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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 23, 2009

Western Digital Corporation

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

001-08703
(Commission File Number)

33-0956711
(I.R.S. Employer Identification No.)

20511 Lake Forest Drive
Lake Forest, California
(Address of Principal Executive Offices)

92630
(Zip Code)

(949) 672-7000
(Registrant's Telephone Number, Including Area Code)

Not applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 240.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition.

On April 23, 2009, Western Digital Corporation (“Western Digital”) announced financial results for the third fiscal quarter ended March 27, 2009. A copy of the press release making this announcement is attached hereto as Exhibit 99.1 and is incorporated herein by reference. A copy of Western Digital’s Investor Information Summary for the fiscal quarter ended March 27, 2009 is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

In Western Digital’s press release attached as Exhibit 99.1 hereto and in its conference call scheduled for 2:00 p.m. PDT/5:00 p.m. EDT today, Western Digital plans to report certain financial information, including net income and earnings per share for the quarter ended March 27, 2009, on both a GAAP and a non-GAAP basis. Western Digital believes that the non-GAAP measures presented in the press release and during the conference call are useful to investors as they provide an alternative method for measuring Western Digital’s operating performance and comparing it against prior periods’ performance, excluding third quarter in-process research and development charges related to Western Digital’s acquisition of SiliconSystems, Inc., announced on March 30, 2009, and restructuring charges associated with Western Digital’s restructuring plan, announced on December 17, 2008.

In accordance with General Instruction B.2 of Form 8-K, the information in this Item 2.02, including Exhibit 99.1 and Exhibit 99.2, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits**

- 99.1 Press Release issued by Western Digital Corporation on April 23, 2009 announcing financial results for the third fiscal quarter ended March 27, 2009.
- 99.2 Third Quarter Fiscal Year 2009 Western Digital Corporation Investor Information Summary.

SIGNATURE

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.

Western Digital Corporation
(Registrant)

Date: April 23, 2009

By: /s/ Raymond M. Bukaty
Raymond M. Bukaty
Senior Vice President, Administration,
General Counsel and Secretary

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FOR IMMEDIATE RELEASE:

**WD ANNOUNCES Q3 REVENUE OF \$1.6 BILLION AND
NET INCOME OF \$50 MILLION, OR \$0.22 PER SHARE**

***Continued Profitability and Cash Generation Achieved While Resizing Business in
Challenging Environment***

LAKE FOREST, Calif. — Apr. 23, 2009 — Western Digital Corp. (NYSE: WDC) today reported revenue of \$1.6 billion, on shipments of approximately 31.6 million units and net income of \$50 million, or \$0.22 per share, for its fiscal third quarter ended Mar. 27, 2009. The company's results include charges of \$14 million for in-process research and development related to the SiliconSystems, Inc. acquisition and \$4 million associated with the restructuring plan announced Dec. 17, 2008. Excluding these charges, non-GAAP net income was \$68 million or \$0.30 per share.¹ In the year-ago quarter, the company reported revenue of \$2.1 billion, unit shipments of 34.5 million and net income of \$280 million, or \$1.23 per share.

The company generated \$355 million in cash from operations during the March quarter, ending with total cash and cash equivalents of \$1.6 billion.

"We are pleased with our financial performance in the March quarter, reflecting continued profitability and cash generation," said John Coyne, president and chief executive officer of WD. "We managed our market segment participation, product mix and costs to optimize our returns in a challenging environment. We have taken a series of actions to resize and restructure the

¹ Non-GAAP net income consists of GAAP net income of \$50 million plus \$14 million in-process research and development charge and \$4 million of restructuring charges. Non-GAAP earnings per share of \$0.30 is calculated by using the same 226 million diluted shares as is used for GAAP earnings per share.

business to remain profitable and cash flow positive at a \$1.5 billion quarterly revenue level and the effects of these actions are already showing up in our results.”

Coyne also noted that WD sustained its investments in technology and new products in the March quarter, with growing shipments of the industry’s first 2 terabyte hard drive and of several new products in its branded products portfolio.

The company also broadened its product and market breadth with the recent acquisition of SiliconSystems, a leading maker of solid-state drives, which now comprises WD’s solid-state storage business unit. “SiliconSystems’ intellectual property and technical expertise will accelerate WD’s solid-state drive development programs, providing greater choice for our customers to satisfy all their storage requirements,” said Coyne. “Integration into WD is well under way and proceeding according to plan.”

The investment community conference call to discuss these results will be broadcast live over the Internet today at 2 p.m. PDT/5 p.m. EDT. The call will be accessible live and on an archived basis via the link below:

Audio Webcast: www.westerndigital.com/investor

Click on “Conference Calls”

Telephone Replay: 800-835-4112 (toll-free)

+1-203-369-3829 (international)

About WD

WD, one of the storage industry’s pioneers and long-time leaders, provides products and services for people and organizations that collect, manage and use digital information. The company produces reliable, high-performance hard drives and solid-state storage that keep users’

data accessible and secure from loss. WD applies its storage expertise to consumer products for external, portable and network storage applications.

WD was founded in 1970. The company's storage products are marketed to leading systems manufacturers, selected resellers and retailers under the Western Digital® and WD® brand names. Visit the Investor section of the company's Web site (www.westerndigital.com) to access a variety of financial and investor information.

This press release contains forward-looking statements concerning WD's profitability and cash generation at certain revenue levels, acceleration of WD's solid-state drive programs by the intellectual property and technical expertise added through the acquisition of SiliconSystems, and integration of SiliconSystems' business into WD's business. The foregoing forward-looking statements are based on WD's current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements, including: the impact of current negative global economic conditions; supply and demand conditions in the hard drive industry; actions by competitors; unexpected advances in competing technologies; uncertainties related to the development and introduction of products based on new technologies and expansion into new data storage markets; business conditions and growth in the various hard drive markets; pricing trends and fluctuations in average selling prices; changes in the availability and cost of commodity materials and specialized product components that WD does not make internally; and other risks and uncertainties listed in WD's recent Form 10-Q filed with the SEC on January 29, 2009, to which your attention is directed. Readers are cautioned not to place undue reliance on these forward-looking statements, which

WD Announces Q3 Revenue of \$1.6 Billion and
Net Income of \$50 Million, or \$0.22 Per Share
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speaking only as of the date hereof, and WD undertakes no obligation to update these forward-looking statements to reflect subsequent events or circumstances.

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Western Digital, WD, the WD logo and SiliconSystems are registered trademarks of Western Digital Technologies, Inc. or its subsidiaries in the U.S. and other countries.

WESTERN DIGITAL CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS

(in millions; unaudited)

	<u>Mar. 27, 2009</u>	<u>Jun. 27, 2008</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,579	\$ 1,104
Accounts receivable, net	824	1,010
Inventories	385	456
Other	134	161
Total current assets	<u>2,922</u>	<u>2,731</u>
Property and equipment, net	1,570	1,668
Goodwill	138	116
Other intangible assets, net	93	81
Other assets	269	279
Total assets	<u>\$ 4,992</u>	<u>\$ 4,875</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,001	\$ 1,181
Accrued expenses	252	266
Accrued warranty	93	90
Current portion of long-term debt	77	27
Total current liabilities	<u>1,423</u>	<u>1,564</u>
Long-term debt	425	482
Other liabilities	152	133
Total liabilities	<u>2,000</u>	<u>2,179</u>
Shareholders' equity	2,992	2,696
Total liabilities and shareholders' equity	<u>\$ 4,992</u>	<u>\$ 4,875</u>

WESTERN DIGITAL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in millions, except per share amounts)
(unaudited)

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>Mar. 27, 2009</u>	<u>Mar. 28, 2008</u>	<u>Mar. 27, 2009</u>	<u>Mar. 28, 2008</u>
Revenue, net	\$ 1,592	\$ 2,111	\$ 5,524	\$ 6,081
Cost of revenue	1,339	1,634	4,557	4,767
Gross margin	<u>253</u>	<u>477</u>	<u>967</u>	<u>1,314</u>
Operating expenses:				
Research and development	125	123	377	336
Selling, general and administrative	49	56	149	164
Acquired in-process research and development	14	—	14	49
Restructuring	4	—	117	—
Total operating expenses	<u>192</u>	<u>179</u>	<u>657</u>	<u>549</u>
Operating income	61	298	310	765
Net interest and other	(3)	(8)	(16)	(21)
Income before income taxes	58	290	294	744
Income tax provision	8	10	20	90
Net income	<u>\$ 50</u>	<u>\$ 280</u>	<u>\$ 274</u>	<u>\$ 654</u>
Net income per common share:				
Basic	<u>\$ 0.22</u>	<u>\$ 1.26</u>	<u>\$ 1.23</u>	<u>\$ 2.97</u>
Diluted	<u>\$ 0.22</u>	<u>\$ 1.23</u>	<u>\$ 1.22</u>	<u>\$ 2.89</u>
Common shares used in computing per share amounts:				
Basic	<u>223</u>	<u>222</u>	<u>222</u>	<u>220</u>
Diluted	<u>226</u>	<u>227</u>	<u>225</u>	<u>226</u>

WESTERN DIGITAL CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions; unaudited)

	Three Months Ended		Nine Months Ended	
	Mar. 27, 2009	Mar. 28, 2008	Mar. 27, 2009	Mar. 28, 2008
Cash flows from operating activities				
Net income	\$ 50	\$ 280	\$ 274	\$ 654
Adjustments to reconcile net income to net cash provided by operations:				
Depreciation and amortization	119	111	358	300
Stock-based compensation	12	10	33	27
Deferred income taxes	—	14	(7)	76
Loss on investments	1	4	10	12
Non-cash portion of restructuring	1	—	81	—
In-process research and development	14	—	14	49
Changes in operating assets and liabilities	158	12	193	51
Net cash provided by operating activities	<u>355</u>	<u>431</u>	<u>956</u>	<u>1,169</u>
Cash flows from investing activities				
Acquisitions, net of cash acquired	(44)	(10)	(44)	(925)
Capital expenditures	(106)	(137)	(408)	(469)
Investments, net	—	15	1	222
Net cash used in investing activities	<u>(150)</u>	<u>(132)</u>	<u>(451)</u>	<u>(1,172)</u>
Cash flows from financing activities				
Issuance of common stock under employee plans, net	(1)	6	8	38
Tax benefit from employee stock plans	1	—	5	—
Repurchase of common stock	—	(44)	(36)	(60)
Acquisition-related debt, net	—	(260)	—	250
Repayment of long-term debt	(2)	(1)	(7)	(8)
Net cash provided by (used in) financing activities	<u>(2)</u>	<u>(299)</u>	<u>(30)</u>	<u>220</u>
Net increase in cash and cash equivalents	203	—	475	217
Cash and cash equivalents, beginning of period	1,376	917	1,104	700
Cash and cash equivalents, end of period	<u>\$ 1,579</u>	<u>\$ 917</u>	<u>\$ 1,579</u>	<u>\$ 917</u>

WESTERN DIGITAL CORPORATION
 INVESTOR INFORMATION SUMMARY
 Q3 FY2009 (All amounts in millions, except ASPs and headcount)

	Q3 FY08	Q4 FY08	Q1 FY09	Q2 FY09	Q3 FY09
UNITS¹	34.5	35.2	39.4	35.5	31.6
REVENUE²	\$2,111	\$1,993	\$2,109	\$1,823	\$1,592
AVERAGE SELLING PRICE	\$59	\$56	\$53	\$51	\$50
GROSS MARGIN %	22.6%	21.3%	20.1%	15.9%	15.9%
REVENUE BY CHANNEL¹					
OEM	50%	57%	56%	57%	48%
DISTRIBUTORS	34%	24%	26%	21%	30%
RETAIL	16%	19%	18%	22%	22%
REVENUE BY GEOGRAPHY¹					
AMERICAS	28%	29%	23%	23%	26%
EUROPE	31%	25%	29%	29%	28%
ASIA	41%	46%	48%	48%	46%
REVENUE CONCENTRATION¹					
10 LARGEST CUSTOMERS	48%	53%	51%	49%	47%
WORLDWIDE HEADCOUNT	41,876	50,072	51,409	50,838	43,898
CASH RELATED INFORMATION					
CASH FLOW FROM OPERATIONS	\$431	\$230	\$301	\$300	\$355
CAPITAL EXPENDITURES	\$137	\$146	\$162	\$140	\$106
DEPRECIATION AND AMORTIZATION	\$111	\$113	\$117	\$122	\$119
DAYS SALES OUTSTANDING	44	46	47	46	47
INVENTORY METRICS					
RAW MATERIALS	\$153	\$144	\$129	\$124	\$104
WORK IN PROCESS	131	145	168	159	152
FINISHED GOODS	<u>171</u>	<u>167</u>	<u>180</u>	<u>163</u>	<u>129</u>
TOTAL INVENTORY, NET	\$455	\$456	\$477	\$446	\$385
INVENTORY TURNS	14	14	14	14	14

¹ Does not include media and substrates

² Revenue includes external sales of media and substrates of \$89 million in Q3'08; beginning Q4'08, external sales of media and substrates are no longer reported separately.