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Country / sector	United States / Memory
Company / ticker	Micron Technology / MU
Nasdaq close 6 Nov 2026	$690.00
Financial signal	Conditional SELL
Proposed current TP	$697.60 to 6 Nov 2027
Signal / active view	SELL / none assigned
Proposed upside / TSR	1.10% / 1.19%
Market capitalization	$780.7bn
Rolling dividend yield	0.09%
EV/EBITDA FY26 / FY27E	6.55x / 3.13x
GAAP P/E FY26 / FY27E	9.28x / 4.29x
Net debt / EBITDA FY26	-0.63x
Investor / currency	12–36 months / USD

Micron Technology Memory Demand and Capital Returns

Micron is a cyclical memory producer earning shortage rents. Memory per system, installed systems and rent duration are separate drivers. At the $690.00 close on 6 November, proposed value is $623.08 and the twelve-month target $697.60. Its 1.19% total return misses the 2.06% lower threshold. The calculated signal is SELL under Ke ±10 percentage points; no active target or recommendation is assigned.

Computing efficiency can defer memory orders on installed systems; a new architecture requires initial qualified hardware purchases. More bits per machine can coexist with fewer machines. The retained joint test cuts FY27 DRAM ASP growth from 65% to 60% and raises post-FY31 maintenance 25%, reducing current value by $54.13 per share. It tests rent and renewal costs, without claiming a measured loss from a technical paper or a Chinese market-share forecast.

Cloud growth can dilute margins. Cloud Memory’s Q4 gross margin was 83%, against 90% in Core Data Center and Mobile and Client. A ten-point revenue shift from those businesses to Cloud Memory costs 0.7 margin points and $4.70 per share on a 4 November 2026 valuation basis. This penalty disappears when Cloud Memory reaches 90%, with donor margins unchanged. Cloud Memory includes conventional DRAM and HBM; its margin is not HBM’s standalone margin. [S2]

Peak earnings have not become proportionate shareholder cash. FY21–26 dividends and gross program repurchases were at most 7.40% of cumulative GAAP profit, below the one-third threshold. Net repurchases would be lower. Opening customer deposits and tax claims reduce value on a 4 November 2026 valuation basis by $24.64 per share. Executed distributions would improve the return channel. Micron has not passed all full-cycle quality tests. [S1, S4, S5]

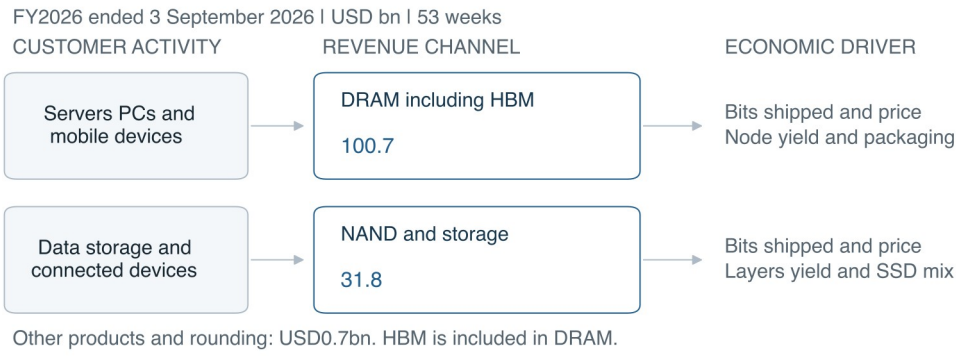
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1. Who pays for memory?

Micron sells working memory and storage. DRAM holds data while a system runs; NAND retains it without power. High-bandwidth memory, or HBM, stacks DRAM beside an accelerator. A solid-state drive combines NAND, a controller and firmware. Capacity, bandwidth, energy use and qualification determine value; equal numbers of bits are not economically identical. Figure 1 shows DRAM's $100.7bn revenue channel. With illustrative 20% bit growth, the revenue-neutral ASP change is approximately −16.7%. [S1, pp.7–11]

Figure 1: DRAM generated $100.7bn of FY2026 revenue. Revenue reversal test: at 20% bit growth, an ASP decline beyond approximately 16.7% reduces revenue.



Value sensitivity: 4 Nov case: annual DRAM price multipliers +10% = +USD237.25/share

Source: Micron FY2026 Form 10-K, pp.7–10 [S1], year ended 3 September 2026; valuation sensitivity at 4 November 2026. HBM is included in DRAM. Other products and rounding account for $0.7bn. Raising every annual DRAM price multiplier by 10% adds $237.25 per share on that basis.

DRAM contributed $100.7bn and NAND $31.8bn in FY26. The four businesses describe customers, rather than additional markets: Cloud Memory serves hyperscalers and all data-center HBM; Core Data Center serves other server-memory customers and data-center storage; Mobile and Client serves phones, PCs and components; Automotive and Embedded serves vehicles and connected equipment. The United States represented $91.3bn of customer-headquarters revenue, Taiwan $17.0bn and mainland China plus Hong Kong $14.6bn. Headquarters are not final demand or shipment destinations. [S1, pp.9–11, 94]

Table 1: Cloud Memory generated $43.1bn of FY2026 revenue; unallocated costs reconcile segment profit to the group.

Revenue and operating result in USD bn. Current period: FY2026; revenue YoY compares with FY2025 recast.

Reporting segment / reconciliation	Revenue FY2024 recast	Revenue FY2025 recast	Revenue FY2026	Revenue YoY	Operating result[1]	Operating margin[1]
Cloud Memory	3.8	13.5	43.1	218.6%	31.2	72.5%
Core Data Center	5.0	7.2	37.6	420.0%	29.5	78.6%
Mobile and Client	11.7	11.9	36.6	208.6%	29.2	79.8%
Automotive and Embedded	4.6	4.8	15.9	234.2%	11.2	70.6%
All Other	<0.1	<0.1	<0.1	84.6%	<0.1	8.3%
Unallocated	—	—	—	—	−1.9	—
Consolidated Micron	**25.1**	**37.4**	**133.2**	**256.3%**	**99.3**	**74.6%**

[1] Operating result and margin refer only to the current period; margin is operating result divided by revenue. Issuer business-unit reporting is restated for comparability. Unallocated expenses reconcile the BU results to GAAP. These are annual results; no comparison of FY2026 with an incomplete quarter is implied. The All Other row is below $0.1bn: revenue was $24m and operating profit $2m in FY2026; it is not zero.

Sources: Micron FY2026 Form 10-K, Note 20, recast segment information. Official filing 1

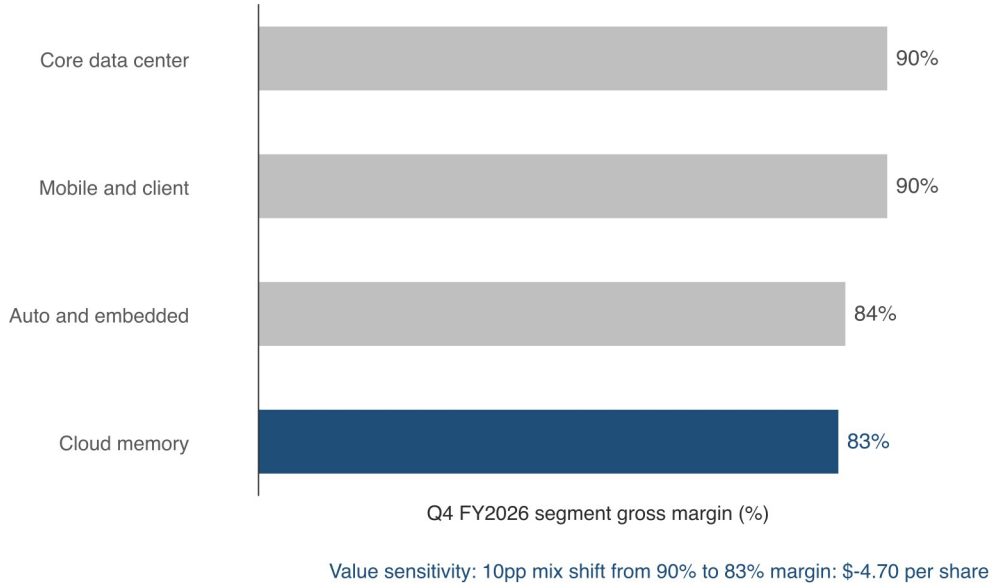
Training and inference make different demands on memory. Training repeatedly moves weights, activations and optimizer state; inference depends on model size, context length, concurrency, batching and latency. HBM bandwidth and capacity, server DRAM and NAND storage serve different tiers. Compression, caching or offload may reduce one tier while increasing another. Micron's 16 March launch illustrates the distinction: 36GB HBM4 provides 2.3 times HBM3E bandwidth at the same capacity; greater bandwidth is not extra bits. [S13, S14]

For each product, ordered bits depend on systems purchased and bits fitted per system, adjusted for inventory and qualification. Useful service also depends on utilization and software efficiency. If efficiency lowers cost per task, customers can retain savings, pass them into lower service prices or expand usage; demand must expand enough to require more hardware before Micron receives extra orders. The same efficiency gain cannot be counted fully as retained margin, higher utilization and additional system purchases. Price per bit, saleable yield and capital required for that output then determine Micron's margin and free cash flow.

Manufacturing determines profit per bit. Micron fabricates, assembles and tests products across Asia and the United States. Denser processes add bits per wafer; yield, packaging and qualification determine usable output. High fixed costs make utilization important. Revenue rose to $133.2bn in FY26, against $25.7bn of cost of goods sold and $8.2bn of operating expenses, leaving $99.3bn of operating profit. [S1, pp.12–13, 67]

The present shortage rewards ordinary memory alongside differentiated products. Figure 2 shows Cloud Memory at 83% gross margin, Automotive and Embedded at 84%, and the other two businesses at 90%. The calculated ten-point revenue shift to Cloud Memory costs 0.7 margin points and $4.70 of intrinsic value. The inference reverses at a 90% Cloud Memory margin, holding donor margins constant; falling donor margins can also close the gap. [S2]

Figure 2: Cloud memory gross margin was 83%, below two 90% businesses



Source: Micron Q4 FY2026 results, Quarterly Business Unit Financial Results [S2]; analyst mix calculation and valuation rerun at 4 November 2026. Management segment measures; Q4 contained fourteen weeks.

2. How long can suppliers retain the rent?

Investment is already responding to the shortage. HBM consumes wafer area and packaging capacity otherwise available for conventional DRAM. Micron plans first wafers at Idaho's first new fab and Tongluo around mid-2027, with further Idaho, Japan and Singapore output beginning around late 2028. First wafers still require a production ramp. SK hynix targets full M15X capacity by end-2026; Samsung is expanding HBM4, server DDR5 and storage supply. These are producer plans, not an independently measured future surplus. [S3, S6, S7]

The factory does not expire when a new GPU arrives. Micron reviews asset lives against node transitions and equipment reuse; its FY2026 accounting lives are generally 10–30 years for buildings and seven years for production equipment. These are accounting estimates, not guaranteed economic lives. Process conversions, reuse of compatible equipment, packaging upgrades and customer qualification determine what must be replaced. A fab shell can support successive products while selected tools need renewal. Lower orders would first reduce utilization and cash recovery; sustained inferior cost or failed qualification can then strand particular tools or a facility. The rent can end before the asset wears out. [S1, pp.64, 73]

Contracts could make this cycle different. Micron reported 26 strategic customer agreements covering more than 35% of expected revenue through 2030; about three-quarters of that portion has a defined pricing framework. Floors, ceilings and fixed prices offer more protection than spot sales, but they do not establish a group profit floor. The $134.0bn of year-end remaining performance obligations uses committed volumes and minimum prices; Micron explicitly cautions that it is not a forecast of total contract revenue. [S1, p.88; S3, pp.2–3]

Concentration does not prevent competitive supply. Counterpoint's calendar-Q2 estimates put the three largest DRAM vendors at 87% of revenue, down from 94% a year earlier, while CXMT rose from 4% to 10%. The calculated concentration index fell from 3,112 to 2,750. These are rounded external revenue estimates, not physical capacity or Micron's fiscal-Q4 share. [S8]

Chinese model progress alone establishes neither chip parity nor a competitive DRAM process or qualified HBM supply. Conditional hardware convergence has three stages. Domestic sufficiency could substitute locally for

Micron products where access permits; an exported API or service could compete using hardware that overseas users never buy. A reproducible international hardware, software and support system would be the stronger test for global design wins. At each stage, evaluate demonstrated memory bandwidth, power, saleable yield, packaging, reliability and customer qualification separately. For Micron, the tests are where systems are built, memory content by tier and which vendors qualify. Service competition can redirect workloads and orders without demonstrating a globally qualified alternative memory supplier. No share, timing or probability is assigned to these stages.

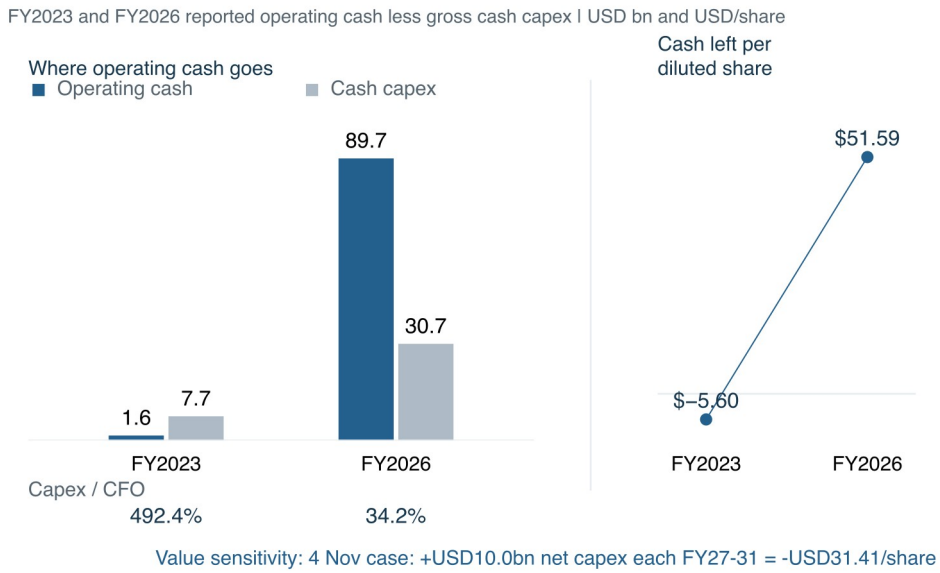
Five forces limit permanent seller power: rivals expand supply; capital and qualification impede entry; HBM raises customer switching costs; specialized tools constrain expansion; and expensive memory encourages customers to economize. A shortage can support a 10% price increase until alternatives qualify. The retained operating case permits exceptional profits through FY31, then fades over three years to a 20.53% operating margin. On a 4 November 2026 valuation basis, a sustained 40% margin instead adds $197.44 per share. Factory completion alone does not prove when this rent ends.

PEST: policy incentives reduce factory cash costs, while export restrictions can restrict sales; economic demand sets utilization; social adoption changes workloads; technology changes memory content and renewal requirements. FY26 cash incentives of $3.3bn reduced cash investment, whereas $6.4bn of accounting incentive benefits reduced property carrying values. They cannot be substituted. A supply restriction can weaken orders even with strong end demand, and neither a model benchmark nor this conditional analysis establishes the cause of a stock-price move. [S1, pp.30–34, 85–87]

3. How much profit reaches the shareholder?

Cash production has changed; memory still demands capital. Figure 3 contrasts the FY23 downturn with FY26: operating cash of $1.6bn could not cover $7.7bn of gross cash investment in FY23; FY26 produced $89.7bn against $30.7bn of investment. Cash left after gross investment moved from **−$5.60 to $51.59 per diluted share**. The latter is cash retained by the company, not a dividend or a recurring owner-income estimate. [S1, p.70; S5, p.61]

Figure 3: FY2026 cash after gross capex reached $51.59 per diluted share. Cash reversal test: at unchanged FY2026 operating cash, gross investment of $89.7bn leaves no cash.



Source: Micron FY2026 and FY2023 cash-flow statements [S1, S5]; weighted-average diluted shares for each year. Excludes incentive cash from the cash-left calculation. At unchanged FY26 operating cash, $89.7bn of gross investment leaves no cash. On a 4 November 2026 valuation basis, additional annual net investment of $10.0bn in FY27–31 reduces intrinsic value by $31.41 per share.

Tax and customer-financing claims constrain surplus cash. FY26 tax expense was $14.8bn but cash tax payments were $1.3bn. Customer deposits added $12.7bn through financing, with nearly all repayments due in 2029–31. The equity bridge deducts the $12.9bn deposit liability and $15.4bn of current and noncurrent income-and-other-tax balances once, worth $11.21 and $13.43 per share respectively. The current tax balance includes other taxes; excluding that entire component adds $4.89, a scope sensitivity rather than a known correction. Future profits bear a 15% tax assumption, so the unusually low FY26 cash-tax rate is not capitalized forever. [S1, pp.70, 77, 88–92]

Management has put much more capital into capacity than into direct shareholder payments. Over FY21–26, $2.6bn of dividends and $5.0bn of gross program repurchases compare with $103.0bn of cumulative GAAP earnings. The resulting 7.40% payout upper bound fails the one-third test even before share issuance is considered; year-end shares increased from 1,119m to 1,131m. Project-level and comparable incremental-capital returns have not been established from available disclosures. We consequently retain the announced direction of factory spending, assign no future repurchases and require actual distributions before improving the capital-allocation assessment. [S1, S4, S5]

Reconstructed FY21–26 book return on invested capital averages 29.06%, above the 12.10% hurdle used in the 4 November 2026 capital comparison, so that test passes. FY26 dominates; book capital is not replacement cost. [S12] Maintenance expenditure has not been separated from expansion; a positive product-cost advantage in the FY23 trough, with its −37.0% GAAP operating margin, remains unproved. The $18.0bn starting maintenance estimate is a replacement-cost proxy, not depreciation relabeled: using $12.0bn or $24.0bn changes intrinsic value at 4 November 2026 by +$46.09 or −$46.09. Micron consequently does not qualify here as a proven full-cycle compounder. [S1, pp.73, 76; S5]

4. What changes in the next three years?

Earnings can nearly double before supply expansion starts reducing selling prices. Table 2 summarizes our $261.0bn FY27 revenue case. Our FY27 forecast remains below the external aggregate revenue estimate; the sharper difference emerges in FY28, when more bits no longer offset the assumed price decline. Micron's company guide is Q1 FY27 revenue of $61.5bn ±$1.5bn and 85.95% GAAP gross margin; it has not supplied our annual DRAM or NAND price changes. [S2, S9]

Table 2: FY27 revenue reaches $261.0bn before the assumed price decline

USD bn unless stated	FY25A	FY26A	FY27E	FY28E	FY29E
Revenue	37.4	133.2	261.0	248.0	191.1
EBITDA, GAAP operating profit plus D&A	18.1	108.8	227.4	210.4	151.0
EBITDA margin	48.5%	81.7%	87.1%	84.8%	79.0%
GAAP net income	8.5	85.0	184.8	167.8	114.7
GAAP diluted EPS, USD	7.59	74.33	160.69	145.90	99.76
Company adjusted free cash flow	3.7	62.3	—	—	—
Unlevered free cash flow, analyst	—	—	127.9	122.8	85.2
Net cash capital expenditure	13.8	27.4	55.0	60.0	55.0
Net debt / EBITDA	0.15x	−0.63x	−0.87x	−1.53x	−2.71x
Dividend per share, USD	0.46	0.53	0.60	0.60	0.60
Dividend yield at $690.00	0.07%	0.08%	0.09%	0.09%	0.09%

Source: Micron FY2026 Form 10-K [S1] and analyst operating forecasts. FY26 has 53 weeks; forecast fiscal years have 52 weeks or 364 days. Reported adjusted free cash flow and forecast unlevered cash flow use different tax and financing definitions. Forecast cash ratios precede settlement of opening liabilities already charged in the equity bridge and do not represent unrestricted surplus cash. Dividend yields use the 6 November $690.00 quote.

Three mechanisms drive the forecast. FY27 DRAM bits grow 22% with selling prices up 65%, and NAND bits grow 25% with prices up 45%. From FY28, annual price declines outweigh continued volume growth; the base assumes DRAM/NAND price falls of 20%/25% in FY28 and 35%/35% in FY29. These analyst price paths are not proved by factory-opening dates.

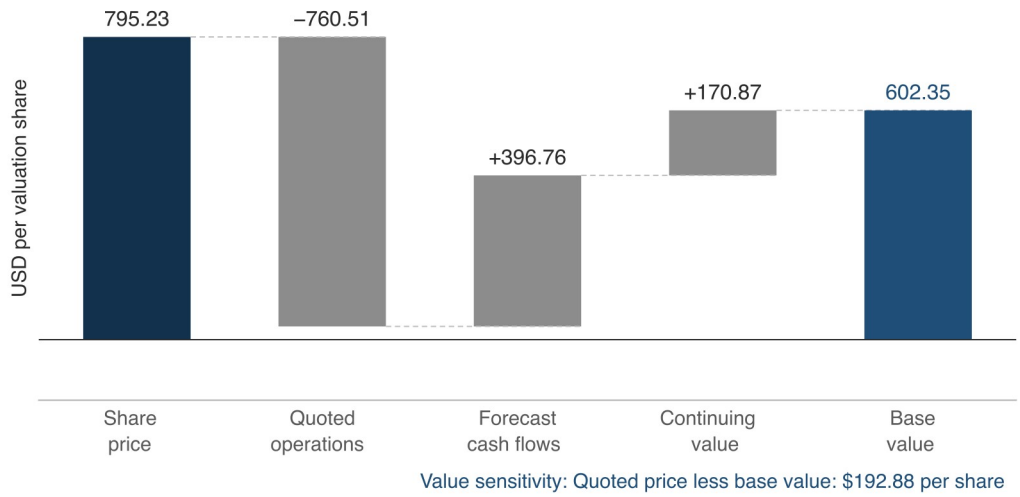
Investment absorbs part of the earnings. Net cash investment is $55.0bn in FY27, followed by $60.0bn and $55.0bn. Micron expected construction spending to grow faster than equipment spending in FY27; construction and production tools therefore have different timing. At a 4 November 2026 valuation date, a flat cost-per-bit test costs $24.79 per share; a separate additional $10.0bn of annual FY27–31 net investment costs $31.41. Those are standalone sensitivities on that date, not extra deductions layered onto the joint case. [S3, p.10]

The joint operating boundary leaves FY27 net cash capex at $55.0bn and keeps the central depreciation path. Lower DRAM pricing reduces FY27 revenue from $261.0bn to $254.9bn and unlevered free cash flow from $127.9bn to $123.7bn. The 1.25x maintenance factor begins after FY31, in the transition and continuing cash flows. It tests a higher cost of keeping the production base competitive, without pretending that the entire factory must be replaced every accelerator generation. It is not an additional identical capex charge in FY27–31.

5. How much future is already paid for?

At $690.00, Micron trades at 4.29x FY27 GAAP EPS and 3.13x FY27 EBITDA on a conventional enterprise value basis. Market capitalization is $780.7bn using 1,131.423212m market-cap shares; the $712.4bn enterprise value adds FY26 debt and subtracts FY26 cash and investments. These multiples use the 6 November quote with 3 September balance-sheet claims, not observed November net debt. Forecast valuation uses 1,150m diluted shares. The external revenue estimate of $275.5bn and mean target of $1,561.91 are a comparison observed on 4 November, rather than refreshed consensus. Figure 4 illustrates the cash-flow claims at a 4 November valuation date. [S1, S9, S15]

Figure 4: At a 4 November 2026 valuation date, value is $602.35 versus a $795.23 reference price. The 39.55% long-run margin threshold uses that date and price.



Source: analyst valuation and the 4 November 2026 reference quote [S10]. The illustration explains the cash-flow claims on that date, rather than a price target at 6 November.

Table 3: Cash-flow claims at 4 November 2026 give $602.35 of intrinsic value

Step, USD per valuation share	Amount
Quoted share price	795.23
Remove the operating business priced by the quote	−760.51
Add present value of explicit and transition cash flows	+396.76
Add present value of continuing operations	+170.87
Base intrinsic value	602.35

Table 3 and Figure 4 illustrate the cash-flow claims at a 4 November 2026 valuation date: the $795.23 reference quote less $760.51 of priced operations leaves $34.72 of opening net cash after debt, deposits and taxes. Forecast and transition cash flows contribute $396.76 and continuing operations $170.87, producing $602.35 per share. The operating assumptions place price declines in section 4 and the margin fade in section 2.

The proposed 6 November valuation discounts unlevered cash flow at 10.93% with 3% nominal terminal growth and 1,150m diluted shares. Its 12.06% equity hurdle uses the 4.86% ten-year Treasury, the retained 4.50% ERP convention and unchanged 1.599 weekly beta. Fixed 5.90% debt cost is retained. ACT/365 discounts actual calendar days; fiscal forecasts and the three-year transition retain 364-day years. The rolling 365-day dividend

allocates FY27 and FY28 dividends uniformly over their fiscal days, giving $0.601648351648 per share, not a declared payment schedule. TP plus dividend equals V0 multiplied by one plus Ke. [S11]

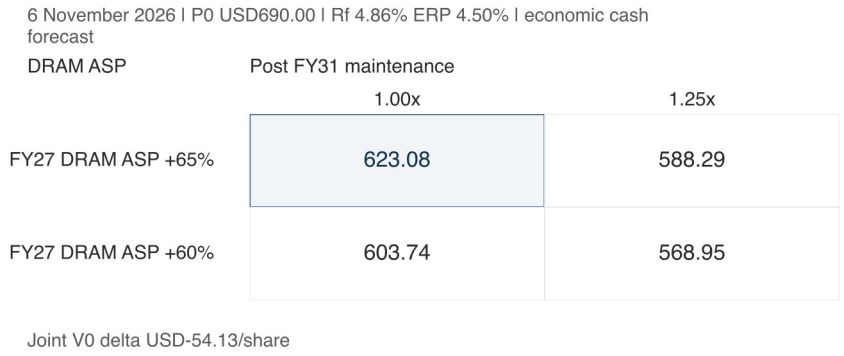
Cash treatment materially affects the valuation. Holding opening cash and claims frozen at the 6 November date and risk inputs gives V0 $603.63 and proposed TP $675.81. Including the economic cash forecast adds $22.4bn, or $19.45 per diluted share, and produces V0 $623.08 and TP $697.60. That amount accumulates forecast unlevered cash flow less dividends since the September balance date; it omits separate net financial income. It is not actual cash on 6 November. Opening debt, deposits and tax claims remain unchanged.

Table 4: Frozen claims and forecast cash lead to different proposed returns

6 November 2026 basis	V0 USD	TP USD	TSR	Ke
Current risk and date frozen claims	603.63	675.81	-1.97%	12.06%
ERP4.50 forecast cash base	623.08	697.60	1.19%	12.06%
ERP4.50 joint boundary	568.95	636.95	-7.60%	12.06%
ERP5.00 forecast cash base	594.73	670.60	-2.72%	12.86%
ERP5.00 joint boundary	544.92	614.37	-10.87%	12.86%

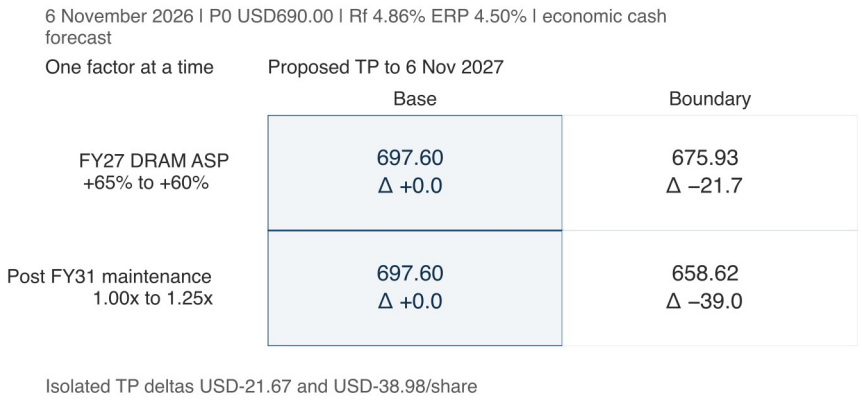
Source: MU formula graph and separate complete runs at P0 $690.00; USD per 1,150m diluted valuation shares. Cases include a conditional forecast cash bridge except the explicit frozen-claims row.

Figure 5: Joint DRAM pricing and later maintenance reduce V0 by $54.13 per share



Source: Full MU formula graph runs, 6 November 2026; Rf4.86%, ERP4.50%, 3% terminal growth, 1,150m diluted shares. Both figures use the central bits, cost, D&A and FY27–31 paid capex paths; Figure 5 changes both inputs together, Figure 6 changes one at a time. Two endpoints only, with no interpolated probabilities.

Figure 6: Isolated boundaries reduce proposed TP by $21.67 and $38.98 per share



Source: Full MU formula graph runs, 6 November 2026; Rf4.86%, ERP4.50%, 3% terminal growth, 1,150m diluted shares. Both figures use the central bits, cost, D&A and FY27–31 paid capex paths; Figure 5 changes both inputs together, Figure 6 changes one at a time. Two endpoints only, with no interpolated probabilities.

The 4.50% ERP joint case reduces proposed target value from $697.60 to $636.95 and TSR from 1.19% to -7.60%. At 5.00% ERP, the lower DRAM-price boundary alone gives V0 $576.07 and TP $649.53; maintenance alone gives $563.58 and $635.44; together they give $544.92 and $614.37. These two operating boundaries are tests of risk size. They do not estimate a new loss from a publication or apportion a market move to a particular cause.

The strongest countercase lengthens the rent rather than simply adding bits. At a 4 November 2026 valuation date, postponing assumed price declines by two years gives intrinsic value of $910.76 and a conditional twelve-month value of $1,020.33; a different joint longer-shortage case gives $1,641.78. These are conditional scenario values on that date, without active recommendations or assigned probabilities. Qualification, contracted prices and realized cash would need to demonstrate why high returns persist.

On the proposed current base, the three-year exit value is $798.27 plus $1.80 of dividends, or 5.06% annually from $690.00, below the 12.06% hurdle. Cash retained inside Micron supports value but does not become a shareholder distribution automatically. The result uses the same economic forecast cash convention and opening claims as the current one-year case.

6. What would change the decision?

We are wrong if contracts and constrained qualified capacity postpone falling selling prices long enough to overwhelm the cost of new factories. The next step is evidence of realized prices and cash returns, rather than a higher share price. Q1 and Q2 FY27 reports, expected around December 2026 and March 2027, should show whether realized DRAM/NAND prices support the assumed FY27 increases and whether Cloud Memory closes its seven-point margin gap; exact release dates were not confirmed. The mix claim reverses at a 90% Cloud Memory margin, with comparable donor margins unchanged.

Through 2027–28, first-wafer dates must be followed by saleable yield and customer qualification. Capacity announcements are an early signal, independently observed ASPs a confirming signal, and margin and free cash flow the lagging result. The next fiscal results expected around December 2026 and March 2027 should distinguish bits per system from systems purchased and memory tier mix. A durable 27.09% long-run operating margin reproduces the $690.00 quote under the proposed base. New evidence on qualified supply or contract pricing can reverse the thesis before the fab’s physical life ends.

The return test compares TSR with Ke plus or minus ten percentage points. At ERP4.50%, Ke is 12.0570%, so the lower and upper thresholds are 2.0570% and 22.0570%. The proposed base TSR of 1.19% falls below the lower threshold despite 1.10% target-price upside. With the same cash forecasts, a price above $684.13 misses the lower return threshold; below $572.03, the upper threshold is exceeded. The ERP5.00% return thresholds are 2.8567% and 22.8567%. These arithmetic screens do not activate a rating. Micron still lacks demonstrated passage of every full-cycle quality test.

Irreversible investment can become permanent loss if orders fail to cover the costs of qualified capacity and the capital needed to renew it. Low utilization first weakens margins and cash flow; obsolete tools, failed product transitions or unrecovered facility spending can then destroy capital. A new GPU generation alone does not establish such loss. At 4 November 2026 valuation inputs, the faster-normalisation case gives a conditional twelve-month value of $407.72; this is a scenario, not a measured confidence bound. Nasdaq access is assumed; returns exclude personal broker restrictions and taxes that have not been verified.

7. Sources and valuation limits

Economic maintenance cost, comparable supplier unit costs and trough advantage, and profit protection inside customer contracts remain the principal unknowns. Maintenance tests of $12.0bn–$24.0bn at a 4 November

2026 valuation date span $648.44–$556.26 of value. The 6 November calculations price separate DRAM and post-FY31 maintenance boundaries; they do not establish those unknowns. The frozen-claims and economic forecast-cash cases are shown side by side because cash since September has not been reported. No out-of-sample construction-error band, refreshed licensed consensus or matched-cycle peer valuation has been established. The reverse-price check below tests the required lasting operating margin.

[S1] Micron FY2026 Form 10-K, year ended 3 September 2026; filed 9 October 2026. Printed pp.7–13, 59–61, 67–70, 73, 75–79, 85–94.
https://www.sec.gov/Archives/edgar/data/723125/000072312526000023/mu-20260903.htm

[S2] Micron FY2026/Q4 results, 30 September 2026. Quarterly Business Unit Financial Results; Q1 FY2027 outlook; capital-spending/cash-flow reconciliation.
https://investors.micron.com/news/press-release/2026/Micron-Technology-Inc--Reports-Record-Fiscal-Fourth-Quarter-and-Full-Year-2026-Results/default.aspx

[S3] Micron Q4 FY2026 Prepared Remarks, 30 September 2026, pp.2–5, 7–10. Management forecasts.
https://s25.q4cdn.com/621799436/files/doc_financials/2026/q4/Q4-FY26-Prepared-Remarks.pdf

[S4] Micron FY2025 Form 10-K, filed 3 October 2025, pp.64–68.
https://www.sec.gov/Archives/edgar/data/723125/000072312525000028/mu-20250828.htm

[S5] Micron FY2023 Form 10-K, filed 6 October 2023, pp.46–47, 57, 59, 61.
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[S6] SK hynix Q3 2026 results, 28 October 2026. Capacity and long-term agreements.
https://news.skhynix.com/en/q3-2026-business-results/

[S7] Samsung Q3 2026 results, 29 October 2026. Device Solutions outlook.
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[S8] Counterpoint, Global DRAM and HBM Market Share, 2 September 2026. Calendar-Q2 2025/2026 tables; rounded original-research estimates.
https://counterpointresearch.com/en/insights/global-dram-and-hbm-market-share

[S9] StockAnalysis Micron Forecast, updated 4 November 2026. S&P Global aggregate relay; adjusted EPS/cash-flow definitions incompletely reconciled.
https://stockanalysis.com/stocks/mu/forecast/

[S10] Yahoo MU Historical Data, 4 November 2026 close; cross-checked with StockAnalysis. Secondary feeds accessed 5 November 2026.
https://finance.yahoo.com/quote/MU/history/

https://stockanalysis.com/stocks/mu/history/

[S11] US Treasury daily par CMT, ten-year rate 4.86% on 6 November 2026, observed near 15:30 EST. Beta uses 260 weekly MU/Nasdaq-100 observations through 30 October 2026. ERP4.50% and ERP5.00% are analyst conventions, not market observations.
https://home.treasury.gov/resource-center/data-chart-center/interest-rates/TextView?type=daily_treasury_yield_curve&field_tdr_date_value=2026

[S12] Micron FY2021 Form 10-K, filed 8 October 2021, p.50: FY2020 opening balance sheet for reconstructed full-cycle returns.
https://www.sec.gov/Archives/edgar/data/723125/000072312521000065/mu-20210902.htm

[S13] Micron HBM4 product launch, 16 March 2026. Same-capacity HBM3E versus HBM4 bandwidth comparison; manufacturer specifications.

https://micron.gcs-web.com/news-releases/news-release-details/micron-high-volume-production-hbm4-designed-nvidia-vera-rubin

[S14] Micron HBM4 product explanation, accessed 7 November 2026. Capacity, bandwidth, manufacturing and memory tiers.

https://www.micron.com/products/memory/hbm/hbm4

[S15] Nasdaq regular-session Closed reference for MU at 16:00 EST on 6 November 2026, $690.00; Yahoo daily close cross-check retained in source data.

https://api.nasdaq.com/api/quote/MU/info?assetclass=stocks

8. Current cash-flow bridge and cycle checks

Report dated 7 November 2026. The workbook gives $623.08 at the 6 November date, quote and risk inputs, with ACT/365 timing, rolling dividends and the disclosed economic cash forecast. Every displayed case uses a complete formula-graph calculation.

WACC is reproducible, but its capital structure remains an economic assumption. The arithmetic mean of annual FY2021–26 gross debt / (gross debt + book equity) is 16.0706458%, leaving 83.9293542% equity. It averages balance-sheet weights through a memory cycle; it is not a current market weight. Ke = 4.86% + 1.5993358998 × 4.50% = 12.0570115%. With Kd 5.90% and 15% assumed tax, WACC = Ke × 83.9293542% + 5.90% × (1−15%) × 16.0706458% = 10.9253148% (10.93% displayed).

A cycle average reduces dependence on today's shortage profits and equity quotation, but does not establish a target financing mix or consistent levered-beta policy. Net cash does not eliminate gross debt; book equity is not investors' opportunity cost. A partial isolation test using 0.6590% current market debt weight, while holding the observed levered beta fixed, gives WACC 12.0106% and V0 $579.09 (−$43.99). Weights and leverage-related beta are not jointly re-established: this partial test is not a coherent alternative valuation. The capital-structure choice remains open; the base is unchanged.

Table 5: $654.2bn of operating value becomes $716.5bn of conditional equity value.

USD bn unless stated	Current conditional base
Forecast FCFF FY27 / 28 / 29 / 30 / 31	127.9 / 122.8 / 85.2 / 79.8 / 87.0
PV FY27–31 plus three-year normalisation	456.3
PV continuing operations / share of operating EV	197.9 / 30.25%
Operating enterprise value	654.2
FY26 cash/investments + forecast cash since 3 Sep	73.5 + 22.4
Less debt / customer deposits / unpaid tax claims	5.2 / 12.9 / 15.4
Equity value / diluted valuation shares	716.5bn / 1,150.0m
V0 / D12 / TP12, USD per share	623.0777943 / 0.6016484 / 697.6007076

Source: current 6 November XLSX Actuals, Forecast and Valuation. FCFF is after normalised operating tax, net cash investment and incremental working capital; SBC remains expensed. After three years of transition, terminal FCFF is $35.2bn; 3% growth and 10.9253% WACC give $444.5bn terminal EV before discounting. Opening claims are charged once. The $22.4bn cash addition is forecast unlevered cash less dividends, omitting separate financial income, rather than reported November cash.

The horizon identity is $623.0777943 × (1 + 12.0570115%) − $0.6016484 = $697.6007076; ($697.6007076 + $0.6016484) / $690.00 − 1 = 1.1887% TSR. Ke ±10 percentage points gives 2.0570% / 22.0570%, hence the SELL calculation despite positive price upside. No active recommendation is assigned.

The same-date reverse-price check requires a lasting 27.09% operating margin to reproduce $690.00, versus the 20.53% full-cycle base, holding other inputs fixed and recalculating both the transition and terminal cash flows. A separate full replay reproduces the quote. The 4.29× FY27 GAAP P/E therefore prices exceptional earnings together with their duration; low peak-year P/E does not establish cheapness. The retained $275.5bn FY27 external revenue aggregate is comparable in period, but dated 4 November and incomplete in earnings definitions; it is not refreshed consensus or a peer-multiple valuation.

Table 6: Cycle economics and cash claims remain the material verification priorities.

Unresolved item	Exposure / remaining limit	Next observation / owner
Maintenance and protected contract profits	6 November joint boundary −$54.13/share; standalone maintenance ranges at 4 November 2026 are dated sensitivities, not a measured error band.	FY27 Q1/Q2 reports, expected Dec 2026 / Mar 2027; realised ASPs, yields, cash investment; analyst.
Cycle book weights and beta policy	Partial weight-only test −$43.99; coherent leverage/beta effect not established.	Before next valuation: document sustainable financing mix and matched beta convention; research/valuation reviewer.
Cash since September, deposits and taxes	Forecast-cash switch contributes $19.45/share; actual November cash and claim settlements unreported.	Next balance and tax/deposit runoff disclosures; reconcile claims once; research analyst.

Current workbook: Micron (MU) — модель.xlsx (6 November valuation)

The MU workbook and dated calculation files share the 6 November valuation. Source documents, the full graph, replay code and run evidence accompany them. Valuation date and quote: 6 November 2026; horizon: 6 November 2027; source balance: 3 September. Figures 5 and 6 contain the joint and individual-factor matrices.

Rounding: monetary amounts in USD bn are shown to one decimal; per-share values, percentages and ratios are calculated from full precision. Displayed rows may not sum exactly. A blank or "not measured" is not a zero.