**Micron Reports Results for the First Quarter of Fiscal 2012**

BOISE, Idaho, Dec. 21, 2011 (GLOBE NEWSWIRE) -- Micron Technology, Inc., (Nasdaq:MU) today announced results of operations for its first quarter of fiscal 2012, which ended December 1, 2011. For the first quarter, the company had a net loss attributable to Micron shareholders of $187 million, or $0.19 per diluted share, on net sales of $2.1 billion. The results for the first quarter of fiscal 2012 compare to a net loss of $135 million, or $0.14 per diluted share, on net sales of $2.1 billion for the fourth quarter of fiscal 2011, and net income of $155 million, or $0.15 per diluted share, on net sales of $2.3 billion for the first quarter of fiscal 2011.

The company's consolidated gross margin remained at 15 percent for the first quarter of fiscal 2012. Improvements in NAND Flash margins were offset by declines in DRAM. Revenue from sales of NAND Flash products was 6 percent higher in the first quarter of fiscal 2012 compared to the fourth quarter of fiscal 2011 due to an 18 percent increase in sales volume partially offset by a 10 percent decrease in average selling prices. Revenue from sales of DRAM products was essentially unchanged in the first quarter of fiscal 2012 compared to the previous quarter, as a 14 percent increase sales volume was offset by a 12 percent decrease in average selling prices. Sales of NOR Flash products were approximately 14 percent of total net sales for the first quarter of fiscal 2012.

Cash flows from operations for the first quarter of fiscal 2012 were $404 million. During the first quarter of fiscal 2012, the company invested approximately $750 million in capital expenditures. The company ended the quarter with cash and short-term investments of $1.9 billion.

The company will host a conference call Wednesday, Dec. 21 at 2:30 p.m. MST to discuss its financial results. The call, audio and slides will be available online at <http://investors.micron.com/events.cfm>. A webcast replay will be available on the company's website until Dec. 28, 2012. A taped audio replay of the conference call will also be available at (404) 537-3406 (conference number: 37217947) beginning at 5:30 p.m. MST Wednesday, Dec. 21, 2011 and continuing until 5:30 p.m. MST on Wednesday, Dec. 28, 2011.

Micron Technology, Inc., is one of the world's leading providers of advanced semiconductor solutions. Through its worldwide operations, Micron manufactures and markets a full range of DRAM, NAND Flash and NOR Flash memory, as well as other innovative memory technologies, packaging solutions and semiconductor systems for use in leading-edge computing, consumer, networking, embedded and mobile products. Micron's common stock is traded on the NASDAQ under the MU symbol. To learn more about Micron Technology, Inc., visit [www.micron.com](http://www.micron.com).

The Micron Technology, Inc. logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=6950>

|  |
| --- |
| MICRON TECHNOLOGY, INC. |
| CONSOLIDATED FINANCIAL SUMMARY |
| (in millions except per share amounts) |
|  |  |  |   |
|  | 1st Qtr. Dec. 1, 2011 | 4th Qtr. Sep. 1, 2011 | 1st Qtr. Dec. 2, 2010 |
|   |   |   |   |
| Net sales  | $2,090 | $2,140 | $2,252 |
| Cost of goods sold | 1,785 | 1,819 | 1,728 |
| Gross margin | 305 | 321 | 524 |
| Selling, general and administrative  | 151 | 155 | 140 |
| Research and development  | 230 | 209 | 185 |
| Other operating (income) expense, net (1)  | 6 | 8 | (191) |
| Operating income (loss) | (82) | (51) | 390 |
| Interest income (expense), net | (33) | (28) | (30) |
| Other non-operating income (expense), net (2) | -- | 1 | (114) |
| Income tax (provision) benefit (3) | 2 | (16) | (48) |
| Equity in net income (losses) of equity method investees | (74) | (40) | (26) |
| Net (income) loss attributable to noncontrolling interests | -- | (1) | (17) |
| Net income (loss) attributable to Micron | $ (187) | $ (135) | $155 |
|   |   |   |   |
| Earnings (loss) per share: |   |   |   |
| Basic | $ (0.19) | $ (0.14) | $0.16 |
| Diluted | (0.19) | (0.14) | 0.15 |
|   |   |   |   |
| Number of shares used in per share calculations: |   |   |   |
| Basic | 981.4 | 992.2 | 972.9 |
| Diluted | 981.4 | 992.2 | 1,031.3 |

|  |
| --- |
|   |
| CONSOLIDATED FINANCIAL SUMMARY, Continued |
|   |   |   |
|   | As of |
|   | Dec. 1, 2011 | Sep. 1, 2011 |
|   |   |   |
| Cash and short-term investments | $1,915 | $2,160 |
| Receivables | 1,383 | 1,497 |
| Inventories | 2,097 | 2,080 |
| Total current assets | 5,491 | 5,832 |
| Property, plant and equipment, net | 7,472 | 7,555 |
| Total assets | 14,211 | 14,752 |
|   |   |   |
| Accounts payable and accrued expenses | 1,413 | 1,830 |
| Current portion of long-term debt | 146 | 140 |
| Total current liabilities | 2,021 | 2,480 |
| Long-term debt | 1,973 | 1,861 |
|   |   |   |
| Total Micron shareholders' equity | 8,271 | 8,470 |
| Noncontrolling interests in subsidiaries | 1,438 | 1,382 |
| Total equity | 9,709 | 9,852 |
|   |   |   |
|   | Three Months Ended |
|   | Dec. 1, 2011 | Dec. 2, 2010 |
|   |   |   |
| Net cash provided by operating activities | $404 | $732 |
| Net cash used for investing activities | (714) | (436) |
| Net cash provided by (used for) financing activities | 65 | (798) |
|   |   |   |
| Depreciation and amortization | 581 | 517 |
| Expenditures for property, plant and equipment | (697) | (465) |
| Payments on equipment purchase contracts | (49) | (105) |
| Net contributions from (distributions to) noncontrolling interests | 55 | (49) |
|   |   |   |
| Noncash equipment acquisitions on contracts payable and capital leases | 192 | 63 |

(1) Other operating (income) expense consisted of the following:

|  |  |  |  |
| --- | --- | --- | --- |
|   | 1st Qtr. Dec. 1, 2011 | 4th Qtr. Sep. 1, 2011 | 1st Qtr. Dec. 2, 2010 |
|   |   |   |   |
| (Gain) loss from changes in currency exchange rates | $11 | $ -- | $7 |
| (Gain) loss on disposition of property, plant and equipment | 1 | 6 | -- |
| Samsung patent cross-license agreement | -- | -- | (200) |
| Other  | (6) | 2 | 2 |
|   | $6 | $8 | $ (191) |

In the first quarter of fiscal 2011, the company entered into a 10-year patent cross-license agreement with Samsung Electronics Co. Ltd. ("Samsung"). Under the agreement, Samsung agreed to pay the company $275 million, of which $200 million was received in the first quarter of fiscal 2011. The license is a life-of-patents license for existing patents and applications, and a 10-year term license for all other patents.

(2) During the first quarter of fiscal 2011, in connection with a series of debt restructure transactions, the company recognized a loss of $111 million as follows:

* $15 million from the exchange of $175 million in aggregate principal amount of the company's 1.875% Convertible Senior Notes due 2014 (the "2014 Notes") for $175 million in aggregate principal amount of new 1.875% Convertible Senior Notes due 2027;
* $17 million (including transaction fees) from the repurchase of $176 million in aggregate principal amount of the company's 2014 Notes for $171 million in cash; and
* $79 million (including transaction fees) from the repurchase of $91 million in aggregate principal amount of the company's 4.25% Convertible Senior Notes due 2013 for $166 million in cash.

(3)   Income taxes for the first quarter of fiscal 2012 included a tax benefit of $14 million related to the favorable resolution of certain prior year tax matters. Income taxes in the first quarter of fiscal 2011 included a charge of $33 million in connection with the receipt of $200 million from Samsung. The company has a valuation allowance for a substantial portion of its net deferred tax asset associated with its U.S. operations. Taxes attributable to U.S. operations in fiscal 2012 and 2011 were substantially offset by changes in the valuation allowance.

|  |
| --- |
|   |