



2009 Year in Review

Challenges

- ▶ Market demand (vol/asp) collapse negatively affected revs and op ex margins
- ▶ Credit problems severely contracted available investment capital
- ▶ Shut down of Boise (200mm) manufacturing production
- ▶ Government subsidies kept competitors alive

Successes

- ▶ Survived – combined NAND/DRAM model is working
- ▶ World cost leadership per bit in NAND 34nm node
- ▶ Acquisition of Inotera completed – next phase of DRAM set
- ▶ JV agreements significantly reduced R&D burden
- ▶ Raised \$500m to stabilize cash position
- ▶ Reduced total Operating Expenditures \$\$
- ▶ Tightly controlled capital spending --- \$600M

Idaho Operations

- Over 1/3 of Micron employees based in Idaho
- Idaho Operations are Primarily Research & Development, along with "Sales, General & Administrative"
- The Micron Foundation is based in Idaho
- Unique Assets - Manufacturing Equipment & Facilities Based in Idaho

