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HGST To Acquire Skyera, Inc.

Acquisition Augments HGST's Data Center Storage Solutions Strength and Expertise

IRVINE, Calif., Dec. 15, 2014 /PRNewswire/ -- Western Digital[®] Corp. (NASDAQ: WDC) and HGST announced today that HGST has completed an all-cash acquisition of Skyera, a developer of solid-state storage systems for scale-out cloud and enterprise data centers. Terms of the transaction were not disclosed. Skyera will be fully integrated into HGST, a wholly owned subsidiary of Western Digital Corp. Skyera will augment HGST's existing solid-state storage capabilities and portfolio, and allow HGST to broaden its scope of innovation to capture new and growing opportunities in data center storage infrastructure. The acquisition brings engineering talent and intellectual property that will further strengthen HGST's technical expertise and resources.

"Western Digital has established a leadership position in the fastest growing areas of the storage industry," said Steve Milligan, president and chief executive officer, Western Digital. "The Skyera acquisition supports our strategic growth objectives and plans to deliver long-term value to customers, shareholders and employees."

With the broadest storage solutions portfolio in the industry, HGST is helping customers and partners build tomorrow's IT infrastructures today. From Tier 0 workloads to long-term storage and active archive, HGST's data center storage solutions help manage the enormous volume, velocity and variety of data, giving customers better efficiency and reliability for managing data through its lifecycle. HGST is developing innovative products that address the rapidly evolving needs of cloud service providers and enterprises through the tight integration of advanced software and hardware. HGST's unique innovations create more adaptive and efficient IT infrastructures that help organizations better manage data across its lifecycle to extract greater value from the information it holds.

"Western Digital and Skyera have had a long-term strategic partnership. By combining Skyera's innovative flash platform with HGST's leading solid-state storage solutions and flash virtualization software we plan to provide breakthrough value and capabilities to help customers transform their cloud and enterprise data center infrastructure," said Mike Cordano, president of HGST. "Flash solutions represent a large, exciting growth area for HGST and uniquely complement our existing portfolio."

About Western Digital

Founded in 1970, Western Digital Corp. (NASDAQ: WDC), Irvine, Calif., is an industry-leading developer and manufacturer of storage solutions that enable people to create, manage, experience and preserve digital content. Its HGST and WD[®] subsidiaries are long-time innovators in the storage industry. Western Digital Corporation is responding to changing market needs by providing a full portfolio of compelling, high-quality storage products with effective technology deployment, high efficiency, flexibility and speed. Our products are marketed under the HGST, WD and G-Technology[®] brands to OEMs, distributors, resellers, cloud infrastructure providers and consumers. Financial and investor information is available on the company's Investor Relations website at investor.wdc.com.

About HGST

HGST is a wholly owned and independently operated subsidiary of Western Digital Corporation (NASDAQ: WDC). HGST sets the pace for storage innovation and is helping the world harness the power of data. Building on its reputation for producing reliable HDDs, SSDs, and developing tighter integration with software, HGST is optimizing storage efficiency and reliability for today's data-centric economy. Founded by the creators of the hard drive, HGST serves a broad range of market segments, including enterprise, cloud, OEM, mobile, consumer electronics and personal storage. HGST was established in 2003 and maintains its U.S. headquarters in San Jose, California. For more information, please visit www.hgst.com.

Forward Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements concerning benefits expected from the Skyera acquisition and management's anticipated plans and strategies for the Skyera business. 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, including the possibility that the expected benefits of the transaction may not materialize as expected; failure to successfully integrate the products, technology, research and development capabilities, infrastructure and employees of HGST and Skyera; the impact of continued uncertainty and volatility in global economic conditions; actions by competitors; business conditions and growth in the various hard drive segments; and other risks and uncertainties listed in Western Digital's filings with the Securities and Exchange Commission (the "SEC"), including Western Digital's recent Form 10-Q filed with the SEC on Nov. 4, 2014. Readers are cautioned not to place undue

reliance on these forward-looking statements, which speak only as of the date hereof, and neither Western Digital nor Skyera undertakes any obligation to update these forward-looking statements to reflect subsequent events or circumstances.

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