

Flash Comment — February 11, 2026

Semiconductors**Micron Technology, Inc.**

Micron Addresses HBM4 Noise (Ramp Pulled Fwd to 1Q26, Yield + Performance In Line, C2026 Supply Sold Out)

Our Call

This morning Micron provided updated financial commentary which we highlight below. As we expected, Micron commentary addressed prior HBM4 speculation as *'inaccurate'*. We see overall commentary as positive.

Initial Thoughts

While MU didn't quantify any change to C1Q26 guide, management noted its financial outlook has strengthened further since prior guidance. Management addressed recent speculation on its HBM positioning as *'inaccurate'*, noting shipments have commenced and ramping this quarter (pulled fwd. from C2Q26 expectation on prior earnings call). Reit. CY26 HBM supply sold out. Management emphasized confidence in yield and performance, w/ both HBM3E and HBM4 yields on track, HBM4 delivering >11gbps speeds.

Micron reiterated its capacity plans with Idaho One Fab in mid-CY27; Tonglue, Taiwan Fab (\$1.8B acquisition from PSMC) to provide supply near the end of CY2027 (prior reports note 3 fabs PSMC @ ~40-50k wspm each); Idaho Two Fab further on (Mid-CY28?).

We would also re-highlight the early December report from *The Nikkei* citing a \$9.6B investment from Micron for a new fab build-out in Hiroshima, Japan - specifically noting HBM production from the investment is expected to commence in calendar 2028.

Micron noted that the \$1.8B acquisition of PSMC's Tonglue, Taiwan Fab will additive to its F2026 capex guide of \$20B (noted 2H-weighted).

Overweight
Price Target: \$410.00

Ticker	MU
Upside/(Downside) to Target	2.8%
Price (02/11/2026)	\$398.80
52 Week Range	\$61.54 - 455.50
Market Cap (MM)	\$453,834

Source: Company Data, Wells Fargo Securities estimates, and Factset.
NA = Not Available, NC = No Change, NE = No Estimate

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Investment Thesis, Valuation and Risks

Micron Technology, Inc. (MU)

Investment Thesis

Our Overweight rating on Micron reflects 1) a more disciplined DRAM supply vs. demand environment; positive bit demand drivers (server CPU cycle, continued PC strength, 5G smartphones, consoles, etc.), 2) stronger-than-appreciated demand-side considerations driven by next-gen technologies, 3) Micron's improved competitive positioning in the DRAM and NAND markets, and 4) Micron's continually improving component-to-solutions mix and product portfolio execution (e.g., MCPs, HBM4, GDDR6X, etc.).

Target Price Valuation for MU: \$410.00 from NC

Our \$410/sh. price target reflects what we see as structural / secular support for multiple expansion (~10x our CY27 EPS est or ~15x P/E on \$25-\$30/sh. thru-cycle EPS).

Risks to Our Price Target and Rating for MU

Risks include highly volatile pricing for DRAM and NAND flash, the need for relatively high levels of capital investment, and large swings in Micron's profitability that have occurred in the past, and which we think are likely to continue in the future.

Companies Mentioned in Report

Company Name	Ticker	Last Price (02/11/26)	Rating
Micron Technology, Inc.	MU	\$398.80	Overweight

Source: Wells Fargo Securities LLC Estimates, FactSet

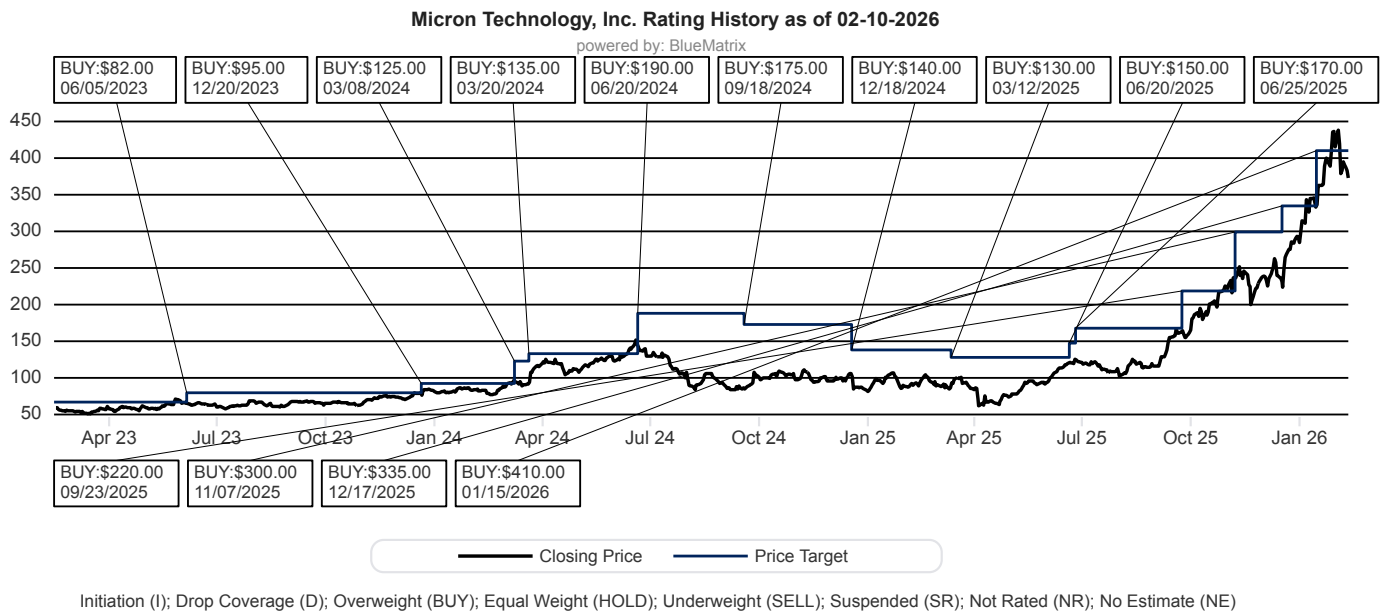
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OW=Overweight: Total return on stock expected to be 10%+ over the next 12 months. (BUY)

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UW=Underweight: Total return on stock expected to lag the Overweight- and Equal Weight-rated stocks within the analyst's coverage universe over the next 12 months. (SELL)

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As of February 10, 2026

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