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Amounts in millions, except exabytes, ASP, headcount, percentages, and working capital-related metrics		Q2 FY17	Q3 FY17	Q4 FY17	Q1 FY18	Q2 FY18
Revenue	Client Devices ¹	\$2,418	\$2,318	\$2,410	\$2,676	\$2,647
	Client Solutions ¹	1,076	1,003	1,013	1,136	1,255
	Data Center Devices & Solutions ¹	1,394	1,328	1,419	1,369	1,434
	Total Revenue	\$4,888	\$4,649	\$4,842	\$5,181	\$5,336
Exabytes Shipped	Client Devices ¹	39.2	36.4	36.5	39.5	40.0
	Client Solutions ¹	12.3	11.3	11.2	12.5	15.5
	Data Center Devices & Solutions ¹	26.3	26.5	33.5	35.4	39.8
	Total Exabytes Shipped ²	77.8	74.2	81.2	87.4	95.3
Cash Flows	Cash Flows provided by Operating Activities	\$1,060	\$998	\$939	\$1,133	\$1,182
	Purchases of Property, Plant and Equipment, net	(146)	(103)	(125)	(155)	(251)
	Activity Related to Flash Ventures, net	(43)	(154)	(53)	(131)	(378)
	Free Cash Flow ³	\$871	\$741	\$761	\$847	\$553
Working Capital Related	Days Sales Outstanding	37	38	37	37	35
	Days Inventory Outstanding	57	66	67	64	62
	Days Payables Outstanding	(59)	(69)	(68)	(64)	(59)
	Cash Conversion Cycle	35	35	36	37	38
HDD Metrics	Worldwide Headcount ⁴	70,800	71,200	67,600	71,600	71,300
	HDD TAM	111.5	98.8	96.4	104.1	N/A ⁵
	HDD Share	40.2%	39.6%	40.8%	40.5%	N/A ⁵
	HDD Units ⁶	44.8	39.1	39.3	42.2	42.3
	HDD ASP	\$62	\$63	\$63	\$61	\$63
	HDD Notebook Units ⁷	14.7	11.3	10.3	11.4	10.9
	HDD Desktop Units ⁷	9.9	9.4	8.9	9.5	10.2
	HDD Consumer Electronics Units ⁸	8.3	7.7	9.6	10.3	8.6
	HDD Branded Units	5.5	4.9	4.3	4.9	5.8
	HDD Enterprise Units	6.4	5.8	6.2	6.1	6.8
Total HDD Units	44.8	39.1	39.3	42.2	42.3	

Formulas	Footnotes
Free Cash Flow = Cash Flows provided by Operating Activities - Purchases of Property, Plant and Equipment, Net - Activity Related to Flash Ventures, net	1. Client Devices is comprised of notebook and desktop HDD, consumer electronics HDD, client SSD, embedded, wafer sales and licensing and royalties. Client Solutions is comprised of branded HDD, branded flash, removables and licensing and royalties. Data Center Devices and Solutions is comprised of enterprise HDD, enterprise SSD, data center software, data center solutions and licensing and royalties.
Days Sales Outstanding (DSO) = Accounts Receivable / (Revenue / 91 days)	2. Excludes Non-Memory Products.
Days Inventory Outstanding (DIO) = Inventories / (Cost of Revenue / 91 days)	3. Free cash flow is a non-GAAP financial measure defined as cash flows provided by operating activities less purchases of property, plant and equipment, net of proceeds from sales of property, plant and equipment, and the activity related to Flash Ventures, net. We consider free cash flow to be useful as an indicator of our overall liquidity, as the amount of free cash flow generated in any period is representative of cash that is available for strategic opportunities including, among others, investing in the company's business, making strategic acquisitions, strengthening the balance sheet, repaying debt, paying dividends and repurchasing stock.
Days Payables Outstanding (DPO) = Accounts Payable (including Accounts Payable to Related Parties) / (Cost of Revenue / 91 days)	4. Worldwide Headcount (rounded to the nearest hundred) excludes temporary and contracted employees.
Cash Conversion Cycle = DSO + DIO - DPO	5. HDD TAM and Share are based on market data and provided on a quarter lag based on availability of information.
HDD Share = Units (HDD) / TAM (HDD)	6. HDD Unit volume excludes SSD and media.
HDD ASP = Revenue (HDD) / Units (HDD)	7. HDD Notebook and Desktop includes shipments to distributors, second/third tier external HDD manufacturers, and white box manufacturers.
	8. Consumer Electronics includes gaming.

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Debt Tranches and Interest Rates

Debt	Base Rate ^A	Tenor	Maturity	Balance Outstanding as of 12/29/2017 ^B (in millions)	Applicable Rates
Revolver drawn ^C	L+175	5 years	April 29, 2021	\$0	3.319%
Term Loan A ^D	L+175	5 years	April 29, 2021	\$4,022	3.342% ^G
Term Loan B-3 U.S. Dollar ^D	L+200	7 years	April 29, 2023	\$2,955	3.569%
Sr. Secured Notes Due 2023 ^E	7.375%	7 years	April 1, 2023	\$1,875	7.375%
Sr. Unsecured Notes Due 2024 ^E	10.500%	8 years	April 1, 2024	\$3,350	10.500%
Convertible Debt ^F	0.500%	7 years	October 15, 2020	\$35	0.500%
Total				\$12,237	5.966%^H

A. All-in applicable rates as of December 29, 2017. Applicable spread for Term Loan A, Revolver, and Term Loan B-3 USD over LIBOR based on leverage ratio as of December 29, 2017.

B. Excluding Original Issue Discount and fees

C. Revolver capacity: \$1.5 billion as of December 29, 2017

D. Term Loan A and Term Loan B-3 USD have a LIBOR floor of 0bps

E. Notes are callable beginning April 1, 2019

F. Debt assumed in connection with the acquisition of SanDisk Corporation in May 2016

G. Reflects impact of interest rate swap that effectively fixes LIBOR on \$1 billion of principal on Term Loan A at 1.66% through May 2020

H. Weighted average interest rate as of December 29, 2017