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

FORM 10-Q

(Mark One)

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended March 1, 2012

OR

o **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**

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 x No o

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 x No o

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 definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

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

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

The number of outstanding shares of the registrant's common stock as of April 2, 2012, was 989,627,195.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

MICRON TECHNOLOGY, INC.

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

	Quarter Ended		Six Months Ended	
	March 1, 2012	March 3, 2011	March 1, 2012	March 3, 2011
Net sales	$ 2,009	$ 2,257	$ 4,099	$ 4,509
Cost of goods sold	1,799	1,822	3,584	3,550
Gross margin	210	435	515	959
Selling, general and administrative	174	146	325	286
Research and development	222	186	452	371
Other operating (income) expense, net	19	(76)	25	(267)
Operating income (loss)	(205)	179	(287)	569
Interest income	2	7	4	15
Interest expense	(35)	(28)	(70)	(66)
Other non-operating income (expense), net	38	—	38	(114)
	(200)	158	(315)	404
Income tax provision	(9)	(35)	(7)	(83)
Equity in net income (loss) of equity method investees, net of tax	(73)	(48)	(147)	(74)
Net income (loss)	(282)	75	(469)	247
Net income attributable to noncontrolling interests	—	(3)	—	(20)
Net income (loss) attributable to Micron	$ (282)	$ 72	$ (469)	$ 227
Earnings (loss) per share:				
Basic	$ (0.29)	$ 0.07	$ (0.48)	$ 0.23
Diluted	(0.29)	0.07	(0.48)	0.22
Number of shares used in per share calculations:				
Basic	982.8	988.1	982.1	980.5
Diluted	982.8	1,037.3	982.1	1,034.5

See accompanying notes to consolidated financial statements.

MICRON TECHNOLOGY, INC.

CONSOLIDATED BALANCE SHEETS
(in millions except par value amounts)
(Unaudited)

As of	March 1, 2012	September 1, 2011
Assets		
Cash and equivalents	$ 2,094	$ 2,160
Receivables	1,241	1,497
Inventories	2,081	2,080
Other current assets	243	95
Total current assets	5,659	5,832
Intangible assets, net	400	414
Property, plant and equipment, net	7,357	7,555
Equity method investments	335	483
Other noncurrent assets	388	468
Total assets	$ 14,139	$ 14,752
Liabilities and equity		
Accounts payable and accrued expenses	$ 1,457	$ 1,830
Deferred income	364	443
Equipment purchase contracts	131	67
Current portion of long-term debt	150	140
Total current liabilities	2,102	2,480
Long-term debt	2,165	1,861
Other noncurrent liabilities	513	559
Total liabilities	4,780	4,900
Commitments and contingencies		
Micron shareholders' equity:		
Common stock, $0.10 par value, 3,000 shares authorized, 989.4 shares issued and outstanding (984.3 as of September 1, 2011)	99	98
Additional capital	8,658	8,610
Accumulated deficit	(839)	(370)
Accumulated other comprehensive income	68	132
Total Micron shareholders' equity	7,986	8,470
Noncontrolling interests in subsidiaries	1,373	1,382
Total equity	9,359	9,852
Total liabilities and equity	$ 14,139	$ 14,752

See accompanying notes to consolidated financial statements.

MICRON TECHNOLOGY, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)
(Unaudited)

Six months ended	March 1, 2012	March 3, 2011
Cash flows from operating activities		
Net income (loss)	$ (469)	$ 247
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation expense and amortization of intangible assets	1,133	1,003
Amortization of debt discount and other costs	34	30
Equity in net (income) losses of equity method investees, net of tax	147	74
Stock-based compensation	50	38
Loss on extinguishment of debt	—	111
Change in operating assets and liabilities:		
Receivables	225	154
Inventories	(1)	(196)
Accounts payable and accrued expenses	(40)	94
Deferred income	(74)	(11)
Other	(27)	(3)
Net cash provided by operating activities	978	1,541
Cash flows from investing activities		
Expenditures for property, plant and equipment	(1,089)	(1,189)
Loan to Inotera	(133)	—
Additions to equity method investments	(7)	(11)
Acquisition of noncontrolling interests in TECH	—	(159)
Proceeds from sales of property, plant and equipment	48	96
Return of equity method investment	—	48
Other	(2)	(23)
Net cash used for investing activities	(1,183)	(1,238)
Cash flows from financing activities		
Proceeds from equipment sale-leaseback transactions	340	95
Cash received from noncontrolling interests	138	4
Distributions to noncontrolling interests	(147)	(99)
Repayments of debt	(101)	(812)
Payments on equipment purchase contracts	(86)	(221)
Other	(5)	1
Net cash provided by (used for) financing activities	139	(1,032)
Net decrease in cash and equivalents	(66)	(729)
Cash and equivalents at beginning of period	2,160	2,913
Cash and equivalents at end of period	$ 2,094	$ 2,184
Supplemental disclosures		
Income taxes refunded (paid), net	$ 29	$ (60)
Interest paid, net of amounts capitalized	(28)	(35)
Noncash investing and financing activities:		
Equipment acquisitions on contracts payable and capital leases	533	187
Exchange of convertible notes	—	175

See accompanying notes to consolidated financial statements.

Business and Basis of Presentation

Micron Technology, Inc. and its consolidated subsidiaries (hereinafter referred to collectively as "we," "our," "us" and similar terms unless the context indicates otherwise) is a global manufacturer and marketer of semiconductor devices, principally 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. In addition, we manufacture CMOS image sensors and other semiconductor products. The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America consistent in all material respects with those applied in our Annual Report on Form 10-K for the year ended September 1, 2011. In the opinion of our management, the accompanying unaudited consolidated financial statements contain all adjustments necessary to present fairly our consolidated financial position and our consolidated results of operations and cash flows. Certain reclassifications have been made to prior period amounts to conform to current period presentation.

Our fiscal year is the 52 or 53-week period ending on the Thursday closest to August 31. Our second quarters of fiscal 2012 and 2011 ended on March 1, 2012 and March 3, 2011, respectively. Our fiscal 2011 ended on September 1, 2011. All period references are to our fiscal periods unless otherwise indicated. These interim financial statements should be read in conjunction with the consolidated financial statements and accompanying notes included in our Annual Report on Form 10-K for the year ended September 1, 2011.

Variable Interest Entities

We have interests in joint venture entities that are Variable Interest Entities ("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 judgment.

Unconsolidated Variable Interest Entities

Inotera – Inotera Memories, Inc. ("Inotera") is a VIE because of the terms of its supply agreement with us and our partner, Nanya Technology Corporation ("Nanya"). We have determined that we do not have power to direct the activities of Inotera that most significantly impact its economic performance, primarily due to (1) limitations on our governance rights that require the consent of other parties for key operating decisions and (2) our dependence on our joint venture partner for financing and the ability to operate in Taiwan. Therefore, we account for our interest in Inotera under the equity method.

Transform – Transform Solar Pty Ltd. ("Transform") is a VIE because its equity is not sufficient to permit it to finance its activities without additional financial support from us or our partner, Origin Energy Limited ("Origin"). We have determined that we do not have power to direct the activities of Transform that most significantly impact its economic performance, primarily due to limitations on our governance rights that require the consent of Origin for key operating decisions. Therefore, we account for our interest in Transform under the equity method.

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 financial institutions 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 financial institutions and because the third-party equity holder lacks characteristics of a controlling financial interest. By design, the EQUVO arrangement 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 impact its economic performance and we do not consolidate EQUVO.

For further information regarding our VIEs that we account for under the equity method, see "Equity Method Investments" note.

Consolidated Variable Interest Entities

IMFT and IMFS – IM Flash Technologies, LLC ("IMFT") and IM Flash Singapore, LLP ("IMFS") are both VIEs because all of their costs are passed to us and our partner, Intel Corporation ("Intel"), through product purchase agreements and they are dependent upon us or Intel for any additional cash requirements. For both IM Flash entities (i.e., IMFT and IMFS), we determined that we have the power to direct the activities of the entities that most significantly impact their economic performance. The primary activities of the IM Flash entities 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 key activities of the entities. In addition, IMFT manufactures certain products exclusively for us using our technology. As a result of our 82% ownership interest in IMFS as of March 1, 2012, we had significantly greater economic exposure than Intel. We also determined that we have the obligation to absorb losses and the right to receive benefits from the IM Flash entities that could potentially be significant to these entities. Therefore, we consolidate the IM Flash entities.

On February 27, 2012, we entered into agreements with Intel relating to our IMFS and IMFT joint ventures. The transactions contemplated by such agreements became effective on April 6, 2012. For further information regarding the effect of these agreements, see "IM Flash Agreements" note.

MP Mask – MP Mask Technology Center, LLC ("MP Mask") is a VIE because all of its costs are passed to us and our partner, Photronics, Inc. ("Photronics"), through product purchase agreements and it is dependent upon us or Photronics for any additional cash requirements. We determined that we have the power to direct the activities of MP Mask that most significantly impact its economic performance, primarily because (1) of our tie-breaking voting rights over key operating decisions and (2) nearly all key MP Mask activities are driven by our supply needs. We also determined that we have the obligation to absorb losses and the right to receive benefits from MP Mask that could potentially be significant to MP Mask. Therefore, we consolidate MP Mask.

For further information regarding our consolidated VIEs, see "Consolidated Variable Interest Entities" note.

Recently Issued Accounting Standards

In May 2011, the Financial Accounting Standards Board ("FASB") issued a new accounting standard on fair value measurements that clarifies the application of existing guidance and disclosure requirements, changes certain fair value measurement principles and requires additional disclosures about fair value measurements. We are required to adopt this standard in the third quarter of 2012. We do not expect this adoption to have a material impact on our financial statements.

In June 2011, the FASB issued a new accounting standard on the presentation of comprehensive income. The new standard requires the presentation of comprehensive income, the components of net income and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. We are required to adopt this standard as of the beginning of 2013. The new standard also required presentation of adjustments for items that are reclassified from other comprehensive income to net income in the statement where the components of net income and the components of other comprehensive income are presented, which was indefinitely deferred by an update issued by the FASB in December 2011. The adoption of these standards will only impact the presentation of our financial statements.

Receivables

As of	March 1, 2012	September 1, 2011
Trade receivables (net of allowance for doubtful accounts of $2 and $3, respectively)	$ 913	$ 1,105
Income and other taxes	98	137
Related party receivables	83	72
Other	147	183
	$ 1,241	$ 1,497

As of March 1, 2012 and September 1, 2011, related party receivables included $74 million and $67 million, respectively, due from Aptina Imaging Corporation ("Aptina") primarily for sales of image sensor products under a wafer supply agreement. (See "Equity Method Investments" note.)

As of March 1, 2012 and September 1, 2011, other receivables included $26 million and $34 million, respectively, due from Intel for amounts related to NAND Flash product design and process development activities under cost-sharing agreements. As of March 1, 2012 and September 1, 2011, other receivables also included $25 million and $25 million, respectively, due from Nanya for amounts related to DRAM product design and process development activities under a cost-sharing agreement. (See "Consolidated Variable Interest Entities" note and "Equity Method Investments" note.)

Inventories

As of	March 1, 2012	September 1, 2011
Finished goods	$ 681	$ 596
Work in process	1,245	1,342
Raw materials and supplies	155	142
	$ 2,081	$ 2,080

Intangible Assets

As of	March 1, 2012		September 1, 2011	
	Gross Amount	Accumulated Amortization	Gross Amount	Accumulated Amortization
Product and process technology	$ 590	$ (228)	$ 571	$ (203)
Customer relationships	127	(90)	127	(82)
Other	1	—	1	—
	$ 718	$ (318)	$ 699	$ (285)

During the first six months of 2012 and 2011, we capitalized $30 million and $24 million, respectively, for product and process technology with weighted-average useful lives of 9 years.

Amortization expense for intangible assets was $22 million and $44 million for the second quarter and first six months of 2012 and $18 million and $37 million for the second quarter and first six months of 2011, respectively. Annual amortization expense is estimated to be $88 million for 2012, $83 million for 2013, $75 million for 2014, $57 million for 2015 and $49 million for 2016.

Property, Plant and Equipment

As of	March 1, 2012	September 1, 2011
Land	$ 92	$ 92
Buildings	4,602	4,481
Equipment	15,285	14,735
Construction in progress	94	155
Software	311	293
	20,384	19,756
Accumulated depreciation	(13,027)	(12,201)
	$ 7,357	$ 7,555

Depreciation expense was $547 million and $1,089 million for the second quarter and first six months of 2012, respectively, and $485 million and $966 million for the second quarter and first six months of 2011, respectively.

Other noncurrent assets included buildings, equipment, and other assets classified as held for sale of $30 million as of March 1, 2012 and $35 million as of September 1, 2011.

Equity Method Investments

As of	March 1, 2012		September 1, 2011	
	Investment Balance	Ownership Percentage	Investment Balance	Ownership Percentage
Inotera	$ 259	29.7%	$ 388	29.7%
Transform	75	50.0%	87	50.0%
Other	1	Various	8	Various
	$ 335		$ 483	

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

	Quarter Ended		Six Months Ended	
	March 1, 2012	March 3, 2011	March 1, 2012	March 3, 2011
Inotera:				
Equity method loss	$ (64)	$ (45)	$ (136)	$ (71)
Inotera Amortization	12	12	24	24
Other	(4)	(2)	(7)	(2)
	(56)	(35)	(119)	(49)
Transform	(15)	(9)	(22)	(16)
Other	(2)	(4)	(6)	(9)
	$ (73)	$ (48)	$ (147)	$ (74)

Our maximum exposure to loss from our involvement with our equity method investments that are VIEs was as follows:

As of	March 1, 2012
Inotera	$ 354
Transform	76

The maximum exposure to loss primarily included our investment balance as well as related translation adjustments in accumulated other comprehensive income and receivables, if any. We may also incur losses in connection with our obligations under a supply agreement with Inotera. Through the second quarter of 2012, we had rights and obligations to purchase a portion of Inotera's wafer production capacity under the Inotera Supply Agreement. As a result of our March 2012 equity contribution to Inotera, our obligation to purchase Inotera's capacity may increase when additional output results from Inotera's capital investments enabled by our equity investment.

Inotera

We have partnered with Nanya in Inotera, a Taiwanese DRAM memory company. We acquired our initial ownership interest in Inotera in the first quarter of 2009. As of March 1, 2012, we held a 29.7% ownership interest in Inotera, Nanya held a 30.4% ownership interest and the remaining ownership interest was publicly held.

The carrying value of our initial investment in Inotera was less than our proportionate share of its equity. This difference is being amortized as a credit to earnings through equity in net income (loss) of equity method investees (the "Inotera Amortization"). As of March 1, 2012, $50 million of Inotera Amortization remained to be recognized, of which $25 million is scheduled to be amortized in the remainder of 2012 with the remaining amount to be amortized through 2034.

Because of significant market declines in the selling price of DRAM, Inotera incurred net losses of $737 million for its year ended December 31, 2011. Also, Inotera's current liabilities exceeded its current assets by $2.2 billion as of December 31, 2011, which exposes Inotera to liquidity risk. Inotera's management has developed plans to improve its liquidity. There can be no assurance that Inotera's plans to improve its liquidity will be successful.

On December 20, 2011, we loaned $133 million to Inotera under a 90-day note with a stated annual interest rate of 2% to facilitate the purchase of capital equipment necessary to implement new process technology. The loan was repaid to us with accrued interest in March 2012, subsequent to the end of our second quarter of 2012. Also, in March 2012, subsequent to the end of our second quarter of 2012, we contributed $170 million to Inotera, which increased our ownership percentage from 29.7% to 39.7%.

Through the second quarter of 2012, we had a supply agreement with Inotera, under which Nanya was also a party, for the rights and obligations to purchase 50% of Inotera's wafer production capacity (the "Inotera Supply Agreement"). As a result of our March 2012 equity contribution to Inotera, we expect to receive a higher share of Inotera's 30-nanometer output when it becomes available from Inotera capital investments enabled by our $170 million equity investment. Our cost of wafers purchased under the Inotera Supply Agreement is based on a margin-sharing formula among Nanya, Inotera, and us. Under such formula, all parties' manufacturing costs related to wafers supplied by Inotera, as well as our and Nanya's revenue for the resale of products from wafers supplied by Inotera, are considered in determining costs for wafers acquired from Inotera. Under the Inotera Supply Agreement, we purchased $142 million and $298 million of DRAM products in the second quarter and first six months of 2012, respectively, and $167 million and $304 million of DRAM products in the second quarter and first six months of 2011, respectively. In addition, under the Inotera Supply Agreement, we accrued a liability and recognized a loss on our purchase commitment of $19 million in the second quarter of 2012 and $40 million in the first quarter of 2012.

As of March 1, 2012 and September 1, 2011, there were gains of $46 million and $65 million, respectively, in accumulated other comprehensive income (loss) for cumulative translation adjustments from our equity investment in Inotera.

As of March 1, 2012, based on the closing trading price of Inotera's shares in an active market, the market value of our equity interest in Inotera was $404 million, which exceeded our net carrying value of $213 million. The net carrying value is our investment balance of $259 million less the cumulative translation adjustments in accumulated other comprehensive income (loss) of $46 million.

Under a cost-sharing arrangement, we share equally in DRAM development costs with Nanya. As a result, our research and development ("R&D") costs were reduced by $36 million and $73 million for the second quarter and first six months of 2012, respectively, and $33 million and $63 million for the second quarter and first six months of 2011, respectively. In addition, we received $1 million and $4 million of royalty revenue for the second quarter and first six months of 2012, respectively, and $6 million and $13 million of royalty revenue for the second quarter and first six months of 2011, respectively, from Nanya for sales of stack DRAM products manufactured by or for Nanya on process nodes of 50nm or higher.

Transform

In the second quarter of 2010, we acquired a 50% interest in Transform, a developer, manufacturer and marketer of photovoltaic technology and solar panels, from Origin. As of March 1, 2012, we and Origin each held a 50% ownership interest in Transform. During the second quarter and first six months of 2012, we and Origin each contributed $4 million and $7 million, respectively, of cash to Transform, and for the second quarter and first six months of 2011, we and Origin each contributed $4 million and $11 million, respectively, of cash to Transform. Our results of operations for the second quarter and first six months of 2012 included $4 million and $8 million, respectively, of net sales, which approximated our cost, for transition services provided to Transform. For the second quarter and first six months of 2011, our results of operations included $6 million and $11 million, respectively, of net sales, which approximated our cost, for transition services provided to Transform.

Other

Included in other equity method investments is our 35% equity interest in Aptina. During the second quarter of 2012, the amount of cumulative loss we recognized from our investment in Aptina reduced our investment balance to zero and we ceased recognizing our proportionate share of Aptina's losses. We will resume recognizing our proportionate share of Aptina's earnings only when our proportionate share of their earnings exceeds the amount of cumulative net losses not recognized.

We manufacture components for CMOS image sensors for Aptina under a wafer supply agreement. For the second quarter and first six months of 2012, we recognized net sales of $99 million and $193 million, respectively, from products sold to Aptina. For the second quarter and first six months of 2011, we recognized net sales of $82 million and $141 million, respectively, from products sold to Aptina. Revenue on our sales to Aptina approximated costs.

Accounts Payable and Accrued Expenses

As of	March 1, 2012	September 1, 2011
Accounts payable	$ 806	$ 1,187
Salaries, wages and benefits	276	304
Related party payables	118	141
Income and other taxes	37	30
Other	220	168
	$ 1,457	$ 1,830

As of March 1, 2012 and September 1, 2011, related party payables included $118 million and $139 million, respectively, due to Inotera primarily for the purchase of DRAM products under the Inotera Supply Agreement.

As of March 1, 2012 and September 1, 2011, other accounts payable and accrued expenses included $7 million and $17 million, respectively, due to Intel for NAND Flash product design and process development and licensing fees pursuant to cost-sharing agreements. (See "Consolidated Variable Interest Entities" note.)

Debt

As of	March 1, 2012	September 1, 2011
2014 convertible senior notes, due June 2014 at stated rate of 1.875%, effective rate of 7.9%, net of discount of $112 and $134, respectively	$ 837	$ 815
Capital lease obligations, due in periodic installments through August 2050 at 5.0% and 6.1%, respectively	702	423
2031A convertible senior notes, due August 2031 at stated rate of 1.5%, effective rate of 6.5%, net of discount of $85 and $90, respectively	260	255
2031B convertible senior notes, due August 2031 at stated rate of 1.875%, effective rate of 7.0%, net of discount of $106 and $111, respectively	239	234
2013 convertible senior notes, due October 2013 at stated rate of 4.25%	139	139
2027 convertible senior notes, due June 2027 at stated rate of 1.875%, effective rate of 6.9%, net of discount of $37 and $40, respectively	138	135
	2,315	2,001
Less current portion	(150)	(140)
	$ 2,165	$ 1,861

In the second quarter of 2012, we received $230 million in proceeds from equipment sales-leaseback transactions and as a result recorded capital lease obligations aggregating $230 million at a weighted-average effective interest rate of 3.9%, payable in periodic installments through February 2016. In the first six months of 2012, we received $340 million in proceeds from equipment sales-leaseback transactions and as a result recorded capital lease obligations aggregating $340 million at a weighted-average effective interest rate of 4.0%, payable in periodic installments through February 2016.

Debt Restructure

In the first quarter of 2011, in connection with a series of debt restructure transactions with certain holders of our convertible notes, we recognized a loss of $111 million as follows:

- $15 million on the exchange of $175 million in aggregate principal amount of our 2014 convertible senior notes (the "2014 Notes") for $175 million in aggregate principal amount of new 2027 convertible senior notes;
- $17 million (including transaction fees) on the repurchase of $176 million in aggregate principal amount of our 2014 Notes for $171 million in cash; and
- $79 million (including transaction fees) on the repurchase of $91 million in aggregate principal amount of our 2013 convertible senior notes for $166 million in cash.

Debt Redemption Notice

On April 5, 2012, we provided the holders of our 2013 convertible senior notes written notice of redemption on June 4, 2012. The redemption price will equal the $139 million principal amount of the notes, plus accrued and unpaid interest and a "make-whole premium" equal to the present value of the remaining scheduled interest payments on the notes from the redemption to maturity (October 15, 2013). The conversion rate for these notes is 196.7052 shares of common stock per $1,000 principal amount (approximately $5.08 per share) and up to 27.3 million shares may be issued if some or all of the holders elect to convert their notes to shares.

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 balance sheet date, 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.

We are engaged in litigation with Rambus, Inc. ("Rambus") relating to certain of Rambus' patents and certain of our claims and defenses. Our lawsuits with Rambus are pending in the U.S. District Court for the District of Delaware, U.S. District Court for the Northern District of California, Germany, France, and Italy. On August 28, 2000, we filed a complaint against Rambus in the U.S. District Court for the District of Delaware seeking declaratory and injunctive relief. The complaint alleges, among other things, various anticompetitive activities and also seeks a declaratory judgment that certain Rambus patents are invalid and/or unenforceable. Rambus subsequently filed an answer and counterclaim in Delaware alleging, among other things, infringement of twelve Rambus patents and seeking monetary damages and injunctive relief. We subsequently added claims and defenses based on Rambus' alleged spoliation of evidence and litigation misconduct. The spoliation and litigation misconduct claims and defenses were heard in a bench trial before Judge Robinson in October 2007. On January 9, 2009, Judge Robinson entered an opinion in our favor holding that Rambus had engaged in spoliation and that the twelve Rambus patents in the suit were unenforceable against us. Rambus subsequently appealed the decision to the U.S. Court of Appeals for the Federal Circuit. On May 13, 2011, the Federal Circuit affirmed Judge Robinson's finding of spoliation, but vacated the dismissal sanction and remanded the case to the Delaware District Court for analysis of the remedy based on the Federal Circuit's decision. On January 13, 2006, Rambus filed a lawsuit against us in the U.S. District Court for the Northern District of California alleging that certain of our DDR2, DDR3, RLDRAM and RLDRAM II products infringe as many as fourteen Rambus patents and seeking monetary damages, treble damages, and injunctive relief. The Northern District of California Court stayed the trial of the patent phase of the Northern District of California case upon appeal of the Delaware spoliation issue to the Federal Circuit.

On March 6, 2009, Panavision Imaging, LLC filed suit against us and Aptina Imaging Corporation, then a wholly-owned subsidiary, in the U.S. District Court for the Central District of California. The complaint alleged that certain of our and Aptina's image sensor products infringed four Panavision Imaging U.S. patents and sought injunctive relief, damages, attorneys' fees, and costs. On February 7, 2011, the Court ruled that one of the four patents in suit was invalid for indefiniteness. On March 10, 2011, claims relating to the remaining three patents in suit were dismissed with prejudice. Panavision subsequently filed a motion for reconsideration of the Court's decision regarding invalidity of the first patent, and we filed a motion for summary judgment of non-infringement of such patent. On July 8, 2011, the Court issued an order that rescinded its prior indefiniteness decision, and held that the disputed term does not render the claims in suit indefinite. On February 3, 2012, the Court granted our motion for summary judgment of non-infringement. On March 20, 2012, we executed a settlement agreement with Panavision pursuant to which the parties agreed to a settlement and release of all claims and a dismissal with prejudice of the litigation, which did not have a material effect on our business, results of operations or financial condition.

On September 1, 2011, HSM Portfolio LLC and Technology Properties Limited LLC filed a patent infringement action in the U.S. District Court for the District of Delaware against us and seventeen other defendants. The complaint alleges that certain of our DRAM and image sensor products infringe two U.S. patents and seeks injunctive relief, damages, attorneys' fees, and costs.

On September 9, 2011, Advanced Data Access LLC filed a patent infringement action in the U.S. District Court for the Eastern District of Texas against us and seven other defendants. On November 16, 2011, Advanced Data Access filed an amended complaint. The amended complaint alleges that certain of our DRAM products infringe two U.S. patents and seeks injunctive relief, damages, attorneys' fees, and costs.

On September 14, 2011, Smart Memory Solutions LLC filed a patent infringement action in the U.S. District Court for the District of Delaware against us and Winbond Electronics Corporation of America. The complaint alleges that certain of our NOR Flash products infringe a single U.S. patent and seeks injunctive relief, damages, attorneys' fees, and costs.

On December 5, 2011, the Board of Trustees for the University of Illinois filed a patent infringement action against us in the U.S. District Court for the Central District of Illinois. The complaint alleges that unspecified semiconductor products of ours infringe three U.S. patents and seeks injunctive relief, damages, attorneys' fees, and costs.

On March 26, 2012, Semiconductor Technologies, LLC filed a patent infringement action in the U.S. District Court for the Eastern District of Texas (Marshall) against us. The complaint alleges that certain of our DRAM products infringe five U.S. patents and seeks injunctive relief, damages, attorneys' fees, and costs.

Among other things, the above lawsuits pertain to certain of our SDRAM, DDR SDRAM, DDR2 SDRAM, DDR3 SDRAM, RLDRAM, NOR Flash and image sensor products, 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 court determination that our products or manufacturing processes infringe the intellectual property rights of others 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.

Antitrust Matters

On May 5, 2004, Rambus filed a complaint in the Superior Court of the State of California (San Francisco County) against us and other DRAM suppliers which alleged that the defendants harmed Rambus by engaging in concerted and unlawful efforts affecting Rambus DRAM ("RDRAM") by eliminating competition and stifling innovation in the market for computer memory technology and computer memory chips. Rambus' complaint alleged various causes of action under California state law including, among other things, a conspiracy to restrict output and fix prices, a conspiracy to monopolize, intentional interference with prospective economic advantage, and unfair competition. Rambus sought a judgment for damages of approximately $3.9 billion, joint and several liability, trebling of damages awarded, punitive damages, a permanent injunction enjoining the defendants from the conduct alleged in the complaint, interest, and attorneys' fees and costs. Trial began on June 20, 2011, and the case went to the jury on September 21, 2011. On November 16, 2011, the jury found for us on all claims. On April 2, 2012, Rambus filed a notice of appeal with the Superior Court.

At least sixty-eight purported class action price-fixing lawsuits have been filed against us and other DRAM suppliers in various federal and state courts in the United States and in Puerto Rico on behalf of indirect purchasers alleging a conspiracy to increase DRAM prices in violation of federal and state antitrust laws and state unfair competition law, and/or unjust enrichment relating to the sale and pricing of DRAM products during the period from April 1999 through at least June 2002. The complaints seek joint and several damages, trebled, in addition to restitution, costs and attorneys' fees. A number of these cases have been removed to federal court and transferred to the U.S. District Court for the Northern District of California for consolidated pre-trial proceedings. In July, 2006, the Attorneys General for approximately forty U.S. states and territories filed suit in the U.S. District Court for the Northern District of California. The complaints allege, among other things, violations of the Sherman Act, Cartwright Act, and certain other states' consumer protection and antitrust laws and seek joint and several damages, trebled, as well as injunctive and other relief. On October 3, 2008, the California Attorney General filed a similar lawsuit in California Superior Court, purportedly on behalf of local California government entities, alleging, among other things, violations of the Cartwright Act and state unfair competition law. On June 23, 2010, we executed a settlement agreement resolving these purported class-action indirect purchaser cases and the pending cases of the Attorneys General relating to alleged DRAM price-fixing in the United States. Subject to certain conditions, including final court approval of the class settlements, we agreed to pay approximately $67 million in aggregate in three equal installments over a two-year period. As of March 1, 2012, we have paid $45 million into an escrow account in accordance with the settlement agreement.

Three putative class action lawsuits alleging price-fixing of DRAM products also have been filed against us in Quebec, Ontario, and British Columbia, Canada, on behalf of direct and indirect purchasers, asserting violations of the Canadian Competition Act and other common law claims. The claims were initiated between December 2004 (British Columbia) and June 2006 (Quebec). The plaintiffs seek monetary damages, restitution, costs, and attorneys' fees. The substantive allegations in these cases are similar to those asserted in the DRAM antitrust cases filed in the United States. Plaintiffs' motion for class certification was denied in the British Columbia and Quebec cases in May and June 2008, respectively. Plaintiffs subsequently filed an appeal of each of those decisions. On November 12, 2009, the British Columbia Court of Appeal reversed, and on November 16, 2011, the Quebec Court of Appeal also reversed the denial of class certification and remanded the cases for further proceedings.

On June 21, 2010, the Brazil Secretariat of Economic Law of the Ministry of Justice ("SDE") announced that it had initiated an investigation relating to alleged anticompetitive activities within the DRAM industry. The SDE's Notice of Investigation names various DRAM manufacturers and certain executives, including us, and focuses on the period from July 1998 to June 2002.

On September 24, 2010, Oracle America Inc. ("Oracle"), successor to Sun Microsystems, a DRAM purchaser that opted-out of a direct purchaser class action suit that was settled, filed suit against us in U.S. District Court for the Northern District of California. The complaint alleged a conspiracy to increase DRAM prices and other violations of federal and state antitrust and unfair competition laws based on purported conduct for the period from August 1, 1998 through at least June 15, 2002. Oracle sought joint and several damages, trebled, as well as restitution, disgorgement, attorneys' fees, costs and injunctive relief. On March 23, 2012, we entered into a settlement agreement with Oracle pursuant to which we agreed to make a payment of $58 million to Oracle for a settlement and full release of all claims and a dismissal with prejudice of the litigation.

We are unable to predict the outcome of these matters and therefore cannot estimate the range of possible loss, except as noted in the U.S. indirect purchasers cases and Oracle above. The final resolution of these alleged violations of antitrust laws could result in significant liability and could have a material adverse effect on our business, results of operations or financial condition.

Commercial Matters

On January 20, 2011, Dr. Michael Jaffé, administrator for Qimonda AG ("Qimonda") insolvency proceedings, filed suit against us and Micron Semiconductor B.V., our Netherlands subsidiary, 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 us and Qimonda in fall 2008 pursuant to which we purchased all of Qimonda's shares of Inotera Memories, Inc. and seeks an order requiring us to retransfer the Inotera shares to the Qimonda estate. The complaint also seeks 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. A hearing scheduled to begin on November 9, 2011 was continued and has not yet been rescheduled. We are unable to predict the outcome of this lawsuit 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 equivalent monetary damages and the termination of the patent cross license, which could have a material adverse effect on our business, results of operation or financial condition.

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.

Micron Shareholders' Equity and Noncontrolling Interests in Subsidiaries

Changes in the components of equity were as follows:

	Six Months Ended March 1, 2012			Six Months Ended March 3, 2011		
	Attributable to Micron	Noncontrolling Interests	Total Equity	Attributable to Micron	Noncontrolling Interests	Total Equity
Beginning balance	$ 8,470	$ 1,382	$ 9,852	$ 8,020	$ 1,796	$ 9,816
Net income (loss)	(469)	—	(469)	227	20	247
Other comprehensive income (loss)	(64)	—	(64)	90	5	95
Comprehensive income (loss)	(533)	—	(533)	317	25	342
Acquisition of noncontrolling interests in TECH	—	—	—	67	(226)	(159)
Net contribution from (distributions to) noncontrolling interests	—	(9)	(9)	—	(95)	(95)
Issuance and repurchase of convertible debts	—	—	—	13	—	13
Capital and other transactions attributable to Micron	49	—	49	45	—	45
Ending balance	$ 7,986	$ 1,373	$ 9,359	$ 8,462	$ 1,500	$ 9,962

Derivative Financial Instruments

We are exposed to currency exchange rate risk for monetary assets and liabilities held or denominated in foreign currencies, primarily the euro, shekel, Singapore dollar and yen. We are also exposed to currency exchange rate risk for capital expenditures, primarily denominated in the euro and yen. We use derivative instruments to manage our exposures to changes in currency exchange rates. For exposures associated with our monetary assets and liabilities, our primary objective in entering into currency derivatives is to reduce the volatility that changes in currency exchange rates have on our earnings. For exposures associated with capital expenditures, our primary objective in entering into currency derivatives is to reduce the volatility that changes in currency exchange rates have on future cash flows.

Our derivatives consist primarily of currency forward contracts. The derivatives expose us to credit risk to the extent the counterparties may be unable to meet the terms of the derivative instrument. Our maximum exposure to loss due to credit risk that we would incur if parties to forward contracts failed completely to perform according to the terms of the contracts was equal to our carrying value of the forward contracts as of March 1, 2012, as listed in the tables below under asset fair values. We seek to mitigate such risk by limiting our counterparties to major financial institutions and by spreading risk across multiple major financial institutions. In addition, we monitor the potential risk of loss with any one counterparty resulting from this type of credit risk on an ongoing basis. We have the following currency risk management programs:

Currency Derivatives without Hedge Accounting Designation

We utilize a rolling hedge strategy with currency forward contracts that generally mature within 35 days to hedge our exposure to changes in currency exchange rates. At the end of each reporting period, monetary assets and liabilities held or 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 bid prices of dealers or exchange quotations (referred to as Level 2). Realized and unrealized gains and losses on derivative instruments and the underlying monetary assets and liabilities are included in other operating income (expense). Total gross notional amounts and fair values for currency derivatives without hedge accounting designation were as follows:

Currency	Notional Amount[1] (in U.S. Dollars)	Fair Value of	
		Asset [2]	(Liability) [3]
As of March 1, 2012:			
Singapore dollar	$ 176	$ —	$ —
Euro	170	2	(2)
Shekel	63	—	(1)
Yen	21	—	(1)
Other	41	—	—
	$ 471	$ 2	$ (4)
As of September 1, 2011:			
Singapore dollar	$ 210	$ —	$ —
Euro	301	3	—
Shekel	98	—	(2)
Yen	165	3	—
Other	50	—	—
	$ 824	$ 6	$ (2)

(1) *Represents the face value of outstanding contracts.*
(2) *Included in other receivables.*
(3) *Included in other accounts payable and accrued expenses.*

For currency forward contracts without hedge accounting designation, we recognized gains of $3 million and losses of $17 million for the second quarter and first six months of 2012, respectively, and gains of $7 million and $5 million for the second quarter and first six months of 2011, respectively, which were included in other operating income (expense).

Currency Derivatives with Cash Flow Hedge Accounting Designation

We utilize currency forward contracts that generally mature within 12 months to hedge the exposure of changes in cash flows from changes in currency exchange rates for certain forecasted capital expenditures. Currency forward contracts are valued at their fair values based on market-based observable inputs including currency exchange spot and forward rates, interest rate and credit risk spread (referred to as Level 2). For those derivatives designated as cash flow hedges, the effective portion of the realized and unrealized gain or loss on the derivatives was included as a component of accumulated other comprehensive income (loss) in shareholders' equity. The amounts in accumulated other comprehensive income (loss) for those cash flow hedges 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 operating income (expense). Total gross notional amounts and fair values for currency derivatives with cash flow hedge accounting designation were as follows:

Currency	Notional Amount[1] (in U.S. Dollars)	Fair Value of Asset[2]	Fair Value of (Liability)[3]
As of March 1, 2012:			
Yen	$ 12	$ —	$ (1)
Euro	10	—	—
	$ 22	$ —	$ (1)
As of September 1, 2011:			
Yen	$ 19	$ 1	$ —
Euro	232	8	—
	$ 251	$ 9	$ —

(1) *Represents the face value of outstanding contracts*
(2) *Included in other receivables*
(3) *Included in other accounts payable and accrued expenses*

For the second quarter and first six months of 2012, we recognized $2 million and $11 million, respectively, of net derivative losses in other comprehensive income from the effective portion of cash flow hedges. For the second quarter and first six months of 2011, we recognized $22 million and $28 million, respectively, of net derivative gains in other comprehensive income from the effective portion of cash flow hedges. The ineffective and excluded portions of cash flow hedges recognized in other operating income (expense) were not significant in the second quarters and first six months of 2012 and 2011. Amounts in accumulated other comprehensive income are amortized to manufacturing cost over the useful life of the underlying hedged equipment and reclassified to earnings when inventory is sold. In the second quarter and first six months of 2012, $2 million and $4 million, respectively, of net gains was reclassified from other comprehensive income (loss) to earnings and the amount of net derivative gains included in other accumulated comprehensive income (loss) expected to be reclassified into earnings in the next 12 months was $6 million as of March 1, 2012.

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), observable 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).

Fair Value Measurements on a Recurring Basis

Assets measured at fair value on a recurring basis were as follows:

	March 1, 2012				September 1, 2011			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Money market[1]	$ 1,520	$ —	$ —	$ 1,520	$ 1,462	$ —	$ —	$ 1,462
Certificates of deposit[1]	—	2	—	2	—	155	—	155
Marketable equity investments[2]	4	10	—	14	37	15	—	52
Assets held for sale[2]	—	—	30	30	—	—	35	35
	$ 1,524	$ 12	$ 30	$ 1,566	$ 1,499	$ 170	$ 35	$ 1,704

(1) *Included in cash and equivalents.*
(2) *Included in other noncurrent assets.*

***Certificates of deposit*:** Certificates of deposit assets were valued using observable inputs in active markets for similar assets (Level 2).

Marketable equity investments: All marketable equity investments were classified as available-for-sale. For the second quarter of 2012, we realized gains of $34 million from the sale of marketable equity investments. Gross realized gains and gross realized losses on sales of our marketable equity investments were not significant for the second quarter or first six months of 2011. Marketable equity investments included approximately 20 million ordinary shares of Tower Semiconductor Ltd. received in connection with our sale of our wafer fabrication facility in Japan in June 2011. As of September 1, 2011, the shares were valued using quoted market prices in an active market and discounted using a protective put model for our resale restriction (Level 2). During the second quarter of 2012, the resale restrictions lapsed for 5 million of the shares, which were valued using quoted market prices (Level 1) as of March 1, 2012.

Assets held for sale: Assets held for sale primarily included semiconductor equipment and facilities. Fair value for semiconductor equipment was based on quotations obtained from equipment dealers, which consider the remaining useful life and configuration of the equipment. Fair value for facilities was determined based on sales of similar facilities and properties in comparable markets (Level 3). Losses recognized in the second quarters and first six months of 2012 and 2011 due to fair value measurements using Level 3 inputs, were not significant. For the second quarter and first six months of 2012, activity of assets held for sale was not significant.

Fair Value of Financial Instruments

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 component of the 2014 Notes, the 2027 Notes and the 2031 Notes which is classified in equity) were as follows:

	March 1, 2012		September 1, 2011	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Convertible debt instruments (Level 1)	$ 951	$ 837	$ 1,216	$ 1,049
Convertible debt instruments (Level 2)	1,184	776	629	529
Other debt instruments	713	702	436	423

The fair value of our Level 1 convertible debt instruments was based on quoted market prices in active markets. The fair value of our Level 2 convertible debt instruments was determined based on inputs that are observable in the market or that could be derived from, or corroborated with, observable market data, including our stock price and interest rates based on similar debt issued by parties with credit ratings similar to ours. The fair value of our other debt instruments was estimated based on discounted cash flows using inputs that are observable in the market or that could be derived from, or corroborated with, observable market data, including interest rates based on similar debt issued by parties with credit ratings similar to ours (Level 2).

Equity Plans

As of March 1, 2012, we had an aggregate of 186.5 million shares of common stock reserved for the issuance of stock options and restricted stock awards, of which 108.4 million shares were subject to outstanding awards and 78.1 million shares were available for future awards. Awards are subject to terms and conditions as determined by our Board of Directors.

Stock Options

We granted 14.5 million and 20.4 million stock options during the second quarter and first six months of 2012, respectively, with weighted-average grant-date fair values per share of $3.25 and $3.16, respectively. We granted 10.8 million and 14.9 million stock options during the second quarter and first six months of 2011, respectively, with weighted-average grant-date fair values per share of $4.71 and $4.46, respectively.

The fair values of option awards were estimated as of the dates of grant using the Black-Scholes option valuation model. The Black-Scholes model requires the input of assumptions, including the expected stock price volatility and estimated option life. The expected volatilities utilized were based on implied volatilities from traded options on our stock and on historical volatility. Since 2009, the expected lives of options granted were based, in part, on historical experience and on the terms and conditions of the options. Prior to 2009, the expected lives of options granted were based on the simplified method provided by the Securities and Exchange Commission. The risk-free interest rates utilized were based on the U.S. Treasury yield in effect at the time of the grant. No dividends were assumed in estimated option values. Assumptions used in the Black-Scholes model are presented below:

	Quarter Ended		Six Months Ended	
	March 1, 2012	March 3, 2011	March 1, 2012	March 3, 2011
Average expected life in years	5.1	5.0	5.1	5.1
Weighted-average expected volatility	66%	55%	66%	56%
Weighted-average risk-free interest rate	0.9%	2.1%	1.0%	1.8%

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

As of March 1, 2012, there were 10.4 million shares of Restricted Stock Awards outstanding, of which 2.4 million were performance-based Restricted Stock Awards. For service-based Restricted Stock Awards, restrictions generally lapse either in one-fourth or one-third increments during each year of employment after the grant date. For performance-based Restricted Stock Awards, vesting is contingent upon meeting certain performance goals. Restricted Stock Awards granted for the second quarters and first six months of 2012 and 2011 were as follows:

	Quarter Ended		Six Months Ended	
	March 1, 2012	March 3, 2011	March 1, 2012	March 3, 2011
Service-based awards	2.0	3.1	3.8	4.3
Performance-based awards	—	—	1.9	1.2
Weighted-average grant-date fair values per share	$ 5.84	$ 9.62	$ 5.40	$ 8.74

Stock-based Compensation Expense

Total compensation costs for our equity plans were as follows:

	Quarter Ended		Six Months Ended	
	March 1, 2012	March 3, 2011	March 1, 2012	March 3, 2011
Stock-based compensation expense by caption:				
Cost of goods sold	$ 7	$ 6	$ 12	$ 10
Selling, general and administrative	18	9	29	20
Research and development	5	4	9	8
	$ 30	$ 19	$ 50	$ 38
Stock-based compensation expense by type of award:				
Stock options	$ 19	$ 11	$ 31	$ 21
Restricted stock awards	11	8	19	17
	$ 30	$ 19	$ 50	$ 38

Selling, general and administrative expense for the second quarter of 2012 included $9 million from the acceleration and extension of vesting of our former Chief Executive Officer's restricted stock and stock options upon his death, pursuant to the terms of our stock plans and his severance agreement.

As of March 1, 2012, $173 million of total unrecognized compensation costs, net of estimated forfeitures, related to non-vested awards was expected to be recognized through the second quarter of 2016, resulting in a weighted-average period of 1.4 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. (See "Income Taxes" note.)

Other Operating (Income) Expense, Net

Other operating (income) expense consisted of the following:

	Quarter Ended		Six Months Ended	
	March 1, 2012	March 3, 2011	March 1, 2012	March 3, 2011
(Gain) loss on disposition of property, plant and equipment	$ 5	$ (16)	$ 6	$ (16)
(Gain) loss from changes in currency exchange rates	2	—	13	7
Samsung patent cross-license agreement	—	(40)	—	(240)
Other	12	(20)	6	(18)
	$ 19	$ (76)	$ 25	$ (267)

In the first quarter of 2011, we entered into a 10-year patent cross-license agreement with Samsung Electronics Co. Ltd. ("Samsung") under which we received a total of $275 million of cash. For the second quarter and first six months of 2011, other operating income included gains of $40 million and $240 million, respectively, for cash received from Samsung under the agreement. We received an additional $35 million from this agreement in the third quarter of 2011. The license is a life-of-patents license for existing patents and applications, and a 10-year term license for all other patents.

Other Non-Operating Income (Expense), Net

Other non-operating income for the second quarter of 2012 included $39 million in net gains recognized from the disposition of noncurrent equity investments. Other non-operating expense for the first six months of 2011 included a $111 million loss recognized in the first quarter of 2011 in connection with a series of debt restructure transactions with certain holders of our convertible notes. (See "Debt" note.)

Income Taxes

Income taxes for the first six months of 2012 included a tax benefit of $14 million recognized in the first quarter of 2012 related to the favorable resolution of certain prior year tax matters, which was previously reserved as an uncertain tax position. Income taxes for the second quarter of 2011 included a charge to reduce net deferred tax assets by $19 million in connection with a change in certain tax rates. Income taxes for the second and first quarters of 2011 included charges of $7 million and $33 million, respectively, in connection with the receipt of $40 million and $200 million, respectively, from Samsung for a cross-license agreement. Remaining taxes in the second and first quarters of 2012 and 2011 primarily reflect taxes on our non-U.S. operations. We have a valuation allowance for our net deferred tax asset associated with our U.S. operations. The provision (benefit) for taxes on U.S. operations in the second and first quarters of 2012 and 2011 was substantially offset by changes in the valuation allowance.

Earnings Per Share

Basic earnings per share is computed based on the weighted-average number of common shares and stock rights outstanding. Diluted earnings per share is computed based on the weighted-average number of common shares and stock rights outstanding plus the dilutive effects of equity awards, convertible notes and escrow shares. Potential common shares that would increase earnings per share amounts or decrease loss per share amounts are antidilutive and are therefore excluded from diluted earnings per share calculations. Antidilutive potential common shares that could dilute basic earnings per share in the future were 290.9 million for the second quarter and first six months of 2012, and 166.0 million and 167.5 million for the second quarter and first six months of 2011, respectively.

	Quarter Ended		Six Months Ended	
	March 1, 2012	March 3, 2011	March 1, 2012	March 3, 2011
Net income (loss) available to Micron shareholders – Basic	$ (282)	$ 72	$ (469)	$ 227
Net effect of assumed conversion of debt	—	2	—	4
Net income (loss) available to Micron shareholders – Diluted	$ (282)	$ 74	$ (469)	$ 231
Weighted-average common shares outstanding – Basic	982.8	988.1	982.1	980.5
Net effect of dilutive equity awards, escrow shares and assumed conversion of debt	—	49.2	—	54.0
Weighted-average common shares outstanding – Diluted	982.8	1,037.3	982.1	1,034.5
Earnings (loss) per share:				
Basic	$ (0.29)	$ 0.07	$ (0.48)	$ 0.23
Diluted	(0.29)	0.07	(0.48)	0.22

Comprehensive Income (Loss)

The components of comprehensive income (loss) were as follows:

	Quarter Ended		Six Months Ended	
	March 1, 2012	March 3, 2011	March 1, 2012	March 3, 2011
Net income (loss)	$ (282)	$ 75	$ (469)	$ 247
Other comprehensive income (loss), net of tax:				
Net unrealized gain (loss) on investments	(32)	4	(30)	7
Net gain (loss) on derivatives	(4)	22	(15)	28
Net gain (loss) on foreign currency translation adjustment	2	41	(19)	59
Pension liability adjustment	—	—	—	1
Total other comprehensive income (loss)	(34)	67	(64)	95
Comprehensive income (loss)	(316)	142	(533)	342
Comprehensive loss (income) attributable to noncontrolling interests	1	(4)	—	(25)
Comprehensive income (loss) attributable to Micron	$ (315)	$ 138	$ (533)	$ 317

The components of accumulated other comprehensive income (loss), net of tax, at the end of each period were as follows:

As of	March 1, 2012	September 1, 2011
Accumulated translation adjustment, net	$ 46	$ 65
Gain (loss) on derivatives, net	28	43
Gain (loss) on investments, net	(5)	25
Unrecognized pension liability	(1)	(1)
Accumulated other comprehensive income	$ 68	$ 132

Consolidated Variable Interest Entities

IM Flash

Through the second quarter of 2012, we had two joint ventures with Intel: IMFT, formed in 2006 and IMFS, formed in 2007, to manufacture NAND Flash memory products for the exclusive benefit of the partners. On February 27, 2012, we entered into agreements with Intel relating to our IMFS and IMFT joint ventures. The transactions contemplated by such agreements became effective on April 6, 2012. For further information regarding the effect of these agreements, see "IM Flash Agreements" note.

Through the second quarter of 2012, IMFT and IMFS were each governed by a Board of Managers, the number of which adjusted depending on the parties' respective ownership interests. We and Intel initially appointed an equal number of managers to each of the boards. IMFT and IMFS are aggregated as IM Flash in the following disclosure due to the similarity of their function, operations and the way our management reviews the results of their operations. The partners' ownership percentages are based on contributions to the partnership. As of March 1, 2012, we owned 51% and Intel owned 49% of IMFT and we owned 82% and Intel owned 18% of IMFS. On April 6, 2012, we acquired Intel's 18% ownership interest in IMFS. The IMFT joint venture arrangement extends through 2024 (as a result of the April 6, 2012 agreements) but is subject to prior termination under certain terms and conditions.

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

	Quarter Ended		Six Months Ended	
	March 1, 2012	March 3, 2011	March 1, 2012	March 3, 2011
IM Flash distributions to Micron	$ 67	$ 53	$ 153	$ 104
IM Flash distributions to Intel	64	50	147	99
Micron contributions to IM Flash	—	343	103	735
Intel contributions to IM Flash	—	—	131	—

IM Flash sold products to the joint venture partners generally in proportion to their ownership interests at long-term negotiated prices approximating cost. IM Flash sales to Intel were $255 million and $516 million for the second quarter and first six months of 2012, respectively, and were $202 million and $411 million for the second quarter and first six months 2011, respectively. As of March 1, 2012 and September 1, 2011, IM Flash had receivables of $145 million and $165 million, respectively, from Intel.

Through the second quarter of 2012, our share of the operating costs and supply of NAND Flash from IMFS was adjusted for changes in our ownership share in IMFS. Accordingly, our share of IMFS output grew from 51% in the first quarter of 2011 to 78% in the second quarter of 2012. As a result of the April 6, 2012 agreements with Intel, we acquired Intel's 18% interest in IMFS and the assets of IMFT located at our Virginia wafer fabrication facility. Accordingly, Intel has no continuing rights to the output from the IMFS and Virginia facilities and, subsequent to April 6, 2012, purchases NAND Flash products from us under a cost-plus supply arrangement. In addition, Intel continues to receive output from the remaining IMFT fabrication facility in proportion to its ownership interest at long-term negotiated prices approximating cost.

Total IM Flash assets and liabilities included in our consolidated balance sheets were as follows:

As of	March 1, 2012	September 1, 2011
Assets		
Cash and equivalents	$ 171	$ 327
Receivables	217	252
Inventories	240	227
Other current assets	14	11
Total current assets	642	817
Property, plant and equipment, net	3,991	4,121
Other noncurrent assets	66	66
Total assets	$ 4,699	$ 5,004
Liabilities		
Accounts payable and accrued expenses	$ 194	$ 458
Deferred income	122	125
Equipment purchase contracts	93	37
Current portion of long-term debt	10	8
Total current liabilities	419	628
Long-term debt	78	58
Other noncurrent liabilities	4	4
Total liabilities	$ 501	$ 690

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

The table above included, as of March 1, 2012, assets of $2,880 million and liabilities of $193 million, and as of September 1, 2011, assets of $2,999 million and liabilities of $433 million, related to our IM Flash entities that, subsequent to the April 6, 2012 agreements with Intel, were wholly-owned by us. See "IM Flash Agreements" note.

Our ability to access IMFT's cash and marketable investment securities subsequent to April 6, 2012 to finance our other operations is subject to agreement by our joint venture partner. Prior to April 6, 2012, the creditors of each IM Flash entity had recourse only to the assets of the respective IM Flash entities and did not have recourse to any other of our assets. Subsequent to April 6, 2012, the creditors of IMFT have recourse only to its assets and do not have recourse to any other of our assets.

IM Flash manufactures NAND Flash memory products using designs and technology we develop with Intel. We generally share product design and other NAND Flash R&D costs equally with Intel. As a result, R&D expenses were reduced by reimbursements from Intel of $20 million and $42 million for the second quarter and first six months of 2012, respectively, and $23 million and $46 million for the second quarter and first six months of 2011, respectively. The April 6, 2012 agreements with Intel expanded our NAND Flash R&D cost-sharing agreement with Intel to include certain emerging memory technologies, but did not change the cost-sharing percentage.

MP Mask

In 2006, we formed a joint venture with Photronics to produce photomasks for leading-edge and advanced next generation semiconductors. At inception and through March 1, 2012, we owned 50.01% and Photronics owned 49.99% of MP Mask. In the first quarter of 2012, we contributed $8 million and Photronics contributed $7 million to MP Mask. In connection with the formation of the joint venture, we received $72 million in 2006 in exchange for entering into a license agreement with Photronics, which is being recognized over the term of the 10-year agreement. Deferred income and other noncurrent liabilities included an aggregate of $30 million and $34 million as of March 1, 2012 and September 1, 2011, respectively, related to this agreement. We purchase a substantial majority of the reticles produced by MP Mask pursuant to a supply arrangement.

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

As of	March 1, 2012	September 1, 2011
Current assets	$ 20	$ 24
Noncurrent assets (primarily property, plant and equipment)	184	143
Current liabilities	51	31

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

The creditors of MP Mask have recourse only to the assets of MP Mask and do not have recourse to any other of our assets.

Through February 24, 2012, we leased to Photronics a facility to produce photomasks under an operating lease. On February 24, 2012, we sold the facility to Photronics for $35 million. The proceeds were equal to our net carrying value and no gain or loss was realized from the sale.

IM Flash Agreements

On February 27, 2012, we entered into agreements with Intel relating to our IMFS and IMFT joint ventures. The transactions contemplated by such agreements became effective on April 6, 2012. In connection therewith, we acquired Intel's 18% interest in IMFS and the assets of IMFT located at our Virginia wafer fabrication facility. As a result, Intel received distributions of approximately $600 million, the approximate book value of its interests. Additionally, Intel deposited $300 million with us to be applied to Intel's future purchases of NAND Flash under a NAND Flash supply agreement or, under certain circumstances, to be refunded.

The agreements also provided for the following:

- expansion of the scope of the IMFT joint venture to include certain emerging memory technologies;
- new agreements under which we will supply NAND Flash memory products and certain emerging memory products to Intel on a cost-plus basis, and a termination of IMFS's supply agreement with us and Intel;
- extension of IMFT's joint venture agreement through 2024; and
- certain buy-sell rights, commencing in 2015, pursuant to which Intel may elect to sell to us, or we may elect to purchase from Intel, Intel’s interest in IMFT (if Intel so elects, we would set the closing date of the transaction within two years following such election and could elect to receive financing from Intel for one to two years).

In connection with purchasing the IMFT assets located in Virginia, we terminated IMFT's lease to use approximately 50% of our Virginia fabrication facility. As a result, we expect to recognize a charge of $17 million in the third quarter of 2012.

We also entered into a senior unsecured promissory note with Intel. Under the terms of the note, we borrowed $65 million, payable with interest in eight approximately equal quarterly installments with interest at a rate of Libor minus 50 basis points (but will not be less than zero).

We and Intel will continue to share output of IMFT and certain research and development costs generally in proportion to our investments in IMFT.

Segment Information

Segment information reported herein is consistent with how it is reviewed and evaluated by our chief operating decision makers. Factors used to identify our segments include, among others, products, technologies and customers. We have the following four reportable segments:

NAND Solutions Group ("NSG"): Includes high-volume NAND Flash products sold into data storage, personal music players, and the high-density computing markets, as well as NAND Flash products sold to Intel through our consolidated IM Flash joint ventures.

DRAM Solutions Group ("DSG"): Includes DRAM products sold to the PC, consumer electronics, networking and server markets.

Wireless Solutions Group ("WSG"): Includes DRAM, NAND Flash and NOR Flash products, including multi-chip packages, sold to the mobile device market.

Embedded Solutions Group ("ESG"): Includes DRAM, NAND Flash and NOR Flash products sold into automotive and industrial applications, as well as NOR and NAND flash sold to consumer electronics, networking, PC and server markets.

Our other operations do not meet the quantitative thresholds of a reportable segment and are reported under All Other. All Other includes our CMOS image sensor, LED, microdisplay and solar operations.

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 operating segments. There are no differences in the accounting policies for segment reporting and our consolidated results of operations.

	Quarter Ended		Six Months Ended	
	March 1, 2012	**March 3, 2011**	**March 1, 2012**	**March 3, 2011**
Net sales:				
NSG	$ 734	$ 552	$ 1,417	$ 1,054
DSG	608	841	1,264	1,744
WSG	307	510	680	1,021
ESG	242	252	504	518
All Other	118	102	234	172
	$ 2,009	$ 2,257	$ 4,099	$ 4,509
Operating income (loss):				
NSG	$ 97	$ 72	$ 191	$ 129
DSG	(167)	51	(306)	276
WSG	(129)	10	(187)	66
ESG	15	58	53	136
All Other	(21)	(12)	(38)	(38)
	$ (205)	$ 179	$ (287)	$ 569

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

As used herein, "we," "our," "us" and similar terms include Micron Technology, Inc. and its subsidiaries, unless the context indicates otherwise. 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 "Overview" regarding charges in the third quarter of 2012 from the agreements with Intel; "Operating Results by Business Segment" regarding growth in NAND Flash production for the second half of 2012 and sales to Intel in the third and fourth quarters of 2012; in "Operating Results by Product" regarding our share of future output from Inotera; in "Selling, General and Administrative" regarding SG&A costs for the third quarter of 2012; in "Research and Development" regarding R&D costs for the third quarter of 2012; in "Liquidity and Capital Resources" regarding capital spending in 2012 and the timing of payments for certain contractual obligations; and in "Recently Issued Accounting Standards" regarding the impact from the adoption of new accounting 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 "Item 1A. Risk Factors." This discussion should be read in conjunction with the Consolidated Financial Statements and accompanying notes for the year ended September 1, 2011. 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 2012, which ends on August 30, 2012, contains 52 weeks. Our second quarter of fiscal 2012 ended March 1, 2012. All production data includes the production of our consolidated joint ventures and our other partnering arrangements. All tabular dollar amounts are in millions.

Our Management's Discussion and Analysis of Financial Condition and Results of Operations ("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:*** An overview of our business and operations and highlights of key transactions and events.
- ***Results of Operation:*** An analysis of our financial results consisting of the following:
  - Consolidated results
  - Operating results by business segment
  - Operating results by product
  - 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.
- ***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.

Overview

We are a global manufacturer and marketer of semiconductor devices, principally NAND Flash, DRAM and NOR Flash memory, as well as other innovative memory technologies, packaging solutions and semiconductor systems for use in leading-edge computing, consumer, networking, automotive, industrial and mobile products. In addition, we manufacture semiconductor components for CMOS image sensors and other semiconductor products. We market our products through our internal sales force, independent sales representatives and distributors primarily to original equipment manufacturers ("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 process technologies and the return on R&D investments.

We obtain products from three primary sources: (1) production from our wholly-owned manufacturing facilities, (2) production from our joint venture manufacturing facilities, and (3) to a lesser degree, from third party manufacturers. In recent years, we have increased our manufacturing scale and product diversity through strategic acquisitions and various partnering arrangements, including joint ventures, which have helped us to attain lower costs than we could otherwise achieve through internal investments alone.

We have made significant investments to develop the proprietary product and process technologies that are implemented in our worldwide manufacturing facilities and through our joint ventures to enable the 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 technology such as our leading-edge line-width process technology and innovative array architecture. We continue to introduce new generations of products that offer improved performance characteristics, such as 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 various strategic joint ventures that have allowed us to share the costs of developing memory product and process technologies with our joint venture partners. In addition, from time to time, we have also sold and/or licensed technology to other parties. We continue to pursue additional opportunities to monetize our investment in intellectual property through partnering and other arrangements.

We have the following four reportable segments:

NAND Solutions Group ("NSG"): Includes high-volume NAND Flash products sold into data storage, personal music players, and portions of computing markets, as well as NAND Flash products sold to Intel through our consolidated IM Flash joint ventures.

DRAM Solutions Group ("DSG"): Includes high-volume DRAM products sold to the PC, consumer electronics, networking and server markets.

Wireless Solutions Group ("WSG"): Includes DRAM, NAND Flash and NOR Flash products, including multi-chip packages, sold to the mobile device market.

Embedded Solutions Group ("ESG"): Includes DRAM, NAND Flash and NOR Flash products sold into automotive and industrial applications, as well as NOR and NAND Flash sold to consumer electronics, networking, PC and server markets.

Our other operations do not meet the quantitative thresholds of a reportable segment and are reported under All Other. All Other includes our CMOS image sensor, LED, microdisplay and solar operations.

IM Flash Joint Ventures

On February 27, 2012, we entered into agreements with Intel relating to our IMFS and IMFT joint ventures. The transactions contemplated by such agreements became effective on April 6, 2012. In connection therewith, we acquired Intel's 18% interest in IMFS and the assets of IMFT located at our Virginia wafer fabrication facility. As a result, Intel received distributions of approximately $600 million, the approximate book value of its interests. Additionally, Intel deposited $300 million with us to be applied to Intel's future purchases of NAND Flash under a NAND Flash supply agreement or, under certain circumstances, to be refunded.

The agreements also provided for the following:

- expansion of the scope of the IMFT joint venture to include certain emerging memory technologies;
- new agreements under which we will supply NAND Flash memory products and certain emerging memory products to Intel on a cost-plus basis, and a termination of IMFS's supply agreement with us and Intel;
- extension of IMFT's joint venture agreement through 2024; and
- certain buy-sell rights, commencing in 2015, pursuant to which Intel may elect to sell to us, or we may elect to purchase from Intel, Intel’s interest in IMFT (if Intel so elects, we would set the closing date of the transaction within two years following such election and could elect to receive financing from Intel for one to two years).

In connection with purchasing the IMFT assets located in Virginia, we terminated IMFT's lease to use approximately 50% of our Virginia fabrication facility. As a result, we expect to recognize a charge of $17 million in the third quarter of 2012.

We also entered into a senior unsecured promissory note with Intel. Under the terms of the note, we borrowed $65 million, payable with interest in eight approximately equal quarterly installments with interest at a rate of Libor minus 50 basis points (but will not be less than zero).

We and Intel will continue to share output of IMFT and certain research and development costs generally in proportion to our investments in IMFT.

Results of Operations

Consolidated Results

	Second Quarter				First Quarter		Six Months			
	2012	% of net sales	2011	% of net sales	2012	% of net sales	2012	% of net sales	2011	% of net sales
	(amounts in millions and as a percent of net sales)									
Net sales	$ 2,009	100 %	$ 2,257	100 %	$ 2,090	100 %	$ 4,099	100 %	$ 4,509	100 %
Cost of goods sold	1,799	90 %	1,822	81 %	1,785	85 %	3,584	87 %	3,550	79 %
Gross margin	210	10 %	435	19 %	305	15 %	515	13 %	959	21 %
SG&A	174	9 %	146	6 %	151	7 %	325	8 %	286	6 %
R&D	222	11 %	186	8 %	230	11 %	452	11 %	371	8 %
Other operating (income) expense, net	19	1 %	(76)	(3)%	6	— %	25	1 %	(267)	(6)%
Operating income (loss)	(205)	(10)%	179	8 %	(82)	(4)%	(287)	(7)%	569	13 %
Interest income (expense), net	(33)	(2)%	(21)	(1)%	(33)	(2)%	(66)	(2)%	(51)	(1)%
Other non-operating income (expense), net	38	2 %	—	— %	—	— %	38	1 %	(114)	(3)%
Income tax (provision) benefit	(9)	— %	(35)	(2)%	2	— %	(7)	— %	(83)	(2)%
Equity in net income (loss) of equity method investees	(73)	(4)%	(48)	(2)%	(74)	(4)%	(147)	(4)%	(74)	(2)%
Net (income) loss attributable to noncontrolling interests	—	— %	(3)	— %	—	— %	—	— %	(20)	— %
Net income (loss) attributable to Micron	$ (282)	(14)%	$ 72	3 %	$ (187)	(9)%	$ (469)	(11)%	$ 227	5 %

Net Sales

	Second Quarter				First Quarter		Six Months			
	2012	% of net sales	2011	% of net sales	2012	% of net sales	2012	% of net sales	2011	% of net sales
NSG	$ 734	37%	$ 552	24%	$ 683	33%	$ 1,417	35%	$ 1,054	23%
DSG	608	30%	841	37%	656	31%	1,264	31%	1,744	39%
WSG	307	15%	510	23%	373	18%	680	17%	1,021	23%
ESG	242	12%	252	11%	262	13%	504	12%	518	11%
All Other	118	6%	102	5%	116	5%	234	5%	172	4%
	$ 2,009	100%	$ 2,257	100%	$ 2,090	100%	$ 4,099	100%	$ 4,509	100%

Total net sales for the second quarter of 2012 decreased 4% as compared to the first quarter of 2012 primarily due to declines in WSG, DSG and ESG sales, partially offset by increases in NSG sales. WSG and ESG sales for the second quarter of 2012 decreased 18% and 8%, respectively, as compared to the first quarter of 2012 primarily due to declines in sales of NOR products. DSG sales for the second quarter of 2012 decreased 7% as compared to the first quarter of 2012 primarily due to declines in average selling prices (which includes the effect of a $58 million charge to revenue in the second quarter of 2012 for a legal settlement with a customer) partially offset by increases in DRAM sales volume. NSG sales for the second quarter of 2012 increased 7% as compared to the first quarter of 2012 primarily due to increases in NAND Flash sales volume partially offset by declines in average selling prices.

Total net sales for the second quarter of 2012 decreased 11% as compared to the second quarter of 2011 primarily due to a 40% decrease in WSG sales principally as a result of declines in sales of wireless NOR products and a 28% decrease in DSG sales as a result of declines in DRAM average selling prices (which includes the effect of a $58 million charge to revenue in the second quarter of 2012 for a legal settlement with a customer). Total net sales for the first six months of 2012 decreased 9% as compared to the first six months of 2011 primarily due to a 28% decrease in DSG sales as a result of declines in DRAM average selling prices and a 33% decrease in WSG sales as a result of declines in sales of wireless NOR products. NSG sales for the second quarter and first six months of 2012 increased 33% and 34%, respectively, as compared to the corresponding periods of 2011 primarily due to higher sales volumes partially offset by declines in average selling prices.

Gross Margin

Our overall gross margin percentage declined from 15% for the first quarter of 2012 to 10% for the second quarter of 2012 primarily due to a significant decrease in the gross margin percentage for WSG as well as smaller decreases for DSG and ESG. Cost reductions from improvements in product and process technologies mitigated declines in average selling prices for all reportable operating segments in the second quarter of 2012 as compared to the first quarter of 2012. Costs of our underutilized capacity, primarily associated with decreased production in our NOR Flash fabrication facilities and the ramp of our IMFS NAND Flash fabrication facility, were $40 million, $44 million and $36 million for the second quarter of 2012, first quarter of 2012 and second quarter of 2011, respectively.

Our overall gross margin percentage declined from 19% for the second quarter of 2011 to 10% for the second quarter of 2012, and from 21% for the first six months of 2011 to 13% for the first six months of 2012, primarily due to decreases in the gross margin percentage for DSG and WSG and to a lesser extent ESG. NSG's gross margin percentage for the second quarter and first six months of 2012 improved from the corresponding periods of 2011. Cost reductions partially mitigated significant declines in average selling prices for all reportable operating segments for the second quarter and first six months of 2012 as compared to the corresponding periods of 2011.

Operating Results by Business Segments

NAND Solutions Group ("NSG")

	Second Quarter		First Quarter	Six Months	
	2012	2011	2012	2012	2011
Net sales	$ 734	$ 552	$ 683	$ 1,417	$ 1,054
Operating income (loss)	97	72	94	191	129

NSG sales and operating results track closely with our average selling prices, gigabit sales volumes and cost per gigabit for our consolidated sales of NAND Flash products. (See "Operating Results by Product Groups – NAND Flash" for further detail.) NSG sales for the second quarter of 2012 increased 7% from the first quarter of 2012 primarily due to increases in gigabits sold partially offset by declines in average selling prices. We sell NSG products in three principal channels: (1) to OEMs and other resellers, (2) to Intel through our IM Flash consolidated joint ventures at long-term negotiated prices approximating cost, and (3) to retailers.

NSG sales through IM Flash to Intel were $255 million for the second quarter of 2012, $261 million for the first quarter of 2012 and $202 million for the second quarter of 2011. The ramp of production at IM Flash's wafer fabrication facility in Singapore significantly increased our NAND Flash production in 2011 and through the first six months of 2012. Due to the completion of the first phase of the ramp, we expect lesser growth in our NAND Flash production for the remainder of 2012. In the first six months of 2012 and 2011, our share of the operating costs and supply of NAND Flash from IMFS was adjusted for changes in our ownership share in IMFS. Accordingly, our share of IMFS output grew from 51% in the first quarter of 2011 to 78% in the second quarter of 2012. As a result of the April 6, 2012 agreements with Intel, we will obtain all of the NAND Flash output from IMFS and our Virginia wafer fabrication facility. Under the agreements, we acquired Intel's 18% interest in IMFS and the assets of IMFT located at our Virginia facility and the IMFS supply agreement was terminated. In addition, we entered into a new supply agreement under which Intel purchases product from us under a cost-plus arrangement. We expect sales to Intel in the third quarter of 2012 to approximate sales in the second quarter of 2012 and decline in the fourth quarter of 2012 as a result of these agreements.

The following table shows our share of the NAND Flash output by fabrication facility before and after the April 6, 2012 transactions with Intel:

Fabrication Facility	Before April 6, 2012 Transactions	After April 6, 2012 Transactions
Singapore (IMFS)	78%	100%
Virginia	51%	100%
Utah	51%	51%

NSG sales of NAND Flash products to trade customers (excluding IM Flash sales to Intel) increased 13% for the second quarter of 2012 as compared to the first quarter of 2012 primarily due to an increase in gigabits sold partially offset by declines in average selling prices. Despite the declines in average selling prices, NSG operating income increased for the second quarter of 2012 as compared to the first quarter of 2012 primarily due to reductions in manufacturing costs per gigabit. Cost reductions resulted from improved manufacturing efficiencies and increased utilization of IMFS's wafer fabrication facility in Singapore.

NSG sales for the second quarter and first six months of 2012 increased 33% and 34%, respectively, from the corresponding periods of 2011 primarily due to an increase in gigabits sold partially offset by declines in average selling prices per gigabit. The increases in NSG operating income for the second quarter and first six months of 2012 as compared to the corresponding periods of 2011 were primarily due to reductions in manufacturing costs per gigabit and lower charges for underutilized capacity, partially offset by the declines in overall average selling prices per gigabit. In addition, operating income for the second quarter and first six months of 2011 benefited from gains of $8 million and $47 million, respectively, from a license agreement with Samsung.

DRAM Solutions Group ("DSG")

	Second Quarter		First Quarter	Six Months	
	2012	2011	2012	2012	2011
Net sales	$ 608	$ 841	$ 656	$ 1,264	$ 1,744
Operating income (loss)	(167)	51	(139)	(306)	276

DSG sales and operating results track closely with our average selling prices, gigabit sales volumes and cost per gigabit for our consolidated sales of DRAM products. (See "Operating Results by Product Groups – DRAM" for further detail.) DSG sales for the second quarter of 2012 decreased 7% as compared to the first quarter of 2012 primarily due to declines in average selling prices (which includes the effect of a $58 million charge to revenue in the second quarter of 2012 for a legal settlement with a customer) partially offset by increases in DRAM sales volume. The declines in DSG average selling prices for the second quarter of 2012 were primarily attributable to continued weakness in, and increased sales to, the PC market, which had significantly lower selling prices than our overall average. The increase in gigabits sold for the second quarter of 2012 was largely due to improvements in manufacturing efficiency through the implementation of advanced technology. DSG's operating loss increased from the first quarter of 2012 to the second quarter of 2012 primarily due to declines in average selling prices partially offset by reductions in costs per gigabit as a result of improved manufacturing efficiencies.

DSG sales for the second quarter and first six months of 2012 decreased 28% from the corresponding periods of 2011 primarily due to declines in average selling prices per gigabit (which includes the effect of a $58 million charge to revenue in the second quarter of 2012 for a legal settlement with a customer) partially offset by increases in gigabits sold. The declines in average selling prices in the second quarter of 2012 for DSG products was impacted by a shift in product mix as most of the increase in sales volume was from our DDR3 DRAM products that had significantly lower average selling prices per gigabit than our other DSG products. The decline in DSG operating income (loss) for the second quarter and first six months of 2012 was primarily due to the declines in average selling prices and legal settlement charge, partially offset by cost reductions. In addition, DSG operating income for the second quarter and first six months of 2011 benefited from gains of $9 million and $68 million, respectively, from a license agreement with Samsung.

Wireless Solutions Group ("WSG")

	Second Quarter		First Quarter	Six Months	
	2012	2011	2012	2012	2011
Net sales	$ 307	$ 510	$ 373	$ 680	$ 1,021
Operating income (loss)	(129)	10	(58)	(187)	66

In the second quarter of 2012, WSG sales were comprised of NAND Flash, NOR Flash and DRAM in decreasing order of revenue. The 18% decrease in WSG sales for the second quarter of 2012 as compared to the first quarter of 2012 was primarily due to declines in sales of wireless NOR Flash products as a result of weakness in demand from certain customers and a continued transition by customers to NAND Flash. WSG sales in the second quarter of 2012 were also adversely impacted by lower sales of NAND Flash products sold in multi-chip packages with wireless NOR products. WSG operating loss for the second quarter of 2012 increased from the first quarter of 2012 primarily due to lower margins for wireless NOR Flash products as a result of continued pricing pressure due to lower demand and write-downs of certain products.

The decreases in WSG sales for the second quarter and first six months of 2012 of 40% and 33%, respectively, as compared to the corresponding periods of 2011 was primarily due to declines in sales of wireless NOR Flash. The decreases in sales of NOR Flash products also contributed to a decline in WSG operating margin for the second quarter and first six months of 2012 as compared to the corresponding periods of 2011. In addition, WSG operating income for the second quarter and first six months of 2011 benefited from gains of $16 million and $84 million, respectively, from a license agreement with Samsung.

Embedded Solutions Group ("ESG")

	Second Quarter		First Quarter	Six Months	
	2012	2011	2012	2012	2011
Net sales	$ 242	$ 252	$ 262	$ 504	$ 518
Operating income (loss)	15	58	38	53	136

In the second quarter of 2012, ESG sales were comprised of NOR Flash, DRAM and NAND Flash in decreasing order of revenue. The 8% decrease in ESG sales for the second quarter of 2012 as compared to the first quarter of 2012 was primarily due to lower sales of NOR Flash which experienced pressure from additional market supply as a result of demand weakness in the wireless market. The decline in ESG operating income for the second quarter of 2012 as compared to the first quarter of 2012 was primarily due to declines in average selling prices and write-downs of NOR Flash products.

ESG sales for the second quarter and first six months of 2012 decreased 4% and 3%, respectively, as compared to the corresponding periods of 2011 primarily due to lower sales of NOR Flash due to increased pricing pressure. ESG gross margins for the second quarter and first six months of 2012 declined as compared to the corresponding periods of 2011 due to declines in average selling prices and costs associated with underutilized capacity in our NOR facilities. In addition, ESG operating income for the second quarter and first six months of 2011 benefited from gains of $5 million and $29 million, respectively, from a license agreement with Samsung.

Operating Results by Product

Net Sales by Product

	Second Quarter			First Quarter		Six Months		
	2012	% of net sales	2011	% of net sales	2012	% of net sales	2012	% of net sales	2011	% of net sales
NAND Flash	$ 934	46%	$ 812	36%	$ 909	43%	$ 1,843	45%	$ 1,565	35%
DRAM	729	36%	950	42%	778	37%	1,507	37%	1,959	43%
NOR Flash	228	11%	392	17%	287	14%	515	13%	814	18%
Other	118	7%	103	5%	116	6%	234	5%	171	4%
	$ 2,009	100%	$ 2,257	100%	$ 2,090	100%	$ 4,099	100%	$ 4,509	100%

NAND Flash

	Second Quarter 2012 Versus		First Six Months 2012 Versus
	First Quarter 2012	Second Quarter 2011	First Six Months 2011
	(percentage change from period indicated)		
NAND Flash sales to trade customers:			
Net sales	5 %	11 %	15 %
Average selling prices per gigabit	(23)%	(42)%	(38)%
Gigabits sold	36 %	91 %	84 %
Cost per gigabit	(18)%	(45)%	(43)%
NAND Flash sales to Intel:			
Net sales	(2)%	26 %	26 %
Average selling prices per gigabit	(6)%	(38)%	(36)%
Gigabits sold	4 %	102 %	96 %
Cost per gigabit	(7)%	(39)%	(37)%

We sell a portion of our output of NAND Flash products to Intel through our IM Flash consolidated joint ventures at long-term negotiated prices approximating cost. (See "Segment Operating Results – NAND Solutions Group" for further detail.) The remainder of our sales of NAND Flash products is to "trade" customers.

Increases in gigabits sold for the second quarter of 2012 as compared to the first quarter of 2012 and second quarter of 2011 was primarily due to the ramp of the IMFS fabrication facility and improved manufacturing efficiencies through the implementation of advanced technology.

The gross margin percentage on sales of NAND Flash products to trade customers for the second quarter of 2012 declined from the first quarter of 2012 due to declines in average selling prices mitigated by cost reductions. The gross margin percentage on sales of NAND Flash products to trade customers for the second quarter and first six months of 2012 improved from the corresponding periods of 2011 as cost reductions outpaced the declines in average selling prices.

DRAM

	Second Quarter 2012 Versus		First Six Months 2012 Versus
	First Quarter 2012	Second Quarter 2011	First Six Months 2011
	(percentage change from period indicated)		
Net sales	(6)%	(23)%	(23)%
Average selling prices per gigabit	(22)%	(50)%	(50)%
Gigabits sold	21 %	55 %	56 %
Cost per gigabit	(14)%	(34)%	(33)%

The increase in gigabit sales of DRAM products for the second quarter of 2012 as compared to the first quarter of 2012 and second quarter of 2011 was primarily due to increased output obtained from our Inotera joint venture, the effects of a shift in mix to higher-density products and improved manufacturing efficiencies. The decreases in average selling prices includes the effect of a $58 million charge to revenue in the second quarter of 2012 for a legal settlement with a customer.

The gross margin percentage on sales of DRAM products for the second quarter of 2012 declined from the first quarter of 2012 as decreases in average selling prices outpaced cost reductions from improved manufacturing efficiencies through the implementation of advanced technology. The gross margin percentage on sales of DRAM products for the second quarter and first six months of 2012 decreased significantly from the corresponding periods of 2011 due to the declines in average selling prices partially offset by cost reductions.

Through the second quarter of 2012, we had rights and obligations to purchase 50% of Inotera's wafer production capacity under the Inotera Supply Agreement. As a result of our March 2012 equity contribution to Inotera, we expect to receive a higher share of Inotera's 30-nanometer output when it becomes available from Inotera capital investments enabled by our $170 million equity investment. DRAM products acquired from Inotera accounted for 45% of our DRAM gigabit production for the second quarter of 2012 as compared to 43% for the first quarter of 2012 and 35% for the second quarter of 2011. The higher level of production from Inotera was achieved through their continued transition to our process technology. Products obtained from Inotera in 2012 and 2011 were primarily DDR3 for the PC market. Our cost of wafers purchased under the Inotera Supply Agreement is based on a margin-sharing formula among Nanya, Inotera, and us. Under such formula, all parties' manufacturing costs related to wafers supplied by Inotera, as well as our and Nanya's revenue for the resale of products from wafers supplied by Inotera, are considered in determining costs for wafers acquired from Inotera. In the second and first quarters of 2012, our margins on wafers purchased from Inotera were significantly lower than margins for DRAM wafers manufactured in our facilities. Because of significant market declines in the selling price of DRAM, Inotera incurred net losses of $737 million for its year ended December 31, 2011. Also, Inotera's current liabilities exceeded its current assets by $2.2 billion as of December 31, 2011, which exposes Inotera to liquidity risk. Inotera's management has developed plans to improve its liquidity. There can be no assurance that Inotera's plans to improve its liquidity will be successful.

NOR Flash

The decreases in our sales of NOR Flash products for the second quarter of 2012 as compared to the first quarter of 2012 and second quarter of 2011 were primarily due to decreases in sales of wireless NOR Flash products, as a result of weakness in demand from certain customers and the continued transition of wireless applications to NAND Flash products which resulted in significant declines in average selling prices and sales volume. Sales of embedded NOR Flash products for the second quarter of 2012 also declined from the first quarter of 2012 as average selling prices were pressured by additional market supply due to demand weakness in the wireless market. Our gross margin percentage on sales of NOR Flash products for the second quarter of 2012 declined as compared to the first quarter of 2012 primarily due to declines in average selling prices and inventory write-downs. Our gross margin percentage on sales of NOR Flash products for the second quarter and first six months of 2012 declined as compared to the corresponding periods of 2011 primarily due to declines in average selling prices, inventory write-downs and costs of underutilized capacity.

Operating Expenses and Other

Selling, General and Administrative

Selling, general and administrative ("SG&A") expenses for the second quarter of 2012 increased 15% as compared to the first quarter of 2012 primarily due to a $13 million contribution to a university program and a $9 million increase in stock-based compensation and other amounts related to the death benefits of our former Chief Executive Officer. SG&A expenses for the second quarter and first six months of 2012 increased 19% and 14%, respectively from the corresponding periods of 2011 primarily due to the aforementioned contribution and death benefits for our former Chief Executive Officer in the second quarter of 2012, and higher legal costs. We expect that SG&A expenses will approximate $155 million to $165 million for the third quarter of 2012.

Research and Development

R&D expenses for the second quarter of 2012 decreased 3% from the first quarter of 2012 primarily due to a decreased volume of development wafers processed, partially offset by higher payroll costs. R&D expenses for the second quarter and first six months of 2012 increased 19% and 22%, respectively, from the corresponding periods of 2011 primarily due to a higher volume of development wafers processed and higher payroll costs, mitigated by higher reimbursements under partnering arrangements.

As a result of amounts reimbursable from Nanya under a DRAM R&D cost-sharing arrangement, R&D expenses were reduced by $36 million for the second quarter of 2012, $37 million for the first quarter of 2012 and $33 million for the second quarter of 2011. As a result of amounts reimbursable from Intel under a NAND Flash R&D cost-sharing arrangement, R&D expenses were reduced by $20 million for the second quarter of 2012, $22 million for the first quarter of 2012 and $23 million for the second quarter of 2011. We expect that R&D expenses, net of amounts reimbursable from our R&D partners, will be approximately $220 million to $230 million for the third quarter of 2012.

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 DRAM and LP-DDR2 Mobile Low Power DRAM products as well as high density and mobile NAND Flash memory (including multi-level cell technology), NOR Flash memory, specialty memory, phase-change memory, solid-state drives ("SSDs") and other memory systems.

Interest Income (Expense)

Interest expense for the second quarter of 2012, first quarter of 2012 and second quarter of 2011 included aggregate amounts of non-cash amortization of debt discount and issuance costs of $19 million, $18 million and $13 million, respectively. (See "Item 1. Financial Statements – Notes to Consolidated Financial Statements – Debt" note.)

Other Non-Operating Income (Expense), Net

Other non-operating income for the second quarter of 2012 included $39 million in net gains recognized from the disposition of noncurrent equity investments.

Other non-operating expense for the first six months of 2011 included a $111 million loss recognized in the first quarter of 2011 in connection with a series of debt restructure transactions with certain holders of our convertible notes. (See "Item 1. Financial Statements – Notes to Consolidated Financial Statements – Debt" note.)

Other Operating and Non-operating Income and Expenses

Further discussion of operating and non-operating income and expenses can be found in the following notes contained in "Item 1. Financial Statements – Notes to Consolidated Financial Statements":

- Other Operating (Income) Expense, Net
- Income Taxes
- Equity Method Investments

Liquidity and Capital Resources

As of March 1, 2012 and September 1, 2011, we had the following cash and equivalents:

As of	March 1, 2012	September 1, 2011
Bank deposit accounts	$ 572	$ 543
Money market accounts	1,520	1,462
Certificates of deposit	2	155
Aggregate cash and equivalents (includes $171 and $327, respectively, held by IM Flash)	$ 2,094	$ 2,160

To mitigate credit risk, 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. Our ability to access funds held by IM Flash to finance our other operations is subject to agreement by our joint venture partner and contractual limitations. Amounts held by IM Flash are not anticipated to be available to finance our other operations. As of March 1, 2012, the effect of repatriating cash held by foreign subsidiaries where undistributed earnings have been indefinitely reinvested would not be significant.

Cash generated by operations is our primary source of liquidity. Our liquidity is highly dependent on selling prices for our products and the timing and level of our capital expenditures, both of which can vary significantly from period to period. Depending on conditions in the semiconductor memory market, our cash flows from operations and current holdings of cash and investments may not be adequate to meet our needs for capital expenditures and operations. We may pursue additional financing alternatives in the future as cost effective and strategic opportunities arise.

Operating activities

Net cash provided by operating activities was $978 million for the first six months of 2012, which reflected approximately $895 million generated from the production and sales of our products and a net $83 million effect from changes in the amount invested in net working capital.

Investing activities

Net cash used for investing activities was $1,183 million for the first six months of 2012, which consisted primarily of cash expenditures of $1,089 million for property, plant and equipment. We believe that 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 capital equipment and R&D. We expect that capital spending for 2012 will be approximately $2 billion. The actual amounts for 2012 will vary depending on market conditions. As of March 1, 2012, we had commitments of approximately $425 million for the acquisition of property, plant and equipment, substantially all of which is expected to be paid within one year.

On December, 20, 2011, we loaned $133 million to Inotera under a 90-day note with a stated annual interest rate of 2% to facilitate the purchase of capital equipment necessary to implement new process technology. The loan was repaid to us with accrued interest in March 2012, subsequent to the end of our second quarter of 2012.

In March 2012, subsequent to the end of our second quarter of 2012, we contributed $170 million to Inotera, which increased our ownership percentage from 29.7% to 39.7%.

Financing activities

Net cash provided by financing activities was $139 million for the first six months of 2012, which included $340 million of proceeds from equipment sale-leaseback financing transactions partially offset by $101 million of payments on debt, $86 million of payments on equipment purchase contracts and $9 million of net distributions to noncontrolling interests.

On April 5, 2012 we provided the holders of our 2013 convertible senior notes written notice of redemption on June 4, 2012. The redemption price will equal the $139 million principal amount of the notes, plus accrued and unpaid interest and a "make-whole premium" equal to the present value of the remaining scheduled interest payments on the notes from the redemption to maturity (October 15, 2013). The conversion rate for these notes is 196.7052 shares of common stock per $1,000 principal amount (approximately $5.08 per share) and up to 27.3 million shares may be issued if some or all of the holders elect to convert their notes to shares.

Joint ventures

In the first six months of 2012, IM Flash distributed $147 million to Intel. In the first six months of 2012, we made contributions to IM Flash of $103 million and Intel made contributions to IM Flash of $131 million.

On February 27, 2012, we entered into agreements with Intel that became effective on April 6, 2012, relating to our IMFS and IMFT joint ventures. Pursuant to these agreements, we acquired Intel's 18% interest in IMFS and the assets of IMFT located at our Virginia wafer fabrication facility. As a result, Intel received distributions of approximately $600 million, the approximate book value of its interests. Additionally, Intel deposited $300 million with Micron to be applied to Intel's future purchases of NAND Flash under a NAND Flash supply agreement or, under certain circumstances, to be refunded.

We also entered into a senior unsecured promissory note with Intel in April 2012, subsequent to the end of our second quarter of 2012. Under the terms of the note, we borrowed $65 million, payable with interest in eight approximately equal quarterly installments with interest at a rate of Libor minus 50 basis points (but will not be less than zero).

Contractual Obligations

The following table summarizes our significant contractual obligations as of March 1, 2012:

	Total	Remainder of 2012	2013	2014	2015	2016	2017 and Thereafter
	(amounts in millions)						
Notes payable [(1)]	$ 2,116	$ 19	$ 39	$ 1,124	$ 15	$ 15	$ 904
Capital lease obligations [(1)]	806	103	159	153	161	136	94
Operating leases	101	13	26	16	10	10	26

[(1)] *Includes interest*

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. 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.

***Consolidations*:** We have interests in joint venture entities that are VIEs. Determining whether to consolidate a VIE may require judgment in assessing (1) whether an entity is a VIE and (2) if we are the entity's primary beneficiary. To determine if we are the primary beneficiary of a VIE, we evaluate whether we have (a) the power to direct the activities that most significantly impact the VIE's economic performance and (b) 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 and 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.

***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.

***Inventories*:** Inventories are stated at the lower of average cost or market value. Cost includes labor, material and overhead costs, including product and process technology costs. Determining market value of inventories involves numerous judgments, including projecting average selling prices and sales volumes for future periods 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 market values 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 market 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 market value of our memory inventory by approximately $145 million at March 1, 2012. Due to the volatile nature of the semiconductor memory industry, actual selling prices and volumes often vary significantly from projected prices and volumes and, 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 market values. The amount of any inventory write-down can vary significantly depending on the determination of inventory categories. Our inventories have been categorized as memory, imaging and microdisplay products. 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 Issued Accounting Standards

In May 2011, the FASB issued a new accounting standard on fair value measurements that clarifies the application of existing guidance and disclosure requirements, changes certain fair value measurement principles and requires additional disclosures about fair value measurements. We are required to adopt this standard in the third quarter of 2012. We do not expect this adoption to have a material impact on our financial statements.

In June 2011, the FASB issued a new accounting standard on the presentation of comprehensive income. The new standard requires the presentation of comprehensive income, the components of net income and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. We are required to adopt this standard as of the beginning of 2013. The new standard also required presentation of adjustments for items that are reclassified from other comprehensive income to net income in the statement where the components of net income and the components of other comprehensive income are presented, which was indefinitely deferred by an update issued by the FASB in December 2011. The adoption of these standards will only impact the presentation of our financial statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

As of March 1, 2012, $2,214 million of our $2,315 million of debt was at fixed interest rates. As a result, the fair value of the debt fluctuates based on changes in market interest rates. The estimated fair value of our debt was $2,848 million as of March 1, 2012 and $2,281 million as of September 1, 2011. We estimate that, as of March 1, 2012, a 1% decrease in market interest rates would change the fair value of our fixed-rate debt instruments by approximately $82 million. As of March 1, 2012, $101 million of the debt had variable interest rates. The increase in interest expense caused by a 1% increase in the rates would be approximately $1 million.

Foreign Currency Exchange Rate Risk

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

The functional currency for substantially all of our operations is the U.S. dollar. We held cash and other assets in foreign currencies valued at an aggregate of U.S. $440 million as of March 1, 2012 and U.S. $512 million as of September 1, 2011. We also had foreign currency liabilities valued at an aggregate of U.S. $746 million as of March 1, 2012, and U.S. $944 million as of September 1, 2011. Because the substantial majority of our sales are denominated in U.S. dollar, we do not have significant natural hedges to offset our expenditures denominated in other currencies. Significant components of assets and liabilities denominated in currencies other than the U.S. dollar (our reporting currency) were as follows (in U.S. dollar equivalents):

	March 1, 2012					September 1, 2011				
	SGD[1]	Yen	Euro	ILS[2]	Other	SGD[1]	Yen	Euro	ILS[2]	Other
	(amounts in millions)									
Cash and equivalents	$ 41	$ 24	$ 16	$ 2	$ 13	$ 22	$ 4	$ 33	$ 5	$ 16
Receivables	95	8	33	1	15	92	25	72	1	17
Deferred tax assets	—	27	7	—	2	—	39	7	—	1
Other assets	7	3	83	47	16	12	16	88	44	18
Accounts payable and accrued expenses	(104)	(96)	(166)	(20)	(16)	(124)	(194)	(240)	(25)	(19)
Debt	(99)	—	(2)	—	(4)	(81)	—	(3)	—	(3)
Other liabilities	(16)	(9)	(114)	(62)	(38)	(15)	(8)	(128)	(62)	(42)
Net assets (liabilities)	$ (76)	$ (43)	$ (143)	$ (32)	$ (12)	$ (94)	$ (118)	$ (171)	$ (37)	$ (12)

[1] *Currency code indicates Singapore dollar.*
[2] *Currency code indicates Israeli shekel.*

We estimate that, based on the assets and liabilities denominated in currencies other than the U.S. dollar as of March 1, 2012, a 1% change in the exchange rate versus the U.S. dollar would result in currency gains or losses of approximately U.S. $1 million for the euro and the Singapore dollar. Since 2010, we have been using derivative instruments to hedge our foreign currency exchange rate risk. (See "Item 1. Financial Statements – Notes to Consolidated Financial Statements – Derivative Financial Instruments" note.)

ITEM 4. 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 quarterly period covered by this report, 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.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Patent Matters

On August 28, 2000, we filed a complaint against Rambus in the U.S. District Court for the District of Delaware seeking declaratory and injunctive relief. Among other things, our complaint (as amended) alleges violation of federal antitrust laws, breach of contract, fraud, deceptive trade practices, and negligent misrepresentation. The complaint also seeks a declaratory judgment (1) that we did not infringe on certain of Rambus' patents or that such patents are invalid and/or are unenforceable, (2) that we have an implied license to those patents, and (3) that Rambus is estopped from enforcing those patents against us. On February 15, 2001, Rambus filed an answer and counterclaim in Delaware denying that we are entitled to relief, alleging infringement of the eight Rambus patents (later amended to add four additional patents) named in our declaratory judgment claim, and seeking monetary damages and injunctive relief. In the Delaware action, we subsequently added claims and defenses based on Rambus' alleged spoliation of evidence and litigation misconduct. The spoliation and litigation misconduct claims and defenses were heard in a bench trial before Judge Robinson in October 2007. On January 9, 2009, Judge Robinson entered an opinion in our favor holding that Rambus had engaged in spoliation and that the twelve Rambus patents in the suit were unenforceable against us. Rambus subsequently appealed the decision to the U.S. Court of Appeals for the Federal Circuit. On May 13, 2011, the Federal Circuit affirmed Judge Robinson's finding of spoliation, but vacated the dismissal sanction and remanded the case to the Delaware District Court for further analysis of the appropriate remedy.

A number of other suits involving Rambus are currently pending in Europe alleging that certain of our SDRAM and DDR SDRAM products infringe various of Rambus' country counterparts to its European patent 525 068, including: on September 1, 2000, Rambus filed suit against Micron Semiconductor (Deutschland) GmbH in the District Court of Mannheim, Germany; on September 22, 2000, Rambus filed a complaint against us and Reptronic (a distributor of our products) in the Court of First Instance of Paris, France; on September 29, 2000, we filed suit against Rambus in the Civil Court of Milan, Italy, alleging invalidity and non-infringement. In addition, on December 29, 2000, we filed suit against Rambus in the Civil Court of Avezzano, Italy, alleging invalidity and non-infringement of the Italian counterpart to European patent 1 004 956. Additionally, on August 14, 2001, Rambus filed suit against Micron Semiconductor (Deutschland) GmbH in the District Court of Mannheim, Germany alleging that certain of our DDR SDRAM products infringe Rambus' country counterparts to its European patent 1 022 642. In the European suits against us, Rambus is seeking monetary damages and injunctive relief. Subsequent to the filing of the various European suits, the European Patent Office (the "EPO") declared Rambus' 525 068, 1 022 642, and 1 004 956 European patents invalid and revoked the patents. The declaration of invalidity with respect to the '068 and '642 patents was upheld on appeal. The original claims of the '956 patent also were declared invalid on appeal, but the EPO ultimately granted a Rambus request to amend the claims by adding a number of limitations.

On January 13, 2006, Rambus filed a lawsuit against us in the U.S. District Court for the Northern District of California. Rambus alleges that certain of our DDR2, DDR3, RLDRAM, and RLDRAM II products infringe as many as fourteen Rambus patents and seeks monetary damages, treble damages, and injunctive relief. The accused products account for a significant portion of our net sales. On June 2, 2006, we filed an answer and counterclaim against Rambus alleging, among other things, antitrust and fraud claims. On January 9, 2009, in another lawsuit involving Rambus and us and involving allegations by Rambus of patent infringement against us in the U.S. District Court for the District of Delaware, Judge Robinson entered an opinion in our favor holding that Rambus had engaged in spoliation and that the twelve Rambus patents in the suit were unenforceable against us. Rambus subsequently appealed the Delaware Court's decision to the U.S. Court of Appeals for the Federal Circuit. On May 13, 2011, the Federal Circuit affirmed Judge Robinson's finding of spoliation, but vacated the dismissal sanction and remanded the case to the Delaware District Court for analysis of the remedy based on the Federal Circuit's decision. The Northern District of California Court stayed the trial of the patent phase of the Northern District of California case upon appeal of the spoliation issue to the Federal Circuit.

On March 6, 2009, Panavision Imaging, LLC filed suit against us and Aptina Imaging Corporation, then a wholly-owned subsidiary, in the U.S. District Court for the Central District of California. The complaint alleged that certain of our and Aptina's image sensor products infringed four Panavision Imaging U.S. patents and sought injunctive relief, damages, attorneys' fees, and costs. On February 7, 2011, the Court ruled that one of the four patents in suit was invalid for indefiniteness. On March 10, 2011, claims relating to the remaining three patents in suit were dismissed with prejudice. Panavision subsequently filed a motion for reconsideration of the Court's decision regarding invalidity of the first patent, and we filed a motion for summary judgment of non-infringement of such patent. On July 8, 2011, the Court issued an order that rescinded its prior indefiniteness decision, and held that the disputed term does not render the claims in suit indefinite. On February 3, 2012, the Court granted our motion for summary judgment of non-infringement. On March 20, 2012, we executed a settlement agreement with Panavision pursuant to which the parties agreed to a settlement and release of all claims and a dismissal with prejudice of the litigation, which did not have a material effect on our business, results of operations or financial condition.

On September 1, 2011, HSM Portfolio LLC and Technology Properties Limited LLC filed a patent infringement action in the U.S. District Court for the District of Delaware against us and seventeen other defendants. The complaint alleges that certain of our DRAM and image sensor products infringe two U.S. patents and seeks injunctive relief, damages, attorneys' fees, and costs.

On September 9, 2011, Advanced Data Access LLC filed a patent infringement action in the U.S. District Court for the Eastern District of Texas against us and seven other defendants. On November 16, 2011, Advanced Data Access filed an amended complaint. The amended complaint alleges that certain of our DRAM products infringe two U.S. patents and seeks injunctive relief, damages, attorneys' fees, and costs.

On September 14, 2011, Smart Memory Solutions LLC filed a patent infringement action in the U.S. District Court for the District of Delaware against us and Winbond Electronics Corporation of America. The complaint alleges that certain NOR Flash products infringe a single U.S. patent and seeks injunctive relief, damages, attorneys' fees, and costs.

On December 5, 2011, the Board of Trustees for the University of Illinois filed a patent infringement action against us in the U.S. District Court for the Central District of Illinois. The complaint alleges that unspecified semiconductor products of ours infringe three U.S. patents and seeks injunctive relief, damages, attorneys' fees, and costs.

On March 26, 2012, Semiconductor Technologies, LLC filed a patent infringement action in the U.S. District Court for the Eastern District of Texas (Marshall) against us. The complaint alleges that certain of our DRAM products infringe five U.S. patents and seeks injunctive relief, damages, attorneys' fees, and costs.

We are unable to predict the outcome of these suits. A court determination that our products or manufacturing processes infringe the product or process intellectual property rights of others 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.

Antitrust Matters

On May 5, 2004, Rambus, Inc. filed a complaint in the Superior Court of the State of California (San Francisco County) against us and other DRAM suppliers which alleged that the defendants harmed Rambus by engaging in concerted and unlawful efforts affecting Rambus DRAM ("RDRAM") by eliminating competition and stifling innovation in the market for computer memory technology and computer memory chips. Rambus' complaint alleged various causes of action under California state law including, among other things, a conspiracy to restrict output and fix prices, a conspiracy to monopolize, intentional interference with prospective economic advantage, and unfair competition. Rambus sought a judgment for damages of approximately $3.9 billion, joint and several liability, trebling of damages awarded, punitive damages, a permanent injunction enjoining the defendants from the conduct alleged in the complaint, interest, and attorneys' fees and costs. Trial began on June 20, 2011, and the case went to the jury on September 21, 2011. On November 16, 2011, the jury found for us on all claims. On April 2, 2012, Rambus filed a notice of appeal with the Superior Court.

A number of purported class action price-fixing lawsuits have been filed against us and other DRAM suppliers. Four cases have been filed in the U.S. District Court for the Northern District of California asserting claims on behalf of a purported class of individuals and entities that indirectly purchased DRAM and/or products containing DRAM from various DRAM suppliers during the time period from April 1, 1999 through at least June 30, 2002. The complaints allege a conspiracy to increase DRAM prices in violation of federal and state antitrust laws and state unfair competition law, and/or unjust enrichment relating to the sale and pricing of DRAM products. The complaints seek joint and several damages, trebled, monetary damages, restitution, costs, interest and attorneys' fees. In addition, at least sixty-four cases have been filed in various state courts asserting claims on behalf of a purported class of indirect purchasers of DRAM. In July 2006, the Attorneys General for approximately forty U.S. states and territories filed suit in the U.S. District Court for the Northern District of California. The complaints allege, among other things, violations of the Sherman Act, Cartwright Act, and certain other states' consumer protection and antitrust laws and seek joint and several damages, trebled, as well as injunctive and other relief. On October 3, 2008, the California Attorney General filed a similar lawsuit in California Superior Court, purportedly on behalf of local California government entities, alleging, among other things, violations of the Cartwright Act and state unfair competition law. On June 23, 2010, we executed a settlement agreement resolving these purported class-action indirect purchaser cases and the pending cases of the Attorneys General relating to alleged DRAM price-fixing in the United States. Subject to certain conditions, including final court approval of the class settlements, we agreed to pay approximately $67 million in aggregate payable in three equal installments over a two-year period. As of March 1, 2012, we have paid $45 million into an escrow account in accordance with the settlement agreement.

Three purported class action cases alleging price-fixing of DRAM products have been filed against us in the following Canadian courts: Superior Court, District of Montreal, Province of Quebec; Ontario Superior Court of Justice, Ontario; and Supreme Court of British Columbia, Vancouver Registry, British Columbia. The substantive allegations in these cases are similar to those asserted in the DRAM antitrust cases filed in the United States. Plaintiffs' motion for class certification was denied in the British Columbia and Quebec cases in May and June 2008, respectively. Plaintiffs have filed an appeal of each of those decisions. On November 12, 2009, the British Columbia Court of Appeal reversed, and on November 16, 2011, the Quebec Court of Appeal also reversed the denial of class certification and remanded the cases for further proceedings.

On June 21, 2010, the Brazil Secretariat of Economic Law of the Ministry of Justice ("SDE") announced that it had initiated an investigation relating to alleged anticompetitive activities within the DRAM industry. The SDE's Notice of Investigation names various DRAM manufacturers and certain executives, including ours, and focuses on the period from July 1998 to June 2002.

On September 24, 2010, Oracle America Inc. ("Oracle"), successor to Sun Microsystems, a DRAM purchaser that opted-out of a direct purchaser class action suit that was settled, filed suit against us in U.S. District Court for the Northern District of California. The complaint alleged a conspiracy to increase DRAM prices and other violations of federal and state antitrust and unfair competition laws based on purported conduct for the period from August 1, 1998 through at least June 15, 2002. Oracle sought joint and several damages, trebled, as well as restitution, disgorgement, attorneys' fees, costs and injunctive relief. On March 23, 2012, we entered into a settlement agreement with Oracle pursuant to which we agreed to make a payment of $58 million to Oracle for a settlement and full release of all claims and a dismissal with prejudice of the litigation.

We are unable to predict the outcome of these matters, except as noted in the U.S. indirect purchasers cases and Oracle above. The final resolution of these alleged violations of antitrust laws could result in significant liability and could have a material adverse effect on our business, results of operations or financial condition.

Commercial Matters

On January 20, 2011, Dr. Michael Jaffé, administrator for Qimonda AG ("Qimonda") insolvency proceedings, filed suit against us and Micron Semiconductor B.V., our Netherlands subsidiary, 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 us and Qimonda in fall 2008 pursuant to which we purchased all of Qimonda's shares of Inotera Memories, Inc. and seeks an order requiring us to retransfer the Inotera shares to the Qimonda estate. The complaint also seeks 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. A hearing scheduled to begin on November 9, 2011 was continued and has not yet been rescheduled. We are unable to predict the outcome of this lawsuit. The final resolution of this lawsuit could result in the loss of the Inotera shares or equivalent monetary damages and the termination of the patent cross license, which could have a material adverse effect on our business, results of operation or financial condition.

(See "Item 1A. Risk Factors.")

ITEM 1A. RISK FACTORS

In addition to the factors discussed elsewhere in this Form 10-Q, 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. For the first six months of 2012 average selling prices per gigabit for our NAND Flash and DRAM products declined 38% and 50% respectively as compared to the first six months of 2011. We have experienced significant decreases in our average selling prices per gigabit in recent years as noted in the table below. In some prior periods, average selling prices for our memory products have been below our manufacturing costs.

	DRAM	NAND Flash
	(percentage change in average selling prices)	
2011 from 2010	(39)%	(17)%
2010 from 2009	28 % *	(18)%
2009 from 2008	(52)%	(56)%
2008 from 2007	(51)%	(67)%
2007 from 2006	(23)%	(56)%

** Only increase in DRAM pricing since 2004.*

We may be unable to reduce our per gigabit manufacturing costs at the rate average selling prices decline.

Our gross margins are dependent upon continuing decreases in per gigabit manufacturing costs achieved through improvements in our manufacturing processes, including reducing the die size of our existing products. In future periods, we may be unable to reduce our per gigabit manufacturing costs at sufficient levels to improve or maintain 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, 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 Elpida Memory, Inc.; Samsung Electronics Co., Ltd.; SanDisk Corporation; SK Hynix Inc.; Spansion 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. The transitions to smaller line-width process technologies and 300mm wafers in the industry 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. Increases in worldwide supply of semiconductor memory, if not accompanied with 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.

The downturn in the worldwide economy may harm our business.

The downturn in the worldwide economy has had an adverse effect on our business. A continuation or further deterioration of depressed economic conditions could have an even greater adverse effect on our business. Adverse economic conditions affect demand for devices that incorporate our products, such as personal computers and other computing and networking products, mobile devices, Flash memory cards and USB devices. Reduced demand for our products could result in continued market oversupply and significant decreases in our average selling prices. A continuation of current negative conditions in worldwide credit markets would 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 losses on our accounts receivables due to credit defaults. As a result, our business, results of operations or financial condition could be materially adversely affected.

Inotera's liquidity risk may adversely impact our ownership interest and supply agreement.

Because of significant market declines in the selling price of DRAM, Inotera incurred net losses of $737 million for its year ended December 31, 2011. Also, Inotera's current liabilities exceeded its current assets by $2.2 billion as of December 31, 2011, which exposes Inotera to liquidity risk. Inotera's management has developed plans to improve its liquidity. There can be no assurance that Inotera's plans to improve its liquidity will be successful. If Inotera is unable to adequately improve its liquidity, we may have to impair our investment in Inotera, which had a net carrying value of $213 million as of March 1, 2012. In March 2012, subsequent to the end of our second quarter of 2012, we contributed $170 million to Inotera, which increased our ownership percentage from 29.7% to 39.7%. We may not continue to make equity contributions to Inotera, which may further increase their liquidity risk. In connection with our ownership equity interest in Inotera, we had rights and obligations to purchase 50% of the wafer production capacity of Inotera. Subsequent to our March 2012 contribution, we expect to receive a higher share of Inotera's 30-nanometer output when it becomes available from Inotera capital investments enabled by our equity investment. In the second quarter of 2012, we purchased $142 million of DRAM products from Inotera, and our supply from Inotera accounted for 45% of our aggregate DRAM gigabit production. As a result, if our supply of DRAM from Inotera is impacted, our business, results of operations or financial condition could be materially adversely affected.

Our supply agreement with Inotera involves numerous risks.

Our supply agreement with Inotera involves numerous risks including the following:

- we have experienced difficulties and delays in ramping production at Inotera on our technology and may continue to experience difficulties and delays in the future;
- we may experience continued difficulties in transferring technology to Inotera;
- costs associated with manufacturing inefficiencies resulting from underutilized capacity;
- difficulties in obtaining high yield and throughput due to differences in Inotera's manufacturing processes from our other fabrication facilities;
- uncertainties around the timing and amount of wafer supply we will receive under the supply agreement; and
- the cost of our product obtained from Inotera is impacted by Nanya's revenue and back-end manufacturing costs for product obtained from Inotera.

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

On January 20, 2011, Dr. Michael Jaffé, administrator for Qimonda AG ("Qimonda") insolvency proceedings, filed suit against us and Micron Semiconductor B.V., our Netherlands subsidiary, 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 us and Qimonda in fall 2008 pursuant to which we purchased all of Qimonda's shares of Inotera Memories, Inc. and seeks an order requiring us to retransfer the Inotera shares to the Qimonda estate. The complaint also seeks 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. A hearing scheduled to begin on November 9, 2011 was continued and has not yet been rescheduled. We are unable to predict the outcome of this lawsuit. The final resolution of this lawsuit could result in the loss of the Inotera shares or equivalent monetary damages and the termination of the patent cross license, which could have a material adverse effect on our business, results of operation or financial condition.

Our future success may depend 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.

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

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

Our cash flows from operations depend primarily on the volume of semiconductor memory sold, average selling prices and per unit 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 capital spending for 2012 will be approximately $2 billion, of which $1,175 million was spent in the first six months of 2012. As of March 1, 2012, we had cash and equivalents of $2,094 million, of which $171 million consisted of cash and investments of IM Flash that is generally not available to finance our other operations. In the past we have utilized external sources of financing when needed. As a result of the downturn in general economic conditions and the adverse conditions in the credit markets, 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 or find other sources of financing to fund our operations, make adequate capital investments to remain competitive in terms of technology development and cost efficiency, or access capital markets. Our inability to do the foregoing could have a material adverse effect on our business and results of operations.

Debt obligations could adversely affect our financial condition.

We are engaged in a capital intensive business subject to significant changes in supply and demand and product pricing and recent periods of consolidation, any of which could result in our incurrence or assumption of indebtedness. As a result, our debt levels may vary from time to time. As of March 1, 2012, we had $2.3 billion of debt, including $949 million principal amount of convertible senior notes due 2014. We may need to incur additional debt in the future. Our debt could adversely impact us. For example it could:

- use a large portion of our cash flow to pay principal and interest on debt, including the convertible notes, which will reduce the availability of our cash flow to fund working capital, capital expenditures, acquisitions, research and development expenditures and other business activities;
- limit our future ability to raise funds for capital expenditures, strategic acquisitions or business opportunities, research and development and other general corporate requirements; 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 flow 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 payment obligations under the convertible notes and our other debt 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, including the convertible notes, 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 not be able to meet our payment obligations under the convertible notes and our other debt.

Our joint ventures and strategic partnerships involve numerous risks.

We have entered into partnering arrangements to manufacture products and develop new manufacturing process technologies and products. These arrangements include our IM Flash NAND Flash joint ventures with Intel, our Inotera DRAM joint venture with Nanya, our MP Mask joint venture with Photronics, our Transform joint venture with Origin Energy and our CMOS image sensor wafer supply agreement with Aptina**.** These joint ventures and strategic partnerships 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;
- 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 need to continue to recognize our share of losses from Inotera or Transform in our future results of operations;
- 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 by our joint ventures, which may result in higher levels of cash expenditures by us: for example, our contributions to IM Flash Singapore in 2011 and 2010 totaled $1,708 million while Intel's contributions totaled $38 million and in 2012 we paid Intel approximately $600 million to acquire its interests in two NAND Flash fabrication facilities;
- cash flows may be inadequate to fund increased capital requirements;
- 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 partnerships are unsuccessful, our business, 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, research and development expenditures and other business activities;
- diverting management's attention from normal 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 recent years, supply of memory products has significantly exceeded customer demand resulting in significant declines in average selling prices of 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 AG and the recent bankruptcy filing by Elpida Memory, Inc. These types of legal proceedings often lead to confidential 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 have engaged and expect to continue to 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 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.

An adverse outcome relating to allegations of anticompetitive conduct could materially adversely affect our business, results of operations or financial condition.

On May 5, 2004, Rambus, Inc. ("Rambus") filed a complaint in the Superior Court of the State of California (San Francisco County) against us and other DRAM suppliers which alleged that the defendants harmed Rambus by engaging in concerted and unlawful efforts affecting Rambus DRAM ("RDRAM") by eliminating competition and stifling innovation in the market for computer memory technology and computer memory chips. Rambus' complaint alleged various causes of action under California state law including, among other things, a conspiracy to restrict output and fix prices, a conspiracy to monopolize, intentional interference with prospective economic advantage, and unfair competition. Rambus sought a judgment for damages of approximately $3.9 billion, joint and several liability, trebling of damages awarded, punitive damages, a permanent injunction enjoining the defendants from the conduct alleged in the complaint, interest, and attorneys' fees and costs. Trial began on June 20, 2011, and the case went to the jury on September 21, 2011. On November 16, 2011, the jury found for us on all claims. On April 2, 2012, Rambus filed a notice of appeal with the Superior Court.

We are unable to predict the outcome of these matters. An adverse court determination in any of these lawsuits alleging violations of antitrust laws could result in significant liability and could have a material adverse effect on our business, results of operations or financial condition.

An adverse determination that our products or manufacturing processes infringe the intellectual property rights of others could materially adversely affect our business, results of operations or financial condition.

On January 13, 2006, Rambus filed a lawsuit against us in the U.S. District Court for the Northern District of California. Rambus alleges that certain of our DDR2, DDR3, RLDRAM, and RLDRAM II products infringe as many as fourteen Rambus patents and seeks monetary damages, treble damages, and injunctive relief. The accused products account for a significant portion of our net sales. On June 2, 2006, we filed an answer and counterclaim against Rambus alleging, among other things, antitrust and fraud claims. On January 9, 2009, in another lawsuit involving us and Rambus and involving allegations by Rambus of patent infringement against us in the U.S. District Court for the District of Delaware, Judge Robinson entered an opinion in favor of us holding that Rambus had engaged in spoliation and that the twelve Rambus patents in the suit were unenforceable against us. Rambus subsequently appealed the Delaware Court's decision to the U.S. Court of Appeals for the Federal Circuit. On May 13, 2011, the Federal Circuit affirmed Judge Robinson's finding of spoliation, but vacated the dismissal sanction and remanded the case to the Delaware District Court for analysis of the remedy based on the Federal Circuit's decision. The Northern District of California Court stayed the trial of the patent phase of the Northern District of California case upon appeal of the spoliation issue to the Federal Circuit. In addition, others have asserted, and may assert in the future, that our products or manufacturing processes infringe their intellectual property rights. (See "Item 1. Legal Proceedings" for additional details on these lawsuits.)

We are unable to predict the outcome of assertions of infringement made against us. A court determination that our products or manufacturing processes infringe the intellectual property rights of others 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.

We have a number of patent and 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.

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. In recent periods we have further diversified and expanded our product offerings which could potentially increase the chance that one of our products could fail to meet specifications in a particular application. If problems with nonconforming, defective or incompatible products occur after we have shipped such products, we could be adversely affected in several ways, including the following:

- we may be required to replace product or otherwise compensate customers for costs incurred or damages caused by defective or incompatible product, and
- we may encounter adverse publicity, which could cause a decrease in sales of our products.

New product development may be unsuccessful.

We are developing new 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 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.

Consolidation of industry participants and governmental assistance to some of our competitors may contribute to uncertainty in the semiconductor memory industry and negatively impact our ability to compete.

In recent years, supply of memory products has significantly exceeded customer demand resulting in significant declines in average selling prices of DRAM, NAND Flash and NOR Flash products and substantial operating losses by us and our competitors. The operating losses as well as limited access to sources of financing have led to the deterioration in the financial condition of a number of industry participants. Some of our competitors may try to enhance their capacity and lower their cost structure through consolidation. In addition, some governments have provided, or are considering providing, significant financial assistance to some of our competitors. Consolidation of industry competitors could put us at a competitive disadvantage.

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 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 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. 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.

Our operations are dependent on our ability to procure advanced semiconductor 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. In recent periods 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 equipment timely, our business, results of operations or financial condition could be materially adversely affected.

Our results of operations could be affected by natural 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 that results in a prolonged disruption to our operations, or the operations of our customers or suppliers, may adversely affect our results of operations and financial condition.

In July 2011, Thailand began experiencing severe flooding that has disrupted the supply of hard disk drives and other components for our customers. If our customers are unable to obtain sufficient quantities of hard disk drives for systems that also include our products, they may postpone or cancel their orders for our products. As a result, pricing and demand for our products could continue to be impacted and our business, results of operations and financial condition may be adversely affected.

Our net operating loss and tax credit carryforwards may be limited.

We have a valuation allowance against substantially all U.S. net deferred tax assets. As of September 1, 2011, our federal, state and foreign net operating loss carryforwards were $2.9 billion, $2.0 billion and $529 million, respectively. If not utilized, substantially all of our federal and state net operating loss carryforwards will expire in 2022 to 2031 and the foreign net operating loss carryforwards will begin to expire in 2015. As of September 1, 2011, our federal and state tax credit carryforwards were $206 million and $215 million respectively. If not utilized, substantially all of our federal and state tax credit carryforwards will expire in 2013 to 2031. As a consequence of prior business acquisitions, utilization of the tax benefits for some of the tax carryforwards is subject to limitations imposed by Section 382 of the Internal Revenue Code and some portion or all of these carryforwards may not be available to offset any future taxable income. The determination of these tax limitations is complex and requires a significant amount of judgment by us with respect to analysis of past transactions.

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

Across our multi-national operations, there are transactions and balances denominated in currencies other than the U.S. dollar (our reporting currency), primarily the Singapore dollar, euro, shekel and yen. We recorded net losses from changes in currency exchange rates of $6 million for 2011 and $23 million for 2010. To the extent our assets and liabilities denominated in currencies other than the U.S. dollar as of March 1, 2012 are not hedged, we estimate that a 1% change in the exchange rate versus the U.S. dollar would expose us to foreign currency gains or losses of approximately U.S. $1 million for the euro and the Singapore dollar. In the event that the U.S. dollar weakens significantly compared to the Singapore dollar, euro, shekel or yen, our results of operations or financial condition may be adversely affected.

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 the first six months of 2012. 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. Our international sales and operations are subject to a variety of risks, including:

- export and import duties, changes to import and export regulations, and restrictions on the transfer of funds;
- compliance with U.S. and international laws involving international operations, including the Foreign Corrupt Practices Act, export control laws and similar rules and regulations;
- 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.

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. Additionally, our control over operations at our IM Flash, Inotera, MP Mask and Transform joint ventures 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 and equipment failures. 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 or loss of revenues or damage to customer relationships, which could materially adversely affect our business, results of operations or financial condition.

We may incur additional material restructure charges in future periods.

In response to severe downturns in the semiconductor memory industry and global economic conditions, we implemented restructure plans in prior periods and may need to implement restructure initiatives in future periods. As a result, we could incur restructure charges, lose production output, lose key personnel and experience disruptions in our operations and difficulties in the timely delivery of products.

ITEM 2. ISSUER PURCHASES OF EQUITY SECURITIES, UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

During the second quarter of 2012, we acquired, as payment of withholding taxes in connection with the vesting of restricted stock and restricted stock unit awards, 347,880 shares of our common stock at an average price per share of $7.41. We retired these shares in the second quarter of 2012.

Period	(a) Total number of shares purchased	(b) Average price paid per share	(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
December 2, 2011 - January 5, 2012	43,202	$ 5.91	N/A	N/A
January 6, 2012 - February 2, 2012	290,358	7.62	N/A	N/A
February 3, 2012 - March 1, 2012	14,320	7.77	N/A	N/A
	347,880	7.41		

ITEM 6. EXHIBITS

Exhibit Number	Description of Exhibit
3.1	Restated Certificate of Incorporation of the Registrant (1)
3.2	Bylaws of the Registrant, as amended (2)
10.104*	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
10.105*	IMFS Business Sale Agreement by and among Intel Technology Asia PTE LTD, Micron Semiconductor Asia PTE. LTD. and IM Flash Singapore, LLP dated February 27, 2012
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 Quarterly Report on Form 10-Q for the fiscal quarter ended May 31, 2001
(2) Incorporated by reference to Current Report on Form 8-K/A dated April 7, 2011

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

SIGNATURES

Pursuant to the requirements 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.

Micron Technology, Inc.

(Registrant)

Date: April 9, 2012

/s/ Ronald C. Foster

Ronald C. Foster
Vice President of Finance and Chief Financial Officer (Principal Financial and Accounting Officer)

EXHIBIT 10.104

CONFIDENTIAL TREATMENT:

MICRON TECHNOLOGY, INC. HAS REQUESTED THAT THE OMITTED PORTIONS OF THIS DOCUMENT, WHICH ARE INDICATED BY ASTERISKS, BE AFFORDED CONFIDENTIAL TREATMENT PURSUANT TO RULE 24b-2 UNDER THE SECURITIES EXCHANGE ACT OF 1934. MICRON TECHNOLOGY, INC. HAS SEPARATELY FILED THE OMITTED PORTIONS OF THE DOCUMENT WITH THE SECURITIES AND EXCHANGE COMMISSION.

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

FEBRUARY 27, 2012

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2012 MASTER AGREEMENT

This **2012 MASTER AGREEMENT** (together with Appendix A hereto, this "**Agreement**") is made and entered into as of this 27th day of February, 2012, by and among Intel Corporation, a Delaware corporation ("**Intel**"), Intel Technology Asia Pte Ltd, a private limited company organized under the laws of Singapore ("**Intel Singapore**" and, together with Intel, the "**Intel Parties**"), Micron Technology, Inc., a Delaware corporation ("**Micron**"), Micron Semiconductor Asia Pte. Ltd., a private limited company organized under the laws of Singapore ("**Micron Singapore**" and, together with Micron, the "**Micron Parties**"), IM Flash Technologies, LLC, a Delaware limited liability company ("**IMFT**"), and IM Flash Singapore, LLP, a limited liability partnership organized under the laws of Singapore ("**IMFS**"). Each of Intel, Intel Singapore, Micron, Micron Singapore, IMFT and IMFS may be referred to herein individually as a "**Party**" and collectively as the "**Parties**."

RECITALS

A. Micron and Intel are parties to that certain Amended and Restated Limited Liability Company Operating Agreement of IMFT, dated February 27, 2007 (the "**IMFT Agreement**").

B. Micron Singapore, a wholly owned subsidiary of Micron, and Intel Singapore, a wholly owned subsidiary of Intel, are parties to that certain Limited Liability Partnership Agreement of IMFS, dated February 27, 2007 (the "**IMFS Agreement**").

C. The Parties desire to enter into certain agreements regarding the joint development and potential manufacture of Designated Technology Devices.

D. The Parties desire to modify and enter into certain new Joint Venture Documents (as hereinafter defined) and to terminate certain Joint Venture Documents.

E. The Parties desire to implement transactions involving certain of the assets of IMFT and the business of IMFS by entering into the Asset Transaction Agreements (as hereinafter defined), and consummating the transactions contemplated thereby.

F. Micron desires to borrow, and Intel desires to lend, certain amounts, subject to the terms and conditions of a promissory note to be issued concurrently with the consummation of the transactions contemplated hereby.

NOW, THEREFORE, in consideration of the foregoing and of the mutual representations, warranties and covenants contained in this Agreement as well as other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties to this Agreement hereby agree as follows:

ARTICLE 1.
DEFINITIONS

1.1 Definitions. Capitalized terms used in this Agreement shall have the respective meanings ascribed to such terms in Appendix A to this Agreement.

ARTICLE 2.
CONTRACTS AND DISTRIBUTIONS

2.1 Pre-Existing Concluded Contracts Between Certain Parties. Prior to the date of this Agreement, certain of the Parties have entered into various agreements, as listed on Schedule 2.1 of the 2012 Master Agreement Disclosure Letter (the "**Concluded Agreements**"), that have expired or terminated in accordance with their terms and that the Parties acknowledge and agree are of no further force or effect.

2.2 Pre-Existing Contracts to be Terminated by Certain Parties. Prior to the date of this Agreement, certain of the Parties have entered into various agreements, as listed on Schedule 2.2 of the 2012 Master Agreement Disclosure Letter, that the applicable Parties shall terminate at the Closing in accordance with the Termination Agreements listed in such schedule (the "**Termination Agreements**").

2.3 Pre-Existing Contracts Continuing Between Certain Parties. Prior to the date of this Agreement, certain of the Parties have entered into various agreements, as listed on Schedule 2.3 of the 2012 Master Agreement Disclosure Letter (the "**Continuing Agreements**"), that remain in full force and effect.

2.4 Contemporaneously Executed Contracts Between the Parties. On the date of this Agreement, the Parties have entered into the agreements listed on Schedule 2.4 of the 2012 Master Agreement Disclosure Letter (the "**Contemporaneously Executed Agreements**").

2.5 Amended Contracts Between Certain Parties. At the Closing, the applicable Parties shall enter into the amendments to the agreements listed on Schedule 2.5 of the 2012 Master Agreement Disclosure Letter (the "**Closing Date Amendments**"), which shall amend certain agreements into which certain Parties have previously entered (as so amended, the "**Amended Agreements**").

2.6 Contracts to be Entered into by Certain Parties. At the Closing, the applicable Parties shall enter into the agreements listed on Schedule 2.6 of the 2012 Master Agreement Disclosure Letter (the "**New Agreements**").

2.7 Asset Transactions to be Entered into by Certain Parties.

(A) On the date of this Agreement, the applicable Parties shall enter into that certain IMFS BSA to implement Micron Singapore's purchase of the business of IMFS relating to the manufacture of NAND Flash Memory Products (as defined in the IMFS Agreement).

(B) IMFT shall prepare in good faith and deliver to Micron three Business Days prior to the Closing a statement setting forth a good faith estimate of the MTV Net Book Value (as defined in the MTV APSA) as of the Closing.

(C) At the Closing, the applicable Parties shall enter into the MTV APSA and each of the other Asset Transaction Agreements listed on Schedule 2.7(C) of the 2012 Master Agreement Disclosure Letter that were not executed on the date of this Agreement.

2.8 Distributions to IMFT and IMFS Members; Post-Closing IMFS Matters.

(A) Distributions. On the Closing Date, immediately after the Closing and as a condition subsequent thereto:

(1) Notwithstanding the provisions of Section 5.1 of the IMFT Agreement, IMFT shall distribute by wire transfer to each of Micron and Intel an amount equal to each such Party's pro rata portion of the Estimated Purchase Price (as defined in the MTV APSA), based upon their respective Sharing Interests in IMFT at the Closing. As required under Section 7.4(A)(6) of the IMFT Agreement, Micron and Intel hereby unanimously agree to such distributions by IMFT to Intel and Micron.

(2) Notwithstanding the provisions of Section 5.1 of the IMFS Agreement, IMFS shall distribute (a) by wire transfer to Intel Singapore cash in the amount (the "**Intel Singapore Distribution**") of (i) $465,702,000, which amount is equal to Intel Singapore's cumulative net investment in IMFS as agreed by the Parties as of the date of this Agreement, plus (ii) any Capital Contributions (as defined in the IMFS Agreement) made by Intel Singapore after the execution of this Agreement but prior to the Closing, less (iii) any distributions to Intel Singapore pursuant to Section 5.1 of the IMFS Agreement after the execution of this Agreement but prior to the Closing, and (b) to Micron Singapore all of the assets of IMFS other than the Intel Singapore Distribution. Micron Singapore shall cause the cash balance of IMFS on the Closing Date after receipt of the MSA Cash Purchase Price (as defined in the IMFS BSA) to be sufficient to make the distribution contemplated by Section 2.8(A)(2)(a). As required under Section 7.4(A)(6) of the IMFS Agreement, Micron Singapore and Intel Singapore hereby unanimously agree to such distributions by IMFS to Intel Singapore and Micron Singapore.

(3) Micron, Micron Singapore, Intel and Intel Singapore shall cause their respective representatives on the Board of Managers of each of IMFT and IMFS to approve the distributions contemplated in Sections 2.8(A) and 2.8(B) prior to the Closing Date.

(4) After the execution of this Agreement and until the earlier of (i) the termination of this Agreement and (ii) the Closing, IMFS shall not make any distributions to its Members, and Micron Singapore and Intel Singapore shall cause their respective representatives on the Board of Managers of IMFS not to permit IMFS to make any distributions other than pursuant to Section 2.8(A)(2).

(B) Contributions and Distributions in Respect of Post-Closing Adjustment Payments.

(1) If the MTV APSA Post-Closing Adjustment is a negative number and IMFT must pay the absolute value thereof to Micron pursuant to the MTV APSA, Micron and Intel shall contribute their pro rata portion of the Post-Closing Adjustment amount to IMFT, within two Business Days of its final determination, in accordance with their respective Sharing Interests in IMFT at the Closing.

(2) If the MTV APSA Post-Closing Adjustment is a positive number and Micron must pay the amount thereof to IMFT, IMFT shall distribute the Post-Closing Adjustment amount to Micron and Intel, within two Business Days of its final determination, on a pro rata basis in accordance with their respective Sharing Interests in IMFT at the Closing.

(C) Resignation. On the Closing Date, immediately after the distribution from IMFS to Intel Singapore pursuant to Section 2.8(A)(2), and as a condition subsequent to the Closing, Intel Singapore shall resign as a partner of IMFS, and Micron Singapore hereby agrees to such resignation.

(D) Release.

(1) From and after the Closing and notwithstanding the provisions of Section 11(3) of the Limited Liability Partnerships Act, Chapter 163A of Singapore, except as expressly set forth in this Agreement and the IMFS BSA, Intel Singapore will not have any interest in, or right or claim to any distributions or other payments by IMFS of any allocation or share of the assets or profits of IMFS, or any benefit pursuant to the IMFS Agreement and all other agreements relating to IMFS that do not expressly survive the Closing.

(2) From and after the Closing, (a) except for any obligations, liabilities or Claims set forth in or arising with respect to any of this Agreement, the Joint Venture Documents or the Asset Transaction Agreements, (b) except to the extent that any of this Agreement, the Joint Venture Documents or the Asset Transaction Agreements expressly provides that any specific obligations, liabilities or other Claims survive the Closing and (c) except as set forth on Schedule 2.8(D)(2)(c) of the 2012 Master Agreement Disclosure Letter, each of Intel Singapore, Micron Singapore and IMFS, for themselves and for their past and present stockholders, partners, directors, officers, employees, agents and other representatives, hereby releases and forever discharges the other Parties and their past and present stockholders, partners, directors, officers, employees, agents and other representatives from any and all Claims of any kind or manner whatsoever, known or unknown, arising out of, relating to or with respect to the IMFS Premises, the IMFS Business, the IMFS Agreement or any other agreements relating to IMFS or the MSA Purchased Assets, including any Claims relating to any Environmental Law or any violations thereof or arising from or relating to a release of any Hazardous Substance and any Claims relating to or arising from the agreements and matters set forth on Schedule 2.8(D)(2)(d) of the 2012 Master Agreement Disclosure Letter.

(3) From and after the Closing, (a) except for any obligations, liabilities or Claims set forth in or arising with respect to any of this Agreement, the Joint Venture Documents or the Asset Transaction Agreements, (b) except to the extent that any of this Agreement, the Joint Venture Documents or the Asset Transaction Agreements expressly provides that any specific obligations, liabilities or other Claims thereunder survive the Closing and (c) except as set forth on Schedule 2.8(D)(3)(c) of the 2012 Master Agreement Disclosure Letter, each of Intel, Micron and IMFT, for themselves and for their past and present stockholders, partners, directors, officers, employees, agents and other representatives, hereby releases and forever discharges each other Party and their past and present stockholders, partners, directors, officers, employees, agents and other representatives from any and all Claims of any kind or manner whatsoever, known or unknown, arising out of, relating to or with respect to the MTV Fab Operations, the MTV Leased Premises, the MTV Lease Agreement or the Micron Purchased Assets, including any Claims relating to any Environmental Law or any violations thereof or arising from or relating to a release of any Hazardous Substance and any Claims relating to or arising from the agreements and matters set forth on Schedule 2.8(D)(3)(d) of the 2012 Master Agreement Disclosure Letter.

(4) Each of IMFS, IMFT, the Micron Parties and the Intel Parties understands and agrees that the consideration recited in this Agreement and the Asset Transaction Agreements are the only consideration for the foregoing releases, and that no representations, promises or inducements have been made by or on behalf of any other Party except as may appear in this Agreement and the Asset Transaction Agreements.

(5) Each of IMFS, IMFT, the Micron Parties and the Intel Parties represents and warrants to the other Parties that (a) it at all times has been, as of the date of this Agreement is, and as of the Closing Date will be, the sole owner of any and all Claims of such Party as described in Section 2.8(D)(1), (D)(2) and (D)(3), as applicable, (b) it has not at any time assigned or attempted to assign any Claim of such Party as described in Sections 2.8(D)(1), (D)(2) and (D)(3), as applicable, and (c) it knows of no person or entity other than itself having or asserting that it has any Claim of such Party as described in Sections 2.8(D)(1), (D)(2) and (D)(3), as applicable.

(E) IMFS U.S. Tax Matters.

(1) Each of the Intel Parties, the Micron Parties and IMFS agrees for U.S. federal income Tax purposes to treat the sale of IMFS's business contemplated by the IMFS BSA and the distribution of a portion of the proceeds thereof to Intel Singapore as contemplated by Section 2.8(A)(2) hereof as (a) from the standpoint of ****, a sale of the **** of **** by reason of ****, (b) from the standpoint of ****, a purchase by **** of the assets of **** attributable to ****'s interest in **** and the receipt by **** of a **** of the **** of **** attributable to ****'s interest in ****, and (c) from the standpoint of ****, **** and ****, a termination of **** pursuant to **** (and any similar provision of state and/or local income Tax law) on the Closing Date.

(2) Consistent with paragraph (1) above, the tax year of IMFS, as determined for U.S. federal income tax purposes, will end on the Closing Date.

(3) The provisions of Section 10.6 of the IMFS Agreement (as in effect immediately prior to the Closing) shall continue to apply with respect to any taxable period during which Intel Singapore is treated as a partner of IMFS for Singapore income Tax purposes or could otherwise suffer adverse Tax consequences as a result of a Tax return filed with respect to such period, as if Intel Singapore continued as a Member of IMFS indefinitely following the Closing.

(4) United States federal income tax returns of IMFS filed after the Closing for any taxable period during which Intel Singapore is treated as a partner of IMFS for U.S. federal income Tax purposes or could otherwise suffer adverse Tax consequences as a result of a Tax return filed with respect to such period shall be prepared and filed in accordance with the principles of Section 10.6(B) of the IMFS Agreement (as in effect immediately prior to the Closing) as if Intel Singapore continued as a Member of IMFS indefinitely following the Closing.

(5) The provisions of Section 10.7 of the IMFS Agreement (as in effect immediately prior to the Closing) shall apply with respect to any administrative or judicial

proceeding related to an adjustment or proposed adjustment related to any Tax return of IMFS for any taxable period during which Intel Singapore is treated as a partner of IMFS for income Tax purposes under applicable law or could otherwise suffer adverse Tax consequences as a result of the settlement of any such proceeding, as if Intel Singapore continued as a Member of IMFS indefinitely following the Closing.

(6) Following the Closing, IMFS will promptly upon request provide to the Intel Parties such information requested by the Intel Parties with respect to the preparation or filing of any Tax return, payment of any Tax, preparation for any Tax audit or other Tax proceeding, in each case with respect to Intel Singapore's former status as a Member of IMFS.

2.9 Member Approvals and Authorizations.

(A) Intel and Micron, as Members of IMFT, hereby approve and authorize in all respects the Joint Venture Documents, the Asset Transaction Agreements, the distributions contemplated by this Agreement and the transactions contemplated hereby and thereby. Intel and Micron, as Members of IMFT, hereby authorize, empower and direct the Board of Managers and officers of IMFT to execute and deliver, in the name and on behalf of IMFT, the Joint Venture Documents, Asset Transaction Agreements and any ancillary documents, agreements or certificates contemplated thereby and related thereto to which IMFT is a party, including those documents and instruments attached as exhibits thereto, with such changes or modifications thereto as may be approved by the Board of Managers, such approval to be conclusively evidenced by the execution of any such document or agreement. Furthermore, Intel and Micron, as Members of IMFT, hereby authorize the Board of Managers to take such action on behalf of IMFT as it may deem necessary, advisable or proper in order to carry out and perform the obligations of IMFT under the Joint Venture Documents, Asset Transaction Agreements and any other agreements and documents executed and delivered by IMFT pursuant to or in connection with such documents and agreements, including those documents and instruments attached as exhibits thereto. Notwithstanding the foregoing, with respect to any transaction with IMFT relating to an Interested Member (as defined in the IMFT Agreement), any approvals relating to such transaction or related documents shall be subject to the approval of the Independent Member (as defined in the IMFT Agreement) pursuant to the IMFT Agreement.

(B) Intel Singapore and Micron Singapore, as Members of IMFS, hereby approve and authorize in all respects the Joint Venture Documents, the Asset Transaction Agreements, the distributions contemplated by this Agreement and the transactions contemplated hereby and thereby. Intel Singapore and Micron Singapore, as Members of IMFS, hereby authorize, empower and direct the Board of Managers and officers of IMFS to execute and deliver, in the name and on behalf of IMFS, the Joint Venture Documents, Asset Transaction Agreements and any ancillary documents, agreements or certificates contemplated thereby and related thereto to which IMFS is a party, including those documents and instruments attached as exhibits thereto, with such changes or modifications thereto as may be approved by the Board of Managers, such approval to be conclusively evidenced by the execution of any such document or agreement. Furthermore, each of Intel Singapore and Micron Singapore, as Members of IMFS, hereby authorize the Board of Managers to take such action on behalf of IMFS as it may deem necessary, advisable or proper in order to carry out and perform the obligations of IMFS under the Joint Venture Documents, Asset

Transaction Agreements and any other agreements and documents executed and delivered by IMFS pursuant to or in connection with such documents and agreements, including those documents and instruments attached as exhibits thereto. Notwithstanding the foregoing, with respect to any transaction with IMFS relating to an Interested Member (as defined in the IMFS Agreement), any approvals relating to such transaction or related documents shall be subject to the approval of the Independent Member (as defined in the IMFS Agreement) pursuant to the IMFS Agreement.

ARTICLE 3.
REPRESENTATIONS AND WARRANTIES

3.1 Intel Representations. Intel represents and warrants to the other Parties as follows:

(A) Corporate Existence and Power. Intel is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware. Intel has the requisite corporate power and authority to carry on its business as now conducted. Intel is duly qualified to do business and is in good standing in each jurisdiction in which such qualification is required, except where the failure to be so qualified or in good standing would not be reasonably expected to have a Material Adverse Effect.

(B) Authorization; Enforceability. Intel has the requisite corporate power and authority to enter into this Agreement and the Joint Venture Documents to which it is a party and to perform its obligations hereunder and thereunder. The execution and delivery by Intel of this Agreement and the Joint Venture Documents to which it is a party and the performance by Intel of its obligations contemplated hereby and thereby have been duly authorized by Intel and do not violate the terms of the certificate of incorporation or bylaws of Intel. This Agreement has been, and as of the Closing the Joint Venture Documents to which Intel is a party will have been, duly executed and delivered by Intel, and this Agreement constitutes, and as of the Closing each of the Joint Venture Documents to which Intel is a party will constitute, the valid and binding agreement of Intel, enforceable against Intel in accordance with their respective terms, except to the extent that their enforceability may be subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally.

(C) Governmental Authorization. Except as disclosed in Schedule 3.1(C) of the 2012 Master Agreement Disclosure Letter, the execution, delivery and performance by Intel of this Agreement and the Joint Venture Documents to which it is a party will not require any action by or in respect of, or filing with, any Governmental Entity.

(D) Non-Contravention; Consents. Except as disclosed in Schedule 3.1(D) of the 2012 Master Agreement Disclosure Letter, the execution, delivery and performance by Intel of this Agreement and the Joint Venture Documents to which it is a party do not and will not (1) violate, in any material respect, any Applicable Law or Order, (2) require any filing with, or permit, consent or approval of, or the giving of any notice to (including under any right of first refusal or similar provision), any Person (including filings, consents or approvals required under any licenses or leases to which Intel or any of its subsidiaries is a party), (3) result in a violation or breach of, conflict with, constitute (with or without due notice or lapse of time or both) a default under, or give rise to any right of termination, cancellation or acceleration of any charter document of or any right or

obligation of Intel or any of its subsidiaries or to a loss of any benefit to which Intel or any of its subsidiaries is entitled under, any agreement or other instrument binding upon Intel or any of its subsidiaries, or (4) result in the creation or imposition of any Lien on any asset of Intel or any of its subsidiaries that, in the case of clauses (3) or (4), would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(E) Litigation. Except as disclosed in Schedule 3.1(E) of the 2012 Master Agreement Disclosure Letter or as previously disclosed in Intel's public filings pursuant to the Exchange Act, there is no action, suit, arbitration or administrative or other proceeding or investigation pending or, to Intel's knowledge, threatened, against or affecting Intel or its subsidiaries or any of their respective properties that, if determined or resolved adversely to Intel or its subsidiaries, would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(F) Brokerage. No finder, broker, investment banker or financial advisor is entitled to any brokerage, finders' or other fees or commissions from any other Person in connection with this Agreement or the negotiation looking toward the consummation of such transactions, based upon arrangements made by or on behalf of Intel.

3.2 Intel Singapore Representations. Intel Singapore represents and warrants to the other Parties as follows:

(A) Corporate Existence and Power. Intel Singapore is a private limited company duly incorporated and validly existing under the laws of Singapore. Intel Singapore has the requisite corporate power and authority to carry on its business as now conducted. Intel Singapore is duly qualified to do business in each jurisdiction in which such qualification is required, except where the failure to be so qualified would not be reasonably expected to have a Material Adverse Effect.

(B) Authorization; Enforceability. Intel Singapore has the requisite corporate power and authority to enter into this Agreement and the Joint Venture Documents to which it is a party and to perform its obligations hereunder and thereunder. The execution and delivery by Intel Singapore of this Agreement and the Joint Venture Documents to which it is a party and the performance by Intel Singapore of its obligations contemplated hereby and thereby have been duly authorized by Intel Singapore and do not violate the terms of the memorandum and articles of association of Intel Singapore. This Agreement has been, and as of the Closing the Joint Venture Documents to which Intel Singapore is a party will have been, duly executed and delivered by Intel Singapore, and this Agreement constitutes, and as of the Closing each of the Joint Venture Documents to which Intel Singapore is a party will constitute, the valid and binding agreement of Intel Singapore, enforceable against Intel Singapore in accordance with their respective terms, except to the extent that their enforceability may be subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally.

(C) Governmental Authorization. Except as disclosed in Schedule 3.2(C) of the 2012 Master Agreement Disclosure Letter, the execution, delivery and performance by Intel Singapore

of this Agreement and the Joint Venture Documents to which it is a party will not require any action by or in respect of, or filing with, any Governmental Entity.

(D) Non-Contravention; Consents. Except as disclosed in Schedule 3.2(D) of the 2012 Master Agreement Disclosure Letter, the execution, delivery and performance by Intel Singapore of this Agreement and the Joint Venture Documents to which it is a party do not and will not (1) violate, in any material respect, any Applicable Law or Order, (2) require any filing with, or permit, consent or approval of, or the giving of any notice to (including under any right of first refusal or similar provision), any Person (including filings, consents or approvals required under any licenses or leases to which Intel Singapore is a party), (3) result in a violation or breach of, conflict with, constitute (with or without due notice or lapse of time or both) a default under, or give rise to any right of termination, cancellation or acceleration of any charter document of or any right or obligation of Intel Singapore or to a loss of any benefit to which Intel Singapore is entitled under, any agreement or other instrument binding upon Intel Singapore, or (4) result in the creation or imposition of any Lien on any asset of Intel Singapore that, in the case of clauses (3) or (4), would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(E) Litigation. Except as disclosed in Schedule 3.2(E) of the 2012 Master Agreement Disclosure Letter, there is no action, suit, arbitration or administrative or other proceeding or investigation pending or, to Intel Singapore's knowledge, threatened, against or affecting Intel Singapore or any of its properties that, if determined or resolved adversely to Intel Singapore, would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(F) Brokerage. No finder, broker, investment banker or financial advisor is entitled to any brokerage, finders' or other fees or commissions from any other Person in connection with this Agreement or the negotiation looking toward the consummation of such transactions, based upon arrangements made by or on behalf of Intel Singapore.

3.3 Micron Representations. Micron represents and warrants to the other Parties as follows:

(A) Corporate Existence and Power. Micron is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware. Micron has the requisite corporate power and authority to carry on its business as now conducted. Micron is duly qualified to do business and is in good standing in each jurisdiction in which such qualification is required, except where the failure to be so qualified or in good standing would not reasonably be expected to have a Material Adverse Effect.

(B) Authorization; Enforceability. Micron has the requisite corporate power and authority to enter into this Agreement and the Joint Venture Documents to which it is a party and to perform its obligations hereunder and thereunder. The execution and delivery by Micron of this Agreement and the Joint Venture Documents to which it is a party and the performance by Micron of its obligations contemplated hereby and thereby have been duly authorized by Micron and do not violate the terms of the certificate of incorporation or bylaws of Micron. This Agreement has been, and as of the Closing the Joint Venture Documents to which Micron is a party will have been, duly executed and delivered by Micron, and this Agreement constitutes, and as of the Closing each of the Joint Venture Documents to which Micron is a party will constitute, the valid and binding

agreement of Micron, enforceable against Micron in accordance with their respective terms, except to the extent that their enforceability may be subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally.

(C) Governmental Authorization. Except as disclosed in Schedule 3.3(C) of the 2012 Master Agreement Disclosure Letter, the execution, delivery and performance by Micron of this Agreement and the Joint Venture Documents to which it is a party will not require any action by or in respect of, or filing with, any Governmental Entity.

(D) Non-Contravention; Consents. Except as disclosed in Schedule 3.3(D) of the 2012 Master Agreement Disclosure Letter, the execution, delivery and performance by Micron of this Agreement and the Joint Venture Documents to which it is a party do not and will not (1) violate, in any material respect, any Applicable Law or Order, (2) require any filing with, or permit, consent or approval of, or the giving of any notice to (including under any right of first refusal or similar provision), any Person (including filings, consents or approvals required under any licenses or leases to which Micron or any of its subsidiaries is a party), (3) result in a violation or breach of, conflict with, constitute (with or without due notice or lapse of time or both) a default under, or give rise to any right of termination, cancellation or acceleration of any charter document of or any right or obligation of Micron or any of its subsidiaries or to a loss of any benefit to which Micron or any of its subsidiaries is entitled under, any agreement or other instrument binding upon Micron or any of its subsidiaries, or (4) result in the creation or imposition of any Lien on any asset of Micron or any of its subsidiaries that, in the case of clauses (3) or (4) would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(E) Litigation. Except as disclosed in Schedule 3.3(E) of the 2012 Master Agreement Disclosure Letter or as previously disclosed in Micron's public filings pursuant to the Exchange Act, there is no action, suit, arbitration or administrative or other proceeding or investigation pending or, to Micron's knowledge, threatened, against or affecting Micron or its subsidiaries or any of their respective properties that, if determined or resolved adversely to Micron or its subsidiaries, would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(F) Brokerage. No finder, broker, investment banker or financial advisor is entitled to any brokerage, finders' or other fees or commissions from any other Person in connection with this Agreement or the negotiation looking toward the consummation of such transactions, based upon arrangements made by or on behalf of Micron.

3.4 Micron Singapore Representations. Micron Singapore represents and warrants to the other Parties as follows:

(A) Corporate Existence and Power. Micron Singapore is a private limited company duly incorporated and validly existing under the laws of Singapore. Micron Singapore has the requisite corporate power and authority to carry on its business as now conducted. Micron Singapore

is duly qualified to do business in each jurisdiction in which such qualification is required, except where the failure to be so qualified would not be reasonably expected to have a Material Adverse Effect.

(B) Authorization; Enforceability. Micron Singapore has the requisite corporate power and authority to enter into this Agreement and the Joint Venture Documents to which it is a party and to perform its obligations hereunder and thereunder. The execution and delivery by Micron Singapore of this Agreement and the Joint Venture Documents to which it is a party and the performance by Micron Singapore of its obligations contemplated hereby and thereby have been duly authorized by Micron Singapore and do not violate the terms of the memorandum and articles of association of Micron Singapore. This Agreement has been, and as of the Closing the Joint Venture Documents to which Micron Singapore is a party will have been, duly executed and delivered by Micron Singapore, and this Agreement constitutes, and as of the Closing each of the Joint Venture Documents to which Micron Singapore is a party will constitute, the valid and binding agreement of Micron Singapore, enforceable against Micron Singapore in accordance with their respective terms, except to the extent that their enforceability may be subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally.

(C) Governmental Authorization. Except as disclosed in Schedule 3.4(C) of the 2012 Master Agreement Disclosure Letter, the execution, delivery and performance by Micron Singapore of this Agreement and the Joint Venture Documents to which it is a party will not require any action by or in respect of, or filing with, any Governmental Entity.

(D) Non-Contravention; Consents. Except as disclosed in Schedule 3.4(D) of the 2012 Master Agreement Disclosure Letter, the execution, delivery and performance by Micron Singapore of this Agreement and the Joint Venture Documents to which it is a party do not and will not (1) violate, in any material respect, any Applicable Law or Order, (2) require any filing with, or permit, consent or approval of, or the giving of any notice to (including under any right of first refusal or similar provision), any Person (including filings, consents or approvals required under any licenses or leases to which Micron Singapore is a party), (3) result in a violation or breach of, conflict with, constitute (with or without due notice or lapse of time or both) a default under, or give rise to any right of termination, cancellation or acceleration of any charter document of or any right or obligation of Micron Singapore or to a loss of any benefit to which Micron Singapore is entitled under, any agreement or other instrument binding upon Micron Singapore, or (4) result in the creation or imposition of any Lien on any asset of Micron Singapore that, in the case of clauses (3) or (4), would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(E) Litigation. Except as disclosed in Schedule 3.4(E) of the 2012 Master Agreement Disclosure Letter, there is no action, suit, arbitration or administrative or other proceeding or investigation pending or, to Micron Singapore's knowledge, threatened, against or affecting Micron Singapore or any of its properties that, if determined or resolved adversely to Micron Singapore, would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(F) Brokerage. No finder, broker, investment banker or financial advisor is entitled to any brokerage, finders' or other fees or commissions from any other Person in connection with this Agreement or the negotiation looking toward the consummation of such transactions, based upon arrangements made by or on behalf of Micron Singapore.

3.5 IMFT Representations. IMFT represents and warrants to the other Parties as follows:

(A) Legal Existence and Power. IMFT is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. IMFT has the requisite legal power and authority to carry on its business as now conducted. IMFT is duly qualified to do business and is in good standing in each jurisdiction in which such qualification is required, except where the failure to be so qualified or in good standing would not be reasonably expected to have a Material Adverse Effect.

(B) Authorization; Enforceability. IMFT has the requisite legal power and authority to enter into this Agreement and the Joint Venture Documents to which it is a party and to perform its obligations hereunder and thereunder. The execution and delivery by IMFT of this Agreement and the Joint Venture Documents to which it is a party and the performance by IMFT of its obligations contemplated hereby and thereby have been duly authorized by IMFT and do not violate the terms of the certificate of formation of IMFT or the IMFT Agreement. This Agreement has been, and as of the Closing the Joint Venture Documents to which IMFT is a party will have been, duly executed and delivered by IMFT, and this Agreement constitutes, and as of the Closing each of the Joint Venture Documents to which IMFT is a party will constitute, the valid and binding agreement of IMFT, enforceable against IMFT in accordance with their respective terms, except to the extent that their enforceability may be subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally.

(C) Governmental Authorization. Except as disclosed in Schedule 3.5(C) of the 2012 Master Agreement Disclosure Letter, the execution, delivery and performance by IMFT of this Agreement and the Joint Venture Documents to which it is a party will not require any action by or in respect of, or filing with, any Governmental Entity.

(D) Non-Contravention; Consents. Except as disclosed in Schedule 3.5(D) of the 2012 Master Agreement Disclosure Letter, the execution, delivery and performance by IMFT of this Agreement and the Joint Venture Documents to which it is a party do not and will not (1) violate, in any material respect, any Applicable Law or Order, (2) require any filing with, or permit, consent or approval of, or the giving of any notice to (including under any right of first refusal or similar provision), any Person (including filings, consents or approvals required under any licenses or leases to which Micron Singapore is a party), (3) result in a violation or breach of, conflict with, constitute (with or without due notice or lapse of time or both) a default under, or give rise to any right of termination, cancellation or acceleration of any charter document of or any right or obligation of IMFT or to a loss of any benefit to which IMFT is entitled under, any agreement or other instrument binding upon IMFT or (4) result in the creation or imposition of any Lien on any asset of IMFT that, in the case of clauses (3) or (4), would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(E) Litigation. Except as disclosed in Schedule 3.5(E) of the 2012 Master Agreement Disclosure Letter, there is no action, suit, arbitration or administrative or other proceeding or investigation pending or, to IMFT's knowledge, threatened, against or affecting IMFT or any of its properties that, if determined or resolved adversely to IMFT, would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(F) Brokerage. No finder, broker, investment banker or financial advisor is entitled to any brokerage, finders' or other fees or commissions from any other Person in connection with this Agreement or the negotiation looking toward the consummation of such transactions, based upon arrangements made by or on behalf of IMFT.

3.6 IMFS Representations. IMFS represents and warrants to the other Parties as follows:

(A) Legal Existence and Power. IMFS is a limited liability partnership duly organized and validly existing under the laws of Singapore. IMFS has the requisite legal power and authority to carry on its business as now conducted. IMFS is duly qualified to do business in each jurisdiction in which such qualification is required, except where the failure to be so qualified would not be reasonably expected to have a Material Adverse Effect.

(B) Authorization; Enforceability. IMFS has the requisite legal power and authority to enter into this Agreement and the Joint Venture Documents to which it is a party and to perform its obligations hereunder and thereunder. The execution and delivery by IMFS of this Agreement and the Joint Venture Documents to which it is a party and the performance by IMFS of its obligations contemplated hereby and thereby have been duly authorized by IMFS and do not violate the terms of the IMFS Agreement. This Agreement has been, and as of the Closing the Joint Venture Documents to which IMFS is a party will have been, duly executed and delivered by IMFS, and this Agreement constitutes, and as of the Closing each of the Joint Venture Documents to which IMFS is a party will constitute, the valid and binding agreement of IMFS, enforceable against IMFS in accordance with their respective terms, except to the extent that their enforceability may be subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally.

(C) Governmental Authorization. Except as disclosed in Schedule 3.6(C) of the 2012 Master Agreement Disclosure Letter, the execution, delivery and performance by IMFS of this Agreement and the Joint Venture Documents to which it is a party will not require any action by or in respect of, or filing with, any Governmental Entity.

(D) Non-Contravention; Consents. Except as disclosed in Schedule 3.6(D) of the 2012 Master Agreement Disclosure Letter, the execution, delivery and performance by IMFS of this Agreement and the Joint Venture Documents to which it is a party do not and will not (1) violate, in any material respect, any Applicable Law or Order, (2) require any filing with, or permit, consent or approval of, or the giving of any notice to (including under any right of first refusal or similar provision), any Person (including filings, consents or approvals required under any licenses or leases to which Micron Singapore is a party), (3) result in a violation or breach of, conflict with, constitute (with or without due notice or lapse of time or both) a default under, or give rise to any right of termination, cancellation or acceleration of any charter document of or any right or obligation of IMFS or to a loss of any benefit to which IMFS is entitled under, any agreement or other instrument

binding upon IMFS or (4) result in the creation or imposition of any Lien on any asset of IMFS that, in the case of clauses (3) or (4), would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(E) Litigation. Except as disclosed in Schedule 3.6(E) of the 2012 Master Agreement Disclosure Letter, there is no action, suit, arbitration or administrative or other proceeding or investigation pending or, to IMFS's knowledge, threatened, against or affecting IMFS or any of its properties that, if determined or resolved adversely to IMFS, would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(F) Brokerage. No finder, broker, investment banker or financial advisor is entitled to any brokerage, finders' or other fees or commissions from any other Person in connection with this Agreement or the negotiation looking toward the consummation of such transactions, based upon arrangements made by or on behalf of IMFS.

ARTICLE 4.
COVENANTS

4.1 Reasonable Efforts. Each of the Parties will cooperate and use its reasonable efforts to take, or cause to be taken, all appropriate actions (and to make, or cause to be made, all filings necessary, proper or advisable under Applicable Law) to consummate and make effective the transactions contemplated by this Agreement, the Asset Transaction Agreements and the Joint Venture Documents, including its reasonable efforts to obtain, as promptly as practicable, all licenses, permits, consents, approvals, authorizations, qualifications and orders of Governmental Entities and parties to contracts, as are necessary for the consummation of the transactions contemplated by this Agreement, the Asset Transaction Agreements and the Joint Venture Documents and to fulfill the conditions in Article 5 of this Agreement.

4.2 Governmental Filings. Subject to Applicable Laws, prior to the making or submission of any analysis, appearance, presentation, letter, white paper, memorandum, brief, argument, opinion or proposal by or on behalf of any Party in connection with any proceeding, review, inquiry or investigation under or relating to the HSR Act or any other applicable Competition Law regarding the transactions contemplated hereby or regarding any of the Joint Venture Documents or Asset Transaction Agreements or any terms thereof, whether before or after the Closing Date, the Parties will consult and cooperate with one another, and consider in good faith the views of one another, in connection with any such analyses, appearances, presentations, letters, white papers, memoranda, briefs, arguments, opinions or proposals. In this regard but without limitation, each Party hereto shall promptly inform the other of any material communication between such Party and the Federal Trade Commission, the Antitrust Division of the United States Department of Justice, or any other federal, foreign or state antitrust or competition Governmental Entity regarding the transactions contemplated by this Agreement or regarding any of the Joint Venture Documents or Asset Transaction Agreements or any terms thereof. Nothing in the Agreement, however, shall require or be construed to require any Party hereto, in order to obtain the consent or successful termination of any proceeding, review, inquiry or investigation of any such Governmental Entity, to (A) sell or hold separate, or agree to sell or hold separate, before or after the Closing Date, any assets, businesses or any interests in any assets or businesses, of such Party or any of its Affiliates (or to consent to any sale, or agreement to sell, any assets or businesses,

or any interests in any assets or businesses), or any change in or restriction on the operation by such Party of any assets or businesses, or (B) enter into any agreement or be bound by any obligation that, in such Party's good faith judgment, may have an adverse effect on the benefits to such Party of the transactions contemplated by this Agreement.

4.3 Further Assurances. From time to time, as and when requested by any other Party, a Party will execute and deliver, or cause to be executed and delivered, all such documents and instruments and will take, or cause to be taken, all such further or other actions, as the Parties may reasonably agree are necessary or desirable to consummate the transactions contemplated by this Agreement.

4.4 Confidentiality. The Parties shall continue to abide by the terms of the Amended and Restated Mutual Confidentiality Agreement so long as it remains in effect. The disclosure and exchange of Confidential Information (as defined in the CNDA) between Intel and Micron is further subject to the terms of the CNDA.

4.5 Public Announcements. None of the Parties shall issue any press release or otherwise make any public statements with respect to the transactions contemplated by this Agreement or any of the Joint Venture Documents or the Asset Transactions Agreements without the prior written consent of the other Parties, except as may be reasonably determined by a Party to be required by Applicable Law, or by the rules and regulations of, or pursuant to any agreement with, the NASDAQ Stock Market. If any Party reasonably determines, with the advice of counsel, that it is required by Applicable Law to make any public statement regarding or otherwise publicly disclose this Agreement, any of the Joint Venture Documents, any of the Asset Transaction Agreements or any terms hereof or thereof, it shall, within a reasonable time before making any public disclosure, consult with the other Parties regarding such disclosure and seek confidential treatment for such terms or portions of this Agreement or such other Joint Venture Document or Asset Transaction Agreements as may be reasonably requested by the other Parties.

4.6 Legally Compelled Disclosures. In the event that a Party is requested or becomes legally compelled (including pursuant to securities laws and regulations) to disclose any of the Joint Venture Documents or the Asset Transaction Agreements where such disclosure would be in contravention of the provisions of this Agreement, the CNDA or the Amended and Restated Mutual Confidentiality Agreement, the Party may make such disclosure but subject to the provisions of this Section 4.6. The Party required to make such disclosure shall provide the other Parties with prompt written notice of the requirement to make such disclosure before making such disclosure and will use its reasonable efforts to reasonably cooperate with the other Parties to seek a protective order, confidential treatment, or other appropriate remedy with respect to the disclosure. In such event, the disclosing Party shall furnish for disclosure only that portion of the information that is legally required to be disclosed and shall exercise its reasonable efforts to obtain reliable assurance that confidential treatment will be accorded to such information to the extent reasonably requested by the other Parties and to the maximum extent possible under Applicable Law. The disclosing Party agrees that it will provide the other Parties with drafts of any documents or other filings in which it is required to disclose this Agreement, the other Joint Venture Documents, the Asset Transaction Agreements or any other confidential information subject to the terms of this Agreement at least two Business Days prior to the filing or disclosure thereof for any matter to be filed with the Commission on Form 8-K and at least five Business Days prior to the filing or disclosure for any

other matter required to be filed with the Commission or any other Governmental Entity, and that it will make any changes to such materials as reasonably requested by any of the other Parties, as determined by the filing Party, to the extent permitted by law or any rules and regulations of the Commission or any other Governmental Entity, as applicable.

4.7 Continuity and Maintenance of Operations.

(A) From the date of this Agreement until the Closing, each Party agrees to use reasonable efforts consistent with past practice and policies to (1) preserve intact in all material respects the present business operations of IMFT and IMFS, (2) maintain in all material respects the services of such Party's employees who render full-time service to IMFT or IMFS as seconded employees or who are otherwise an integral part of the services provided by such Party to IMFT or IMFS, (3) preserve in all material respects the relationships with suppliers, licensors, licensees, and others having material business relationships with IMFT or IMFS and (4) maintain the same cash management, asset write-off/write-down and accounting methods, policies, practices, principles, procedures, exceptions, classifications, assumptions, judgments and valuation and estimation methodologies that were used in the preparation of the audited financial statements of IMFT and IMFS at September 1, 2011.

(B) From the date of this Agreement until the Closing, IMFS and IMFT agree to use reasonable efforts to manufacture and ship Products in the ordinary course consistent with past practice and policies.

(C) From the date of this Agreement until the Closing, any cancellation of any purchase orders for equipment or other goods or services that were to be delivered to IMFT or IMFS must be approved by either (1) the Board of Managers of IMFT or IMFS, respectively, or (2) the co-executive officers of IMFT appointed by the Intel Parties and the Micron Parties.

4.8 Certain Deliveries and Notices. From the date of this Agreement until the Closing, each Party shall promptly inform in writing the other Parties of (A) any event or occurrence that could be reasonably expected to have a Material Adverse Effect on its ability to perform its or their obligations under any of the Joint Venture Documents or the Asset Transaction Agreements or in the reasonable opinion of the Party, the ability of IMFT or IMFS to conduct its businesses or (B) any breach or any failure to satisfy any condition or covenant contained herein or in any other Joint Venture Document or Asset Transaction Agreement, if such breach or failure cannot or will not be cured by such Party by the Closing.

4.9 Damage to MTV Premises.

(A) Damage Prior to Closing. If, after the date of this Agreement and prior to the Closing, the Micron Purchased Assets are damaged in a manner that would require repairs outside the ordinary course, but that damage does not amount to Material Damage, (1) IMFT shall at its own cost and expense repair that damage prior to the Closing to the extent practical, (2) Section 4.9(B) shall apply and (3) any such repairs shall be taken into account in determining the net book value of the affected assets for purposes of determining the MTV Net Book Value (as defined in the MTV APSA). Except

as otherwise agreed to in writing by Intel and Micron, to the extent that IMFT has received or has any rights to receive any insurance proceeds or any recovery from any third party in respect of such damage, IMFT shall retain such proceeds and rights for application to such cost and expense of repair.

(B) Repairs. In carrying out the repairs to the damaged Micron Purchased Assets as referred to in Section 4.9(A) (such repairs, the "**Works**"), IMFT will:

(1) comply with the reasonable directions of Micron;

(2) carry out the Works in a proper and workmanlike manner to restore the Micron Purchased Assets as nearly as practicable to the state they were in before the event of damage; and

(3) cause as little interruption to the operation of the rest of the premises within the MTV Leased Premises as is reasonable in the circumstances.

(C) Material Damage. For the purpose of this Section 4.9, "**Material Damage**" means damage to or destruction of the **** or any part thereof such that either (1) will require the expenditure of more than **** to restore the **** as nearly as practicable to the condition that the **** were in immediately prior to the occurrence of such event, or (2) reduce the **** of the **** by at least **** immediately prior to the occurrence of such event, which **** is reasonably expected to be incapable of being substantially restored within a period of ****. Except as otherwise agreed to in writing by Intel and Micron, to the extent that IMFT has received or has any rights to receive any insurance proceeds or any recovery from any third party in respect of such Material Damage, IMFT shall retain such proceeds and rights for application to such cost and expense of repair.

(D) Release from Obligation to Enter Into MTV APSA. If there is Material Damage prior to Closing, all of Intel, Micron or IMFT shall be released from the obligation to enter into the MTV APSA upon written notice from any of Intel, Micron or IMFT to all other proposed parties to the MTV APSA; *provided*, *however*, that in the case of any Material Damage resulting from a reduction in **** by at least ****, as contemplated by Section 4.9(C)(2), no such party shall be entitled to provide such notice, and no such parties shall be so released from the obligation to enter into the MTV APSA, if such Material Damage is reasonably expected to be capable of repair by **** and such repair is effected prior to such date. IMFT will use reasonable efforts to repair such damage as promptly as practicable, and IMFT will provide Intel and Micron with full access to the **** to observe and monitor any such repairs.

4.10 Physical Counts.

(A) Equipment Physical Inspection.

(1) Prior to the Closing as requested by Intel, Micron and Intel shall cause IMFT to conduct an inspection at the Fab in Manassas, Virginia (the "**MTV Fab**"), to confirm the physical existence of and the proper accounting for a sample of parent tools chosen by Intel from the fixed asset ledger of IMFT or at the premises of the MTV Fab. Such sample will be limited to 20 parent tools, each with a current book value as of the end of the preceding fiscal month in excess of $100,000, with Intel determining which assets are to be confirmed on a "book-to-floor" basis and

on a “floor-to-book” basis. If the inspection reveals zero discrepancies in this initial sample of 20 parent tools, no additional physical verification of equipment will be required. If such inspection reveals fewer than three discrepancies, none of which exceeds $5,000,000 (in net book value), Micron and Intel shall cause IMFT to conduct an inspection at the MTV Fab for an additional sample of parent tools, each with a current book value as of the end of the preceding fiscal month in excess of $100,000, chosen by Intel from the fixed asset ledger of IMFT or at the premises of the MTV Fab. Such additional sample will be limited to 43 parent tools that were not included in the initial sample, with Intel determining which assets are to be confirmed on a “book-to-floor” basis and on a “floor-to-book” basis. If there are three or more discrepancies (whether in the initial sample or when aggregated with the results of the additional sample) or if any discrepancy exceeds $5,000,000 (in net book value), then, at Intel’s request, IMFT shall, and Intel and Micron shall cause IMFT to, conduct an inspection of all parent tools, each with a current book value as of the end of the preceding fiscal month in excess of $100,000, at the MTV Fab before the Closing. The Intel Parties and the Micron Parties shall each have the right to have representatives present during any inspection. Such representatives shall be provided reasonable access to all such property, plant and equipment and any other qualifying assets at the MTV Fab on the date any inspections are conducted.

(2) Prior to the Closing as requested by Intel, IMFT and Micron shall permit Intel to conduct an inspection at the Fab in Lehi, Utah (the “**Lehi Fab**”), to confirm the physical existence of and the proper accounting for a sample of parent tools chosen by Intel from the fixed asset ledger of IMFT or at the premises of the Lehi Fab. Such sample will be limited to 40 parent tools, each with a current book value as of the end of the preceding fiscal month in excess of $100,000, with Intel determining which assets are to be confirmed on a “book-to-floor” basis and on a “floor-to-book” basis. If the inspection reveals zero discrepancies in this initial sample of 40 parent tools, no additional physical verification of equipment will be required. If such inspection reveals fewer than three discrepancies, none of which exceeds $5,000,000 (in net book value), Intel may conduct an inspection at the Lehi Fab for an additional sample of parent tools, each with a current book value as of the end of the preceding fiscal month in excess of $100,000, chosen by Intel from the fixed asset ledger of IMFT or at the premises of the Lehi Fab. Such additional sample will be limited to 86 parent tools that were not included in the initial sample, with Intel determining which assets are to be confirmed on a “book-to-floor” basis and on a “floor-to-book” basis. If there are three or more discrepancies (whether in the initial sample or when aggregated with the results of the additional sample) or if any discrepancy exceeds $5,000,000 of net book value of equipment, then, Intel may, and IMFT and Micron shall permit Intel to, conduct an inspection of all parent tools, each with a current book value as of the end of the preceding fiscal month in excess of $100,000, at the Lehi Fab before the Closing. Intel will make all reasonable efforts to conduct counts in such a manner as to minimize operational impacts at IMFT, and IMFT shall make all reasonable efforts to permit Intel’s representatives to complete all inspections prior to the Closing. IMFT shall provide Intel’s representatives with full access to all property, plant and equipment and any other qualifying assets at the Lehi Fab on the date any inspections are conducted.

(3) IMFT shall (a) make reasonable efforts to investigate each discrepancy identified as a result of the inspections at the MTV Fab or the Lehi Fab, (b) report the findings of such investigations to Intel and Micron and (c) resolve all discrepancies prior to the Closing to the satisfaction of Intel and Micron. To the extent any discrepancy involves assets that may have been transferred to IMFS, IMFS shall promptly cooperate with and provide all necessary information and assistance reasonably requested by IMFT.

(4) Except as otherwise agreed to by the Parties, IMFT shall make the appropriate adjustments to its books and fixed asset register to reflect the physical assets at the MTV Fab and the Lehi Fab as determined by the physical inspections conducted pursuant to Sections 4.10(A)(1) and (2), as applicable, and any investigations conducted pursuant to Section 4.10(A)(3). The values and amounts of IMFT's physical assets as so adjusted shall be used in the determination of the MTV Net Book Value (as defined in the MTV APSA) and shall be taken into account for the purposes of determining any Post-Closing Adjustment (as defined in the MTV APSA).

(B) Back-End Inventory Physical Count. Prior to the Closing as requested by Intel, Micron shall grant Intel personnel reasonable access, during normal business hours, without material interruption to the Micron facility 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 Intel personnel, to any Micron facility where any Back-End Products are located. Intel shall have the right to inspect any and all of the inventory to confirm its physical existence in a manner that does not materially disrupt the manufacturing operations at any such Micron facility. Except as otherwise agreed to by Intel and Micron, Micron shall make the appropriate adjustments to its books and records to reflect the results of Intel's inspection. Such adjustment may include additional charges or refunds to Intel for billings of Back-End Products. The values and amounts of the Back-End Products as so adjusted shall be used in the determination of the book value of the Back-End Products for the purposes of IMFT Back-End Products Purchase Agreement and the IMFS Back-End Products Purchase Agreement, including any Post-Closing Adjustment (as defined in the IMFT Back-End Products Purchase Agreement or the IMFS Back-End Products Purchase Agreement, as applicable).

4.11 Fixed Asset Reconciliation.

(A) No later than 10 days after the date of this Agreement, IMFS shall, and Micron Singapore shall cause IMFS to, prepare and deliver to Intel Singapore and Micron Singapore a fixed asset register of IMFS property, plant and equipment as of September 1, 2011 that is reconciled to the audited financial statements as of such date.

(B) No later than 10 days after the Closing, Micron Singapore shall, on behalf of IMFS, prepare and deliver to Intel Singapore a fixed asset register activity report for IMFS for the period beginning September 2, 2011, and ending on the Closing Date. Such report shall also be prepared in accordance with Modified GAAP and Micron's regular accounting policies.

(C) No later than 10 days after the date of this Agreement, IMFT shall prepare and deliver to Intel and Micron a fixed asset register of IMFT property, plant and equipment as of September 1, 2011 that is reconciled to the audited financial statements as of such date. Such register shall list

separately the property, plant and equipment located at the MTV Fab and property, plant and equipment located at the Lehi Fab.

(D) No later than 10 days after the Closing, IMFT shall prepare and deliver to Intel and Micron a fixed asset register activity report for each of the Lehi Fab and the MTV Fab for the period beginning September 2, 2011 and ending on the Closing Date. Each such report shall list separately the property, plant and equipment located at the MTV Fab and property, plant and equipment located at the Lehi Fab. Such reports shall also be prepared in accordance with Modified GAAP and Micron's regular accounting policies.

(E) The fixed asset register activity reports delivered to the Intel Parties and the Micron Parties pursuant to Sections 4.11(B) and (D) shall include all asset transfers, additions, disposals, impairments, and depreciation schedules. Any of the Intel Parties or Micron Parties may, in its sole discretion and at its sole cost, perform, or engage PricewaterhouseCoopers LLP to perform, a review of such fixed asset register activity reports within 30 days of the Closing. IMFT and IMFS shall reasonably cooperate with and provide information and assistance as reasonably required by the Intel Parties, the Micron Parties or PricewaterhouseCoopers LLP. IMFT and IMFS personnel shall respond to inquiries from the Intel Parties, the Micron Parties or PricewaterhouseCoopers LLP relating to the fixed asset register activity reports. Any discrepancies noted shall be appropriately adjusted in the applicable IMFT or IMFS books and records. The values and amounts of IMFT's and IMFS's fixed assets as so adjusted shall be used in the determination of the MTV Net Book Value (as defined in the MTV APSA) and the IMFS Net Book Value (as defined in the IMFS BSA), as applicable, and shall be taken into account for the purposes of any Post-Closing Adjustment (as defined in the MTV APSA or the IMFS BSA, as applicable).

4.12 Failure to Obtain ********.

(A) Micron shall use reasonable efforts to obtain the ******** as promptly as possible.

(B) If the ******** has not been obtained in accordance with Section 5.2(D)(1) by the later of the date on which all other conditions to Closing have occurred and May 4, 2012, and Micron Singapore has not waived the Closing condition set forth in Section 5.2(D)(1), Intel Singapore, Micron Singapore and IMFS shall promptly (and in any event, prior to May 31, 2012, unless otherwise agreed to by such Parties) enter into a new agreement for a transfer of Intel Singapore's equity interest in IMFS to Micron Singapore on terms and conditions that are equivalent, as nearly as practicable, to the terms of the IMFS BSA.

(C) If the ******** has not been obtained by the later of the date on which all other conditions to Closing have occurred and May 4, 2012, and Intel Singapore has not waived the Closing condition set forth in Section 5.2(D)(2), Intel Singapore shall be responsible for ********, and Micron Singapore shall be responsible for ********, of any ******** on the transfer of Intel Singapore's interest in IMFS to Micron Singapore pursuant to any new agreement entered into pursuant to ********. If Intel Singapore waives the Closing condition set forth in Section 5.2(D)(2), Intel Singapore shall be responsible for ********, and ******** shall be responsible for ********, of any ******** on the transfer of the IMFS Premises to Micron Singapore pursuant to the IMFS BSA.

(D) Whether ****'s acquisition of the **** is consummated under the **** or as an acquisition of **** in ****, **** will indemnify, defend and hold harmless **** and its Affiliates from and against any and all liabilities, damages, losses, costs and expenses (including Taxes, reasonable attorneys' and consultants' fees and expenses) relating in any manner to **** arising with respect to such acquisition, except with respect to **** allocated, and to the extent allocated, to **** pursuant to Section 4.12(C).

4.13 ****.

(A) From and after the Closing, neither **** nor **** will have any interest in, or right or claim to any allocation of, share of or benefit from the **** or **** accruing or received after the Closing, including any monies received by ****, relating to such **** after the Closing (the "**Post-Closing Benefits**").

(B) **** will indemnify, defend and hold harmless **** and **** from and against any and all liabilities, damages, losses, costs and expenses (including Taxes, reasonable attorneys' and consultants' fees and expenses) arising from (i) **** or **** being required to repay or return any benefit of, or otherwise compensate any **** with respect to, the **** relating to such **** with respect to the period prior to the Closing, (ii) the revocation by any **** relating to any ****, (iii) **** or **** being required to pay any amount to any **** with respect to any of the Post-Closing Benefits and (iv) the transfer of the benefits or the burdens of the **** relating to such **** to ****, and any actions taken to effect such transfer, pursuant to or in contemplation of the transactions in this Agreement, in any case including in the case of clauses (i) through (iv) (A) those that may result from any failure to satisfy any of the conditions of the **** relating to such **** that apply at any time prior to, from or after the Closing, (B) any amounts required to be paid or repaid to a **** that would not have been required to be paid or repaid but for such failure, (C) any penalties, interest and additions to **** relating thereto, (D) any reasonable professional fees incurred by **** or **** in connection with such failure and (E) any **** resulting from the receipt or right to receive any payment pursuant to this sentence; *provided, however*, that in no event shall **** or **** be entitled to indemnification for the loss of the value to **** or **** attributable to the surrender of their rights to the Post-Closing Benefits described in clause (A) above.

ARTICLE 5.
CLOSING

5.1 Closing. The closing of the transactions contemplated by this Agreement (the "**Closing**") will take place at the offices of Gibson, Dunn & Crutcher LLP, 1881 Page Mill Road, Palo Alto, California 94304, or at such other place as the Parties may agree and shall take place on the last Business Day of the fiscal month in which the Condition Satisfaction Date occurs, unless otherwise mutually agreed by the Parties. As used herein, the "**Condition Satisfaction Date**" means the fourth Business Day after all of the conditions set forth in Sections 5.2 and 5.3 are first satisfied or properly waived.

5.2 Conditions to the Obligations of the Parties. The obligation of each Party under this Agreement to consummate the transactions contemplated hereby will be subject to the satisfaction, at or prior to Closing, of the conditions that:

(A) Orders. There shall not have been entered a preliminary or permanent injunction, temporary restraining order or other judicial or administrative order or decree of any Governmental Entity (an "**Order**"), the effect of which prohibits the Closing, and no litigation, arbitration, investigation or administrative proceeding seeking to enjoin, restrict or prevent the consummation of the transactions contemplated by this Agreement, any of the Joint Venture Documents or any of the Asset Transaction Agreements shall be pending before any Governmental Entity.

(B) Governmental Filings. All required waiting periods under the HSR Act shall have expired or been terminated, any filings or approvals required to be made or obtained under any foreign antitrust, competition or fair trade laws or regulations shall have been made or obtained, and any required waiting periods under any foreign antitrust, competition or fair trade laws or regulations shall have expired or been terminated, in each case without the imposition of any conditions.

(C) Legal Prohibitions and Restrictions. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or enforced by any United States federal or state or foreign court or United States federal or state or foreign Governmental Entity that prohibits, restrains, enjoins or restricts the consummation of the transactions contemplated by this Agreement, the Joint Venture Documents or the Asset Transaction Agreements.

(D) ********.

(1) Unless (a) waived by ******** or (b) ********'s acquisition of the business of ******** is restructured as a transfer of ******** in ******** pursuant to ********, the Parties shall have received an advance ruling made by the ******** confirming that the sale of the IMFS Business and the MSA Purchased Assets as contemplated by the IMFS BSA is a ******** for the purposes of the ******** shall not be chargeable in respect of the purchase consideration payable by ******** under the ********.

(2) Unless (a) waived by ******** or (b) ********'s acquisition of the ******** is restructured as a transfer of ******** pursuant to ********, the Parties shall have received a ******** from the ******** confirming that ******** pursuant to ******** has been granted in respect of the transfer of the ******** as contemplated by the ********.

(E) Conditions in the Asset Transaction Agreements. Each of the conditions to Closing set forth in the IMFS BSA and the MTV APSA shall have been satisfied or properly waived or shall become satisfied upon the consummation of the transactions contemplated by this Agreement; *provided*, *however*, that if the IMFS BSA has been terminated or the obligation to enter into the MTV APSA has been released, the conditions to Closing set forth in either such agreement shall not be a condition to Closing.

(F) Designated Technology Statement of Work. Intel and Micron shall have completed and agreed upon the first Statement of Work, which will provide for research and development activities thereunder through ********, under the Designated Technology Joint Development Program Agreement.

(G) Accuracy of Representations and Warranties. The representations and warranties of the other Parties contained in this Agreement and the Asset Transaction Agreements that are subject to qualifications and exceptions contained therein relating to materiality or Material Adverse Effect shall be true and correct, and all other representations and warranties of the other Parties contained in this Agreement and the Asset Transaction Agreements shall be true and correct in all material respects, both on and as of the date of this Agreement and at and as of the Closing (with the same force and effect as if made anew at and as of the Closing), except to the extent that such representations and warranties speak as of another date, in which case such representations and warranties shall be true and correct as of such other date.

(H) Compliance with Covenants. All covenants of the other Parties contained in this Agreement, the Joint Venture Documents and the Asset Transaction Agreements that are to be performed and complied with by such other Party at or before the Closing shall have been performed and complied with in all material respects.

(I) Delivery of Agreements by or on Behalf of Each Other Party. Each other Party shall have duly executed and delivered, or shall at the Closing deliver, each of the Joint Venture Documents and Asset Transaction Agreements to which such other Party is a party, and each such Joint Venture Document and Asset Transaction Agreement shall be in full force and effect without any event having occurred or condition existing that constitutes, or with the giving of notice or the passage of time (or both) would constitute, a material default under or material breach of such Joint Venture Document or Asset Transaction Agreement by any such other Party.

(J) ********. In the case of Intel's obligation to consummate the transactions contemplated hereby, there shall not have been a ******** of ******** or a public announcement by ******** of an agreement to enter into a transaction that will result in a ********. In the case of Micron's obligation to consummate the transactions contemplated hereby, there shall not have been a ******** or a public announcement by ******** of an agreement to enter into a transaction that will result in a ********.

5.3 Closing Deliverables. At the Closing:

(A) each Party shall deliver or cause to be delivered to the other Parties duly executed counterparts of each of the New Agreements, Closing Date Amendments, Termination Agreements and Asset Transaction Agreements to which such other Party (or Parties), as applicable, and such executing Party are parties;

(B) Intel will lend to Micron $65,000,000 pursuant to the Senior Unsecured Note;

(C) Intel will deposit $300,000,000 with Micron pursuant to the Deposit Agreement; and

(D) each Party shall deliver or cause to be delivered to the other Parties a certificate, dated as of the Closing Date and signed by an authorized officer of the delivering Party, certifying that the conditions set forth in Sections 5.2(E), (G), (H) and (I) relating to such delivering Party's

representations and warranties, covenants and execution and delivery of Joint Venture Documents and Asset Transaction Agreements have been satisfied as to the delivering party.

ARTICLE 6.
INDEMNIFICATION

6.1 Survival.

(A) Survival of Covenants. The covenants and agreements of the Parties contained in this Agreement, the Asset Transaction Agreements or in any certificates or other writing delivered pursuant hereto or thereto will, unless specifically stated otherwise in this Agreement, the Asset Transaction Agreements, or certificates or other writings, survive the Closing.

(B) Survival of Representations and Warranties. The certifications, representations and warranties made by the Parties in this Agreement, in the certificates referred to in Section 5.3(D) and in the Asset Transaction Agreements shall survive the Closing until the second anniversary of the Closing Date.

6.2 Indemnification.

(A) Intel will indemnify, defend and hold harmless the Micron Parties, IMFT and IMFS and their officers, directors, employees and agents against any and all liabilities, damages, losses, costs and expenses (including reasonable attorneys' and consultants' fees and expenses) (collectively, "**Losses**"), incurred or suffered by them as a result of (1) any failure to be true or correct of any representation or warranty made by the Intel Parties or any of their officers, directors, employees or agents in this Agreement, the Asset Transaction Agreements or any of the certificates or other writings (other than the Joint Venture Documents) delivered at the Closing pursuant to this Agreement or the Asset Transaction Agreements (where representations and warranties qualified by references to materiality or Material Adverse Effect are to be interpreted as though they were not so qualified), *provided* a claim therefor is asserted no later than 60 days after the end of the survival period therefor or (2) any failure to perform or comply with any covenant or agreement of the Intel Parties in this Agreement or in the Asset Transaction Agreements; *provided, however*, that (x) Intel shall not be liable under Section 6.2(A)(1) until aggregate Losses as a result of such failures exceed $********, at which point Intel shall be liable only for the amount of such Losses in excess of $********; and (y) Intel's aggregate liability under Section 6.2(A)(1) for Losses that exceed $******** shall not exceed $********. In addition, all of Intel's indemnification obligations with respect to claims timely asserted under Section 6.2(A)(1) will terminate on the ******** anniversary of the Closing Date.

(B) Micron will indemnify, defend and hold harmless the Intel Parties, IMFT and IMFS and their officers, directors, employees and agents against any and all Losses incurred or suffered by them as a result of (1) any failure to be true or correct of any representation or warranty made by the Micron Parties or any of its officers, directors, employees or agents in this Agreement, the Asset Transaction Agreements or any of the certificates or other writings (other than the Joint Venture Documents) delivered at the Closing pursuant to this Agreement or the Asset Transaction Agreements (where representations and warranties qualified by references to materiality or Material Adverse Effect are to be interpreted as though they were not so qualified), *provided* a claim therefor is asserted no later than 60 days after the end of the survival period therefor, (2) any failure to perform or comply with any covenant or agreement of the Micron Parties in this Agreement or in

the Asset Transaction Agreements, (3) any "Assumed Liabilities" as contemplated by the terms of the IMFS BSA or the MTV APSA, (4) any liability pursuant to any Environmental Law arising from or relating to the MTV Leased Premises, the MTV Fab Operations, the Micron Purchased Assets, the IMFS Premises, the IMFS Business, or the MSA Purchased Assets or (5) the winding up, liquidation, dissolution or insolvency of IMFS (including any Claims against Intel Singapore relating to or in connection with: (a) distributions from IMFS to Intel Singapore, whether pursuant to Section 2.8(A)(2) or otherwise; or (b) transactions between IMFS and Intel Singapore pursuant to the IMFS Back-End Products Purchase Agreement); *provided, however*, that (x) Micron shall not be liable under Section 6.2(B)(1) until aggregate Losses as a result of such failures exceed $****, at which point Micron shall be liable only for the amount of such Losses in excess of $****; and (y) Micron's aggregate liability under Section 6.2(B)(1) for Losses that exceed $**** shall not exceed $****. In addition, all of Micron's indemnification obligations with respect to claims timely asserted under Section 6.2(B)(1) will terminate on the **** anniversary of the Closing Date.

(C) IMFT will indemnify, defend and hold harmless the Intel Parties, the Micron Parties and IMFS and their officers, directors, employees and agents against any and all Losses incurred or suffered by them as a result of (1) any failure to be true or correct of any representation or warranty made by the IMFT or any of its officers, directors, employees or agents in this Agreement, the Asset Transaction Agreements or any of the certificates or other writings (other than the Joint Venture Documents) delivered at the Closing pursuant to this Agreement or the Asset Transaction Agreements (where representations and warranties qualified by references to materiality or Material Adverse Effect are to be interpreted as though they were not so qualified), *provided* a claim therefor is asserted no later than 60 days after the end of the survival period therefor, or (2) any failure to perform or comply with any covenant or agreement of IMFT in this Agreement or in the Asset Transaction Agreements; *provided, however*, that (x) IMFT shall not be liable under Section 6.2(C)(1) until aggregate Losses as a result of such failures exceed $****, at which point IMFT shall be liable only for the amount of such Losses in excess of $**** and (y) IMFT's aggregate liability under Section 6.2(C)(1) for Losses that exceed $**** shall not exceed $****. In addition, all of IMFT's indemnification obligations with respect to claims timely asserted under Section 6.2(C)(1) will terminate on the **** anniversary of the Closing Date.

(D) IMFS will indemnify, defend and hold harmless the Intel Parties, the Micron Parties and IMFT and their officers, directors, employees and agents against any and all Losses incurred or suffered by them as a result of (1) any failure to be true or correct of any representation or warranty made by the IMFS or any of its officers, directors, employees or agents in this Agreement, the Asset Transaction Agreements or any of the certificates or other writings (other than the Joint Venture Documents) delivered at the Closing pursuant to this Agreement or the Asset Transaction Agreements (where representations and warranties qualified by references to materiality or Material Adverse Effect are to be interpreted as though they were not so qualified), *provided* a claim therefor is asserted no later than 60 days after the end of the survival period therefor, (2) any failure to perform or comply with any covenant or agreement of IMFS in this Agreement or in the Asset Transaction Agreements or (3) all "Retained Liabilities" in accordance with the terms of the IMFS BSA; *provided, however*, that (x) IMFS shall not be liable under Section 6.2(D)(1) until aggregate

Losses as a result of such failures exceed $****, at which point IMFS shall be liable only for the amount of such Losses in excess of $****; and (y) IMFS's aggregate liability under Section 6.2(D)(1) for Losses that exceed $**** shall not exceed $****. In addition, all of IMFS's indemnification obligations with respect to claims timely asserted under Section 6.2(D)(1) will terminate on the **** anniversary of the Closing Date.

(E) Micron Singapore shall bear any and all Losses for which IMFS has an indemnification obligation under Section 6.2(D), except that Intel Singapore shall bear **** of IMFS's indemnification obligations with respect to claims timely asserted under Section 6.2(D)(3). Micron Singapore will indemnify, defend and hold harmless the Intel Parties, IMFS and IMFT and their respective officers, directors, employees and agents against any and all such Losses that Micron Singapore is to bear pursuant to this Section 6.2(E). Intel Singapore will indemnify, defend and hold harmless the Micron Parties, IMFS and IMFT and their respective officers, directors, employees and agents against any and all such Losses that Intel Singapore is to bear pursuant to this Section 6.2(E).

6.3 Procedures.

(A) General. Promptly after the receipt by any Party that is entitled to seek indemnification under Section 6.2 (an "**Indemnified Party**") of a notice of any Third Party Claim that may be subject to indemnification under Section 6.2, such Indemnified Party shall give written notice of such Third Party Claim to the Party against whom indemnification is sought (the "**Indemnifying Party**"), stating in reasonable detail the nature and basis of each claim made in the Third Party Claim and the amount thereof, 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 thereby. 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 the Third Party Claim upon written notice to the Indemnified Party delivered within 30 days after receipt of the particular notice from the Indemnified Party.

(B) 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, (1) 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, (2) 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 (3) 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.

(C) 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 (*i.e.*, remedies involving the future activity and conduct of IMFT or IMFS), 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.

(D) Any Direct Claim by an Indemnified Party against an Indemnifying Party will be asserted by giving the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than 30 days after the Indemnified Party becomes aware of the facts giving rise to such Direct Claim. 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 thereby. Such notice by the Indemnified Party will describe the Direct Claim in reasonable detail and will indicate the estimated amount, if reasonably practicable, of Losses that have been or may be sustained by the Indemnified Party. The Indemnifying Party will have a period of 10 Business Days within which to respond in writing to such Direct Claim. If the Indemnifying Party does not so respond within such 10 Business Day period, the Indemnifying Party will be deemed to have rejected such claim, in which event the Indemnified Party will be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.

6.4 Specific Performance. The Parties agree that irreparable damage will result if this Agreement and the Asset Transaction Agreements are not performed in accordance with their respective terms, and the Parties agree that any damages available under the indemnification provisions or at law for a breach of this Agreement or any Asset Transaction Agreements would not be an adequate remedy. Therefore, the provisions hereof and thereof and the obligations of the parties hereunder and thereunder shall be enforceable in a court of equity, or other tribunal with jurisdiction, by a decree of specific performance, and appropriate injunctive relief may be applied for and granted in connection therewith.

6.5 Treatment of Indemnification Payments; Insurance Recoveries. Any indemnity payment under this Article 6 (including any payment required to be made under Section 6.2(E)) shall be decreased by any amounts actually recovered by the Indemnified Party under third party insurance policies with respect to such Loss (net of any premiums paid by such Indemnified Party under the relevant insurance policy), each Party agreeing (A) to use all reasonable efforts to recover all available insurance proceeds and (B) to the extent that any indemnity payment under this Article 6 (including any payment required to be made under Section 6.2(E)) has been paid by the Indemnifying

Party to the Indemnified Party prior to the recovery by the Indemnified Party of such insurance proceeds, such amounts actually recovered by the Indemnified Party shall be promptly paid to the Indemnifying Party or, in the case of any payment made under Section 6.2(E), ******** of such amounts actually recovered shall be promptly paid to Intel Singapore.

6.6 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 Claims that a common interest privilege agreement exists between them), including by (A) 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, (B) 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, (C) preserving all properties, books, records, papers, documents, plans, drawings, electronic mail and databases relating to matters pertinent to the Third Party Claim and 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 Indemnified Party, (D) 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, and (E) 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. In connection with any Third Party Claims, 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, and unless ordered by a court to do otherwise, the Indemnified Party shall not produce documents to a third party until the Indemnifying Party has been provided a reasonable opportunity to review, copy and assert privileges covering such documents.

6.7 Remedies. Prior to the Closing Date, specific performance shall be the Parties' sole and exclusive remedy under this Agreement, except for breaches of Section 4.4. From and after the Closing Date, specific performance and the indemnification remedies set forth in Section 6.2 shall be the Parties' sole and exclusive remedies under this Agreement and the Asset Transaction Agreements, except for breaches of Section 4.4. Such remedies and all other remedies provided for in this Agreement and the Asset Transaction Agreements shall, however, be cumulative and not exclusive. The remedies provided for in the respective Joint Venture Documents will govern the applicable Parties' remedies for breaches thereof.

ARTICLE 7.
TERMINATION; ALTERNATIVE TRANSACTION

7.1 Termination.

(A) Before the Closing, this Agreement may be terminated:

(1) by the mutual written consent of the Parties at any time;

(2) in the event of a Micron Breach, by Intel upon written notice to the other Parties; *provided*, *however*, that if after such Micron Breach, Intel elects pursuant to Section 7.2(A) for the Parties to negotiate alternative arrangements to implement the transactions contemplated by this Agreement, then during the Negotiation Period Intel may not elect to terminate this Agreement pursuant to this Section 7.1(A)(2) with respect to such Micron Breach; *provided further*, that nothing herein shall prohibit Intel from electing during the Negotiation Period to terminate this Agreement under this Section 7.1(A)(2) with respect to any additional Micron Breach;

(3) in the event of a Intel Breach, by Micron upon written notice to the other Parties; *provided*, *however*, that if after such Intel Breach, Micron elects pursuant to Section 7.2(A) for the Parties to negotiate alternative arrangements to implement the transactions contemplated by this Agreement, then during the Negotiation Period Micron may not elect to terminate this Agreement pursuant to this Section 7.1(A)(3) with respect to such Intel Breach; *provided further*, that nothing herein shall prohibit Micron from electing during the Negotiation Period to terminate this Agreement under this Section 7.1(A)(3) with respect to any additional Intel Breach;

(4) in the event of a Negotiation Trigger, by any Party upon written notice to the other Parties at any time after the Negotiation Period expires; and

(5) by any Party after ********.

(B) If this Agreement is terminated, all further obligations of the Parties under this Agreement (other than pursuant to Sections 4.2 and 4.4 and Articles 6 and 8, which will continue in full force and effect) will terminate without further liability or obligation of any Party to any other Party hereunder; *provided*, *however*, that no Party will be released from liability hereunder if this Agreement is terminated and the transactions abandoned by reason of (1) failure of such Party to have performed its material obligations under this Agreement, or (2) any material misrepresentation made by such Party of any matter set forth in this Agreement.

7.2 Alternative Transaction.

(A) If there has been a Micron Breach, Intel may, and, if there has been an Intel Breach, Micron may, elect for the Parties to negotiate alternative arrangements to implement the transactions contemplated by this Agreement by delivering written notice to the other Parties within 30 days after the expiration of the cure period set forth in the definition of "Micron Breach" or "Intel Breach," as applicable, but in any event not later than ********.

(B) Upon such election by Intel or Micron pursuant to Section 7.2(A) or upon the occurrence of a Negotiation Trigger (the date of any such election or occurrence, a "**Negotiation Commencement Date**"), the Parties shall promptly meet to negotiate in good faith alternative arrangements that are fair and reasonable to implement the transactions contemplated by this Agreement and the Asset Transaction Agreements, which alternative arrangements shall implement the technology development and supply principles embodied by the Joint Venture Documents and include contractual and other arrangements that shall, as closely as practicable, provide the same

or better beneficial results to the Parties, viewed on an aggregate basis, as would have been achieved if the transactions contemplated by this Agreement and the Asset Transaction Agreements had been consummated pursuant to the terms and conditions hereof and thereof.

(C) The Parties shall attempt in good faith to reach an agreement with respect to the alternative arrangements within ******** of the Negotiation Commencement Date (or such other date as may be mutually agreed between Intel and Micron, the "**Negotiation Period**"). During the Negotiation Period, the Designated Technology Joint Development Program Agreement shall continue in full force and effect. After the Negotiation Period, unless the Parties otherwise agree, this Agreement is subject to termination pursuant to Section 7.1(A).

(D) Nothing herein is intended to release any Party from any liability resulting from any failure of such Party to have performed its material obligations under this Agreement or any material misrepresentation made by such Party in this Agreement, regardless of whether the Parties have thereafter reached an agreement under Section 7.2(C) above during the Negotiation Period.

ARTICLE 8.
MISCELLANEOUS

8.1 Limitation of Liability. SUBJECT TO SECTION 8.2, IN NO EVENT SHALL ANY PARTY BE LIABLE TO THE OTHER PARTIES OR ANY OTHER INDEMNIFIED 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 OR THE ASSET TRANSACTION AGREEMENTS, 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.

8.2 Exclusions and Mitigation. Sections 8.1 and 6.2 will not apply to any Party's breach of Section 4.4. Each Party shall have a duty to use reasonable efforts to mitigate damages for which another Party is responsible. Neither the Intel Parties nor the Micron Parties shall be entitled to recover Losses for the diminution in value of its interest in IMFT or IMFS resulting from any event, circumstance or occurrence for which IMFT or IMFS is pursuing and is entitled to indemnification hereunder for the full amount of its Losses arising from such event, circumstance or occurrence.

8.3 Notices. All notices and other communications under this Agreement or any of the Asset Transaction Agreements 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 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):

If to Intel:

Intel Corporation
****
****
Attention: ****
Facsimile: ****

and to:

Gibson, Dunn & Crutcher LLP
****
****
Attention: ****
Facsimile: ****

If to Intel Singapore:

Intel Technology Asia Pte Ltd
****
****
Attention: ****
Facsimile: ****

with a copy to:

Intel Corporation
****
****
Attention: ****
Facsimile: ****

and to:

Gibson, Dunn & Crutcher LLP
****
****
Attention: ****
Facsimile: ****

If to Micron:

Micron Technology, Inc.
****
****
****
Attention: ****
Facsimile: ****

If to Micron Singapore:

Micron Semiconductor Asia Pte. Ltd.
****
****
Attention: ****
Facsimile: ****

with a copy to:

Micron Technology, Inc.
****
****
****
Attention: ****
Facsimile: ****

If to IMFT:

IM Flash Technologies, LLC
****
****
Attention: ****
Facsimile: ****

and to:

IM Flash Technologies, LLC
****
****
Attention: ****
Facsimile: ****

If to IMFS:

IM Flash Singapore, LLP
****
****
Attention: ****
Facsimile: ****

8.4 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 another 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.

8.5 Assignment. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of each Party hereto. Neither this Agreement nor any right or obligation hereunder may be assigned or delegated by a Party in whole or in part to any other Person, including by operation of law or in connection with any acquisition, merger, or change of control of a Party, without the prior written consent of the nonassigning Parties.

8.6 Third Party Rights. Nothing in this Agreement or any Asset Transaction 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 Asset Transaction Agreement or any covenant, condition or other provision contained herein.

8.7 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.

8.8 Jurisdiction and Venue; Waiver of Jury Trial.

(A) 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 or any Asset Transaction 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.

(B) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT OR ANY ASSET TRANSACTION AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH SUCH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY ASSET TRANSACTION AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (1) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (2) EACH SUCH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (3) EACH SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (4) EACH SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE ASSET TRANSACTION AGREEMENTS BY, AMONG OTHER THINGS, THE WAIVERS AND CERTIFICATIONS IN THIS SECTION 8.8.

8.9 Dispute Resolution.

(A) All disputes between the Parties over a purported breach of this Agreement or any Asset Transaction Agreement (each, a "**Dispute**"), shall be resolved as follows: the disputing Parties shall first submit the matter to the chief executive officers (or other senior executives officers) of each of the Parties by providing notice of the Dispute to the Parties. The chief executive officers (or other senior executive officers) shall then make a good faith effort to resolve the Dispute. If they are unable to resolve the Dispute within 30 days of receiving notice of the Dispute (during which 30-day period, the chief executive officers (or other senior executive officers) shall seek in good faith to hold at least three meetings at which they shall make a good faith effort to resolve the Dispute), then a civil action with respect to the Dispute may be commenced, but only after the matter has been submitted to JAMS for mediation as contemplated by Section 8.9(B).

(B) If there is a Dispute, any Party may commence mediation by providing to JAMS and the other Parties a written request for mediation, setting forth the subject of the Dispute and the relief requested. The disputing Parties will cooperate with JAMS and with one another in selecting a mediator from JAMS panel of neutrals, and in scheduling the mediation proceedings. The disputing Parties covenant that they will participate in the mediation in good faith, and that they will share equally in its costs. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the Parties, their agents, employees, experts and attorneys, and by the mediator and any JAMS employees, are confidential, privileged and inadmissible for any purpose, including impeachment, in any litigation or other proceeding involving the Parties, *provided* that evidence that is otherwise admissible or discoverable shall not be rendered

inadmissible or non-discoverable as a result of its use in the mediation. Any Party may seek equitable relief prior to the mediation to preserve the status quo pending the completion of that process. Except for such an action to obtain equitable relief, no Parties may commence a civil action with respect to a Dispute until after the completion of the initial mediation session, or 45 days after the date of filing the written request for mediation, whichever occurs first. Mediation may continue after the commencement of a civil action, if the disputing Parties so desire. In any such civil action, the fees and expenses of the disputing Parties will be borne by them in inverse proportion as they may prevail on the matters resolved in such action, which proportionate allocation shall be calculated on an aggregate basis based on the relative dollar values of the amounts in dispute; *provided*, *however*, that (1) with respect to any matter that the Intel Parties cause IMFT or IMFS to Dispute with the Micron Parties, Intel or Intel Singapore shall bear any such fees and expenses that IMFT or IMFS is required to bear under this Section 8.9(B), respectively, and (2) with respect to any matter that the Micron Parties cause IMFT or IMFS to Dispute with the Intel Parties, Micron or Micron Singapore shall bear any such fees and expenses that IMFT or IMFS is required to bear under this Section 8.9(B), respectively. The provisions of this Section 8.9(B) may be enforced by any court of competent jurisdiction, and the Party seeking enforcement shall be entitled to an award of all costs, fees and expenses, including attorneys' fees, to be paid by the Party or Parties against whom enforcement is ordered; *provided*, *however*, that if any judgment relating to or arising from a Dispute is being enforced by IMFT or IMFS, then any award of costs, fees and expenses shall be borne by the Party against whom the judgment is being enforced, and if any judgment relating to or arising from a Dispute is being enforced against IMFT or IMFS, then any such award of costs, fees and expenses shall be borne by the Party that caused IMFT or IMFS, as applicable, to dispute the underlying subject matter of the Dispute.

8.10 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.

8.11 Entire Agreement. From and after the Closing, this Agreement, together with the Appendices and Schedules hereto and the agreements and instruments expressly provided for herein, constitutes the entire agreement of the Parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral and written (including all side letters and all agreements of the Parties that may have been expressed as resolutions or approvals of Managers appointed by the Members of IMFT or IMFS), between the Parties hereto with respect to the subject matter hereof, including all matters relating to IMFT and IMFS; *provided*, *however*, that unless and until the Closing occurs hereunder, nothing herein shall be deemed to affect the rights and obligations of the Parties under the Master Agreement, the IMFT Agreement, the IMFS Agreement, the Omnibus Agreement and any other agreements entered into pursuant thereto or in connection therewith, except to the extent specifically provided for in this Agreement.

8.12 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.

8.13 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.

8.14 Expenses. Whether or not the transactions contemplated by this Agreement are ultimately consummated, each Party shall bear its own costs and expenses in connection with the negotiation, execution and delivery of this Agreement, the Asset Transaction Agreements and the Joint Venture Documents except as otherwise provided herein.

8.15 Certain Interpretive Matters.

(A) Unless the context requires otherwise, (1) all references to Sections, Articles or the Appendix are to Sections, Articles or the Appendix of or to this Agreement, (2) words in the singular include the plural and vice versa, (3) the term "**including**" means "including without limitation," and (4) 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. Unless otherwise specified herein, all amounts and payments shall be in United States dollars, and all references to "**$**" or dollar amounts will be to lawful currency of the United States of America. All references to "**$**" or dollar amounts shall be to precise amounts and not rounded up or down. All references to "**day**" or "**days**" will mean calendar days.

(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.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Agreement has been executed and delivered as of the date first above written.

INTEL CORPORATION

By: /s/ Brian Krzanich
Brian Krzanich
Senior Vice President, Chief Operating Officer

INTEL TECHNOLOGY ASIA PTE LTD

By: /s/ Brian Krzanich
Brian Krzanich
Authorized Signer

MICRON TECHNOLOGY, INC.

By: /s/ Mark Durcan
D. Mark Durcan
Chief Executive Officer

MICRON SEMICONDUCTOR ASIA PTE. LTD.

By: /s/ Brian J. Shields
Brian J. Shields
Senior Managing Director and Chairman

IM FLASH TECHNOLOGIES, LLC

By: /s/ Rodney Morgan
Rodney Morgan
Co-Executive Officer

By: /s/ Keyvan Esfarjani
Keyvan Esfarjani
Co-Executive Officer

IM FLASH SINGAPORE, LLP

By: /s/ Rodney Morgan
Rodney Morgan
Authorized Person

By: /s/ Keyvan Esfarjani
Keyvan Esfarjani
Authorized Person

THIS IS THE SIGNATURE PAGE FOR THE 2012 MASTER AGREEMENT ENTERED INTO 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

APPENDIX A

2012 MASTER AGREEMENT

DEFINITIONS

"**2012 Master Agreement Disclosure Letter**" means the disclosure letter, as agreed to between the Parties as of the date hereof, containing the Schedules required by the provisions of this Agreement.

"**2012 Master Agreement Exhibit Letter**" means the exhibit letter, as agreed to between the Parties as of the date hereof, containing the Exhibits required by the provisions of this Agreement and the 2012 Master Agreement Disclosure Letter.

"**Affiliate**" means, with respect to any specified Person, a Person that directly or indirectly, including through one or more intermediaries, controls, or is controlled by, or is under common control with, the Person specified.

"**Agreement**" shall have the meaning set forth in the preamble to this Agreement.

"**Amended Agreements**" shall have the meaning set forth in Section 2.5 of this Agreement.

"**Amended and Restated Mutual Confidentiality Agreement**" means that certain Amended and Restated Mutual Confidentiality Agreement dated as of February 27, 2007, among Micron, Intel, Micron Singapore, Intel Singapore, IMFT and IMFS, as amended.

"**Applicable Law**" means any laws, statutes, rules, regulations, ordinances, orders, codes, arbitration awards, judgments, decrees or other legal requirements of any Governmental Entity.

"**Asset Transaction Agreements**" means the IMFS BSA, the MTV APSA and each of the ancillary agreements, documents, instruments and certificates contemplated by each of the foregoing agreements and listed on Schedule 2.7(B) of the 2012 Master Agreement Disclosure Letter.

"**Back-End Products**" shall have the meaning set forth in the IMFS Back-End Products Purchase Agreement and the IMFT Back-End Products Purchase Agreement.

"**Building Agreement**" shall have the meaning set forth in the IMFS BSA.

"**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 and Singapore are authorized or required by Applicable Law to be closed.

"**Claims**" means, collectively, claims, counterclaims, cross-claims, demands, actions, suits, proceedings, judgments, damages, liabilities, losses, costs and expenses.

"**Closing**" shall have the meaning set forth in Section 5.1 of this Agreement.

"**Closing Date**" means the date on which the Closing occurs. For purposes of this Agreement and the other agreements and instruments referenced herein, the Closing shall be deemed to have occurred at 11:59 p.m. on such date.

"**Closing Date Amendments**" shall have the meaning set forth in Section 2.5 of this Agreement.

"**CNDA**" means the Corporate Non-Disclosure Agreement No. 4870579, dated as of March 13, 2002, between Micron and Intel, as amended.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Commission**" means the United States Securities and Exchange Commission.

"**Competition Law**" means the Sherman Antitrust Act of 1890, as amended, the Clayton Act of 1914, as amended, the HSR Act, the Federal Trade Commission Act, as amended, and all other domestic or foreign Applicable Laws issued by a domestic or foreign Governmental Entity that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening of competition.

"**Concluded Agreements**" shall have the meaning set forth in Section 2.1 of this Agreement.

"**Condition Satisfaction Date**" shall have the meaning set forth in Section 5.1 of this Agreement.

"**Contemporaneously Executed Agreements**" shall have the meaning set forth in Section 2.4 of this Agreement.

"**Continuing Agreements**" shall have the meaning set forth in Section 2.3 of this Agreement.

"**Deposit Agreement**" means that certain Deposit Agreement by and between Intel and Micron that shall be entered into at the Closing, in substantially the form attached as Exhibit CC to the 2012 Master Agreement Exhibit Letter.

"**Designated Technology Device**" shall have the meaning set forth in the Designated Technology Joint Development Program Agreement.

"**Designated Technology Joint Development Program Agreement**" shall mean that certain Designated Technology Joint Development Program Agreement by and among Intel and Micron, dated as of the date hereof.

"**Direct Claim**" means any claim, demand, lawsuit, complaint, cross-complaint or counter-complaint, arbitration, opposition, cancellation proceeding, 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 brought by any Party, or their respective subsidiaries, officers, directors, employees or agents.

"**Dispute**" shall have the meaning set forth in Section 8.9(A) of this Agreement.

"**Environmental Contaminant**" shall have the meaning set forth in the IMFS BSA.

"**Environmental Laws**" means any and all laws (including common law), legislation, regulation, order, permit, license, code or governmental policy having the force of law or requirement under either (a) the MTV Lease Agreement that is applicable to the MTV Leased Premises, the MTV Fab Operations or the Micron Purchased Assets, or (b) the Building Agreement or the JTC Lease that is applicable to the IMFS Premises, the IMFS Business or the MSA Purchased Assets, in each case concerning (i) the environment, including pollution, contamination, environmental response, environmental investigations, environmental monitoring, clean-up, decontamination, abatement, preservation, protection, management and reclamation of the environment, (ii) human health or safety relating to workplace requirements or conditions or the exposure of employees, workers or other Persons to any chemical or substance, or (iii) the production and management or release or threatened release of any chemical or substance (including waste and Hazardous Substances), including purchase, manufacture, generation, use, treatment, processing, handling, storage, disposal, transportation, re-use, recycling or reclamation of any chemical or substance (including waste and Hazardous Substances).

"**Estimated MSA Purchase Price Note**" shall have the meaning set forth in the IMFS BSA.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Fab**" shall have the meaning set forth in the IMFT Agreement or IMFS Agreement, as applicable.

"**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.

******** shall have the meaning set forth in the ********.

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******** shall have the meaning set forth in ******** of this Agreement.

"**Hazardous Substances**" means any asbestos, any petroleum and petroleum products (including without limitation crude oil and any fractions thereof), any natural gas, synthetic gas, and any mixtures thereof, any flammable, explosive, radioactive, hazardous, toxic, contaminating, polluting matter, waste or substance, including without limitation any material defined, listed, designated, classified, regulated or referred to by any Governmental Entity as a hazardous, dangerous, or toxic waste, material or substance, or contaminant or pollutant, or other similar term, under any Environmental Laws in effect or that may be promulgated in the future.

"**HSR Act**" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"**IMFS**" shall have the meaning set forth in the preamble to this Agreement.

"**IMFS Agreement**" shall have the meaning set forth in the Recitals to this Agreement.

"**IMFS Back-End Products Purchase Agreement**" means that certain IMFS Back-End Products Purchase Agreement by and among IMFS, Intel Singapore and Micron Singapore that shall be entered into at the Closing, in substantially the form attached as Exhibit HH to the 2012 Master Agreement Exhibit Letter.

"**IMFS BSA**" means that certain IMFS Business Sale Agreement by and among IMFS, Micron Singapore and Intel Singapore, dated as of the date hereof.

"**IMFS Business**" shall have the meaning set forth in the IMFS BSA.

"**IMFS Fab Operations**" shall have the meaning set forth in the IMFS BSA.

"**IMFS Premises**" shall have the meaning set forth in the IMFS BSA.

"**IMFT**" shall have the meaning set forth in the preamble to this Agreement.

"**IMFT Agreement**" shall have the meaning set forth in the Recitals to this Agreement.

"**IMFT Back-End Products Purchase Agreement**" means that certain IMFT Back-End Products Purchase Agreement by and among IMFT, Intel and Micron that shall be entered into at the Closing, in substantially the form attached as Exhibit GG to the 2012 Master Agreement Exhibit Letter.

"**Indemnified Party**" shall have the meaning set forth in Section 6.3(A) of this Agreement.

"**Indemnifying Party**" shall have the meaning set forth in Section 6.3(A) of this Agreement.

"**Intel**" shall have the meaning set forth in the preamble to this Agreement.

"**Intel Breach**" means a breach by either of the Intel Parties of any covenant, representation or warranty contained in this Agreement or the IMFS BSA that has resulted in a Material Adverse Effect or has prevented the satisfaction of any condition to the obligations of the Parties, where such breach has not been waived by all of the Micron Parties or cured by the breaching Party, within 30 days after written notice thereof from either Micron Party (or such longer period as is necessary to effect a cure of the breach, so long as the breaching Party diligently attempts to effect a cure throughout such period and such period does not extend beyond ********).

"**Intel Parties**" shall have the meaning set forth in the preamble to this Agreement.

"**Intel Singapore**" shall have the meaning set forth in the preamble to this Agreement.

"**Intel Singapore Distribution**" shall have the meaning set forth in Section 2.8(A)(2) of this Agreement.

"**Integrated Circuit**" means an integral unit comprising one or more active and/or passive circuit elements associated on one or more substrates, such unit forming, or contributing to the formation of, a circuit for performing electrical functions and, if provided therewith, housing and/or supporting means.

"**JAMS**" means Judicial Arbitration and Mediation Services.

"**Joint Venture Documents**" means any or all of this Agreement, the Termination Agreements, the Continuing Agreements, the Contemporaneously Executed Agreements, the Amended Agreements and the New Agreements, but excluding the Asset Transaction Agreements.

"**JTC Lease**" shall have the meaning set forth in the IMFS BSA.

"**Lehi Fab**" shall have the meaning set forth in Section 4.10(A)(2) of this Agreement.

"**Lien**" means any charge, claim, mortgage, lien, option, pledge, security interest or other restriction of any kind (other than those created under applicable United States federal or state securities laws).

"**Liquidating Event**" shall have the meaning set forth in the IMFT Agreement.

"**Losses**" shall have the meaning set forth in Section 6.2(A) of this Agreement.

"**Manager**" shall have the meaning set forth in the IMFT Agreement or the IMFS Agreement, as applicable.

"**Material Adverse Effect**" means (i) a material adverse effect on the business, results of operations or financial condition of a Party and its subsidiaries, taken as a whole, or (ii) any change or effect that prevents or materially impedes or delays the consummation of the transactions contemplated by this Agreement, the Asset Transaction Agreements and the Joint Venture Documents and the other transactions contemplated hereby and thereby, all taken as a whole; *provided*, that changes and effects attributable to changes in Applicable Law of general applicability or interpretations thereof by courts or Governmental Entities shall not be deemed, either alone or in combination, to constitute, and shall not be taken into account in determining whether there has been or will be, a Material Adverse Effect.

"**Material Damage**" shall have the meaning set forth in Section 4.9(C) of this Agreement.

"**Member**" or "**Members**" means one or both of Intel and Micron, in the case of IMFT, or one or both of Intel Singapore and Micron Singapore, in the case of IMFS.

******** shall have the meaning set forth in the ********.

"**Micron**" shall have the meaning set forth in the preamble to this Agreement.

"**Micron Breach**" means a breach by either of the Micron Parties of any covenant, representation or warranty contained in this Agreement or the IMFS BSA that has resulted in a Material Adverse Effect or has prevented the satisfaction of any condition to the obligations of the Parties, where such breach has not been waived by all of the Intel Parties or cured by the breaching Party, within 30 days after written notice thereof from either Intel Party (or such longer period as is necessary to effect a cure of the breach, so long as the breaching Party diligently attempts to effect a cure throughout such period and such period does not extend beyond ********).

"**Micron Parties**" shall have the meaning set forth in the preamble to this Agreement.

"**Micron Purchased Assets**" shall have the meaning set forth in the MTV APSA attached as Exhibit DD to the 2012 Master Agreement Exhibit Letter.

"**Micron Singapore**" shall have the meaning set forth in the preamble to this Agreement.

"**MSA Cash Purchase Price**" shall have the meaning set forth in the IMFS BSA.

"**MSA Purchased Assets**" shall have the meaning set forth in the IMFS BSA.

"**MTV APSA**" means that certain MTV Asset Purchase and Sale Agreement by and among IMFT, Micron and Intel, to be entered into as of the Closing.

"**MTV Fab**" shall have the meaning set forth in Section 4.10(A)(1) of this Agreement.

"**MTV Fab Operations**" shall have the meaning set forth in the form of MTV APSA attached as Exhibit DD to the 2012 Master Agreement Exhibit Letter.

"**MTV Lease Agreement**" shall have the meaning set forth in the MTV APSA attached as Exhibit DD to the 2012 Master Agreement Exhibit Letter.

"**MTV Leased Premises**" shall have the meaning set forth in the MTV APSA attached as Exhibit DD to the 2012 Master Agreement Exhibit Letter.

"**Negotiation Commencement Date**" shall have the meaning set forth in Section 7.2(B).

"**Negotiation Period**" shall have the meaning set forth in Section 7.2(C).

"**Negotiation Trigger**" means (i) the failure to satisfy or waive any closing condition under Section 5.2 by ********, other than by reason of an Intel Breach or a Micron Breach, (ii) the giving of notice by any of Intel, Micron or IMFT pursuant to Section 4.9(D) of this Agreement of the release of the obligation to enter into the MTV APSA, or (iii) the termination of the IMFS BSA pursuant to Section 1.6(d) of the IMFS BSA.

"**New Agreements**" shall have the meaning set forth in Section 2.6 of this Agreement.

"**Omnibus Agreement**" means that certain Omnibus Agreement dated as of February 27, 2007, by and between Micron and Intel.

"**Order**" shall have the meaning set forth in Section 5.2(A) of this Agreement.

"**Party**" means Intel, Intel Singapore, Micron, Micron Singapore, IMFT or IMFS individually, and "**Parties**" means Intel, Intel Singapore, Micron, Micron Singapore, IMFT and IMFS collectively.

"**Person**" or "**Persons**" means any natural person and any corporation, firm, partnership, trust, estate, limited liability company or other entity resulting from any form of association.

"**Post-Closing Adjustment**" shall have the meaning set forth in the MTV APSA attached as Exhibit DD to the 2012 Master Agreement Exhibit Letter.

"**Post-Closing Benefits**" shall have the meaning set forth in Section 4.13(A).

"**Products**" shall have the meaning set forth in the Supply Agreements.

"**Senior Unsecured Note**" means that certain Senior Unsecured Promissory Note made by Micron in the initial principal amount of $65,000,000 that shall be issued to Intel at the Closing, in substantially the form attached as Exhibit V to the 2012 Master Agreement Exhibit Letter.

"**Sharing Interest**" shall have the meaning set forth in the IMFT Agreement or IMFS Agreement, as applicable. For the avoidance of doubt, the relevant Parties' Sharing Interests as of the date of this Agreement are as follows: (i) with respect to IMFT, ******** for Intel and ******** for Micron; and (ii) with respect to IMFS, ******** for Intel Singapore and ******** for Micron Singapore.

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******** shall have the meaning set forth in ******** of this Agreement.

"**Statement of Work**" shall have the meaning set forth in the Designated Technology Joint Development Program Agreement.

"**Supply Agreements**" means that certain Supply Agreement dated as of February 27, 2007, by and between Intel Singapore and IMFS, that certain Supply Agreement dated as of February 27, 2007, by and between Micron Singapore and IMFS, that certain Supply Agreement dated as of January 6, 2006, by and between Micron and IMFT, and that certain Supply Agreement, dated as of January 6, 2006, by and between Intel and IMFT.

"**Taxes**" means any federal, state, local or foreign net income, gross income, gross receipts, sales, use, ad valorem, transfer, franchise, profits, service, service use, withholding, payroll, employment, excise, severance, stamp, good and services, occupation, premium, property, customs,

duties or other type of fiscal levy and all other taxes, governmental fees, registration fees, assessments or charges of any kind whatsoever, together with any interest and penalties, additions to tax or additional amounts imposed or assessed with respect thereto.

"**Termination Agreements**" shall have the meaning set forth in Section 2.2 of this Agreement.

"**Third Party Claim**" means any claim, demand, lawsuit, complaint, cross-complaint or counter-complaint, arbitration, opposition, cancellation proceeding, 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 brought by any Person, other than Intel or Micron or any of their subsidiaries or their officers, directors, employees or agents (in their capacities as such).

"**Works**" shall have the meaning set forth in Section 4.9(B) of this Agreement.

EXHIBIT 10.105

CONFIDENTIAL TREATMENT:

MICRON TECHNOLOGY, INC. HAS REQUESTED THAT THE OMITTED PORTIONS OF THIS DOCUMENT, WHICH ARE INDICATED BY ASTERISKS, BE AFFORDED CONFIDENTIAL TREATMENT PURSUANT TO RULE 24b-2 UNDER THE SECURITIES EXCHANGE ACT OF 1934. MICRON TECHNOLOGY, INC. HAS SEPARATELY FILED THE OMITTED PORTIONS OF THE DOCUMENT WITH THE SECURITIES AND EXCHANGE COMMISSION.

IMFS BUSINESS SALE AGREEMENT

BY AND AMONG

INTEL TECHNOLOGY ASIA PTE LTD,

MICRON SEMICONDUCTOR ASIA PTE. LTD.

AND

IM FLASH SINGAPORE, LLP

February 27, 2012

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IMFS BUSINESS SALE AGREEMENT

This **IMFS BUSINESS SALE AGREEMENT** (together with the Schedules attached hereto, this "**Agreement**"), dated as of February 27, 2012 (the "**Effective Date**"), is entered into by and among IM Flash Singapore, LLP, a limited liability partnership organized under the laws of Singapore ("**IMFS**"), Micron Semiconductor Asia Pte. Ltd., a private limited company organized under the laws of Singapore ("**Micron Singapore**"), and Intel Technology Asia Pte Ltd, a private limited company organized under the laws of Singapore ("**Intel Singapore**"). IMFS, Micron Singapore and Intel Singapore are each referred to herein individually as a "**Party**," and collectively as the "**Parties**." Unless otherwise defined herein, capitalized terms used in this Agreement shall have the respective meanings ascribed to such terms in Section 8.1 of this Agreement.

WHEREAS, Micron Singapore and Intel Singapore are parties to that certain Limited Liability Partnership Agreement of IMFS, dated as of February 27, 2007 (the "**IMFS Agreement**");

WHEREAS, IMFS is engaged in the manufacture of NAND Flash Memory Products (as defined in the IMFS Agreement) at the IMFS Premises (the "**IMFS Fab Operations**");

WHEREAS, subject to the terms and conditions set forth in this Agreement, IMFS desires to sell to Micron Singapore, and Micron Singapore desires to purchase from IMFS, the IMFS Business;

WHEREAS, the consummation of the transactions contemplated by this Agreement shall occur contemporaneously with the Closing under, and is subject to, that certain 2012 Master Agreement, dated as of the Effective Date (the "**2012 Master Agreement**");

WHEREAS, to permit the consummation of the transactions and occurrence of the events provided for in the 2012 Master Agreement, including the distributions from IMFS to Micron Singapore and Intel Singapore and the resignation of Intel Singapore as a Member of IMFS, Micron Singapore and Intel Singapore intend to amend the IMFS Agreement immediately prior to the Closing.

NOW, THEREFORE, in consideration of the foregoing and of the mutual representations, warranties and covenants contained in this Agreement as well as other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties to this Agreement hereby agree as follows:

ARTICLE I
PURCHASE AND SALE; ASSUMED LIABILITIES; CLOSING

1.1 *IMFS Business*. Subject to the terms and conditions of this Agreement, at the Closing, IMFS will sell, transfer, convey, assign and deliver to Micron Singapore, and Micron Singapore will purchase and receive from IMFS, all of IMFS's rights, title and interest in and to the whole of the IMFS Business as a going concern, including all assets used in the IMFS Business and that are listed in Schedule 1.1 to the IMFS BSA Disclosure Letter, except for any Excluded Assets (collectively, the "**MSA Purchased Assets**").

1.2 *Excluded Assets*. Notwithstanding any other provision in this Agreement to the contrary, the MSA Purchased Assets shall not include (a) any of IMFS's rights, title and interest in and to the Back-End Products existing as of the Closing, which will be transferred to Intel Singapore at the Closing pursuant to the IMFS Back-End Products Purchase Agreement, (b) the proceeds and rights described in Section 1.6(a) and Section 1.6(c) and (c) any assets described in Schedule 1.2 to the IMFS BSA Disclosure Letter (the "**Excluded Assets**").

1.3 *Assumed Liabilities*. Subject to Section 1.4, Micron Singapore will assume from IMFS and shall, from and after the Closing Date, timely pay, discharge, perform or otherwise satisfy all Liabilities and obligations of IMFS, whether arising or accruing before or after the Closing Date and whether known or unknown, absolute or contingent, asserted or unasserted, accrued or unaccrued, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise and whether or not the same is required to be accrued on the financial statements of IMFS, including the Liabilities and obligations listed in Schedule 1.3 to the IMFS BSA Disclosure Letter, but excluding the Retained Liabilities (as defined below) (collectively, the "**Assumed Liabilities**").

1.4 *Retained Liabilities*. Notwithstanding any provision in this Agreement to the contrary, Micron Singapore is not assuming, and IMFS shall pay, discharge, perform or otherwise satisfy any product liability, warranty, refund and similar Liabilities of IMFS or claims arising against IMFS with respect to any products manufactured at the IMFS Fab Operations prior to the Closing Date (collectively, the "**Retained Liabilities**").

1.5 *Title and Risk*. Title and risk of loss or damage to the MSA Purchased Assets shall pass to Micron Singapore upon the Closing.

1.6 *Damage to IMFS Premises*.

(a) *Damage Prior to Closing*. If, after the date of this Agreement and prior to the Closing, the IMFS Premises or any of the Plant and Machinery is/are damaged in a manner that would require repairs outside the ordinary course, but that damage does not amount to Material Damage, (i) IMFS shall at its own cost and expense repair that damage prior to the Closing to the extent as practical, (ii) Section 1.6(b) shall apply and (iii) any such repairs shall be taken into account in determining the net book value of the affected assets for purposes of determining the IMFS Net Book Value. Except as otherwise agreed to in writing by Intel and Micron, to the extent that IMFS has received or has any rights to receive any insurance proceeds or any recovery from any third party in respect of such damage, IMFS shall retain such proceeds and rights for application to such cost and expense of repair.

(b) *Repair Works*. IMFS must in carrying out the repair work to the damage referred to in Section 1.6(a) ("**Works**"):

(i) comply with the reasonable directions of Micron Singapore;

(ii) carry out the Works in a proper and workmanlike manner to reinstate the damaged premises as nearly as practicable to the state it was in before the event of damage; and

(iii) cause as little interruption to the operation of the rest of the premises within the IMFS Premises as is reasonable in the circumstances.

(c) *Material Damage*. For the purpose of this Section 1.6, "**Material Damage**" means damage to or destruction of the ******** or any part thereof such that either (i) will require the expenditure of more than ******** to restore the ******** as nearly as practicable to the condition that the ******** were in immediately prior to the occurrence of such event, or (ii) reduce the ******** of the ******** by at least ******** immediately prior to the occurrence of such event, which ******** is reasonably expected to be incapable of being substantially restored within a period of ********. Except as otherwise agreed to in writing by Intel and Micron, to the extent that IMFS has received or has any rights to receive any insurance proceeds or any recovery from any third party in respect of such Material Damage, IMFS shall retain such proceeds and rights for application to such cost and expense of repair.

(d) *Right to Terminate*. If there is Material Damage prior to the Closing, any of the Parties shall be entitled to terminate this Agreement by giving written notice to the other Parties, and upon such termination the terms of Section 5.5(e) shall apply; *provided*, *however*, that in the case of any Material Damage resulting from a reduction in ********, as contemplated by Section 1.6(c)(ii), no Party shall be entitled to provide such notice, and no Party shall be entitled to terminate this Agreement, if such Material Damage is reasonably expected to be capable of repair by ******** and such repair is effected prior to such date. IMFS will use reasonable efforts to repair such damage as promptly as practicable, and IMFS will provide Intel Singapore and Micron Singapore with full access to the ******** to observe and monitor any such repairs.

1.7 *Purchase Price*. IMFS shall prepare in good faith and deliver to Micron Singapore three Business Days prior to the Closing a statement setting forth a good faith estimate of the IMFS Net Book Value as of the Closing. In consideration for the purchase of the IMFS Business contemplated by Section 1.1, Micron Singapore will, at the Closing:

(a) pay and deliver to IMFS cash (the "**MSA Cash Purchase Price**") in an aggregate amount equal to the sum of (i) ******** (which amount represents the fair market value of the IMFS Premises as determined by the Appointed Valuer) multiplied by the exchange rate of U.S. dollars per Singapore dollar reported in the *Wall Street Journal* on the third Business Day immediately preceding the Closing Date (the "**IMFS Premises Value**"), and (ii) if the Intel Singapore Distribution (as defined in the 2012 Master Agreement) is greater than the IMFS Premises Value, an amount equal to the positive difference between the Intel Singapore Distribution (as defined in the 2012 Master Agreement) and the IMFS Premises Value;

(b) issue and deliver a promissory note of Micron Singapore to IMFS, in substantially the form attached as Exhibit A to the IMFS BSA Exhibit Letter and having an initial principal balance equal to the estimated IMFS Net Book Value as set forth in the statement delivered by IMFS, less the MSA Cash Purchase Price (the "**Estimated MSA Purchase Price Note**"); and

(c) assume the Assumed Liabilities.

1.8 *Adjustment of Purchase Price*.

(a) *Post-Closing Statements*. As soon as available, but in no event later than 90 days after the Closing Date, Micron Singapore shall prepare and deliver to IMFS a written notice setting forth the IMFS Net Book Value and the Post-Closing Adjustment, if any, together with reasonably detailed supporting information (the "**Post-Closing Statement**").

(b) *Objections*. Unless IMFS notifies Micron Singapore in writing within 30 days following delivery of such Post-Closing Statement of any objection to the computation of the IMFS Net Book Value or Post-Closing Adjustment, if any, set forth therein (a "**Notice of Objection**"), the Post-Closing Statement shall become final and binding. Following delivery of the Post-Closing Statement, Micron Singapore shall permit IMFS and its representatives to review the working papers of Micron Singapore relating to the Post-Closing Statement and, at IMFS's written request, shall provide IMFS and its representatives access to or copies of Micron Singapore's (and IMFS's) books and records relating to the IMFS Business reasonably requested for purposes of IMFS's review of the Post-Closing Statement and preparation of any Notice of Objection. Any Notice of Objection shall specify the basis for the objections set forth therein in reasonable detail. If IMFS provides a Notice of Objection within such 30-day period, Micron Singapore and IMFS shall, during the 30-day period following receipt of the Notice of Objection, attempt in good faith to resolve any objections. During such 30-day period, Micron Singapore and its representatives shall be permitted to review the working papers of IMFS and its accountants relating to the Notice of Objection and the basis therefor.

(c) *Resolution of Disputes*. If Micron Singapore and IMFS are unable to resolve all objections within such 30-day period, the matters remaining in dispute shall be submitted to the Independent Accounting Firm. Each of Micron Singapore and IMFS shall submit to the Independent Accounting Firm their written briefs detailing their views as to the correct nature and amount of each item remaining in dispute, and the Independent Accounting Firm shall be authorized to resolve the matters remaining in dispute between Micron Singapore and IMFS in accordance with the provisions of this Section 1.8(c) within the range of the difference between the positions with respect thereto of Micron Singapore and IMFS. Micron Singapore and IMFS shall instruct, and shall use their commercially reasonably efforts to cause, the Independent Accounting Firm to render its reasoned written decision as to each disputed item as promptly as practicable but in no event later than 60 days after the dispute is submitted. The resolution of disputed items by the Independent Accounting Firm shall be final and binding, and the determination of the Independent Accounting Firm shall constitute an arbitral award that is final, binding and non-appealable and upon which a judgment may be entered by a court having jurisdiction over such dispute. The fees and expenses of the Independent Accounting Firm shall be borne by Micron Singapore and IMFS in inverse proportion as each such Party may prevail on the matters resolved by the Independent Accounting Firm, which proportionate allocation shall be calculated on an aggregate basis based on the relative dollar values of the amounts in dispute, and shall be determined by the Independent Accounting Firm at the time the determination of such firm

is rendered on the merits of the matters submitted. The fees and disbursements of each Party and their representatives incurred in connection with their preparation or review of the Post-Closing Statement, any Notice of Objection and any dispute resolution, as applicable, shall be borne by such party. After the final determination of the IMFS Net Book Value and the Post-Closing Adjustment, if any, no Party shall have any further right to make any claims against another in respect of any element of the IMFS Net Book Value or the Post-Closing Adjustment.

(d) *Post-Closing Payments*. If the Post-Closing Adjustment as finally determined under Section 1.8(b) or (c), as applicable, is a positive number, the principal balance of the Estimated MSA Purchase Price Note shall be increased by the amount of the Post-Closing Adjustment. If the Post-Closing Adjustment, as so finally determined, is a negative number, the principal balance of the Estimated MSA Purchase Price Note shall be decreased by the amount of the Post-Closing Adjustment. Any payment or any adjustment to the Estimated MSA Purchase Price Note under this Section 1.8(d) shall be made within two Business Days of the final determination of the Post-Closing Adjustment.

1.9 *Closing*.

(a) *Contemporaneous Closing*. The closing of the transactions contemplated by this Agreement will occur contemporaneously with the Closing under the 2012 Master Agreement, and is conditioned on the satisfaction or proper waiver of the conditions set forth in Article V, except as otherwise mutually agreed by the Parties. "**Closing Date**" means the date on which the Closing occurs.

(b) *IMFS's Closing Deliveries to Micron Singapore*. Subject to the terms and conditions of this Agreement, at the Closing, IMFS will deliver or cause to be delivered, or make available or permit, the following to Micron Singapore:

(i) a certified copy of the minutes of the board of managers of IMFS authorizing the sale of the IMFS Business to Micron Singapore and the execution by IMFS of this Agreement and of any documents to be entered into pursuant to or in connection with this Agreement;

(ii) evidence of due fulfillment of the conditions specified in Article V for which IMFS is responsible;

(iii) a deed of assignment of the Building Agreement or (where the JTC Lease has been issued by the time of Closing) an instrument of transfer of the IMFS Premises and an assignment of all side-letters supplemental to the Building Agreement and the JTC Lease, duly executed by IMFS in favor of Micron Singapore, in substantially the forms attached as Exhibit B to the IMFS BSA Exhibit Letter (the "**IMFS Premises Transfer**");

(iv) the original signed copies/duplicates that IMFS, any Member of IMFS or their affiliates have in their possession of (a) the Building Agreement and where applicable, the JTC Lease and the certificate of title relating to the IMFS Premises (if any) and (b) all side-letters supplemental to the Building Agreement and the JTC Lease;

(v) if applicable, a ******** in relation to the entire purchase consideration for the ********, issued by ******** to ********;

(vi) a copy of the notice of transfer of the IMFS Premises to be electronically filed with the Inland Revenue Authority of Singapore after Closing pursuant to IMFS's obligations under Section 19 of the Property Tax Act (Chapter 254) of Singapore;

(vii) copies of the Temporary Occupation Permit and (if available) the Certificate of Statutory Completion relating to the IMFS Premises;

(viii) the original signed copies/duplicates that IMFS, any Member of IMFS or their affiliates have in their possession, if any, of the Guarantees and Warranties;

(ix) a duly executed absolute legal assignment of the Receivables, in substantially the form attached as Exhibit C to the IMFS BSA Exhibit Letter (the "**Assignment of Receivables**");

(x) such duly executed assignments and novations of the Contracts with such Third Party Consents (if necessary) as IMFS may have obtained, in substantially the form attached as Exhibit D to the IMFS BSA Exhibit Letter (the "**Assignments of Contracts**");

(xi) such duly executed assignments of the Guarantees and Warranties as IMFS may have obtained, in substantially the form attached as Exhibit E to the IMFS BSA Exhibit Letter (the "**Assignments of Guarantees and Warranties**");

(xii) all other conveyances, transfers, assignments and novations in the Agreed Terms as may be reasonably requested by Micron Singapore (duly executed as a deed by IMFS, any third party and, if so reasonably required by IMFS, Micron Singapore) as IMFS may have obtained, together with the related documents of title and such Third Party Consents as IMFS may have obtained;

(xiii) those MSA Purchased Assets (such as MSA Inventory, Motor Vehicles, Office Equipment and Plant and Machinery) that are capable of transfer by delivery;

(xiv) all documents, books, records, operating manuals, drawings, models and other information relating to the IMFS Business that are in IMFS's possession, custody or control and all information relating to customers, suppliers, agents and distributors and other information relating to the IMFS Business (including the Relevant Employees) as Micron Singapore may reasonably require;

(xv) originals that IMFS, any Member of IMFS or their affiliates have in their possession of those Permits that are capable of being transferred by IMFS to Micron Singapore and copies of the approvals as IMFS may have obtained of the relevant Governmental Entities to such transfer;

(xvi) subject to the matters set forth in Schedule 1.9(b)(xvi), to the IMFS BSA Disclosure Letter, vacant possession of the IMFS Premises;

(xvii) entry into and possession of the IMFS Premises; and

(xviii) all other documents, certificates, instruments and writings required to be delivered at or prior to the Closing pursuant to this Agreement or reasonably requested by Micron Singapore as IMFS may have obtained.

(c) *Micron Singapore's Closing Deliveries*. Subject to the terms and conditions of this Agreement, at the Closing, Micron Singapore will deliver the following to IMFS:

(i) a certified copy of the minutes of the board of directors of Micron Singapore authorizing the purchase of the IMFS Business from IMFS and the execution by Micron Singapore of this Agreement and of any documents to be entered into pursuant to or in connection with this Agreement;

(ii) the MSA Cash Purchase Price by wire transfer in immediately available funds;

(iii) the Estimated MSA Purchase Price Note, duly executed by Micron Singapore;

(iv) evidence of due fulfillment of the conditions specified in Article V for which Micron Singapore is responsible;

(v) a duly executed counterpart of the IMFS Premises Transfer (where required by the form thereof to be executed by Micron Singapore);

(vi) a duly executed counterpart of the Assignment of Receivables;

(vii) duly executed counterparts of the Assignments of Contracts;

(viii) duly executed counterparts of the Assignments of Guarantees and Warranties; and

(ix) all other documents, certificates, instruments and writings required to be delivered at or prior to the Closing pursuant to this Agreement or reasonably requested by IMFS.

(d) *Intel Singapore's Closing Deliveries*. Subject to the terms and conditions of this Agreement, at the Closing, Intel Singapore will deliver to Micron Singapore:

(i) a letter signed by a director of Intel Singapore confirming that either (x) Intel Singapore is a resident in Singapore for Tax purposes or (y) Intel Singapore is not a resident in Singapore for Tax purposes, and Intel Singapore has not been assessed as a property trader by the Inland Revenue Authority of Singapore; and

(ii) the resignations of the managers of IMFS appointed by Intel Singapore.

1.10 ********.

(a) Except as otherwise provided in the 2012 Master Agreement, ******** shall pay any and all of the costs and expenses of all ******** that are incurred by either of the Parties in connection with the transfer or conveyance of the ******** and the assumption of the ******** as contemplated by this Agreement, together with any ******** incurred in connection therewith. Each Party shall cooperate in a good faith, commercially reasonable manner as reasonably requested by another Party and at ******** to minimize any ******** and shall provide information reasonably requested by the other Party, to allow the requesting Party to file any ******** related to ******** or to meet any obligations imposed by any ********.

(b) The Parties acknowledge and agree that the ******** and the ******** shall be sold as a ******** for the purposes of the ******** and ******** shall not be chargeable in respect of the purchase consideration. To this end, ******** agrees that after Closing it shall use the ******** in carrying on the same kind of business as the ********, whether or not as part of any existing business of ********. ******** and ******** shall in consultation with each other jointly request a ******** that ******** is not payable on the purchase consideration pursuant to the ********. ******** and ******** shall cooperate with and provide all necessary information and assistance to each other in respect of the request and application for the ********. In connection with the foregoing, the Parties agree that in the event there are any requests and/or enquiries from any Tax Authority, the same shall be dealt with by ******** and ******** in consultation with each other and ******** and ******** shall cooperate with and provide all necessary information and assistance required by such Tax Authority upon being requested to do so by the other. However, if applicable, ******** shall promptly provide ******** with a ********. ******** shall bear all ******** payable in connection with the purchase of the ********.

1.11 *Non-Assignable Assets*. To the extent that any Contract, Permit or other asset intended to be assigned pursuant to the terms of Section 1.1 cannot be assigned without the consent, approval or waiver of a third person or entity (including a Governmental Entity), or if such assignment or attempted assignment would constitute a breach thereof or a violation of any law (each, a "**Non-Assignable Asset**"), then nothing in this Agreement shall constitute an assignment or require the assignment thereof prior to the time at which all consents, approvals and waivers necessary for such assignment have been obtained. To the extent and for so long as all consents, approvals and waivers required for the assignment of any Non-Assignable Asset have not been obtained by IMFS after the Closing, IMFS shall use commercially reasonable efforts, at Micron Singapore's cost, to (a) provide to Micron Singapore the financial and business benefits of such

Non-Assignable Asset and (b) enforce, at the request of Micron Singapore, for the account of Micron Singapore, any rights of IMFS arising from any such Non-Assignable Asset (including the right to elect to terminate in accordance with the terms thereof). Micron Singapore will perform any portion of a Non-Assignable Asset the financial and business benefits of which are being provided to Micron Singapore in accordance with clause (a) of the preceding sentence to the same extent required of IMFS under the terms of such Non-Assignable Asset (i.e., in the same (or as similar as practicable) manner and time, and with the same quality, so required of IMFS). Following the Closing, IMFS shall not terminate, modify or amend any Non-Assignable Asset without Micron Singapore's prior written consent. Micron Singapore agrees that neither IMFS nor Intel Singapore shall have any liability to Micron Singapore arising out of or relating to the failure to obtain any such consent that may be required in connection with the transactions contemplated by this Agreement or because of any circumstances resulting therefrom, nor shall any such failure affect the consideration payable to IMFS hereunder.

1.12 *Employees*.

(a) *Transfer of Employees under the Employment Act.* Subject to the Closing, the transfer of the employment of the employees of IMFS on the Closing who are protected under the Employment Act (the "**Transferred Employees**") shall be governed by Section 18A of the Employment Act and IMFS and Micron Singapore shall each comply with their respective obligations under the said Section 18A. Micron Singapore may offer the Transferred Employees new written terms and conditions of employment, in the form determined by it, to take effect immediately following the transfer of the employment of the Transferred Employees. Such new terms and conditions must include a commitment by ******** to pay any installment of an ******** that would otherwise fall due for payment after the Closing Date, but such payment may be subject to materially similar contingencies upon payment of the installment as set out in the ********. IMFS shall use its best efforts to encourage the Transferred Employees to accept such offers of new terms and conditions and shall assist Micron Singapore to distribute the documents containing such new terms and conditions. If any Transferred Employee does not accept such offer of new terms and conditions by Micron Singapore by the Closing, such Transferred Employee shall nevertheless automatically transfer to the employment of Micron Singapore on the Closing by operation of the said Section 18A.

(b) *Executive Employees*. Micron Singapore shall make a written offer of employment as provided in Section 1.12(c) to each Relevant Employee who will not be a Transferred Employee (each an "**Executive Employee**"), which offer shall be conditional upon the Closing (such offer shall hereinafter be referred to as "**MSA's Offer**"). If any such Executive Employee accepts MSA's Offer and commences employment with Micron Singapore as a result, the employment of the Executive Employee with IMFS will be deemed to be terminated by mutual consent with effect from the close of business on the day before the Closing. ******** will not pay to any ******** as a result of such termination any payment for ******** nor any ******** which would otherwise fall due for payment after the Closing Date. The document recording the terms upon which the Executive Employee's employment with IMFS terminates by mutual consent shall be in the form customarily used by IMFS (the "**Termination Agreement**").

(c) *MSA's Offer*

(i) MSA's Offer to each Executive Employee shall be made on such terms and conditions determined by Micron Singapore, provided that:

A. Micron Singapore agrees that any employment with Micron Singapore that commences as a result of the Executive Employee's acceptance of MSA's Offer shall commence upon Closing;

B. Micron Singapore will recognize and assume liability for the **** as at Closing;

C. Micron Singapore must agree to pay **** which would otherwise fall due for payment after the Closing Date, but such payment may be subject to materially similar contingencies upon payment of the installment as set out in the ****; and

D. Micron Singapore will recognize each **** with **** as **** for the purpose of determining the ****, but only to the extent to which the **** has not already received or been provided with the **** in respect of a ****.

(ii) IMFS shall use reasonable efforts to persuade the Executive Employees to accept MSA's Offer and shall assist Micron Singapore to distribute MSA's Offer to the Executive Employees, together with the Termination Agreement.

(d) *Obligations Regarding the Employees*

(i) IMFS shall perform and discharge all its obligations in respect of all the Relevant Employees for its own account up to and including the day immediately preceding the Closing. Without limitation to the foregoing, IMFS shall pay for:

A. all salaries, emoluments and accrued leave entitlements (other than unused annual leave for Executive Employees who accept MSA's Offer) and all other amounts (including, without limitation, contributions payable to any provident fund or pension scheme) due or accruing in respect of the Relevant Employees who commence employment with Micron Singapore up to the day immediately preceding the Closing Date; and

B. all salaries, emoluments and accrued leave entitlements and all other amounts (including, without limitation, contributions payable to any provident fund or pension scheme) due or accruing in respect of the Executive Employees who do not commencement employment with Micron Singapore up to the day immediately preceding the Closing Date.

(ii) Notwithstanding the foregoing, from and after the Closing, **** shall be **** from and against, any and all ****.

(iii) Micron Singapore shall, at its own cost and expense, make the necessary applications to the Ministry of Manpower (the "**MOM**") to obtain all work permits and employment passes required by those of the Transferred Employees and the Executive Employees (who have accepted MSA's Offer) who are not Singapore citizens or Singapore Permanent Residents to work for Micron Singapore. IMFS and Micron Singapore shall promptly co-operate with and provide all necessary information and assistance reasonably required by the MOM upon being requested to do so.

(e) *Offers to Seconded Employees*. From and after the date of this Agreement, Micron Singapore may make offers to and hire any employees of IM Flash Technologies, LLC and Intel Corporation or its subsidiaries who are rendering service to IMFS as seconded personnel.

1.13 *Interested Member Transactions*. With respect to Micron Singapore's purchase of the MSA Purchased Assets pursuant to the terms of this Agreement, Micron Singapore is an Interested Member (as defined in the IMFS Agreement), and the Parties hereby agree that any actions that are required to be or that may be taken by IMFS in connection with the sale of the MSA Purchased Assets to Micron Singapore as contemplated by this Agreement, including with respect to matters described in Sections 1.6 and 5.4, may be taken by Intel Singapore on IMFS's behalf (as contemplated by Section 6.3(B) of the IMFS Agreement) or may be taken by IMFS only with the approval of a majority of the managers of IMFS appointed by Intel Singapore (as contemplated by Section 6.3(B) of the IMFS Agreement). In acting on IMFS's behalf, Intel Singapore shall not take any action in violation of this Agreement. Each of Micron Singapore and Intel Singapore shall, or shall cause its appointed managers to, approve the terms of this Agreement.

ARTICLE II
REPRESENTATIONS AND WARRANTIES OF IMFS

IMFS hereby makes the representations and warranties set forth in this Article II to Micron Singapore and Intel Singapore, except and to the extent as may be disclosed in a Schedule to this Agreement.

2.1 *Legal Existence and Power.* IMFS is a limited liability partnership duly organized and validly existing under the laws of Singapore. IMFS has the requisite legal power and authority

to carry on its business as now conducted. IMFS is duly qualified to do business in each jurisdiction in which such qualification is required, except where the failure to be so qualified would not be reasonably expected to have a Material Adverse Effect.

2.2 *Assets.* Except as disclosed in Schedule 2.2 to the IMFS BSA Disclosure Letter, IMFS has legal and beneficial title to all of the tangible personal property that forms any part of the MSA Purchased Assets. IMFS has a valid leasehold interest in all real property interests necessary for the operation of the IMFS Business.

2.3 *Authorization; Enforceability.* IMFS has the requisite legal power and authority to enter into this Agreement and to perform its obligations hereunder. The execution and delivery by IMFS of this Agreement and the performance by IMFS of its obligations contemplated hereby have been duly authorized by IMFS and do not violate the terms of the IMFS Agreement. This Agreement has been duly executed and delivered by IMFS, and this Agreement constitutes the valid and binding agreement of IMFS, enforceable against IMFS in accordance with its terms, except to the extent that their enforceability may be subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally.

2.4 *Governmental Authorization.* Except as disclosed in Schedule 2.4 to the IMFS BSA Disclosure Letter, the execution, delivery and performance by IMFS of this Agreement will not require any action by or in respect of, or filing with, any Governmental Entity (disregarding the terms of Section 1.11 for the purposes of this representation).

2.5 *Non-Contravention; Consents.* Except as disclosed in Schedule 2.5 to the IMFS BSA Disclosure Letter and disregarding the terms of Section 1.11 for the purposes of this representation, the execution, delivery and performance by IMFS of this Agreement does not (a) violate, in any material respect, any Applicable Law or Order, (b) require any filing with, or permit, consent or approval of, or the giving of any notice to (including under any right of first refusal or similar provision), any Person (including filings, consents or approvals required under any licenses or leases to which IMFS is a party), (c) result in a violation or breach of, conflict with, constitute (with or without due notice or lapse of time or both) a default under, or give rise to any right of termination, cancellation or acceleration of any charter document of or any right or obligation of IMFS or to a loss of any benefit to which IMFS is entitled under, any agreement or other instrument binding upon IMFS or (d) result in the creation or imposition of any Lien on any asset of IMFS that, in the case of clauses (c) and (d), would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

2.6 *Litigation.* Except as disclosed in Schedule 2.6 to the IMFS BSA Disclosure Letter, there is no action, suit, arbitration or administrative or other proceeding or investigation pending or, to IMFS's knowledge, threatened, against or affecting IMFS or any of its properties that, if determined or resolved adversely to IMFS, would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

2.7 *Brokerage.* No finder, broker, investment banker or financial advisor is entitled to any brokerage, finders' or other fees or commissions from any other Person in connection with this

Agreement or the negotiation looking toward the consummation of such transactions, based upon arrangements made by or on behalf of IMFS.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF MICRON SINGAPORE

Micron Singapore hereby makes the representations and warranties set forth in this Article III to IMFS and Intel Singapore, except and to the extent as may be disclosed in a Schedule to this Agreement:

3.1 *Corporate Existence and Power*. Micron Singapore is a private limited company duly incorporated and validly existing under the laws of Singapore. Micron Singapore has the requisite corporate power and authority to carry on its business as now conducted. Micron Singapore is duly qualified to do business in each jurisdiction in which such qualification is required, except where the failure to be so qualified would not reasonably be expected to have a Material Adverse Effect.

3.2 *Authorization; Enforceability*. Micron Singapore has the requisite corporate power and authority to enter into this Agreement and to perform its obligations hereunder. The execution and delivery by Micron Singapore of this Agreement and the performance by Micron Singapore of its obligations contemplated hereby have been duly authorized by Micron Singapore and do not violate the terms of the memorandum and articles of association of Micron Singapore. This Agreement has been duly executed and delivered by Micron Singapore, and this Agreement constitutes the valid and binding agreement of Micron Singapore, enforceable against Micron Singapore in accordance with its terms, except to the extent that their enforceability may be subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally.

3.3 *Governmental Authorization*. Except as disclosed in Schedule 3.3 to the IMFS BSA Disclosure Letter, the execution, delivery and performance by Micron Singapore of this Agreement will not require any action by or in respect of, or filing with, any Governmental Entity.

3.4 *Non-Contravention; Consents*. Except as disclosed in Schedule 3.4 to the IMFS BSA Disclosure Letter, the execution, delivery and performance by Micron Singapore of this Agreement does not and will not (a) violate, in any material respect, any Applicable Law or Order, (b) require any filing with, or permit, consent or approval of, or the giving of any notice to (including under any right of first refusal or similar provision), any Person (including filings, consents or approvals required under any licenses or leases to which Micron Singapore is a party), (c) result in a violation or breach of, conflict with, constitute (with or without due notice or lapse of time or both) a default under, or give rise to any right of termination, cancellation or acceleration of any charter document of or any right or obligation of Micron Singapore or to a loss of any benefit to which Micron Singapore is entitled under, any agreement or other instrument binding upon Micron Singapore or (d) result in the creation or imposition of any Lien on any asset of Micron Singapore that, in the case of clauses (c) and (d), would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

3.5 *Litigation*. Except as disclosed in Schedule 3.5 to the IMFS BSA Disclosure Letter, there is no action, suit, arbitration or administrative or other proceeding or investigation pending or, to Micron Singapore's knowledge, threatened, against or affecting Micron Singapore or any of its properties that, if determined or resolved adversely to Micron Singapore, would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

3.6 *Brokerage*. No finder, broker, investment banker or financial advisor is entitled to any brokerage, finders' or other fees or commissions from any other Person in connection with this Agreement or the negotiation looking toward the consummation of such transactions, based upon arrangements made by or on behalf of Micron Singapore.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF INTEL SINGAPORE

Intel Singapore hereby makes the representations and warranties set forth in this Article IV to IMFS and Micron Singapore, except and to the extent as may be disclosed in a Schedule to this Agreement:

4.1 *Corporate Existence and Power*. Intel Singapore is a private limited company duly incorporated, validly existing and in good standing under the laws of Singapore. Intel Singapore has the requisite corporate power and authority to carry on its business as now conducted. Intel Singapore is duly qualified to do business in each jurisdiction in which such qualification is required, except where the failure to be so qualified or in good standing would not be reasonably expected to have a Material Adverse Effect.

4.2 *Authorization; Enforceability*. Intel Singapore has the requisite corporate power and authority to enter into this Agreement and to perform its obligations hereunder. The execution and delivery by Intel Singapore of this Agreement and the performance by Intel Singapore of its obligations contemplated hereby have been duly authorized by Intel Singapore and do not violate the terms of the memorandum and articles of association of Intel Singapore. This Agreement has been duly executed and delivered by Intel Singapore, and this Agreement constitutes the valid and binding agreement of Intel Singapore, enforceable against Intel Singapore in accordance with its terms, except to the extent that their enforceability may be subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally.

4.3 *Governmental Authorization*. Except as disclosed in Schedule 4.3 to the IMFS BSA Disclosure Letter, the execution, delivery and performance by Intel Singapore of this Agreement will not require any action by or in respect of, or filing with, any Governmental Entity.

4.4 *Non-Contravention; Consents.* Except as disclosed in Schedule 4.4 to the IMFS BSA Disclosure Letter, the execution, delivery and performance by Intel Singapore of this Agreement does not and will not (a) violate, in any material respect, any Applicable Law or Order, (b) require any filing with, or permit, consent or approval of, or the giving of any notice to (including under any right of first refusal or similar provision), any Person (including filings, consents or approvals required under any licenses or leases to which Intel Singapore is a party), (c) result in a violation or breach of, conflict with, constitute (with or without due notice or lapse of time or both)

a default under, or give rise to any right of termination, cancellation or acceleration of any charter document of or any right or obligation of Intel Singapore or to a loss of any benefit to which Intel Singapore is entitled under, any agreement or other instrument binding upon Intel Singapore or (d) result in the creation or imposition of any Lien on any asset of Intel Singapore that, in the case of clauses (c) or (d), would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.5 *Litigation*. Except as disclosed in Schedule 4.5 to the IMFS BSA Disclosure Letter, there is no action, suit, arbitration or administrative or other proceeding or investigation pending or, to Intel Singapore's knowledge, threatened, against or affecting Intel Singapore or any of its properties that, if determined or resolved adversely to Intel Singapore, would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.6 *Brokerage*. No finder, broker, investment banker or financial advisor is entitled to any brokerage, finders' or other fees or commissions from any other Person in connection with this Agreement or the negotiation looking toward the consummation of such transactions, based upon arrangements made by or on behalf of Intel Singapore.

ARTICLE V
CONDITIONS TO CLOSING

5.1 *Conditions of Micron Singapore to Closing*. The obligations of Micron Singapore to effect the transactions contemplated by this Agreement at the Closing are subject to the following conditions:

(a) *Amendment of IMFS Agreement*. Each of Micron Singapore and Intel Singapore shall have amended the IMFS Agreement, with effect immediately prior to Closing, to permit the consummation of the transactions and the occurrence of the events provided for in the 2012 Master Agreement, including the distributions from IMFS to Micron Singapore and Intel Singapore and the withdrawal of Intel Singapore as a Member of IMFS, by executing an amendment to the IMFS Agreement in substantially the form attached as Exhibit F to the IMFS BSA Exhibit Letter.

(b) *Third Party Consents*. The following Third Party Consents having been obtained prior to Closing on terms reasonably acceptable to Micron Singapore (which terms shall be deemed to be reasonably acceptable to Micron Singapore if they do not materially affect Micron Singapore in an adverse manner, taking into account any rights of Micron Singapore to indemnification under Section 6.2 of the 2012 Master Agreement) and not having been revoked prior to Closing:

(i) subject to the provisions of Section 5.4, all the IMFS Land Sale Approvals; and

(ii) the approval of the relevant **** for the ****.

(c) *Representations, Warranties and Covenants of IMFS and Intel Singapore*.

(i) The representations and warranties of IMFS set forth in Article II that are subject to qualifications and exceptions contained therein relating to materiality or Material Adverse Effect shall be true and correct in all respects, and all other representations and warranties of IMFS contained in this Agreement shall be true and correct in all material respects, at and as of the Closing, except to the extent that such representations and warranties speak as of another date, in which case such representations and warranties shall be true and correct as of such other date;

(ii) the representations and warranties of Intel Singapore set forth in Article IV that are subject to qualifications and exceptions contained therein relating to materiality or Material Adverse Effect shall be true and correct in all respects, and all other representations and warranties of Intel Singapore contained in this Agreement shall be true and correct in all material respects, at and as of the Closing, except to the extent that such representations and warranties speak as of another date, in which case such representations and warranties shall be true and correct as of such other date; and

(iii) each of IMFS and Intel Singapore shall have performed in all material respects all covenants required of it by this Agreement as of the Closing.

(d) *Closing Deliveries*. Micron Singapore shall have received the Closing deliveries required of IMFS pursuant to Section 1.9(b) and of Intel Singapore pursuant to Section 1.9(d).

(e) *Governmental Filings*. All approvals required to be made or obtained under any Antitrust Law shall have been made or obtained, and any required waiting periods under any Antitrust Law shall have expired or been terminated, in each case without the imposition of any conditions.

(f) *Litigation*. There shall not be any actual or threatened litigation (including any investigation by any Governmental Entity) or Order that would, in the judgment of Micron Singapore, made in good faith and based upon the advice of counsel, restrain, enjoin, prohibit, invalidate or otherwise prevent the consummation of the transactions contemplated by this Agreement.

(g) *No Compulsory Acquisition*. There being no acquisition or notice of acquisition or intended acquisition of the IMFS Premises or any material part of the IMFS Premises by or from any Governmental Entity.

(h) *2012 Master Agreement Transactions*. Each of the transactions contemplated by the 2012 Master Agreement shall have been consummated to the extent required to be consummated contemporaneously with the transactions contemplated by this Agreement.

5.2 *Conditions of IMFS to Closing*. The obligations of IMFS to effect the transactions contemplated by this Agreement at the Closing shall be subject to the following conditions:

(a) *Amendment of IMFS Agreement*. Each of Micron Singapore and Intel Singapore shall have amended the IMFS Agreement, with effect immediately prior to Closing, to permit the consummation of the transactions and the occurrence of the events provided for in the 2012 Master Agreement, including the distributions from IMFS to Micron Singapore and Intel Singapore and the withdrawal of Intel Singapore as a Member of IMFS, by executing an amendment to the IMFS Agreement in substantially the form attached as Exhibit F to the IMFS BSA Exhibit Letter.

(b) *Third Party Consents*. The following Third Party Consents having been obtained prior to Closing on terms reasonably acceptable to IMFS (which terms shall be deemed to be reasonably acceptable to IMFS if they do not materially affect IMFS in an adverse manner, taking into account any rights of IMFS to indemnification under Section 6.2 of the 2012 Master Agreement) and not having been revoked prior to Closing:

(i) subject to the provisions of Section 5.4, all the IMFS Land Sale Approvals; and

(ii) the approval of the relevant **** for the ****.

(c) *Representations, Warranties and Covenants of Micron Singapore and Intel Singapore*.

(i) The representations and warranties of Micron Singapore set forth in Article III that are subject to qualifications and exceptions contained therein relating to materiality or Material Adverse Effect shall be true and correct in all respects, and all other representations and warranties of Micron Singapore contained in this Agreement shall be true and correct in all material respects, at and as of the Closing, except to the extent that such representations and warranties speak as of another date, in which case such representations and warranties shall be true and correct as of such other date;

(ii) the representations and warranties of Intel Singapore set forth in Article IV that are subject to qualifications and exceptions contained therein relating to materiality or Material Adverse Effect shall be true and correct in all respects, and all other representations and warranties of Intel Singapore contained in this Agreement shall be true and correct in all material respects, at and as of the Closing, except to the extent that such representations and warranties speak as of another date, in which case such representations and warranties shall be true and correct as of such other date; and

(iii) each of Micron Singapore and Intel Singapore shall have performed in all material respects all covenants required of it by this Agreement as of the Closing.

(d) *Closing Deliveries*. IMFS shall have received the closing deliveries required of Micron Singapore pursuant to Section 1.9(c) and of Intel Singapore pursuant to Section 1.9(d).

(e) *Governmental Filings*. All approvals required to be made or obtained under any Antitrust Law shall have been made or obtained, and any required waiting periods under any Antitrust Law shall have expired or been terminated, in each case without the imposition of any conditions.

(f) *Litigation*. There shall not be any actual or threatened litigation (including any investigation by any Governmental Entity) or Order that would, in the judgment of IMFS, made in good faith and based upon the advice of counsel, restrain, enjoin, prohibit, invalidate or otherwise prevent the consummation of the transactions contemplated by this Agreement.

(g) *Payment of Purchase Price*. IMFS shall have received the MSA Cash Purchase Price in immediately available funds and the Estimated MSA Purchase Price Note.

(h) *2012 Master Agreement Transactions*. Each of the transactions contemplated by the 2012 Master Agreement shall have been consummated to the extent required to be consummated contemporaneously with the transactions contemplated by this Agreement.

5.3 *Conditions of Intel Singapore to Closing*. The obligations of Intel Singapore to effect the transactions contemplated by this Agreement at the Closing are subject to the following conditions:

(a) *Amendment of IMFS Agreement*. Each of Micron Singapore and Intel Singapore shall have amended the IMFS Agreement, with effect immediately prior to Closing, to permit the consummation of the transactions and occurrence of the events provided for in the 2012 Master Agreement, including the distributions from IMFS to Micron Singapore and Intel Singapore and the withdrawal of Intel Singapore as a Member of IMFS, by executing an amendment to the IMFS Agreement in substantially the form attached as Exhibit F to the IMFS BSA Exhibit Letter.

(b) *Third Party Consents*. The following Third Party Consents having been obtained prior to Closing on terms reasonably acceptable to Intel Singapore (which terms shall be deemed to be reasonably acceptable to Intel Singapore if they do not materially affect Intel Singapore in an adverse manner, taking into account any rights of Intel Singapore to indemnification under Section 6.2 of the 2012 Master Agreement) and not having been revoked prior to Closing:

(i) subject to the provisions of Section 5.4, all the IMFS Land Sale Approvals; and

(ii) the approval of the relevant **** for the ****.

(c) *Representations, Warranties and Covenants of Micron Singapore and IMFS*.

(i) The representations and warranties of IMFS set forth in Article II that are subject to qualifications and exceptions contained therein relating to materiality or Material Adverse Effect shall be true and correct in all respects, and all other representations and warranties of IMFS contained in this Agreement shall be true and correct in all material respects, at and as of the Closing, except to the extent that such representations and warranties speak as of another date, in which case such representations and warranties shall be true and correct as of such other date;

(ii) the representations and warranties of Micron Singapore set forth in Article III that are subject to qualifications and exceptions contained therein relating to materiality or Material Adverse Effect shall be true and correct in all respects, and all other representations and warranties of Micron Singapore contained in this Agreement shall be true and correct in all material respects, at and as of the Closing, except to the extent that such representations and warranties speak as of another date, in which case such representations and warranties shall be true and correct as of such other date; and

(iii) each of Micron Singapore and IMFS shall have performed in all material respects all covenants required of it by this Agreement as of the Closing.

(d) *Closing Deliveries*. Intel Singapore shall have received copies of the Closing deliveries required to be delivered to Micron Singapore by IMFS pursuant to Section 1.9(b) and to IMFS by Micron Singapore pursuant to Section 1.9(c).

(e) *Governmental Filings*. All approvals required to be made or obtained under any Antitrust Law shall have been made or obtained, and any required waiting periods under any Antitrust Law shall have expired or been terminated, in each case without the imposition of any conditions.

(f) *Litigation*. There shall not be any actual or threatened litigation (including any investigation by any Governmental Entity) or Order that would, in the judgment of Intel Singapore, made in good faith and based upon the advice of counsel, restrain, enjoin, prohibit, invalidate or otherwise prevent the consummation of the transactions contemplated by this Agreement.

(g) *No Compulsory Acquisition*. There being no acquisition or notice of acquisition or intended acquisition of the IMFS Premises or any material part of the IMFS Premises by or from any Governmental Entity.

(h) *2012 Master Agreement Transactions*. Each of the transactions contemplated by the 2012 Master Agreement shall have been consummated to the extent required to be consummated contemporaneously with the transactions contemplated by this Agreement.

5.4 *Obligations of the Parties with respect to IMFS Land Sale Approvals*.

(a) IMFS shall promptly after the date of this Agreement, apply to JTC and the Competent Authorities (if applicable) for the IMFS Land Sale Approvals. Subject to Section 5.4(c), each of Micron Singapore and Intel Singapore shall render all reasonable assistance to IMFS in connection with IMFS's application for the IMFS Land Sale Approvals.

(b) Subject to Sections 5.4(d) and 5.4(e), each of IMFS and Micron Singapore shall comply with the terms and conditions imposed on each of them by JTC and/or any of the Competent Authorities as conditions for the grant of the IMFS Land Sale Approvals.

(c) Micron Singapore shall bear the fees (including ********) payable to JTC and the Competent Authorities for the application for the IMFS Land Sale Approvals as well as fees, charges, costs and expenses imposed by JTC in respect of the sale of the IMFS Premises, including fees, charges costs and expenses related to any Environmental Baseline Study ("**EBS**") or any environmental clean-up and/or remediation or preventive works or measures.

(d) The following provisions shall apply to any EBS carried out on the IMFS Premises (pursuant to a JTC direction, any of the IMFS Land Sale Approvals or otherwise) to determine the level of minerals, hydrocarbons, chemicals or other substances (including liquids, solids and gases) which are present in or on the IMFS Premises or in or on surface water, air, soil or ground water of the IMFS Premises ("**Environmental Contaminants**"):

(i) IMFS shall give a copy of any notification or other correspondence to and/or from JTC relating to an EBS to Micron Singapore and Intel Singapore within two Business Days after delivery or receipt of the same;

(ii) in the event an EBS is required as a condition for the grant of the IMFS Land Sale Approvals, IMFS shall timely appoint a JTC-approved environmental consultant acceptable to Micron Singapore and Intel Singapore to carry out the EBS at the cost and expense of Micron Singapore;

(iii) the scope of any EBS performed on the IMFS Premises shall comply with all requirements and conditions imposed by JTC including for the conduct of environmental baseline studies, and/or such requirements that may be required by the Building Agreement;

(iv) IMFS will, in the course of preparing and finalising any EBS on the IMFS Premises for the purpose of submitting the same to JTC, provide Micron Singapore and Intel Singapore all drafts of such EBS upon IMFS's receipt of the same from the environmental consultant, provide Micron Singapore and Intel Singapore an opportunity to comment on such EBS drafts prior to finalizing such drafts and submitting the same to JTC, consult with Micron Singapore and Intel Singapore on all phases of EBS activities, have due regard to Micron Singapore's

and Intel Singapore's concerns with respect to the EBS, and incorporate, whenever reasonable, Micron Singapore's and Intel Singapore's recommendations into the EBS to be submitted to JTC; and

(v) IMFS shall, concurrently with its submission of the EBS to JTC, forward a copy of its cover letter to JTC together with a copy of the EBS to Micron Singapore and Intel Singapore and shall forward to Micron Singapore and Intel Singapore copies of all correspondence to or from JTC regarding the EBS or any Decontamination Remedial Works (as defined below). IMFS shall further keep Micron Singapore and Intel Singapore apprised of all verbal communications with JTC regarding the EBS, any Decontamination Remedial Works and other related work.

(e) In the event that:

(i) the EBS discloses the existence of any Environmental Contaminants which exceed the applicable levels compelling environmental clean-up and/or remediation or preventive works or other measures with respect to such Environmental Contaminants (the "**Decontamination Works**");

(ii) the Decontamination Works are required to be carried out at the recommendation of the environmental consultant who had issued the EBS; or

(iii) the terms of any of the IMFS Land Sale Approvals requires the Decontamination Works to be carried out,

Micron Singapore shall promptly carry out and complete the Decontamination Works and comply with all requirements of the Building Agreement and/or JTC arising from, or in connection with, the EBS and/or the Decontamination Works (collectively, the "**Decontamination Remedial Works**"), in compliance with the Building Agreement, and to the satisfaction of JTC and each relevant Governmental Entity, and Micron Singapore shall indemnify and keep IMFS and Intel Singapore fully indemnified against any and all costs and expenses arising out of or in connection with such carrying out and completion of the Decontamination Remedial Works.

5.5 *Non-fulfillment of Conditions*.

(a) Micron Singapore may at any time waive in whole or in part and conditionally or unconditionally the conditions set out in Section 5.1 by notice in writing to IMFS and Intel Singapore.

(b) IMFS may at any time waive in whole or in part and conditionally or unconditionally the conditions set out in Section 5.2 by notice in writing to Micron Singapore and Intel Singapore.

(c) Intel Singapore may at any time waive in whole or in part and conditionally or unconditionally the conditions set out in Section 5.3 by notice in writing to IMFS and Micron Singapore.

(d) The Party, if any, responsible for satisfaction of each condition in Section 5.1, 5.2 or 5.3 (as the case may be) shall give notice to the other Parties of satisfaction of the relevant conditions within two Business Days of becoming aware of the same.

(e) If (i) the conditions in Sections 5.1, 5.2 and 5.3 are not satisfied or waived on or before the Cut-Off Date or (ii) any of the Parties terminates this Agreement pursuant to Section 1.6(d), this Agreement (other than this Section 5.5(e) and Section 7.15) shall cease and determine and none of the Parties shall have any claim against the others under it. Micron Singapore shall at its own cost and expense withdraw any caveats and cancel any entries filed by Micron Singapore relating to the IMFS Premises with the Singapore Land Authority.

ARTICLE VI
COVENANTS

6.1 *Operation in the Ordinary Course*.

(a) Commencing the Effective Date and ending as of the Closing Date, each Party agrees to use reasonable efforts consistent with past practice and policies to (i) preserve intact in all material respects the IMFS Business, (ii) maintain in all material respects the services of such Party's employees who render full-time service to IMFS as seconded employees or who are otherwise an integral part of the services provided by such Party to IMFS, (iii) preserve in all material respects the relationships with suppliers, licensors, licensees, and others having material business relationships with IMFS and (iv) maintain the same cash management, asset write-off/write-down and accounting methods, policies, practices, principles, procedures, exceptions, classifications, assumptions, judgments and valuation and estimation methodologies that were used in the preparation of the audited financial statements of IMFS at September 1, 2011.

(b) From and after the Closing, employees of IM Flash Technologies, LLC ("**IMFT**") and Intel Corporation ("**Intel**") who are rendering services to IMFS as seconded personnel as of the Closing pursuant to an applicable Secondment Agreement, which employees are listed on Schedule 6.1(b) to the IMFS BSA Disclosure Letter, shall continue their services as follows (unless any such seconded employee is offered and accepts employment with Micron Singapore pursuant to Section 1.12(e)):

(i) With regard to employees of IMFT seconded to IMFS as of the Closing ("**IMFT Seconded Employees**"), the IMFT-IMFS Secondment Agreement shall be terminated effective as of the Closing, pursuant to the terms and conditions of that certain Master Termination Agreement, to be entered into and effective as of the Closing Date, by and among the Parties hereto, among others, and from and after

the Closing the IMFT Seconded Employees will provide services to Micron Singapore pursuant to that certain Amended and Restated IMFT Personnel Secondment Agreement dated as of the Closing Date, by and between Micron Technology, Inc., Intel and IMFT, as may be amended from time to time.

(ii) With regard to employees of Intel seconded to IMFS as of the Closing ("**Intel Seconded Employees**"), the Intel Secondment Agreement shall be terminated effective as of the Closing, pursuant to the terms and conditions of that certain Master Termination Agreement, to be entered into and effective as of the Closing Date, by and among the Parties hereto, among others, and from and after the Closing each Intel Seconded Employee will provide services to Micron Singapore pursuant to that certain Consulting Services Agreement, by and between Micron Singapore and Intel to be executed at the Closing pursuant to the terms and conditions of the 2012 Master Agreement.

6.2 *Access to Information*.

(a) For and on behalf of itself, Intel Singapore and IMFS, Micron Singapore shall maintain for six years after the Closing Date all of the books and records in its possession pertaining to IMFS, the IMFS Fab Operations, the MSA Purchased Assets, the Assumed Liabilities and the Retained Liabilities before the Closing, including all books and records included in the MSA Purchased Assets.

(b) For six years after the Closing Date, each Party (the "**Possessing Party**") will afford any other Party (the "**Receiving Party**"), its counsel and its accountants, during normal business hours, reasonable access to information relating to the IMFS Fab Operations, the MSA Purchased Assets, the Assumed Liabilities and the Retained Liabilities in the Possessing Party's possession and, to the extent reasonably requested, will provide copies and extracts therefrom, all to the extent that such access may be reasonably required by the Receiving Party in connection with (i) the preparation of Tax returns, (ii) the preparation for any audit by any taxing authority or the prosecution or defense of any claim or proceeding relating to any Tax return, (iii) compliance with the requirements of any Governmental Entity or (iv) the resolution of claims made by a third party against or incurred by a Party pertaining to the IMFS Fab Operations, the MSA Purchased Assets and the Assumed Liabilities; *provided*, *however*, that nothing in this Section 6.2(b) shall be deemed to require any Party to disclose any information that it is prohibited from disclosing under any non-disclosure agreement entered into prior to the date of this Agreement or in the ordinary course of business after the date of this Agreement.

6.3 *Traceability and Data Retention*.

(a) For two years after the Closing Date, Micron Singapore shall provide IMFS, Intel Singapore and their respective representatives with reasonable access, during normal business hours, without interruption to the IMFS Fab Operations and upon reasonable advance notice, and only after the implementation of reasonable, as determined in Micron Singapore'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 production documents, of the IMFS Fab Operations to the extent necessary or appropriate in the reasonable discretion of IMFS or Intel Singapore, respectively, 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 IMFS Fab Operations prior to Closing.

(b) Micron Singapore agrees to maintain for a minimum of five years any data relating to the process traceability system of the IMFS Fab Operations in regards to defining unique lot and wafer number markings on each wafer throughout the manufacturing, assembly and testing process, including quality and testing information. Micron Singapore will endeavor to provide IMFS and Intel Singapore with full access to such data to the extent that Micron Singapore has such access, including providing access to such subcontractor data as reasonably requested by IMFS or Intel Singapore.

6.4 *Cooperation.* Micron Singapore shall use its reasonable efforts to obtain the Third Party Consents and shall be responsible for filing such documents and taking such other actions as may be required. Each of IMFS and Intel Singapore shall, at Micron Singapore's cost and expense, promptly co-operate with and provide all necessary information and assistance reasonably required by Micron Singapore and any Governmental Entity upon being requested to do so by the other in connection with the fulfillment of the conditions referred to in Sections 5.1, 5.2 and 5.3. To the extent permitted by Applicable Law, and subject to all applicable privileges (including the attorney-client privilege), each of the Parties shall consult and cooperate reasonably with one another in connection with any filing, application, appearance, presentation, brief, argument or proposal made or submitted by or on behalf of any Party to JTC, any Competent Authority or any other Governmental Entity in connection with seeking or obtaining any approvals, filings, consents or authorizations required under or contemplated by Section 5.1(b), 5.1(e), 5.2(b), 5.2(e), 5.3(b), 5.3(e) or 5.4. Each Party will notify the other Parties promptly upon the receipt of any response or comments from any officials of JTC, any Competent Authority or any other Governmental Entity in connection with any approvals, filings, applications, consents or authorizations required under or contemplated by Section 5.1(b), 5.1(e), 5.2(b), 5.2(e), 5.3(b), 5.3(e) or 5.4.

6.5 *IMFS's General Obligations.* Except as otherwise expressly provided in this Agreement, if at any time after Closing, IMFS receives any insurance or other monies in respect of any IMFS Claim, then IMFS shall pay to Micron Singapore as soon as reasonably practicable the amount recovered.

6.6 *IMFS's Continuing Obligations.* Notwithstanding Closing, IMFS shall, at Micron Singapore's expense:

(a) procure that if any property, rights or assets forming part of the IMFS Business (other than any Excluded Asset or a Contract, Permit or other asset to which Section 1.11 applies) are not transferred by IMFS at Closing, IMFS transfers (at the expense of ********) such property, rights or assets to Micron Singapore immediately after it is discovered that such property, rights or assets should have been transferred to Micron Singapore at Closing and the provisions of this Agreement, and in particular the warranties in Article II, shall be deemed to extend to such property, rights or assets as MSA Purchased Assets. If any such property, rights or assets are not included in the calculation of the consideration, the Parties

shall agree in writing the amount of consideration to be paid by Micron Singapore in respect of such property, rights or assets, failing which the Independent Accounting Firm shall determine the amount of such consideration;

(b) continue to give to Micron Singapore such information and assistance as Micron Singapore may reasonably require relating to the IMFS Business, its employees, customers and suppliers, its current contracts and engagements and its trade debtors and trade creditors and pass on any trade enquiry which IMFS receives;

(c) (without prejudice to the provisions of Section 1.11) from time to time execute and perform all such acts, deeds and documents and afford to Micron Singapore such assistance as Micron Singapore may reasonably require:

(i) for the purpose of vesting in Micron Singapore the full benefit of the IMFS Business and implementing all the provisions of this Agreement;

(ii) for the purpose of vesting in Micron Singapore or as it may direct the full benefit of any rights, powers, remedies, claims or defenses (including, without limitation, rights of set-off and counterclaim) that IMFS may have in relation to any IMFS Claim, or otherwise ensuring that the same enure for the benefit of Micron Singapore;

(iii) to enable any claim, action, suit, prosecution, litigation, proceedings, dispute or arbitration to which IMFS was a party and that relates to any IMFS Claim to be continued by or against Micron Singapore; and

(iv) to enable any judgment or award obtained by IMFS and not fully satisfied as at the Closing, to the extent to which it is an IMFS Claim enforceable by IMFS, to be enforced by Micron Singapore, whether by Micron Singapore joining itself as a defendant or by Micron Singapore consenting to any plaintiff concerned joining it as a defendant or otherwise.

6.7 *Intel Singapore's General Obligations*. Intel Singapore shall, at Micron Singapore's expense and without prejudice to the provisions of Section 1.11, from time to time execute and perform all such acts, deeds and documents and afford to Micron Singapore such assistance as Micron Singapore may reasonably require:

(a) for the purpose of vesting in Micron Singapore the full benefit of the IMFS Business and implementing all the provisions of this Agreement;

(b) for the purpose of vesting in Micron Singapore or as it may direct the full benefit of any rights, powers, remedies, claims or defenses (including, without limitation, rights of set-off and counterclaim) that IMFS may have in relation to any IMFS Claim, or otherwise ensuring that the same enure for the benefit of Micron Singapore;

(c) to enable any claim, action, suit, prosecution, litigation, proceedings, dispute or arbitration to which IMFS was a party and that relates to any IMFS Claim to be continued by or against Micron Singapore; and

(d) to enable any judgment or award obtained by IMFS and not fully satisfied as at the Closing, to the extent to which it is an IMFS Claim enforceable by IMFS, to be enforced by Micron Singapore, whether by Micron Singapore joining itself as a defendant or by Micron Singapore consenting to any plaintiff concerned joining it as a defendant or otherwise.

6.8 ********.

(a) From and after the Closing, neither ******** nor ******** will have any interest in, or right or claim to any allocation of, share of or benefit from the ******** or ******** accruing or received after the Closing, including any monies received by ********, relating to such ******** after the Closing (the "**Post-Closing Benefits**").

(b) ******** will indemnify, defend and hold harmless ******** and ******** from and against any and all liabilities, damages, losses, costs and expenses (including Taxes, reasonable attorneys' and consultants' fees and expenses) arising from (i) ******** or ******** being required to repay or return any benefit of, or otherwise compensate any ******** with respect to, the ******** relating to such ******** with respect to the period prior to the Closing, (ii) the revocation by any ******** relating to any ********, (iii) ******** or ******** being required to pay any amount to any ******** with respect to any of the Post-Closing Benefits and (iv) the transfer of the benefits or the burdens of the ******** relating to such ******** to ********, and any actions taken to effect such transfer, pursuant to or in contemplation of the transactions in this Agreement, in any case including in the case of clauses (i) through (iv) (A) those that may result from any failure to satisfy any of the conditions of the ******** relating to such ******** that apply at any time prior to, from or after the Closing, (B) any amounts required to be paid or repaid to a ******** that would not have been required to be paid or repaid but for such failure, (C) any penalties, interest and additions to ******** relating thereto, (D) any reasonable professional fees incurred by ******** or ******** in connection with such failure and (E) any ******** resulting from the receipt or right to receive any payment pursuant to this sentence; *provided, however*, that in no event shall ******** or ******** be entitled to indemnification for the loss of the value to ******** or ******** attributable to the surrender of their rights to the Post-Closing Benefits described in clause (a) above.

ARTICLE VII
MISCELLANEOUS

7.1 *Notices*. All notices, requests, demands or other communications that are required or may be given pursuant to the terms of this Agreement will be given pursuant to Section 8.3 of the 2012 Master Agreement.

7.2 *Remedies*. Except as otherwise specifically provided for herein, from and after the Closing, the indemnification remedies set forth in Article 6 of the 2012 Master Agreement shall be the Parties' sole and exclusive remedies for any breach under this Agreement.

7.3 *Law Society of Singapore's Conditions of Sale 1999*. The sale and purchase of the IMFS Premises is subject to the general conditions of sale known as "The Law Society of Singapore's Conditions of Sale 1999" (the "**LSS Conditions**") insofar as the LSS Conditions and the terms of this Agreement are not contrary to or in conflict with the following:

(a) the Conveyancing & Law of Property (Conveyancing) Rules 2011 as promulgated under the Conveyancing & Law of Property Act; and

(b) the Singapore Academy of Law (Conveyancing Money) Rules 2011 as promulgated under the Singapore Academy of Law Act (Cap 294A) (if applicable).

In the event of any inconsistency between the LSS Conditions and the provisions of this Agreement, the latter shall prevail.

7.4 *Dispute Resolution*. Any controversy, dispute or Claim arising out of, in connection with, or in relation to the interpretation, performance, nonperformance, validity, termination or breach of this Agreement or otherwise arising out of, or in any way related to this Agreement or the transactions contemplated hereby will be governed by, and be subject to, the provisions of Section 8.9 of the 2012 Master Agreement, which provisions (and related defined terms) are hereby incorporated by reference into this Agreement; *provided, however*, that any references to "Agreement" in such Section 8.9 as incorporated herein shall be deemed to be references to this Agreement.

7.5 *Jurisdiction and Venue; Waiver of Jury Trial.*

(a) 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.

(b) Each Party hereby agrees to take such actions as may be reasonably requested by any other Party for the purpose of enforcing in Singapore any injunction or order for specific performance rendered by any state or federal court located in Delaware pursuant to Section 7.5.

(c) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH

SUCH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (i) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (ii) EACH SUCH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (iii) EACH SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (iv) EACH SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE WAIVERS AND CERTIFICATIONS IN THIS SECTION 7.5.

7.6 *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.

7.7 *Entire Agreement*. This Agreement, the documents to be executed hereunder and the Exhibits and Schedules attached hereto and the 2012 Master Agreement constitute the entire agreement between the Parties pertaining to the subject matter hereof and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the Parties pertaining to the subject matter hereof.

7.8 *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.

7.9 *Waiver*. Any Party may (a) extend the time for the performance of any of the obligations or other acts of any other Party or (b) waive compliance with any of the agreements of any other Party or with any conditions to its own obligations. Any agreement on the part of a Party hereto to any such extension or waiver will be valid if set forth in an instrument in writing signed on behalf of such Party.

7.10 *Amendment*. This Agreement may not be amended except by an instrument in writing signed by each of the Parties. No supplement, alteration or modification of this Agreement will be binding unless executed in writing by the Parties.

7.11 *Assignment*. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of each Party. Neither this Agreement nor any right or obligation hereunder may be assigned or delegated by any Party in whole or in part to any other Person, including by operation of law or in connection with any acquisition, merger, or change of control of a Party,

without the prior written consent of the non-assigning Parties.

7.12 *Governing 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.

7.13 *Third Party Rights*. A Person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any term of this Agreement.

7.14 *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.

7.15 *Expenses*. Whether or not the transactions contemplated by this Agreement are ultimately consummated, each Party shall bear its own costs and expenses in connection with the negotiation, execution and delivery of this Agreement except as otherwise provided herein.

7.16 *Further Assurances*. The Parties will deliver any and all other instruments or documents required to be delivered pursuant to, or reasonably necessary or proper in order to give effect to, the terms and provisions of this Agreement.

7.17 *Disclaimers.*

(a) Micron Singapore acknowledges that it has conducted such investigation and inspection of the assets, liabilities and books and records of IMFS that it has deemed necessary or appropriate for the purpose of entering into this Agreement and consummating the transactions contemplated by this Agreement. In executing this Agreement, Micron Singapore is relying on its own due care and diligence in electing to acquire the MSA Purchased Assets on the terms and subject to the conditions set forth in this Agreement and on the provisions set forth herein, and not on any other statements, presentations, representations, warranties or assurances of any kind made by IMFS, Intel Singapore, their respective representatives or any other Person.

(b) Micron Singapore acknowledges that (i) the representations and warranties of IMFS and Intel Singapore under Article II and Article IV, respectively, constitute the sole and exclusive representations and warranties of IMFS and Intel Singapore, as applicable, to Micron Singapore in connection with the transactions contemplated by this Agreement and (ii) all other representations and warranties are specifically disclaimed and may not be relied upon or serve as a basis for a claim against either IMFS or Intel Singapore, as applicable. MICRON SINGAPORE ACKNOWLEDGES THAT IMFS DISCLAIMS ALL WARRANTIES OTHER THAN THOSE EXPRESSLY CONTAINED IN THIS AGREEMENT AS TO THE MSA PURCHASED ASSETS, WHETHER EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR WARRANTY FOR FITNESS FOR A PARTICULAR PURPOSE. EXCEPT FOR THOSE REPRESENTATIONS AND WARRANTIES MADE BY IMFS EXPRESSLY CONTAINED IN THIS AGREEMENT, MICRON SINGAPORE IS ACQUIRING THE MSA PURCHASED ASSETS ON AN “AS IS, WHERE IS” BASIS. MICRON

SINGAPORE FURTHER ACKNOWLEDGES THAT INTEL SINGAPORE DISCLAIMS ALL WARRANTIES OTHER THAN THOSE MADE BY IT EXPRESSLY CONTAINED IN THIS AGREEMENT. NEITHER IMFS NOR INTEL MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, ORAL OR WRITTEN, WHETHER OF MERCHANTABILITY, SUITABILITY, NONINFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE, OR QUALITY AS TO THE MSA PURCHASED ASSETS OR ANY PART OR ITEM THEREOF, OR AS TO THE CONDITION, DESIGN, OBSOLESCENCE, WORKING ORDER OR WORKMANSHIP THEREOF, OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR OTHERWISE.

(c) IMFS acknowledges that (i) the representations and warranties of Micron Singapore and Intel Singapore under Article III and Article IV, respectively, constitute the sole and exclusive representations and warranties of Micron Singapore and Intel Singapore, as applicable, to IMFS in connection with transactions contemplated by this Agreement and (ii) all other representations and warranties are specifically disclaimed and may not be relied upon or serve as a basis for a claim against either Micron Singapore or Intel Singapore, as applicable. IMFS ACKNOWLEDGES THAT MICRON SINGAPORE AND INTEL SINGAPORE EACH DISCLAIM ALL WARRANTIES OTHER THAN THOSE MADE BY IT EXPRESSLY CONTAINED IN THIS AGREEMENT.

(d) Intel Singapore acknowledges that (i) the representations and warranties of IMFS and Micron Singapore under Article II and Article III, respectively, constitute the sole and exclusive representations and warranties of IMFS and Micron Singapore, as applicable, to Intel Singapore in connection with transactions contemplated by this Agreement and (ii) all other representations and warranties are specifically disclaimed and may not be relied upon or serve as a basis for a claim against either IMFS or Micron Singapore, as applicable. INTEL SINGAPORE ACKNOWLEDGES THAT IMFS AND MICRON SINGAPORE EACH DISCLAIM ALL WARRANTIES OTHER THAN THOSE MADE BY IT EXPRESSLY CONTAINED IN THIS AGREEMENT.

7.18 *Certain Interpretive Matters*.

(a) Unless the context requires otherwise, (i) all references to Sections, Articles or the Appendix are to Sections, Articles or the Appendix of or to this Agreement, (ii) words in the singular include the plural and vice versa, (iii) the term “including” means “including without limitation,” and (iv) 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. Unless otherwise specified herein, all amounts and payments shall be in United States dollars, and all references to “$” or dollar amounts will be to lawful currency of the United States of America. All references to “$” or dollar amounts shall be to precise amounts and not rounded up or down. All references to “day” or “days” will mean calendar days.

(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 VIII
DEFINITIONS

8.1 *Definitions*. Unless otherwise defined in this Agreement, the following terms have the meanings specified or referred to in this Article VIII:

"**Agreed Terms**" means in relation to any document, such document in the terms agreed between the Parties and signed for identification by IMFS and Micron Singapore with such alterations as may be agreed in writing between the Parties from time to time for any reason (including to take account of any changes between the date of this Agreement and the Closing).

"**Antitrust Law**" means any of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, the Sherman Antitrust Act of 1890, as amended, the Clayton Act of 1914, as amended, the Federal Trade Commission Act, as amended, the Competition Act, Chapter 50B of Singapore, as amended, or any other federal, state or foreign law designed to prohibit, restrict or regulate actions for the purpose of monopolization or restraint of trade.

"**Applicable Law**" means any laws, statutes, rules, regulations, ordinances, orders, codes, arbitration awards, judgments, decrees or other legal requirements of any Governmental Entity.

"**Appointed Valuer**" means ********, being the property valuer appointed by IMFS to value the IMFS Premises and whose expenses shall be paid by Micron Singapore.

"**Back-End Products**" means shall have the meaning set forth in the IMFS Back-End Products Purchase Agreement.

"**Building Agreement**" means the building agreement dated November 23, 2007 made between JTC and IMFS (including all side-letters supplemental thereto) whereby JTC agreed to grant, and IMFS agreed to take, a license in respect of the IMFS Land for a term of four years commencing from March 30, 2007, and subject to the fulfillment of certain conditions specified in clause 3.1 of the Building Agreement, JTC agreed to grant, and IMFS agreed to accept, a lease of the IMFS Premises.

"**Business Day**" means a day that is a not a Saturday, Sunday or other day on which the banking institutions in the State of New York and Singapore are authorized or required by Applicable Law to be closed.

"**Competent Authorities**" means those Governmental Entities whose approval/clearance is required by JTC as a condition to the grant of the JTC Approval, and "**Competent Authority**" means any of them.

"**Closing**" shall have the meaning set forth in the 2012 Master Agreement.

"**Contracts**" means (i) the contracts and agreements referred to in Schedule 8.1A to the IMFS BSA Disclosure Letter; and (ii) all other contracts, undertakings, arrangements and agreements entered into on or prior to the Closing by or on behalf of IMFS in connection with the IMFS Business in each case to the extent that at the Closing the same remain to be completed or performed or remain in force, including the Secondment Agreements but excluding employment and other agreements with the Relevant Employees.

"**Cut-off Date**" means ********.

"**Employment Act**" means the Employment Act, Chapter 91 of Singapore.

"**Employee Liabilities**" means any and all Liabilities, whenever or however arising, including all benefits payable to a Relevant Employee and all costs and expenses relating thereto arising under Applicable Law, contract, decision or proceeding before any Governmental Entity or any award of any arbitrator of any kind, relating to any employee plan, employment arrangement or otherwise relating to a Relevant Employee and his or her service or employment with IMFS, and all losses incurred as a result of claims, actions or proceedings brought by any Relevant Employee against IMFS, Micron Singapore or Intel Singapore in connection with the termination of such Relevant Employee's employment with IMFS or as a result of the transactions contemplated in this Agreement.

****

"**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.

"********" means all the ******** in connection with the ******** and more particularly set out in ******.**

"**Guarantees and Warranties**" means all builders' and suppliers' guarantees, undertakings and warranties furnished to IMFS or its predecessor-in-title or its agents relating to the IMFS Premises, including, without limitation, those that are listed in Schedule 8.1C to the IMFS BSA Disclosure Letter.

"**IMFS Back-End Products Purchase Agreement**" means that certain IMFS Back-End Products Purchase Agreement by and among the Parties that shall be entered into at the Closing, in substantially the form attached as Exhibit HH to the 2012 Master Agreement Exhibit Letter.

"**IMFS BSA Disclosure Letter**" means the disclosure letter, as agreed to between the Parties as of the date hereof, containing the Schedules required by the provisions of this Agreement.

"**IMFS BSA Exhibit Letter**" means the exhibit letter, as agreed to between the Parties as of the date hereof, containing the Exhibits required by the provisions of this Agreement.

"**IMFS Business**" means the IMFS Fab Operations carried on by IMFS at the IMFS Premises.

"**IMFS Claims**" means all rights and claims of IMFS arising at any time (whether before or after the Closing) out of or in connection with the IMFS Business (whether arising under any warranties, conditions, guarantees, indemnities, insurance policies, contracts, agreements (in each case whether express or implied) or otherwise howsoever) insofar as they relate to any of the MSA Purchased Assets; *provided*, *however*, that "**IMFS Claims**" shall not include any rights or claims against Intel Singapore or any of its past and present stockholders, partners, directors, officers, employees, agents and other representatives (each of which are released under Section 2.8(D)(2) of the 2012 Master Agreement).

"**IMFS Land**" means the land known as Private Lot A2352802 as more particularly shown on the plan attached to the Building Agreement (and now comprised in Lot 5539C of Mukim 13), Singapore.

"**IMFS Land Sale Approvals**" means, collectively, the JTC Approval and, where required by JTC, the approval or clearance of the Competent Authorities in connection with the sale of the IMFS Premises by IMFS to Micron Singapore and the assignment/transfer of the Building Agreement, the JTC Lease and all side-letters supplemental thereto by IMFS to Micron Singapore, as applicable. In the event the approval or clearance of the Competent Authorities is not required by JTC, the term "**IMFS Land Sale Approvals**" shall mean and refer to the JTC Approval only.

"**IMFS Net Book Value**" means (i) the book value of the MSA Purchased Assets as of the close of business on the Closing Date, net of accumulated depreciation, amortization and other adjustments less (ii) the book value of the Assumed Liabilities, in each case as determined in accordance with Modified GAAP consistently applied and using the same accounting methods, policies, practices, principles, procedures, exceptions, classifications, assumptions, judgments and valuation and estimation methodologies that were used in the preparation of the audited financial statements of IMFS at September 1, 2011. For the avoidance of doubt, the IMFS Net Book Value shall be determined without giving effect to the transactions contemplated by this Agreement and without any write-off or write-down resulting from the transactions contemplated by this Agreement or IMFS's determination to dispose of the MSA Purchased Assets or to discontinue the IMFS Fab Operations.

"**IMFS Premises**" means, collectively, the IMFS Land together with the buildings erected thereon and improvements thereto (including all fixed and non-severable plant and machinery).

"**IMFT-IMFS Secondment Agreement**" means that certain IM Flash Personnel Secondment Agreement dated as of February 27, 2007, by and between IM Flash Technologies, LLC and IMFS.

"**Independent Accounting Firm**" means PricewaterhouseCoopers LLP (and its affiliated accounting firms), or, if such firm is unable or unwilling to act, such other independent public accounting firm as shall be agreed in writing by the Parties.

"**Intel Secondment Agreement**" means that certain Intel Personnel Secondment Agreement dated as of February 27, 2007, by and between Intel and IMFS.

"**Intel Singapore Supply Agreement**" means that certain Supply Agreement dated as of February 27, 2007, by and between Intel Singapore and IMFS.

"**Joint Venture Documents**" shall have the meaning set forth in the 2012 Master Agreement.

"**JTC**" means the Jurong Town Corporation.

"**JTC Approval**" means JTC's approval to the sale of the IMFS Premises by IMFS to Micron Singapore and the assignment/transfer of the Building Agreement, the JTC Lease and all side-letters supplemental thereto by IMFS to Micron Singapore.

"**JTC Lease**" means the lease of the IMFS Premises issued, or to be issued, by JTC to IMFS pursuant to the provisions of the Building Agreement (as amended or supplemented in writing from time to time) and includes any document which amends or supplements such lease.

"**Liability**" means, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, asserted or unasserted, accrued or unaccrued, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise and whether or not the same is required to be accrued on the financial statements of such Person.

"**Lien**" means any charge, Claim, mortgage, lien, option, pledge, security interest or other restriction of any kind (other than those created under applicable securities laws).

"**Material Adverse Effect**" means (i) a material adverse effect on the business, results of operations or financial condition of a Party and its subsidiaries, taken as a whole, or (ii) any change or effect that prevents or materially impedes or delays the consummation of the transactions contemplated by this Agreement and the Joint Venture Documents and the other transactions contemplated hereby and thereby, all taken as a whole; *provided*, that changes and effects attributable to changes in Applicable Law of general applicability or interpretations thereof by courts or Governmental Entities shall not be deemed, either alone or in combination, to constitute, and shall not be taken into account in determining whether there has been or will be, a Material Adverse Effect.

"**Modified GAAP**" means United States generally accepted accounting principles as in effect from time to time, except that: (i) stock-related expenses (including stock options, restricted stock, stock appreciation rights, restricted stock units, stock purchase programs or any award based on equity of Intel Singapore or Micron Singapore) associated with the seconded individuals to IMFS will not be recorded or disclosed in the financial statements of IMFS; and (ii) the value of any asset, contributed or otherwise transferred to IMFS from Intel Singapore or Micron Singapore shall be the value as agreed upon by Intel Singapore and Micron Singapore at the time of the contribution or transfer, as applicable, and, if such asset is or was to be depreciated or amortized under GAAP, the useful life and method of depreciation or amortization for such asset shall be determined by applying the accounting policies used by IMFS for like assets.

"**Motor Vehicles**" means all the motor vehicles owned by IMFS used or intended to be used in connection with the IMFS Business at the Closing.

"**MSA Inventory**" means raw materials, work in process, finished goods (but excluding all Back-End Products), supplies, packaging materials, parts, spare parts and other inventories owned by IMFS.

"**MSA Supply Agreement**" means that certain Supply Agreement dated as of February 27, 2007, by and between Micron Singapore and IMFS.

"**Office Equipment**" means all loose items of office equipment, furniture and furnishings but excluding fixed equipment forming part of the IMFS Premises, used or intended to be used in connection with the IMFS Business, at the Closing.

"**Order**" means any preliminary or permanent injunction, temporary restraining order or other judicial or administrative order or decree of any Governmental Entity.

"**Permits**" means the governmental or regulatory permits, licenses and/or consents set out in Schedule 8.1D to the IMFS BSA Disclosure Letter.

"**Person**" or "**Persons**" means any natural person and any corporation, firm, partnership, trust, estate, limited liability company or other entity resulting from any form of association.

"**Plant and Machinery**" means loose plant and machinery, tools, moulds, dies and other equipment (excluding the Office Equipment and fixed and non-severable plant and machinery forming part of the IMFS Premises) owned by IMFS, used or intended to be used in connection with the IMFS Business, at the Closing.

"**Post-Closing Adjustment**" means the amount calculated as the IMFS Net Book Value minus the estimated IMFS Net Book Value as set forth in the statement delivered by Intel Singapore pursuant to Section 1.7.

"**Probe Testing**" shall have the meaning set forth in the Intel Singapore Supply Agreement.

"**Products**" shall have the meaning set forth in the Intel Singapore Supply Agreement.

"**Receivables**" means the book and other debts receivable by or owing to IMFS in connection with the IMFS Business (and whether or not yet due and payable) at the Closing (including, without limitation, trade debts, deposits, prepayments, retrospective rebates and overpayments) and interest thereon but excluding:

(a) debts due from any relevant Tax Authority in respect of Taxation including, for the avoidance of doubt, any bond or other security issued by any Tax Authority or other governmental agency representing any such debts; and

(b) cash credited to any account with a bank.

"**Relevant Employees**" means those employees of IMFS who are immediately prior to Closing employed in the IMFS Business.

"**Secondary Silicon**" shall have the meaning set forth in the Intel Singapore Supply Agreement.

"**Secondment Agreements**" means, collectively, the IMFT-IMFS Secondment Agreement and the Intel Secondment Agreement.

"********" means ********.

"**Taxes**," "**Taxation**" or "**Tax**" means any federal, state, local or foreign net income, gross income, gross receipts, sales, use, ad valorem, transfer, franchise, profits, service, service use, withholding, payroll, employment, excise, severance, goods and services, stamp, occupation, premium, property, customs, duties or other type of fiscal levy and all other taxes, governmental fees, registration fees, assessments or charges of any kind whatsoever, together with any interest and penalties, additions to tax or additional amounts imposed or assessed with respect thereto.

"**Tax Authority**" means any taxing or other authority competent to impose any liability in respect of Taxation or responsible for the administration and/or collection of Taxation or enforcement of any law in relation to Taxation.

"**Third Party Consents**" means all consents, licenses, approvals, authorizations or waivers required from third parties for the conveyance, transfer, assignment or novation in favor of Micron Singapore of any of the MSA Purchased Assets on terms acceptable to Micron Singapore and "**Third Party Consent**" means any one of them.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

INTEL TECHNOLOGY ASIA PTE LTD

By: /s/ Brian Krzanich
Brian Krzanich
Authorized Signer

MICRON SEMICONDUCTOR ASIA PTE. LTD.

By: /s/ Brian J. Shields
Brian J. Shields
Senior Managing Director and Chairman

IM FLASH SINGAPORE, LLP

By: /s/ Rodney Morgan
Rodney Morgan
Authorized Person
By: /s/ Keyvan Esfarjani
Keyvan Esfarjani
Authorized Person

THIS IS THE SIGNATURE PAGE FOR THE
IMFS BUSINESS SALE AGREEMENT
ENTERED INTO BY AND AMONG INTEL TECHNOLOGY ASIA PTE LTD,
MICRON SEMICONDUCTOR ASIA PTE. LTD.
AND IM FLASH SINGAPORE, LLP

EXHIBIT 31.1

RULE 13a-14(a) CERTIFICATION OF
CHIEF EXECUTIVE OFFICER

I, D. Mark Durcan, certify that:

1. I have reviewed this quarterly report on Form 10-Q 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: April 9, 2012

/s/ D. Mark Durcan

D. Mark Durcan
Chief Executive Officer

EXHIBIT 31.2

RULE 13a-14(a) CERTIFICATION OF
CHIEF FINANCIAL OFFICER

I, Ronald C. Foster, certify that:

1. I have reviewed this quarterly report on Form 10-Q 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: April 9, 2012

/s/ Ronald C. Foster

Ronald C. Foster
Vice President of Finance and Chief Financial Officer

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 Quarterly Report of Micron Technology, Inc. on Form 10-Q for the period ended March 1, 2012, 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 Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Micron Technology, Inc.

Date: April 9, 2012

/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, Ronald C. Foster, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of Micron Technology, Inc. on Form 10-Q for the period ended March 1, 2012, 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 Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Micron Technology, Inc.

Date: April 9, 2012

/s/ Ronald C. Foster

Ronald C. Foster
Vice President of Finance and Chief Financial Officer