

Forward-looking Statements

Safe Harbor | Disclaimers

This presentation contains forward-looking statements within the meaning of federal securities laws, including statements regarding expectations for: our business outlook, financial condition and financial and operational performance; demand trends, market conditions and market opportunities; our capital expenditures and capital allocation priorities; and the availability and performance of our future products and technologies. These forward-looking statements are based on management's current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements.

Important risks and uncertainties include future responses to and effects of the COVID-19 pandemic; volatility in global economic conditions; impact of business and market conditions; impact of competitive products and pricing; our development and introduction of products based on new technologies and expansion into new data storage markets; risks associated with cost saving initiatives, restructurings, acquisitions, divestitures, mergers, joint ventures and our strategic relationships; difficulties or delays in manufacturing or other supply chain disruptions; hiring and retention of key employees; our substantial level of debt and other financial obligations; changes to our relationships with key customers; disruptions in operations from cyberattacks or other system security risks; actions by competitors; risks associated with compliance with changing legal and regulatory requirements and the outcome of legal proceedings; and other risks and uncertainties listed in our filings with the Securities and Exchange Commission (the "SEC") and available on the SEC's website at www.sec.gov, including our Form 10-K filed with the SEC on August 27, 2021, to which your attention is directed. You should not place undue reliance on these forward-looking statements, which speak only as of the date hereof, and we undertake no obligation to update or revise these forward-looking statements to reflect new information or events, except as required by law.

This presentation includes references to non-GAAP financial measures. Reconciliations of the differences between the non-GAAP measures provided in this presentation to the comparable GAAP financial measures are included in the appendices and in the Investor Relations section of our website. We have not fully reconciled our non-GAAP financial measure projections to the most directly comparable GAAP measures because material items that impact these measures are not in our control and/or cannot be reasonably predicted. Accordingly, a full reconciliation of the non-GAAP financial measure projections to the corresponding GAAP measures is not available without unreasonable effort.

 Western Digital.

Investor Day

May 10, 2022 \ \ San Francisco, CA



What's Next
**Western
Digital.**

Leadership in HDD

Ashley Gorakhpurwalla

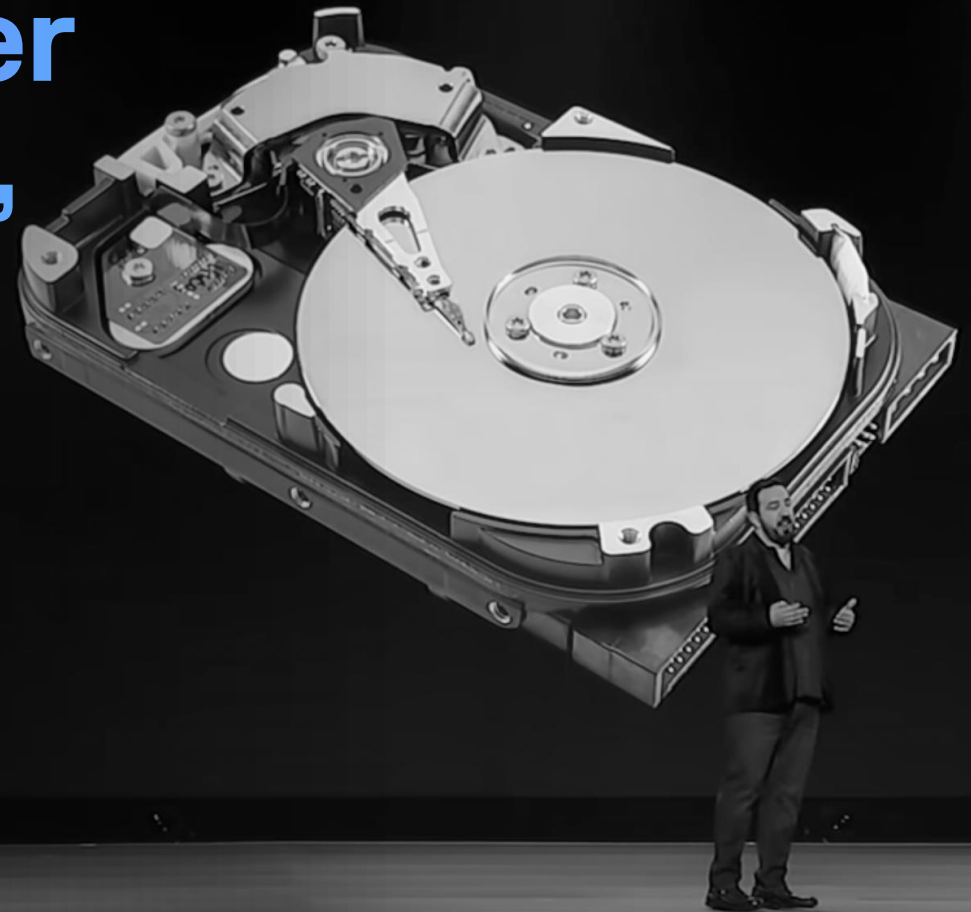
Executive Vice President
and General Manager

Western Digital HDD Business

“While SSDs have replaced hard drives in a number of places, in the cloud, hard drives are still the king of big data.”

Peter DeSantis

AWS re:Invent 2021 Keynote

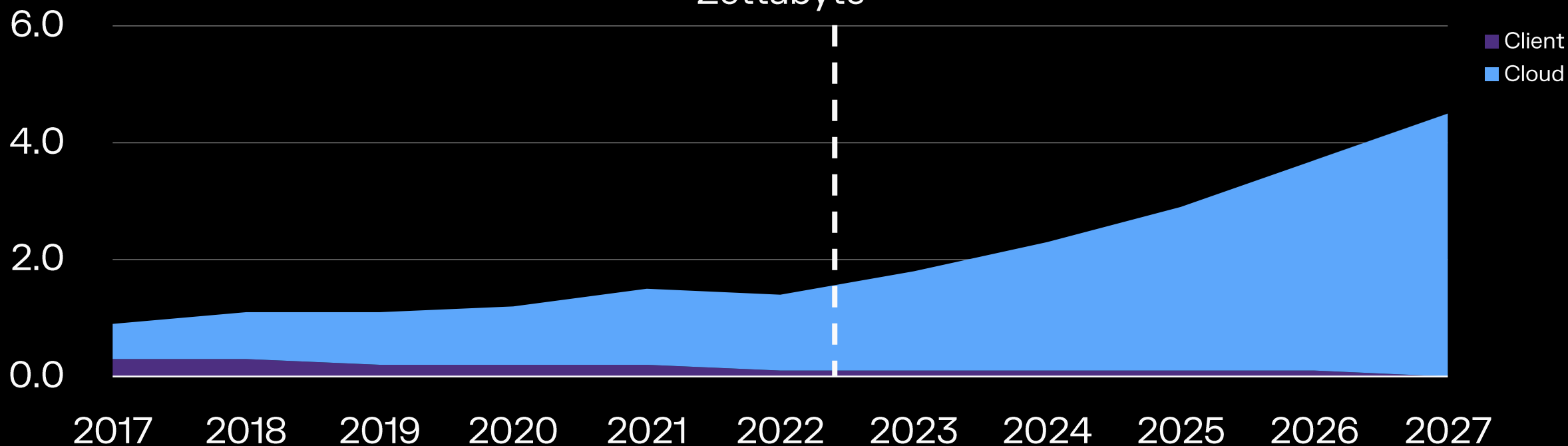


Cloud is Changing the HDD Market

The Future of Cloud is Dependent on HDD Capacity Growth

HDD Total Addressable Market (TAM)

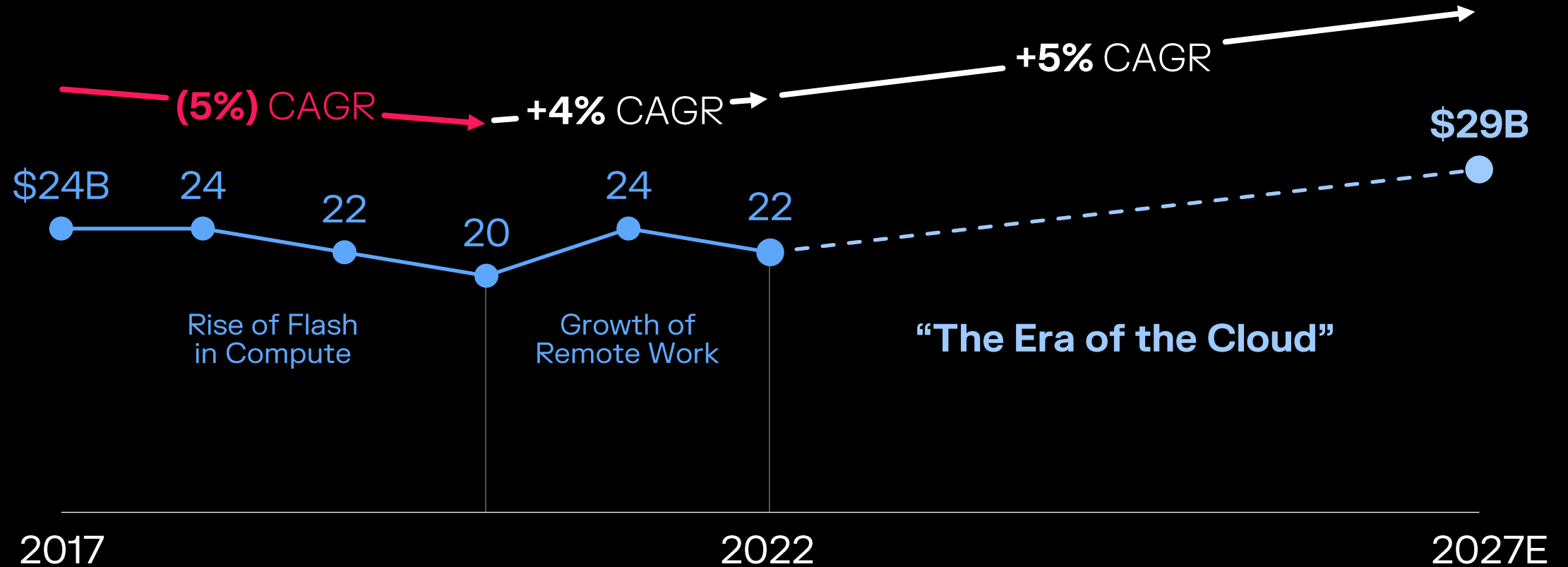
Zettabyte



With Cloud Growth Comes Opportunity

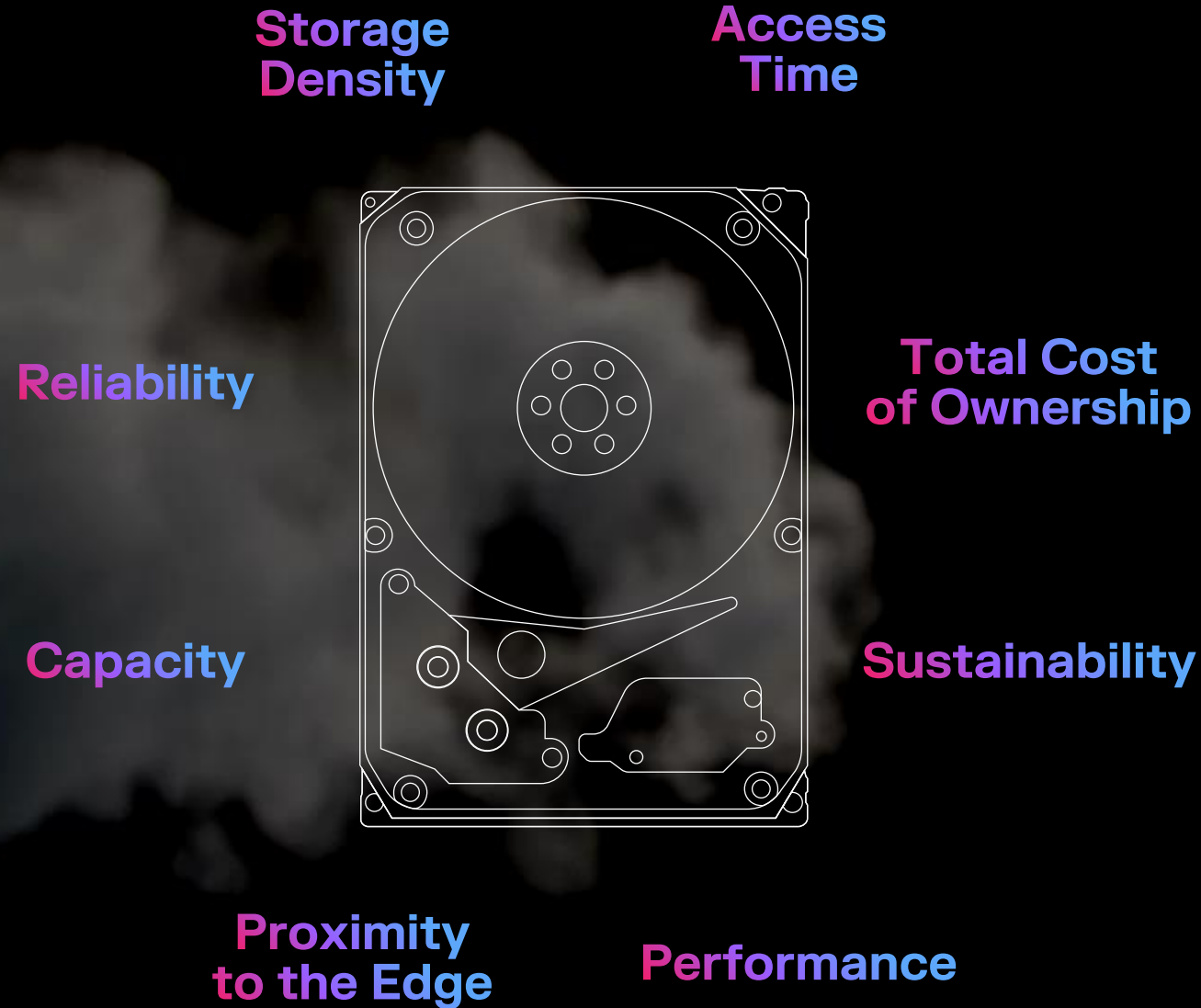
HDD Revenue TAM

CY 2017-2027E \$B



Innovating

To Meet the Cloud Challenge



Our Formula for Success



What's Next
**Western
Digital.**

01



Customer Centricity

Enhancing Customers'
Ability to Generate Value
from Data

02



Innovation Across Data Tiers

Developing New
Technology Across the
Storage Landscape

03



Predictable Capacity Leadership

Ensuring Reliable Capacity
Growth and Improved TCO

04



Operational Excellence

Translating Technology
into Shareholder Value

01

Customer Centricity



What's Next
**Western
Digital.**

PAST

FUTURE

Transactional Engagements



Long-Term Predictable Engagements

 Standardization-Centric

Interest in Differentiated Solutions 

 HDD as Commodity

HDD as Integral to Customer's Value Proposition 

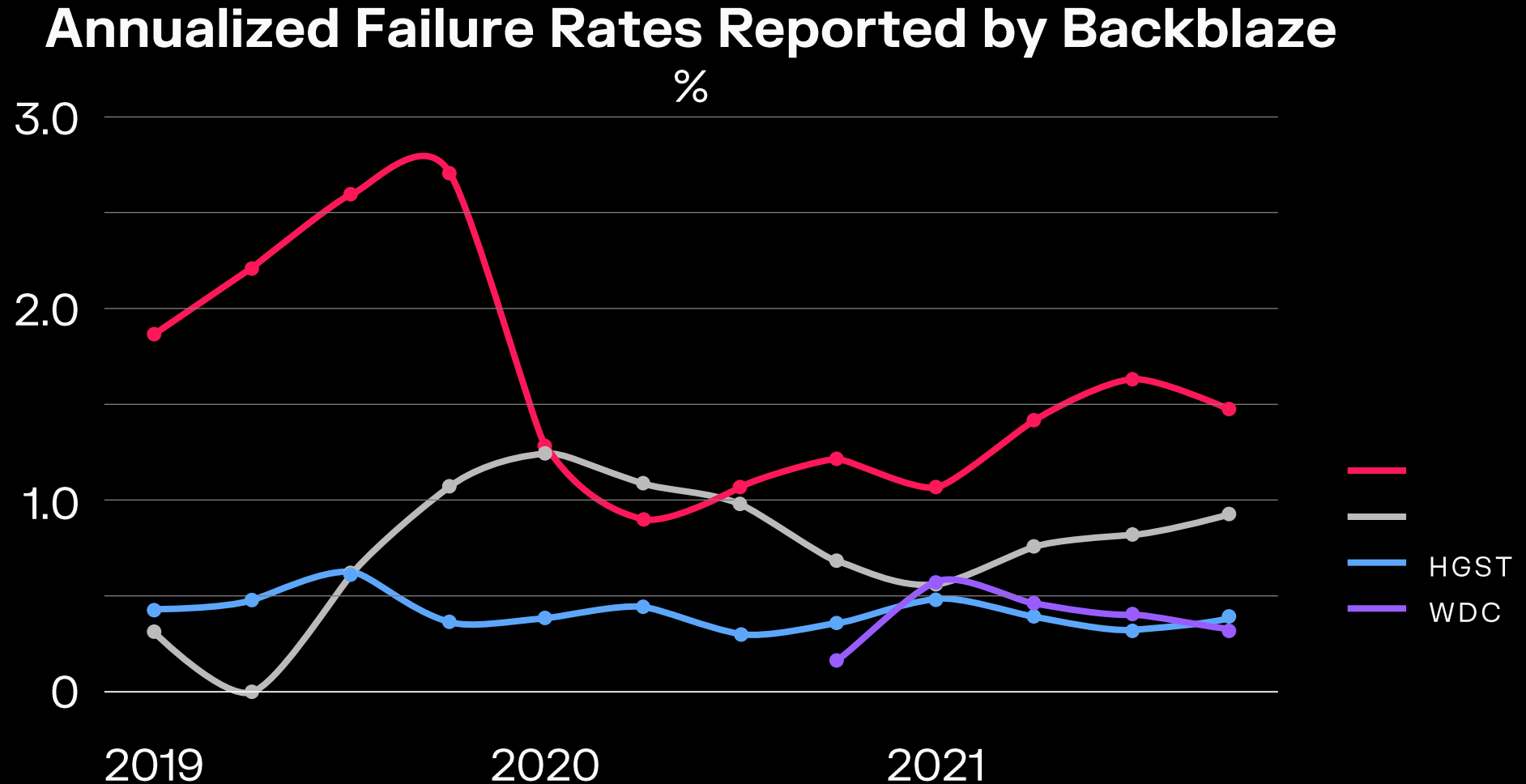
 Steep YoY ASP Declines

Pricing to Fund Innovation 

 Focus on Quality

Customer Centricity

An External Perspective on Quality



02

Innovation Across Data Tiers



What's Next
**Western
Digital.**

Invention of HDD

1956



2.5" PMR

2006



SMR

2015



Triple Stage Actuator

2020



UltraSMR

2022



MR Head

1992



Helium Drive

2013



ePMR

2020

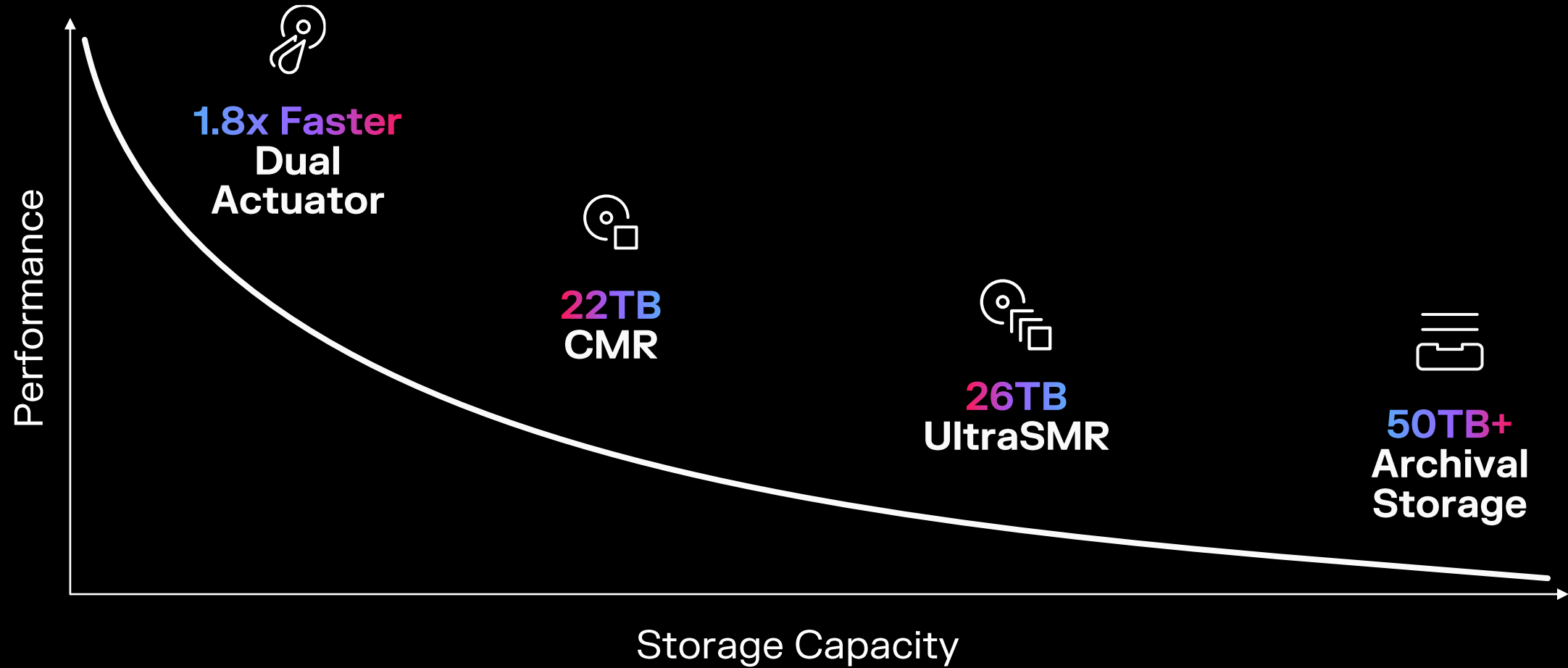


OptiNAND

2021



We Have Defined the HDD Industry



Innovation Across Data Tiers

03

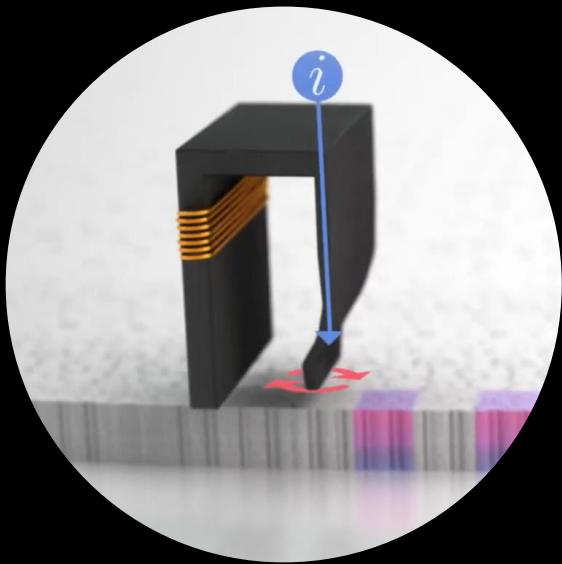


What's Next
**Western
Digital.**

Predictable Capacity Leadership

ePMR

Our Foundational, Multi-Generational Energy-Assisted Magnetic Recording Technology



ePMR

- Introduced with 18TB CMR and 20TB SMR HDDs in 2020
- CMR capacity points from 18TB - 22TB

ePMR 2

- Second generation with advanced write head structures
- CMR capacity points from 24TB - 30TB+

OptiNAND™ Technology



Improved Capacity



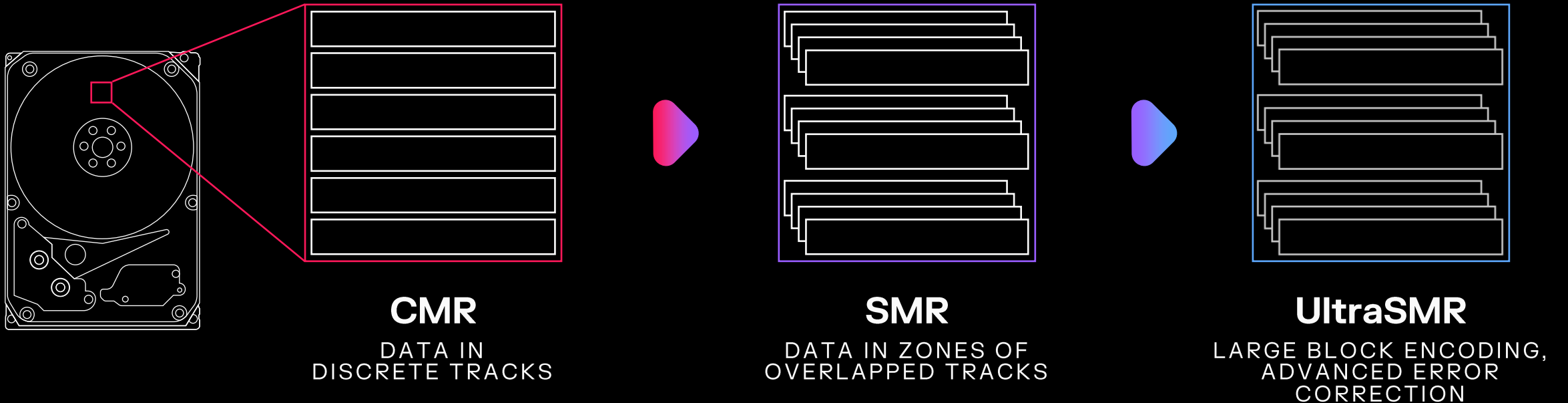
Improved Performance



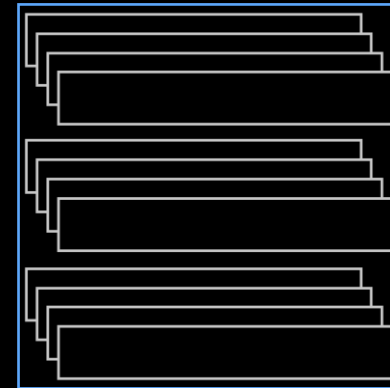
Drive Resilience



SMR & UltraSMR



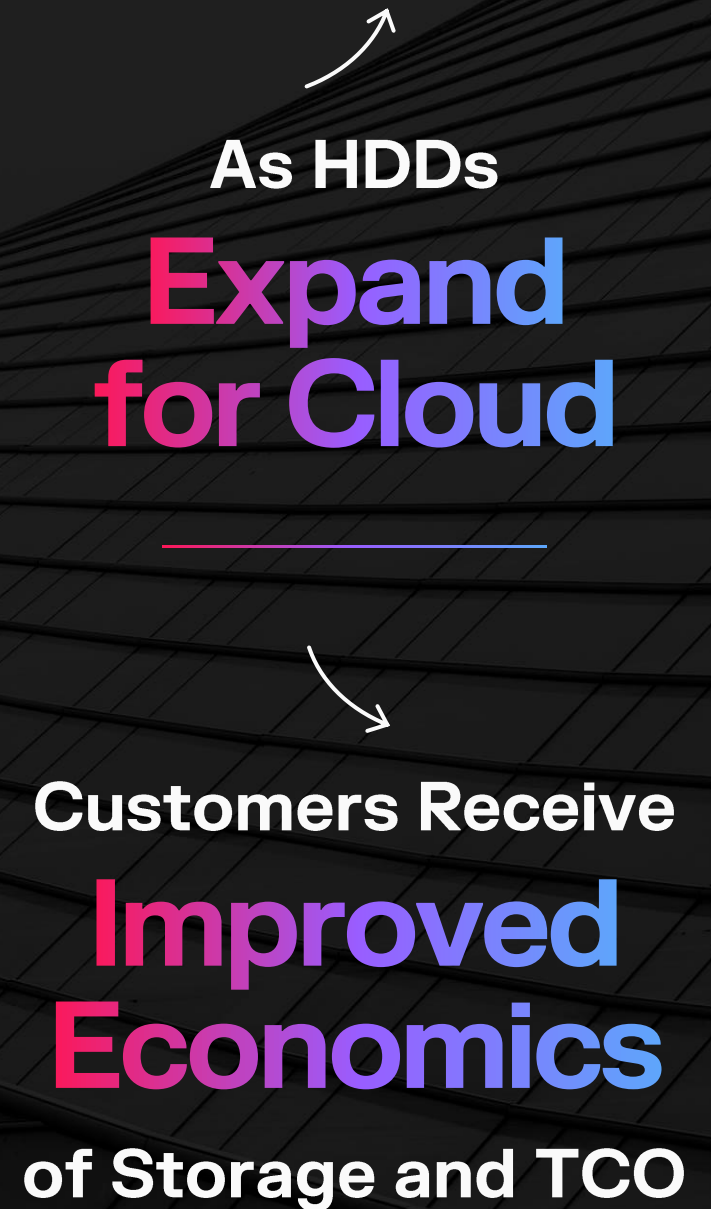
UltraSMR

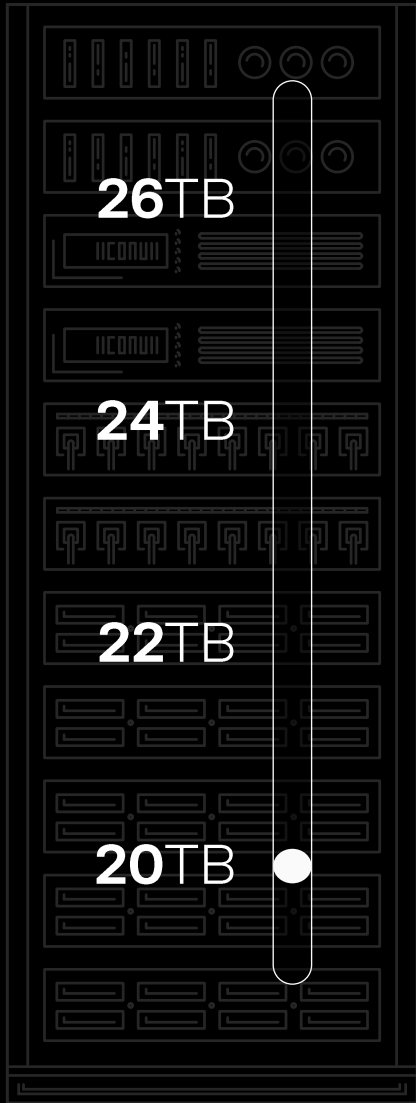


UltraSMR

LARGE BLOCK ENCODING,
ADVANCED ERROR
CORRECTION

Our Portfolio of HDD Innovation Covers the TCO Gap for Cloud Customers





↕
 Compute
 & Network

☰
 Rack
 Infrastructure

⏻
 Power &
 Carbon

COST OF OWNERSHIP

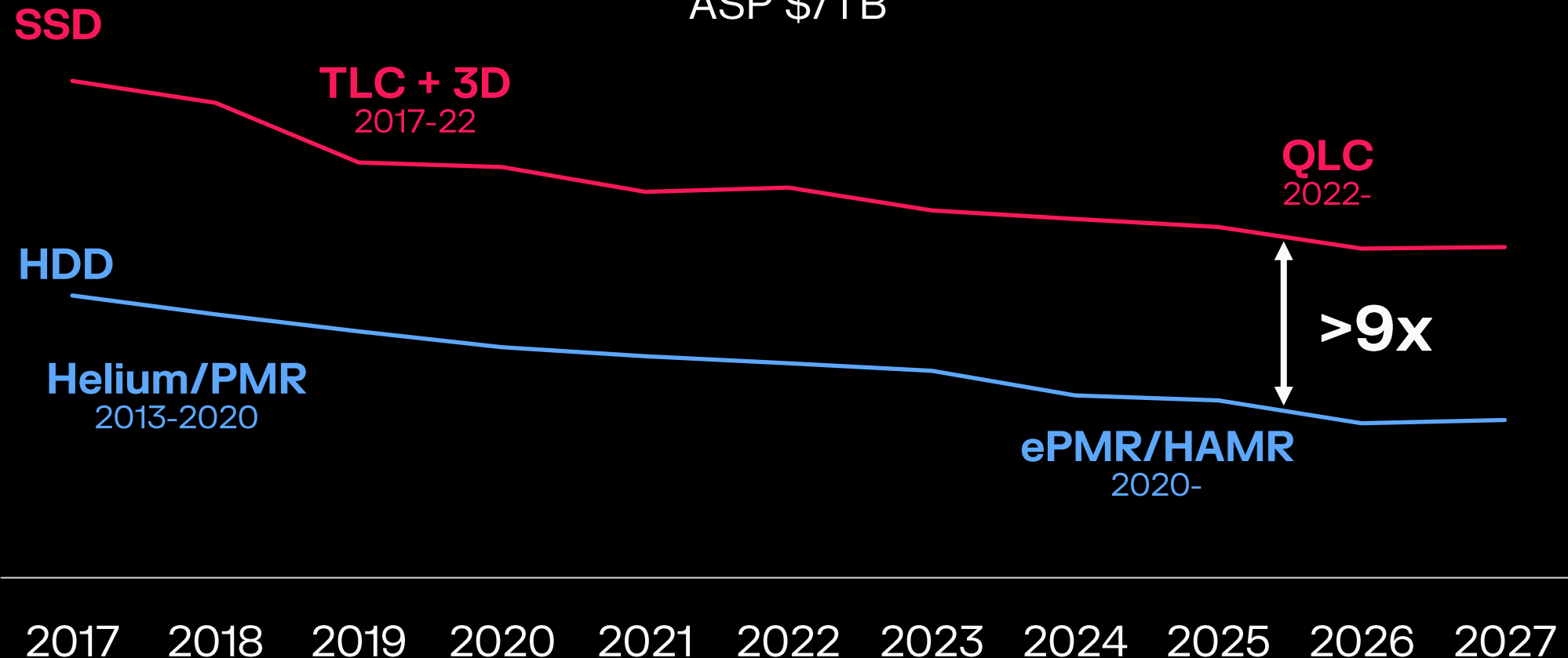
**As Individual
 HDD Capacity
 Increases,
 TCO Improves
 for the
 Customer**

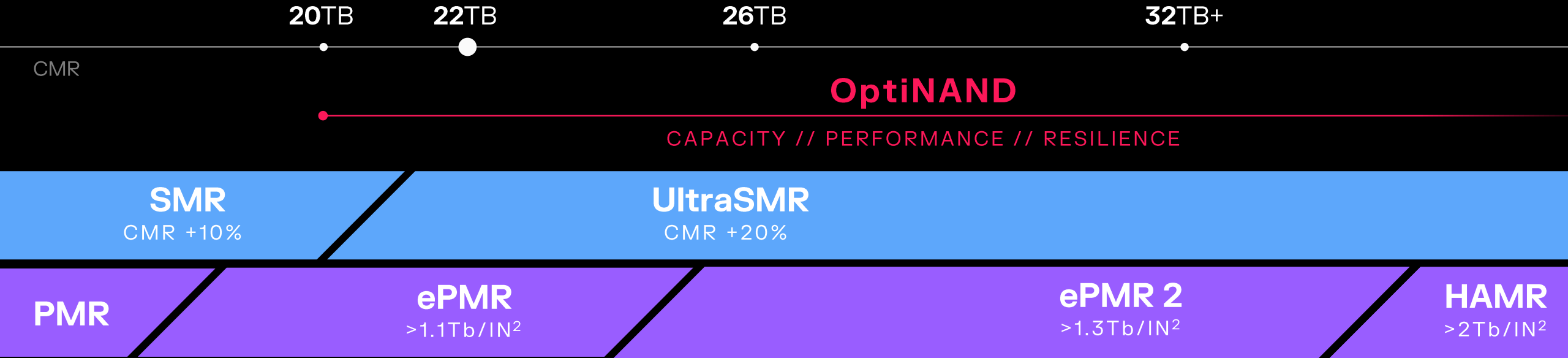
↓ By 17-20%

Data Storage TCO

Data Center Flash and HDD

ASP \$/TB





Predictable Capacity Leadership

Built on Multiple Recording and Drive Technology Innovations

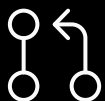


What's Next
**Western
Digital.**

04

Operational Excellence

Focus on Gross Margin Expansion



Platform Commonality

Greater Component Efficiency Across Product Lines



Supply Chain Leverage

Deep Long-Term Engagements with Strategic Suppliers



Automation & Analytics

Increase Use of Robotics, Automation and Machine Learning Across Manufacturing Network



Vertical Integration

Internal Development and Control of Key Components and Processes

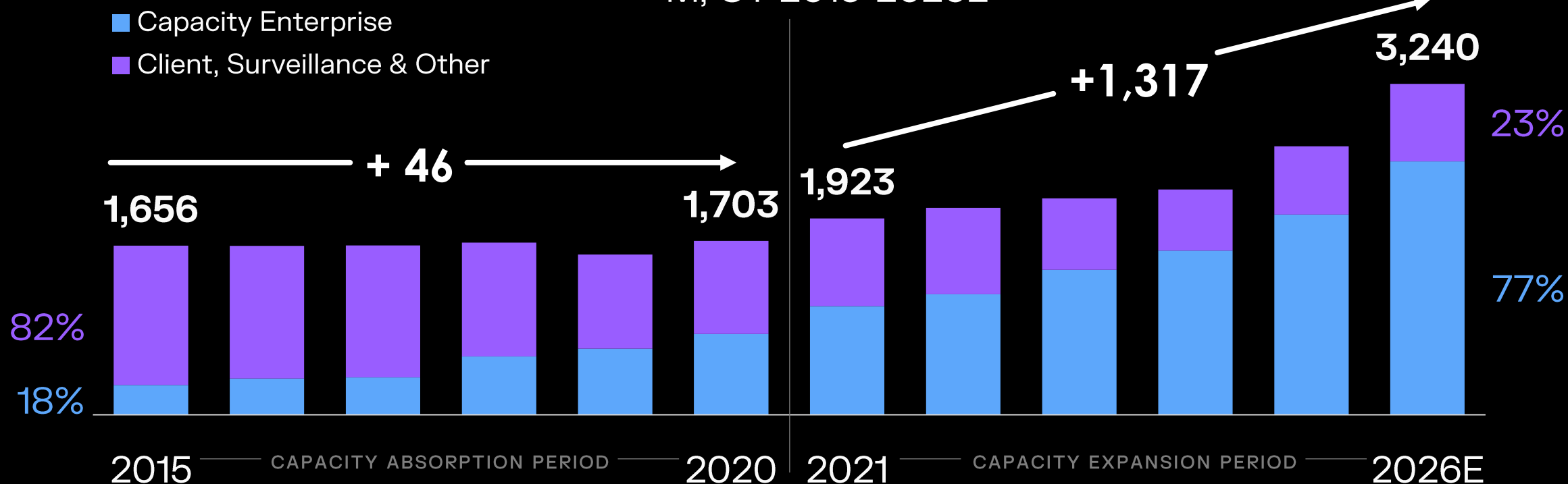


ROIC-Centric Decisions

Investing in R&D and Capacity Through an ROIC-Centric Lens

Increasing HDD Investment to Support Multi-ZB Growth

HDD Industry Head Demand M, CY 2015-2026E



HDD Business



What's Next
**Western
Digital.**



HDD

Revenue Growth

Gross Margin

3-5 Year Financial Targets

4-6% CAGR

31-34%

LTM Q4FY21-Q3FY22

\$9.4B

30%



Western Digital[®]

Create What's Next

WESTERN DIGITAL, THE WESTERN DIGITAL DESIGN, THE WESTERN DIGITAL LOGO, SANDISK, THE SANDISK DESIGN, THE SANDISK LOGO, SANDISK PROFESSIONAL, THE SANDISK PROFESSIONAL LOGO, WD, THE WD LOGO, MY PASSPORT, OPENFLEX, OPTINAND, PRO-BLADE, RAPIDFLEX, ULTRASTAR AND WD_BLACK ARE REGISTERED TRADEMARKS OR TRADEMARKS OF WESTERN DIGITAL CORPORATION OR ITS AFFILIATES IN THE US AND/OR OTHER COUNTRIES. THE NVME AND NVME-OF WORD MARKS ARE TRADEMARKS OF NVM EXPRESS, INC. PCIE[®] IS A REGISTERED TRADEMARK AND/OR SERVICE MARK OF PCI-SIG IN THE UNITED STATES AND/OR OTHER COUNTRIES. ALL OTHER MARKS ARE THE PROPERTY OF THEIR RESPECTIVE OWNERS. PRODUCT SPECIFICATIONS SUBJECT TO CHANGE WITHOUT NOTICE. PICTURES SHOWN MAY VARY FROM ACTUAL PRODUCTS. NOT ALL PRODUCTS WILL BE AVAILABLE IN ALL REGIONS OF THE WORLD. 1GB = 1 BILLION BYTES AND 1TB = 1 TRILLION BYTES. ACTUAL USER CAPACITY MAY BE LESS DUE TO OPERATING ENVIRONMENT. 1 MB/S = 1 MILLION BYTES PER SECOND. READ AND WRITE SPEEDS ARE BASED ON INTERNAL TESTING; PERFORMANCE MAY VARY DEPENDING UPON HOST DEVICE, USAGE CONDITIONS, DRIVE CAPACITY, AND OTHER FACTORS.



What's Next
**Western
Digital.**

Appendix

Supplemental Operating Segment Results

In millions, except percentages; unaudited	LTM Q3 FY 2022
Net Revenue	
Flash	\$ 9,772
HDD	9,413
Total Net Revenue	\$ 19,185
Gross Profit By Segment	
Flash	\$ 3,524
HDD	2,820
Unallocated corporate items:	
Contamination related charges	(203)
Stock-based compensation expense	(50)
Amortization of acquired intangible assets	(103)
Power outage incident charges and related recovery	7
Consolidated Gross Profit	\$ 5,995
Gross Margin	
Flash ⁽¹⁾	36.1%
HDD ⁽²⁾	30.0%

1. Flash gross margin is calculated by dividing Flash gross profit by Flash revenue.

2. HDD gross margin is calculated by dividing HDD gross profit by HDD revenue.