

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): July 27, 2000

WESTERN DIGITAL CORPORATION
(Exact Name of Registrant as Specified in Charter)

Delaware (State or Other Jurisdiction of Incorporation)	001-08703 (Commission File Number)	95-264-7125 (IRS Employer Identification No.)
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8105 Irvine Center Drive Irvine, California (Address of Principal Executive Offices)	92618 (Zip Code)
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Registrant's telephone number, including area code: (949) 932-5000

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

INFORMATION TO BE INCLUDED IN THE REPORT

ITEM 5. OTHER EVENTS.

On July 27, 2000, the Registrant issued a press release announcing its fourth quarter and year-end results. Attached hereto as Exhibit 99 and incorporated by reference herein is a copy of the July 27, 2000 press release.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

Exhibit	Description
- - - - -	- - - - -
99	Press Release dated July 27, 2000.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: July 28, 2000

WESTERN DIGITAL CORPORATION

By: /s/ Michael A. Cornelius

Michael A. Cornelius
Vice President, Law and
Administration and Secretary

EXHIBIT INDEX

Exhibit No. -----	Document -----
Exhibit 99	Press Release issued July 27, 2000.

Investor Relations:
Bob Blair
Western Digital Corporation
949.932.7834
bob.blair@wdc.com

Public Relations:
Steve Shattuck
Western Digital Corporation
949.932.5178
steve.shattuck@wdc.com

FOR IMMEDIATE RELEASE:

WESTERN DIGITAL ANNOUNCES FOURTH QUARTER
YEAR END RESULTS

IRVINE, Calif. -- July 27, 2000 -- Western Digital Corporation (NYSE: WDC) today reported revenues of \$473.9 million and a proforma net loss of \$26.3 million, or \$.19 per share, for its fourth quarter ended June 30, 2000. For the same period, on a GAAP basis, Western Digital reported net income of \$4.2 million and earnings per share of \$.03. The total results for the quarter included non-recurring benefits for tax and other accrual adjustments of \$30.5 million, \$11.0 million of which was included in selling, general and administrative expenses. In the year-ago period, the Company reported revenues of \$709.3 million and a proforma net loss of \$81.5 million, or \$.90 per share. The total net loss for the year-ago period was \$101.5 million, or \$1.12 per share, and included a restructuring charge of approximately \$20 million for the sale of the Company's media business.

Matt Massengill, president and chief executive officer, stated: "Both our fourth quarter and year-over-year results reflect substantial progress at Western Digital in a challenging industry

environment. Price competition in the June quarter was significant and the non-linear supply of microprocessors led to fewer desktop PCs being shipped in the quarter than otherwise would have been the case. Nevertheless, the reductions in operating expenses and manufacturing costs we implemented over the last year enabled us to mitigate our operating loss for the quarter. Thus far into the September quarter, we have seen signs of healthier demand as availability of microprocessors has improved and our recovery of business with major PC OEM customers continues, albeit at prices impacted by the June quarter activity.

"For the year, we are pleased with the significant progress made by the WD team on many fronts in the core HDD business," said Massengill, noting:

- Closing the gap on competitive gross margin performance, moving from negative gross margins in Q1 to near double-digit performance in the second half of fiscal 2000;
- Increased market share with major PC OEM customers, based on solid and sustained time-to-market performance and supply chain management expertise;
- Technology leadership with time-to-market WD Caviar(TM) 7200 RPM hard drives, including shipment of its first Ultra ATA/100-enabled 7200 RPM hard drive in the June quarter. 7200 RPM hard drives accounted for 32% of the company's units shipped in the fourth quarter, up from 20% in the March quarter;
- Reduction of nearly 30%, or \$106 million, in operating expenses;
- Successful consolidation of three manufacturing operations into a single highly-efficient site in Kuala Lumpur, Malaysia; and
- Improved asset management, including a combined 10-day decrease in receivable and inventory days from the fourth quarter of 1999.

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"We launched two new ventures in fiscal 2000--Connex and SageTree--and leveraged our storage technology expertise into a leadership position in the emerging hard drive market for set-top boxes, home servers, television receivers, audio juke boxes and other consumer products. The selection of the WD Performer(TM) 15i hard drive by Microsoft WebTV Networks, Inc. for use in its Ultimate TV service was a major validation of WD as a player in this space," continued Massengill.

For fiscal year 2000, the Company reported revenues of \$2.0 billion and a proforma net loss of \$241.8 million, or \$ 1.97 per share. The total net loss for fiscal 2000 was \$188.0 million, or \$1.53 per share, and included: restructuring and special charges of \$158.3 million, of which \$72.5 million was included in cost of sales; a \$14.7 million gain on disposition of investment securities; \$166.9 million of extraordinary gains for redemption of a portion of the Company's convertible debt; and \$30.5 million of non-recurring benefits for tax and other accrual adjustments. For fiscal year 1999, the Company reported revenues of \$2.8 billion and a proforma net loss of \$335.2 million, or \$3.75 per share. The total net loss for fiscal 1999 was \$492.7 million, or \$5.51 per share, and included restructuring and special charges of approximately \$157.5 million (\$77.0 million of which was included in cost of sales, \$12.0 million of which was included in research and development expenses, and \$7.5 million of which was included in SG&A).

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ABOUT WESTERN DIGITAL

One of the data storage industry's longtime leaders, Western Digital Corporation has leveraged its core strengths in becoming a leading Internet solutions company. Western Digital provides services and products to manage, store and communicate both digital content and network intelligence. The Company remains an industry-leading designer and manufacturer of hard drives for desktop computers and home entertainment applications. Through its Connex subsidiary, Western Digital delivers enterprise-class storage functionality for the department and mid-sized business markets, including storage management software, network attached storage and storage area networks. The Company's SageTree subsidiary markets packaged analytical applications and professional services to help manufacturers manage quality and quality-related business decisions throughout the entire supply chain and product lifecycle.

Western Digital was founded in 1970. The Company's storage products are marketed to leading systems manufacturers and selected resellers under the Western Digital brand name. Its home page can be found at www.westerndigital.com.

WESTERN DIGITAL CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS

(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	(UNAUDITED) THREE MONTHS ENDED			YEAR ENDED	
	JUNE 30, 2000	JULY 3, 1999	MARCH 31, 2000	JUNE 30, 2000	JULY 3, 1999
Revenues, net	\$ 473,862	\$ 709,302	\$ 516,587	\$ 1,957,580	\$ 2,767,206
Costs and expenses:					
Cost of revenues	432,275	688,429	505,003	1,949,511	2,770,054
Research and development	35,202	52,003	33,770	163,198	216,986
Selling, general and administrative	21,461	44,597	33,970	138,323	195,958
Restructuring charges	--	20,000	28,002	85,837	61,000
Total costs and expenses	488,938	805,029	600,745	2,336,869	3,243,998
Operating loss	(15,076)	(95,727)	(84,158)	(379,289)	(476,792)
Net interest and other income (expense)	(259)	(5,759)	13,489	4,874	(15,898)
Loss before income taxes and extraordinary item	(15,335)	(101,486)	(70,669)	(374,415)	(492,690)
Income tax benefit	19,500	--	--	19,500	--
Income (loss) before extraordinary item	4,165	(101,486)	(70,669)	(354,915)	(492,690)
Extraordinary gain from redemption of debentures	--	--	--	166,899	--
Net income (loss)	\$ 4,165	\$ (101,486)	\$ (70,669)	\$ (188,016)	\$ (492,690)
	=====	=====	=====	=====	=====
Basic and diluted earnings (loss) per common share:					
Basic before extraordinary item	\$.03	\$ (1.12)	\$ (.53)	\$ (2.89)	\$ (5.51)
Extraordinary gain	\$ --	\$ --	\$ --	\$ 1.36	\$ --
Basic	\$.03	\$ (1.12)	\$ (.53)	\$ (1.53)	\$ (5.51)
	=====	=====	=====	=====	=====
Diluted	\$.03	\$ (1.12)	\$ (.53)	\$ (1.53)	\$ (5.51)
	=====	=====	=====	=====	=====
Common shares used in computing per share amounts:					
Basic	139,547	90,596	133,903	122,624	89,478
	=====	=====	=====	=====	=====
Diluted	143,337	90,596	133,903	122,624	89,478
	=====	=====	=====	=====	=====

WESTERN DIGITAL CORPORATION
CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)

	JUNE 30, 2000	JULY 3, 1999
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ASSETS		
Current assets:		
Cash and cash equivalents	\$ 184,021	\$ 226,147
Accounts receivable, net	149,135	273,435
Inventories	84,546	144,093
Prepaid expenses and other current assets	33,693	81,853
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Total current assets	451,395	725,528
Property and equipment, net	98,952	237,939
Intangible and other assets, net	65,227	58,935
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Total assets	\$ 615,574	\$ 1,022,402
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LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	\$ 266,841	\$ 335,907
Accrued expenses	178,225	248,201
Current portion of long-term debt	--	10,000
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Total current liabilities	445,066	594,108
Long-term debt	225,496	534,144
Other liabilities	44,846	47,940
Minority interest	10,000	--
Shareholders' deficit:		
Common stock, \$.01 par value	1,436	906
Additional paid-in capital	371,587	140,145
Accumulated deficit	(482,857)	(294,841)
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Total shareholders' deficit	(109,834)	(153,790)
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Total liabilities and shareholders' deficit	\$ 615,574	\$ 1,022,402
	=====	=====

Note: Certain July 3, 1999 amounts have been reclassified to conform to the June 30, 2000 presentation.