source as the Committee deems reliable, or (iii) in the absence of an established market for the Stock, the Fair Market Value shall be determined by such other method as the Committee determines in good faith to be reasonable and in compliance with Code Section 409A.

(s) "Full Value Award" means an Award other than in the form of an Option or SAR, and which is settled by the issuance of Stock (or at the discretion of the Committee, settled in cash valued by reference to Stock value).

(t) "Grant Date" of an Award means the first date on which all necessary corporate action has been taken to approve the grant of the Award as provided in the Plan, or such later date as is determined and specified as part of that authorization process. Notice of the grant shall be provided to the grantee within a reasonable time after the Grant Date.

(u) "Incentive Stock Option" means an Option that is intended to be an incentive stock option and meets the requirements of Section 422 of the Code or any successor provision thereto.

(v) "Non-Employee Director" means a director of the Company who is not a common law employee of the Company or an Affiliate.

(w) "Nonstatutory Stock Option" means an Option that is not an Incentive Stock Option.

(x) "Option" means a right granted to a Participant under Article 7 of the Plan to purchase Stock at a specified price during specified time periods. An Option may be either an Incentive Stock Option or a Nonstatutory Stock Option.

(y) "Other Stock-Based Award" means a right, granted to a Participant under Article 13 that relates to or is valued by reference to Stock or other Awards relating to Stock.

(z) "Parent" means a corporation, limited liability company, partnership or other entity which owns or beneficially owns a majority of the outstanding voting stock or voting power of the Company. Notwithstanding the above, with respect to an Incentive Stock Option, Parent shall have the meaning set forth in Section 424(e) of the Code.

(aa) "Participant" means a person who, as an employee, non-employee director or consultant of the Company or any Affiliate, has been granted an Award under the Plan; provided that in the case of the death of a Participant, the term "Participant" refers to a beneficiary designated pursuant to Section 14.5 or the legal guardian or other legal representative acting in a fiduciary capacity on behalf of the Participant under applicable state law and court supervision. Notwithstanding the foregoing, a Participant shall not include any Corporate Officer of the Company.

(bb) "Performance Share" means any right granted to a Participant under Article 9 to a unit to be valued by reference to a designated number of Shares to be paid upon achievement of such performance goals as the Committee establishes with regard to such Performance Share.

(cc) "Person" means any individual, entity or group, within the meaning of Section 3(a)(9) of the 1934 Act and as used in Section 13(d)(3) or 14(d)(2) of the 1934 Act.

(dd) "Plan" means the Micron Technology, Inc. Amended and Restated 2007 Equity Incentive Plan, as amended from time to time.

(ee) "Qualified Performance-Based Award" means an Award that is either (i) intended to qualify for the Section 162(m) Exemption and is made subject to performance goals based on Qualified Business Criteria as set forth in Section 14.10(b), or (ii) an Option or SAR.

(ff) "Qualified Business Criteria" means one or more of the Business Criteria listed in Section 14.10 (b) upon which performance goals for certain Qualified Performance-Based Awards may be established by the Committee.

(gg) "Restricted Stock Award" means Stock granted to a Participant under Article 10 that is subject to certain restrictions and to risk of forfeiture.

(hh) "Restricted Stock Unit Award" means the right granted to a Participant under Article 10 to receive shares of Stock (or the equivalent value in cash or other property if the Committee so provides) in the future, which right is subject to certain restrictions and to risk of forfeiture.

(ii) "Section 162(m) Exemption" means the exemption from the limitation on deductibility imposed by Section 162(m) of the Code that is set forth in Section 162(m)(4)(C) of the Code or any successor provision thereto.

(jj) "Shares" means shares of the Company's Stock. If there has been an adjustment or substitution pursuant to Section 15.1, the term "Shares" shall also include any shares of stock or other securities that are substituted for Shares or into which Shares are adjusted pursuant to Section 15.1.

(kk) "Stock" means the $.10 par value common stock of the Company and such other securities of the Company as may be substituted for Stock pursuant to Article 15.

(ll) "Stock Appreciation Right" or "SAR" means a right granted to a Participant under Article 8 to receive a payment equal to the difference between the Fair Market Value of a Share as of the date of exercise of the SAR over the base price of the SAR, all as determined pursuant to Article 8.

(mm) "Subsidiary" means any corporation, limited liability company, partnership or other entity of which a majority of the outstanding voting stock or voting power is beneficially owned directly or indirectly by the Company. Notwithstanding the above, with respect to an Incentive Stock Option, Subsidiary shall have the meaning set forth in Section 424(f) of the Code.

(nn) "1933 Act" means the Securities Act of 1933, as amended from time to time.

(oo) "1934 Act" means the Securities Exchange Act of 1934, as amended from time to time.

ARTICLE 3
EFFECTIVE TERM OF PLAN

3.1. *EFFECTIVE DATE.* The Plan shall be effective as of the date it is approved by the shareholders of the Company (the "Effective Date").

3.2. *TERMINATION OF PLAN.* Unless earlier terminated as provided herein, the Plan shall continue in effect until the tenth anniversary of the Effective Date or, if the shareholders approve an amendment to the Plan that increases the number of Shares subject to the Plan, the tenth anniversary of the date of such approval. The termination of the Plan on such date shall not affect the validity of any Award outstanding on the date of termination, which shall continue to be governed by the applicable terms and conditions of the Plan. No Incentive Stock Options may be granted more than ten years after the earlier of (a) adoption of this Plan by the Board, or (b) the Effective Date.

ARTICLE 4
ADMINISTRATION

4.1. *COMMITTEE.* The Plan shall be administered by a Committee appointed by the Board (which Committee shall consist of at least two directors) or, at the discretion of the Board from time to time, the Plan may be administered by the Board. It is intended that at least two of the directors appointed to serve on the Committee shall be "non-employee directors" (within the meaning of Rule 16b-3 promulgated under the 1934 Act) and "outside directors" (within the meaning of Code Section 162(m)) and that any such members of the Committee who do not so qualify shall abstain from participating in any decision to make or administer Awards that are made to Eligible Participants who at the time of consideration for such Award (i) are persons subject to the short-swing profit rules of Section 16 of the 1934 Act, or (ii) are reasonably anticipated to become Covered Employees during the term of the Award. However, the mere fact that a Committee member shall fail to qualify under either of the foregoing requirements or shall fail to abstain from such action shall not invalidate any Award made by the Committee which Award is otherwise validly made under the Plan. The members of the Committee shall be appointed by, and may be changed at any time and from time to time in the discretion of, the Board. Unless and until changed by the Board, the Compensation Committee of the Board is designated as the Committee to administer the Plan. The Board may reserve to itself any or all of the authority and responsibility of the Committee under the Plan or may act as administrator of the Plan for any and all purposes. To the extent the Board has reserved any authority and responsibility or during any time that the Board is acting as administrator of the Plan, it shall have all the powers of the Committee hereunder, and any reference herein to the Committee (other than in this Section 4.1) shall include the Board. To the extent any action of the Board under the Plan conflicts with actions taken by the Committee, the actions of the Board shall control.

4.2. *ACTION AND INTERPRETATIONS BY THE COMMITTEE.* For purposes of administering the Plan, the Committee may from time to time adopt rules, regulations, guidelines and procedures for carrying out the provisions and purposes of the Plan and make such other determinations, not inconsistent with the Plan, as the Committee may deem appropriate. The Committee's interpretation of the Plan, any Awards granted under the Plan, any Award Certificate and all decisions and determinations by the Committee with respect to the Plan are final, binding, and conclusive on all parties. Each member of the Committee is entitled to, in good faith, rely or act upon any report or other information furnished to that member by any officer or other employee of the Company or any Affiliate, the Company's or an Affiliate's independent certified public accountants, Company counsel or any executive compensation consultant or other professional retained by the Company to assist in the administration of the Plan.

4.3. *AUTHORITY OF COMMITTEE.* Except as provided below, the Committee has the exclusive power, authority and discretion to:

(a) Grant Awards;

(b) Designate Participants;

(c) Determine the type or types of Awards to be granted to each Participant;

(d) Determine the number of Awards to be granted and the number of Shares or dollar amount to which an Award will relate;

(e) Determine the terms and conditions of any Award granted under the Plan, including but not limited to, the exercise price, base price, or purchase price, any restrictions or limitations on the Award, any schedule for lapse of forfeiture restrictions or restrictions on the exercisability of an Award, and accelerations or waivers thereof, based in each case on such considerations as the Committee in its sole discretion determines;

(f) Accelerate the vesting, exercisability or lapse of restrictions of any outstanding Award, in accordance with Article 14, based in each case on such considerations as the Committee in its sole discretion determines;

(g) Determine whether, to what extent, and under what circumstances an Award may be settled in, or the exercise price of an Award may be paid in, cash, Stock, other Awards, or other property, or an Award may be canceled, forfeited, or surrendered;

(h) Prescribe the form of each Award Certificate, which need not be identical for each Participant;

(i) Decide all other matters that must be determined in connection with an Award;

(j) Establish, adopt or revise any rules, regulations, guidelines or procedures as it may deem necessary or advisable to administer the Plan;

(k) Make all other decisions and determinations that may be required under the Plan or as the Committee deems necessary or advisable to administer the Plan;

(l) Amend the Plan or any Award Certificate as provided herein; and

(m) Adopt such modifications, procedures, and subplans as may be necessary or desirable to comply with provisions of the laws of the United States or any non-U.S. jurisdictions in which the Company or any Affiliate may operate, in order to assure the viability of the benefits of Awards granted to participants located in such other jurisdictions and to meet the objectives of the Plan.

Notwithstanding the foregoing, grants of Awards to Non-Employee Directors hereunder shall be made only in accordance with the terms, conditions and parameters of a plan, program or policy for the compensation of Non-Employee Directors as in effect from time to time, and the Committee may not make discretionary grants hereunder to Non-Employee Directors.

Notwithstanding the above, the Board may, by resolution, expressly delegate to a special committee, consisting of one or more directors who may but need not be officers of the Company, the authority, within specified parameters as to the number and terms of Awards, to (i) designate officers, employees and/or consultants of the Company or any of its Affiliates to be recipients of Awards under the Plan, and (ii) to determine the number of such Awards to be received by any such Participants; provided, however, that such delegation of duties and responsibilities to an officer of the Company may not be made with respect to the grant of Awards to eligible participants (a) who are subject to Section 16(a) of the 1934 Act at the Grant Date, or (b) who as of the Grant Date are reasonably anticipated to be become Covered Employees during the term of the Award. The acts of such delegates shall be treated hereunder as acts of the Board and such delegates shall report regularly to the Board and the Committee regarding the delegated duties and responsibilities and any Awards so granted.

4.4. *AWARD CERTIFICATES.* Each Award shall be evidenced by an Award Certificate. Each Award Certificate shall include such provisions, not inconsistent with the Plan, as may be specified by the Committee.

ARTICLE 5
SHARES SUBJECT TO THE PLAN

5.1. *NUMBER OF SHARES.* Subject to adjustment as provided in Sections 5.2 and 15.1, the aggregate number of Shares reserved and available for issuance pursuant to Awards granted under the Plan shall be 135,000,000; provided, however, that each Share issued under the Plan pursuant to a Full Value Award that is settled in Stock shall reduce the number of available Shares by two (2) shares. The maximum number of Shares that may be issued upon exercise of Incentive Stock Options granted under the Plan shall be 2,000,000.

5.2. *SHARE COUNTING.* Shares covered by an Award shall be subtracted from the Plan share reserve as of the date of grant, but shall be added back to the Plan share reserve in accordance with this Section 5.2.

(a) To the extent that an Award is canceled, terminates, expires, is forfeited or lapses for any reason, any unissued or forfeited Shares originally subject to the Award will be added back to the Plan share reserve and again be available for issuance pursuant to Awards granted under the Plan.

(b) Shares subject to Awards settled in cash will be added back to the Plan share reserve and again be available for issuance pursuant to Awards granted under the Plan.

(c) Substitute Awards granted pursuant to Section 14.14 of the Plan shall not count against the Shares otherwise available for issuance under the Plan under Section 5.1.

(d) The following shares of Stock may not again be made available for issuance as Awards under the Plan: (i) shares of Stock not issued or delivered as a result of the net settlement of an outstanding Option or SAR, (ii) shares of Stock used to pay the exercise price or withholding taxes related to an outstanding Option or SAR, or (iii) shares of Stock repurchased on the open market with the proceeds of the exercise price of an Option.

5.3. *STOCK DISTRIBUTED.* Any Stock distributed pursuant to an Award may consist, in whole or in part, of authorized and unissued Stock, treasury Stock or Stock purchased on the open market.

5.4. *LIMITATION ON AWARDS.* Notwithstanding any provision in the Plan to the contrary (but subject to adjustment as provided in Section 15.1), the maximum number of Shares with respect to one or more Options and/or SARs that may be granted during any one calendar year under the Plan to any one Participant shall be 5,000,000. The maximum aggregate grant with respect to Awards of Restricted Stock, Restricted Stock Units, Deferred Stock Units, Performance Shares or other Stock-Based Awards (other than Options or SARs) granted in any one calendar year to any one Participant shall be 5,000,000.

5.5 *MINIMUM VESTING REQUIREMENTS*. Except in the case of substitute Awards granted pursuant to Section 14.14, Full-Value Awards granted under the Plan to an Eligible Participant shall either (i) be subject to a minimum vesting period of three years (which may include graduated vesting within such three-year period), or one year if the vesting is based on performance criteria other than continued service, or (ii) be granted solely in exchange for foregone cash compensation. Notwithstanding the foregoing, (i) the Committee may at its discretion permit and authorize acceleration of vesting of such Full-Value Awards in the event of the Participant's death, Disability, or retirement, or the occurrence of a Change in Control (subject to the requirements of Article 11 in the case of Qualified Performance-Based Awards), and (ii) the Committee may grant Full-Value Awards without the above-described minimum vesting requirements, or may permit and authorize acceleration of vesting of Full-Value Awards otherwise subject to the above-described minimum vesting requirements, with respect to Awards covering five percent (5%) or fewer of the total number of Shares authorized under the Plan.

ARTICLE 6
ELIGIBILITY

6.1. *GENERAL*. Awards may be granted only to Eligible Participants; except that Incentive Stock Options may be granted to only to Eligible Participants who are employees of the Company or a Parent or Subsidiary as defined in Section 424(e) and (f) of the Code. Eligible Participants who are service providers to an Affiliate may be granted Options or SARs under this Plan only if the Affiliate qualifies as an "eligible issuer of service recipient stock" within the meaning of §1.409A-1(b)(5)(iii)(E) of the final regulations under Code Section 409A.

ARTICLE 7
STOCK OPTIONS

7.1. *GENERAL*. The Committee is authorized to grant Options to Participants on the following terms and conditions:

(a) EXERCISE PRICE. The exercise price per Share under an Option shall be determined by the Committee; provided that the exercise price for any Option (other than an Option issued as a substitute Award pursuant to Section 14.14) shall not be less than the Fair Market Value as of the Grant Date.

(b) PROHIBITION ON REPRICING. Except as otherwise provided in Article 15, without the prior approval of shareholders of the Company: (i) the exercise price of an Option may not be reduced, directly or indirectly, (ii) an Option may not be cancelled in exchange for cash, other Awards, or Options or SARs with an exercise or base price that is less than the exercise price of the original Option or otherwise, and (iii) the Company may not repurchase an Option for value (in cash or otherwise) from a Participant if the current Fair Market Value of the Shares underlying the Option is lower than the exercise price per share of the Option.

(c) TIME AND CONDITIONS OF EXERCISE. The Committee shall determine the time or times at which an Option may be exercised in whole or in part, subject to Section 7.1(e). The Committee shall also determine the performance or other conditions, if any, that must be satisfied before all or part of an Option may be exercised or vested.

(d) PAYMENT. The Committee shall determine the methods by which the exercise price of an Option may be paid, the form of payment and the methods by which Shares shall be delivered or deemed to be delivered to Participants. As determined by the Committee at or after the Grant Date, payment of the exercise price of an Option may be made, in whole or in part, in the form of (i) cash or cash equivalents, (ii) delivery (by either actual delivery or attestation) of previously-acquired Shares based on the Fair Market Value of the Shares on the date the Option is exercised, (iii) withholding of Shares from the Option based on the Fair Market Value of the Shares on the date the Option is exercised, (iv) broker-assisted market sales, or (v) any other "cashless exercise" arrangement.

(e) EXERCISE TERM. No option granted under the Plan shall be exercisable for more than eight (8) years from the Grant Date.

(f) NO DEFERRAL FEATURE. No Option shall provide for any feature for the deferral of compensation other than the deferral of recognition of income until the exercise or disposition of the Option.

(g) NO DIVIDEND EQUIVALENTS. No Option shall provide for Dividend Equivalents.

(h) SUSPENSION. Any Participant who is also a participant in the Retirement at Micron ("RAM") Section 401(k) Plan and who requests and receives a hardship distribution from the RAM Plan, is prohibited from making, and must suspend, his or her employee elective contributions to the Plan.

7.2. *INCENTIVE STOCK OPTIONS.* The terms of any Incentive Stock Options granted under the Plan must comply with the requirements of Section 422 of the Code. If all of the requirements of Section 422 of the Code are not met, the Option shall automatically become a Nonstatutory Stock Option.

ARTICLE 8
STOCK APPRECIATION RIGHTS

8.1. *GRANT OF STOCK APPRECIATION RIGHTS.* The Committee is authorized to grant Stock Appreciation Rights to Participants on the following terms and conditions:

(a) RIGHT TO PAYMENT. Upon the exercise of a Stock Appreciation Right, the Participant to whom it is granted has the right to receive, for each Share with respect to which the Stock Appreciation Right is being exercised, the excess, if any, of:

(1) The Fair Market Value of one Share on the date of exercise; over

(2) The base price of the Stock Appreciation Right as determined by the Committee, which shall not be less than the Fair Market Value of one Share on the Grant Date.

(b) PROHIBITION ON REPRICING. Except as otherwise provided in Article 15, without the prior approval of shareholders of the Company: (i) the base price of a SAR may not be reduced, directly or indirectly, (ii) a SAR may not be cancelled in exchange for cash, other Awards, or Options or SARs with an exercise or base price that is less than the base price of the original SAR, and (iii) the Company may not repurchase a SAR for value (in cash or otherwise) from a Participant if the current Fair Market Value of the Shares underlying the SAR is lower than the base price per share of the SAR.

(c) TIME AND CONDITIONS OF EXERCISE. The Committee shall determine the time or times at which a SAR may be exercised in whole or in part. No SAR granted under the Plan shall be exercisable for more than eight (8) years from the Grant Date.

(d) NO DEFERRAL FEATURE. No SAR shall provide for any feature for the deferral of compensation other than the deferral of recognition of income until the exercise or disposition of the SAR.

(e) NO DIVIDEND EQUIVALENTS. No SAR shall provide for Dividend Equivalents.

(f) OTHER TERMS. All awards of Stock Appreciation Rights shall be evidenced by an Award Certificate. Subject to the limitations of this Article 8, the terms, methods of exercise, methods of settlement, form of consideration payable in settlement, and any other terms and conditions of any Stock Appreciation Right shall be determined by the Committee at the time of the grant of the Award and shall be reflected in the Award Certificate.

ARTICLE 9
PERFORMANCE SHARES

9.1. *GRANT OF PERFORMANCE SHARES.* The Committee is authorized to grant Performance Shares to Participants on such terms and conditions as may be selected by the Committee. The Committee shall have the complete discretion to determine the number of Performance Shares granted to each Participant, subject to Section 5.4, and to designate the provisions of such Performance Shares as provided in Section 4.3. All Performance Shares shall be evidenced by an Award Certificate or a written program established by the Committee, pursuant to which Performance Shares are awarded under the Plan under uniform terms, conditions and restrictions set forth in such written program.

9.2. *PERFORMANCE GOALS.* The Committee may establish performance goals for Performance Shares which may be based on any criteria selected by the Committee. Such performance goals may be described in terms of Company-wide objectives or in terms of objectives that relate to the performance of the Participant, an Affiliate or a division, region, department or function within the Company or an Affiliate. If the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company or the manner in which the Company or an Affiliate conducts its business, or other events or circumstances render performance goals to be unsuitable, the Committee may modify such performance goals in whole or in part, as the Committee deems appropriate. If a Participant is promoted, demoted or transferred to a different business unit or function during a performance period, the Committee may determine that the performance goals or performance period are no longer appropriate and may (i) adjust, change or eliminate the performance goals or the applicable performance period as it deems appropriate to make such goals and period comparable to the initial goals and period, or (ii) make a cash payment to the participant in amount determined by the Committee. The foregoing two sentences shall not apply with respect to an Award of Performance Shares that is intended to be a Qualified Performance-Based Award if the recipient of such award (a) was a Covered Employee on the date of the modification, adjustment, change or elimination of the performance goals or performance period, or (b) in the reasonable judgment of the Committee, may be a Covered Employee on the date the Performance Award is expected to be paid.

9.3. *RIGHT TO PAYMENT.* The grant of a Performance Share to a Participant will entitle the Participant to receive at a specified later time a specified number of Shares, or the equivalent value in cash or other property, if the performance goals established by the Committee are achieved and the other terms and conditions thereof are satisfied. The Committee shall set performance goals and other terms or conditions to payment of the Performance Shares in its discretion which, depending on the extent to which they are met, will determine the number of the Performance Shares that will be earned by the Participant.

9.4. *OTHER TERMS.* Performance Shares may be payable in cash, Stock, or other property, and have such other terms and conditions as determined by the Committee and reflected in the Award Certificate.

ARTICLE 10
RESTRICTED STOCK AND RESTRICTED STOCK UNIT AWARDS

10.1. *GRANT OF RESTRICTED STOCK AND RESTRICTED STOCK UNITS.* Subject to the terms and conditions of this Article 10, the Committee is authorized to make Awards of Restricted Stock or Restricted Stock Units to Participants in such amounts and subject to such terms and conditions as may be selected by the Committee. An Award of Restricted Stock or Restricted Stock Units shall be evidenced by an Award Certificate setting forth the terms, conditions, and restrictions applicable to the Award.

10.2. *ISSUANCE AND RESTRICTIONS.* Restricted Stock or Restricted Stock Units shall be subject to such restrictions on transferability and other restrictions as the Committee may impose (including, without limitation, limitations on the right to vote Restricted Stock or the right to receive dividends on the Restricted Stock). Subject to the terms and conditions of the Plan, these restrictions may lapse separately or in combination at such times, under such circumstances, in such installments, upon the satisfaction of performance goals or otherwise, as the Committee determines at the time of the grant of the Award or thereafter. Except as otherwise provided in an Award Certificate or any special Plan document governing an Award, the Participant shall have all of the rights of a stockholder with respect to the Restricted Stock, and the Participant shall have none of the rights of a stockholder with respect to Restricted Stock Units until such time as Shares of Stock are paid in settlement of the Restricted Stock Units.

10.3. *FORFEITURE.* Except as otherwise determined by the Committee at the time of the grant of the Award or thereafter, upon termination of Continuous Status as a Participant during the applicable restriction period or upon failure to satisfy a performance goal during the applicable restriction period, Restricted Stock or Restricted Stock Units that are at that time subject to restrictions shall be forfeited; provided, however, that the Committee may provide in any Award Certificate, subject to the terms and conditions of the Plan, that restrictions or forfeiture conditions relating to Restricted Stock or Restricted Stock Units will be waived in whole or in part in the event of terminations resulting from specified causes, including, but not limited to, death, Disability, or for the convenience or in the best interests of the Company.

10.4. *DELIVERY OF RESTRICTED STOCK.* Shares of Restricted Stock shall be delivered to the Participant at the time of grant either by book-entry registration or by delivering to the Participant, or a custodian or escrow agent (including, without limitation, the Company or one or more of its employees) designated by the Committee, a stock certificate or certificates registered in the name of the Participant. If physical certificates representing shares of Restricted Stock are registered in the name of the Participant, such certificates must bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Stock.

10.5. *DIVIDENDS ON RESTRICTED STOCK.* In the case of Restricted Stock, the Committee may provide that ordinary cash dividends declared on the Shares before they are vested (i) will be forfeited, (ii) will be deemed to have been reinvested in additional Shares or otherwise reinvested (subject to Share availability under Section 5.1 hereof), or (iii) in the case of Restricted Stock that is not subject to performance-based vesting, will be paid or distributed to the Participant as accrued (in which case, such dividends must be paid or distributed no later than the 15th day of the 3rd month following the later of (A) the calendar year in which the corresponding dividends were paid to shareholders, or (B) the first calendar year in which the Participant's right to such dividends is no longer subject to a substantial risk of forfeiture). Unless otherwise provided by the Committee, dividends accrued on Shares of Restricted Stock before they are vested shall, as provided in the Award Certificate, either (i) be reinvested in the form of additional Shares, which shall be subject to the same vesting provisions as provided for the host Award, or (ii) be credited by the Company to an account for the Participant and accumulated without interest until the date upon which the host Award becomes vested, and any dividends accrued with respect to forfeited Restricted Stock will be reconveyed to the Company without further consideration or any act or action by the Participant. In no event shall dividends with respect to Restricted Stock that is subject to performance-based vesting be paid or distributed until the performance-based vesting restrictions of such Restricted Stock lapse.

ARTICLE 11
DEFERRED STOCK UNITS

11.1. *GRANT OF DEFERRED STOCK UNITS.* The Committee is authorized to grant Deferred Stock Units to Participants subject to such terms and conditions as may be selected by the Committee. Deferred Stock Units shall entitle the Participant to receive Shares of Stock (or the equivalent value in cash or other property if so determined by the Committee) at a future time as determined by the Committee, or as determined by the Participant within guidelines established by the Committee in the case of voluntary deferral elections. An Award of Deferred Stock Units shall be evidenced by an Award Certificate setting forth the terms and conditions applicable to the Award.

ARTICLE 12
DIVIDEND EQUIVALENTS

12.1. *GRANT OF DIVIDEND EQUIVALENTS.* The Committee is authorized to grant Dividend Equivalents with respect to Full-Value Awards granted hereunder to Participants subject to such terms and conditions as may be selected by the Committee. Dividend Equivalents shall entitle the Participant to receive payments equal to ordinary cash dividends or distributions with respect to all or a portion of the number of Shares subject to a Full-Value Award, as determined by the Committee. The Committee may provide that Dividend Equivalents (i) will be deemed to have been reinvested in additional Shares or otherwise reinvested, or (ii) except in the case of Performance Shares, will be paid or distributed as accrued (in which case, such Dividend Equivalents must be paid or distributed no later than the 15 day of the 3rd month following the later of (i) the calendar year in which the corresponding dividends were paid to shareholders, or (ii) the first calendar year in which the Participant's right to such Dividends Equivalents is no longer subject to a substantial risk of forfeiture. Unless otherwise provided by the Committee, Dividend Equivalents accruing on unvested Full-Value Awards shall, as provided in the Award Certificate, either (i) be reinvested in the form of additional Shares, which shall be subject to the same vesting provisions as provided for the host Award, or (ii) be credited by the Company to an account for the Participant and accumulated without interest until the date upon which the host Award becomes vested, and any Dividend Equivalents accrued with respect to forfeited Awards will be reconveyed to the Company without further consideration or any act or action by the Participant. In no event shall Dividend Equivalents with respect to Performance Shares be paid or distributed until the performance-based vesting restrictions of the Performance Shares lapse.

ARTICLE 13
STOCK OR OTHER STOCK-BASED AWARDS

13.1. *GRANT OF STOCK OR OTHER STOCK-BASED AWARDS.* The Committee is authorized, subject to limitations under applicable law, to grant to Participants such other Awards that are payable in, valued in whole or in part by reference to, or otherwise based on or related to Shares, as deemed by the Committee to be consistent with the purposes of the Plan, including without limitation (but subject to Section 10.2) Shares awarded purely as a "bonus" and not subject to any restrictions or conditions, convertible or exchangeable debt securities, other rights convertible or exchangeable into Shares, and Awards valued by reference to book value of Shares or the value of securities of or the performance of specified Parents or Subsidiaries. The Committee shall determine the terms and conditions of such Awards.

ARTICLE 14
PROVISIONS APPLICABLE TO AWARDS

14.1. *STAND-ALONE AND TANDEM AWARDS.* Awards granted under the Plan may, in the discretion of the Committee, be granted either alone or in addition to, in tandem with, any other Award granted under the Plan. Subject to Section 16.2, awards granted in addition to or in tandem with other Awards may be granted either at the same time as or at a different time from the grant of such other Awards.

14.2. *TERM OF AWARD.* The term of each Award shall be for the period as determined by the Committee, provided that in no event shall the term of any Incentive Stock Option or a Stock Appreciation Right granted in tandem with the Incentive Stock Option exceed a period of ten years from its Grant Date.

14.3. *FORM OF PAYMENT FOR AWARDS.* Subject to the terms of the Plan and any applicable law or Award Certificate, payments or transfers to be made by the Company or an Affiliate on the grant or exercise of an Award may be made in such form as the Committee determines at or after the Grant Date, including without limitation, cash, Stock, other Awards, or other property, or any combination, and may be made in a single payment or transfer, in installments, or (except with respect to Options or SARs) on a deferred basis, in each case determined in accordance with rules adopted by, and at the discretion of, the Committee.

14.4. *LIMITS ON TRANSFER.* No right or interest of a Participant in any unexercised or restricted Award may be pledged, encumbered, or hypothecated to or in favor of any party other than the Company or an Affiliate, or shall be subject to any lien, obligation, or liability of such Participant to any other party other than the Company or an Affiliate. No unexercised or restricted Award shall be assignable or transferable by a Participant other than by will or the laws of descent and distribution or, except in the case of an Incentive Stock Option, pursuant to a domestic relations order that would satisfy Section 414(p)(1)(A) of the Code if such Section applied to an Award under the Plan; provided, however, that the Committee may (but need not) permit other transfers (other than transfers for value) where the Committee concludes that such transferability (i) does not result in accelerated taxation, (ii) does not cause any Option intended to be an Incentive Stock Option to fail to so qualify, and (iii) is otherwise appropriate and desirable, taking into account any factors deemed relevant, including without limitation, state or federal tax or securities laws applicable to transferable Awards.

14.5. *BENEFICIARIES.* Notwithstanding Section 14.4, a Participant may, in the manner determined by the Committee, designate a beneficiary to exercise the rights of the Participant and to receive any distribution with respect to any Award upon the Participant's death. A beneficiary, legal guardian, legal representative, or other person claiming any rights under the Plan is subject to all terms and conditions of the Plan and any Award Certificate applicable to the Participant, except to the extent the Plan and Award Certificate otherwise provide, and to any additional restrictions deemed necessary or appropriate by the Committee. If no beneficiary has been designated or survives the Participant, any payment due to the Participant shall be made to the Participant's estate. Subject to the foregoing, a beneficiary designation may be changed or revoked by a Participant, in the manner provided by the Company, at any time provided the change or revocation is filed with the Committee.

14.6. *STOCK TRADING RESTRICTIONS.* All Stock issuable under the Plan is subject to any stop-transfer orders and other restrictions as the Committee deems necessary or advisable to comply with federal or state securities laws, rules and regulations and the rules of any national securities exchange or automated quotation system on which the Stock is listed, quoted, or traded. The Committee may place legends on any Stock certificate or issue instructions to the transfer agent to reference restrictions applicable to the Stock.

14.7. *ACCELERATION UPON A CHANGE IN CONTROL.* Except as otherwise provided in the Award Certificate or any special Plan document governing an Award, upon the occurrence of a Change in Control, all outstanding Options, SARs, and other Awards in the nature of rights that may be exercised shall become fully exercisable, and all time-based vesting restrictions on outstanding Awards shall lapse. Except as otherwise provided in the Award Certificate or any special Plan document governing an Award, upon the occurrence of a Change in Control, the target payout opportunities attainable under all outstanding performance-based Awards shall be deemed to have been fully earned as of the effective date of the Change in Control based upon an assumed achievement of all relevant performance goals at the "target" level and there shall be prorata payout to Participants within thirty (30) days following the effective date of the Change in Control (or any later date required by Section 17.3 of the Plan) based upon the length of time within the performance period that has elapsed prior to the Change in Control.

14.8. *ACCELERATION UPON DEATH OR DISABILITY.* Except as otherwise provided in the Award Certificate or any special Plan document governing an Award, upon the termination of a Participant's Continuous Status as a Participant by reason of his or her death or Disability:

(i) all of such Participant's outstanding Options, SARs, and other Awards in the nature of rights that may be exercised that are solely subject to time-based vesting requirements shall become vested and fully exercisable as of the date of termination of Continuous Status as a Participant, and shall thereafter remain exercisable for a period of twelve (12) months or until the earlier expiration of the original term of the Option, SAR or other Award; provided, however, the to the extent that an Incentive Stock Option is exercised more than three (3) months after a Participant's Continuous Status as a Participant terminates by reason of his or her Disability, the Option shall be deemed to be Nonstatutory Stock Option,

(ii) all time-based vesting restrictions on the Participant's outstanding Awards shall lapse as of the date of termination of Continuous Status as a Participant, and

(iii) the target payout opportunities attainable under all of such Participant's outstanding performance-based Awards shall be deemed to have been fully earned as of the date of termination of Continuous Status as a Participant based upon an assumed achievement of all relevant performance goals at the "target" level and there shall be a prorata payout to the Participant or his or her estate within thirty (30) days following the date of termination (or any later date required by Section 17.3 of the Plan) based upon the length of time within the performance period that has elapsed prior to the date of termination of Continuous Status as a Participant.

Except as otherwise provided in this Section 14.8, any Awards shall thereafter continue or lapse in accordance with the other provisions of the Plan and the Awards Certificate. Notwithstanding the foregoing, in the case of a Participant's termination of Continuous Status as a Participant by reason of Disability, this Section 14.8 shall apply to such Participant only if the designated person in the Participant's employer's Human Resources Department has received a copy of the Disability Notice before processing the Participant's termination. To the extent that this provision causes Incentive Stock Options to exceed the dollar limitation set forth in Code Section 422(d), the excess Options shall be deemed to be Nonstatutory Stock Options.

14.9. *ACCELERATION FOR ANY OTHER REASON.* Regardless of whether an event has occurred as described in Section 14.7 or 14.8 above, and subject to Section 5.5 as to Full-Value Awards and Section 14.11 as to Qualified Performance-Based Awards, the Committee may in its sole discretion at any time determine that all or a portion of a Participant's Options, SARs, and other Awards in the nature of rights that may be exercised shall become fully or partially exercisable, that all or a part of the time-based vesting restrictions on all or a portion of the outstanding Awards shall lapse, and/or that any performance-based criteria with respect to any Awards shall be deemed to be wholly or partially satisfied, in each case, as of such date as the Committee may, in its sole discretion, declare. The Committee may discriminate among Participants and among Awards granted to a Participant in exercising its discretion pursuant to this Section 14.9.

14.10. *EFFECT OF ACCELERATION.* If an Award is accelerated under Section 14.7, Section 14.8 or Section 14.9, the Committee may, in its sole discretion, provide (i) that the Award will expire after a designated period of time after such acceleration to the extent not then exercised, (ii) that the Award will be settled in cash rather than Stock, (iii) that the Award will be assumed by another party to a transaction giving rise to the acceleration or otherwise be equitably converted or substituted in connection with such transaction, (iv) that the Award may be settled by payment in cash or cash equivalents equal to the excess of the Fair Market Value of the underlying Stock, as of a specified date associated with the transaction, over the exercise price of the Award, or (v) any combination of the foregoing. The Committee's determination need not be uniform and may be different for different Participants whether or not such Participants are similarly situated. To the extent that such acceleration causes Incentive Stock Options to exceed the dollar limitation set forth in Code Section 422(d), the excess Options shall be deemed to be Nonstatutory Stock Options.

14.11. *QUALIFIED PERFORMANCE-BASED AWARDS.*

(a) The provisions of the Plan are intended to ensure that all Options and Stock Appreciation Rights granted hereunder to any Covered Employee shall qualify for the Section 162(m) Exemption; provided that the exercise or base price of such Award is not less than the Fair Market Value of the Shares on the Grant Date.

(b) When granting any other Award, the Committee may designate such Award as a Qualified Performance-Based Award, based upon a determination that the recipient is or may be a Covered Employee with respect to such Award, and the Committee wishes such Award to qualify for the Section 162(m) Exemption. If an Award is so designated, the Committee shall establish performance goals for such Award within the time period prescribed by Section 162(m) of the Code based on one or more of the following Qualified Business Criteria, which may be expressed in terms of Company-wide objectives or in terms of objectives that relate to the performance of an Affiliate or a unit, division, region, department or function within the Company or an Affiliate:

- Gross and/or net revenue (including whether in the aggregate or attributable to specific products)
- Cost of Goods Sold and Gross Margin
- Costs and expenses, including Research & Development and Selling, General & Administrative
- Income (gross, operating, net, etc.)
- Earnings, including before interest, taxes, depreciation and amortization (whether in the aggregate or on a per share basis
- Cash flows and share price
- Return on assets, investment, capital or equity
- Manufacturing efficiency (including yield enhancement and cycle time reductions), quality improvements and customer satisfaction
- Product life cycle management (including product and technology design, development, transfer, manufacturing introduction, and sales price optimization and management)
- Economic profit or loss
- Market share
- Employee retention, compensation, training and development, including succession planning
- Objective goals consistent with the Participant's specific duties and responsibilities, designed to further the financial, operational and other business interests of the Company, including goals and objectives with respect to regulatory compliance matters.

Performance goals with respect to the foregoing Qualified Business Criteria may be specified in absolute terms (including completion of pre-established projects, such as the introduction of specified products), in percentages, or in terms of growth from period to period or growth rates over time as well as measured relative to an established or specially-created performance index of Company competitors, peers or other members of high tech industries. Any member of an index that disappears during a measurement period shall be disregarded for the entire measurement period. Performance Goals need not be based upon an increase or positive result under a business criterion and could include, for example, the maintenance of the status quo or the limitation of economic losses (measured, in each case, by reference to a specific business criterion).

(c) Each Qualified Performance-Based Award (other than an Option or SAR) shall be earned, vested and payable (as applicable) only upon the achievement of performance goals established by the Committee based upon one or more of the Qualified Business Criteria, together with the satisfaction of any other conditions, including the condition as to continued employment as set forth in subsection (g) below, as the Committee may determine to be appropriate; provided, however, that the Committee may provide, in its sole and absolute discretion, either in connection with the grant thereof or by amendment thereafter, that achievement of such performance goals will be waived upon the death or Disability of the Participant, or upon a Change in Control. In addition, the Committee has the right, in connection with the grant of a Qualified Performance-Based Award, to exercise negative discretion to determine that the portion of such Award actually earned, vested and /or payable (as applicable) shall be less than the portion that would be earned, vested and/or payable based solely upon application of the applicable performance goals. Performance periods established by the Committee for any such Qualified Performance-Based Award may be as short as ninety (90) days and may be any longer period. In addition, the Committee has the right, in connection with the grant of a Qualified Performance-Based Award, to exercise negative discretion to determine that the portion of such Award actually earned, vested and/or payable (as applicable) shall be less than the portion that would be earned, vested and/or payable based solely upon application of the applicable performance goals.

(d) The Committee may provide in any Qualified Performance-Based Award, at the time the performance goals are established, that any evaluation of performance shall include, exclude or otherwise equitably adjust for any event that occurs during a performance period, including by way of example but without limitation the following: (a) asset write-downs or impairment charges; (b) litigation or claim judgments or settlements; (c) the effect of changes in tax laws, accounting principles or other laws or provisions affecting reported results; (d) accruals for reorganization and restructuring programs; (e) extraordinary nonrecurring items as described in then-current accounting principles and /or in management's discussion and analysis of financial condition and results of operations appearing in the Company's annual report to shareholders for the applicable year; (f) acquisitions or divestitures; and (g) foreign exchange gains and losses. To the extent such inclusions or exclusions affect Awards to Covered Employees, they shall be prescribed in a form and at a time that meets the requirements of Code Section 162(m) for deductibility.

(e) Any payment of a Qualified Performance-Based Award granted with performance goals pursuant to subsection (c) above shall be conditioned on the written certification of the Committee in each case that the performance goals and any other material conditions were satisfied. Written certification may take the form of a Committee resolution passed by a majority of the Committee at a properly convened meeting or through unanimous action by the Committee via action by written consent. The certification requirement also may be satisfied by a separate writing executed by the Chairman of the Committee, acting in his capacity as such, following the foregoing Committee action or by the Chairman executing approved minutes of the Committee in which such determinations were made. Except as specifically provided in subsection (c), no Qualified Performance-Based Award held by a Covered Employee or an employee who in the reasonable judgment of the Committee may be a Covered Employee on the date of payment, may be amended, nor may the Committee exercise any discretionary authority it may otherwise have under the Plan with respect to a Qualified Performance-Based Award under the Plan, in any manner to waive the achievement of the applicable performance goal based on Qualified Business Criteria or to increase the amount payable pursuant thereto or the value thereof, or otherwise in a manner that would cause the Qualified Performance-Based Award to cease to qualify for the Section 162(m) Exemption.

(f) Section 5.4 sets forth the maximum number of Shares that may be granted in any one-year period to a Participant in designated forms of stock-based Awards.

(g) With respect to a Participant who is an officer of the Company, any payment of a Qualified Performance-Based Award granted with performance goals pursuant to subsection (c) above shall be conditioned on the officer having remained continuously employed by the Company or an Affiliate for the entire performance or measurement period, including, as well, through the date of determination and certification of the payment of any such Award pursuant to subsection (e) above (the "Certification Date"). For purposes of the Plan, with respect to any given performance or measurement period, an officer of the Company (i) who terminates employment (regardless of cause) or who otherwise ceases to be an officer, prior to the Certification Date, and (ii) who, pursuant to a separate contractual arrangement with the Company is entitled to receive payments from the Company thereunder extending to or beyond such Certification Date as a result of such termination or cessation in officer status, shall be deemed to have been employed by the Company as an officer through the Certification Date for purposes of payment eligibility.

14.12. *TERMINATION OF EMPLOYMENT.* Whether military, government or other service or other leave of absence shall constitute a termination of employment shall be determined in each case by the Committee at its discretion, and any determination by the Committee shall be final and conclusive. A Participant's Continuous Status as a Participant shall not be deemed to terminate (i) in a circumstance in which a Participant transfers from the Company to an Affiliate, transfers from an Affiliate to the Company, or transfers from one Affiliate to another Affiliate, or (ii) in the discretion of the Committee as specified at or prior to such occurrence, in the case of a spin-off, sale or disposition of the Participant's employer from the Company or any Affiliate. To the extent that this provision causes Incentive Stock Options to extend beyond three months from the date a Participant is deemed to be an employee of the Company, a Parent or Subsidiary for purposes of Sections 424(e) and 424(f) of the Code, the Options held by such Participant shall be deemed to be Nonstatutory Stock Options.

14.13. *FORFEITURE EVENTS.* Awards under the Plan shall be subject to any compensation recoupment policy that the Company will adopt from time to time, as required by law or otherwise, to the extent applicable. In addition, the Committee may specify in an Award Certificate that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events shall include, but shall not be limited to, termination of employment for cause, violation of material Company or Affiliate policies, breach of noncompetition, confidentiality or other restrictive covenants that may apply to the Participant, or other conduct by the Participant that is detrimental to the business or reputation of the Company or any Affiliate, or a later determination that the vesting of, or amount realized from, a Performance Award was based on materially inaccurate financial statements or any other materially inaccurate performance metric criteria, whether or not the Participant caused or contributed to such material inaccuracy.

14.14. *SUBSTITUTE AWARDS.* The Committee may grant Awards under the Plan in substitution for stock and stock-based awards held by employees of another entity who become employees of the Company or an Affiliate as a result of a merger or consolidation of the former employing entity with the Company or an Affiliate or the acquisition by the Company or an Affiliate of property or stock of the former employing corporation. The Committee may direct that the substitute awards be granted on such terms and conditions as the Committee considers appropriate in the circumstances.

ARTICLE 15
CHANGES IN CAPITAL STRUCTURE

15.1. *MANDATORY ADJUSTMENTS.* In the event of a nonreciprocal transaction between the Company and its shareholders that causes the per-share value of the Stock to change (including, without limitation, any stock dividend, stock split, spin-off, rights offering, or large nonrecurring cash dividend), the authorization limits under Section 5.1 and 5.4 shall be adjusted proportionately, and the Committee shall make such adjustments to the Plan and Awards as it deems necessary, in its sole discretion, to prevent dilution or enlargement of rights immediately resulting from such transaction. Action by the Committee may include: (i) adjustment of the number and kind of shares that may be delivered under the Plan; (ii) adjustment of the number and kind of shares subject to outstanding Awards; (iii) adjustment of the exercise price of outstanding Awards or the measure to be used to determine the amount of the benefit payable on an Award; and (iv) any other adjustments that the Committee determines to be equitable. Notwithstanding the foregoing, the Committee shall not make any adjustments to outstanding Options or SARs that would constitute a modification or substitution of the stock right under Treas. Reg. Sections 1.409A-1(b)(5)(v) that would be treated as the grant of a new stock right or change in the form of payment for purposes of Code Section 409A. Without limiting the foregoing, in the event of a subdivision of the outstanding Stock (stock-split), a declaration of a dividend payable in Shares, or a combination or consolidation of the outstanding Stock into a lesser number of Shares, the authorization limits under Section 5.1 and 5.4 shall automatically be adjusted proportionately, and the Shares then subject to each Award shall automatically, without the necessity for any additional action by the Committee, be adjusted proportionately without any change in the aggregate purchase price therefore.

15.2. *DISCRETIONARY ADJUSTMENTS.* Upon the occurrence or in anticipation of any corporate event or transaction involving the Company (including, without limitation, any merger, reorganization, recapitalization, combination or exchange of shares, or any transaction described in Section 15.1), the Committee may, in its sole discretion, provide (i) that Awards will be settled in cash rather than Stock, (ii) that Awards will become immediately vested and non-forfeitable and exercisable (in whole or in part) and will expire after a designated period of time to the extent not then exercised, (iii) that Awards will be assumed by another party to a transaction or otherwise be equitably converted or substituted in connection with such transaction, (iv) that outstanding Awards may be settled by payment in cash or cash equivalents equal to the excess of the Fair Market Value of the underlying Stock, as of a specified date associated with the transaction (or the per-share transaction price), over the exercise or base price of the Award, (v) that performance targets and performance periods for Performance Shares will be modified, consistent with Code Section 162(m) where applicable, or (vi) any combination of the foregoing. The Committee's determination need not be uniform and may be different for different Participants whether or not such Participants are similarly situated.

15.3. *GENERAL.* Any discretionary adjustments made pursuant to this Article 15 shall be subject to the provisions of Section 16.2. To the extent that any adjustments made pursuant to this Article 15 cause Incentive Stock Options to cease to qualify as Incentive Stock Options, such Options shall be deemed to be Nonstatutory Stock Options.

ARTICLE 16
AMENDMENT, MODIFICATION AND TERMINATION

16.1. *AMENDMENT, MODIFICATION AND TERMINATION.* The Board or the Committee may, at any time and from time to time, amend, modify or terminate the Plan without stockholder approval; provided, however, that if an amendment to the Plan would, in the reasonable opinion of the Board or the Committee, either (i) materially increase the number of Shares available under the Plan, (ii) expand the types of awards under the Plan, (iii) materially expand the class of participants eligible to participate in the Plan, (iv) materially extend the term of the Plan, or (v) otherwise constitute a material change requiring stockholder approval under applicable laws, policies or regulations or the applicable listing or other requirements of an Exchange, then such amendment shall be subject to stockholder approval; and provided, further, that the Board or Committee may condition any other amendment or modification on the approval of shareholders of the Company for any reason, including by reason of such approval being necessary or deemed advisable to (i) to comply with the listing or other requirements of an Exchange, or (ii) to satisfy any other tax, securities or other applicable laws, policies or regulations. Without the prior approval of the shareholders of the Company, the Plan may not be amended to permit: (i) the exercise price or base price of an Option or SAR to be reduced, directly or indirectly, (ii) an Option or SAR to be cancelled in exchange for cash, other Awards, or Options or SARs with an exercise or base price that is less than the exercise price or base price of the original Option or SAR, or otherwise, or (iii) the Company to repurchase an Option or SAR for value (in cash or otherwise) from a Participant if the current Fair Market Value of the Shares underlying the Option or SAR is lower than the exercise price or base price per share of the Option or SAR.

16.2. *AWARDS PREVIOUSLY GRANTED.* At any time and from time to time, the Committee may amend, modify or terminate any outstanding Award without approval of the Participant; provided, however:

(a) Subject to the terms of the applicable Award Certificate, such amendment, modification or termination shall not, without the Participant's consent, reduce or diminish the value of such Award determined as if the Award had been exercised, vested, cashed in or otherwise settled on the date of such amendment or termination (with the per-share value of an Option or Stock Appreciation Right for this purpose being calculated as the excess, if any, of the Fair Market Value as of the date of such amendment or termination over the exercise or base price of such Award);

(b) The original term of an Option or Stock Appreciation Right may not be extended without the prior approval of the shareholders of the Company;

(c) Except as otherwise provided in Article 15, without the prior approval of the shareholders of the Company, (i) the exercise price of an Option or SAR may not be reduced, directly or indirectly, (ii) an option or SAR may not be cancelled in exchange for cash, other Awards or Options or SARs with an exercise or base price that is less than the exercise price or base price of the original Option or SAR, or otherwise, and (iii) the Company may not repurchase an Option or SAR for value (in cash or otherwise) from a Participant if the current Fair Market Value of the Shares underlying the Option or SAR is lower than the exercise price or base price per share of the Option or SAR; and

(d) No termination, amendment, or modification of the Plan shall adversely affect any Award previously granted under the Plan, without the written consent of the Participant affected thereby. An outstanding Award shall not be deemed to be "adversely affected" by a Plan amendment if such amendment would not reduce or diminish the value of such Award determined as if the Award had been exercised, vested, cashed in or otherwise settled on the date of such amendment (with the per-share value of an Option or Stock Appreciation Right for this purpose being calculated as the excess, if any, of the Fair Market Value as of the date of such amendment over the exercise or base price of such Award).

16.3. *COMPLIANCE AMENDMENTS.* Notwithstanding anything in the Plan or in any Award Certificate to the contrary, the Committee may amend the Plan or an Award Certificate, to take effect retroactively or otherwise, as deemed necessary or advisable for the purpose of conforming the Plan or Award Certificate to any present or future law relating to plans of this or similar nature (including, but not limited to, Section 409A of the Code), and to the administrative regulations and rulings promulgated thereunder. By accepting an Award under this Plan, a Participant agrees to any amendment made pursuant to this Section 16.3 to any Award granted under the Plan without further consideration or action.

ARTICLE 17
GENERAL PROVISIONS

17.1. *NO RIGHTS TO AWARDS; NON-UNIFORM DETERMINATIONS.* No Participant or any Eligible Participant shall have any claim to be granted any Award under the Plan. Neither the Company, its Affiliates nor the Committee is obligated to treat Participants or Eligible Participants uniformly, and determinations made under the Plan may be made by the Committee selectively among Eligible Participants who receive, or are eligible to receive, Awards (whether or not such Eligible Participants are similarly situated).

17.2. *NO STOCKHOLDER RIGHTS.* No Award gives a Participant any of the rights of a stockholder of the Company unless and until Shares are in fact issued to such person in connection with such Award.

17.3. *SPECIAL PROVISIONS RELATED TO SECTION 409A OF THE CODE.*

(a) It is intended that the payments and benefits provided under the Plan and any Award shall either be exempt from the application of, or comply with, the requirements of Section 409A of the Code. The Plan and all Award Certificates shall be construed in a manner that effects such intent. Nevertheless, the tax treatment of the benefits provided under the Plan or any Award is not warranted or guaranteed. Neither the Company, its Affiliates nor their respective directors, officers, employees or advisers (other than in his or her capacity as a Participant) shall be held liable for any taxes, interest, penalties or other monetary amounts owed by any Participant or other taxpayer as a result of the Plan or any Award.

(b) Notwithstanding anything in the Plan or in any Award Certificate to the contrary, to the extent that any amount or benefit that would constitute non-exempt "deferred compensation" for purposes of Section 409A of the Code ("Non-Exempt Deferred Compensation") would otherwise be payable or distributable, or a different form of payment (e.g., lump sum or installment) would be effected, under the Plan or any Award Certificate by reason of the occurrence of a Change in Control, or the Participant's Disability or separation from service, such Non-Exempt Deferred Compensation will not be payable or distributable to the Participant, and/or such different form of payment will not be effected, by reason of such circumstance unless the circumstances giving rise to such Change in Control, Disability or separation from service meet any description or definition of "change in control event", "disability" or "separation from service", as the case may be, in Section 409A of the Code and applicable regulations (without giving effect to any elective provisions that may be available under such definition). This provision does not prohibit the *vesting* of any Award upon a Change in Control, Disability or separation from service, however defined. If this provision prevents the payment or distribution of any amount or benefit, or the application of a different form of payment of any amount or benefit, such payment or distribution shall be made at the time and in the form that would have applied absent the Change in Control, Disability or separation from service, as applicable.

(c) If any one or more Awards granted under the Plan to a Participant could qualify for any separation pay exemption described in Treas. Reg. Section 1.409A-1(b)(9), but such Awards in the aggregate exceed the dollar limit permitted for the separation pay exemptions, the Company (acting through the Committee or the Company's Chief Executive Officer) shall determine which Awards or portions thereof will be subject to such exemptions.

(d) Notwithstanding anything in the Plan or in any Award Certificate to the contrary, if any amount or benefit that would constitute Non-Exempt Deferred Compensation would otherwise be payable or distributable under this Plan or any Award Certificate by reason of a Participant's separation from service during a period in which the Participant is a Specified Employee (as defined below), then, subject to any permissible acceleration of payment by the Committee under Treas. Reg. Section 1.409A-3(j)(4)(ii) (domestic relations order), (j)(4)(iii) (conflicts of interest), or (j)(4)(vi) (payment of employment taxes):

(i) if the payment or distribution is payable in a lump sum, the Participant's right to receive payment or distribution of such Non-Exempt Deferred Compensation will be delayed until the earlier of the Participant's death or the first day of the seventh month following the Participant's separation from service; and

(ii) if the payment or distribution is payable over time, the amount of such Non-Exempt Deferred Compensation that would otherwise be payable during the six-month period immediately following the Participant's separation from service will be accumulated and the Participant's right to receive payment or distribution of such accumulated amount will be delayed until the earlier of the Participant's death or the first day of the seventh month following the Participant's separation from service, whereupon the accumulated amount will be paid or distributed to the Participant and the normal payment or distribution schedule for any remaining payments or distributions will resume.

For purposes of this Plan, the term "Specified Employee" has the meaning given such term in Code Section 409A and the final regulations thereunder, *provided, however*, that, as permitted in such final regulations, the Company's Specified Employees and its application of the six-month delay rule of Code Section 409A(a)(2)(B)(i) shall be determined in accordance with rules adopted by the Board or any committee of the Board, which shall be applied consistently with respect to all nonqualified deferred compensation arrangements of the Company, including this Plan.

(e) If, pursuant to an Award, a Participant is entitled to a series of installment payments, such Participant's right to the series of installment payments shall be treated as a right to a series of separate payments and not to a single payment. For purposes of the preceding sentence, the term "series of installment payments" has the meaning provided in Treas. Reg. Section 1.409A-2(b)(2)(iii) (or any successor thereto).

(f) The Company shall have the sole authority to make any accelerated distribution permissible under Treas. Reg. section 1.409A-3(j)(4) to Participants of deferred amounts, provided that such distribution(s) meets the requirements of Treas. Reg. section 1.409A-3(j)(4).

(g) Whenever an Award conditions a payment or benefit on the Participant's execution and non-revocation of a release of claims, such release must be executed and all revocation periods shall have expired within 60 days after the date of termination of the Participant's employment; failing which such payment or benefit shall be forfeited. If such payment or benefit is exempt from Section 409A of the Code, the Company may elect to make or commence payment at any time during such 60-day period. If such payment or benefit constitutes Non-Exempt Deferred Compensation, then, subject to subsection (d) above, (i) if such 60-day period begins and ends in a single calendar year, the Company may make or commence payment at any time during such period at its discretion, and (ii) if such 60-day period begins in one calendar year and ends in the next calendar year, the payment shall be made or commence during the second such calendar year (or any later date specified for such payment under the applicable Award), even if such signing and non-revocation of the release occur during the first such calendar year included within such 60-day period.

17.4. *WITHHOLDING.* The Company or any Affiliate shall have the authority and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy federal, state, and local taxes (including the Participant's FICA obligation) required by law to be withheld with respect to any exercise, lapse of restriction or other taxable event arising as a result of the Plan. With respect to withholding required upon any taxable event under the Plan, the Committee may, at the time the Award is granted or thereafter, require or permit that any such withholding requirement be satisfied, in whole or in part, by withholding from the Award Shares having a Fair Market Value on the date of withholding equal to the minimum amount (and not any greater amount) required to be withheld for tax purposes, all in accordance with such procedures as the Committee establishes. All such elections shall be subject to any restrictions or limitations that the Committee, in its sole discretion, deems appropriate.

17.5. *NO RIGHT TO CONTINUED SERVICE.* Nothing in the Plan, any Award Certificate or any other document or statement made with respect to the Plan, shall interfere with or limit in any way the right of the Company or any Affiliate to terminate any Participant's employment or status as an officer, director or consultant at any time, nor confer upon any Participant any right to continue as an employee, officer, director or consultant of the Company or any Affiliate, whether for the duration of a Participant's Award or otherwise. Neither an Award nor any benefits arising under this Plan shall constitute an employment contract with the Company or any Affiliate and, accordingly, subject to Article 16, this Plan and the benefits hereunder may be terminated at any time in the sole and exclusive discretion of the Board of Directors without giving rise to any liability on the part of the Company or an of its Affiliates.

17.6. *UNFUNDED STATUS OF AWARDS.* The Plan is intended to be an "unfunded" plan for incentive and deferred compensation. With respect to any payments not yet made to a Participant pursuant to an Award, nothing contained in the Plan or any Award Certificate shall give the Participant any rights that are greater than those of a general creditor of the Company or any Affiliate. This Plan is not intended to be subject to ERISA.

17.7. *RELATIONSHIP TO OTHER BENEFITS.* No payment under the Plan shall be taken into account in determining any benefits under any pension, retirement, savings, profit sharing, group insurance, welfare or benefit plan of the Company or any Affiliate unless provided otherwise in such other plan.

17.8. *EXPENSES.* The expenses of administering the Plan shall be borne by the Company and its Affiliates.

17.9. *TITLES AND HEADINGS.* The titles and headings of the Sections in the Plan are for convenience of reference only, and in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control.

17.10. *GENDER AND NUMBER.* Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine; the plural shall include the singular and the singular shall include the plural.

17.11. *FRACTIONAL SHARES.* No fractional Shares shall be issued and the Committee shall determine, in its discretion, whether cash shall be given in lieu of fractional Shares or whether such fractional Shares shall be eliminated by rounding up or down.

17.12. *GOVERNMENT AND OTHER REGULATIONS.*

(a) Notwithstanding any other provision of the Plan, no Participant who acquires Shares pursuant to the Plan may, during any period of time that such Participant is an affiliate of the Company (within the meaning of the rules and regulations of the Securities and Exchange Commission under the 1933 Act), sell such Shares, unless such offer and sale is made (i) pursuant to an effective registration statement under the 1933 Act, which is current and includes the Shares to be sold, or (ii) pursuant to an appropriate exemption from the registration requirement of the 1933 Act, such as that set forth in Rule 144 promulgated under the 1933 Act.

(b) Notwithstanding any other provision of the Plan, if at any time the Committee shall determine that the registration, listing or qualification of the Shares covered by an Award upon any Exchange or under any foreign, federal, state or local law or practice, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the granting of such Award or the purchase or receipt of Shares thereunder, no Shares may be purchased, delivered or received pursuant to such Award unless and until such registration, listing, qualification, consent or approval shall have been effected or obtained free of any condition not acceptable to the Committee. Any Participant receiving or purchasing Shares pursuant to an Award shall make such representations and agreements and furnish such information as the Committee may request to assure compliance with the foregoing or any other applicable legal requirements. The Company shall not be required to issue or deliver any certificate or certificates for Shares under the Plan prior to the Committee's determination that all related requirements have been fulfilled. The Company shall in no event be obligated to register any securities pursuant to the 1933 Act or applicable state or foreign law or to take any other action in order to cause the issuance and delivery of such certificates to comply with any such law, regulation or requirement.

17.13. *GOVERNING LAW.* To the extent not governed by federal law, the Plan and all Award Certificates shall be construed in accordance with and governed by the laws of the State of Delaware.

17.14. *ADDITIONAL PROVISIONS.* Each Award Certificate may contain such other terms and conditions as the Committee may determine; provided that such other terms and conditions are not inconsistent with the provisions of the Plan.

17.15. *NO LIMITATIONS ON RIGHTS OF COMPANY.* The grant of any Award shall not in any way affect the right or power of the Company to make adjustments, reclassification or changes in its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets. The Plan shall not restrict the authority of the Company, for proper corporate purposes, to draft or assume awards, other than under the Plan, to or with respect to any person. If the Committee so directs, the Company may issue or transfer Shares to an Affiliate, for such lawful consideration as the Committee may specify, upon the condition or understanding that the Affiliate will transfer such Shares to a Participant in accordance with the terms of an Award granted to such Participant and specified by the Committee pursuant to the provisions of the Plan.

17.16. *INDEMNIFICATION*. Each person who is or shall have been a member of the Committee, or of the Board, or an officer of the Company to whom authority was delegated in accordance with Article 4 shall be indemnified and held harmless by the Company against and from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under the Plan and against and from any and all amounts paid by him or her in settlement thereof, with the Company's approval, or paid by him or her in satisfaction of any judgment in any such action, suit, or proceeding against him or her, provided he or she shall give the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf, unless such loss, cost, liability, or expense is a result of his or her own willful misconduct or except as expressly provided by statute. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's Certificate of Incorporation or Bylaws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

17.17. *SEVERABILITY*. In the event that any provision of this Plan is found to be invalid or otherwise unenforceable under any applicable law, such invalidity or unenforceability will not be construed as rendering any other provisions contained herein as invalid or unenforceable, and all such other provisions will be given full force and effect to the same extent as though the invalid or unenforceable provision was not contained herein.

EXHIBIT 10.9

AMENDED AND RESTATED 2007 EQUITY INCENTIVE PLAN
RESTRICTED STOCK UNIT AGREEMENT
TERMS AND CONDITIONS

1. Grant of Units. The Company hereby grants to the Grantee named in the notice of award ("Grantee"), subject to the restrictions and the other terms and conditions set forth in the Micron Technology, Inc. Amended and Restated 2007 Equity Incentive Plan (the "Plan") and in this award agreement (this "Agreement"), the number of restricted stock units indicated in the notice of award (the "Units"), which represent the right to receive an equal number of shares of the Company's $0.10 par value common stock ("Stock") on the terms set forth in this Agreement. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Plan.

2. General Acknowledgements. By accepting the Units, Grantee hereby acknowledges that he or she has reviewed the terms and conditions of this Agreement and the Plan, and is familiar with the provisions thereof. Grantee hereby accepts the Units subject to all the terms and conditions of this Agreement and the Plan. Grantee acknowledges that a Prospectus relating to the Plan was made available for review. Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan. Grantee acknowledges that the grant and acceptance of the Units do not constitute an employment agreement and do not assure continuous employment with the Company or any of its Affiliates.

3. Vesting of Units. The Units have been credited to a bookkeeping account on behalf of Grantee. The Units will vest and become non-forfeitable on the earliest to occur of the following (the "Vesting Date"):

(a) as to the percentages of the Units specified contained in the vesting schedule hereof, on the respective dates specified contained in the vesting schedule hereof, provided Grantee remains in Continuous Status as a Participant on each vesting date specified therein; or

(b) termination of Grantee's Continuous Status as a Participant by reason of death or Disability; or
(c) upon the occurrence of a Change in Control.

If Grantee's service terminates prior to the Vesting Date for any reason other than as described in (b) above, Grantee shall forfeit all right, title and interest in and to the unvested Units as of the date of such termination of service and the unvested Units will be reconveyed to the Company without further consideration or any act or action by Grantee. For purpose of Section 409A of the Code, any reference herein to Grantee's "termination of Continuous Status as a Participant," "termination of employment" or "termination of service" or similar words shall be interpreted to mean Grantee's "separation from service" as defined in Code Section 409A and Treasury regulations and guidance with respect to such law.

4. Conversion to Stock. Unless the Units are forfeited prior to the Vesting Date as provided in Section 3 above, the Units will be converted to actual shares of Stock on the Vesting Date (the "Conversion Date"). Shares of Stock will be registered on the books of the Company in the street name of the broker designated by the Company as of the Conversion Date.

5. Dividend Equivalents. The Units shall not be entitled to dividend equivalents.

6. Restrictions on Transfer. No right or interest of Grantee in the Units may be pledged, hypothecated or otherwise encumbered to or in favor of any party other than the Company or an Affiliate, or be subjected to any lien, obligation or liability of Grantee to any other party other than the Company or an Affiliate. Units are not assignable or transferable by Grantee other than by will or the laws of descent and distribution or pursuant to a domestic relations order that would satisfy Section 414(p)(1)(A) of the Code; but the Committee may permit other transfers in accordance with the Plan.

7. Limitation of Rights. The Units do not confer to Grantee or Grantee's beneficiary any rights of a stockholder of the Company unless and until shares of Stock are in fact issued to such person in connection with the Units. Nothing in this Agreement shall interfere with or limit in any way the right of the Company or any Affiliate to terminate Grantee's service at any time, nor confer upon Grantee any right to continue in service of the Company or any Affiliate. Grantee waives all and any rights to any compensation or damages for the termination of Grantee's office or employment with

the Company or an Affiliate for any reason (including unlawful termination of employment) insofar as those rights arise from Grantee ceasing to have rights in relation to the Units as a result of that termination or from the loss or diminution in value of such rights. The grant of the Units does not give Grantee any right to participate in any future grants of share incentive awards.

8. Payment of Taxes. Grantee will, no later than the date as of which any amount related to the Units first becomes includable in Grantee's gross income for federal income tax purposes, pay to the Company, or make other arrangements satisfactory to the Committee regarding payment of, any federal, state and local taxes of any kind (including Grantee's FICA obligation) required by law to be withheld with respect to such amount. The obligations of the Company under this Agreement will be conditional on such payment or arrangements, and the Company, and, where applicable, its Affiliates will, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to Grantee. The withholding requirement may be satisfied, in whole or in part, at the election of the Company, by withholding from the Award Shares having a Fair Market Value on the date of withholding equal to the minimum amount (and not any greater amount) required to be withheld for tax purposes, all in accordance with such procedures as the Company establishes.

9. Amendment. The Committee may amend, modify or terminate the Award and this Agreement without approval of Grantee; provided, however, that such amendment, modification or termination shall not, without Grantee's consent, reduce or diminish the value of this award determined as if it had been fully vested (i.e., as if all restrictions on the Units hereunder had expired) on the date of such amendment or termination. Notwithstanding anything herein to the contrary, the Committee may, without Grantee's consent, amend or interpret this Agreement to the extent necessary to comply with Section 409A of the Code and Treasury regulations and guidance with respect to such law.

10. Plan Controls. The terms contained in the Plan shall be and are hereby incorporated into and made a part of this Agreement, and this Agreement shall be governed by and construed in accordance with the Plan. In the event of any actual or alleged conflict between the provisions of the Plan and the provisions of this Agreement, the provisions of the Plan shall be controlling and determinative.

11. Successors. This Agreement shall be binding upon any successor of the Company, in accordance with the terms of this Agreement and the Plan.

12. Severability. If any one or more of the provisions contained in this Agreement is deemed to be invalid, illegal or unenforceable, the other provisions of the Award and this Agreement will be construed and enforced as if the invalid, illegal or unenforceable provision had never been included.

13. Notice. Notices hereunder must be in writing and either personally delivered or sent by registered or certified United States mail, return receipt requested, postage prepaid. Notices to the Company must be addressed to Micron Technology, Inc., 8000 South Federal Way, Boise, Idaho 83706-9632; Attn: Corporate Secretary, or any other address designated by the Company in a written notice to Grantee. Notices to Grantee will be directed to the address of Grantee then currently on file with the Company, or at any other address given by Grantee in a written notice to the Company.

14. Data Processing. By accepting the Shares, Grantee gives explicit consent to the Company and other persons who administer the Plan to process and use all personal data relevant to Plan administration, including without limitation his or her name, address, Social Security Number or other applicable tax identification number, and bank and brokerage account details, and to the transfer of any such personal data outside the country in which Grantee works or is employed, including to the United States.

AMENDED AND RESTATED 2007 EQUITY INCENTIVE PLAN
OPTION AGREEMENT
TERMS AND CONDITIONS

1. Grant of Option. The Company hereby grants to the Optionee named in the notice of grant ("Optionee"), under the Micron Technology, Inc. 2007 Equity Incentive Plan (the "Plan"), stock options to purchase from the Company (the "Options"), on the terms and on conditions set forth in this agreement (this "Agreement"), the number of shares indicated in the notice of grant of the Company's $0.10 par value common stock, at the exercise price per share set forth in the notice of grant. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Plan.

2. General Acknowledgements. By accepting the Options, Optionee hereby acknowledges that he or she has reviewed these Terms and Conditions and the Plan, and is familiar with the provisions thereof. Optionee hereby accepts the Options subject to all the terms and provisions of this Agreement and the Plan. Optionee acknowledges that a Prospectus relating to the Plan was made available for review. Optionee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan. Optionee acknowledges that the grant and acceptance of the Options do not constitute an employment agreement and do not assure continuous employment with the Company or any of its Affiliates.

3. Vesting of Options. The Option shall vest (become exercisable) in accordance with the schedule shown in the notice of grant. Notwithstanding the foregoing vesting schedule, upon termination of Optionee's Continuous Status as a Participant by reason of his or her death or Disability, or upon a Change in Control, all Options shall become fully vested and exercisable.

4. Term of Options and Limitations on Right to Exercise. The term of the Options will be for a period of eight years, expiring at 5:00 p.m., Mountain Time, on the eighth anniversary of the Grant Date (the "Expiration Date"). To the extent not previously exercised, the Options will lapse prior to the Expiration Date upon the earliest to occur of the following circumstances:

(a) Thirty days after the termination of Optionee's Continuous Status as a Participant for any reason other than by reason of Optionee's death or Disability.

(b) Twelve months after termination of Optionee's Continuous Status as Participant by reason of Disability.

(c) Twelve months after the date of Optionee's death, if Optionee dies while employed. Upon Optionee's death, the Options may be exercised by Optionee's beneficiary designated pursuant to the Plan.

The Committee may, prior to the lapse of the Options under the circumstances described in paragraphs (a), (b) or (c) above, extend the time to exercise the Options as determined by the Committee in writing, but in no event beyond the Expiration Date. If Optionee or his or her beneficiary exercises an Option after termination of service, the Options may be exercised only with respect to the Shares that were otherwise vested on Optionee's termination of service.

5. Exercise of Option. The Options shall be exercised by (a) written notice directed to the Global Stock Department of the Company or its designee at the address and in the form specified by the Company from time to time and (b) payment to the Company in full for the Shares subject to such exercise (unless the exercise is a broker-assisted cashless exercise, as described below). If the person exercising an Option is not Optionee, such person shall also deliver with the notice of exercise appropriate proof of his or her right to exercise the Option. Payment for such Shares may be, in (a) cash, (b) Shares previously acquired by the purchaser, (c) withholding of Shares from the Option, or (d) any combination thereof, for the number of Shares specified in such written notice. The value of surrendered or withheld Shares for this purpose shall be the Fair Market Value as of the last trading day immediately prior to the exercise date. To the extent permitted under Regulation T of the Federal Reserve Board, and subject to applicable securities laws and any limitations as may be applied from time to time by the Committee (which need not be uniform), the Options may be exercised through a broker in a so-called "cashless exercise" whereby the broker sells the Option Shares on behalf of Optionee and delivers cash sales proceeds to the Company in payment of the exercise price. In such case, the date of exercise shall be deemed to be the date on which notice of exercise is received by the Company and the exercise price shall be delivered to the Company by the settlement date.

6. Beneficiary Designation. Optionee may, in the manner determined by the Committee, designate a beneficiary to exercise the rights of Optionee hereunder and to receive any distribution with respect to the Options upon Optionee's death. A beneficiary, legal guardian, legal representative, or other person claiming any rights hereunder is subject to all terms and conditions of this Agreement and the Plan, and to any additional restrictions deemed necessary or appropriate by the Committee. If no beneficiary has been designated or survives Optionee, the Options may be exercised by the legal representative of Optionee's estate, and payment shall be made to Optionee's estate. Subject to the foregoing, a beneficiary designation may be changed or revoked by Optionee at any time.

7. Withholding. The Company or any employer Affiliate has the authority and the right to deduct or withhold, or require Optionee to remit to the employer, an amount sufficient to satisfy federal, state, and local taxes (including Optionee's FICA obligation) required by law to be withheld with respect to any taxable event arising as a result of the exercise of the Options. The withholding requirement may be satisfied, in whole or in part, at the election of the Company, by withholding from the Options Shares having a Fair Market Value on the date of withholding equal to the minimum amount (and not any greater amount) required to be withheld for tax purposes, all in accordance with such procedures as the Company establishes.

8. Limitation of Rights. The Options do not confer to Optionee or Optionee's beneficiary designated pursuant to Section 6 any rights of a stockholder of the Company unless and until Shares are in fact issued to such person in connection with the exercise of the Options. Nothing in this Agreement shall interfere with or limit in any way the right of the Company or any Affiliate to terminate Optionee's service at any time, nor confer upon Optionee any right to continue in the service of the Company or any Affiliate. Optionee waives all and any rights to any compensation or damages for the termination of Optionee's office or employment with the Company or an Affiliate for any reason (including unlawful termination of employment) insofar as those rights arise from Optionee ceasing to have rights in relation to the Options as a result of that termination or from the loss or diminution in value of such rights. The grant of the Options does not give Optionee any right to participate in any future grants of share incentive awards.

9. Stock Reserve. The Company shall at all times during the term of this Agreement reserve and keep available such number of Shares as will be sufficient to satisfy the requirements of this Agreement.

10. Restrictions on Transfer and Pledge. No right or interest of Optionee in the Options may be pledged, encumbered, or hypothecated to or in favor of any party other than the Company or an Affiliate, or shall be subject to any lien, obligation, or liability of Optionee to any other party other than the Company or an Affiliate. The Options are not assignable or transferable by Optionee other than by will or the laws of descent and distribution or pursuant to a domestic relations order that would satisfy Section 414(p)(1)(A) of the Code if such Section applied to an Option under the Plan; provided, however, that the Committee may (but need not) permit other transfers. The Options may be exercised during the lifetime of Optionee only by Optionee or any permitted transferee.

11. Restrictions on Issuance of Shares. If at any time the Committee shall determine in its discretion, that registration, listing or qualification of the Shares covered by the Options upon any Exchange or under any foreign, federal, or local law or practice, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition to the exercise of the Options, the Options may not be exercised in whole or in part unless and until such registration, listing, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

12. Amendment. The Committee may amend, modify or terminate the Award and this Agreement without approval of Optionee; provided, however, that such amendment, modification or termination shall not, without Optionee's consent, reduce or diminish the value of this award determined as if it had been fully vested and exercised on the date of such amendment or termination (with the per-share value being calculated as the excess, if any, of the Fair Market Value over the exercise price of the Options).

13. Plan Controls. The terms and conditions contained in the Plan are incorporated into and made a part of this Agreement, and this Agreement shall be governed by and construed in accordance with the Plan. In the event of any actual or alleged conflict between the provisions of the Plan and the provisions of this Agreement, the provisions of the Plan shall be controlling and determinative.

14. Successors. This Agreement shall be binding upon any successor of the Company, in accordance with the terms of this Agreement and the Plan.

15. Severability. If any one or more of the provisions contained in this Agreement is invalid, illegal or unenforceable, the other provisions of this Agreement will be construed and enforced as if the invalid, illegal or unenforceable provision had never been included.

16. Notice. Notices and communications under this Agreement must be in writing and either personally delivered or sent by registered or certified United States mail, return receipt requested, postage prepaid. Notices to the Company must be addressed to: Micron Technology, Inc., 8000 S. Federal Way, P.O. Box 6, Boise, ID 83716-9632, Attn: Corporate Secretary, or any other address designated by the Company in a written notice to Optionee. Notices to Optionee will be directed to the address of Optionee then currently on file with the Company, or at any other address given by Optionee in a written notice to the Company.

17. Data Processing. By accepting the Shares, Optionee gives explicit consent to the Company and other persons who administer the Plan to process and use all personal data relevant to Plan administration, including without limitation his or her name, address, Social Security Number or other applicable tax identification number, and bank and brokerage account details, and to the transfer of any such personal data outside the country in which Optionee works or is employed, including to the United States.

AMENDED AND RESTATED 2007 EQUITY INCENTIVE PLAN
RESTRICTED STOCK AGREEMENT
TERMS AND CONDITIONS

1. Grant of Shares. The Company hereby grants to the Grantee named in the notice of award ("Grantee"), subject to the restrictions and the other terms and conditions set forth in the Micron Technology, Inc. 2007 Equity Incentive Plan (the "Plan") and in this award agreement (this "Agreement"), the number of shares indicated in the notice of award of the Company's $0.10 par value common stock (the "Shares"). Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Plan.

2. General Acknowledgements. By accepting the Shares, Grantee hereby acknowledges that he or she has reviewed these Terms and Conditions and the Plan, and is familiar with the provisions thereof. Grantee hereby accepts the Shares subject to all the terms and provisions of this Agreement and the Plan. Grantee acknowledges that a Prospectus relating to the Plan was made available for review. Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan. Grantee acknowledges that the grant and acceptance of the Shares do not constitute an employment agreement and do not assure continuous employment with the Company or any of its Affiliates.

3. Restrictions. The Shares are subject to each of the following restrictions. "Restricted Shares" mean those Shares that are subject to the restrictions imposed hereunder and such restrictions have not then expired or terminated. Restricted Shares may not be sold, transferred, exchanged, assigned, pledged, hypothecated or otherwise encumbered. If Grantee's Continuous Status as a Participant terminates for any reason other than as set forth in paragraph (b) of Section 4 hereof, then Grantee shall forfeit all of Grantee's right, title and interest in and to the Restricted Shares as of the date of termination of such service or employment, and such Restricted Shares shall revert to the Company without further consideration or any act or action by Grantee. The restrictions imposed under this Section shall apply to all shares of the Company's common stock or other securities issued in connection with any merger, reorganization, consolidation, recapitalization, stock dividend or other change in corporate structure affecting or with respect to the Shares.

4. Expiration and Termination of Restrictions. The restrictions imposed under Section 3 will expire on the earliest to occur of the following (the period prior to such expiration being referred to herein as the "Restricted Period"):

(a) on the respective expiration dates specified on the notice of award as to the number of Shares specified thereon; provided Grantee remains in Continuous Status as a Participant on each vesting date specified therein; or

(b) termination of Grantee's Continuous Status as a Participant by reason of death or Disability; or
(c) upon the occurrence of a Change in Control.

5. Delivery of Shares. The Shares will be registered in the name of Grantee as of the Grant Date and will be held by the Company during the Restricted Period in certificated or uncertificated form. If a certificate for Restricted Shares is issued during the Restricted Period with respect to such Shares, such certificate shall be registered in the name of Grantee and shall bear a legend in substantially the following form: "This certificate and the shares of stock represented hereby are subject to the terms and conditions (including forfeiture and restrictions against transfer) contained in a Restricted Stock Agreement between the registered owner of the shares represented hereby and Micron Technology, Inc. Release from such terms and conditions shall be made only in accordance with the provisions of such Agreement, copies of which are on file in the offices of Micron Technology, Inc." Stock certificates for the Shares, without the above legend, shall be delivered to Grantee or Grantee's designee upon request of Grantee after the expiration of the Restricted Period, but delivery may be postponed for such period as may be required for the Company with reasonable diligence to comply if deemed advisable by the Company, with registration requirements under the Securities Act of 1933, listing requirements under the rules of an Exchange, and requirements under any other law or regulation applicable to the issuance or transfer of the Shares.

6. Voting and Dividend Rights. Grantee, as beneficial owner of the Shares, shall have full voting rights with respect to the Shares during and after the Restricted Period. Grantee shall accrue cash and non-cash dividends, if any, paid with respect to the Restricted Shares, but the payment of such dividends shall be deferred and held (without interest) by the Company for the account of Grantee until the expiration of the Restricted Period. During the Restricted Period, such dividends shall be subject to the same vesting restrictions imposed under Section 3 as the Restricted Shares to which they relate. Accrued dividends deferred and held pursuant to the foregoing provision shall be paid by the Company to Grantee promptly upon the expiration of the Restricted Period (and in any event within thirty (30) days of the date of such expiration). If Grantee forfeits any rights he may have under this Agreement in accordance with Section 3, Grantee shall no longer have any rights as a shareholder with respect to the Restricted Shares or any interest therein and Grantee shall no longer be entitled to receive dividends on such stock.

7. Limitation of Rights. Nothing in this Agreement shall interfere with or limit in any way the right of the Company or any Affiliate to terminate Grantee's service at any time, nor confer upon Grantee any right to continue in service of the Company or any Affiliate. Grantee waives all and any rights to any compensation or damages for the termination of Grantee's office or employment with the Company or an Affiliate for any reason (including unlawful termination of employment) insofar as those rights arise from Grantee ceasing to have rights in relation to the Shares as a result of that termination or from the loss or diminution in value of such rights. The grant of the Shares does not give Grantee any right to participate in any future grants of share incentive awards.

8. Payment of Taxes. No later than 30 days after the date of grant of the Shares hereunder, Grantee may make an election to be taxed upon such award under Section 83(b) of the Code. Grantee will, no later than the date as of which any amount related to the Shares first becomes includable in Grantee's gross income for federal income tax purposes, pay to the Company, or make other arrangements satisfactory to the Committee regarding payment of, any federal, state and local taxes of any kind required by law to be withheld with respect to such amount. The obligations of the Company under this Agreement will be conditional on such payment or arrangements, and the Company, and, where applicable, its Affiliates will, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to Grantee. The withholding requirement may be satisfied, in whole or in part, at the election of the Company, by allowing Grantee to surrender to the Company a number of Shares from this Award having a Fair Market Value on the date of withholding equal to the minimum amount (and not any greater amount) required to be withheld for tax purposes, all in accordance with such procedures as the Company establishes.

9. Amendment. The Committee may amend, modify or terminate the Award and this Agreement without approval of Grantee; provided, however, that such amendment, modification or termination shall not, without Grantee's consent, reduce or diminish the value of this Award determined as if it had been fully vested on the date of such amendment or termination.

10. Plan Controls. The terms contained in the Plan are incorporated into and made a part of this Agreement, and this Agreement shall be governed by and construed in accordance with the Plan. In the event of any actual or alleged conflict between the provisions of the Plan and the provisions of this Agreement, the provisions of the Plan shall be controlling and determinative.

11. Successors. This Agreement shall be binding upon any successor of the Company, in accordance with the terms of this Agreement and the Plan.

12. Severability. If any one or more of the provisions contained in this Agreement is deemed to be invalid, illegal or unenforceable, the other provisions of this Agreement will be construed and enforced as if the invalid, illegal or unenforceable provision had never been included.

13. Notice. Notices and communications under this Agreement must be in writing and either personally delivered or sent by registered or certified United States mail, return receipt requested, postage prepaid. Notices to the Company must be addressed to: Micron Technology, Inc., 8000 S. Federal Way, P.O. Box 6, Boise, ID 83716-9632, Attn: Corporate Secretary, or any other address designated by the Company in a written notice to Grantee. Notices to Grantee will be directed to the address of Grantee then currently on file with the Company, or at any other address given by Grantee in a written notice to the Company.

14. Data Processing. By accepting the Shares, Grantee gives explicit consent to the Company and other persons who administer the Plan to process and use all personal data relevant to Plan administration, including without limitation his or her name, address, Social Security Number or other applicable tax identification number, and bank and brokerage account details, and to the transfer of any such personal data outside the country in which Grantee works or is employed, including to the United States.

EXHIBIT 10.10

MICRON TECHNOLOGY, INC.
NONSTATUTORY STOCK OPTION PLAN

1. Purposes of the Plan. The purposes of this Plan are:

   - to attract and retain the best available personnel for positions of substantial responsibility,
   - to provide additional incentive to Employees and Consultants, and
   - to promote the success of the Company's business.

Nonstatutory stock options may be granted under the Plan.

2. Definitions. As used herein, the following definitions shall apply:

(a) "Administrator" means the Board or any of its Committees as shall be administering the Plan, in accordance with Section 4 of the Plan.

(b) "Affiliate" means (i) any subsidiary or parent company of the Company, or (ii) an entity that directly or through one or more intermediaries controls, is controlled by or is under common control with, the Company, as determined by the Committee.

(c) "Applicable Laws" means the legal requirements relating to the administration of stock option plans and the issuance of stock and stock options under federal securities laws, Delaware corporate and securities laws, the Code, and the applicable laws of any foreign country or jurisdiction where options will be or are being granted under the Plan.

(d) "Board" means the Board of Directors of the Company.

(e) "Change in Control" means the acquisition by any person or entity, directly, indirectly or beneficially, acting alone or in concert, of more than thirty-five percent (35%) of the Common Stock of the Company outstanding at any time.

(f) "Code" means the Internal Revenue Code of 1986, as amended. Reference to a specific Section of the Code or regulation thereunder shall include such Section or regulation, any valid regulation promulgated under such Section, and any comparable provision of any future law, legislation or regulation amending, supplementing or superseding such Section or regulation.

(g) "Committee" means a Committee appointed by the Board in accordance with Section 4 of the Plan.

(h) "Common Stock" means the Common Stock of the Company.

(i) "Company" means Micron Technology, Inc., a Delaware corporation.

(j) "Consultant" means any person, including an advisor, engaged by the Company or a parent, subsidiary or Affiliate to render services. The term "Consultant" shall not include any person who is also an Officer or Director of the Company.

(k) "Continuous Status as an Employee or Consultant" means that the employment or consulting relationship with the Company, any parent, subsidiary, or Affiliate, is not interrupted or terminated. Continuous Status as an Employee or Consultant shall not be considered interrupted in the case of (i) any leave of absence approved by the Company, (ii) transfers between locations of the Company or between the Company, its Parent, any Subsidiary, or any successor or (iii) change in status from either an Employee to a Consultant or a Consultant to an Employee. A leave of absence approved by the Company shall include sick leave, military leave, or any other personal leave approved by an authorized representative of the Company.

(l) "Director" means a member of the Board.

(m)"Disability" or "Disabled" means the applicable authorized party under the long-term disability plan (the "LTD Plan") maintained by the Employee's employer (either the Company or an Affiliate) has provided written notification that the Employee qualifies for disability benefits under the LTD Plan (a "Disability Notice"). If the Employee is not eligible for disability benefits under any applicable LTD Plan, then the Employee shall not qualify as Disabled under this Plan.

(n) "Employee" means any person, except Officers and Directors, employed by the Company or any parent, subsidiary or Affiliate of the Company.

(o) "Fair Market Value" of the Stock, on any date, means: (i) if the Stock is listed or traded on any Exchange, the average closing price for such Stock (or the closing bid, if no sales were reported) as quoted on such Exchange (or, if more than one Exchange, the Exchange with the greatest volume of trading in the Stock) for such date, or if no sales or bids were reported for such date, on the last market trading day prior to the day of determination, as reported by *Market Sweep*, a service from Interactive Data Services, Inc., or or such other source as the Committee deems reliable; (ii) if the Stock is quoted on the over-the-counter market or is regularly quoted by a recognized securities dealer, but selling prices are not reported, the Fair Market Value of the Stock shall be the mean between the high bid and low asked prices for the Stock on such date, or if no sales or bids were reported for such date, on the last market trading day prior to the day of determination, as reported by *Market Sweep*, a service from Interactive Data Services, Inc., or such other source as the Committee deems reliable, or (iii) in the absence of an established market for the Stock, the Fair Market Value shall be determined by such other method as the Committee determines in good faith to be reasonable and in compliance with Code Section 409A.

(p) "Notice of Grant" means a written notice evidencing certain terms and conditions of an individual Option grant. The Notice of Grant is subject to the terms and conditions of the Option Agreement.

(q) "Officer" means a person who is an officer of the Company within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(r) "Option" means a nonstatutory stock option granted pursuant to the Plan. Such option is not intended to qualify as an incentive stock option within the meaning of Section 422 of the Code and the regulations promulgated thereunder.

(s) "Option Agreement" means a written agreement between the Company and an Optionee evidencing the terms and conditions of an individual Option grant. The Option Agreement is subject to the terms and conditions of the Plan.

(t) "Option Exchange Program" means a program whereby outstanding options are surrendered in exchange for options with a lower exercise price.

(u) "Optioned Stock" means the Common Stock subject to an Option.

(v) "Optionee" means an Employee or Consultant who holds an outstanding Option.

(w) "Plan" means this Nonstatutory Stock Option Plan.

(x) "Share" means a share of the Common Stock, as adjusted in accordance with Section 12 of the Plan.

3. Stock Subject to the Plan. Subject to the provisions of Section 12 of the Plan, the maximum aggregate number of Shares, which may be optioned and sold under the Plan, is 59,603,088. The Shares may be authorized, but, unissued, or reacquired Common Stock.

If an Option expires or becomes unexercisable without having been exercised in full, or is surrendered pursuant to an Option Exchange Program, the unpurchased Shares which were subject thereto shall become available for future grant or sale under the Plan (unless the Plan has terminated).

4. Administration of the Plan.

(a) Procedure. The Plan shall be administered by (A) the Board or (B) a committee designated by the Board, which committee shall be constituted to satisfy Applicable Laws. Once appointed, such Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and substitute new members, fill vacancies (however caused), and remove all members of the Committee and thereafter directly administer the Plan, all to the extent permitted by Applicable Laws.

(b) Powers of the Administrator. Subject to the provisions of the Plan, and in the case of a Committee, subject to the specific duties delegated by the Board to such Committee, the Administrator shall have the authority, in its discretion:

(i) to determine the Fair Market Value of the Common Stock;

(ii) to select the Consultants and Employees to whom Options may be granted hereunder;

(iii) to determine whether and to what extent Options are granted hereunder;

(iv) to determine the number of shares of Common Stock to be covered by each Option granted hereunder;

(v) to approve forms of agreement for use under the Plan;

(vi) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any award granted hereunder. Such terms and conditions include, but are not limited to, the exercise price, the time or times when Options may be exercised (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Option or the shares of Common Stock relating thereto, based in each case on such factors as the Administrator, in its sole discretion, shall determine;

(vii) to reduce the exercise price of any Option to the then current Fair Market Value if the Fair Market Value of the Common Stock covered by such Option shall have declined since the date the Option was granted;

(viii) to construe and interpret the terms of the Plan and awards granted pursuant to the Plan;

(ix) to prescribe, amend, and rescind rules and regulations relating to the Plan, including rules and regulations relating to sub-plans established for the purpose of qualifying for preferred tax treatment under foreign tax laws;

(x) to modify or amend each Option (subject to Section 14(b) of the Plan), including the discretionary authority to extend the post-termination exercisability period of Options longer than is otherwise provided for in the Plan;

(xi) to authorize any person to execute on behalf of the Company any instrument required to effect the grant of an Option previously granted by the Administrator;

(xii) to institute and Option Exchange Program;

(xiii) to allow Optionees to satisfy withholding tax obligations by electing to have the Company withhold from the Shares to be issued upon exercise of an Option that number of Shares having a Fair Market Value equal to the amount required to be withheld; and

(xiv) to make all other determinations deemed necessary or advisable for administering the Plan.

(c) Effect of Administrator's Decision. The Administrator's decisions, determinations, and interpretations shall be final and binding on all Optionees and any other holders of Options.

5. Eligibility. Options may be granted to Employees and Consultants. Employees and Consultants who are service providers to an Affiliate may be granted Options under this Plan only if the Affiliate qualifies as an "eligible issuer of service recipient stock" within the meaning of §1.409A-1(b)(5)(iii)(E) of the final regulations under Code Section 409A.

6. Limitations. Neither the Plan nor any Option shall confer upon an Optionee any right with respect to continuing the Optionee's employment or consulting relationship with the Company, nor shall they interfere in any way with the Optionee's right or the Company's right to terminate such employment or consulting relationship at any time, with or without cause.

7. Term of Plan. The Plan shall become effective upon its adoption by the Board. It shall continue in effect until terminated under Section 14 of the Plan.

8. Term of Option. The term of each Option shall be stated in the Notice of Grant.

9. Option Exercise Price and Consideration.

(a) Exercise Price. The per share exercise price for the Shares to be issued pursuant to exercise of an Option shall be determined by the Administrator, but shall not be less than the Fair Market Value per share on the date of grant of the Option.

(b) Waiting Period and Exercise Dates. At the time an Option is granted, the Administrator shall fix the period within which the Option may be exercised and shall determine any conditions which must be satisfied before the Option may be exercised. In doing so, the Administrator may specify that an Option may not be exercised until either the completion of a service period or the achievement of performance criteria with respect to the Company or the Optionee.

(c) Form of Consideration. The Administrator shall determine the acceptable form of consideration for exercising an Option, including the method of payment. Such consideration may consist entirely of:

(i) cash;

(ii) check;

(iii)promissory note;

(iv)other Shares which have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which said Option shall be exercised;

(v) delivery of a properly executed exercise notice together with such other documentation as the Administrator and the broker, if applicable, shall require to effect an exercise of the Option and delivery to the Company of the sale or loan proceeds required to pay the exercise price;

(vi)a reduction in the amount of any Company liability to the Optionee, other than any liability attributable to the Optionee's participation in any Company-sponsored deferred compensation program or arrangement;

(vii) any combination of the foregoing methods of payment; or

(viii) such other consideration and method of payment for the issuance of Shares to the extent permitted by Applicable Laws.

10. Exercise of Option.

(a) Procedure for Exercise; Rights as a Shareholder. Any Option granted thereunder shall be exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Administrator and set forth in the Option Agreement.

An Option may not be exercised for a fraction of a Share.

An Option shall be deemed exercised when the Company receives: (i) written notice of exercise (in accordance with the Option Agreement) from the person entitled to exercise the Option, and (ii) full payment for the Shares with respect to which the Option is exercised. Full payment may consist of any consideration and method of payment authorized by the Administrator and permitted by the Option Agreement and the Plan. Shares issued upon exercise of an Option shall be issued in the name of the Optionee or, if requested by the Optionee, in the name of the Optionee and his or her spouse. Until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to the Optioned Stock, notwithstanding the exercise of the Option. The Company shall issue (or cause to be issued) such Shares, promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 12 of the Plan.

Exercising an Option in any manner shall decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

(b) Termination of Employment or Consulting Relationship. Upon termination of an Optionee's Continuous Status as an Employee or Consultant, other than upon the Optionee's death or Disability, the Optionee may exercise his or her Option, but only within such period of time as is specified in the Notice of Grant, and only to the extent that the Optionee was entitled to exercise it as the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Notice of Grant). In the absence of a specified time in the Notice of Grant, the Option shall remain exercisable for 30 days following the Optionee's termination of Continuous Status as an Employee or Consultant. If, at the date of termination, the Optionee is not entitled to exercise his or her entire Option, the Shares covered by the unexercisable portion of the Option shall revert to the Plan. If, after termination, the Optionee does not exercise his or her Option within

the time specified herein, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan.

(c) Disability of Optionee. In the event that an Optionee's Continuous Status as an Employee or Consultant terminates as a result of the Optionee's Disability, all vesting restrictions on the Option shall lapse and the Option will become fully exercisable. The Optionee may exercise his or her Option at any time within twelve (12) months from the date of such termination (but in no event later than the expiration of the term of such Option as set forth in the Notice of Grant). If, after termination, the Optionee does not exercise his or her Option within the time specified herein, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan. Notwithstanding the foregoing, in the case of a Participant's termination of Continuous Status as a Participant by reason of Disability, this Section 10(c) shall apply to such Participant only if the designated person in the Optionee's employer's Human Resources Department has received a copy of the Disability Notice before processing the Participant's termination.

(d) Death of Optionee. In the event of the death of an Optionee, all vesting restrictions on the Option shall lapse and the Option will become fully exercisable. The Option may be exercised at any time within twelve (12) months following the date of death (but in no event later than the expiration of the term of such Option as set forth in the Notice of Grant), by the Optionee's estate or by a person who acquired the right to exercise the Option by bequest or inheritance. If, after death, the Optionee's estate or a person who acquired the right to exercise the Option by bequest or inheritance does not exercise the Option within the time specified herein, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan.

(e) Suspension. Any Participant who is also a participant in the Retirement at Micron ("RAM") Section 401(k) Plan and who requests and receives a hardship distribution form the RAM Plan, is prohibited from making, and must suspend, his or her employee elective contributions to the Plan.

11. Non-Transferability of Options. Unless otherwise specified by the Administrator in the Option Agreement, an Option may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by laws of descent or distribution and may be exercised, during the lifetime of the Optionee, only by the Optionee.

12. Adjustments Upon Changes in Capitalization, Dissolution, Merger, or Asset Sale.

(a) Changes in Capitalization.

Subject to any required action by the shareholders of the Company, the number of shares of Common Stock covered by each outstanding Option, and the number of issued shares of Common Stock which have been authorized for issuance under the Plan but as to which no Options have yet been granted or which have been returned to the Plan upon cancellation or expiration of an Option, as well as the price per share of Common Stock covered by each such outstanding Option, shall be proportionately adjusted for any increase or decrease in the number of issued shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Common Stock or any other increase or decrease in the number of shares of Common Stock effected without receipt of consideration by the Company; provided, however, that conversion of

any convertible securities of the Company shall not be deemed to have been effected without receipt of consideration. Such adjustment shall be made by the Board, whose determination in that respect shall be final, binding, and conclusive. Without limiting the foregoing, in the event of a subdivision of the outstanding Stock (stock-split), a declaration of a dividend payable in Shares, or a combination or consolidation of the outstanding Stock into a lesser number of Shares, the authorization limit under Section 3 shall automatically be adjusted proportionately, and the Shares then subject to each Award shall automatically be adjusted proportionately without any change in the aggregate purchase price therefor. To the extent that any adjustments made pursuant to this Section 12 cause Incentive Stock Options to cease to qualify as Incentive Stock Options, such Options shall be deemed to be Nonstatutory Stock Options.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, to the extent that an Option has not been previously exercised, it will terminate immediately prior to the consummation of such proposed action. The Board may, in the exercise of its sole discretion in such instances, declare that any Option shall terminate as of a date fixed by the Board and give each Optionee the right to exercise his or her Option as to all or any part of the Optioned stock, including Shares as to which the Option would not otherwise be exercisable.

(c) Merger or Asset Sale.

Upon the occurrence or in anticipation of any corporate event or transaction involving the Company (including, without limitation, any merger, reorganization, recapitalization or combination or exchange of shares or any transaction described in Section 12(a)), the Administrator may, in its sole discretion, provide (i) that Options will be settled in cash rather than Common Stock, (ii) that Options will become immediately vested and exercisable and will expire after a designated period of time to the extent not then exercised, (iii) that Options will be assumed by another party to a transaction or otherwise be equitably converted or substituted in connection with such transaction, (iv) that outstanding Options may be settled by payment in cash or cash equivalents equal to the excess of the Fair Market Value of the underlying Common Stock, as of a specified date associated with the transaction, over the exercise price of the Option, or (v) any combination of the foregoing. The Administrator's determination need not be uniform and may be different for different Optionees whether or not such Optionees are similarly situated.

(d) Change in Control. In the event of a Change in Control, the unexercised portion of the Option shall become immediately exercisable.

(e) General. Any discretionary adjustments made pursuant to this Section 12 shall be subject to the provisions of Section 14.

13. Date of Grant. The date of grant of an Option shall be, for all purposes, the date on which the Administrator makes the determination granting such Option, or such other later date as is determined by the Administrator. Notice of the determination shall be provided to each Optionee within a reasonable time after the date of such grant.

14. Amendment and Termination of the Plan.

(a) Amendment and Termination. Except as provided herein, the Board may at any time amend, alter, suspend, or terminate the Plan without shareholder approval; provided, however, that the Board may condition any amendment or modification on the approval of shareholders of the Company if such approval is necessary or deemed advisable with respect to tax, securities or other applicable laws, policies or regulations. No termination can affect options previously granted, nor may an amendment make any change in any option theretofore granted which adversely affects the rights of any Optionee, nor may an amendment be made without prior approval of the shareholders of the Company if such amendment would:

(i) increase the number of shares that may be issued under the Plan;

(ii) change the designation of the employees (or class of employees) eligible for participation in the Plan; or

(iii) materially increase the benefits which may accrue to participants under the Plan.

(b) Effect of Amendment or Termination. No amendment, alteration, suspension, or termination of the Plan shall impair the rights of any Optionee, unless mutually agreed otherwise between the Optionee and the Administrator, which agreement must be in writing and signed by the Optionee and the Company.

(c) Compliance Amendments. Notwithstanding anything in the Plan or in any Notice of Grant, Option Agreement or other applicable agreement to the contrary, the Committee may amend the Plan or any Notice of Grant, Option Agreement or other applicable agreement, to take effect retroactively or otherwise, as deemed necessary or advisable for the purpose of conforming the Plan, Notice of Grant, Option Agreement or other applicable agreement to any present or future law relating to plans of this or similar nature (including, but not limited to, Section 409A of the Code), and to the administrative regulations and rulings promulgated thereunder. By accepting an Option under this Plan, a Optionee agrees to any amendment made pursuant to this Section to any Option granted under the Plan without further consideration or action.

15. Conditions Upon Issuance of Shares.

(a) Legal Compliance. Shares shall not be issued pursuant to the exercise of an Option unless the exercise of such Option and the issuance and delivery of such Shares shall comply with all Applicable Laws and the requirements of any stock exchange or quotation system upon which the Shares may then be listed or quoted, and shall be further subject to the approval of counsel for the Company with respect to such compliance.

(b) Investment Representations. As a condition to the exercise of an Option, the Company may require the person exercising such Option to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required.

16. Liability of Company. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

17. Reservation of Shares. The Company, during the term of this Plan, will at all times reserve and keep available such number of Shares as shall be sufficient to satisfy the requirements of the Plan.

18. Restriction on Repricing. Without the prior approval of the shareholders of the Company, the Administrator shall not reprice any Options issued under the Plan through cancellation and regrant, by lowering the exercise price, or by any other means.

19. Special Provisions Related To Section 409A of the Code.

(a) Notwithstanding anything in the Plan or in any Notice of Grant, Option Agreement or other applicable agreement to the contrary, to the extent that any amount or benefit that would constitute non-exempt "deferred compensation" for purposes of Section 409A of the Code would otherwise be payable or distributable under the Plan or any Notice of Grant, Option Agreement or other applicable agreement by reason of the occurrence of a Change in Control, or the Optionee's Disability or separation from service, such amount or benefit will not be payable or distributable to the Optionee by reason of such circumstance unless (i) the circumstances giving rise to such Change in Control, Disability or separation from service meet any description or definition of "change in control event", "disability" or "separation from service", as the case may be, in Section 409A of the Code and applicable regulations (without giving effect to any elective provisions that may be available under such definition), or (ii) the payment or distribution of such amount or benefit would be exempt from the application of Section 409A of the Code by reason of the short-term deferral exemption or otherwise. This provision does not prohibit the *vesting* of any Option upon a Change in Control, Disability or separation from service, however defined. If this provision prevents the payment or distribution of any amount or benefit, such payment or distribution shall be made on the next earliest payment or distribution date or event specified in the Notice of Grant, Option Agreement or other applicable agreement that is permissible under Section 409A.

(b) If any one or more Options granted under the Plan to a Optionee could qualify for any separation pay exemption described in Treas. Reg. Section 1.409A-1(b)(9), but such Options in the aggregate exceed the dollar limit permitted for the separation pay exemptions, the Company (acting through the Committee or the Head of Human Resources) shall determine which Options or portions thereof will be subject to such exemptions.

(c) Notwithstanding anything in the Plan or in any Notice of Grant, Option Agreement or other applicable agreement to the contrary, if any amount or benefit that would constitute non-exempt "deferred compensation" for purposes of Section 409A of the Code would otherwise be payable or distributable under this Plan or in any Notice of Grant, Option Agreement or other applicable agreement by reason of a Optionee's separation from service during a period in which the Optionee is a Specified Employee (as defined below), then, subject to any permissible acceleration of payment by the Committee under Treas. Reg. Section 1.409A-3(j)(4)(ii) (domestic relations order), (j)(4)(iii) (conflicts of interest), or (j)(4)(vi) (payment of employment taxes):

(i) if the payment or distribution is payable in a lump sum, the Optionee's right to receive payment or distribution of such non-exempt deferred compensation will be delayed until the earlier of the Optionee's death or the first day of the seventh month following the Optionee's separation from service; and

(ii) if the payment or distribution is payable over time, the amount of such non-exempt deferred compensation that would otherwise be payable during the six-month period immediately following the Optionee's separation from service will be accumulated and the Optionee's right to receive payment or distribution of such accumulated amount will be delayed until the earlier of the Optionee's death or the first day of the seventh month following the Optionee's separation from service, whereupon the accumulated amount will be paid or distributed to the Optionee and the normal payment or distribution schedule for any remaining payments or distributions will resume.

For purposes of this Plan, the term "Specified Employee" has the meaning given such term in Code Section 409A and the final regulations thereunder, *provided, however*, that, as permitted in such final regulations, the Company's Specified Employees and its application of the six-month delay rule of Code Section 409A(a)(2)(B)(i) shall be determined in accordance with rules adopted by the Board or any committee of the Board, which shall be applied consistently with respect to all nonqualified deferred compensation arrangements of the Company, including this Plan.

EXHIBIT 10.11

NONSTATUTORY STOCK OPTION PLAN TERMS AND CONDITIONS

Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Option Agreement.

I. OPTIONEE

The Optionee named in the notice of grant has been granted an option to purchase Common Stock of the Company, subject to the terms and conditions of the Nonstatutory Stock Option Plan (the "Plan"), and this Option Agreement.

II. AGREEMENT

1. Grant of Option. The Plan Administrator of the Company hereby grants to the Optionee (the "Optionee"), an option (the "Option") to purchase the number of Shares, as set forth in the notice of grant, at the exercise price per share set forth in the notice of grant (the "Exercise Price"), subject to the terms and conditions of the Plan, which is incorporated herein by reference. Subject to Section 14(b) of the Plan, in the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Option Agreement, the terms and conditions of the Plan shall prevail.

2. Exercise of Option.

(a) Right to Exercise. This Option is exercisable during its term in accordance with the vesting schedule set out in the notice of grant and the applicable provisions of the Plan and this Option Agreement. In the event of the termination of Optionee's employment with the Company by reason of his or her death or Disability or other termination of Optionee's employment, the exercisability of the Option is governed by the applicable provisions of the Plan and this Option Agreement.

(b) Method of Exercise. This Option is exercisable by delivery of an exercise notice, substantially in a form approved by the Company (the "Exercise Notice"), which shall state the election to exercise the Option, the number of Shares in respect of which the Option is being exercised (the "Exercise Shares"), and such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan. The Exercise Notice shall be accompanied by payment of the aggregate Exercise Price as to all Exercised Shares. This Option shall be deemed to be exercised upon receipt by the Company of such fully executed Exercise Notice accompanied by such aggregate Exercise Price.

No Shares shall be issued pursuant to the exercise of this Option unless such issuance and exercise complies with all relevant provisions of law and the requirements of any stock exchange or quotation service upon which the Shares are then listed. Assuming such compliance, for income tax purposes the Exercise Shares shall be considered transferred to the Optionee on the date the Option is exercised with respect to such Exercise Shares.

3. Method of Payment. Payment of the aggregate Exercise Price shall be by any of the following, or a combination thereof, at the election of the Optionee:

(a) cash;

(b) check; or,

(c) delivery of a properly executed Exercise Notice together with such other documentation as the Administrator and the broker, if applicable, shall require to effect an exercise of the Option and delivery to the Company of the sale of loan proceeds required to pay the exercise price.

4. Non-Transferability of Option. This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of Optionee only by the Optionee. The terms of the Plan and this Option Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Optionee.

5. Term of Option. The term of the Option will be for a period of eight years, expiring at 5:00 p.m., Mountain Time, on the eighth anniversary of the Grant Date (the "Expiration Date"). To the extent not previously exercised, the Options will lapse prior to the Expiration Date upon the earliest to occur of the following circumstances:

(a) Thirty days after the termination of Optionee's Continuous Status as an Employee or Consultant for any reason other than by reason of Optionee's death or Disability.

(b) Twelve months after termination of Optionee's Continuous Status as an Employee or Consultant by reason of Disability.

(c) Twelve months after the date of Optionee's death, if Optionee dies while in Continuous Status as an Employee or Consultant. Upon Optionee's death, the Options may be exercised by Optionee's beneficiary designated pursuant to the Plan.

6. Entire Agreement; Governing Law. The Plan is incorporated herein by reference. The Plan, this Option Agreement and the n notice of grant constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and Optionee with respect to the subject matter hereof, and may not be modified adversely to the Optionee's interest except by means of a writing signed by the Company and Optionee. This agreement is governed by Delaware law except for that body of law pertaining to conflict of laws.

7. Data Processing. By accepting the Shares, Grantee gives explicit consent to the Company and other persons who administer the Plan to process and use all personal data relevant to Plan administration, including without limitation his or her name, address, Social Security Number or other applicable tax identification number, and bank and brokerage account details, and to the transfer of any such personal data outside the country in which Grantee works or is employed, including to the United States.

8. Acknowledgments. By acceptance of this Option Agreement, Optionee acknowledges and agrees that:

(i) the Option is granted under and governed by the terms and conditions of the Plan, this Option Agreement and the notice of grant;

(ii) he or she has reviewed in entirety, and fully understands all provisions of, the Plan, this Option Agreement and the notice of grant;

(iii) he or she agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions relating to the Plan and Option Agreement;

(iv) he or she will notify the Company upon any change in the Optionee's residence address by contacting the Company's Stock Administration Department;

(v) the grant or acceptance of this Option does not constitute an employment agreement and does not assure continuous employment with the Company or its Affiliates.

EXHIBIT 10.51

[***] DENOTES CONFIDENTIAL MATERIALS OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT

CONFIDENTIAL

AMENDED AND RESTATED [***] SUPPLY AGREEMENT

This AMENDED AND RESTATED **[***]** SUPPLY AGREEMENT (this "**Agreement**") is made and entered into as of September 1, 2015 (the "**Effective Date**"), by and between Intel Corporation, a Delaware corporation ("**Intel**"), Micron Semiconductor Asia Pte. Ltd., a Singapore corporation ("**MSA**") and Micron Technology, Inc., a Delaware corporation ("**MTI**" and, together with MSA, collectively, "**Micron**") and amends and restates, in its entirety, the **[***]** Wafer Supply Agreement (as amended prior to the date hereof, the "**Original Agreement**"), dated as of January 31, 2014 (the "**Original Effective Date**"), by and between Intel and Micron. Each of Intel, MSA and MTI may be referred to herein individually as a "**Party**" and collectively as the "**Parties**."

RECITALS

A. In connection with the execution of the Original Agreement, Micron and Intel entered into a **[***]** Letter Agreement (the "**[***] Letter Agreement**") pursuant to which MSA agreed to use commercially reasonable efforts to convert existing capacity or add incremental capacity at the Singapore Fab to manufacture wafers utilizing the **[***]** Process Technology Node and Intel agreed to cooperate with, and use commercially reasonable efforts to assist, Micron in qualifying such **[***]** Process Technology Node at such facilities.

B. If such manufacturing conversion or addition occur, and if Intel complies with Sections 2.1 and 3 of the **[***]** Letter Agreement, MSA would manufacture NAND Flash Memory Wafers utilizing the **[***]** Process Technology Node at its Singapore Fab and supply Probed Wafers utilizing the **[***]** Process Technology Node to Intel in accordance with the terms and subject to the conditions set forth in this Agreement.

C. Simultaneous with the execution of this Agreement, Micron and Intel entered into a **[***]** Letter Agreement (the "**[***] Letter Agreement**") pursuant to which MSA agreed, subject to the conditions therein, to use commercially reasonable efforts to convert existing capacity or add incremental capacity at the Singapore Fab to manufacture wafers utilizing the **[***]** Process Technology Node and Intel agreed to cooperate with, and use commercially reasonable efforts to assist, Micron in qualifying such **[***]** Process Technology Node at such facilities.

D. If such manufacturing conversion or addition occur, and if Intel complies with Sections 1.2, 1.3 and 1.4 of the **[***]** Letter Agreement, MSA would manufacture NAND Flash Memory Wafers utilizing the **[***]** Process Technology Node at its Singapore manufacturing facilities and supply Probed Wafers utilizing the **[***]** Process Technology Node to Intel, in accordance with the terms and subject to the conditions set forth in this Agreement.

E. Intel agrees to purchase Probed Wafers, in accordance with the terms and subject to the conditions set forth in this Agreement.

F. Under the Deposit Agreement dated as of the Effective Date, by and among Intel and MTI (the "**Deposit Agreement**"), Intel has agreed to make with Micron a refundable deposit against Intel's payment obligations in accordance with Section 2.3 of the Deposit Agreement.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties intending to be legally bound do hereby agree as follows:

ARTICLE 1
DEFINITIONS; CERTAIN INTERPRETIVE MATTERS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, capitalized terms used in this Agreement shall have the respective meanings set forth in Exhibit A.

1.2 Certain Interpretive Matters.

(a) Unless the context requires otherwise, (i) all references to Sections, Articles, Recitals, Exhibits or Schedules are to Sections, Articles, Recitals, Exhibits or Schedules of or to this Agreement; (ii) each of the Schedules will apply only to the corresponding Section or subsection of this Agreement; (iii) words in the singular include the plural and vice versa; (iv) the term "including" means "including without limitation"; and (v) the terms "herein," "hereof," "hereunder" and words of similar import shall mean references to this Agreement as a whole and not to any individual Section or portion hereof. All references to $ or dollar amounts will be to lawful currency of the United States of America. All references to "day" or "days" will mean calendar days and all references to "quarter(ly)", "month(ly)" or "year(ly)" will mean calendar quarter, calendar month or calendar year, respectively.

(b) No provision of this Agreement will be interpreted in favor of, or against, any of the Parties by reason of the extent to which any such Party or its counsel participated in the drafting thereof or by reason of the extent to which any such provision is inconsistent with any prior draft of this Agreement or such provision.

ARTICLE 2
GENERAL OBLIGATIONS

2.1 Supply and Purchase. Subject to the terms and conditions of this Agreement, Micron will supply to Intel, and Intel will purchase from Micron, Probed Wafers as set forth in this Section 2.1; provided that (i) with respect to Probed Wafers manufactured utilizing the **[***]** Process Technology Node, the manufacturing conversion or addition described in the **[***]**

Letter Agreement has occurred and that Intel complies with Sections 2.1 and 3 of the **[***]** Letter Agreement and (ii) with respect to Probed Wafers manufactured utilizing the **[***]** Process Technology Node, the manufacturing conversion or addition described in the **[***]** Letter Agreement has occurred and that Intel complies with Sections 1.2, 1.3 and 1.4 of the **[***]** Letter Agreement. For the avoidance of doubt, the foregoing conditions with respect to the Intel obligations may be waived by Micron it its sole discretion.

(a) Pre-Qualified Probed Wafers.

(i) **[***]**. Beginning on the **[***]** Design ID Ready Date and continuing until the end of the Term, **[***]** of any **[***]** Pre-Qualified Probed Wafer starts (the "**[***] Pre-Qualified Probed Wafer Commitment**").

(ii) **[***]**. Beginning on the **[***]** Design ID Ready Date and continuing until the end of the Term, **[***]** of any **[***]** Pre-Qualified Probed Wafer starts (the "**[***] Pre-Qualified Probed Wafer Commitment**" and together with the **[***]** Pre-Qualified Probed Wafer Commitment, the "**Pre-Qualified Probed Wafer Commitment**").

(b) Qualified Probed Wafers. In each consecutive twelve-month period during the period commencing on the Start Date and ending at the end of the Term (each, an "**Order Year**"), but subject to the limits in this Section 2.1 and Section 3.1, **[***]** Qualified Probed Wafers spread over the applicable Order Year in accordance with Section 3.1 (the "**Qualified Probed Wafer Commitment**").

(i) **[***]**. If during any week beginning **[***]** before the expected **[***]** Initial Joint Qualification Release and ending **[***]** after the **[***]** Initial Joint Qualification Release, the quantity of NAND Flash Memory Wafers utilizing the **[***]** Process Technology Node that is started, that if completed after **[***]** Initial Joint Qualification Release would be designated as **[***]** Qualified Probed Wafers, is less than **[***]**, Micron will reallocate the actual NAND Flash Memory Wafer starts utilizing the **[***]** Process Technology Node to target **[***]** for **[***]**. The foregoing measures shall be in addition to those measures that may be required of Micron under Section 3.l (e).

(ii) **[***]**. If during any week beginning **[***]** before the expected **[***]** Initial Joint Qualification Release and ending **[***]** after the **[***]** Initial Joint Qualification Release, the quantity of NAND Flash Memory Wafers utilizing the **[***]** Process Technology Node that is started, that if completed after **[***]** Initial Joint Qualification Release would be designated as **[***]** Qualified Probed Wafers, is less than **[***]**, Micron will reallocate the actual NAND Flash Memory Wafer starts utilizing the **[***]** Process Technology Node to target **[***]** for **[***]**. The foregoing measures shall be in addition to those measures that may be required of Micron under Section 3.l (e).

(iii) During any period in which Micron fails to satisfy its Qualified Probed Wafer Commitment, Intel's Qualified Probed Wafer Commitment shall not exceed **[***]** of the total **[***]** during such period. Any such adjustment to Intel's Qualified Probed Wafer

Commitment shall not reduce Micron's Qualified Probed Wafer Commitment, however, unless waived by Intel.

(c) Run at Risk Probed Wafers.

(i) **[***]**. Micron will make available to Intel for purchase no less than **[***]** of any **[***]** at the Singapore Fab that is available for **[***]** Pre-Qualified Probed Wafers, in excess of what is needed for **[***]** Pre-Qualified Probed Wafer starts at the Singapore Fab, to manufacture **[***]** Run at Risk Probed Wafers, not to exceed **[***]** Run at Risk Probed Wafers (the "**[***] Base Run at Risk Probed Wafer Commitment**"). Intel may purchase quantities up to the **[***]** Base Run at Risk Probed Wafer Commitment. If Intel desires to purchase quantities in excess of the **[***]** Base Run at Risk Probed Wafer Commitment, Micron may, in its sole discretion, offer to supply Intel such additional quantities (the "**[***] Incremental Run at Risk Probed Wafer Commitment**"). If the **[***]** Initial Joint Qualification Release is delayed, the Qualified Probed Wafers intended to be manufactured utilizing the **[***]** Process Technology Node that were previously scheduled to be shipped during the period of such delay may, at Intel's election, be shipped as **[***]** Run at Risk Probed Wafers. Such quantity of **[***]** Run at Risk Probed Wafers is in addition to the **[***]** Base Run at Risk Probed Wafer Commitment and will be priced as if those **[***]** Run at Risk Probed Wafers were supplied under the **[***]** Incremental Run at Risk Probed Wafer Commitment. The Qualified Probed Wafer Commitment for the **[***]** period following the **[***]** Initial Joint Qualification Release will be reduced for each **[***]** Run at Risk Probed Wafer purchased by Intel.

(ii) **[***]**. Micron will make available to Intel for purchase no less than **[***]** of any **[***]** at the Singapore Fab that is available for **[***]** Pre-Qualified Probed Wafers, in excess of what is needed for **[***]** Pre-Qualified Probed Wafer starts at the Singapore Fab, to manufacture **[***]** Run at Risk Probed Wafers, not to exceed **[***]** Run at Risk Probed Wafers (the "**[***] Base Run at Risk Probed Wafer Commitment**" and, together with the **[***]** Base Run at Risk Probed Wafer Commitment, the "**Base Run at Risk Probed Wafer Commitment**"). Intel may purchase quantities of **[***]** Run at Risk Probed Wafers up to the **[***]** Base Run at Risk Probed Wafer Commitment. If Intel desires to purchase quantities of **[***]** Run at Risk Probed Wafers in excess of the **[***]** Base Run at Risk Probed Wafer Commitment, Micron may, in its sole discretion, offer to supply Intel such additional quantities (the "**[***] Incremental Run at Risk Probed Wafer Commitment**" and, together with the **[***]** Incremental Run at Risk Probed Wafer Commitment, the "**Incremental Run at Risk Probed Wafer Commitment**"). If the **[***]** Initial Joint Qualification Release is delayed, the Qualified Probed Wafers intended to be manufactured utilizing the **[***]** Process Technology Node that were previously scheduled to be shipped during the period of such delay may, at Intel's election, be shipped as **[***]** Run at Risk Probed Wafers. Such quantity of **[***]** Run at Risk Probed Wafers is in addition to the **[***]** Base Run at Risk Probed Wafer Commitment and will be priced as if those **[***]** Run at Risk Probed Wafers were supplied under the **[***]** Incremental Run at Risk Probed Wafer Commitment. The Qualified Probed Wafer Commitment for the **[***]** period following the **[***]** Initial Joint Qualification Release will be reduced for each **[***]** Run at Risk Probed Wafer purchased by Intel.

2.2 Traceability and Data Retention. Micron agrees to maintain, or cause its relevant affiliates to maintain, its production data relating to the Probed Wafers supplied hereunder for a minimum of **[***]** (**[***]**) years. At Intel's request, Micron will make available **[***]** as well as the **[***]** for Probed Wafers supplied to Intel hereunder. The Parties will exchange mutually agreed Probed Wafer manufacturing data via electronic or other means as mutually agreed by the Parties.

2.3 Control; Processes. Micron will, or will cause its relevant affiliates to, review with Intel any reasonable control and process mechanisms applicable to the manufacture of all Probed Wafers sold by Micron under this Agreement, including but not limited to such mechanisms that are utilized to meet or exceed the Specifications for the Probed Wafers. The Parties agree to work together in good faith to define mutually agreeable control and process mechanisms including the following: **[***]**; and **[***]**; provided, however, that Micron will not be required to bear any expense relating to Intel's control and process mechanism requests that are in addition to those used by Micron or its relevant affiliates. Micron will promptly notify Intel of all Excursions, which will impact scheduled commitments to Intel.

2.4 Additional Customer Requirements. Intel will inform Micron in writing of any auditable supplier requirements of Intel's customers relating to the Singapore Fab. The Parties will work together in good faith to implement such requirements in a commercially reasonable manner.

2.5 **[***]** Restrictions. Without the prior written approval of Intel, Micron shall not implement a **[***]** or **[***]** with respect to the Qualified Probed Wafers Micron supplies to Intel pursuant to this Agreement.

2.6 Production Masks. Unless otherwise agreed with Intel, Micron or its subcontractors will be responsible to obtain, maintain, repair and replace masks used in the production of Probed Wafers at the Singapore Fab.

ARTICLE 3
FORECASTING; TAKE OR PAY

3.1 Forecasting for Probed Wafers.

(a) Demand Forecasts.

(i) **[***]** Pre-Qualified Probed Wafer Demand Forecast. On a Fiscal Monthly basis beginning on the **[***]** Design ID Ready Date, Intel will provide Micron with a written Demand Forecast, by Design ID, of its desired **[***]** Pre-Qualified Probed Wafer starts (the "**[***] Pre-Qualified Probed Wafer Demand Forecast**") in quantities sufficient to satisfy the **[***]** Pre-Qualified Probed Wafer Commitment.

(ii) **[***]** Pre-Qualified Probed Wafer Demand Forecast. On a Fiscal Monthly basis beginning on the **[***]** Design ID Ready Date, Intel will provide Micron with a written Demand Forecast, by Design ID, of its desired **[***]** Pre-Qualified Probed Wafer starts (the "**[***] Pre-Qualified Probed Wafer Demand Forecast**") in quantities sufficient to satisfy the **[***]** Pre-Qualified Probed Wafer Commitment.

(iii) **[***]** Run at Risk Wafer Demand Forecast. On a Fiscal Monthly basis beginning on a date no less than **[***]** the date that the **[***]** that **[***]** Initial Joint Qualification Release **[***]**, Intel will provide Micron with a written Demand Forecast, by Design ID, of its **[***]** Run at Risk Probed Wafer needs, if any (the "**[***] Run at Risk Probed Wafer Demand Forecast**").

(iv) **[***]** Run at Risk Wafer Demand Forecast. On a Fiscal Monthly basis beginning on a date no less than **[***]** the date that the **[***]** that the **[***]** Initial Joint Qualification Release **[***]**, Intel will provide Micron with a written Demand Forecast, by Design ID, of its **[***]** Run at Risk Probed Wafer needs, if any (the "**[***] Run at Risk Probed Wafer Demand Forecast**").

(v) Qualified Probed Wafer Demand Forecast. On a Fiscal Monthly basis beginning on a date no less than **[***]** the anticipated Start Date, Intel will provide Micron, either directly or via IMFT pursuant to the IMFT Services Agreement, with a written Demand Forecast of Qualified Probed Wafers it anticipates purchasing under this Agreement during the then-current Fiscal Quarter plus the next **[***]** (**[***]**) Fiscal Quarters (the "**Qualified Probed Wafer Demand Forecast**"). The aggregate amount of Qualified Probed Wafers in each Qualified Probed Wafer Demand Forecast (and each update thereof) will be equal to at least an amount sufficient to permit Intel to satisfy the Qualified Probed Wafer Commitment for each Order Year covered in whole or in part by the applicable Qualified Probed Wafer Demand Forecast without the need to purchase more than **[***]** Qualified Probed Wafers **[***]** during such Order Year. The Qualified Probed Wafer Demand Forecast will be **[***]** for the **[***]** and **[***]** thereafter. Intel will update the Qualified Probed Wafer Demand Forecast on a weekly or monthly basis, as needed, utilizing the demand planning process in effect between the Parties as of the Effective Date or as may be revised from time to time by mutual agreement of the Parties. Intel will base the Qualified Probed Wafer Demand Forecast on Singapore Fab yield forecasts provided by Micron. The Qualified Probed Wafer Demand Forecast will include desired Qualified Probed Wafer breakout by Design ID, Process Technology Node, process revision and probe test revision. In addition, the Qualified Probed Wafer Demand Forecast will include the level of Probe Testing, marking specification and packaging requirements, requested delivery

date and place of delivery for the Qualified Probed Wafers, which information will be updated by Intel on a weekly basis as necessary.

(vi) Upside Requests. The **[***]** Pre-Qualified Probed Wafer Demand Forecast, **[***]** Pre-Qualified Probed Wafer Demand Forecast, **[***]** Run at Risk Probed Wafer Demand Forecast, **[***]** Run at Risk Probed Wafer Demand Forecast and Qualified Probed Wafer Demand Forecast shall be collectively referred to herein as the "**Demand Forecast(s)**". If the quantity requested in any Demand Forecast exceeds the **[***]** Pre-Qualified Probed Wafer Commitment, **[***]** Pre-Qualified Probed Wafer Commitment, Qualified Probed Wafer Commitment or the Base Run at Risk Probed Wafer Commitment, as applicable, Micron may accept or reject any excess quantities requested in its sole discretion.

(b) Boundary Conditions and Obligations.

(i) In its Response to Forecast, Micron may only reject:

1. a Qualified Probed Wafer Demand Forecast to the extent the Qualified Probed Wafer Demand Forecast specifies for any given **[***]** wafer quantities for any specific Design ID of **[***]** than **[***]** Qualified Probed Wafers or, together with all **[***]** Run at Risk Probed Wafers Demand Forecasts and **[***]** Run at Risk Probed Wafers Demand Forecasts, **[***]** than **[***]** Qualified Probed Wafers in aggregate for all Design IDs in any given **[***]**;

2. a **[***]** Run at Risk Probed Wafer Demand Forecast or **[***]** Run at Risk Probed Wafer Demand Forecast to the extent such Demand Forecast, together with all other Qualified Probed Wafer Demand Forecasts, specifies for any **[***]** wafer quantities of **[***]** than **[***]** Run at Risk Probed Wafers in aggregate for all Design IDs;

3. a Demand Forecast to the extent it specifies Probed Wafers that are not based on a Design ID approved by the JDP Committee;

4. a Qualified Probed Wafer Demand Forecast to the extent that it specifies for any given **[***]** Qualified Probed Wafers under this Agreement than under the **[***]** Supplemental Supply Agreement or the Wafer Supply Agreement; or

5. a Demand Forecast to the extent that it would result in Intel receiving **[***]** than **[***]** of the Singapore Fab's **[***]** with respect to **[***]** Products, after taking into account all supply arrangements to which Intel or any of its affiliates is a party in aggregate, unless otherwise previously agreed to by the Parties.

(ii) In its Response to Forecast, Micron commits to support Intel's Demand Forecast for **[***]** Qualified Probed Wafers, **[***]** of the Singapore Fab's **[***]** with respect to **[***]** Products, after taking into account all supply arrangements to which Intel or any of its affiliates is a party in aggregate, as long as Intel's Demand Forecast complies with the boundary conditions above.

(c) Response to Demand Forecast. Within a commercially reasonable period of time (or within a time period mutually agreed by the Parties from time-to-time) following Micron's actual, direct receipt of each Demand Forecast, Micron shall furnish Intel with a written response indicating what portion of the Demand Forecast that Micron will commit to supply (the "**Response to Forecast**"). In each Response to Forecast, but subject to Section 3.1(b), Micron will commit to supply quantities sufficient to satisfy the **[***]** Pre-Qualified Probed Wafer Commitment, **[***]** Pre-Qualified Probed Wafer Commitment, **[***]** Base Run at Risk Probed Wafer Commitment, **[***]** Base Run at Risk Probed Wafer Commitment and Qualified Probed Wafer Commitment, as applicable. If Micron furnishes Intel with a Response to Forecast that commits to supply quantities greater than the **[***]** Pre-Qualified Probed Wafer Commitment, **[***]** Pre-Qualified Probed Wafer Commitment, **[***]** Base Run at Risk Probed Wafer Commitment, **[***]** Base Run at Risk Probed Wafer Commitment or Qualified Probed Wafer Commitment, as applicable, in an Order Year, but no greater than the applicable Demand Forecast, then the **[***]** Pre-Qualified Probed Wafer Commitment, **[***]** Pre-Qualified Probed Wafer Commitment, **[***]** Base Run at Risk Probed Wafer Commitment, **[***]** Base Run at Risk Probed Wafer Commitment and Qualified Probed Wafer Commitment, as applicable, in that Order Year shall be those greater amounts indicated in the Response to Forecast.

(d) Binding Forecast Wafers.

(i) Pre-Qualified Probed Wafers. Intel will be deemed to have committed to purchase, and Micron will be deemed to have committed to start, the Pre-Qualified Probed Wafer quantities requested by Intel in the **[***]** Pre-Qualified Probed Wafer Demand Forecast or the **[***]** Pre-Qualified Probed Wafer Demand Forecast, to the extent those quantities are consistent with the applicable Pre-Qualified Probed Wafer Commitment and not rejected pursuant to Section 3.1(b).

(ii) Run at Risk Probed Wafers. Intel will be deemed to have committed to purchase, and Micron will be deemed to have committed to supply, the Run at Risk Probed Wafer quantities requested by Intel in the **[***]** Run at Risk Probed Wafer Demand Forecast or the **[***]** Run at Risk Probed Wafer Demand Forecast, to the extent those quantities are consistent with the **[***]** Base Run at Risk Probed Wafer Commitment and the **[***]** Base Run at Risk Probed Wafer Commitment and not rejected pursuant to Section 3.1(b).

(iii) Qualified Probed Wafers. The Qualified Probed Wafers scheduled for sale to Intel under this Agreement within the first **[***]** of each Demand Forecast that has been accepted by Micron in the Response to Forecast are deemed to be firm commitments and shall be binding on the Parties, provided that Intel may change the Design ID mix within any Process Technology Node in a Demand Forecast, for Qualified Probed Wafers at any time until **[***]** prior to the scheduled loading of the wafers in question and Micron shall commit to supply the requested Design ID mix changes in a revised Response to Forecast so long as the changes comply with the terms of Section 3.1(b) and this Section 3.1(d).

(iv) Binding Forecast Wafers. The Probed Wafers that are committed to be purchased, and supplied, or in the case of **[***]** Pre-Qualified Probed Wafers and **[***]** Pre-Qualified Probed Wafers, started, under Sections 3.1(d)(i), (d)(ii) or (d)(iii) above, shall be hereinafter referred to as the "**Binding Forecast Wafer(s)**."

(e) Variability. Micron will make commercially reasonable efforts to limit the **[***]** variability of the quantity of Binding Forecast Wafers it supplies to no more than **[***]** percent (**[***]**%) of the number of Binding Forecast Wafers for such week, and Micron will promptly notify Intel in writing of any inability to deliver timely the Binding Forecast Wafers. Micron agrees to use all commercially reasonable efforts to make up any shortfall of Binding Forecast Wafers for any given Design ID within **[***]** of the **[***]**.

(i) With respect to Qualified Probed Wafers only, to the extent that Micron does not make up any shortfall of **[***]** Binding Forecast Wafers for any given Design ID within **[***]** of the **[***]** despite using commercially reasonable efforts to do so, Micron will allocate the **[***]** Qualified Probed Wafers of the same Design ID available to Micron and Intel at the end of this **[***]** based on the relative percentage of **[***]** Qualified Probed Wafers of the same Design ID that were consumed by Micron versus delivered to Intel in the **[***]** event and the Final Price for such **[***]** Qualified Probed Wafers will be the same as other Qualified Probed Wafers of the **[***]**. For purposes of illustration only, if in the **[***]** event, Micron had consumed **[***]** of the Qualified Probed Wafers of the Design ID experiencing the shortfall and had delivered the other **[***]** to Intel in the **[***]**, then Intel would receive **[***]** of the Qualified Probed Wafers of that same Design ID available at the end of the **[***]** described above.

(ii) With respect to Qualified Probed Wafers only, to the extent that Micron does not make up any shortfall of **[***]** Binding Forecast Wafers for any given Design ID within **[***]** of the **[***]** despite using commercially reasonable efforts to do so, Micron will deliver the shortfall amount **[***]** and the Final Price for such **[***]** Binding Forecast Wafers will be equal to **[***]**. Any extraordinary costs or fees incurred by Micron to hold excess inventory or make up any shortfall are at Micron's expense.

(f) Yield. Micron will make commercially reasonable efforts to deliver Qualified Probed Wafers under this Agreement that have a functional die yield, on a **[***]** basis, of no less than **[***]** percent (**[***]**%) below the **[***]** functional die yield for the same product during the same **[***]** at the Singapore Fab. For clarity, Micron will supply Intel with of the same quality of Qualified Probed Wafers as sold to internal Micron divisions.

(g) **[***]** Cost Forecast. Beginning on a date no less than **[***]** to the date that the **[***]** that Initial Joint Qualification Release is expected, and between **[***]** (**[***]**) and **[***]** (**[***]**) days **[***]** the **[***]** of each **[***]**, Micron will extract from its quarterly business plan, its **[***]** Cost forecast and **[***]** forecast for the **[***]** Process Technology Node and/or the **[***]** Process Technology Node, as applicable, for the next **[***]**, and deliver that to Intel. Throughout the duration of the Term, Micron will conduct a breakdown analysis of the final **[***]** Cost for the most recent **[***]** for the **[***]** Process Technology Node and/or the **[***]**

Process Technology Node, as applicable, and an estimate of such amount for the next **[***]**, and deliver such results to Intel.

3.2 Long Range Forecast. **[***]**, in coordination with IMFT's **[***]** business plan, Intel will provide Micron with a written demand forecast of Qualified Probed Wafers it anticipates purchasing for the remaining duration of the Term ("**Long Range Demand Forecast**"). Micron will provide feedback within a commercially reasonable period of time (or within a time period mutually agreed by the Parties from time-to-time) following IMFT's **[***]** business plan review. Such Long Range Demand Forecast and Micron's feedback are provided for informational purposes only and not binding on either Party.

3.3 Take or Pay.

(a) Subject to Section 3.1(e), to the extent that Intel fails to purchase any Binding Forecast Wafers, Intel shall be obligated to pay Micron an amount equal to the sum of the Binding Forecast Wafers it fails to purchase multiplied by the applicable Final Price per Binding Forecast Wafer as set forth in Schedule 1.

(b) To the extent that Intel fails to forecast, subject to Section 3.1(b), a quantity of Qualified Probed Wafers sufficient to meet the Qualified Probed Wafer Commitment in any Order Year (the "**Foregone Wafer(s)**"), Intel shall be obligated to pay Micron the sum of the difference between the Qualified Probed Wafer Commitment for the Order Year less the quantity set forth in the Qualified Probed Wafer Demand Forecast for that Order Year, multiplied by the applicable Final Price per Foregone Wafer as set forth in Schedule 1.

3.4 **[***]** Reviews and Reports. Each **[***]** during the Term, Micron shall provide Intel with a **[***]** report and meet with Intel to discuss **[***]** and the most recent **[***]** report. The **[***]** report will include **[***]** to the **[***]** to the **[***]**, and summarize any **[***]** in the **[***]**, including but not limited to **[***]**, and other indicators that may **[***]**. At such meetings, the Parties shall define **[***]** and **[***]**. At Intel's expense and discretion, but in no circumstance more than **[***]**, Intel may elect a qualified third party accountancy firm to examine actual transactions under this Agreement and compliance to its requirements for the period that includes the current and immediately preceding **[***]**. Prior to attestation engagement planning by the accounting firm, the Parties will mutually agree on scope of work and timing contained within the engagement letter between the accounting firm and Intel. Micron agrees to take all reasonable steps necessary to make all relevant records available to the accounting firm's examiners conducting the review. Intel agrees to use all reasonable efforts to coordinate and minimize impact to Micron for reasonable access, during normal business hours, without interruption to the Singapore Fab operations and upon reasonable advance notice, and only after the implementation of reasonable, as determined in Micron's sole discretion, safeguards, including execution of a confidentiality agreement and prior approval of the representatives, to the premises, property and books and records, including **[***]**, of the Singapore Fab to the extent necessary or appropriate in the reasonable discretion of the independent accounting firm for the purposes of investigating, confirming or determining the extent or amount of any product

liability, warranty, refund or similar claims and obligations which may arise with respect to Products manufactured at the Singapore Fab under this Agreement.

ARTICLE 4
PURCHASE ORDERS; INVOICING AND PAYMENT

4.1 Placement of Purchase Orders.

(a) Pre-Qualified Probed Wafers and Run at Risk Probed Wafers. Prior to the commencement of every Fiscal Month, Intel shall place a non-cancelable blanket purchase order in writing (via e-mail or facsimile transmission) for Pre-Qualified Probed Wafers to be started and/or shipped, as applicable, and Run at Risk Probed Wafers to be shipped by Micron for the upcoming period through the applicable Initial Joint Qualification Release during the Term (each such order, a "**Purchase Order**"), which Purchase Order shall request a quantity of Pre-Qualified Probed Wafers and Run at Risk Probed Wafers that equals the quantity set forth in the current Response to Forecast for such period.

(b) Qualified Probed Wafers. Prior to the commencement of every Fiscal Quarter, Intel shall place a non-cancelable blanket purchase order in writing (via e-mail or facsimile transmission) for Qualified Probed Wafers to be shipped by Micron for the upcoming Fiscal Quarter during the Term (each such order, a "**Purchase Order**"), which Purchase Order shall request a quantity of Qualified Probed Wafers that equals the quantity set forth in the current Response to Forecast for such period.

4.2 Content of Purchase Orders. Each Purchase Order shall specify the following items: (a) Purchase Order number; (b) description and part number of each different Probed Wafer; (c) forecasted quantity of Probed Wafers for each different Design ID, and in the case of Pre-Qualified Probed Wafers shipped after **[***]**, Run at Risk Probed Wafers, and Qualified Probed Wafers, the forecasted quantity of **[***]**; (d) the Estimated Price and total Estimated Price for each different Design ID, and total Estimated Price for all Probed Wafers ordered; and (e) other terms (if any) that are mutually agreed in writing by the Parties.

4.3 Acceptance of Purchase Order. If the quantities of Probed Wafers requested in a Purchase Order is equal to the quantity set forth in the current Response to Forecast for such upcoming Fiscal Quarter, Micron shall be deemed to accept such Purchase Order. If any Purchase Order contains any errors, Micron may accept or reject such Purchase Order, or any portions thereof, in its sole discretion.

4.4 Taxes. All transfer taxes (e.g., goods and services tax, value added tax, sales tax, service tax, business tax, etc.) imposed directly on or solely as a result of the sale, transfer or delivery of Probed Wafers and the payments therefor provided herein shall be stated separately on Micron's invoice, shall be the responsibility of and collected from Intel, and shall be remitted by Micron to the appropriate tax authority ("**Recoverable Taxes**"), unless Intel provides valid proof of tax exemption prior to the effective date of the transfer of the Probed Wafers or otherwise as permitted by law prior to the time Micron is required to pay such taxes to the appropriate tax authority. When property is delivered within jurisdictions in which collection and remittance of taxes by Micron is required by law, Micron shall have sole responsibility for remittance of said taxes to the appropriate tax authorities. In the event such taxes are Recoverable Taxes and Micron does not collect tax from Intel or remit such taxes to the appropriate Governmental Entity on a timely basis, and is subsequently audited by any tax authority, liability of Intel will be limited to the tax assessment for such Recoverable Taxes, with no reimbursement for penalty or interest charges or other amounts incurred in connection therewith. Notwithstanding anything herein to the contrary, taxes other than Recoverable Taxes shall not be reimbursed by Intel, and each Party is responsible for its own respective income taxes (including franchise and other taxes based on net income or a variation thereof), taxes based upon gross revenues or receipts, and taxes with respect to general overhead, including but not limited to business and occupation taxes, and such taxes shall not be Recoverable Taxes.

4.5 Invoicing, Reconciliation & Payment.

(a) Pre-Qualified Probed Wafers. With respect to Pre-Qualified Probed Wafers of a particular Design ID, MSA will invoice Intel as follows:

(i) With respect to Pre-Qualified Probed Wafers for such Design ID, MSA will invoice Intel (i) a **[***]** invoice at time of shipment **[***]** and (ii) within **[***]** (**[***]**) Business Days following the end of each Fiscal Month for the **[***]** for such Design ID in the Fiscal Month immediately prior to the Fiscal Month in which such invoice is to be delivered.

(ii) With respect to the first **[***]** Pre-Qualified Probed Wafers, MSA will invoice Intel a **[***]** invoice at time of shipment **[***]** and will not provide a **[***]** due to the **[***]** referenced in the **[***]** Letter Agreement. With respect to **[***]** Pre-Qualified Probed Wafers in excess of **[***]**, if any, MSA will invoice Intel (i) a **[***]** invoice at time of shipment **[***]** and (ii) within **[***]** (**[***]**) Business Days following the end of each Fiscal Month for the **[***]** for such Design ID in the Fiscal Month immediately prior to the Fiscal Month in which such invoice is to be delivered.

(b) Run at Risk Probed Wafers. With respect to Run at Risk Probed Wafers of a particular Design ID, MSA will invoice Intel as follows:

(i) With respect to each shipment of Run at Risk Probed Wafers of a particular Design ID, MSA will invoice Intel the Estimated Price for such Run at Risk Probed Wafers.

(ii) Within **[***]** (**[***]**) days of the **[***]** Initial Joint Qualification Release, Micron will calculate the Final Price for the **[***]** Run at Risk Probed Wafers supplied pursuant to the **[***]** Run at Risk Probed Wafer Commitment. If the Final Price exceeds the amounts invoiced by Micron (and paid by Intel) previously for the **[***]** Run at Risk Probed Wafers supplied pursuant to the **[***]** Run at Risk Probed Wafer Commitment, then MSA will issue Intel an invoice within **[***]** (**[***]**) days for the difference between such amounts. If the Final Price is less than the amounts invoiced by Micron (and paid by Intel) previously for the **[***]** Run at Risk Probed Wafers supplied pursuant to the **[***]** Run at Risk Probed Wafer Commitment, then MSA will issue Intel a credit memorandum within **[***]** (**[***]**) days for the difference between such amounts.

(iii) Within **[***]** (**[***]**) days of the **[***]** Initial Joint Qualification Release, Micron will calculate the Final Price for the **[***]** Run at Risk Probed Wafers supplied pursuant to the **[***]** Run at Risk Probed Wafer Commitment. If the Final Price exceeds the amounts invoiced by Micron (and paid by Intel) previously for the **[***]** Run at Risk Probed Wafers supplied pursuant to the **[***]** Run at Risk Probed Wafer Commitment, then MSA will issue Intel an invoice within **[***]** (**[***]**) days for the difference between such amounts. If the Final Price is less than the amounts invoiced by Micron (and paid by Intel) previously for the **[***]** Run at Risk Probed Wafers supplied pursuant to the **[***]** Run at Risk Probed Wafer Commitment, then MSA will issue Intel a credit memorandum within **[***]** (**[***]**) days for the difference between such amounts.

(c) Qualified Probed Wafers. With respect to Qualified Probed Wafers of a particular Design ID, MSA will invoice Intel as follows:

(i) With respect to each shipment of Qualified Probed Wafers of a particular Design ID shipped, MSA will invoice Intel the Estimated Price for such Qualified Probed Wafers.

(ii) Within **[***]** business days of each Fiscal Month following a Fiscal Month in which an invoice is delivered pursuant to Section 4.5(c)(i), Micron will calculate the Final Price for the Qualified Probed Wafers shipped in the immediately preceding Fiscal Month. If the Final Price exceeds the Estimated Price invoiced by Micron previously in the immediately preceding Fiscal Month for the same Qualified Probed Wafers, then Micron will issue Intel an invoice within **[***]** (**[***]**) days for the difference between such amounts. If the Final Price is less than the Estimated Price invoiced by Micron previously in the immediately preceding Fiscal Month for the same Qualified Probed Wafers, then Micron will issue Intel a credit memorandum within **[***]** (**[***]**) days for the difference between such amounts.

(d) Payment. All amounts owed under this Agreement shall be stated, calculated and paid in United States Dollars. Except as otherwise specified in this Agreement, Intel shall pay the invoicing entity for the amounts due, owing, and duly invoiced under this Agreement within **[***]** (**[***]**) days following delivery of an invoice therefor to such place as the invoicing entity may reasonably direct therein.

4.6 Payment to Subcontractors. Micron shall be responsible for and shall hold Intel harmless for any and all payments to its vendors or subcontractors utilized in the performance of this Agreement.

ARTICLE 5
TITLE; RISK OF LOSS AND SHIPMENT

5.1 Title and Risk of Loss. Intel shall take title to, and assume risk of loss with respect to, the Probed Wafers that are exported from the country of manufacturing using the term **[***]** and for Probed Wafers that are not exported from the country of manufacturing using the term **[***]**, in each case pursuant to INCOTERMS 2010.

5.2 Packaging. All packaging of the Probed Wafers shall be in conformance with the Specifications, Intel's reasonable instructions, and general industry standards, and shall be reasonably resistant to damage that may occur during transportation. Marking on the packages shall be made by Micron in accordance with Intel's reasonable instructions.

5.3 Shipment. Intel shall provide shipping instructions to Micron, shall bear all shipping costs, and shall directly pay all shipping carriers. All Probed Wafers shall be prepared for shipment in a manner that: (a) follows good commercial practice; (b) is acceptable to common carriers for shipment at the lowest rate; and (c) is adequate to ensure safe arrival. If and to the extent directed by Intel, Micron will mark all containers with necessary lifting, handling, and shipping information, Purchase Order number, date of shipment, and the names of Intel and applicable customer. At Intel's request, Micron will provide drop-shipment of Probed Wafers to Intel's customers. Shipment may be provided by a subcontractor to Micron.

5.4 Customs Clearance. Upon Intel's request, Micron will promptly provide Intel with a statement of origin for all Probed Wafers and with applicable customs documentation for Probed Wafers wholly or partially manufactured outside of the country of import.

ARTICLE 6
WARRANTY; HAZARDOUS MATERIALS; DISCLAIMER

6.1 Warranty. Micron makes the following warranties regarding the Probed Wafers furnished hereunder, which warranties shall survive any delivery, inspection, acceptance, payment, or resale of the Probed Wafers:

(a) the Qualified Probed Wafers will conform to all agreed Specifications;

(b) the Qualified Probed Wafers are free from defects in materials or workmanship; and

(c) Micron has the necessary right, title, and interest to provide the Probed Wafers to Intel and the Probed Wafers will be free of liens and encumbrances affecting title, not including any warranty of non-infringement.

6.2 Warranty Claims. Within a period of time, not to exceed the lesser of the actual warranty period applicable to the end customer for the Probed Wafer at issue or **[***]** (**[***]**) months from the date of the delivery of the Probed Wafers at issue to Intel (the "**Warranty Notice Period**"), Intel shall notify Micron if it believes that any Probed Wafer does not meet the warranty set forth in Section 6.1. Intel shall return such Probed Wafers to Micron as directed by Micron. If a Probed Wafer is determined not to be in compliance with such warranty, then Intel shall be entitled to return such Probed Wafer and cause Micron to replace at Micron's expense or, at Intel's option, receive a credit or refund of any monies paid to Micron in respect of such Probed Wafer. Such credit or refund shall in no event exceed on a per-unit basis the Final Price paid for the Probed Wafer under this Agreement, and shall not include any transfer taxes paid in respect of the Probed Wafer. The basis for such refund or credit shall be the Final Price on a per-unit basis in the month in which the returned Probed Wafer was invoiced to Intel. THE FOREGOING REMEDY IS INTEL'S SOLE AND EXCLUSIVE REMEDY FOR MICRON'S FAILURE TO MEET ANY WARRANTY OF SECTION 6.1.

6.3 Hazardous Materials.

(a) If Probed Wafers provided hereunder include Hazardous Materials as determined in accordance with applicable law, Micron represents and warrants that Micron and Micron's employees, agents, and subcontractors actually working with such materials in providing the Probed Wafers hereunder to Intel shall be trained in accordance with applicable law regarding the nature of and hazards associated with the handling, transportation, and use of such Hazardous Materials, as applicable to Micron.

(b) To the extent required by applicable law, Micron shall provide Intel with Material Safety Data Sheets (MSDS) either prior to or accompanying any delivery of Probed Wafers to Intel.

6.4 Disclaimer. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS ARTICLE 6, THE PRE-QUALIFIED PROBED WAFERS AND RUN AT RISK PROBED WAFERS ARE SOLD "AS IS" WITH ALL FAULTS AND WITHOUT WARRANTIES OF ANY KIND. FURTHERMORE, MICRON HEREBY EXPRESSLY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, NON-INFRINGEMENT OR OTHERWISE, WITH RESPECT TO THE PROBED WAFERS PROVIDED UNDER THIS AGREEMENT. THE WARRANTIES WILL NOT APPLY TO: (a) ANY WARRANTY CLAIM OR ISSUE, OR DEFECT TO THE EXTENT CAUSED BY TECHNICAL MATERIALS

PROVIDED OR SPECIFIED BY, THROUGH OR ON BEHALF OF INTEL, INCLUDING BUT NOT LIMITED TO PRODUCT DESIGNS, TECHNOLOGY AND TEST PROGRAMS; OR (b) ANY OF THE PROBED WAFERS THAT HAVE BEEN REPAIRED OR ALTERED, EXCEPT AS AUTHORIZED BY MICRON, OR WHICH ARE SUBJECTED TO MISUSE, NEGLIGENCE, ACCIDENT OR ABUSE.

ARTICLE 7
CONFIDENTIALITY

7.1 All information provided, disclosed or obtained in the performance of any of the Parties' activities under this Agreement shall be subject to all applicable provisions of the Confidentiality Agreement. Furthermore, the terms and conditions of this Agreement shall be considered "Confidential Information" under the Confidentiality Agreement for which each Party is considered a "Receiving Party" under such agreement. To the extent there is a conflict between this Agreement and the Confidentiality Agreement, the terms of this Agreement shall control.

ARTICLE 8
INDEMNIFICATION

8.1 Mutual General Indemnity. Subject to Article 9, each Indemnifying Party shall indemnify, defend and hold harmless each Indemnified Party from and against any and all Indemnified Losses based on or attributable to any Third Party Claim or threatened Third Party Claim arising under this Agreement and as a result of the negligence, gross negligence or willful misconduct of the Indemnifying Party or any of its respective officers, directors, employees, agents or subcontractors. Notwithstanding the foregoing, this Section 8.1 shall not apply to any claims or losses based on or attributable to intellectual property infringement.

8.2 Indemnification; Procedures.

(a) General Procedures. Promptly after the receipt by any Indemnified Party of a notice of any Third Party Claim that an Indemnified Party seeks to be indemnified under this Agreement, such Indemnified Party shall give written notice of such Third Party Claim to the Indemnifying Party, stating in reasonable detail the nature and basis of each allegation made in the Third Party Claim and the amount of potential Indemnified Losses with respect to each allegation, to the extent known, along with copies of the relevant documents received by the Indemnified Party evidencing the Third Party Claim and the basis for indemnification sought . Failure of the Indemnified Party to give such notice shall not relieve the Indemnifying Party from liability on account of this indemnification, except if and only to the extent that the Indemnifying Party is actually prejudiced by such failure or delay. Thereafter, the Indemnified Party shall deliver to the Indemnifying Party, promptly after the Indemnified Party's receipt thereof, copies of all notices and documents (including court papers) received by the Indemnified Party relating to the Third Party Claim. The Indemnifying Party shall have the right to assume the defense of the Indemnified Party with respect to such Third Party Claim upon written notice to the Indemnified Party delivered within thirty (30) days after receipt of the particular notice

from the Indemnified Party. So long as the Indemnifying Party has assumed the defense of the Third Party Claim in accordance herewith and notified the Indemnified Party in writing thereof, (i) the Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in the defense of the Third Party Claim, it being understood that the Indemnifying Party shall pay all reasonable costs and expenses of counsel for the Indemnified Party after such time as the Indemnified Party has notified the Indemnifying Party of such Third Party Claim and prior to such time as the Indemnifying Party has notified the Indemnified Party that it has assumed the defense of such Third Party Claim; (ii) the Indemnified Party shall not file any papers or, other than in connection with a settlement of the Third Party Claim, consent to the entry of any judgment without the prior written consent of the Indemnifying Party (not to be unreasonably withheld, conditioned or delayed); and (iii) the Indemnifying Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim (other than a judgment or settlement that is solely for money damages and is accompanied by a release of all indemnifiable claims against the Indemnified Party) without the prior written consent of the Indemnified Party (not to be unreasonably withheld, conditioned or delayed). Whether or not the Indemnifying Party shall have assumed the defense of the Indemnified Party for a Third Party Claim, such Indemnifying Party shall not be obligated to indemnify and hold harmless the Indemnified Party hereunder for any consent to the entry of judgment or settlement entered into with respect to such Third Party Claim without the Indemnifying Party's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed.

(b) Equitable Remedies. In the case of any Third Party Claim where the Indemnifying Party reasonably believes that it would be appropriate to settle such Third Party Claim using equitable remedies, the Indemnifying Party and the Indemnified Party shall work together in good faith to agree to a settlement; provided, however, that no Party shall be under any obligation to agree to any such settlement.

(c) Treatment of Indemnification Payments; Insurance Recoveries. Any indemnity payment under this Agreement shall be decreased by any amounts actually recovered by the Indemnified Party under third party insurance policies with respect to such Indemnified Losses (net of any premiums paid by such Indemnified Party under the relevant insurance policy), each Party agreeing (i) to use all reasonable efforts to recover all available insurance proceeds and (ii) to the extent that any indemnity payment under this Agreement has been paid by the Indemnifying Party to the Indemnified Party prior to the recovery by the Indemnified Party of such insurance proceeds, the amount of such insurance proceeds actually recovered by the Indemnified Party shall be promptly paid to the Indemnifying Party.

(d) Certain Additional Procedures. The Indemnified Party shall cooperate and assist the Indemnifying Party in determining the validity of any Third Party Claim for indemnity by the Indemnified Party and in otherwise resolving such matters. The Indemnified Party shall cooperate in the defense by the Indemnifying Party of each Third Party Claim (and the Indemnified Party and the Indemnifying Party agree with respect to all such Third Party Claim that a common interest privilege agreement exists between them), including: (i) permitting the Indemnifying Party to discuss the Third Party Claim with such officers, employees, consultants

and representatives of the Indemnified Party as the Indemnifying Party reasonably requests; (ii) providing to the Indemnifying Party copies of documents and samples of products as the Indemnifying Party reasonably requests in connection with defending such Third Party Claim; (iii) preserving all properties, books, records, papers, documents, plans, drawings, electronic mail and databases relating to pertinent matters under the Indemnified Party's custody or control in accordance with such Party's corporate documents retention policies, or longer to the extent reasonably requested by the Indemnifying Party; (iv) notifying the Indemnifying Party promptly of receipt by the Indemnified Party of any subpoena or other third party request for documents or interviews and testimony; (v) providing to the Indemnifying Party copies of any documents produced by the Indemnified Party in response to or compliance with any subpoena or other third party request for documents; and (vi) except to the extent inconsistent with the Indemnified Party's obligations under applicable law and except to the extent that to do so would subject the Indemnified Party or its employees, agents or representatives to criminal or civil sanctions, unless ordered by a court to do otherwise, not producing documents to a third party until the Indemnifying Party has been provided a reasonable opportunity to review, copy and assert privileges covering such documents.

ARTICLE 9
LIMITATION OF LIABILITY

9.1 Damages Limitation. SUBJECT TO SECTION 9.4, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL OR OTHER INDIRECT DAMAGES OR ANY PUNITIVE OR EXEMPLARY DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, WHETHER SUCH DAMAGES ARE BASED ON BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHER THEORY OF LIABILITY, AND EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

9.2 Remedy. THE PARTIES AGREE THAT TO THE EXTENT A CLAIM ARISES UNDER THIS AGREEMENT, THE CLAIM SHALL BE BROUGHT UNDER THIS AGREEMENT.

9.3 Damages Cap. SUBJECT TO SECTION 9.4, IF EITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY MATTER ARISING FROM THIS AGREEMENT, WHETHER BASED UPON AN ACTION OR CLAIM IN CONTRACT, WARRANTY, EQUITY, NEGLIGENCE, INTENDED CONDUCT OR OTHERWISE (INCLUDING ANY ACTION OR CLAIM ARISING FROM AN ACT OR OMISSION, NEGLIGENT OR OTHERWISE, OF THE LIABLE PARTY), THE AMOUNT OF DAMAGES RECOVERABLE AGAINST THE LIABLE PARTY WITH RESPECT TO ANY BREACH, PERFORMANCE, NONPERFORMANCE, ACT OR OMISSION HEREUNDER WILL NOT EXCEED THE LESSER OF THE ACTUAL DAMAGES ALLOWED HEREUNDER OR TEN MILLION DOLLARS ($10,000,000).

9.4 Exclusions and Mitigation. Section 9.1 and 9.3 will not apply to either Party's breach of Article 7. Section 9.3 will not apply to Intel's failure to meet a payment obligation which is due and payable under this Agreement. Each Party shall have a duty to use commercially reasonable efforts to mitigate damages for which the other Party is responsible.

9.5 Losses. Except as provided under Section 8.1, Micron and Intel each shall be responsible for Losses to their respective tangible personal or real property (whether owned or leased), and each Party agrees to look only to their own insurance arrangements with respect to such damages. Micron and Intel waive all rights to recover against each other, including each Party's insurers' subrogation rights, if any, for any loss or damage to their respective tangible personal property or real property (whether owned or leased) from any cause covered by insurance maintained by each of them, including their respective deductibles or self-insured retentions. Notwithstanding the foregoing, in the event of a loss hereunder involving a property, transit or crime event or occurrence that: (a) is insured under Intel's insurance policies; (b) a single insurance deductible applies; and (c) the loss event or occurrence affects the insured ownership or insured legal interests of the Parties, then the Parties shall share the cost of the deductible in proportion to each Party's insured ownership or legal interests in relative proportion to the total insured ownership or legal interests of the Parties.

ARTICLE 10
TERM AND TERMINAtION

10.1 Term. The term of this Agreement commences on January 31, 2014 and continues in effect until the third (3rd) anniversary of the Start Date, unless terminated sooner pursuant to Section 10.2 (such period of time, the "**Term**").

10.2 Termination. This Agreement may be terminated by Intel by written notice to Micron upon a material breach of this Agreement by Micron or by Micron by written notice to Intel upon a material breach of this Agreement by Intel, in each case if such breach remains uncured ninety (90) days following notice by the non-breaching Party; provided, however, that such cure period shall be thirty (30) days if the material breach is a failure to pay monies due under this Agreement.

10.3 Survival. Termination of this Agreement shall not affect any of the Parties' respective rights accrued or obligations owed before termination, including any rights or obligations of the Parties in respect of any accepted Purchase Orders existing at the time of termination. In addition, the following shall survive termination of this Agreement for any reason: Sections 3.3, 6.2 and 6.4, and Articles 4, 7, 8, 9, 10 and 11.

ARTICLE 11
MISCELLANEOUS

11.1 Force Majeure Events. The Parties shall be excused from any failure to perform any obligation hereunder to the extent such failure is caused by a Force Majeure Event. A Force Majeure Event shall operate to excuse a failure to perform an obligation hereunder only for the period of time during which the Force Majeure Event renders performance impossible or infeasible and only if the Party asserting Force Majeure as an excuse for its failure to perform has provided written notice to the other Party specifying the obligation to be excused and describing the events or conditions constituting the Force Majeure Event. As used herein, "**Force Majeure Event**" means the occurrence of an event or circumstance beyond the reasonable control of the party failing to perform, including (a) explosions, fires, flood, earthquakes, catastrophic weather conditions, or other elements of nature or acts of God; (b) acts of war (declared or undeclared), acts of terrorism, insurrection, riots, civil disorders, rebellion or sabotage; (c) acts of federal, state, local or foreign governmental authorities or courts; (d) labor disputes, lockouts, strikes or other industrial action, whether direct or indirect and whether lawful or unlawful; (e) failures or fluctuations in electrical power or telecommunications service or equipment; and (f) delays caused by the other Party's nonperformance hereunder.

11.2 Specific Performance. The Parties agree that irreparable damage will result if this Agreement is not performed in accordance with its terms, and the Parties agree that any damages available at law for a breach of this Agreement would not be an adequate remedy. Therefore, the provisions hereof and the obligations of the Parties hereunder shall be enforceable in a court of equity, or other tribunal with jurisdiction, by a decree of specific performance, and appropriate preliminary or permanent injunctive relief may be applied for and granted in connection therewith. Such remedies and all other remedies provided for in this Agreement shall, however, be cumulative and not exclusive and shall be in addition to any other remedies that a Party may have under this Agreement.

11.3 Assignment. This Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of each Party hereto. Neither this Agreement nor any right or obligation hereunder may be assigned or delegated by either Party in whole or in part to any other Person, other than a wholly-owned Subsidiary of a Party, without the prior written consent of the non-assigning Parties. Any purported assignment in violation of the provisions of this Section shall be null and void and have no effect. No assignment or delegation by any Party will relieve or release the delegating Party from any of its liabilities and obligations under this Agreement.

11.4 Compliance with Laws and Regulations. Each of the Parties shall comply with, and shall use reasonable efforts to require that its respective subcontractors comply with, Applicable Laws relating to this Agreement and the performance of a Party's rights hereunder.

11.5 Notice. All notices and other communications hereunder shall be in writing and shall be deemed given upon (a) transmitter's confirmation of a receipt of a facsimile transmission; (b) confirmed delivery by a standard overnight carrier or when delivered by hand; (c) the expiration of five (5) Business Days after the day when mailed in the United States by certified or registered mail, postage prepaid; or (d) delivery in Person, addressed at the following addresses (or at such other address for a party as shall be specified by like notice):

In the case of Micron:

Micron Technology, Inc.
8000 S. Federal Way Boise, Idaho 83716
Attention: General Counsel
Facsimile Number: (208) 363-1309

In the case of Intel:

Intel Corporation
2200 Mission College Blvd.
Mail-Stop SC4-203
Santa Clara, California 95054
Attention: General Counsel
Facsimile Number: (408) 765-6016

Either Party may change its address for notices upon giving ten (10) days written notice of such change to the other Party in the manner provided above.

11.6 Waiver. The failure at any time of a Party to require performance by the other Party of any responsibility or obligation required by this Agreement shall in no way affect a Party's right to require such performance at any time thereafter, nor shall the waiver by a Party of a breach of any provision of this Agreement by the other Party constitute a waiver of any other breach of the same or any other provision nor constitute a waiver of the responsibility or obligation itself.

11.7 Severability. Should any provision of this Agreement be deemed in contradiction with the laws of any jurisdiction in which it is to be performed or unenforceable for any reason, such provision shall be deemed null and void, but this Agreement shall remain in full force in all other respects. Should any provision of this Agreement be or become ineffective because of changes in Applicable Laws or interpretations thereof, or should this Agreement fail to include a provision that is required as a matter of law, the validity of the other provisions of this Agreement shall not be affected thereby. If such circumstances arise, the Parties hereto shall negotiate in good faith appropriate modifications to this Agreement to reflect those changes that are required by Applicable Law.

11.8 Third Party Rights. Nothing in this Agreement, whether express or implied, is intended or shall be construed to confer, directly or indirectly, upon or give to any Person, other than the Parties hereto, any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenant, condition or other provision contained herein.

11.9 Amendment. This Agreement may not be modified or amended except by a written instrument executed by or on behalf of each of the Parties to this Agreement.

11.10 Entire Agreement. This Agreement and the applicable provisions of the Confidentiality Agreement, which are incorporated herein and made a part hereof, together with the Exhibits and Schedules hereto and the agreements and instruments expressly provided for herein, constitute the entire agreement of the Parties hereto with respect to the subject matter hereof and supersede all prior agreements and understandings, oral and written, between the Parties hereto with respect to the subject matter hereof.

11.11 Choice of Law. This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Delaware, without giving effect to the principles of conflict of laws thereof.

11.12 Jurisdiction; Venue. Any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement shall be brought in a state or federal court located in Delaware and each of the Parties to this Agreement hereby consents and submits to the exclusive jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by Applicable Law, any objection which it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding which is brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

11.13 Headings. The headings of the Articles and Sections in this Agreement are provided for convenience of reference only and shall not be deemed to constitute a part hereof.

11.14 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

11.15 Insurance. Without limiting or qualifying Micron's liabilities, obligations, or indemnities otherwise assumed by Micron pursuant to this Agreement, Micron shall maintain, at no charge to Intel, with companies acceptable to Intel: Commercial General Liability insurance with limits of liability not less than **[***]** Dollars ($**[***]**) per occurrence and including liability coverage for bodily injury or property damage (a) **[***]** and (b) arising out of **[***]**. Micron's insurance shall be primary with respect to liabilities assumed by Micron in this Agreement to the extent such liabilities are the subject of Micron's insurance, and any applicable insurance

maintained by Intel shall be excess and non-contributing. The above coverage shall name Intel as additional insured as respects Micron's work or services provided to or on behalf of Intel.

[Signature page follows]

IN WITNESS WHEREOF, this Agreement has been duly executed by and on behalf of the Parties hereto as of the date first set forth above.

INTEL CORPORATION

By: /s/ Brian Krzanich
Name: Brian Krzanich
Title: Chief Executive Officer

MICRON SEMICONDUCTOR ASIA PTE. LTD.

By: /s/ Wayne R. Allan
Name: Wayne R. Allan
Title: Managing Director

MICRON TECHNOLOGY, INC.

By: /s/ Michael W. Sadler
Name: Michael W. Sadler
Title: VP of Corporate Development

THIS IS THE SIGNATURE PAGE FOR THE AMENDED AND RESTATED **[***]** SUPPLY AGREEMENT ENTERED INTO BY AND AMONG INTEL CORPORATION, MICRON SEMICONDUCTOR ASIA PTE. LTD. AND MICRON TECHNOLOGY, INC.

CONFIDENTIAL

EXHIBIT A
DEFINITIONS

"[***] Base Run at Risk Probed Wafer Commitment" has the meaning set forth in Section 2.1(c).

"**[***] Design ID Ready Date**" means the date that the **[***]** that the first Design ID utilizing a **[***]** Process Technology Node is ready to commence manufacture at the Singapore Fab.

"**[***] Incremental Run at Risk Probed Wafer Commitment**" shall have the meaning set forth in Section 2.1(c).

"**[***] Initial Joint Qualification Release**" means the date of the Joint Qualification Release for the first Design ID to be run on the **[***]** Process Technology Node in the Singapore Fab **[***]**.

"**[***] Letter Agreement**" shall have the meaning set forth in the recitals to this Agreement.

"**[***] Pre-Qualified Probed Wafer**" means a Probed Wafer with a unique Design ID utilizing a **[***]** Process Technology Node that is requested to be manufactured by JDP Committee at the Singapore Fab.

"**[***] Pre-Qualified Probed Wafer Commitment**" shall have the meaning set forth in Section 2.1(a)(i).

"**[***] Pre-Qualified Probed Wafer Demand Forecast**" shall have the meaning set forth in Section 3.1(a)(i).

"**[***] Run at Risk Probed Wafer**" means a Probed Wafer to be manufactured utilizing the **[***]** Process Technology Node that is requested to be started by Intel (but not requested to be started by the JDP Committee), and is started at the Singapore Fab before the **[***]** Initial Joint Qualification Release.

"**[***] Run at Risk Probed Wafer Demand Forecast**" shall have the meaning set forth in Section 3.1(a)(iii).

"**[***] Supplemental Supply Agreement**" means the **[***]** Supplemental Supply Agreement, dated as of the Effective Date, by and among Intel, MSA and MTI.

"**[***] Base Run at Risk Probed Wafer Commitment**" shall have the meaning set forth in Section 2.1(c).

"**[***] Design ID Ready Date**" means the date that the **[***]** that the first Design ID with respect to **[***]** Process Technology Node is ready to commence manufacture at the Singapore Fab.

"**[***] Incremental Run at Risk Probed Wafer Commitment**" shall have the meaning set forth in Section 2.1(c).

"**[***] Initial Joint Qualification Release**" means the date of the Joint Qualification Release for the first Design ID to be run on the **[***]** Process Technology Node in the Singapore Fab.

"**[***] Letter Agreement**" shall have the meaning set forth in the recitals to this Agreement.

"**[***] Pre-Qualified Probed Wafer**" means a Probed Wafer with a unique Design ID utilizing a **[***]** Process Technology Node that is requested to be manufactured by the JDP Committee at the Singapore Fab.

"**[***] Pre-Qualified Probed Wafer Commitment**" shall have the meaning set forth in Section 2.1(a)(ii).

"**[***] Pre-Qualified Probed Wafer Demand Forecast**" shall have the meaning set forth in Section 3.1(a)(ii).

"**[***] Products**" means Pre-Qualified Probed Wafers, Run at Risk Probed Wafers or Qualified Probed Wafers manufactured on the **[***]** Process Technology Node.

"**[***] Run at Risk Probed Wafer**" means a Probed Wafer to be manufactured utilizing the **[***]** Process Technology Node that is requested to be started by Intel (but not requested to be started by the JDP Committee), and is started at the Singapore Fab before the **[***]** Initial Joint Qualification Release.

"**[***] Run at Risk Probed Wafer Demand Forecast**" shall have the meaning set forth in Section 3.1(a)(iv).

"**Accounting Ship Release**" means the Fiscal Month in which Micron changes the classification of product costs associated with a respective Design ID. Such determination is evaluated on a Fiscal Monthly basis as part of Micron's accounting policy to determine whether product costs are classified as pre-qualification research and development, or costs of goods sold. This evaluation is based on Micron's business unit assessment of the reliability and performance of the product compared to the JDP shipment release specifications. The specific date may be earlier than the JDP shipment release date.

"**Agreement**" shall have the meaning set forth in the preamble to this Agreement.

"**Applicable Law**" means any applicable laws, statutes, rules, regulations, ordinances, orders, codes, arbitration awards, judgments, decrees or other legal requirements of any Governmental Entity.

"**Base Run at Risk Probed Wafers"** means either a **[***]** Run at Risk Probed Wafer or a **[***]** Run at Risk Probed Wafer, that does not exceed the applicable **[***]** Base Run at Risk Probed Wafer Commitment or **[***]** Base Run at Risk Probed Wafer Commitment, as applicable.

"**Base Run at Risk Probed Wafer Commitment**" shall have the meaning set forth in Section 2.1(c).

"**Binding Forecast Wafers**" shall have the meaning set forth in Section 3.1 (d).

"**Business Day**" means a day that is not a Saturday, Sunday or other day on which commercial banking institutions in the State of New York are authorized or required by Applicable Law to be closed.

"**[***]**" means a **[***]** that affects **[***]**, including **[***]**.

"**[***]**" means a **[***]** that **[***]**, or **[***]**.

"**Confidentiality Agreement**" means that certain Second Amended and Restated Mutual Confidentiality Agreement by and among Intel, Intel Technology Asia Pte Ltd, MTI, MSA, IMFT and IMFS, dated as of April 6, 2012, as amended.

"**Demand Forecast**" shall have the meaning set forth in Section 3.1 (a)(vi).

"**Design ID**" means a design ID approved by the JDP Committee for manufacture on the **[***]** Process Technology Node or the **[***]** Process Technology Node.

"Effective Date" shall have the meaning set forth in the preamble to this Agreement.

"**Estimated Price**" is equal to Micron's estimate of the Final Price with respect to the applicable Probed Wafer.

"**Excursion**" means an occurrence during production that is outside normal historical behavior as established by the Parties in writing in the applicable Specifications which may impact performance, quality, reliability or delivery commitments hereunder for Qualified Probed Wafers.

"**Final Price**" means the consideration to be paid by Intel to Micron for Pre-Qualified Probed Wafers, Run at Risk Probed Wafers, Qualified Probed Wafers and Foregone Wafers as calculated pursuant to Schedule 1.

"**Fiscal Month**" means any of the twelve financial accounting months within Micron's Fiscal Year.

"**Fiscal Quarter**" means any of the four financial accounting quarters within Micron's Fiscal Year.

"**Fiscal Year**" means the fiscal year of Micron for financial accounting purposes.

"**Flash Memory Integrated Circuit**" means a non-volatile memory integrated circuit that contains memory cells that are electrically programmable and electrically erasable whereby the memory cells consist of one or more transistors that have a floating gate, charge-trapping regions or any other functionally equivalent structure utilizing one or more different charge levels (including binary or multi-level cell structures) with or without any on-chip control, 1/0 and other support circuitry.

"**Force Majeure Event**" shall have the meaning set forth in Section 11.1.

"**Foregone Wafers**" shall have the meaning set forth in Section 3.3(b).

"**GAAP**" means United States generally accepted accounting principles as in effect from time to time.

"**[***]**" means the **[***]** on a **[***]** and are determined to be **[***]** which at a **[***]** are shown by the **[***]** to meet the **[***]** with some **[***]** and **[***]**, and to have an **[***]**.

"**Governmental Entity**" means any governmental authority or entity, including any agency, board, bureau, commission, court, municipality, department, subdivision or instrumentality thereof, or any arbitrator or arbitration panel.

"**Hazardous Materials**" means dangerous goods, chemicals, contaminants, substances, pollutants or any other materials that are defined as hazardous by relevant local, state, national, or international law, regulations and standards.

"**IMFT**" means IM Flash Technologies, LLC, a Delaware limited liability company.

"**IMFT Services Agreement**" means that certain Services Agreement by and among IMFT, Intel and MTI, dated as of September 18, 2009, as amended, including by that certain First Amendment to Services Agreement (IMFT Services to Intel) by and among IMFT, Intel and MTI, dated as of April 6, 2012.

"**Incremental Run at Risk Probed Wafers"** means either a **[***]** Run at Risk Probed Wafer in excess of the **[***]** Base Run at Risk Probed Wafer Commitment or a **[***]** Run at Risk Probed Wafer in excess of the **[***]** Base Run at Risk Probed Wafer Commitment, as applicable.

"**Incremental Run at Risk Probed Wafer Commitment**" shall have the meaning set forth in Section 2.1(c).

"**Indemnified Losses**" means all direct, out-of-pocket liabilities, damages, losses, costs and expenses of any nature incurred by an Indemnified Party, including reasonable attorneys' fees and consultants' fees, and all damages, fines, penalties and judgments awarded or entered against an Indemnified Party, but specifically excluding any special, consequential or other types of indirect damages.

"**Indemnified Party**" means any of the following to the extent entitled to seek indemnification under this Agreement: Intel, Micron, and their respective affiliates, officers, directors, employees, agents, assigns and successors.

"**Indemnifying Party**" means the Party owing a duty of indemnification to an Indemnified Party with respect to a particular Third Party Claim.

"**Initial Joint Qualification Release**" means the **[***]** Initial Joint Qualification Release or the **[***]** Initial Joint Qualification Release, as applicable.

"**Intel**" shall have the meaning set forth in the preamble to this Agreement.

"**JDP Committee**" means the JDP Committee as defined in that certain Amended and Restated Joint Development Program Agreement, between MTI and Intel, dated as of April 6, 2012, as amended.

"**Joint Qualification Release**" means, (a) with respect to Probed Wafers utilizing a **[***]** Process Technology Node, the date that a unique Design ID is deemed by the JDP Committee to meet the specifications delineated in the **[***]** set forth in the **[***]** for that Design ID and (b) with respect to Probed Wafers utilizing a **[***]** Process Technology Node, the date that a unique Design ID is deemed by the JDP Committee to meet the specifications with respect to that particular Design ID.

"**Long Range Demand Forecast**" shall have the meaning set forth in Section 3.2.

"**Losses**" means, collectively, any and all insurable liabilities, damages, losses, costs and expenses (including reasonable attorneys' and consultants' fees and expenses).

"**[***] Binding Forecast Wafers**" means a Binding Forecast Wafers having a **[***]**.

"**[***]**" means an **[***]** percent (**[***]**%), **[***]**. For purposes of this Agreement, once a Design ID has **[***]** such Design ID will be treated as **[***]** during the remainder of this Agreement.

"**Micron**" shall have the meaning set forth in the preamble to this Agreement.

"**MSA**" shall have the meaning set forth in the preamble to this Agreement.

"**MTI**" shall have the meaning set forth in the preamble to this Agreement.

"**NAND Flash Memory Integrated Circuit**" means a Flash Memory Integrated Circuit in which the memory cells included in the Flash Memory Integrated Circuit are arranged in groups of serially connected memory cells (each such group of serially connected memory cells called a "string") in which the drain of each memory cell of a string (other than the first memory cell in the string) is connected in series to the source of another memory cell in such string, the gate of each memory cell in such string is directly accessible, and the drain of the uppermost bit of such string is coupled to the bitline of the memory array.

"**NAND Flash Memory Wafer**" means a raw wafer that has been processed to the point of containing NAND Flash Memory Integrated Circuits organized in multiple semiconductor die and that has undergone Probe Testing, but before singulation of said die into individual semiconductor die.

"**[***] Binding Forecast Wafers**" means Binding Forecast Wafers **[***]**.

"**[***] Qualified Probed Wafers**" means Qualified Probed Wafers **[***]**.

"**Order Year**" shall have the meaning set forth in Section 2.1(b).

"**Original Agreement**" shall have the meaning set forth in the preamble to this Agreement.

"Original Effective Date" shall have the meaning set forth in the preamble to this Agreement.

"**Party**" and "**Parties**" shall have the meaning set forth in the preamble to this Agreement.

"**Person**" means any natural person and any corporation, firm, partnership, trust, estate, limited liability company, or other entity resulting from any form of association.

"**Pre-Qualified Probed Wafer**" means either a **[***]** Pre-Qualified Probed Wafer or a **[***]** Pre-Qualified Probed Wafer, as applicable.

"**Pre-Qualified Probed Wafer Commitment**" shall have the meaning set forth in Section 2.1(a)(ii).

"**Prime Wafer**" means the raw silicon wafers required, on a product-by-product basis, to manufacture Probed Wafers.

"**Probe Testing**" means testing, using a wafer test program as set forth in the applicable Specifications, of a wafer that has completed all processing steps deemed necessary to complete the creation of the desired NAND Flash Memory Integrated Circuits in the die on such wafer, the purpose of which test is to determine how many and which of the die meet the applicable criteria for such die set forth in the Specifications.

"**Probed Wafer**" means a Prime Wafer that, using either the **[***]** or **[***]** Process Technology Node, has been processed to the point of containing NAND Flash Memory Integrated Circuits organized in multiple semiconductor die (but before singulation of said die into individual semiconductor dice), that has undergone Probe Testing and any other mutually agreed upon special processing or handling.

"**Process Technology Node**" means a process with a known feature size or number of tiers or decks that is differentiated from another or others that have a different feature size or number of tiers or decks that yields at least a **[***]** percent (**[***]**%) difference in **[***]** relative to each other. For clarity, a difference in the number of **[***]** shall not be considered a different process node for purposes of this definition of "**Process Technology Node.**"

"**Purchase Order**" shall have the meaning set forth in Section 4.1(a) or Section 4.1(b), as applicable.

"**Qualified Probed Wafer**" means a Probed Wafer with a unique Design ID that is completed at the Singapore Fab after the applicable Initial Joint Qualification Release, but which is not a Pre-Qualified Probed Wafer or a Run at Risk Probed Wafer.

"**Qualified Probed Wafer Commitment**" shall have the meaning set forth in Section 2.1 (b).

"**Qualified Probed Wafer Demand Forecast**" shall have the meaning set forth in Section 3.1(a)(v).

"**Recoverable Taxes**" shall have the meaning set forth in Section 4.4.

"**Response to Forecast**" shall have the meaning set forth in Section 3.l(c).

"**Run at Risk Probed Wafer**" means either a **[***]** Run at Risk Probed Wafer or a **[***]** Run at Risk Probed Wafer, as applicable.

"**Singapore Fab**" means the wafer fabrication plants located in Singapore that are now or hereafter owned by Micron.

"**Specifications**" means those specifications used to describe, characterize, and define the yield, quality and performance of the Probed Wafers, including any interim performance specifications at Probe Testing, as such specifications may be agreed from time to time by the JDP Committee.

"**Start Date**" means the date of the **[***]** Initial Joint Qualification Release.

"**Subsidiary**" means as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person.

"**Term**" shall have the meaning set forth in Section 10.1.

"**Third Party Claim**" means any claim, demand, action, suit or proceeding, and any actual or threatened lawsuit, complaint, cross-complaint or counter-complaint, arbitration or other legal or arbitral proceeding of any nature, brought in any court, tribunal or judicial forum anywhere in the world, regardless of the manner in which such proceeding is captioned or styled, by any Person other than Intel, Micron and affiliates of the foregoing, against an Indemnified Party, in each case alleging entitlement to any Indemnified Losses pursuant to any indemnification obligation under this Agreement.

"**[***] Cost**" means the calculation referenced on Schedule 2.

"**Wafer Supply Agreement**" means the Wafer Supply Agreement dated April 6, 2012, as amended, by and among Intel, MSA and MTI, and if such agreement is no longer in effect, the Wafer Supply Agreement No. 3, dated as of September 1, 2015, by and among Intel, MSA and MTI.

"**Warranty Notice Period**" shall have the meaning set forth in Section 6.2.

"**WOPW**" means Probed Wafers processed and shipped to Intel per week.

SCHEDULE 1

PRICE

"**Final Price**" means the following

(a) With respect to Run at Risk Probed Wafers of **[***]**, Final Price equals: (i) the total of **[***]** Costs **[***]** for **[***]**; (ii) plus **[***]** the amount **[***]**; and (iii) which such **[***]** is then **[***]**.

(b) With respect to Qualified Probed Wafers of **[***]**, Final Price equals: (i) the total of **[***]** Costs **[***]** for **[***]**; (ii) plus **[***]** the amount **[***]**; and (iii) which such **[***]** is then **[***]**.

(c) With respect to Pre-Qualified Probed Wafers, Final Price equals the **[***]** as contemplated in Section 4.5(a).

(d) With respect to each Foregone Wafer, Final Price equals: (i) the total **[***]** Costs **[***]** in which such Foregone Wafer **[***]**; (ii) plus **[***]** the amount **[***]**; and (iii) which such **[***]** is then **[***]**. Foregone Wafers will be deemed to exist (and will be invoiced) **[***]**, subject to Section 3.1 (b), **[***]**.

SCHEDULE 2

COST

"**[***] Cost**" means all of the following to the extent attributable to Micron's **[***]** of the Probed Wafers in accordance with this Agreement in a **[***]**. **[***]** Cost will **[***]**, but will **[***]**.

Separate from any determination of "**[***]** Costs", **[***]** will be reported **[***]**. Micron will **[***]** in the applicable **[***]**, such excluding any **[***]** within the applicable **[***]**. Micron will **[***]** under Section 4.5. For clarity, the **[***]**.

Example:

[***]

[***] Cost will **[***]** to the extent that the **[***]** Probed Wafers **[***]** at the Singapore Fab **[***]** of the **[***]** such Probed Wafers.

EXHIBIT 10.52

[***] DENOTES CONFIDENTIAL MATERIALS OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT

CONFIDENTIAL

[***] SUPPLEMENTAL SUPPLY AGREEMENT

This **[***]** SUPPLEMENTAL WAFER SUPPLY AGREEMENT (this "**Agreement**") is made and entered into as of this 1st day of September, 2015 ("**Effective Date**") by and between Intel Corporation, a Delaware corporation ("**Intel**"), Micron Semiconductor Asia Pte. Ltd., a Singapore corporation ("**MSA**") and Micron Technology, Inc., a Delaware corporation ("**MTI**" and, together with MSA, collectively, "**Micron")**. Each of Intel, MSA and MTI may be referred to herein individually as a "**Party**" and collectively as the "**Parties**."

RECITALS

A. Micron and Intel are parties to the Amended and Restated **[***]** Wafer Supply Agreement, dated as of the Effective Date (the "**[***] Supply Agreement**"), pursuant to which, but subject to conditions set forth therein, Micron has agreed to produce, and Intel has agreed to purchase from Micron, Probed Wafers manufactured utilizing the **[***]** and **[***]** Process Technology Nodes.

B. In addition to the Probed Wafers contemplated by the **[***]** Supply Agreement, MSA desires to manufacture additional Qualified Probed Wafers utilizing the **[***]** and **[***]** Process Technology Nodes at its Singapore manufacturing facilities and to supply such Qualified Probed Wafers to Intel, in accordance with the terms and subject to the conditions set forth in this Agreement.

C. Under the **[***]** Letter Agreement dated as of the Effective Date, by and among Intel, MSA and MTI (the "**[***] Letter Agreement**"), the Parties desire that a certain payment from Intel to Micron be made to address all startup costs associated with the manufacture of **[***]** Products at the Singapore Fab.

D. Intel desires to purchase and Micron desires to supply Qualified Probed Wafers, in accordance with the terms and subject to the conditions set forth in this Agreement.

E. Under the Deposit Agreement dated as of the Effective Date, by and among Intel and MTI (the "**Deposit Agreement**"), Intel has agreed to make with Micron a refundable deposit against Intel's payment obligations in accordance with Section 2.3 of the Deposit Agreement.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties intending to be legally bound do hereby agree as follows:

ARTICLE 1
DEFINITIONS; CERTAIN INTERPRETIVE MATTERS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, capitalized terms used in this Agreement shall have the respective meanings set forth in Exhibit A.

1.2 Certain Interpretive Matters.
Unless the context requires otherwise, (i) all references to Sections, Articles, Recitals, Exhibits or Schedules are to Sections, Articles, Recitals, Exhibits or Schedules of or to this Agreement; (ii) each of the Schedules will apply only to the corresponding Section or subsection of this Agreement; (iii) words in the singular include the plural and vice versa; (iv) the term "including" means "including without limitation"; and (v) the terms "herein," "hereof," "hereunder" and words of similar import shall mean references to this Agreement as a whole and not to any individual Section or portion hereof. All references to $ or dollar amounts will be to lawful currency of the United States of America. All references to "day" or "days" will mean calendar days and all references to "quarter(ly)", "month(ly)" or "year(ly)" will mean calendar quarter, calendar month or calendar year, respectively.

No provision of this Agreement will be interpreted in favor of, or against, any of the Parties by reason of the extent to which any such Party or its counsel participated in the drafting thereof or by reason of the extent to which any such provision is inconsistent with any prior draft of this Agreement or such provision.

ARTICLE 2
GENERAL OBLIGATIONS

2.1 Supply and Purchase. Subject to the terms and conditions of this Agreement, Micron will supply to Intel, and Intel will purchase from Micron:

(a) during the Ramp Period, the number of Qualified Probed Wafers set forth in the Ramp Schedule (the "**Ramp Period Qualified Probed Wafer Commitment**"); and

(b) in the two consecutive 12-month periods thereafter (each of such two one-year periods an "**Order Year**"), but subject to the limits in Section 3.1, **[***]** Qualified Probed Wafers spread over each such 12-month period in accordance with Section 3.1 (the "**Order Year Qualified Probed Wafer Commitment**" and, together with the Ramp Period Qualified Probed Wafer Commitment, the "**Qualified Probed Wafer Commitment**").

2.2 Traceability and Data Retention. Micron agrees to maintain, or cause its relevant affiliates to maintain, its production data relating to the Qualified Probed Wafers supplied hereunder for a minimum of **[***]** (**[***]**) years. At Intel's request, Micron will make available **[***]** as well as the **[***]** for Qualified Probed Wafers supplied to Intel hereunder. The Parties

will exchange mutually agreed Qualified Probed Wafer manufacturing data via electronic or other means as mutually agreed by the Parties.

2.3 Control; Processes. Micron will, or will cause the relevant Subsidiary of Micron to, review with Intel any reasonable control and process mechanisms applicable to the manufacture of all Qualified Probed Wafers sold by Micron under this Agreement, including but not limited to such mechanisms that are utilized to meet or exceed the Specifications for the Qualified Probed Wafers. The Parties agree to work together in good faith to define mutually agreeable control and process mechanisms including the following: **[***]**; and **[***]**; provided, however, that Micron will not be required to bear any expense relating to Intel's control and process mechanism requests that are in addition to those used by Micron or its relevant affiliates. Micron will promptly notify Intel of all Excursions, which may impact scheduled commitments to Intel.

2.4 Additional Customer Requirements. Intel will inform Micron in writing of any auditable supplier requirements of Intel's customers relating to the Singapore Fab. The Parties will work together in good faith to implement such requirements in a commercially reasonable manner.

2.5 **[***]** Restrictions. Without the prior written approval of Intel, Micron shall not implement a **[***]** or **[***]** with respect to the Qualified Probed Wafers Micron supplies to Intel pursuant to this Agreement.

2.6 Production Masks. Unless otherwise agreed with Intel, Micron or its subcontractors will be responsible to obtain, maintain, repair and replace masks used in the production of Qualified Probed Wafers at the Singapore Fab.

ARTICLE 3
FORECASTING; TAKE OR PAY

3.1 Forecasting for Qualified Probed Wafers.

(a) Qualified Probed Wafer Demand Forecast. On a Fiscal Monthly basis beginning on a date no less than **[***]** the **[***]** day of the Ramp Period, Intel will provide Micron, either directly or via IMFT pursuant to the IMFT Services Agreement, with a written demand forecast of Qualified Probed Wafers it anticipates purchasing under this Agreement during the then-current Fiscal Quarter plus the next **[***]** (**[***]**) Fiscal Quarters (the "**Qualified Probed Wafer Demand Forecast**"). The aggregate amount of Qualified Probed Wafers in each Qualified Probed Wafer Demand Forecast (and each update thereof) will (i) be equal to at least an amount sufficient to permit Intel to satisfy the Qualified Probed Wafer Commitment within the Ramp Period **[***]** during any part of the Ramp Period covered in whole or in part by the applicable Qualified Probed Wafer Demand Forecast, (ii) be equal to at least an amount sufficient to permit Intel to satisfy the Qualified Probed Wafer Commitment for each Order Year covered in whole or in part by the applicable Qualified Probed Wafer Demand Forecast without the need to purchase more than **[***]** Qualified Probed Wafers **[***]** during such Order Year.

The Qualified Probed Wafer Demand Forecast will be **[***]** for the **[***]** and **[***]** thereafter. Intel will update the Qualified Probed Wafer Demand Forecast on a weekly or monthly basis, as needed, utilizing the demand planning process in effect between the Parties as of the Effective Date or as may be revised from time to time by mutual agreement of the Parties. Intel will base the Qualified Probed Wafer Demand Forecast on Singapore Fab yield forecasts provided by Micron. The Qualified Probed Wafer Demand Forecast will include desired Qualified Probed Wafer breakout by Design ID, Process Technology Node, process revision and probe test revision. In addition, the Qualified Probed Wafer Demand Forecast will include the level of Probe Testing, marking specification and packaging requirements, requested delivery date and place of delivery for the Qualified Probed Wafers, which information will be updated by Intel on a weekly basis as necessary.

(b) Boundary Conditions and Obligations

(i) In its Response to Forecast, Micron may only reject:

(1) a Qualified Probed Wafer Demand Forecast to the extent the Qualified Probed Wafer Demand Forecast specifies for any given **[***]** wafer quantities for any specific Design ID of **[***]** than **[***]** Qualified Probed Wafers;

(2) a Qualified Probed Wafer Demand Forecast to the extent the Qualified Probed Wafer Demand Forecast specifies **[***]** than **[***]** Qualified Probed Wafers in any **[***]** in aggregate for all Design IDs or **[***]** than **[***]** Qualified Probed Wafers in any **[***]** during the first **[***]** Fiscal Months of the Ramp Period;

(3) a Qualified Probed Wafer Demand Forecast to the extent that it specifies Qualified Probed Wafers that are not based on a Design ID approved by the JDP Committee;

(4) a Qualified Probed Wafer Demand Forecast to the extent that it specifies for any given **[***]** Qualified Probed Wafers under this Agreement than under the **[***]** Supply Agreement or the Wafer Supply Agreement; and

(5) a Qualified Probed Wafer Demand Forecast to the extent that it would result in Intel receiving **[***]** than **[***]** of the Singapore Fab's **[***]** with respect to **[***]** Products, after taking into account all supply arrangements to which Intel or any of its affiliates is a party in aggregate, unless otherwise previously agreed to by the Parties.

(ii) In its Response to Forecast, Micron commits to support Intel's Qualified Probed Wafer Demand Forecast for **[***]** Qualified Probed Wafers **[***]** of the Singapore Fab's **[***]** with respect to **[***]** Products, after taking into account all supply arrangements to which Intel or any of its affiliates is a party in aggregate, as long as Intel's Qualified Probed Wafer Demand Forecast complies with the boundary conditions above.

(c) Response to Demand Forecast. Within a commercially reasonable period of time (or within a time period mutually agreed by the Parties from time-to-time) following Micron's actual, direct receipt of each Qualified Probed Wafer Demand Forecast, Micron shall furnish Intel with a written response indicating what portion of the Qualified Probed Wafer Demand Forecast that Micron will commit to supply (the "**Response to Forecast**"). In each Response to Forecast, but subject to Section 3.1(b)(i), Micron will commit to supply quantities sufficient to satisfy the Qualified Probed Wafer Commitment. If Micron furnishes Intel with a Response to Forecast that commits to supply quantities greater than the Qualified Probed Wafer Commitment in the Ramp Period or an Order Year, but no greater than the applicable Demand Forecast, then the Qualified Probed Wafer Commitment in the Ramp Period or that Order Year shall be deemed to be the greater amounts indicated in the Response to Forecast.

(d) Binding Forecast Wafers. The Qualified Probed Wafers scheduled for sale to Intel under this Agreement within the first **[***]** of each Qualified Probed Wafer Demand Forecast that has been accepted by Micron in the Response to Forecast are deemed to be firm commitments and shall be binding on the Parties (the "**Binding Forecast Wafers**"), provided that Intel may change the Design ID mix within any Process Technology Node in a Qualified Probed Wafer Demand Forecast at any time until **[***]** prior to the scheduled loading of the wafers in question and Micron shall commit to supply the requested Design ID mix changes in a revised Response to Forecast so long as the changes comply with the terms of Section 3.1(b) and this Section 3.1(d).

(e) Variability. Micron will make commercially reasonable efforts to limit the **[***]** variability of the quantity of Binding Forecast Wafers it supplies to no more than **[***]** percent (**[***]**%) of the number of Binding Forecast Wafers for such week, and Micron will promptly notify Intel in writing of any inability to deliver timely the Binding Forecast Wafers. Micron agrees to use all commercially reasonable efforts to make up any shortfall of Binding Forecast Wafers for any given Design ID within **[***]** of the **[***]**.

To the extent that Micron does not make up any shortfall of Binding Forecast Wafers for any given Design ID within **[***]** of the **[***]** despite using commercially reasonable efforts to do so, Micron will deliver the shortfall amount **[***]** and the Final Price for such Binding Forecast Wafers will be equal to the **[***]**. Any extraordinary costs or fees incurred by Micron to hold excess inventory or make up any shortfall will be at Micron's expense.

(f) Yield. Micron will make commercially reasonable efforts to deliver Qualified Probed Wafers under this Agreement that have a functional die yield, on a **[***]** basis, of no less than **[***]** percent (**[***]**%) below the **[***]** functional die yield for the same product during the same **[***]** at the Singapore Fab. For clarity, Micron will supply Intel with of the same quality of Qualified Probed Wafers as sold to internal Micron divisions.

(g) **[***]** Cost Forecast. Beginning on a date no less than **[***]** to the **[***]**, and between **[***]** (**[***]**) and **[***]** (**[***]**) days **[***]** the **[***]** of each **[***]**, Micron will extract from its quarterly business plan, its **[***]** Cost forecast and **[***]** forecast for the **[***]**

Process Technology Node and/or the **[***]** Process Technology Node, as applicable, for the next **[***]**, and deliver that to Intel. Throughout the duration of the Term, Micron will conduct a breakdown analysis of the final **[***]** Cost for the most recent **[***]** for the **[***]** Process Technology Node and/or the **[***]** Process Technology Node, as applicable, and an estimate of such amount for the next **[***]**, and deliver such results to Intel.

3.2 Long Range Forecast. **[***]**, in coordination with IMFT's **[***]** business plan, Intel will provide Micron with a written demand forecast of Qualified Probed Wafers it anticipates purchasing for the remaining duration of the Term ("**Long Range Demand Forecast**"). Micron will provide feedback within a commercially reasonable period of time (or within a time period mutually agreed by the Parties from time-to-time) following IMFT's **[***]** business plan review. Such Long Range Demand Forecast and Micron's feedback are provided for informational purposes only and not binding on either Party.

3.3 Take or Pay.

(a) Subject to Section 3.l(e), to the extent that Intel fails to purchase any Binding Forecast Wafers, Intel shall be obligated to pay Micron an amount equal to the sum of the Binding Forecast Wafers it fails to purchase multiplied by the applicable Final Price per Binding Forecast Wafer as set forth in Schedule 1.

(b) To the extent that Intel fails to forecast, subject to Section 3.1(b), a quantity of Qualified Probed Wafers sufficient to meet the Qualified Probed Wafer Commitment in the Ramp Period or any Order Year (the "**Foregone Wafer(s)**"), Intel shall be obligated to pay Micron the sum of the difference between the Qualified Probed Wafer Commitment for the Ramp Period or Order Year less the quantity set forth in the Qualified Probed Wafer Demand Forecast for the Ramp Period or that Order Year, multiplied by the applicable Final Price per Foregone Wafer as set forth in Schedule 1.

3.4 **[***]** Reviews and Reports. Each **[***]** during the Term, Micron shall provide Intel with a **[***]** report and meet with Intel to discuss **[***]** and the most recent **[***]** report. The **[***]** report will include **[***]** to the **[***]** to the **[***]**, and summarize any **[***]** in the **[***]**, including but not limited to **[***]**, and other indicators that may **[***]**. At such meetings the Parties shall define **[***]** and **[***]**. At Intel's expense and discretion, but in no circumstance more than **[***]**, Intel may elect a qualified third party accountancy firm to examine actual transactions under this Agreement and compliance to its requirements for the period that includes the current and immediately preceding **[***]**. Prior to attestation engagement planning by the accounting firm, the Parties will mutually agree on scope of work and timing contained within the engagement letter between the accounting firm and Intel. Micron agrees to take all reasonable steps necessary to make all relevant records available to the accounting firm's examiners conducting the review. Intel agrees to use all reasonable efforts to coordinate and minimize impact to Micron for reasonable access, during normal business hours, without interruption to the Singapore Fab operations and upon reasonable advance notice, and only after the implementation of reasonable, as determined in Micron's sole discretion, safeguards,

including execution of a confidentiality agreement and prior approval of the representatives, to the premises, property and books and records, including **[***]**, of the Singapore Fab to the extent necessary or appropriate in the reasonable discretion of the independent accounting firm for the purposes of investigating, confirming or determining the extent or amount of any product liability, warranty, refund or similar claims and obligations which may arise with respect to Products manufactured at the Singapore Fab under this Agreement.

ARTICLE 4
PURCHASE ORDERS; INVOICING AND PAYMENT

4.1 Placement of Purchase Orders. Prior to the commencement of every Fiscal Quarter during the Term, Intel shall place a non-cancelable blanket purchase order in writing (via e-mail or facsimile transmission) for Qualified Probed Wafers to be shipped by Micron for the upcoming Fiscal Quarter during the Term (each such order, a "**Purchase Order**"), which each such Purchase Order shall request a quantity of Qualified Probed Wafers that equals the quantity set forth in the current Response to Forecast for such period.

4.2 Content of Purchase Orders. Each Purchase Order shall specify the following items: (a) Purchase Order number; (b) description and part number of each different Qualified Probed Wafer; (c) forecasted quantity of Probed Wafers for each different Design ID; (d) the Estimated Price and total Estimated Price for each different Design ID, and total Estimated Price for all Qualified Probed Wafers ordered; and (e) other terms (if any) that are mutually agreed in writing by the Parties.

4.3 Acceptance of Purchase Order. If the quantities of Probed Wafers requested in a Purchase Order is equal to the quantity set forth in the current Response to Forecast for such upcoming Fiscal Quarter, Micron shall be deemed to accept such Purchase Order. If any Purchase Order contains any errors, Micron may accept or reject such Purchase Order, or any portions thereof, in its sole discretion.

4.4 Taxes. All transfer taxes (e.g., goods and services tax, value added tax, sales tax, service tax, business tax) imposed directly on or solely as a result of the sale, transfer or delivery of Qualified Probed Wafers and the payments therefor provided herein shall be stated separately on Micron's invoice, shall be the responsibility of and collected from Intel, and shall be remitted by Micron to the appropriate tax authority ("**Recoverable Taxes**"), unless Intel provides valid proof of tax exemption prior to the effective date of the transfer of the Qualified Probed Wafers or otherwise as permitted by law prior to the time Micron is required to pay such taxes to the appropriate tax authority. When property is delivered within jurisdictions in which collection and remittance of taxes by Micron is required by law, Micron shall have sole responsibility for remittance of said taxes to the appropriate tax authorities. In the event such taxes are Recoverable Taxes and Micron does not collect tax from Intel or remit such taxes to the appropriate Governmental Entity on a timely basis, and is subsequently audited by any tax authority, liability of Intel will be limited to the tax assessment for such Recoverable Taxes, with no reimbursement for penalty or interest charges or other amounts incurred in connection

therewith. Notwithstanding anything herein to the contrary, taxes other than Recoverable Taxes shall not be reimbursed by Intel, and each Party is responsible for its own respective income taxes (including franchise and other taxes based on net income or a variation thereof), taxes based upon gross revenues or receipts, and taxes with respect to general overhead, including but not limited to business and occupation taxes, and such taxes shall not be Recoverable Taxes.

4.5 Invoicing and Reconciliation.

(a) Qualified Probed Wafers. With respect to Qualified Probed Wafers of a particular Design ID, MSA will invoice Intel as follows:

(i) With respect to each shipment of Qualified Probed Wafers of a particular Design ID shipped, MSA will invoice Intel the Estimated Price for such Qualified Probed Wafers.

(ii) Within **[***]** business days of each Fiscal Month following a Fiscal Month in which an invoice is delivered pursuant to Section 4.5(a)(i), Micron will calculate the Final Price for the Qualified Probed Wafers shipped in the immediately preceding Fiscal Month. If the Final Price exceeds the Estimated Price invoiced by Micron previously in the immediately preceding Fiscal Month for the same Qualified Probed Wafers, then Micron will issue Intel an invoice within **[***]** (**[***]**) days for the difference between such amounts. If the Final Price is less than the Estimated Price invoiced by Micron previously in the immediately preceding Fiscal Month for the same Qualified Probed Wafers, then Micron will issue Intel a credit memorandum within **[***]** (**[***]**) days for the difference between such amounts.

(b) Payment. All amounts owed under this Agreement shall be stated, calculated and paid in United States Dollars. Except as otherwise specified in this Agreement, Intel shall pay the invoicing entity for the amounts due, owing, and duly invoiced under this Agreement within **[***]** (**[***]**) days following delivery of an invoice therefor to such place as the invoicing entity may reasonably direct therein.

4.6 Payment to Subcontractors. Micron shall be responsible for and shall hold Intel harmless for any and all payments to its vendors or subcontractors utilized in the performance of this Agreement.

ARTICLE 5
TITLE; RISK OF LOSS AND SHIPMENT

5.1 Title and Risk of Loss. Intel shall take title to, and assume risk of loss with respect to, the Qualified Probed Wafers that are exported from the country of manufacturing using the term **[***]** and for Qualified Probed Wafers that are not exported from the country of manufacturing using the term **[***]**, in each case pursuant to INCOTERMS 2010.

5.2 Packaging. All packaging of the Qualified Probed Wafers shall be in conformance with the Specifications, Intel's reasonable instructions, and general industry standards, and shall be reasonably resistant to damage that may occur during transportation. Marking on the packages shall be made by Micron in accordance with Intel's reasonable instructions.

5.3 Shipment. Intel shall provide shipping instructions to Micron, shall bear all shipping costs, and shall directly pay all shipping carriers. All Qualified Probed Wafers shall be prepared for shipment in a manner that: (a) follows good commercial practice; (b) is acceptable to common carriers for shipment at the lowest rate; and (c) is adequate to ensure safe arrival. If and to the extent directed by Intel, Micron will mark all containers with necessary lifting, handling, and shipping information, Purchase Order number, date of shipment, and the names of Intel and applicable customer. At Intel's request, Micron will provide drop-shipment of Qualified Probed Wafers to Intel's customers. Shipment may be provided by a subcontractor to Micron.

5.4 Customs Clearance. Upon Intel's request, Micron will promptly provide Intel with a statement of origin for all Qualified Probed Wafers and with applicable customs documentation for Qualified Probed Wafers wholly or partially manufactured outside of the country of import.

ARTICLE 6
WARRANTY; HAZARDOUS MATERIALS; DISCLAIMER

6.1 Warranty. Micron makes the following warranties regarding the Qualified Probed Wafers furnished hereunder, which warranties shall survive any delivery, inspection, acceptance, payment, or resale of the Qualified Probed Wafers:

(a) the Qualified Probed Wafers will conform to all agreed Specifications;

(b) the Qualified Probed Wafers are free from defects in materials or workmanship; and

(c) Micron has the necessary right, title, and interest to provide the Qualified Probed Wafers to Intel and the Qualified Probed Wafers will be free of liens and encumbrances affecting title, not including any warranty of non-infringement.

6.2 Warranty Claims. Within a period of time, not to exceed the lesser of the actual warranty period applicable to the end customer for the Qualified Probed Wafer at issue or **[***]** (**[***]**) months from the date of the delivery of the Qualified Probed Wafers at issue to Intel (the "**Warranty Notice Period**"), Intel shall notify Micron if it believes that any Qualified Probed Wafer does not meet the warranty set forth in Section 6.1. Intel shall return such Qualified Probed Wafers to Micron as directed by Micron. If a Qualified Probed Wafer is determined not to be in compliance with such warranty, then Intel shall be entitled to return such Qualified Probed Wafer and cause Micron to replace at Micron's expense or, at Intel's option, receive a

credit or refund of any monies paid to Micron in respect of such Qualified Probed Wafer. Such credit or refund shall in no event exceed on a per-unit basis the Final Price paid for the Qualified Probed Wafer under this Agreement, and shall not include any transfer taxes paid in respect of the Qualified Probed Wafer. The basis for such refund or credit shall be the Final Price on a per-unit basis in the month in which the returned Qualified Probed Wafer was invoiced to Intel. THE FOREGOING REMEDY IS INTEL'S SOLE AND EXCLUSIVE REMEDY FOR MICRON'S FAILURE TO MEET ANY WARRANTY OF SECTION 6.1.

6.3 Hazardous Materials.

(a) If Qualified Probed Wafers provided hereunder include Hazardous Materials as determined in accordance with applicable law, Micron represents and warrants that Micron and Micron's employees, agents, and subcontractors actually working with such materials in providing the Qualified Probed Wafers hereunder to Intel shall be trained in accordance with applicable law regarding the nature of and hazards associated with the handling, transportation, and use of such Hazardous Materials, as applicable to Micron.

(b) To the extent required by applicable law, Micron shall provide Intel with Material Safety Data Sheets (MSDS) either prior to or accompanying any delivery of Qualified Probed Wafers to Intel.

6.4 Disclaimer. MICRON HEREBY EXPRESSLY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, NON-INFRINGEMENT OR OTHERWISE, WITH RESPECT TO THE QUALIFIED PROBED WAFERS PROVIDED UNDER THIS AGREEMENT. THE WARRANTIES WILL NOT APPLY TO: (a) ANY WARRANTY CLAIM OR ISSUE, OR DEFECT TO THE EXTENT CAUSED BY TECHNICAL MATERIALS PROVIDED OR SPECIFIED BY, THROUGH OR ON BEHALF OF INTEL, INCLUDING BUT NOT LIMITED TO PRODUCT DESIGNS, TECHNOLOGY AND TEST PROGRAMS; OR (b) ANY OF THE QUALIFIED PROBED WAFERS THAT HAVE BEEN REPAIRED OR ALTERED, EXCEPT AS AUTHORIZED BY MICRON, OR WHICH ARE SUBJECTED TO MISUSE, NEGLIGENCE, ACCIDENT OR ABUSE.

ARTICLE 7
CONFIDENTIALITY

7.1 All information provided, disclosed or obtained in the performance of any of the Parties' activities under this Agreement shall be subject to all applicable provisions of the Confidentiality Agreement. Furthermore, the terms and conditions of this Agreement shall be considered "Confidential Information" under the Confidentiality Agreement for which each Party is considered a "Receiving Party" under such agreement. To the extent there is a conflict between this Agreement and the Confidentiality Agreement, the terms of this Agreement shall control.

ARTICLE 8
INDEMNIFICATION

8.1 Mutual General Indemnity. Subject to Article 9, each Indemnifying Party shall indemnify, defend and hold harmless each Indemnified Party from and against any and all Indemnified Losses based on or attributable to any Third Party Claim or threatened Third Party Claim arising under this Agreement and as a result of the negligence, gross negligence or willful misconduct of the Indemnifying Party or any of its respective officers, directors, employees, agents or subcontractors. Notwithstanding the foregoing, this Section 8.1 shall not apply to any claims or losses based on or attributable to intellectual property infringement.

8.2 Indemnification; Procedures.

(a) General Procedures. Promptly after the receipt by any Indemnified Party of a notice of any Third Party Claim that an Indemnified Party seeks to be indemnified under this Agreement, such Indemnified Party shall give written notice of such Third Party Claim to the Indemnifying Party, stating in reasonable detail the nature and basis of each allegation made in the Third Party Claim and the amount of potential Indemnified Losses with respect to each allegation, to the extent known, along with copies of the relevant documents received by the Indemnified Party evidencing the Third Party Claim and the basis for indemnification sought. Failure of the Indemnified Party to give such notice shall not relieve the Indemnifying Party from liability on account of this indemnification, except if and only to the extent that the Indemnifying Party is actually prejudiced by such failure or delay. Thereafter, the Indemnified Party shall deliver to the Indemnifying Party, promptly after the Indemnified Party's receipt thereof, copies of all notices and documents (including court papers) received by the Indemnified Party relating to the Third Party Claim. The Indemnifying Party shall have the right to assume the defense of the Indemnified Party with respect to such Third Party Claim upon written notice to the Indemnified Party delivered within thirty (30) days after receipt of the particular notice from the Indemnified Party. So long as the Indemnifying Party has assumed the defense of the Third Party Claim in accordance herewith and notified the Indemnified Party in writing thereof, (i) the Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in the defense of the Third Party Claim, it being understood that the Indemnifying Party shall pay all reasonable costs and expenses of counsel for the Indemnified Party after such time as the Indemnified Party has notified the Indemnifying Party of such Third Party Claim and prior to such time as the Indemnifying Party has notified the Indemnified Party that it has assumed the defense of such Third Party Claim; (ii) the Indemnified Party shall not file any papers or, other than in connection with a settlement of the Third Party Claim, consent to the entry of any judgment without the prior written consent of the Indemnifying Party (not to be unreasonably withheld, conditioned or delayed); and (iii) the Indemnifying Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim (other than a judgment or settlement that is solely for money damages and is accompanied by a release of all indemnifiable claims against the Indemnified Party) without the prior written consent of the Indemnified Party (not to be unreasonably withheld, conditioned or delayed). Whether or not the Indemnifying Party shall have assumed the defense of the Indemnified Party

for a Third Party Claim, such Indemnifying Party shall not be obligated to indemnify and hold harmless the Indemnified Party hereunder for any consent to the entry of judgment or settlement entered into with respect to such Third Party Claim without the Indemnifying Party's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed.

(b) Equitable Remedies. In the case of any Third Party Claim where the Indemnifying Party reasonably believes that it would be appropriate to settle such Third Party Claim using equitable remedies, the Indemnifying Party and the Indemnified Party shall work together in good faith to agree to a settlement; provided, however, that no Party shall be under any obligation to agree to any such settlement.

(c) Treatment of Indemnification Payments; Insurance Recoveries. Any indemnity payment under this Agreement shall be decreased by any amounts actually recovered by the Indemnified Party under third party insurance policies with respect to such Indemnified Losses (net of any premiums paid by such Indemnified Party under the relevant insurance policy), each Party agreeing (i) to use all reasonable efforts to recover all available insurance proceeds and (ii) to the extent that any indemnity payment under this Agreement has been paid by the Indemnifying Party to the Indemnified Party prior to the recovery by the Indemnified Party of such insurance proceeds, the amount of such insurance proceeds actually recovered by the Indemnified Party shall be promptly paid to the Indemnifying Party.

(d) Certain Additional Procedures. The Indemnified Party shall cooperate and assist the Indemnifying Party in determining the validity of any Third Party Claim for indemnity by the Indemnified Party and in otherwise resolving such matters. The Indemnified Party shall cooperate in the defense by the Indemnifying Party of each Third Party Claim (and the Indemnified Party and the Indemnifying Party agree with respect to all such Third Party Claim that a common interest privilege agreement exists between them), including: (i) permitting the Indemnifying Party to discuss the Third Party Claim with such officers, employees, consultants and representatives of the Indemnified Party as the Indemnifying Party reasonably requests; (ii) providing to the Indemnifying Party copies of documents and samples of products as the Indemnifying Party reasonably requests in connection with defending such Third Party Claim; (iii) preserving all properties, books, records, papers, documents, plans, drawings, electronic mail and databases relating to pertinent matters under the Indemnified Party's custody or control in accordance with such Party's corporate documents retention policies, or longer to the extent reasonably requested by the Indemnifying Party; (iv) notifying the Indemnifying Party promptly of receipt by the Indemnified Party of any subpoena or other third party request for documents or interviews and testimony; (v) providing to the Indemnifying Party copies of any documents produced by the Indemnified Party in response to or compliance with any subpoena or other third party request for documents; and (vi) except to the extent inconsistent with the Indemnified Party's obligations under applicable law and except to the extent that to do so would subject the Indemnified Party or its employees, agents or representatives to criminal or civil sanctions, unless ordered by a court to do otherwise, not producing documents to a third party until the Indemnifying Party has been provided a reasonable opportunity to review, copy and assert privileges covering such documents.

ARTICLE 9
LIMITATION OF LIABILITY

9.1 Damages Limitation. SUBJECT TO SECTION 9.4, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL OR OTHER INDIRECT DAMAGES OR ANY PUNITIVE OR EXEMPLARY DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, WHETHER SUCH DAMAGES ARE BASED ON BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHER THEORY OF LIABILITY, AND EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

9.2 Remedy. THE PARTIES AGREE THAT TO THE EXTENT A CLAIM ARISES UNDER THIS AGREEMENT, THE CLAIM SHALL BE BROUGHT UNDER THIS AGREEMENT.

9.3 Damages Cap. SUBJECT TO SECTION 9.4, IF EITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY MATTER ARISING FROM THIS AGREEMENT, WHETHER BASED UPON AN ACTION OR CLAIM IN CONTRACT, WARRANTY, EQUITY, NEGLIGENCE, INTENDED CONDUCT OR OTHERWISE (INCLUDING ANY ACTION OR CLAIM ARISING FROM AN ACT OR OMISSION, NEGLIGENT OR OTHERWISE, OF THE LIABLE PARTY), THE AMOUNT OF DAMAGES RECOVERABLE AGAINST THE LIABLE PARTY WITH RESPECT TO ANY BREACH, PERFORMANCE, NONPERFORMANCE, ACT OR OMISSION HEREUNDER WILL NOT EXCEED THE LESSER OF THE ACTUAL DAMAGES ALLOWED HEREUNDER OR TEN MILLION DOLLARS ($10,000,000).

9.4 Exclusions and Mitigation. Section 9.1 and 9.3 will not apply to either Party's breach of Article 7. Section 9.3 will not apply to Intel's failure to meet a payment obligation which is due and payable under this Agreement. Each Party shall have a duty to use commercially reasonable efforts to mitigate damages for which the other Party is responsible.

9.5 Losses. Except as provided under Section 8.1, Micron and Intel each shall be responsible for Losses to their respective tangible personal or real property (whether owned or leased), and each Party agrees to look only to their own insurance arrangements with respect to such damages. Micron and Intel waive all rights to recover against each other, including each Party's insurers' subrogation rights, if any, for any loss or damage to their respective tangible personal property or real property (whether owned or leased) from any cause covered by insurance maintained by each of them, including their respective deductibles or self-insured retentions. Notwithstanding the foregoing, in the event of a loss hereunder involving a property, transit or crime event or occurrence that: (a) is insured under Intel's insurance policies; (b) a single insurance deductible applies; and (c) the loss event or occurrence affects the insured ownership or insured legal interests of the Parties, then the Parties shall share the cost of the deductible in proportion to each Party's insured ownership or legal interests in relative proportion to the total insured ownership or legal interests of the Parties.

ARTICLE 10
TERM AND TERMINATION

10.1 Term. The term of this Agreement commences on the Effective Date and continues in effect until the third (3rd) anniversary of the Start Date unless terminated by the Parties (such period of time, the "**Term**").

10.2 Termination. This Agreement may be terminated by Intel by written notice to Micron upon a material breach of this Agreement by Micron or by Micron by written notice to Intel upon a material breach of this Agreement by Intel, in each case if such breach remains uncured ninety (90) days following notice by the non-breaching Party; provided, however, that such cure period shall be thirty (30) days if the material breach is a failure to pay monies due under this Agreement.

10.3 Survival. Termination of this Agreement shall not affect any of the Parties' respective rights accrued or obligations owed before termination, including any rights or obligations of the Parties in respect of any accepted Purchase Orders existing at the time of termination. In addition, the following shall survive termination of this Agreement for any reason: Sections 3.3 6.2 and 6.4, and Articles 4, 7, 8, 9, 10 and 11.

ARTICLE 11
MISCELLANEOUS

11.1 Force Majeure Events. The Parties shall be excused from any failure to perform any obligation hereunder to the extent such failure is caused by a Force Majeure Event. A Force Majeure Event shall operate to excuse a failure to perform an obligation hereunder only for the period of time during which the Force Majeure Event renders performance impossible or infeasible and only if the Party asserting Force Majeure as an excuse for its failure to perform has provided written notice to the other Party specifying the obligation to be excused and describing the events or conditions constituting the Force Majeure Event. As used herein, "**Force Majeure Event**" means the occurrence of an event or circumstance beyond the reasonable control of the party failing to perform, including (a) explosions, fires, flood, earthquakes, catastrophic weather conditions, or other elements of nature or acts of God; (b) acts of war (declared or undeclared), acts of terrorism, insurrection, riots, civil disorders, rebellion or sabotage; (c) acts of federal, state, local or foreign governmental authorities or courts; (d) labor disputes, lockouts, strikes or other industrial action, whether direct or indirect and whether lawful or unlawful; (e) failures or fluctuations in electrical power or telecommunications service or equipment; and (f) delays caused by the other Party's nonperformance hereunder.

11.2 Specific Performance. The Parties agree that irreparable damage will result if this Agreement is not performed in accordance with its terms, and the Parties agree that any damages available at law for a breach of this Agreement would not be an adequate remedy. Therefore, the provisions hereof and the obligations of the Parties hereunder shall be enforceable in a court of equity, or other tribunal with jurisdiction, by a decree of specific performance, and appropriate preliminary or permanent injunctive relief may be applied for and granted in connection therewith. Such remedies and all other remedies provided for in this Agreement shall, however, be cumulative and not exclusive and shall be in addition to any other remedies that a Party may have under this Agreement.

11.3 Assignment. This Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of each Party hereto. Neither this Agreement nor any right or obligation hereunder may be assigned or delegated by either Party in whole or in part to any other Person, other than a wholly-owned Subsidiary of a Party, without the prior written consent of the non-assigning Parties. Any purported assignment in violation of the provisions of this Section shall be null and void and have no effect. No assignment or delegation by any Party will relieve or release the delegating Party from any of its liabilities and obligations under this Agreement.

11.4 Compliance with Laws and Regulations. Each of the Parties shall comply with, and shall use reasonable efforts to require that its respective subcontractors comply with, Applicable Laws relating to this Agreement and the performance of a Party's rights hereunder.

11.5 Notice. All notices and other communications hereunder shall be in writing and shall be deemed given upon (a) transmitter's confirmation of a receipt of a facsimile transmission; (b) confirmed delivery by a standard overnight carrier or when delivered by hand; (c) the expiration of five (5) Business Days after the day when mailed in the United States by certified or registered mail, postage prepaid; or (d) delivery in Person, addressed at the following addresses (or at such other address for a party as shall be specified by like notice):

In the case of Micron:

Micron Technology, Inc.
8000 S. Federal Way Boise, Idaho 83716
Attention: General Counsel
Facsimile Number: (208) 363-1309

In the case of Intel:

Intel Corporation

2200 Mission College Blvd.
Mail-Stop SC4-203
Santa Clara, California 95054
Attention: General Counsel
Facsimile Number: (408) 765-6016

Either Party may change its address for notices upon giving ten (10) days written notice of such change to the other Party in the manner provided above.

11.6 Waiver. The failure at any time of a Party to require performance by the other Party of any responsibility or obligation required by this Agreement shall in no way affect a Party's right to require such performance at any time thereafter, nor shall the waiver by a Party of a breach of any provision of this Agreement by the other Party constitute a waiver of any other breach of the same or any other provision nor constitute a waiver of the responsibility or obligation itself.

11.7 Severability. Should any provision of this Agreement be deemed in contradiction with the laws of any jurisdiction in which it is to be performed or unenforceable for any reason, such provision shall be deemed null and void, but this Agreement shall remain in full force in all other respects. Should any provision of this Agreement be or become ineffective because of changes in Applicable Laws or interpretations thereof, or should this Agreement fail to include a provision that is required as a matter of law, the validity of the other provisions of this Agreement shall not be affected thereby. If such circumstances arise, the Parties hereto shall negotiate in good faith appropriate modifications to this Agreement to reflect those changes that are required by Applicable Law.

11.8 Third Party Rights. Nothing in this Agreement, whether express or implied, is intended or shall be construed to confer, directly or indirectly, upon or give to any Person, other than the Parties hereto, any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenant, condition or other provision contained herein.

11.9 Amendment. This Agreement may not be modified or amended except by a written instrument executed by or on behalf of each of the Parties to this Agreement.

11.10 Entire Agreement. This Agreement and the applicable provisions of the Confidentiality Agreement, which are incorporated herein and made a part hereof, together with the Exhibits and Schedules hereto and the agreements and instruments expressly provided for herein, constitute the entire agreement of the Parties hereto with respect to the subject matter hereof and supersede all prior agreements and understandings, oral and written, between the Parties hereto with respect to the subject matter hereof.

11.11 Choice of Law. This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Delaware, without giving effect to the principles of conflict of laws thereof.

11.12 Jurisdiction; Venue. Any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement shall be brought in a state or federal court located in Delaware and each of the Parties to this Agreement hereby consents and submits to the exclusive jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by Applicable Law, any objection which it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding which is brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

11.13 Headings. The headings of the Articles and Sections in this Agreement are provided for convenience of reference only and shall not be deemed to constitute a part hereof.

11.14 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

11.15 Insurance. Without limiting or qualifying Micron's liabilities, obligations, or indemnities otherwise assumed by Micron pursuant to this Agreement, Micron shall maintain, at no charge to Intel, with companies acceptable to Intel: Commercial General Liability insurance with limits of liability not less than **[***]** Dollars ($**[***]**) per occurrence and including liability coverage for bodily injury or property damage (a) **[***]** and (b) arising out of **[***]**. Micron's insurance shall be primary with respect to liabilities assumed by Micron in this Agreement to the extent such liabilities are the subject of Micron's insurance, and any applicable insurance maintained by Intel shall be excess and non-contributing. The above coverage shall name Intel as additional insured as respects Micron's work or services provided to or on behalf of Intel.

[Signature page follows]

IN WITNESS WHEREOF, this Agreement has been duly executed by and on behalf of the Parties hereto as of the date first set forth above.

INTEL CORPORATION

By: /s/ Brian Krzanich
Name: Brian Krzanich
Title: Chief Executive Officer

MICRON SEMICONDUCTOR ASIA PTE. LTD.

By: /s/ Wayne R. Allan
Name: Wayne R. Allan
Title: Managing Director

MICRON TECHNOLOGY, INC.

By: /s/ Michael W. Sadler
Name: Michael W. Sadler
Title: VP of Corporate Development

THIS IS THE SIGNATURE PAGE FOR THE **[***]** SUPPLEMENTAL SUPPLY AGREEMENT ENTERED INTO BY AND AMONG INTEL CORPORATION, MICRON SEMICONDUCTOR ASIA PTE. LTD. AND MICRON TECHNOLOGY, INC.

EXHIBIT A DEFINITIONS

"**[***] Supply Agreement**" shall have the meaning set forth in the recitals to this Agreement.

"**[***] Initial Joint Qualification Release**" means the date of the Joint Qualification Release for the first Design ID to be run on the **[***]** Process Technology Node in the Singapore Fab.

"**[***] Initial Joint Qualification Release**" means the date of the Joint Qualification Release for the first Design ID to be run on the **[***]** Process Technology Node in the Singapore Fab.

"**[***] Letter Agreement**" shall have the meaning set forth in the recitals to this Agreement.

"**[***] Products**" means Qualified Probed Wafers manufactured on the **[***]** Process Technology Node.

"**Agreement**" shall have the meaning set forth in the preamble to this Agreement.

"**Applicable Law**" means any applicable laws, statutes, rules, regulations, ordinances, orders, codes, arbitration awards, judgments, decrees or other legal requirements of any Governmental Entity.

"**Binding Forecast Wafers**" shall have the meaning set forth in Section 3.l(d).

"**Business Day**" means a day that is not a Saturday, Sunday or other day on which commercial banking institutions in the State of New York are authorized or required by Applicable Law to be closed.

"**[***]**" means a **[***]** that affects **[***]**, including **[***]**.

"**[***]**" means a **[***]** that **[***]**, or **[***]**.

"**Confidentiality Agreement**" means that certain Second Amended and Restated Mutual Confidentiality Agreement by and among Intel, Intel Technology Asia Pte Ltd, MTI, MSA, IMFT and IMFS, dated as of April 6, 2012, as amended.

"**Design ID**" means a design ID approved by the Parties for manufacture on the **[***]** or **[***]** Process Technology Node.

"**Effective Date**" shall have the meaning set forth in the preamble to this Agreement.

"**Estimated Price**" means an amount equal to Micron's estimate of the Final Price with respect to the applicable Qualified Probed Wafers.

"**Excursion**" means an occurrence during production that is outside normal historical behavior as established by the Parties in writing in the applicable Specifications, which may impact performance, quality, reliability or delivery commitments hereunder for Qualified Probed Wafers.

"**Final Price**" means the consideration to be paid by Intel to Micron for Qualified Probed Wafers and Foregone Wafers as calculated pursuant to Schedule 1.

"**Fiscal Month**" means any of the twelve financial accounting months within Micron's Fiscal Year.

"**Fiscal Quarter**" means any of the four financial accounting quarters within Micron's Fiscal Year.

"**Fiscal Year**" means the fiscal year of Micron for financial accounting purposes.

"**Flash Memory Integrated Circuit**" means a non-volatile memory integrated circuit that contains memory cells that are electrically programmable and electrically erasable whereby the memory cells consist of one or more transistors that have a floating gate, charge-trapping regions or any other functionally equivalent structure utilizing one or more different charge levels (including binary or multi-level cell structures) with or without any on-chip control, 1/0 and other support circuitry.

"**Force Majeure Event**" shall have the meaning set forth in Section 11.1.

"**Foregone Wafers**" shall have the meaning set forth in Section 3.3(b).

"**GAAP**" means United States generally accepted accounting principles as in effect from time to time.

"**[***]**" means the **[***]** on a **[***]** and are determined to be **[***]** which at a **[***]** are shown by the **[***]** to meet the **[***]** with some **[***]** and **[***]**, and to have an **[***]**.

"**Governmental Entity**" means any governmental authority or entity, including any agency, board, bureau, commission, court, municipality, department, subdivision or instrumentality thereof, or any arbitrator or arbitration panel.

"**Hazardous Materials**" means dangerous goods, chemicals, contaminants, substances, pollutants or any other materials that are defined as hazardous by relevant local, state, national, or international law, regulations and standards.

"**IMFT**" means IM Flash Technologies, LLC, a Delaware limited liability company.

"**IMFT Services Agreement**" means that certain Services Agreement by and among IMFT, Intel and MTI, dated as of September 18, 2009, as amended, including by that certain First Amendment to Services Agreement (IMFT Services to Intel) by and among IMFT, Intel and MTI, dated as of April 6, 2012.

"**Indemnified Losses**" means all direct, out-of-pocket liabilities, damages, losses, costs and expenses of any nature incurred by an Indemnified Party, including reasonable attorneys' fees and consultants' fees, and all damages, fines, penalties and judgments awarded or entered against an Indemnified Party, but specifically excluding any special, consequential or other types of indirect damages.

"**Indemnified Party**" means any of the following to the extent entitled to seek indemnification under this Agreement: Intel, Micron, and their respective affiliates, officers, directors, employees, agents, assigns and successors.

"**Indemnifying Party**" means the Party owing a duty of indemnification to an Indemnified Party with respect to a particular Third Party Claim.

"**Initial Joint Qualification Release**" means the **[***]** Initial Joint Qualification Release or the **[***]** Initial Joint Qualification Release, as applicable.

"**Intel**" shall have the meaning set forth in the preamble to this Agreement.

"**JDP Committee**" means the JDP Committee as defined in that certain Amended and Restated Joint Development Program Agreement, between MTI and Intel, dated as of April 6, 2012, as amended.

"**Joint Qualification Release**" means, (a) with respect to Probed Wafers utilizing a **[***]** Process Technology Node, the date that a unique Design ID is deemed by the JDP Committee to meet the specifications delineated in the **[***]** set forth in the **[***]** for that Design ID and (b) with respect to Probed Wafers utilizing a **[***]** Process Technology Node, the date that a unique Design ID is deemed by the JDP Committee to meet the specifications with respect to that particular Design ID.

"**Joint Development Program Agreement**" means that Amended and Restated Joint Development Program Agreement, dated as of April 6, 2012, by and between Intel and MTI.

"**Long Range Demand Forecast**" shall have the meaning set forth in Section 3.2.

"**Losses**" means, collectively, any and all insurable liabilities, damages, losses, costs and expenses (including reasonable attorneys' and consultants' fees and expenses).

"**Micron**" shall have the meaning set forth in the preamble to this Agreement.

"**MSA**" shall have the meaning set forth in the preamble to this Agreement.

"**MTI**" shall have the meaning set forth in the preamble to this Agreement.

"**NAND Flash Memory Integrated Circuit**" means a Flash Memory Integrated Circuit in which the memory cells included in the Flash Memory Integrated Circuit are arranged in groups of serially connected memory cells (each such group of serially connected memory cells called a "string") in which the drain of each memory cell of a string (other than the first memory cell in the string) is connected in series to the source of another memory cell in such string, the gate of each memory cell in such string is directly accessible, and the drain of the uppermost bit of such string is coupled to the bitline of the memory array.

"**Order Year**" shall have the meaning set forth in Section 2.1(b).

"**Order Year Qualified Probed Wafer Commitment**" shall have the meaning set forth in Section 2.1(b).

"**Party**" and "**Parties**" shall have the meaning set forth in the preamble to this Agreement.

"**Person**" means any natural person and any corporation, firm, partnership, trust, estate, limited liability company, or other entity resulting from any form of association.

"**Prime Wafer**" means the raw silicon wafers required, on a product-by-product basis, to manufacture Qualified Probed Wafers.

"**Probe Testing**" means testing, using a wafer test program as set forth in the applicable Specifications, of a wafer that has completed all processing steps deemed necessary to complete the creation of the desired NAND Flash Memory Integrated Circuits in the die on such wafer, the purpose of which test is to determine how many and which of the die meet the applicable criteria for such die set forth in the Specifications.

"**Probed Wafer**" means a Prime Wafer that, using either the **[***]** or **[***]** Process Technology Node, has been processed to the point of containing NAND Flash Memory Integrated Circuits organized in multiple semiconductor die (but before singulation of said die into individual semiconductor dice), that has undergone Probe Testing and any other mutually agreed upon special processing or handling.

"**Process Technology Node**" means a process with a known feature size or number of tiers or decks that is differentiated from another or others that have a different feature size or number of tiers or decks that yields at least a **[***]** percent (**[***]**%) difference in **[***]** relative to each other. For clarity, a difference in the number of **[***]** shall not be considered a different process node for purposes of this definition of "Process Technology Node."

"**Purchase Order**" shall have the meaning set forth in Section 4.1.

"Qualified Probed Wafer" means a Qualified Probed Wafer with a unique Design ID that is completed at the Singapore Fab after the applicable Initial Joint Qualification Release.

"**Qualified Probed Wafer Commitment**" shall have the meaning set forth in Section 2.1 (b).

"**Qualified Probed Wafer Demand Forecast**" shall have the meaning set forward in Section 3.1(a).

"**Ramp Period**" means the time period covered by the Ramp Schedule.

"**Ramp Period Qualified Probed Wafer Commitment**" shall have the meaning set forth in Section 2.1(a).

"**Ramp Schedule**" shall have the meaning set forth on Schedule 3 to this Agreement.

"**Recoverable Taxes**" shall have the meaning set forth in Section 4.4.

"**Response to Forecast**" shall have the meaning set forth in Section 3.l(c).

"**Singapore Fab**" means the wafer fabrication plants located in Singapore that are now or hereafter owned by Micron.

"**Specifications**" means those specifications used to describe, characterize, and define the yield, quality and performance of the Qualified Probed Wafers, including any interim performance specifications at Probe Testing, as such specifications may be agreed from time to time by the Parties.

"**Start Date**" means the date that is **[***]** Fiscal Months **[***]** the **[***]** Initial Joint Qualification Release, or as mutually agreed upon by the Parties.

"**Subsidiary**" means as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person.

"**Term**" shall have the meaning set forth in Section 10.1.

"**Third Party Claim**" means any claim, demand, action, suit or proceeding, and any actual or threatened lawsuit, complaint, cross-complaint or counter-complaint, arbitration or other legal or arbitral proceeding of any nature, brought in any court, tribunal or judicial forum anywhere in the world, regardless of the manner in which such proceeding is captioned or styled, by any Person other than Intel, Micron and affiliates of the foregoing, against an Indemnified

Party, in each case alleging entitlement to any Indemnified Losses pursuant to any indemnification obligation under this Agreement.

"**[***] Cost**" means the calculation referenced on Schedule 2.

"**Wafer Supply Agreement**" means the Wafer Supply Agreement dated April 6, 2012, as amended, by and among Intel, MSA and MTI, and if such agreement is no longer in effect, the Wafer Supply Agreement No. 3, dated as of September 1, 2015, by and among Intel, MSA and MTI.

"**Warranty Notice Period**" shall have the meaning set forth in Section 6.2.

SCHEDULE 1

PRICE

"**Final Price**" means with respect to Qualified Probed Wafers of **[***]**, Final Price equals: (i) the total of **[***]** Costs **[***]** for **[***]**; (ii) plus **[***]** the amount **[***]**; and (iii) which such **[***]** is then **[***]**.

With respect to each Foregone Wafer, Final Price equals: (i) the total **[***]** Costs **[***]** in which such Foregone Wafer **[***]**; (ii) plus **[***]** the amount **[***]**; and (iii) which such **[***]** is then **[***]**. Foregone Wafers will be deemed to exist (and will be invoiced) **[***]**, subject to Section 3.1 (b), **[***]**.

SCHEDULE 2

COST

"**[***] Cost**" means all of the following to the extent attributable to Micron's **[***]** of the Probed Wafers in accordance with this Agreement in a **[***]**. **[***]** Cost will **[***]**, and will **[***]**.

Separate from any determination of "**[***]** Costs", **[***]**. Micron will **[***]** in the applicable **[***]**, such excluding any **[***]** within the applicable **[***]**. Micron will **[***]** under Section 4.5. For clarity, the **[***]**.

Example:

[***]

[***] Cost will **[***]** to the extent that the **[***]** Probed Wafers **[***]** at the Singapore Fab **[***]** of the **[***]** such Probed Wafers.

SCHEDULE 3

RAMP SCHEDULE

- Each **[***]** beginning on the Start Date and ending **[***]** after the Start Date, **[***]** Qualified Probed Wafers **[***]**.

- Beginning **[***]** after the Start Date and ending on the one-year anniversary of the Start Date, **[***]** Qualified Probed Wafers.

[***] DENOTES CONFIDENTIAL MATERIALS OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT

CONFIDENTIAL

WAFER SUPPLY AGREEMENT NO. 3

This WAFER SUPPLY AGREEMENT NO. 3 (this "**Agreement**") is made and entered into as of September 1, 2015 (the "**Effective Date**"), by and between Intel Corporation, a Delaware corporation ("**Intel**"), Micron Semiconductor Asia Pte. Ltd., a Singapore corporation ("**MSA**") and Micron Technology, Inc., a Delaware corporation ("**MTI**" and, together with MSA, collectively, "**Micron**"). Each of Intel, MSA and MTI may be referred to herein individually as a "**Party**" and collectively as the "**Parties**."

RECITALS

A. Intel desires to purchase and Micron desires to supply **[***]** WOPW of Probed Wafers for a one-year period.

B. Under the **[***]** Letter Agreement dated as of the Effective Date, by and among Intel, MSA and MTI (the "**[***] Letter Agreement**"), the Parties desire that a certain payment from Intel to Micron be made to address certain startup costs associated with the manufacture of **[***]** Products at the Singapore Fab.

C. Under the Deposit Agreement dated as of the Effective Date, by and among Intel and MTI (the "**Deposit Agreement**"), Intel has agreed to make with Micron a refundable deposit against Intel's payment obligations in accordance with Section 2.3 of the Deposit Agreement.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties intending to be legally bound do hereby agree as follows.

ARTICLE 1

DEFINITIONS; CERTAIN INTERPRETIVE MATTERS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, capitalized terms used in this Agreement shall have the respective meanings set forth in Exhibit A.

1.2 Certain Interpretive Matters.

(a) Unless the context requires otherwise, (i) all references to Sections, Articles, Recitals, Exhibits or Schedules are to Sections, Articles, Recitals, Exhibits or Schedules of or to this Agreement; (ii) each of the Schedules will apply only to the corresponding Section or subsection of this Agreement; (iii) words in the singular include the plural and vice versa; (iv) the term "including" means "including without limitation"; and (v) the terms "herein," "hereof," "hereunder" and words of similar import shall mean references to this Agreement as a whole and not to any individual Section or portion hereof. All references to $ or dollar amounts will be to lawful currency of the United States of America. All references to "day" or "days" will mean calendar days and all references to "quarter(ly)", "month(ly)" or "year(ly)" will mean Fiscal Quarter, Fiscal Month or Fiscal Year, respectively.

(b) No provision of this Agreement will be interpreted in favor of, or against, any of the Parties by reason of the extent to which any such Party or its counsel participated in the drafting thereof or by reason of the extent to which any such provision is inconsistent with any prior draft of this Agreement or such provision.

ARTICLE 2

GENERAL OBLIGATIONS

2.1 Supply and Purchase. Subject to the terms and conditions of this Agreement, Micron will supply to Intel and Intel will purchase from Micron beginning on the Commencement Date and continuing until the Expiration Date (the "**Supply Period**"), **[***]** WOPW of Probed Wafers (the "**Minimum Commitment**"). Intel will be deemed to have committed to purchase, and Micron will be deemed to have committed to supply, the Probed Wafers accepted by Micron in the Response to Forecast in a quantity at least equal to the Minimum Commitment (the "**Binding Forecast Wafers**").

2.2 Traceability and Data Retention. Micron agrees to maintain, or cause its relevant affiliates to maintain, its production data relating to the Probed Wafers supplied hereunder for a minimum of **[***]** (**[***]**) years. At Intel's request, Micron will make available **[***]** as well as the **[***]** for Probed Wafers supplied to Intel hereunder. The Parties will exchange mutually agreed Probed Wafer manufacturing data via electronic or other means as mutually agreed by the Parties. At Intel's request, Micron will also make available such data electronically to IMFT pursuant to the IMFT Services Agreement.

2.3 Control; Processes. Micron will, or will cause its relevant affiliates to, review with Intel any control and process mechanisms applicable to the manufacture of all Probed Wafers sold by Micron under this Agreement, including but not limited to such mechanisms that are utilized to meet or exceed the Specifications for the Probed Wafers. The Parties agree to work together in good faith to define mutually agreeable control and process mechanisms including the following: **[***]**; and **[***]**; provided, however, that Micron will not be required to bear any expense relating to Intel's control and process mechanism requests that are in addition

to those used by Micron or its relevant affiliates. Micron will promptly notify Intel or IMFT of all Excursions which may impact scheduled commitments to Intel.

2.4 Additional Customer Requirements. Intel will inform Micron in writing of any auditable supplier requirements of Intel's customers relating to any Facility at which Probed Wafers are manufactured. The Parties will work together in good faith to implement such requirements in a commercially reasonable manner.

2.5 **[***]** Restrictions. Without the prior written approval of Intel or Intel's designee at IMFT, Micron shall not implement a **[***]** or **[***]** with respect to the Probed Wafers Micron supplies to Intel pursuant to this Agreement.

2.6 Production Masks. Unless otherwise agreed with Intel, Micron or its subcontractors will be responsible to obtain, maintain, repair and replace masks used in the production of Probed Wafers outside of the Lehi Fab. Production masks will be repaired and replaced solely at mask operations that have been approved by Intel, which approval shall not be unreasonably withheld or delayed.

ARTICLE 3

FORECASTING; TAKE OR PAY

3.1 Forecasting.

(a) Demand Forecast. Intel will provide Micron, either directly or via IMFT pursuant to the IMFT Services Agreement, beginning **[***]** the beginning of the Supply Period and on a rolling basis each Fiscal Month thereafter until the end of the Term, with a written demand forecast of its Probed Wafer needs for the immediately following **[***]** Fiscal Months of the Supply Period, in quantities sufficient to satisfy the Minimum Commitment (the "**Demand Forecast**"). The Demand Forecast will include desired Probed Wafer breakout by design id, Process Technology Node, process revision and probe test revision. In addition, the Demand Forecast will include the level of Probe Testing, marking specification and packaging requirements, requested delivery date and place of delivery for the Probed Wafers, which information will be updated by Intel on a weekly basis as necessary.

(b) Boundary Conditions.

(i) In its Response to Forecast, Micron may reject the Demand Forecast to the extent the Demand Forecast does not comply with the following boundary conditions:

1. Micron is required to accept only design ids that: (A) at the time designated **[***]** (or are **[***]**; and (B) are being manufactured **[***]** and are not **[***]**;

2. Micron need not accept for any design id **[***]** than **[***]** wafers per **[***]**;

3. a Demand Forecast to the extent that it specifies Probed Wafers that are not based on a design id approved by the JDP Committee;

4. a Demand Forecast to the extent that it specifies for any given **[***]** Probed Wafers utilizing the **[***]** Process Technology Node under this Agreement than under the Amended and Restated **[***]** Supply Agreement or the 100/110 Supplemental Supply Agreement; or

5. any Demand Forecast to the extent that it would result in Intel receiving **[***]** than **[***]** of the Singapore Fab's **[***]** with respect to **[***]** Products, after taking into account all supply arrangements to which Intel or any of its Affiliates is a party in aggregate, unless otherwise previously agreed to by the Parties.

(ii) In its Response to Forecast, Micron commits to support Intel's Demand Forecast for **[***]** Products **[***]** of the Singapore Fab's **[***]** with respect to **[***]** Products,after taking into account all supply arrangements to which Intel or any of its affiliates is a party in aggregate, as long as Intel's Demand Forecast complies with the boundary conditions above.

(c) Response to Forecast. Within a commercially reasonable period of time (or within a time period mutually agreed by the Parties from time-to-time) following Micron's actual, direct receipt of each Demand Forecast, Micron shall furnish Intel with a written response indicating what portion of the Demand Forecast that Micron will commit to supply (the "**Response to Forecast**"). In each Response to Forecast, Micron will commit to supply quantities sufficient to satisfy the Minimum Commitment. In each Response to Forecast, Micron may **[***]** requested in the Demand Forecast, provided that Micron has provided notice of any such **[***]** (**[***]**) months in advance and for so long as all of the **[***]** are of the **[***]**. In each Response to Forecast, Micron will indicate the Facility from which Micron intends to supply each Probed Wafer, provided that Micron reserves the right to change the manufacturing Facility (i) in response to design id mix changes Intel makes pursuant to Section 3.1(d) and (ii) in order to ensure Micron can satisfy its performance obligations hereunder. Notwithstanding the foregoing, in no event will Micron supply Probed Wafers from a Facility at which the design id in question has not achieved qualification as established by the applicable JDP Committee.

(d) Design ID Mix. Intel may request a change to the design id mix within a particular Process Technology Node in the Demand Forecast at any time until **[***]** prior to the scheduled loading of the wafers in question and Micron shall commit to supply the requested design id mix changes in a revised Response to Forecast so long as the changes comply with the terms of Section 2.1 and Section 3.1(b).

(e) Variability. Micron will make commercially reasonable efforts to limit the **[***]** variability of the quantity of Binding Forecast Wafers it supplies to no more than **[***]** percent (**[***]**%) of the number of Binding Forecast Wafers for such week, and Micron will promptly notify Intel in writing of any inability to timely deliver the Binding Forecast Wafers. If Micron does not make up any shortfall of Binding Forecast Wafers for any given design id within **[***]** of the **[***]**, the Final Price for the Probed Wafers that are delivered after such **[***]** period in satisfaction of any shortfall remaining upon the conclusion of such **[***]** period shall be an amount equal to the **[***]**. Any extraordinary costs or fees incurred by Micron to hold excess inventory or make up any shortfall are at Micron's expense.

(f) Yield. Micron will make commercially reasonable efforts to deliver Probed Wafers under this Agreement that have a functional die yield, on a **[***]** basis, of no less than **[***]** percent (**[***]**%) below the **[***]** functional die yield for the same product during the same **[***]** at the Lehi Fab or, if such product is not manufactured at Lehi during such **[***]**, at the Facility at which the Probed Wafers of such product were manufactured.

(g) Long Range Forecast. **[***]**, in coordination with IMFT's **[***]** business plan, Intel will provide Micron with a forecast for its Minimum Commitment for the remaining duration of the Term. Micron will provide feedback on those forecasts within a commercially reasonable period of time (or within a time period mutually agreed by the Parties from time-to-time) following IMFT's **[***]** business plan review.

3.2 Take or Pay.

(a) If Intel fails to purchase all Binding Forecast Wafers, Intel still shall be obligated to pay the Final Price for the Binding Forecast Wafers it fails to purchase.

(b) If Intel fails to provide a Demand Forecast that satisfies the Minimum Commitment in any period, Intel shall be obligated to pay the Final Price for the balance of the Minimum Commitment not purchased by Intel ("**Foregone Wafers**").

3.3 **[***]** Reviews and Reports. Each **[***]** during the Supply Period, Micron shall provide Intel (and, at Intel's request, IMFT) with a **[***]** report and meet with Intel (and, at Intel's request, IMFT) to discuss **[***]** and the most recent **[***]** report. The **[***]** report will include **[***]** to the **[***]** to the **[***]**, and summarize any **[***]** in the **[***]**, including but not limited to **[***]**, and other indicators that may **[***]**. At such meetings the Parties shall define **[***]** and **[***]**. At Intel's expense and discretion, but in no circumstance more than **[***]**, Intel may elect a qualified third party accountancy firm to examine actual transactions under this Agreement and compliance to its requirements for the period that includes the current and immediately preceding **[***]**. Prior to attestation engagement planning by the accounting firm, the Parties will mutually agree on scope of work and timing contained within the engagement letter between the accounting firm and Intel. Micron agrees to take all reasonable steps necessary to make all relevant records available to the accounting firm's examiners conducting the review. Intel agrees to use all reasonable efforts to coordinate and minimize impact to Micron for reasonable access, during normal business hours, without interruption to the

Singapore Fab operations and upon reasonable advance notice, and only after the implementation of reasonable, as determined in Micron's sole discretion, safeguards, including execution of a confidentiality agreement and prior approval of the representatives, to the premises, property and books and records, including **[***]**, of the Singapore Fab to the extent necessary or appropriate in the reasonable discretion of the independent accounting firm for the purposes of investigating, confirming or determining the extent or amount of any product liability, warranty, refund or similar claims and obligations which may arise with respect to Products manufactured at the Singapore Fab under this Agreement.

ARTICLE 4

PURCHASE ORDERS, INVOICING AND PAYMENTS

4.1 Placement of Purchase Orders. Prior to the commencement of every Fiscal Quarter, Intel shall place a non-cancelable blanket purchase order in writing (via e-mail or facsimile transmission) for Probed Wafers to be supplied by Micron for the upcoming Fiscal Quarter during the Supply Period (each such order, a "**Purchase Order**"), which Purchase Order shall request a quantity of Probed Wafers that is no less than the quantity set forth in the current Response to Forecast for such upcoming Fiscal Quarter.

4.2 Content of Purchase Orders. Each Purchase Order shall specify the following items: (a) Purchase Order number; (b) description and part number of each different Probed Wafer; (c) forecasted quantity of each different design id; (d) the Estimated Price and total Estimated Price for each different design id, and total Estimated Price for all Probed Wafers ordered; and (e) other terms (if any) that are mutually agreed in writing by the Parties.

4.3 Acceptance of Purchase Order. If the quantity requested in a Purchase Order is equal to the quantity set forth in the current Response to Forecast for such upcoming Fiscal Quarter, Micron shall be deemed to accept such Purchase Order. If the quantity requested in such Purchase Order exceeds the quantity set forth in the current Response to Forecast for such upcoming Fiscal Quarter, Micron shall be deemed to accept a quantity under such Purchase Order that is equal to the quantity set forth in the current Response to Forecast and Micron may accept or reject any excess quantities in its sole discretion. If any Purchase Order contains any errors, Micron may accept or reject such Purchase Order, or any portions thereof, in its sole discretion.

4.4 Taxes. All transfer taxes (e.g., goods and services tax, value added tax, sales tax, service tax, business tax, etc.) imposed directly on or solely as a result of the sale, transfer or delivery of Probed Wafers and the payments therefor provided herein shall be stated separately on Micron's invoice, shall be the responsibility of and collected from Intel, and shall be remitted by Micron to the appropriate tax authority ("**Recoverable Taxes**"), unless Intel provides valid proof of tax exemption prior to the effective date of the transfer of the Probed Wafers or otherwise as permitted by law prior to the time Micron is required to pay such taxes to the appropriate tax authority. When property is delivered within jurisdictions in which collection and remittance of taxes by Micron is required by law, Micron shall have sole responsibility for

remittance of said taxes to the appropriate tax authorities. In the event such taxes are Recoverable Taxes and Micron does not collect tax from Intel or remit such taxes to the appropriate Governmental Entity on a timely basis, and is subsequently audited by any tax authority, liability of Intel will be limited to the tax assessment for such Recoverable Taxes, with no reimbursement for penalty or interest charges or other amounts incurred in connection therewith. Notwithstanding anything herein to the contrary, taxes other than Recoverable Taxes shall not be reimbursed by Intel, and each Party is responsible for its own respective income taxes (including franchise and other taxes based on net income or a variation thereof), taxes based upon gross revenues or receipts, and taxes with respect to general overhead, including but not limited to business and occupation taxes, and such taxes shall not be Recoverable Taxes.

4.5 Invoicing, Reconciliation & Payment.

(a) With respect to Probed Wafers of a particular design id, MSA will invoice Intel as follows:

(i) With respect to each shipment of Probed Wafers of a particular design id shipped, MSA will invoice Intel the Estimated Price for such Probed Wafers.

(ii) Within **[***]** business days of each Fiscal Month following a Fiscal Month in which an invoice is delivered pursuant to Section 4.5(a)(i), Micron will calculate the Final Price for the Probed Wafers shipped in the immediately preceding Fiscal Month. If the Final Price exceeds the Estimated Price invoiced by Micron previously in the immediately preceding Fiscal Month for the same Probed Wafers, then Micron will issue Intel an invoice within **[***]** (**[***]**) days for the difference between such amounts. If the Final Price is less than the Estimated Price invoiced by Micron previously in the immediately preceding Fiscal Month for the same Probed Wafers, then Micron will issue Intel a credit memorandum within **[***]** (**[***]**) days for the difference between such amounts.

(b) Payment. All amounts owed under this Agreement shall be stated, calculated and paid in United States Dollars. Except as otherwise specified in this Agreement, Intel shall pay the invoicing entity for the amounts due, owing, and duly invoiced under this Agreement within **[***]** (**[***]**) days following delivery of an invoice therefor to such place as the invoicing entity may reasonably direct therein.

4.6 Payment to Subcontractors. Micron shall be responsible for and shall hold Intel harmless for any and all payments to its vendors or subcontractors utilized in the performance of this Agreement.

ARTICLE 5

TITLE, RISK OF LOSS AND SHIPMENT

5.1 Title and Risk of Loss. Intel shall take title to, and assume risk of loss with respect to, the Probed Wafers that are exported from the country of manufacturing using the term **[***]** and for Probed Wafers that are not exported from the country of manufacturing using the term **[***]**, in each case pursuant to INCOTERMS 2010.

5.2 Packaging. All packaging of the Probed Wafers shall be in conformance with the Specifications, Intel's reasonable instructions, and general industry standards, and shall be reasonably resistant to damage that may occur during transportation. Marking on the packages shall be made by Micron in accordance with Intel's reasonable instructions.

5.3 Shipment. Intel shall provide shipping instructions to Micron, shall bear all shipping costs, and shall directly pay all shipping carriers. All Probed Wafers shall be prepared for shipment in a manner that: (a) follows good commercial practice; (b) is acceptable to common carriers for shipment at the lowest rate; and (c) is adequate to ensure safe arrival. If and to the extent directed by Intel, Micron will mark all containers with necessary lifting, handling, and shipping information, Purchase Order number, date of shipment, and the names of Intel and applicable customer. At Intel's request, Micron will provide drop-shipment of Probed Wafers to Intel's customers. Shipment may be provided by a subcontractor to Micron.

5.4 Customs Clearance. Upon Intel's request, Micron will promptly provide Intel with a statement of origin for all Probed Wafers and with applicable customs documentation for Probed Wafers wholly or partially manufactured outside of the country of import.

ARTICLE 6

WARRANTY; HAZARDOUS MATERIALS; DISCLAIMER

6.1 Warranty. Micron makes the following warranties regarding the Probed Wafers furnished hereunder, which warranties shall survive any delivery, inspection, acceptance, payment, or resale of the Probed Wafers:

(a) the Probed Wafers will conform to all agreed Specifications;

(b) the Probed Wafers are free from defects in materials or workmanship; and

(c) Micron has the necessary right, title, and interest to provide the Probed Wafers to Intel and the Probed Wafers will be free of liens and encumbrances affecting title, not including any warranty of non-infringement.

6.2 Warranty Claims. Within a period of time, not to exceed the lesser of the actual warranty period applicable to the end customer for the Probed Wafer at issue or **[***]** months from the date of the delivery of the Probed Wafers at issue to Intel (the "**Warranty Notice Period**"), Intel shall notify Micron if it believes that any Probed Wafer does not meet the warranty set forth in Section 6.1. Intel shall return such Probed Wafers (or NAND Flash Memory Products **[***]** manufactured from Probed Wafers, as the case may be) to Micron as directed by Micron. If a Probed Wafer is determined not to be in compliance with such warranty, then Intel shall be entitled to return such Probed Wafer and cause Micron to replace at Micron's expense or, at Intel's option, receive a credit or refund of any monies paid to Micron in respect of such Probed Wafer. Such credit or refund shall in no event exceed on a per-unit basis the final price paid for the Probed Wafer under this Agreement, and shall not include any transfer taxes paid in respect of the Probed Wafer. The basis for such refund or credit shall be the Final Price on a per-unit basis in the month in which the returned Probed Wafer was invoiced to Intel. THE FOREGOING REMEDY IS INTEL'S SOLE AND EXCLUSIVE REMEDY FOR MICRON'S FAILURE TO MEET ANY WARRANTY OF SECTION 6.1.

6.3 Hazardous Materials.

(a) If Probed Wafers provided hereunder include Hazardous Materials as determined in accordance with applicable law, Micron represents and warrants that Micron and Micron's employees, agents, and subcontractors actually working with such materials in providing the Probed Wafers hereunder to Intel shall be trained in accordance with applicable law regarding the nature of and hazards associated with the handling, transportation, and use of such Hazardous Materials, as applicable to Micron.

(b) To the extent required by applicable law, Micron shall provide Intel with Material Safety Data Sheets (MSDS) either prior to or accompanying any delivery of Probed Wafers to Intel.

6.4 Disclaimer. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS ARTICLE 6, MICRON HEREBY EXPRESSLY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, NON-INFRINGEMENT OR OTHERWISE, WITH RESPECT TO THE PROBED WAFERS PROVIDED UNDER THIS AGREEMENT. THE WARRANTIES WILL NOT APPLY TO: (a) ANY WARRANTY CLAIM OR ISSUE, OR DEFECT TO THE EXTENT CAUSED BY TECHNICAL MATERIALS PROVIDED OR SPECIFIED BY, THROUGH OR ON BEHALF OF INTEL, INCLUDING BUT NOT LIMITED TO PRODUCT DESIGNS, TECHNOLOGY AND TEST PROGRAMS; OR (b) ANY OF THE PROBED WAFERS THAT HAVE BEEN REPAIRED OR ALTERED, EXCEPT AS AUTHORIZED BY MICRON, OR WHICH ARE SUBJECTED TO MISUSE, NEGLIGENCE, ACCIDENT OR ABUSE.

ARTICLE 7

CONFIDENTIALITY

7.1 All information provided, disclosed or obtained in the performance of any of the Parties' activities under this Agreement shall be subject to all applicable provisions of the Confidentiality Agreement. Furthermore, the terms and conditions of this Agreement shall be considered "Confidential Information" under the Confidentiality Agreement for which each Party is considered a "Receiving Party" under such agreement. To the extent there is a conflict between this Agreement and the Confidentiality Agreement, the terms of this Agreement shall control.

ARTICLE 8

INDEMNIFICATION

8.1 Mutual General Indemnity. Subject to Article 9, each Indemnifying Party shall indemnify, defend and hold harmless each Indemnified Party from and against any and all Indemnified Losses based on or attributable to any Third Party Claim or threatened Third Party Claim arising under this Agreement and as a result of the negligence, gross negligence or willful misconduct of the Indemnifying Party or any of its respective officers, directors, employees, agents or subcontractors. Notwithstanding the foregoing, this Section 8.1 shall not apply to any claims or losses based on or attributable to intellectual property infringement.

8.2 Indemnification Procedures.

(a) General Procedures. Promptly after the receipt by any Indemnified Party of a notice of any Third Party Claim that an Indemnified Party seeks to be indemnified under this Agreement, such Indemnified Party shall give written notice of such Third Party Claim to the Indemnifying Party, stating in reasonable detail the nature and basis of each allegation made in the Third Party Claim and the amount of potential Indemnified Losses with respect to each allegation, to the extent known, along with copies of the relevant documents received by the Indemnified Party evidencing the Third Party Claim and the basis for indemnification sought. Failure of the Indemnified Party to give such notice shall not relieve the Indemnifying Party from liability on account of this indemnification, except if and only to the extent that the Indemnifying Party is actually prejudiced by such failure or delay. Thereafter, the Indemnified Party shall deliver to the Indemnifying Party, promptly after the Indemnified Party's receipt thereof, copies of all notices and documents (including court papers) received by the Indemnified Party relating to the Third Party Claim. The Indemnifying Party shall have the right to assume the defense of the Indemnified Party with respect to such Third Party Claim upon written notice to the Indemnified Party delivered within thirty (30) days after receipt of the particular notice from the Indemnified Party. So long as the Indemnifying Party has assumed the defense of the Third Party Claim in accordance herewith and notified the Indemnified Party in writing thereof, (i) the Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in the defense of the Third Party Claim, it being understood that the Indemnifying

Party shall pay all reasonable costs and expenses of counsel for the Indemnified Party after such time as the Indemnified Party has notified the Indemnifying Party of such Third Party Claim and prior to such time as the Indemnifying Party has notified the Indemnified Party that it has assumed the defense of such Third Party Claim; (ii) the Indemnified Party shall not file any papers or, other than in connection with a settlement of the Third Party Claim, consent to the entry of any judgment without the prior written consent of the Indemnifying Party (not to be unreasonably withheld, conditioned or delayed); and (iii) the Indemnifying Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim (other than a judgment or settlement that is solely for money damages and is accompanied by a release of all indemnifiable claims against the Indemnified Party) without the prior written consent of the Indemnified Party (not to be unreasonably withheld, conditioned or delayed). Whether or not the Indemnifying Party shall have assumed the defense of the Indemnified Party for a Third Party Claim, such Indemnifying Party shall not be obligated to indemnify and hold harmless the Indemnified Party hereunder for any consent to the entry of judgment or settlement entered into with respect to such Third Party Claim without the Indemnifying Party's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed.

(b) Equitable Remedies. In the case of any Third Party Claim where the Indemnifying Party reasonably believes that it would be appropriate to settle such Third Party Claim using equitable remedies, the Indemnifying Party and the Indemnified Party shall work together in good faith to agree to a settlement; provided, however, that no Party shall be under any obligation to agree to any such settlement.

(c) Treatment of Indemnification Payments; Insurance Recoveries. Any indemnity payment under this Agreement shall be decreased by any amounts actually recovered by the Indemnified Party under third party insurance policies with respect to such Indemnified Losses (net of any premiums paid by such Indemnified Party under the relevant insurance policy), each Party agreeing (i) to use all reasonable efforts to recover all available insurance proceeds and (ii) to the extent that any indemnity payment under this Agreement has been paid by the Indemnifying Party to the Indemnified Party prior to the recovery by the Indemnified Party of such insurance proceeds, the amount of such insurance proceeds actually recovered by the Indemnified Party shall be promptly paid to the Indemnifying Party.

(d) Certain Additional Procedures. The Indemnified Party shall cooperate and assist the Indemnifying Party in determining the validity of any Third Party Claim for indemnity by the Indemnified Party and in otherwise resolving such matters. The Indemnified Party shall cooperate in the defense by the Indemnifying Party of each Third Party Claim (and the Indemnified Party and the Indemnifying Party agree with respect to all such Third Party Claim that a common interest privilege agreement exists between them), including: (i) permitting the Indemnifying Party to discuss the Third Party Claim with such officers, employees, consultants and representatives of the Indemnified Party as the Indemnifying Party reasonably requests; (ii) providing to the Indemnifying Party copies of documents and samples of products as the Indemnifying Party reasonably requests in connection with defending such Third Party Claim; (iii) preserving all properties, books, records, papers, documents, plans, drawings, electronic mail

and databases relating to pertinent matters under the Indemnified Party's custody or control in accordance with such Party's corporate documents retention policies, or longer to the extent reasonably requested by the Indemnifying Party; (iv) notifying the Indemnifying Party promptly of receipt by the Indemnified Party of any subpoena or other third party request for documents or interviews and testimony; (v) providing to the Indemnifying Party copies of any documents produced by the Indemnified Party in response to or compliance with any subpoena or other third party request for documents; and (vi) except to the extent inconsistent with the Indemnified Party's obligations under applicable law and except to the extent that to do so would subject the Indemnified Party or its employees, agents or representatives to criminal or civil sanctions, unless ordered by a court to do otherwise, not producing documents to a third party until the Indemnifying Party has been provided a reasonable opportunity to review, copy and assert privileges covering such documents.

ARTICLE 9

LIMITATION OF LIABILITY

9.1 Damages Limitation. SUBJECT TO SECTION 9.4, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL OR OTHER INDIRECT DAMAGES OR ANY PUNITIVE OR EXEMPLARY DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, WHETHER SUCH DAMAGES ARE BASED ON BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHER THEORY OF LIABILITY, AND EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

9.2 Remedy. THE PARTIES AGREE THAT TO THE EXTENT A CLAIM ARISES UNDER THIS AGREEMENT, THE CLAIM SHALL BE BROUGHT UNDER THIS AGREEMENT.

9.3 Damages Cap. SUBJECT TO SECTION 9.4, IF EITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY MATTER ARISING FROM THIS AGREEMENT, WHETHER BASED UPON AN ACTION OR CLAIM IN CONTRACT, WARRANTY, EQUITY, NEGLIGENCE, INTENDED CONDUCT OR OTHERWISE (INCLUDING ANY ACTION OR CLAIM ARISING FROM AN ACT OR OMISSION, NEGLIGENT OR OTHERWISE, OF THE LIABLE PARTY), THE AMOUNT OF DAMAGES RECOVERABLE AGAINST THE LIABLE PARTY WITH RESPECT TO ANY BREACH, PERFORMANCE, NONPERFORMANCE, ACT OR OMISSION HEREUNDER WILL NOT EXCEED THE LESSER OF THE ACTUAL DAMAGES ALLOWED HEREUNDER OR TEN MILLION DOLLARS ($10,000,000).

9.4 Exclusions and Mitigation. Section 9.1 and 9.3 will not apply to either Party's breach of Article 7. Section 9.3 will not apply to Intel's failure to meet a payment obligation which is due and payable under this Agreement. Each Party shall have a duty to use commercially reasonable efforts to mitigate damages for which the other Party is responsible.

9.5 Losses. Except as provided under Section 8.1, Micron and Intel each shall be responsible for Losses to their respective tangible personal or real property (whether owned or leased), and each Party agrees to look only to their own insurance arrangements with respect to such damages. Micron and Intel waive all rights to recover against each other, including each Party's insurers' subrogation rights, if any, for any loss or damage to their respective tangible personal property or real property (whether owned or leased) from any cause covered by insurance maintained by each of them, including their respective deductibles or self-insured retentions. Notwithstanding the foregoing, in the event of a loss hereunder involving a property, transit or crime event or occurrence that: (a) is insured under Intel's insurance policies; (b) a single insurance deductible applies; and (c) the loss event or occurrence affects the insured ownership or insured legal interests of the Parties, then the Parties shall share the cost of the deductible in proportion to each Party's insured ownership or legal interests in relative proportion to the total insured ownership or legal interests of the Parties.

ARTICLE 10

TERM AND TERMINATION

10.1 Term. This Agreement commences on the Effective Date and continues until the Expiration Date (such period of time, the "**Term**").

10.2 Termination. This Agreement may be terminated by Intel by written notice to Micron upon a material breach of this Agreement by Micron or by Micron by written notice to Intel upon a material breach of this Agreement by Intel, in each case if such breach remains uncured ninety (90) days following notice by the non-breaching Party; provided, however, that such cure period shall be thirty (30) days if the material breach is a failure to pay monies due under this Agreement.

10.3 Survival. Termination of this Agreement shall not affect any of the Parties' respective rights accrued or obligations owed before termination, including any rights or obligations of the Parties in respect of any accepted Purchase Orders existing at the time of termination. In addition, the following shall survive termination of this Agreement for any reason: Sections 3.2, 6.2 and 6.4, and Articles 4, 7, 8, 9, 10 and 11.

ARTICLE 11

MISCELLANEOUS

11.1 Force Majeure Events. The Parties shall be excused from any failure to perform any obligation hereunder to the extent such failure is caused by a Force Majeure Event. A Force Majeure Event shall operate to excuse a failure to perform an obligation hereunder only for the period of time during which the Force Majeure Event renders performance impossible or infeasible and only if the Party asserting Force Majeure as an excuse for its failure to perform has provided written notice to the other Party specifying the obligation to be excused and describing the events or conditions constituting the Force Majeure Event. As used herein, "**Force Majeure Event**" means the occurrence of an event or circumstance beyond the reasonable control of the party failing to perform, including (a) explosions, fires, flood, earthquakes, catastrophic weather conditions, or other elements of nature or acts of God; (b) acts of war (declared or undeclared), acts of terrorism, insurrection, riots, civil disorders, rebellion or sabotage; (c) acts of federal, state, local or foreign governmental authorities or courts; (d) labor disputes, lockouts, strikes or other industrial action, whether direct or indirect and whether lawful or unlawful; (e) failures or fluctuations in electrical power or telecommunications service or equipment; and (f) delays caused by the other Party's nonperformance hereunder.

11.2 Specific Performance. The Parties agree that irreparable damage will result if this Agreement is not performed in accordance with its terms, and the Parties agree that any damages available at law for a breach of this Agreement would not be an adequate remedy. Therefore, the provisions hereof and the obligations of the Parties hereunder shall be enforceable in a court of equity, or other tribunal with jurisdiction, by a decree of specific performance, and appropriate preliminary or permanent injunctive relief may be applied for and granted in connection therewith. Such remedies and all other remedies provided for in this Agreement shall, however, be cumulative and not exclusive and shall be in addition to any other remedies that a Party may have under this Agreement.

11.3 Assignment. This Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of each Party hereto. Neither this Agreement nor any right or obligation hereunder may be assigned or delegated by either Party in whole or in part to any other Person, other than a wholly-owned Subsidiary of a Party, without the prior written consent of the non-assigning Parties. Any purported assignment in violation of the provisions of this Section shall be null and void and have no effect. No assignment or delegation by any Party will relieve or release the delegating Party from any of its liabilities and obligations under this Agreement.

11.4 Compliance with Laws and Regulations. Each of the Parties shall comply with, and shall use reasonable efforts to require that its respective subcontractors comply with, Applicable Laws relating to this Agreement and the performance of a Party's rights hereunder.

11.5 Notice. All notices and other communications hereunder shall be in writing and shall be deemed given upon (a) transmitter's confirmation of a receipt of a facsimile transmission; (b) confirmed delivery by a standard overnight carrier or when delivered by hand; (c) the expiration of five (5) Business Days after the day when mailed in the United States by certified or registered mail, postage prepaid; or (d) delivery in Person, addressed at the following addresses (or at such other address for a party as shall be specified by like notice):

In the case of Micron:

Micron Technology, Inc.
8000 S. Federal Way
Boise, Idaho 83716
Attention: General Counsel
Facsimile Number: (208) 363-1309

In the case of Intel:

Intel Corporation
2200 Mission College Blvd. Mail-Stop SC4-203
Santa Clara, California 95054
Attention: General Counsel
Facsimile Number: (408) 765-6016

Either Party may change its address for notices upon giving ten (10) days written notice of such change to the other Party in the manner provided above.

11.6 Waiver. The failure at any time of a Party to require performance by the other Party of any responsibility or obligation required by this Agreement shall in no way affect a Party's right to require such performance at any time thereafter, nor shall the waiver by a Party of a breach of any provision of this Agreement by the other Party constitute a waiver of any other breach of the same or any other provision nor constitute a waiver of the responsibility or obligation itself.

11.7 Severability. Should any provision of this Agreement be deemed in contradiction with the laws of any jurisdiction in which it is to be performed or unenforceable for any reason, such provision shall be deemed null and void, but this Agreement shall remain in full force in all other respects. Should any provision of this Agreement be or become ineffective because of changes in Applicable Laws or interpretations thereof, or should this Agreement fail to include a provision that is required as a matter of law, the validity of the other provisions of this Agreement shall not be affected thereby. If such circumstances arise, the Parties hereto shall negotiate in good faith appropriate modifications to this Agreement to reflect those changes that are required by Applicable Law.

11.8 Third Party Rights. Nothing in this Agreement, whether express or implied, is intended or shall be construed to confer, directly or indirectly, upon or give to any Person, other than the Parties hereto, any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenant, condition or other provision contained herein.

11.9 Amendment. This Agreement may not be modified or amended except by a written instrument executed by or on behalf of each of the Parties to this Agreement.

11.10 Entire Agreement. This Agreement and the applicable provisions of the Confidentiality Agreement, which are incorporated herein and made a part hereof, together with the Exhibits and Schedules hereto and the agreements and instruments expressly provided for herein, constitute the entire agreement of the Parties hereto with respect to the subject matter hereof and supersede all prior agreements and understandings, oral and written, between the Parties hereto with respect to the subject matter hereof.

11.11 Choice of Law. This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Delaware, without giving effect to the principles of conflict of laws thereof.

11.12 Jurisdiction; Venue. Any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement shall be brought in a state or federal court located in Delaware and each of the Parties to this Agreement hereby consents and submits to the exclusive jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by Applicable Law, any objection which it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding which is brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

11.13 Headings. The headings of the Articles and Sections in this Agreement are provided for convenience of reference only and shall not be deemed to constitute a part hereof.

11.14 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

11.15 Insurance. Without limiting or qualifying Micron's liabilities, obligations, or indemnities otherwise assumed by Micron pursuant to this Agreement, Micron shall maintain, at no charge to Intel, with companies acceptable to Intel: Commercial General Liability insurance with limits of liability not less than **[***]** Dollars ($**[***]**) per occurrence and including liability coverage for bodily injury or property damage (a) **[***]** and (b) arising out of **[***]**. Micron's insurance shall be primary with respect to liabilities assumed by Micron in this Agreement to the extent such liabilities are the subject of Micron's insurance, and any applicable insurance

maintained by Intel shall be excess and non-contributing. The above coverage shall name Intel as additional insured as respects Micron's work or services provided to or on behalf of Intel.

[Signature page follows]

IN WITNESS WHEREOF, this Agreement has been duly executed by and on behalf of the Parties hereto as of the date first set forth above.

INTEL CORPORATION

By: /s/ Brian Krzanich
Name: Brian Krzanich
Title: Chief Executive Officer

MICRON SEMICONDUCTOR ASIA PTE. LTD.

By: /s/ Wayne R. Allan
Name: Wayne R. Allan
Title: Managing Director

MICRON TECHNOLOGY, INC.

By: /s/ Michael W. Sadler
Name: Michael W. Sadler
Title: VP of Corporate Development

THIS IS THE SIGNATURE PAGE FOR THE WAFER SUPPLY AGREEMENT NO. 3 ENTERED INTO BY AND AMONG INTEL CORPORATION, MICRON SEMICONDUCTOR ASIA PTE. LTD. AND MICRON TECHNOLOGY, INC.

CONFIDENTIAL

EXHIBIT A

DEFINITIONS

"**[***] Supplemental Supply Agreement**" means that certain **[***]** Supplemental Supply Agreement by and among Intel, MSA and MTI, dated as of the Effective Date.

"**[***] Letter Agreement**" shall have the meaning set forth in the recitals to this Agreement.

"**[***] Products**" means Qualified Probed Wafers manufactured on the **[***]** Process Technology Node.

"**Agreement**" shall have the meaning set forth in the preamble to this Agreement.

"**Amended and Restated [***] Supply Agreement**" means that certain Amended and Restated Supply Agreement by and among Intel, MSA and MTI, dated as of the Effective Date.

"**Applicable Law**" means any applicable laws, statutes, rules, regulations, ordinances, orders, codes, arbitration awards, judgments, decrees or other legal requirements of any Governmental Entity.

"**Binding Forecast Wafers**" shall have the meaning set forth in Section 2.1.

"**Business Day**" means a day that is not a Saturday, Sunday or other day on which commercial banking institutions in the State of New York are authorized or required by Applicable Law to be closed.

"**[***]**" means a **[***]** that affects **[***]**, including **[***]**.

"**[***]**" means a **[***]** that **[***]**, or **[***]**.

"**Commencement Date**" means the start of the Supply Period under this Agreement and such date is defined as the expiration date of the Wafer Supply Agreement.

"**Confidentiality Agreement**" means that certain Second Amended and Restated Mutual Confidentiality Agreement by and among Intel, Intel Technology Asia Pte Ltd, MTI, MSA, IMFT and IM Flash Singapore, LLP, a Singapore limited liability partnership, dated as of April 6, 2012, as amended.

"**Demand Forecast**" shall have the meaning set forth in Section 3.1(a).

"**Designated Technology Device**" shall have the meaning set forth in the Designated Technology Joint Development Program Agreement for so long as that agreement is in effect and, following termination of such agreement, "Designated Technology Device" shall thereafter have the meaning as it existed on the last day of the term of such agreement.

"**Designated Technology Joint Development Program Agreement**" shall mean that certain Designated Technology Joint Development Program Agreement between MTI and Intel, dated as of February 27, 2012, as amended.

"**Designated Technology Product**" means a product that includes Designated Technology Devices.

"**Designated Technology Wafer**" means a Prime Wafer that has been processed to the point of containing Designated Technology Devices organized in multiple semiconductor die and that has undergone Probe Testing, but before singulation of said die into individual semiconductor die.

"**Effective Date**" shall have the meaning set forth in the preamble to this Agreement.

"**Estimated Price**" means an amount equal to Micron's estimate of the Final Price with respect to the applicable Probed Wafers.

"**Excursion**" means an occurrence during production that is outside normal historical behavior as established by the Parties in writing in the applicable Specifications which may impact performance, quality, reliability or delivery commitments hereunder for Probed Wafers.

"**Expiration Date**" means the one-year anniversary of the Commencement Date.

"**Facility**" means any facilities at which Probed Wafers are manufactured for the purposes of this Agreement.

"**Final Price**" means the calculation referenced on Schedule 1.

"**Fiscal Month**" means any of the twelve financial accounting months within Micron's Fiscal Year.

"**Fiscal Quarter**" means any of the four financial accounting quarters within Micron's Fiscal Year.

"**Fiscal Year**" means the fiscal year of Micron for financial accounting purposes.

"**Flash Memory Integrated Circuit**" means a non-volatile memory integrated circuit that contains memory cells that are electrically programmable and electrically erasable whereby the memory cells consist of one or more transistors that have a floating gate, charge-trapping regions or any other functionally equivalent structure utilizing one or more different charge levels (including binary or multi-level cell structures) with or without any on-chip control, I/O and other support circuitry.

"**Force Majeure Event**" shall have the meaning set forth in Section 11.1.

"**Foregone Wafers**" shall have the meaning set forth in Section 3.2.

"**GAAP**" means United States generally accepted accounting principles as in effect from time to time.

"**[***]**" means the **[***]** on a **[***]** and are determined to be **[***]** which at a **[***]** are shown by the **[***]** to meet the **[***]** with some **[***]** and **[***]**, and to have an **[***]**.

"**Governmental Entity**" means any governmental authority or entity, including any agency, board, bureau, commission, court, municipality, department, subdivision or instrumentality thereof, or any arbitrator or arbitration panel.

"**Hazardous Materials**" means dangerous goods, chemicals, contaminants, substances, pollutants or any other materials that are defined as hazardous by relevant local, state, national, or international law, regulations and standards.

"**IMFT**" means IM Flash Technologies, LLC, a Delaware limited liability company.

"**IMFT Services Agreement**" means that certain Services Agreement by and among IMFT, Intel and MTI, dated as of September 18, 2009, as amended, including by that certain First Amendment to Services Agreement (IMFT Services to Intel) by and among IMFT, Intel and MTI, dated as of April 6, 2012.

"**IMFT Supply Agreement**" means that certain Amended and Restated Supply Agreement between IMFT and Intel dated as of April 6, 2012, as amended.

"**Indemnified Losses**" means all direct, out-of-pocket liabilities, damages, losses, costs and expenses of any nature incurred by an Indemnified Party, including reasonable attorneys' fees and consultants' fees, and all damages, fines, penalties and judgments awarded or entered against an Indemnified Party, but specifically excluding any special, consequential or other types of indirect damages.

"**Indemnified Party**" means any of the following to the extent entitled to seek indemnification under this Agreement: Intel, Micron, and their respective affiliates, officers, directors, employees, agents, assigns and successors.

"**Indemnifying Party**" means the Party owing a duty of indemnification to an Indemnified Party with respect to a particular Third Party Claim.

"**Intel**" shall have the meaning set forth in the preamble to this Agreement.

"**JDP Committee**" means the JDP Committee as defined in that certain Amended and Restated Joint Development Program Agreement, between MTI and Intel, dated as of April 6, 2012, as amended.

"**[***]**" means, (a) with respect to Probed Wafers utilizing a **[***]** Process Technology Node, the date that a unique design id is deemed by the JDP Committee to meet the specifications delineated in the **[***]** set forth in the **[***]** for that design id and (b) with respect to Probed Wafers utilizing a **[***]** Process Technology Node, the date that a unique design id is deemed by the JDP Committee to meet the specifications with respect to that particular design id.

"**Lehi Fab**" means that wafer fabrication plant located in Lehi, Utah, USA, that, as of April 6, 2012, is owned by IMFT.

"**Losses**" means, collectively, any and all insurable liabilities, damages, losses, costs and expenses (including reasonable attorneys' and consultants' fees and expenses).

"**[***]**" means (i) for NAND Flash Memory Wafers, an **[***]** percent (**[***]**%), **[***]** or, if **[***]** under this Agreement, and (ii) for **[***]** the Parties agree in writing to be **[***]** or, if **[***]** under this Agreement. For purposes of this Agreement, once a design id has **[***]**, such design id will be treated as **[***]** during the remainder of this Agreement.

"**Micron**" shall have the meaning set forth in the preamble to this Agreement.

"**Minimum Commitment**" shall have the meaning set forth in Section 2.1.

"**MSA**" shall have the meaning set forth in the preamble to this Agreement.

"**MTI**" shall have the meaning set forth in the preamble to this Agreement.

"**NAND Flash Memory Integrated Circuit**" means a Flash Memory Integrated Circuit in which the memory cells included in the Flash Memory Integrated Circuit are arranged in groups of serially connected memory cells (each such group of serially connected memory cells called a "string") in which the drain of each memory cell of a string (other than the first memory cell in the string) is connected in series to the source of another memory cell in such string, the gate of each memory cell in such string is directly accessible, and the drain of the uppermost bit of such string is coupled to the bitline of the memory array.

"**NAND Flash Memory Product**" means a product that includes NAND Flash Memory Integrated Circuits.

"**NAND Flash Memory Wafer**" means a raw wafer that has been processed to the point of containing NAND Flash Memory Integrated Circuits organized in multiple semiconductor die and that has undergone Probe Testing, but before singulation of said die into individual semiconductor die.

"**Party**" and "**Parties**" shall have the meaning set forth in the preamble to this Agreement.

"**Person**" means any natural person and any corporation, firm, partnership, trust, estate, limited liability company, or other entity resulting from any form of association.

"**Prime Wafer**" means the raw silicon wafers required, on a product-by-product basis, to manufacture Probed Wafers.

"**Probe Testing**" means testing, using a wafer test program as set forth in the applicable Specifications, of a wafer that has completed all processing steps deemed necessary to complete the creation of the desired NAND Flash Memory Integrated Circuits or Designated Technology Devices in the die on such wafer, the purpose of which test is to determine how many and which of the die meet the applicable criteria for such die set forth in the Specifications.

"**Probed Wafer**" means a Prime Wafer that has been processed utilizing either the **[***]** Process Technology Node or the **[***]** Process Technology Node to the point of containing NAND Flash Memory Integrated Circuits or Designated Technology Devices organized in multiple semiconductor die (but before singulation of said die into individual semiconductor dice), that has undergone Probe Testing and any other mutually agreed upon special processing or handling, and has a functional die yield greater than **[***]** percent (**[***]**%).

"**Process Technology Node**" means a process with a known feature size or number of tiers or decks that is differentiated from another or others that have a different feature size or number of tiers or decks that yields at least a **[***]** percent (**[***]**%) difference in **[***]** relative to each other. For clarity, a difference in the number of **[***]** shall not be considered a different process node for purposes of this definition of "Process Technology Node."

"**Purchase Order**" shall have the meaning set forth in Section 4.1.

"**Recoverable Taxes**" shall have the meaning set forth in Section 4.4.

"**Response to Forecast**" shall have the meaning set forth in Section 3.1(c).

"**Singapore Fab**" means the wafer fabrication plants located in Singapore that are now or hereafter owned by Micron.

"**Specifications**" means those specifications used to describe, characterize, and define the yield, quality and performance of the Probed Wafers, including any interim performance specifications at Probe Testing, as such specifications may be agreed from time to time by the

Parties; provided, however, that (i) if a design id is being manufactured in the Lehi Fab, the Specifications for each design id shall be the same as the specifications for such design id applicable to Intel pursuant to the IMFT Supply Agreement; and (ii) if a design id is not being manufactured in the Lehi Fab, the Specifications for that design id shall be as established by the applicable JDP Committee.

"**Subsidiary**" means as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person.

"**Supply Period**" shall have the meaning set forth in Section 2.1.

"**Term**" shall have the meaning set forth in Section 10.1.

"**Third Party Claim**" means any claim, demand, action, suit or proceeding, and any actual or threatened lawsuit, complaint, cross-complaint or counter-complaint, arbitration or other legal or arbitral proceeding of any nature, brought in any court, tribunal or judicial forum anywhere in the world, regardless of the manner in which such proceeding is captioned or styled, by any Person other than Intel, Micron and affiliates of the foregoing, against an Indemnified Party, in each case alleging entitlement to any Indemnified Losses pursuant to any indemnification obligation under this Agreement.

"**[***] Cost**" means the calculation referenced on Schedule 2.

"**Wafer Supply Agreement**" means the Wafer Supply Agreement dated as of April 6, 2012, as amended, by and among the Parties.

"**Warranty Notice Period**" shall have the meaning set forth in Section 6.2.

"**WOPW**" means Probed Wafers processed and delivered to Intel per week.

SCHEDULE 1

FINAL PRICE

With respect to Probed Wafers of **[***]**, Final Price equals: (i) the total of **[***]** Costs **[***]** for **[***]**; (ii) plus **[***]** the amount **[***]**; and (iii) which such **[***]** is then **[***]**.

With respect to each Foregone Wafer, Final Price equals: (i) the total **[***]** Costs **[***]** in which such Foregone Wafer **[***]**; (ii) plus **[***]** the amount **[***]**; and (iii) which such **[***]** is then **[***]**.

SCHEDULE 2

COST

"**[***] Cost**" means all of the following to the extent attributable to Micron's **[***]** of the Probed Wafers in accordance with this Agreement in a **[***]**. **[***]** Cost will **[***]**, and will **[***]**.

Separate from any determination of "**[***]** Costs", **[***]** will be reported **[***]**. Micron will **[***]** in the applicable **[***]**, such excluding any **[***]** within the applicable **[***]**. Micron will **[***]** under Section 4.5. For clarity, the **[***]**.

Example:

[***]

[***] Cost will **[***]** to the extent that the **[***]** Probed Wafers **[***]** at the Singapore Fab **[***]** of the **[***]** such Probed Wafers.

EXHIBIT 10.54

[***] DENOTES CONFIDENTIAL MATERIALS OMITTED AND FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT

CONFIDENTIAL

FIRST AMENDMENT TO THE WAFER SUPPLY AGREEMENT

September 1, 2015

Intel Corporation
2200 Mission College Blvd.
Santa Clara, CA 95054

Micron Semiconductor Asia Pte. Ltd.
c/o Micron Technology, Inc.
8000 S. Federal Way
Boise, ID 83716

Ladies and Gentlemen:

Reference is hereby made to the Wafer Supply Agreement (the "**Wafer Supply Agreement**"), dated April 6, 2012, by and between Intel Corporation, a Delaware corporation ("**Intel**"), Micron Semiconductor Asia Pte. Ltd., a Singapore corporation ("**MSA**") and Micron Technology, Inc., a Delaware corporation ("**MTI**" and, together with MSA, "**Micron**"). Each of Intel, MSA and MTI may be referred to herein as a "**Party**" and collectively as the "**Parties**." Unless otherwise specified, capitalized terms used in this First Amendment Agreement (this "**Amendment**") and not defined shall have the respective meanings ascribed to such terms in the Wafer Supply Agreement.

The Parties desire to make certain amendments to the Wafer Supply Agreement and hereby amend the Wafer Supply Agreement as follows:

1. Amendments to the Wafer Supply Agreement.

1.1 Amend Section 3.1(b)(i)(B) of the Wafer Supply Agreement in its entirety to read as follows:

"(B) if (1) the output of the **[***]** manufactured (or forecasted to be manufactured as set forth in the **[***]** utilizing the **[***]** then-existing at the **[***]** represents on a **[***]** of the **[***]** output (or forecasted output as set forth in the **[***]**) and (2) no wafers from such **[***]** are among **[***]**, then, from and after such time, (x) such **[***]** shall be **[***]** under this Agreement for the remainder of the Term, and (y) for each **[***]** during which this provision is applicable, the

[***] shall be **[***]** the number of Probed Wafers that **[***]** under this Agreement from such **[***]** during such **[***]** but for this provision; and"

1.2 A new Section 3.1(b)(i)(D) of the Wafer Supply Agreement is hereby added and reads as follows:

"(D) from and after **[***]**, the **[***]** Process Technology Node shall be **[***]** from the **[***]** and the **[***]** will be **[***]** Process Technology Nodes on a **[***]**."

1.3 Section 4.2 of the Wafer Supply Agreement is hereby replaced in its entirety with the following:

"Content of Purchase Orders. Each Purchase Order shall specify the following items: (a) Purchase Order number; (b) description and part number of each different Probed Wafer; (c) forecasted quantity of each different design id; (d) Estimated Price **[***]** from Probed Wafers for each different design id, and the total Estimated Price **[***]** from all Probed Wafers ordered; and (e) other terms (if any) that are mutually agreed in writing by the Parties."

1.4 Section 4.5 of the Wafer Supply Agreement is hereby replaced in its entirety with the following:

"(a) Probed Wafers. With respect to Probed Wafers of a particular design id, Micron will invoice Intel as follows:

(i) With respect to each shipment of Probed Wafers of a particular design id shipped, Micron will invoice Intel the Estimated Price for such Probed Wafers; and

(ii) Within **[***]** business days of each Fiscal Month following a Fiscal Month in which an invoice is delivered pursuant to Section 4.5(a)(i), Micron will calculate the Final Price for the Probed Wafers shipped in the immediately preceding Fiscal Month. If the Final Price exceeds the Estimated Price invoiced by Micron previously in the immediately preceding Fiscal Month for the same Probed Wafers, then Micron will issue Intel an invoice within **[***]** (**[***]**) days for the difference between such amounts. If the Final Price is less than the Estimated Price invoiced by Micron previously in the immediately preceding Fiscal Month for the same Probed Wafers, then Micron will issue Intel a credit memorandum within **[***]** (**[***]**) days for the difference between such amounts.

(b) Payment. All amounts owed under this Agreement shall be stated, calculated and paid in United States Dollars. Except as otherwise specified in this Agreement, Intel shall pay the invoicing entity for the amounts due, owing, and duly invoiced under this

Agreement within **[***]** (**[***]**) days following delivery of an invoice therefor to such place as the invoicing entity may reasonably direct therein."

1.5 In every provision where the capitalized term "Price" is used in the Wafer Supply Agreement will be hereafter deemed to mean "Final Price. Furthermore within Exhibit A, the definition of "Price" is deleted.

1.6 Within Exhibit A, the following new definitions are added:

A. "**Estimated Price**" is equal to Micron's estimate of the Final Price with respect to the applicable Probed Wafer.

B. "**Final Price**" means the consideration to be paid by Intel to Micron for Probed Wafers, Foregone Wafers and Additional WIP Wafers as calculated pursuant to Schedule 4.5.

C. "**[***]**" means the **[***]** and are determined to be **[***]** which at a **[***]**, and to have an **[***]**.

1.7 Schedule 4.5 is replaced in its entirety with the following:

" "**Final Price**" means the following:

A. **Probed Wafers**. With respect to Probed Wafers of **[***]**, Final Price equals: (i) the total of **[***]** Costs **[***]** for **[***]**; (ii) plus **[***]** the amount **[***]**; and (iii) which such **[***]** is then **[***]**.

B. **Foregone Wafers**. With respect to each Foregone Wafer, Final Price equals: (i) the total **[***]** Costs **[***]** in which such Foregone Wafer **[***]**; (ii) plus **[***]** the amount **[***]**; and (iii) which such **[***]** is then **[***]**.

C. **[***] Wafer**. The Final Price for each **[***]** Wafer shall be calculated **[***]** and shall be **[***]** Cost **[***]** for **[***]** plus **[***]**. This change is for **[***]** and there will be **[***]** Wafers."

1.7 Effect of Amendment. The Wafer Supply Agreement is amended to the extent contemplated by Section 1.1, Section 1.2, Section 1.3, Section 1.4, Section 1.5, Section 1.6 and Section 1.7. This Amendment, however, shall not constitute a consent with respect to, or modification, amendment or waiver of, the Wafer Supply Agreement beyond the terms set forth in Section 1.1-1.7 above. Except as specifically contemplated by Section 1.1-1.7, all other provisions of the Wafer Supply Agreement remain in full force and effect.

2. Miscellaneous.

2.1 Severability. Should any provision of this Amendment be deemed in contradiction with the Applicable Laws of any jurisdiction in which it is to be performed or unenforceable for any reason, such provision shall be deemed null and void, but this Amendment shall remain in full force in all other respects. Should any provision of this Amendment be or become ineffective because of changes in Applicable Law or interpretations thereof, or should this Amendment fail to include a provision that is required as a matter of law, the validity of the other provisions of this Amendment shall not be affected thereby. If such circumstances arise, the Parties shall negotiate in good faith appropriate modifications to this Amendment to reflect those changes that are required by Applicable Law.

2.2 Notices. All notices to a Party shall be sent addressed to such Party at the address as may be specified by the Party from time to time in a notice to the other Parties, *provided* that the initial notice address for each Party is as follows:

(A) If to Intel:

Intel Corporation
2200 Mission College Blvd.
Santa Clara, CA 95054
Attention: General Counsel
Facsimile: (408) 765-6016

(B) If to Micron:

Micron Technology, Inc.
8000 S. Federal Way
Mail Stop l-507
Boise, ID 83716
Attn: General Counsel
Facsimile: (208) 363-1309

All notices are effective the next day, if sent by recognized overnight courier or facsimile, or five (5) days after deposit in the United States mail, postage prepaid, properly addressed and return receipt requested.

2.3 Governing Law and Venue.

(A) This Amendment shall be construed and enforced in accordance with and governed by the laws of the State of Delaware, without giving effect to the principles of conflict of laws thereof.

(B) Any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Amendment shall be brought in a state or federal court located in Delaware and each of the Parties hereby consents and submits to the exclusive jurisdiction of such courts (and of the appropriate appellate courts therefrom) in

any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by Applicable Law, any objection which it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding which is brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any Party anywhere in the world, whether within or without the jurisdiction of any such court.

2.4 Headings; Interpretation. The headings in this Amendment are provided for convenience of reference only and shall not be deemed to constitute a part hereof. Unless the context requires otherwise, (1) all references to Sections are to Sections of this Amendment, (2) each accounting term not otherwise defined in this Amendment has the meaning commonly applied to it in accordance with United States generally accepted accounting principles, (3) words in the singular include the plural and vice versa, (4) the term "including" means "including without limitation," and (5) the terms "herein," "hereof," "hereunder" and words of similar import shall mean references to this Amendment as a whole and not to any individual Section or portion hereof. All references to "$" or dollar amounts will be to lawful currency of the United States of America. All references to "day" or "days" will mean calendar days. No provision of this Amendment will be interpreted in favor of, or against, any of the Parties by reason of the extent to which any such Party or its counsel participated in the drafting thereof or by reason of the extent to which any such provision is inconsistent with any prior draft of this Amendment or such provision.

2.5 Assignment. Neither this Amendment nor any right or obligation hereunder may be assigned or delegated by any Party in whole or in part to any other Person without the prior written consent of the non-assigning Parties. Any purported assignment in violation of the provisions of this Section shall be null and void and have no effect. This Amendment shall be binding upon and inure to the benefit of the permitted assigns and successors of each Party.

2.6 Counterparts. This Amendment may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by a Party of an executed counterpart of this Amendment via facsimile or other electronic method of transmission pursuant to which the signature of such Person can be seen (including Adobe Corporation's Portable Document Format) will have the same force and effect as the delivery of an original executed counterpart of this Amendment.

2.7 Amendment. This Amendment may not be amended or modified without the written consent of Intel and Micron, nor shall any waiver be effective against any Party unless in writing and executed by such Party.

2.8 Confidentiality. All information provided, disclosed or obtained in the performance of any of the Parties' activities under this Amendment shall be subject to all applicable provisions of the Confidentiality Agreement. Furthermore, the terms and conditions of this Amendment shall be considered "Confidential Information" under the Confidentiality Agreement for which each Party is considered a "Receiving Party" under such agreement. To

the extent there is a conflict between this Amendment and the Confidentiality Agreement, the terms of this Amendment shall control.

[Remainder of Page Intentionally Left Blank]

Please confirm that the above correctly reflects our understanding and agreement with respect to the foregoing matters by signing the enclosed copy of this letter and returning such copy to Micron.

Very truly yours,

MICRON TECHNOLOGY, INC.

By: /s/ Michael W. Sadler
Name: Michael W. Sadler
Title: VP of Corporate Development

Agreed and Accepted:
INTEL CORPORATION

By: /s/Robert B. Crooke
Name: Robert B. Crooke
Title: Senior Vice President

MICRON SEMICONDUCTOR ASIA PTE. LTD.

By: /s/ Wayne R. Allan
Name: Wayne R. Allan
Title: Managing Director

THIS IS THE SIGNATURE PAGE FOR THE FIRST AMENDMENT TO THE WAFER SUPPLY AGREEMENT ENTERED INTO BY AND AMONG MICRON TECHNOLOGY, INC., INTEL CORPORATION AND MICRON SEMICONDUCTOR ASIA PTE. LTD

EXHIBIT 21.1

MICRON TECHNOLOGY, INC.

SUBSIDIARIES OF THE REGISTRANT*

Name	State (or Jurisdiction) in which Organized
IM Flash Technologies, LLC	Delaware
Micron Japan, Ltd.(1)	Japan
Micron Memory Japan, Inc.	Japan
Micron Memory Taiwan Co., Ltd.	Taiwan
Micron Semiconductor Asia Pte. Ltd.(1)	Singapore
Micron Semiconductor B.V.	Netherlands
Micron Semiconductor Products, Inc.(1)	Idaho
Micron Semiconductor (Xi'an) Co., Ltd.	China
Numonyx Holdings B.V.	Netherlands

(1) Also does business as Micron Consumer Products Group

* The above list of subsidiaries of Micron Technology, Inc. omitted subsidiaries which, considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary as of the end of the year covered by this report.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form S-3 (File Nos. 333-143026, 333-158473) and S-8 (File Nos. 333-17073, 333-50353, 333-71249, 333-102545, 333-103341, 333-111170, 333-120620, 333-133667, 333-135459, 333-140091, 333-148357, 333-159711, 333-167536, 333-167536a, 333-171717, 333-179592, 333-190010, 333-196293, 333-203467) of Micron Technology, Inc. of our report dated October 27, 2015 relating to the financial statements, financial statement schedules and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
San Jose, CA
October 27, 2015

EXHIBIT 31.1

RULE 13a-14(a) CERTIFICATION OF
CHIEF EXECUTIVE OFFICER

I, D. Mark Durcan, certify that:

1. I have reviewed this Annual Report on Form 10-K of Micron Technology, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 27, 2015

/s/ D. Mark Durcan

D. Mark Durcan
Chief Executive Officer

EXHIBIT 31.2

RULE 13a-14(a) CERTIFICATION OF
CHIEF FINANCIAL OFFICER

I, Ernest E. Maddock, certify that:

1. I have reviewed this Annual Report on Form 10-K of Micron Technology, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 27, 2015

/s/ Ernest E. Maddock

Ernest E. Maddock
Chief Financial Officer and Vice President, Finance

EXHIBIT 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. 1350

I, D. Mark Durcan, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Annual Report of Micron Technology, Inc. on Form 10-K for the period ended September 3, 2015, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in the Annual Report on Form 10-K fairly presents, in all material respects, the financial condition and results of operations of Micron Technology, Inc.

Date: October 27, 2015

/s/ D. Mark Durcan

D. Mark Durcan
Chief Executive Officer

EXHIBIT 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. 1350

I, Ernest E. Maddock, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Annual Report of Micron Technology, Inc. on Form 10-K for the period ended September 3, 2015, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in the Annual Report on Form 10-K fairly presents, in all material respects, the financial condition and results of operations of Micron Technology, Inc.

Date: October 27, 2015

/s/ Ernest E. Maddock

Ernest E. Maddock
Chief Financial Officer and Vice President, Finance