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

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FORM 11-K

Annual Report pursuant to Section 15(d) of the Securities Exchange Act  
of 1934 [Fee Required]

For the fiscal year ended June 30, 1998

OR

Transition Report pursuant to Section 15(d) of the Securities Exchange Act  
of 1934 [No Fee Required]

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 1-8703

A. Full title of the plan and the address of the plan, if different from that  
of the issuer named below:

WESTERN DIGITAL CORPORATION RETIREMENT SAVINGS AND PROFIT SHARING PLAN

B. Name of issuer of the securities held pursuant to the plan and the address  
of its principal executive office:

WESTERN DIGITAL CORPORATION  
8105 Irvine Center Drive  
Irvine, California 92618

## INTRODUCTION

Western Digital Corporation (the "Company") has established the Western Digital Corporation Retirement Savings and Profit Sharing Plan (the "Plan"), formerly known as the Western Digital Corporation Savings and Profit Sharing Plan. The Plan is a cash or deferred arrangement plan intended to qualify under Section 401(k) of the Internal Revenue Code of 1986, as amended.

## REQUIRED INFORMATION

## I. Financial Statements:

These statements are listed in the Index to the Financial Statements.

## II. Exhibits:

Consent of Independent Auditors.

SIGNATURES

THE PLAN. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the Plan) have duly caused this annual report to be signed on its behalf by the undersigned, hereunto duly authorized.

WESTERN DIGITAL CORPORATION RETIREMENT  
SAVINGS AND PROFIT SHARING PLAN

Date: December 23, 1998  
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By: /s/ DUSTON M. WILLIAMS  
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Duston M. Williams  
Chairman of the Retirement  
Plan Committee

WESTERN DIGITAL CORPORATION  
 RETIREMENT SAVINGS AND PROFIT SHARING PLAN  
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Schedules of Prohibited Transactions and Leases in Default are not included herein because there were no such transactions during the period.

## INDEPENDENT AUDITORS' REPORT

Retirement Plan Committee of the Board of Directors  
Western Digital Corporation  
Retirement Savings and Profit Sharing Plan:

We have audited the accompanying statements of net assets available for plan benefits of the Western Digital Corporation Retirement Savings and Profit Sharing Plan (the "Plan") as of June 30, 1997 and 1998 and the related statements of changes in net assets available for plan benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for plan benefits of the Western Digital Corporation Retirement Savings and Profit Sharing Plan as of June 30, 1997 and 1998, and the changes in net assets available for plan benefits for the years then ended in conformity with generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule of Assets Held for Investment Purposes, Schedule of Loans or Fixed Income Obligations and Schedule of Reportable Transactions are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

KPMG PEAT MARWICK LLP

Orange County, California  
December 14, 1998

## WESTERN DIGITAL CORPORATION RETIREMENT SAVINGS AND PROFIT SHARING PLAN

## STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

(IN THOUSANDS)

	June 30,	
	1997	1998
	-----	-----
Assets		
Investments, at current value: (Notes 1, 2, 4 and 5)		
Debt and equity securities .....	\$125,200	\$138,486
Participant loans .....	4,195	5,147
	-----	-----
Total investments .....	129,395	143,633
Cash and cash equivalents .....	1,609	63
Receivables (Notes 2 and 3)		
Participants' contributions .....	982	--
Employer's contribution .....	309	--
Employer's profit sharing contribution .....	7,142	--
	-----	-----
Total assets .....	\$139,437	\$143,696
	=====	=====
Net assets available for Plan benefits:		
Available to terminated participants .....	\$ 27,833	\$ 31,301
Available to continuing participants .....	111,604	112,395
	-----	-----
Net assets available for Plan benefits .....	\$139,437	\$143,696
	=====	=====

The accompanying notes are an integral part of these financial statements.

## WESTERN DIGITAL CORPORATION RETIREMENT SAVINGS AND PROFIT SHARING PLAN

## STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS

(IN THOUSANDS)

	Year ended June 30,	
	1997	1998
Additions to net assets:		
Participants' contributions .....	\$ 10,969	\$ 13,468
Employer's contributions .....	2,665	2,880
Employer's profit sharing contributions...	7,142	--
	-----	-----
Total contributions .....	20,776	16,348
Interest and dividend income .....	5,973	7,973
Realized/unrealized gain (loss) .....	27,361	(12,638)
	-----	-----
Total investment income (loss) .....	33,334	(4,665)
	-----	-----
Total additions .....	54,110	11,683
Deductions from net assets:		
Participant distributions paid .....	7,334	7,424
	-----	-----
Increase in net assets available for Plan benefits .....	46,776	4,259
Net assets available for Plan benefits at beginning of year .....	92,661	139,437
	-----	-----
Net assets available for Plan benefits at end of year .....	\$ 139,437	\$ 143,696
	=====	=====

The accompanying notes are an integral part of these financial statements.

## WESTERN DIGITAL CORPORATION RETIREMENT SAVINGS AND PROFIT SHARING PLAN

## NOTES TO FINANCIAL STATEMENTS

## (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

## Basis of Presentation

-----

The accompanying financial statements of the Western Digital Corporation Retirement Savings and Profit Sharing Plan (the "Plan"), formerly known as the Western Digital Corporation Savings and Profit Sharing Plan, have been prepared on an accrual basis of accounting and present the net assets available for Plan benefits as of June 30, 1997 and 1998 and changes in net assets available for Plan benefits for the years ended June 30, 1997 and 1998.

## Valuation of Investments

-----

Investments in marketable securities and common stock traded on national security exchanges are valued at current market values, determined through reference to public market information on the last business day of the Plan's fiscal year. Securities not traded on the last business day are valued at the last reported bid price. At June 30, 1997 and 1998, the Plan held investments in mutual funds, which are reported at fair market value. Cash and cash equivalents are valued at cost plus accrued interest which approximates market. Participant loans are carried at their contract value which approximates fair market value.

## Income Tax Status

-----

The Internal Revenue Service has determined and informed Western Digital Corporation (the "Company") by a letter dated January 17, 1997, that the Plan is designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter. However, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the requirements of the IRC.

## Use of Estimates

-----

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

## (2) DESCRIPTION OF THE PLAN

## General

-----

The Plan is a defined contribution plan as defined by the Employee Retirement Income Security Act of 1974. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

## Contributions

-----

U.S. based employees of the Company, who meet the Plan's eligibility criteria, are eligible to participate in the Plan and to receive employer matching contributions. Eligible employees may elect to contribute up to 14% of their compensation on a pretax basis and 9% of their compensation on an after tax basis (with an aggregate limit of 14%) for investment in 12 funds, provided that contributions do not exceed IRS limitations. The Company may make contributions equal to 50% of pretax participant contributions to the Plan, which are limited to 5% of the participant's compensation. The Company may also make additional contributions at its discretion. The Company may suspend matching contributions when it does not have



## WESTERN DIGITAL CORPORATION RETIREMENT SAVINGS AND PROFIT SHARING PLAN

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

sufficient net profits to make the applicable matching contribution. Contributions to the Plan are recorded as soon as administratively possible after the Company makes payroll deductions from Plan participants.

Investments  
-----

Participants designate their contributions, and those made by the Company, for investment in any or all of the following funds:

Fund ----	Investment Strategy -----
Puritan	Fund The Puritan Fund purchases shares in the Fidelity Puritan Mutual Fund, which invests primarily in common stock, preferred stock and bonds of corporations with an emphasis on growth.
Blue Chip Fund	The Blue Chip Fund purchases shares in the Fidelity Blue Chip Mutual Fund, which invests primarily in common stock of well-known and established companies.
Magellan Fund	The Magellan Fund purchases shares in the Fidelity Magellan Mutual Fund, which invests primarily in common stock and securities convertible into common stock of corporations with an emphasis on capital appreciation.
Stable Value Fund	The Stable Value Fund purchases shares in the T. Rowe Price Stable Value Mutual Fund, which invests primarily in guaranteed investment contracts ("GICs"), bank investment contracts ("BICs") and structured investment contracts ("SICs").
Western Digital Common Stock Fund	The Western Digital Common Stock Fund invests in the Company's common stock.
International Stock Fund	The International Stock Fund purchases shares in the T. Rowe Price International Stock Mutual Fund, which invests primarily in common stock of well-established, non-U.S. corporations.
Small-Cap Value Fund	The Small-Cap Value Fund purchases shares in the T. Rowe Price Small-Cap Value Mutual Fund, which invests primarily in common stock of corporations with a market value of \$500 million or less that appear undervalued compared to industry norms.
Science & Technology Fund	The Science and Technology Fund purchases shares in the T. Rowe Price Science and Technology Mutual Fund, which invests primarily in common Fund stock of companies expected to benefit from the development, advancement, and use of science and technology.
Equity Income Fund	The Equity Income Fund purchases shares in the T. Rowe Price Equity Income Mutual Fund, which invests primarily in dividend-paying common stock, particularly of established companies with favorable prospects for both increasing dividends and capital appreciation.

## WESTERN DIGITAL CORPORATION RETIREMENT SAVINGS AND PROFIT SHARING PLAN

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Fund -----	Investment Strategy -----
Spectrum Income Fund	The Spectrum Income Fund purchases shares in the T. Rowe Price Spectrum Income Mutual Fund, which invests primarily in a diversified group of T. Rowe Price mutual funds which, in turn, invest principally in fixed income securities.
Equity Index Trust	The Equity Index Fund purchases shares in the T. Rowe Price Equity Index Trust, which invests in, to the extent practicable, all 500 stocks the Standard & Poor's 500 Stock Index comprises in proportion to their respective weighting in the index.
Small Company Growth Fund	The Small Company Growth Fund purchases shares in the Warburg Pincus Small Company Growth Portfolio Mutual Fund, which invests primarily in common stock of small-sized domestic corporations.

On June 30, 1997, the Plan closed the Disciplined Equity Fund and transferred all participant balances invested in this fund into any or all of the remaining funds offered by the Plan as instructed by the individual participants. In the event that no designation was made by a participant, amounts invested in the Disciplined Equity Fund were transferred to the Stable Value Fund at June 30, 1997.

As of June 30, 1998, all of the Plan's assets were invested in mutual funds, Western Digital common stock, cash and cash equivalents or participant loans. Participants may transfer all or a portion of the balance in their accounts between investment funds on a daily basis.

As of June 30, 1998, the following investments represented greater than 5% of the market value of the Plan's net assets (in thousands):

Fund -----	Market Value -----
Puritan Fund	\$18,597
Blue Chip Fund	7,651
Magellan Fund	31,516
Stable Value Fund	25,372
Western Digital Stock Fund	15,392
Small-Cap Value Fund	7,437
Science & Technology Fund	10,777
Equity Income Fund	11,232

Participant Loans  
-----

Loans can be made to a participant up to an amount equal to the lesser of \$50,000 or 50% of a participant's vested account balance. The loans bear interest at 1% above the current prime rate published by T. Rowe Price Trust Company and are generally payable in installments over periods ranging from one to five years, unless the loan is used for the purchase of a primary residence, in which case the repayment period may be up to ten years. Principal and interest payments are allocated to the participants' accounts in the same manner as their current contributions. The Plan allows participants to have no more than two active loans at a time. The annual interest rate charged on employee loans during 1998 ranged from 7% to 10%.

## WESTERN DIGITAL CORPORATION RETIREMENT SAVINGS AND PROFIT SHARING PLAN

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

## Participant Accounts

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A separate account is maintained for each participant in each designated fund. Each account is adjusted for contributions and net investment income or loss on a daily basis. Net investment income or loss is allocated to the accounts in the same proportion as the participant's beginning account balance invested in the fund (as defined in the Plan) bears to the total of all participants' beginning account balances invested in the fund.

## Payment of Benefits

-----

Upon termination, participants may receive a lump-sum payment in cash and/or shares of the Company's common stock. The nonvested portion of terminated participants' accounts is forfeited subject to a five-year reinstatement period. Forfeitures are allocated annually to remaining participants in the same ratio as each participant's compensation for the plan year bears to the total compensation for the plan year of all participants eligible to share in the allocation.

Certain restrictions apply to withdrawals of amounts from the Plan while a participant continues to be employed by the Company.

## Vesting

-----

Participants are at all times one hundred percent vested in the value of their voluntary contributions and the Company's profit sharing contributions. A participant is fully vested in the Company's matching contributions and earnings thereon after five years of service (as defined in the Plan), or upon retirement (at normal retirement age), permanent disability or death. The Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of the Employee Retirement Income Security Act of 1974. In the event of Plan termination, participants will become fully vested in their accounts.

## Administration of the Plan

-----

The Retirement Plan Committee (the "Committee"), appointed by the Board of Directors and consisting of at least three members, has the authority to control and manage the operation and administration of the Plan. The assets of the Plan are held in a non-discretionary trust by T. Rowe Price Trust Company as trustee and are administered under a trust agreement which requires that the trustee hold, administer and distribute the funds of the Plan in accordance with the text of the Plan and the instructions of the Committee or its designees. The compensation or fees of accountants, counsel and other specialists and any other costs of administering the Plan or the trust are paid by the Company or charged to the trust at the discretion of the Company.

## (3) PROFIT SHARING FEATURE

The Company adopted an annual profit sharing feature effective as of the beginning of the Company's 1992 fiscal year. All eligible domestic employees of the Company who are employed on the last day of the Company's fiscal year are eligible to participate in the profit sharing component. The amount of profit sharing paid to participants is dependent upon their eligible compensation earned during the fiscal year. A portion of each eligible participant's allocation of the Company's profit sharing contribution is deposited into an individual profit sharing account established under the Plan (6.0% and 0% of eligible fiscal year compensation in 1997 and 1998, respectively) and the excess allocable to such participant, if any, is paid as a fiscal year-end cash bonus. Benefits are generally payable following retirement, disability, death, hardship or termination of employment. During 1997 and 1998, the Company authorized 4.1% and 0%, respectively, of defined pre-tax profits to be allocated to the participants. In 1997 and 1998, the Company contributed \$7,141,684 and \$0, respectively, as profit sharing to the Plan.

## WESTERN DIGITAL CORPORATION RETIREMENT SAVINGS AND PROFIT SHARING PLAN

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

## (4) INVESTMENTS

The Plan's investments consist of the following at June 30, 1997 (in thousands):

	Shares Held	Cost	Current Value
	-----	-----	-----
Puritan Fund:			
Fidelity Puritan Mutual Fund.....	803	\$ 13,316	\$ 15,505
Blue Chip Fund:			
Fidelity Blue Chip Mutual Fund.....	106	3,404	4,027
Magellan Fund:			
Fidelity Magellan Mutual Fund.....	257	20,317	23,432
Stable Value Fund:			
T. Rowe Price Stable Value Mutual Fund.....	22,103	22,009	22,103
Western Digital Common Stock Fund.....	1,150	19,378	36,355
International Stock Fund:			
T. Rowe Price International Stock Mutual Fund.....	185	2,463	2,850
Small-Cap Value Fund:			
T. Rowe Price Small-Cap Value Mutual Fund.....	223	4,166	4,842
Science & Technology Fund:			
T. Rowe Price Science & Technology Mutual Fund.....	271	8,287	8,243
Equity Income Fund:			
T. Rowe Price Equity Income Mutual Fund.....	273	5,858	6,851
Spectrum Income Fund:			
T. Rowe Price Spectrum Income Mutual Fund.....	87	966	992
Western Digital Participant Loans.....	--	4,195	4,195
		-----	-----
		\$104,359	\$129,395
		=====	=====

## WESTERN DIGITAL CORPORATION RETIREMENT SAVINGS AND PROFIT SHARING PLAN

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The Plan's investments consist of the following at June 30, 1998 (in thousands):

	Shares Held	Cost	Current Value
	-----	-----	-----
Puritan Fund:			
Fidelity Puritan Mutual Fund.....	880	\$ 15,195	\$ 18,597
Blue Chip Fund:			
Fidelity Blue Chip Mutual Fund.....	163	5,956	7,651
Magellan Fund:			
Fidelity Magellan Mutual Fund.....	287	24,161	31,516
Stable Value Fund:			
T. Rowe Price Stable Value Mutual Fund.....	25,372	25,372	25,372
Western Digital Common Stock Fund .....	1,303	26,263	15,392
International Stock Fund:			
T. Rowe Price International Stock Mutual Fund.....	213	2,973	3,252
Small-Cap Value Fund:			
T. Rowe Price Small-Cap Value Mutual Fund.....	310	6,476	7,437
Science & Technology Fund:			
T. Rowe Price Science & Technology Mutual Fund.....	340	10,461	10,777
Equity Income Fund:			
T. Rowe Price Equity Income Mutual Fund.....	412	9,774	11,232
Spectrum Income Fund:			
T. Rowe Price Spectrum Income Mutual Fund.....	215	2,487	2,536
Equity Index Trust:			
T. Rowe Price Equity Index Trust.....	144	3,624	4,199
Small Company Growth Fund:			
Warburg Pincus Small Company Growth Portfolio Mutual Fund.....	33	503	525
Western Digital Participant Loans.....	--	5,147	5,147
		-----	-----
		\$138,392	\$143,633
		=====	=====

## WESTERN DIGITAL CORPORATION RETIREMENT SAVINGS AND PROFIT SHARING PLAN

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

## (5) NET ASSETS AND CHANGES IN NET ASSETS BY FUND

The net assets at June 30, 1997 and 1998 and changes in net assets for the years ended June 30, 1997 and 1998, allocated to the separate investment funds are shown below.

Net assets available for Plan benefits by fund (in thousands):

	June 30, 1997						
	Puritan Fund	Blue Chip Fund	Magellan Fund	Stable Value Fund	Western Digital Common Stock Fund	Inter-national Stock Fund	Small-Cap Value Fund
Assets							
Investments, at current value ..	\$ 15,505	\$ 4,027	\$ 23,432	\$ 22,103	\$ 36,355	\$ 2,850	\$ 4,842
Cash and cash equivalents .....	53	11	--	1,539	6	--	--
Receivables							
Participants' contributions ...	109	60	136	148	132	51	67
Employer's contribution .....	37	20	44	50	39	16	20
Employer's profit sharing contribution .....	647	348	896	2,254	998	242	356
	16,351	4,466	24,508	26,094	37,530	3,159	5,285
Interfund receivable(payable) ..	8	5	12	(67)	15	3	5
Net assets available for Plan benefits .....	\$ 16,359	\$ 4,471	\$ 24,520	\$ 26,027	\$ 37,545	\$ 3,162	\$ 5,290

	June 30, 1997 (Continued)						
	Science & Technology Fund	Equity Income Fund	Spectrum Income Fund	Equity Index Trust	Small Company Growth Fund	Participant Loans	Total Plan
Assets							
Investments, at current value ..	\$ 8,243	\$ 6,851	\$ 992	\$ --	\$ --	\$ 4,195	\$129,395
Cash and cash equivalents .....	--	--	--	--	--	--	1,609
Receivables							
Participants' contributions ...	156	94	16	9	4	--	982
Employer's contribution .....	45	30	5	2	1	--	309
Employer's profit sharing contribution .....	709	498	114	61	19	--	7,142
	9,153	7,473	1,127	72	24	4,195	139,437
Interfund receivable(payable) ..	9	6	2	1	1	--	--
Net assets available for Plan benefits .....	\$ 9,162	\$ 7,479	\$ 1,129	\$ 73	\$ 25	\$ 4,195	\$139,437

## WESTERN DIGITAL CORPORATION RETIREMENT SAVINGS AND PROFIT SHARING PLAN

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Net assets available for Plan benefits by fund (in thousands):

	June 30, 1998						
	Puritan Fund	Blue Chip Fund	Magellan Fund	Stable Value Fund	Western Digital Common Stock Fund	Inter- national Stock Fund	Small-Cap Value Fund
Assets							
Investments, at current value...	\$18,597	\$ 7,651	\$31,516	\$25,372	\$15,392	\$3,252	\$7,437
Cash and cash equivalents.....	55	--	--	8	--	--	--
	18,652	7,651	31,516	25,380	15,392	3,252	7,437
Interfund receivable(payable)...	7	6	10	(64)	13	3	4
Net assets available for Plan benefits.....	\$18,659	\$ 7,657	\$31,526	\$25,316	\$15,405	\$3,255	\$7,441

	June 30, 1998 (continued)						
	Science & Technology Fund	Equity Income Fund	Spectrum Income Fund	Equity Index Trust	Small Company Growth Fund	Participant Loans	Total Plan
Assets							
Investments, at current value...	\$10,777	\$11,232	\$2,536	\$4,199	\$525	\$5,147	\$143,633
Cash and cash equivalents.....	--	--	--	--	--	--	63
	10,777	11,232	2,536	4,199	525	5,147	143,696
Interfund receivable(payable)...	8	6	2	4	1	--	--
Net assets available for Plan benefits.....	\$10,785	\$11,238	\$2,538	\$4,203	\$526	\$5,147	\$143,696

## WESTERN DIGITAL CORPORATION RETIREMENT SAVINGS AND PROFIT SHARING PLAN

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Changes in net assets available for Plan benefits by fund (in thousands):

	Year ended June 30, 1997							
	Puritan Fund	Disciplined Equity Fund	Blue Chip Fund	Magellan Fund	Stable Value Fund	Western Digital Common Stock Fund	International Stock Fund	Small-Cap Value Fund
Additions to net assets:								
Participants' contributions.....	\$ 1,134	\$ 177	\$ 657	\$ 1,562	\$ 2,044	\$ 1,612	\$ 432	\$ 655
Employer's contributions.....	320	38	147	440	555	329	99	144
Employer's profit sharing contribution.....	647	--	348	896	2,254	998	242	356
Interest and dividend income.....	1,711	72	199	735	1,285	--	55	195
Realized/unrealized gain (loss).....	1,432	157	645	4,554	--	18,705	357	635
Total additions.....	5,244	444	1,996	8,187	6,138	21,644	1,185	1,985
Deductions from net assets:								
Participant distributions paid.....	996	24	75	1,257	2,283	2,420	1	64
Net forfeitures transferred out (in).....	(25)	(1)	(11)	(40)	144	(7)	(7)	(11)
Total deductions.....	971	23	64	1,217	2,427	2,413	(6)	53
Net interfund transfers.....	(2,037)	(1,234)	86	(6,419)	1,895	5,357	531	1,156
Increase (decrease) in net assets available for Plan benefits.....	2,236	(813)	2,018	551	5,606	24,588	1,722	3,088
Net assets available for Plan benefits at:								
Beginning of year.....	14,123	813	2,453	23,969	20,421	12,957	1,440	2,202
End of year.....	\$16,359	\$ --	\$4,471	\$24,520	\$26,027	\$37,545	\$3,162	\$5,290

	Year ended June 30, 1997 (continued)						
	Science & Technology Fund	Equity Income Fund	Spectrum Income Fund	Equity Index Trust	Small Company Growth Fund	Participant Loans	Total Plan
Additions to net assets:							
Participants' contributions.....	\$ 1,585	\$ 850	\$ 248	\$ 9	\$ 4	\$ --	\$ 10,969
Employer's contributions.....	345	195	50	2	1	--	2,665
Employer's profit sharing contribution.....	709	498	114	61	19	--	7,142
Interest and dividend income.....	913	400	59	--	--	349	5,973
Realized/unrealized gain (loss).....	(83)	927	32	--	--	--	27,361
Total additions.....	3,469	2,870	503	72	24	349	54,110
Deductions from net assets:							
Participant distributions paid....	96	65	1	--	--	52	7,334
Net forfeitures transferred out (in).....	(23)	(13)	(4)	(1)	(1)	--	--
Total deductions.....	73	52	(3)	(1)	(1)	52	7,334
Net interfund transfers.....	(646)	1,251	60	--	--	--	--
Increase (decrease) in net assets available for Plan benefits.....	2,750	4,069	566	73	25	297	46,776
Net assets available for Plan benefits at:							
Beginning of year.....	6,412	3,410	563	--	--	3,898	92,661
End of year.....	\$ 9,162	\$ 7,479	\$ 1,129	\$ 73	\$ 25	\$4,195	\$139,437



## WESTERN DIGITAL CORPORATION RETIREMENT SAVINGS AND PROFIT SHARING PLAN

## NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Changes in net assets available for Plan benefits by fund (in thousands):

	Year ended June 30, 1998						
	Puritan Fund	Blue Chip Fund	Magellan Fund	Stable Value Fund	Western Digital Common Stock Fund	Inter-national Stock Fund	Small-Cap Value Fund
Additions to net assets:							
Participants' contributions.....	\$ 912	\$ 953	\$ 1,689	\$ 2,821	\$ 1,961	\$ 511	\$ 889
Employer's contributions.....	250	185	376	561	467	109	179
Interest and dividend income.....	1,411	287	1,962	1,474	(3)	149	447
Realized/unrealized gain (loss).....	1,582	1,231	5,147	--	(23,110)	(60)	591
Total additions.....	4,155	2,656	9,174	4,856	(20,685)	709	2,106
Deductions from net assets:							
Participant distributions paid.....	706	180	2,160	1,877	1,174	147	380
Net forfeitures transferred out (in).....	(2)	--	2	(4)	2	(1)	--
Total deductions.....	704	180	2,162	1,873	1,176	146	380
Net interfund transfers.....	(1,151)	710	(6)	(3,694)	(279)	(470)	425
Increase (decrease) in net assets available for Plan benefits	2,300	3,186	7,006	(711)	(22,140)	93	2,151
Net assets available for Plan benefits at:							
Beginning of year.....	16,359	4,471	24,520	26,027	37,545	3,162	5,290
End of year.....	\$18,659	\$ 7,657	\$31,526	\$25,316	\$ 15,405	\$3,255	\$7,441

	Year ended June 30, 1997 (continued)						
	Science & Technology Fund	Equity Income Fund	Spectrum Income Fund	Equity Index Trust	Small Company Growth Fund	Participant Loans	Total Plan
Additions to net assets:							
Participants' contributions.....	\$ 1,346	\$ 1,355	\$ 368	\$ 547	\$ 116	\$ --	\$ 13,468
Employer's contributions.....	311	255	67	100	20	--	2,880
Interest and dividend income.....	838	898	119	--	--	391	7,973
Realized/unrealized gain (loss).....	469	786	39	641	46	--	(12,638)
Total additions.....	2,964	3,294	593	1,288	182	391	11,683
Deductions from net assets:							
Participant distributions paid.....	618	546	62	84	51	(561)	7,424
Net forfeitures transferred out (in).....	1	2	2	(2)	--	--	--
Total deductions.....	619	548	64	82	51	(561)	7,424
Net interfund transfers.....	(722)	1,013	880	2,924	370	--	--
Increase (decrease) in net assets available for Plan benefits.....	1,623	3,759	1,409	4,130	501	952	4,259
Net assets available for Plan benefits at:							
Beginning of year.....	9,162	7,479	1,129	73	25	4,195	139,437
End of year.....	\$10,785	\$11,238	\$2,538	\$4,203	\$ 526	\$5,147	\$143,696

## SCHEDULE I

## WESTERN DIGITAL CORPORATION RETIREMENT SAVINGS AND PROFIT SHARING PLAN

ITEM 27a -- SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES  
JUNE 30, 1998  
(IN THOUSANDS)

Identity of Issuer, Borrower, Lessor or Similar Party	Description of Investment, Including Collateral or Par Value	Cost	Current Value
Fidelity Retirement Services	880 shares Fidelity Puritan Mutual Fund	\$ 15,195	\$ 18,597
Fidelity Retirement Services	163 shares Fidelity Blue Chip Mutual Fund	5,956	7,651
Fidelity Retirement Services	287 shares Fidelity Magellan Mutual Fund	24,161	31,516
* T. Rowe Price Trust Company	25,372 shares T. Rowe Price Stable Value Mutual Fund	25,372	25,372
* T. Rowe Price Trust Company	213 shares T. Rowe Price International Stock Mutual Fund	2,973	3,252
* T. Rowe Price Trust Company	310 shares T. Rowe Price Small-Cap Value Mutual Fund	6,476	7,437
* T. Rowe Price Trust Company	340 shares T. Rowe Price Science & Technology Mutual Fund	10,461	10,777
* T. Rowe Price Trust Company	412 shares T. Rowe Price Equity Income Mutual Fund	9,774	11,232
* T. Rowe Price Trust Company	215 shares T. Rowe Price Spectrum Income Mutual Fund	2,487	2,536
* T. Rowe Price Company	144 shares T. Rowe Price Equity Index Trust Mutual Fund	3,624	4,199
Warburg Pincus Funds	33 shares of Warburg Pincus Small Company Growth Portfolio Mutual Fund	503	525
* Western Digital Corporation	1,303 shares common stock; \$.01 par value	26,263	15,392
* Plan Participants	854 participant loans with annual interest rates ranging from 7% to 10%	5,147	5,147
		----- \$ 138,392 =====	----- \$ 143,633 =====

\* These entities are considered "parties in interest" under the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 because they either provide services to the Plan or are an employer whose employees are covered by the Plan.

See accompanying independent auditors' report.

## WESTERN DIGITAL CORPORATION RETIREMENT SAVINGS AND PROFIT SHARING PLAN

## ITEM 27B -- SCHEDULE OF LOANS OR FIXED INCOME OBLIGATIONS

YEAR ENDED JUNE 30, 1998

Identity of Obligor	Original Amount of Loan	Amount Received Principal	Report Year Interest	Unpaid Balance	Issue Date	Maturity Date	Interest Rate	Amount Overdue	
								Principal	Interest
Loans in Default (in thousands):									
Ladick, Andrew J.	\$13	\$ --	\$ --	\$ 12	7/25/94	12/15/04	8.25%	\$12	\$ 5
Ledbetter, Letty	5	--	--	4	1/18/94	2/15/99	7.00%	4	--
Tinajero, Michelle S.	2	--	--	2	8/16/96	9/14/99	9.25%	2	--
Flores, Caroline J.	10	--	--	--	2/19/93	3/5/96	7.00%	--	--
Drown, Marlys I.	3	--	--	1	3/17/93	4/15/96	7.00%	1	--
Wollum, Glenn E.	17	--	--	16	10/23/95	11/1/99	10.00%	16	3
Ibale, Federico Y.	10	--	--	8	4/1/95	6/9/00	9.50%	8	1
Tran, Tot T.	2	--	--	1	6/2/93	5/30/97	7.00%	1	--
Moore, Barbra L.	12	--	--	5	12/11/92	12/12/97	7.00%	5	--
Trussell, David M.	9	--	--	7	3/1/95	5/12/00	9.50%	7	1
Huang, Lipson S.	16	--	--	15	7/25/94	12/17/04	8.25%	15	6
Rachapaetayakom, Benjarong	3	--	--	3	2/1/95	3/31/00	9.50%	3	1
Vu, Chinh L.	3	--	--	--	9/29/93	10/01/96	7.00%	--	--

See accompanying independent auditors' report.

## SCHEDULE III

## WESTERN DIGITAL CORPORATION RETIREMENT SAVINGS AND PROFIT SHARING PLAN

## ITEM 27d -- SCHEDULE OF REPORTABLE TRANSACTIONS

YEAR ENDED JUNE 30, 1998

Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Lease Rental	Expense Incurred with Transaction	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
Series of Transactions in Excess of 5% of Current Value of the Plan's Assets (in thousands):								
Fidelity Retirement Services	Fidelity Magellan Mutual Fund	\$ 8,495	\$ --	\$ --	\$ --	\$ 8,495	\$ 8,495	\$ --
Fidelity Retirement Services	Fidelity Magellan Mutual Fund	4,848	5,558	--	--	4,848	5,558	710
Western Digital Corporation	Common Stock	27,260	--	--	--	27,260	27,260	--
Western Digital Corporation	Common Stock	20,422	25,112	--	--	20,422	25,112	4,690
T. Rowe Price Trust Company	T. Rowe Price Stable Value Mutual Fund	24,762	--	--	--	24,762	24,762	--
T. Rowe Price Trust Company	T. Rowe Price Stable Value Mutual Fund	21,516	21,516	--	--	21,516	21,516	--
T. Rowe Price Trust Company	T. Rowe Price Science & Technology Mutual Fund	6,149	--	--	--	6,149	6,149	--
T. Rowe Price Trust Company	T. Rowe Price Science & Technology Mutual Fund	3,985	4,084	--	--	3,985	4,084	99
T. Rowe Price Trust Company	T. Rowe Price Equity Income Mutual Fund	6,133	--	--	--	6,133	6,133	--
T. Rowe Price Trust Company	T. Rowe Price Equity Income Mutual Fund	2,306	2,539	--	--	2,306	2,539	233

Transactions in Excess of 5% of Current Value of the Plan's Assets:

None

See accompanying independent auditors' report.

WESTERN DIGITAL CORPORATION  
RETIREMENT SAVINGS AND PROFIT SHARING PLAN

INDEX TO EXHIBITS

Exhibit	Description	Sequentially Numbered Page
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23.	Consent of Independent Auditors.....	22

## CONSENT OF INDEPENDENT AUDITORS

Retirement Plan Committee of the Board of Directors  
Western Digital Corporation  
Retirement Savings and Profit Sharing Plan:

We consent to the incorporation by reference in the Registration Statement (No. 33-56128) on Form S-8 of Western Digital Corporation Retirement Savings and Profit Sharing Plan of our report dated December 14, 1998, relating to the statements of net assets available for plan benefits of Western Digital Corporation Retirement Savings and Profit Sharing Plan as of June 30, 1997 and 1998 and the related statements of changes in net assets available for plan benefits for the years then ended and supplemental schedules, which report appears in the June 30, 1998 annual report on Form 11-K of Western Digital Corporation Retirement Savings and Profit Sharing Plan.

KPMG PEAT MARWICK LLP

Orange County, California  
December 23, 1998