SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE TO

(RULE 14d-100)

TENDER OFFER STATEMENT UNDER SECTION 14(d)(1) OR 13(e)(1) OF THE SECURITIES EXCHANGE ACT OF 1934

Komag, Incorporated

(Name of Subject Company)

State M Corporation,

a wholly owned subsidiary of

Western Digital Technologies, Inc.,

a wholly owned subsidiary of

Western Digital Corporation

(Name of Filing Persons (Offerors))

COMMON STOCK, $.01 PAR VALUE PER SHARE
(Title of Class of Securities)

500453204
(CUSIP Number of Class of Securities)

Raymond M. Bukaty
Senior Vice President, Administration, General Counsel and Secretary
Western Digital Corporation
20511 Lake Forest Drive
Lake Forest, California 92630
(949) 672-7000

(Name, Address and Telephone Numbers of Person Authorized to Receive Notices and Communications on Behalf of Filing Persons)

With a copy to:

Steve L. Camahort, Esq.
Victoria D. Nassi, Esq.
O'Melveny & Myers LLP
Embarcadero Center West
275 Battery Street, Suite 2600
San Francisco, California 94111
(415) 984-8700

J. Jay Herron, Esq.
Andor D. Terner, Esq.
O'Melveny & Myers LLP
610 Newport Center Drive, 17th Floor
Newport Beach, California 92660
(949) 760-9600

Calculation of Filing Fee

Transaction Valuation:	Amount of Filing Fee:
$995,610,777*	$30,565**

* Estimated for purpose of calculating the filing fee only. The transaction valuation was determined by multiplying the purchase price of $32.25 per share by the sum of (i) the 30,359,747 shares of common stock, par value $0.01 per share, of Komag, Incorporated (the "Shares"), issued and outstanding as of June 27, 2007, and (ii) the 511,905 Shares that are issuable as of July 9, 2007 under outstanding Komag stock options with an exercise price of less than $32.25 per Share.

** The amount of filing fee is calculated in accordance with Rule 0-11 of the Securities Exchange Act of 1934, as amended. Such fee equals 0.00307% of the transaction value.

o Check the box if any part of the fee is offset as provided by Rule 0-11 (a) (2) and identity the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

o Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:
☑ third-party offer subject to Rule 14d-1
o issuer tender offer subject to Rule 13e-4
o going-private transactions subject to Rule 13e-3
o amendment to Schedule 13D under Rule 13d-2

Check the following box if the filing is a final amendment reporting the results of the tender offer: o

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This Tender Offer Statement on Schedule TO (this "Schedule TO") is filed by (i) Western Digital Corporation, a Delaware corporation ("Parent"), (ii) Western Digital Technologies, Inc., a Delaware corporation ("WDTI") and a wholly owned subsidiary of Parent, and (iii) State M Corporation, a Delaware corporation ("Offeror") and a wholly owned subsidiary of WDTI. This Schedule TO relates to the offer by Offeror to purchase all outstanding shares of common stock, $0.01 par value per share (the "Shares"), of Komag, Incorporated, a Delaware corporation (the "Company"), at a purchase price of $32.25 per Share, net to the seller in cash without interest thereon, less any required withholding taxes, upon the terms and subject to the conditions set forth in the Offer to Purchase dated July 11, 2007 (the "Offer to Purchase") and in the related Letter of Transmittal, copies of which are attached as Exhibits (a)(1)(A) and (a)(1)(B) (which, together with any amendments or supplements thereto, collectively constitute the "Offer").

The information set forth in the Offer to Purchase, including Annex I thereto, is hereby incorporated by reference in answer to Items 1 through 11 of this Schedule TO, and is supplemented by the information specifically provided herein.

Item 1. Summary Term Sheet.

The information set forth in the "Summary Term Sheet" and "Questions and Answers" of the Offer to Purchase is incorporated herein by reference.

Item 2. Subject Company Information.

(a) The name of the subject company and the issuer of the securities to which this Schedule TO relates is Komag, Incorporated, a Delaware corporation. The Company's principal executive offices are located at 1710 Automation Parkway, San Jose, California 95131. The Company's telephone number is (408) 576-2000.

(b) This Schedule TO relates to the outstanding Shares of common stock, par value $0.01 per Share, of the Company. The Company has represented in the Agreement and Plan of Merger, dated June 28, 2007, among Parent, Offeror and the Company that as of June 27, 2007, there were 30,359,747 Shares issued and outstanding and that as of June 27, 2007, there were outstanding stock options to purchase 617,302 Shares. The Company has informed us that, as of July 9, 2007, outstanding stock options to purchase 511,905 Shares had an exercise price of less than $32.25 per Share. The information set forth in the "Introduction" of the Offer to Purchase is incorporated herein by reference.

(c) The information set forth in Section 6 of the Offer to Purchase entitled "Price Range of Shares; Dividends on the Shares" is incorporated herein by reference.

Item 3. Identity and Background of Filing Person.

(a), (b), and (c) This Schedule TO is filed by Offeror, WDTI and Parent. The information set forth in Section 9 of the Offer to Purchase entitled "Certain Information Concerning Offeror, WDTI and Parent" and Annex I to the Offer to Purchase is incorporated herein by reference.

Item 4. Terms of the Transaction.

(a) The information set forth in the Offer to Purchase is incorporated herein by reference.

Item 5. Past Contacts, Transactions, Negotiations and Agreements.

(a) and (b) The information set forth in "Summary Term Sheet," "Questions and Answers," "Introduction" and Sections 9, 11, 12 and 13 of the Offer to Purchase entitled "Certain Information Concerning Offeror, WDTI and Parent," "Background of the Offer; Past Contacts or Negotiations with the Company," "Purpose of the Offer; The Merger; Plans for the Company" and "The Transaction Documents," respectively, is incorporated herein by reference. Except as set forth therein, there have been no material contacts, negotiations or transactions during the past two (2) years which would be required to be disclosed in this Item 5 between any of Offeror, Parent, WDTI or, to the knowledge of Offeror, Parent and WDTI, any of those persons listed on Annex I to the Offer to Purchase, on the one hand, and the Company or its affiliates, on the other, concerning the merger, consolidation or acquisition, a tender offer or other acquisition of the Company's securities, an election of directors or sale or transfer of a material amount of the Company's assets.

Item 6. Purposes of theTransaction and Plans or Proposals.

(a) and (c)(1) — (7) The information set forth in "Summary Term Sheet," "Questions and Answers," "Introduction" and Sections 6, 7, 12 and 13 of the Offer to Purchase entitled "Price Range of Shares; Dividends on the Shares," "Effect of Offer on Listing, Market for Shares and SEC Registration," "Purpose of the Offer; The Merger; Plans for the Company," and "The Transaction Documents," respectively, is incorporated herein by reference.

Item 7. Source and Amount of Funds or Other Consideration.

(a), (b) and (d) The information set forth in "Questions and Answers" and Section 10 of the Offer to Purchase entitled "Source and Amount of Funds" is incorporated herein by reference.

Item 8. Interest in Securities of the Subject Company.

The information set forth in Section 9 of the Offer to Purchase entitled "Certain Information Concerning Offeror, WDTI and Parent" is incorporated herein by reference.

Item 9. Persons/Assets, Retained, Employed, Compensated or Used.

(a) The information set forth in "Introduction" and Sections 11, 12 and 18 of the Offer to Purchase entitled "Background of the Offer; Past Contacts or Negotiations with the Company," "Purpose of the Offer; The Merger; Plans for the Company" and "Fees and Expenses," respectively, is incorporated herein by reference.

Item 10. Financial Statements.

Not applicable.

Item 11. Additional Information.

(a)(1) The information set forth in Sections 9, 11, 12 and 13 of the Offer to Purchase entitled "Certain Information Concerning Offeror, WDTI and Parent," "Background of the Offer; Past Contacts or Negotiations with the Company," "Purpose of the Offer; The Merger; Plans for the Company" and "The Transaction Documents," respectively, is incorporated herein by reference.

(a)(2) — (3) The information set forth in Sections 12, 15 and 16 of the Offer to Purchase entitled "Purpose of the Offer; The Merger; Plans for the Company," "Certain Conditions to Offeror's Obligations" and "Certain Regulatory and Legal Matters," respectively, is incorporated herein by reference.

(a)(4) The information set forth in Sections 7 and 16 of the Offer to Purchase entitled "Effect of Offer on Listing, Market for Shares and SEC Registration" and "Certain Regulatory and Legal Matters," respectively, is incorporated herein by reference.

(a)(5) Not applicable.

(b) The information set forth in the Offer to Purchase is incorporated herein by reference.

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Item 12. Exhibits.

Exhibit No.	
(a)(1)(A)	Offer to Purchase, dated July 11, 2007. *
(a)(1)(B)	Form of Letter of Transmittal. *
(a)(1)(C)	Form of Notice of Guaranteed Delivery. *
(a)(1)(D)	Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees. *
(a)(1)(E)	Form of Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees. *
(a)(1)(F)	Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9. *
(a)(1)(G)	Form of Summary Advertisement as published in The New York Times on July 11, 2007.
(a)(1)(H)	Press Release issued by Western Digital Corporation and Komag, Incorporated on June 28, 2007. (1)
(a)(1)(I)	Prepared Remarks for Conference Call conducted by Komag, Incorporated and Western Digital Corporation on June 28, 2007. (2)
(a)(1)(J)	Transcript of Conference Call conducted by Komag, Incorporated and Western Digital Corporation on June 28, 2007. (3)
(b)(1)	Senior Secured Financing Commitment Letter, dated June 28, 2007, among Western Digital Corporation (“Parent”) and Goldman Sachs Credit Partners L.P.
(d)(1)	Agreement and Plan of Merger, dated as of June 28, 2007, among Parent, State M Corporation (“Offeror”) and Komag, Incorporated (the “Company”). (4)
(d)(2)	Tender and Voting Agreement, dated as of June 28, 2007, among Parent, Offeror and the individuals listed on the signature page thereto. (4)
(d)(3)	Confidentiality Agreement, dated as of June 13, 2007, between Parent and the Company.

Exhibit No.	
(d)(4)	Volume Purchase Agreement, dated June 6, 2005, by and between the Company, Komag USA (Malaysia) Sdn, and Parent, as amended by Amendment No. 1 dated July 22, 2005, Amendment No. 2 dated November 29, 2005 and Amendment No. 3 dated January 31, 2006. (5)
(g)	Not applicable.
(h)	Not applicable.

* Included in mailing to stockholders.

(1) Incorporated by reference to the Schedule TO-C filed by Parent on June 28, 2007.

(2) Incorporated by reference to the Schedule TO-C filed by Parent on June 29, 2007.

(3) Incorporated by reference to the Schedule TO-C filed by Parent on July 2, 2007.

(4) Incorporated by reference to the Form 8-K filed by Parent on June 29, 2007.

(5) Incorporated by reference to Exhibits 10.29 and 10.29.1 filed with Parent's Form 10-K filed on September 14, 2005 and to Exhibits 10.29.2 and 10.29.3 filed with Parent's Form 10-Q filed on February 8, 2006 (certain portions of these exhibits have been omitted pursuant to confidential treatment requests filed separately with the Securities and Exchange Commission).

Item 13. Information Required by Schedule 13 E-3.

Not applicable.

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: July 11, 2007

STATE M CORPORATION

By: /s/ Raymond M. Bukaty
Name: Raymond M. Bukaty
Title: Secretary

WESTERN DIGITAL TECHNOLOGIES, INC.

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

WESTERN DIGITAL CORPORATION

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

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(a)(1)(E)	Form of Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees. *
(a)(1)(F)	Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9. *
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(g)	Not applicable.
(h)	Not applicable.

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* Included in mailing to stockholders.

(1) Incorporated by reference to the Schedule TO-C filed by Parent on June 28, 2007.

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(5) Incorporated by reference to Exhibits 10.29 and 10.29.1 filed with Parents’s Form 10-K filed on September 14, 2005 and to Exhibits 10.29.2 and 10.29.3 filed with Parent’s Form 10-Q filed on February 8, 2006 (certain portions of these exhibits have been omitted pursuant to confidential treatment requests filed separately with the Securities and Exchange Commission).

Exhibit (a)(1)(A)

OFFER TO PURCHASE FOR CASH
All Outstanding Shares of Common Stock
of
Komag, Incorporated
at
$32.25 Net Per Share
by
State M Corporation,
a wholly owned subsidiary of
Western Digital Technologies, Inc.,
a wholly owned subsidiary of
Western Digital Corporation

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON TUESDAY, AUGUST 7, 2007, UNLESS EXTENDED.

The Offer is conditioned upon, among other things, the condition that, prior to the then scheduled expiration date of the Offer (as it may be extended), there be validly tendered in accordance with the terms of the Offer and not withdrawn that number of shares of common stock, $0.01 par value per share (the 'Shares"), of Komag, Incorporated, a Delaware corporation (the "Company"), that would represent a majority of the sum of (1) all Shares outstanding as of the scheduled expiration of the Offer, plus (2) all Shares issuable upon the exercise of Company stock options and other rights to acquire Shares (excluding the Company's convertible notes) outstanding as of the scheduled expiration of the Offer that have an exercise price of less than $32.25 and are vested as of the scheduled expiration of the Offer or would vest within two months after the scheduled expiration of the Offer (assuming the satisfaction of the conditions to vesting and assuming consummation of the Offer), which would constitute approximately 50.5% of the outstanding Shares based on Shares, options and other rights outstanding as of July 2, 2007. The Offer is also subject to the expiration or termination of waiting periods under the antitrust laws of the United States and the People's Republic of China, and certain other conditions contained in this Offer to Purchase. See "Introduction" and Sections 1 and 15 hereof.

The Offer is being made in connection with the Agreement and Plan of Merger, dated as of June 28, 2007 (the "Merger Agreement"), among Western Digital Corporation ("Parent"), State M Corporation ("Offeror") and the Company pursuant to which Offeror will merge with and into the Company (the "Merger"). The Company's board of directors has unanimously adopted, approved and declared advisable the Merger Agreement and the transactions contemplated by the Merger Agreement, declared it in the best interests of the Company's stockholders for the Company to enter into the Merger Agreement and consummate the transactions contemplated by the Merger Agreement, declared the terms of the Offer and the Merger fair to the Company's stockholders and recommends that the Company's stockholders tender their Shares into the Offer and, if required, vote in favor of adoption of the Merger Agreement.

A summary term sheet describing the principal terms of the Offer appears on pages 1 through 4. You should read this entire document carefully before deciding whether to tender your Shares.

The Dealer Manager for the Offer is:

Goldman Sachs

The Information Agent for the Offer is:

D.F. King & Co., Inc.

July 11, 2007

IMPORTANT

Any stockholder of the Company desiring to tender Shares should either (i) complete and sign the Letter of Transmittal in accordance with the instructions in the Letter of Transmittal and deliver the Letter of Transmittal with the stock certificates representing the Shares and all other required documents to Computershare Trust Company, N.A., the depositary for the Offer (the "Depositary"), or follow the procedures for book-entry transfer set forth in Section 3 entitled "Procedure for Tendering Shares" of this Offer to Purchase or (ii) request such stockholder's broker, dealer, commercial bank, trust company or other nominee to effect the transaction for the stockholder. Stockholders having Shares registered in the name of a broker, dealer, commercial bank, trust company or other nominee must contact such person if they desire to tender their Shares.

Any stockholder of the Company who desires to tender Shares and whose certificates representing such Shares are not immediately available or who cannot comply with the procedures for book-entry transfer on a timely basis or who cannot deliver all required documents to the Depositary, in each case prior to the expiration of the Offer, must tender such Shares pursuant to the guaranteed delivery procedures set forth in Section 3 entitled "Procedure for Tendering Shares" of this Offer to Purchase.

* * *

Questions and requests for assistance may be directed to Goldman, Sachs & Co., the dealer manager for the Offer (the "Dealer Manager"), at its address and telephone number set forth on the back cover of this Offer to Purchase, or to D.F. King & Co., Inc., the information agent for the Offer (the "Information Agent"), at its address and telephone number set forth on the back cover of this Offer to Purchase. Additional copies of this Offer to Purchase, the Letter of Transmittal, the Notice of Guaranteed Delivery and other related materials may be obtained at Offeror's expense from the Information Agent or from brokers, dealers, commercial banks and trust companies.

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SUMMARY TERM SHEET

This summary term sheet highlights important and material information contained in this Offer to Purchase but is intended to be an overview only. To fully understand the tender offer and the other transactions described in this document, and for a more complete description of the terms of the tender offer and those transactions, you should read carefully this entire Offer to Purchase, the annex to this Offer to Purchase, the documents incorporated by reference or otherwise referred to in this Offer to Purchase and the Letter of Transmittal provided with this Offer to Purchase. Section references are included to direct you to a more complete description of the topics discussed in this summary term sheet.

Parties to the Tender Offer	State M Corporation is offering to purchase all of the outstanding shares of common stock of Komag, Incorporated (the ‘‘Company”) for $32.25 per share in cash. State M Corporation is a wholly owned subsidiary of Western Digital Technologies, Inc., which is a wholly owned subsidiary of Western Digital Corporation. State M Corporation was formed by Western Digital Corporation and Western Digital Technologies, Inc. for the purpose of acquiring the Company. See Section 9 entitled “Certain Information Concerning Offeror, WDTI and Parent” of this Offer to Purchase.
Conditions to the Tender Offer	State M Corporation will not be required to accept for payment or, subject to any applicable rules and regulations of the U.S. Securities and Exchange Commission (including Rule 14e-1(c) under the Securities and Exchange Act of 1934, as amended, relating to the obligation of State M Corporation to pay for or return tendered shares promptly after termination or withdrawal of the tender offer), pay for any tendered shares, and may (but only to the extent expressly permitted by the merger agreement) delay the acceptance for payment of any tendered shares, if (i) any waiting period applicable under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, or the antitrust laws of the People’s Republic of China have not expired or been terminated, (ii) the Minimum Condition (as defined below) has not been satisfied or (iii) certain other events described in Section 15 entitled “Certain Conditions to Offeror’s Obligations” of this Offer to Purchase occur and are continuing. The “Minimum Condition” is the condition that, prior to the then scheduled expiration date of the tender offer (as it may be extended from time to time pursuant to the merger agreement), there be validly tendered in accordance with the terms of the tender offer and not withdrawn a number of shares that would represent a majority of the sum of (1) all shares outstanding as of the scheduled expiration of the tender offer, plus (2) all shares issuable upon the exercise of Company stock options and other rights to acquire shares (excluding the Company’s convertible notes) outstanding as of the scheduled expiration of the tender offer that have an exercise price of less than $32.25 and are vested as of the scheduled expiration of the tender offer or would vest within two months after the scheduled expiration of the tender offer (assuming the satisfaction of the conditions to vesting and assuming consummation of the tender offer), which would constitute approximately 50.5% of the outstanding shares based on shares, options and other rights outstanding as of July 2, 2007. The conditions to the tender offer are for the sole benefit of Western Digital Corporation and State M Corporation and, subject to the terms

	and conditions of the merger agreement, may be waived by Western Digital Corporation or State M Corporation, in whole or in part at any time and from time to time in their sole discretion, except that the Minimum Condition and the conditions relating to the receipt of required antitrust approvals and legal restraints can only be waived with the prior written consent of the Company. See Section 15 entitled "Certain Conditions to Offeror's Obligations" of this Offer to Purchase for a description of certain other conditions to the offer.
Merger Agreement	In connection with the tender offer, the Company, Western Digital Corporation and State M Corporation have entered into a merger agreement pursuant to which, if the tender offer is consummated and, if required, the necessary Company stockholder approval is obtained, State M Corporation will merge with and into the Company, and the Company will be the surviving corporation and a wholly owned subsidiary of Western Digital Technologies, Inc. and Western Digital Corporation and all outstanding shares of the Company will be exchanged for the right to receive $32.25 per share in cash (or any higher price per share that may be paid in the tender offer). See Section 12 entitled "Purpose of the Offer; The Merger; Plans for the Company" of this Offer to Purchase.
Position of the Company's Board of Directors	The Company's board of directors unanimously: • adopted, approved and declared advisable the merger agreement, the tender offer, the merger and the other transactions contemplated by the merger agreement; • declared that it is in the best interests of the Company's stockholders that the Company enter into the merger agreement and consummate the transactions contemplated by the merger agreement on the terms and subject to the conditions set forth in the merger agreement; • declared that the terms of the tender offer and the merger are fair to the Company's stockholders; and • recommends that the Company's stockholders accept the tender offer, tender their shares in the tender offer and, if required by applicable law, vote in favor of adoption of the merger agreement. See the "Introduction" to this Offer to Purchase.
Expiration of the Tender Offer	This tender offer expires at 12:00 Midnight, New York City time, on Tuesday, August 7, 2007, unless extended. See Section 1 entitled "Terms of the Offer" of this Offer to Purchase.
Ability to Extend the Tender Offer	State M Corporation must extend the tender offer: • for successive periods of up to ten business days each (or any longer period agreed upon by Western Digital Corporation and the Company), if any of the conditions to the tender offer have not been satisfied or waived as of any then scheduled expiration date; and • for any period required by any rule, regulation, interpretation or position of the New York Stock Exchange or the Securities and Exchange Commission or its staff.

	State M Corporation's ability and obligation to extend the tender offer is subject to the parties' rights to terminate the merger agreement if the tender offer is not consummated by December 28, 2007 (or, in the circumstances described under "Merger Agreement — Termination" of Section 13 entitled "The Transaction Documents" of this Offer to Purchase, March 28, 2008) and the parties' rights to otherwise terminate the merger agreement and the tender offer pursuant to the terms of the merger agreement. State M Corporation may elect to provide a subsequent offering period of between three and 20 business days immediately following the expiration of the tender offer. See Section 1 entitled "Terms of the Offer" of this Offer to Purchase for more details on the ability and obligation to extend the tender offer.
Ability to Withdraw Tendered Shares	The tender of your shares may be withdrawn at any time prior to 12:00 Midnight, New York City time, on Tuesday, August 7, 2007 and, unless accepted for payment pursuant to the tender offer, may also be withdrawn at any time after September 8, 2007. However, if State M Corporation provides a subsequent offering period, you would not be able to withdraw any shares that you already tendered or any of the shares that you tendered during the subsequent offering period. See Section 4 entitled "Withdrawal Rights" of this Offer to Purchase.
Certain Effects of the Tender Offer	If the tender offer is consummated but the merger does not take place, the number of stockholders and the number of shares of the Company that are still in the hands of the public may be so small that there no longer will be an active public trading market (or, possibly, there may not be any public trading market) for the shares. See Section 7 entitled "Effect of the Offer on Listing, Market for Shares and SEC Registration" of this Offer to Purchase.
Merger Following Expiration of the Tender Offer	If, following consummation of the tender offer, Western Digital Corporation directly or indirectly owns 90% or more of the outstanding shares, including shares acquired in the tender offer, in any subsequent offering period and through any exercise of the irrevocable option described below, Western Digital Corporation intends to cause the Company to consummate a "short form" merger under the Delaware General Corporation Law. Neither stockholder approval nor the approval of the Company's board of directors would be required to consummate the "short form" merger. If Western Digital Corporation and its subsidiaries do not acquire at least 90% of the outstanding shares pursuant to the tender offer or otherwise, stockholder approval of the merger will be required, and a significantly longer period of time will be required to effect the merger under Delaware law. Subject to applicable laws, rules, regulations, orders, injunctions or other legal impediments, the Company has granted State M Corporation an irrevocable option to purchase the number of shares that would cause State M Corporation to own one share more than 90% of the shares then outstanding. See Section 12 entitled "Purpose of the Offer; The Merger; Plans for the Company" of this Offer to Purchase.

	At the effective time of the merger, each Share outstanding will be cancelled in exchange for the right to receive $32.25 in cash (or any higher price per share that is paid in the tender offer) without any interest or dividends, less any required withholding taxes. See Section 13 entitled “The Transaction Documents” of this Offer to Purchase.
Appraisal Rights	No appraisal rights will be available in connection with the tender offer. However, if the tender offer is consummated, appraisal rights will be available in connection with the merger under the Delaware General Corporation Law. See Section 17 entitled “Appraisal Rights” of this Offer to Purchase.

See Section 1 entitled “Terms of the Offer” and Section 13 entitled “The Transaction Documents” of this Offer to Purchase for a more complete description of the tender offer and the transactions contemplated following the consummation of the tender offer.

QUESTIONS AND ANSWERS

State M Corporation is offering to purchase all of the outstanding shares of common stock of Komag, Incorporated (the "Company") for $32.25 per share in cash. The following are some of the questions you may have as a stockholder of the Company and answers to those questions. We urge you to read carefully the remainder of this Offer to Purchase and the enclosed Letter of Transmittal because the information provided below is not complete. Additional important information is contained in the remainder of this Offer to Purchase and the Letter of Transmittal.

Who is offering to buy my securities?

State M Corporation is a Delaware corporation and a wholly owned subsidiary of Western Digital Technologies, Inc. ("WDTI"), a Delaware corporation, which is a wholly owned subsidiary of Western Digital Corporation, a Delaware corporation. State M Corporation was formed for the sole purpose of acquiring the Company and has carried on no activities other than in connection with the acquisition of the Company. State M Corporation was incorporated in Delaware in June of 2007. See the "Introduction" and Section 9 entitled "Certain Information Concerning Offeror, WDTI and Parent" of this Offer to Purchase.

Unless the context indicates otherwise, we will use the terms "us," "we" and "our" in this Offer to Purchase to refer to State M Corporation and, where appropriate, WDTI and Western Digital Corporation. We will use the term "the Company" to refer to Komag, Incorporated.

What are the classes and amounts of securities sought in the tender offer?

We are seeking to purchase all of the outstanding shares of common stock of the Company. See the "Introduction" and Section 1 entitled "Terms of the Offer" of this Offer to Purchase.

How much are you offering to pay? What is the form of payment?

We are offering to pay you $32.25 per share, in cash, without interest, less any required withholding taxes.

Will I have to pay any fees or commissions?

If you are the record owner of your shares and you tender your shares to us in this tender offer, you will not have to pay brokerage fees or similar expenses. If you own your shares through a broker or other nominee, and your broker tenders your shares on your behalf, your broker or nominee may charge you a fee for doing so. You should consult your broker or nominee to determine whether any charges will apply. See the "Introduction" to this Offer to Purchase.

Do you have the financial resources to make payment?

Yes. The tender offer is not subject to any financing condition. We have obtained a commitment from Goldman Sachs Credit Partners L.P. for debt financing of up to $1.25 billion to fund the purchase of the shares in the tender offer, the payment for shares in the merger, the payment of related fees and expenses and any repurchase of the Company's convertible notes that the Company is obligated to repurchase following completion of the tender offer.

See Section 10 entitled "Source and Amount of Funds" of this Offer to Purchase.

Is your financial condition relevant to my decision to tender my shares in this tender offer?

We do not believe our financial condition is relevant to your decision to tender your shares in this tender offer because:

- the tender offer is being made for all outstanding shares solely for cash;

- the tender offer is not subject to any financing condition and we have obtained a commitment for debt financing that will be sufficient to pay for all the Company's outstanding shares; and
- if we consummate the tender offer, we will acquire all remaining shares for the same cash price in the subsequent merger.

What does the Company's board of directors recommend regarding this tender offer?

The Company's board of directors unanimously:

- adopted, approved and declared advisable the merger agreement, the tender offer, the merger and the other transactions contemplated by the merger agreement;
- declared that it is in the best interests of the Company's stockholders that the Company enter into the merger agreement and consummate the transactions contemplated by the merger agreement on the terms and subject to the conditions set forth in the merger agreement;
- declared that the terms of the tender offer and the merger are fair to the Company's stockholders; and
- recommends that the Company's stockholders accept the tender offer, tender their shares in the tender offer and, if required by applicable law, vote in favor of adoption of the merger agreement.

See the "Introduction" to this Offer to Purchase.

How long do I have to decide whether to tender in the tender offer?

You will have until 12:00 Midnight, New York City time, on Tuesday, August 7, 2007, to tender your shares in the tender offer, unless the tender offer is extended. If you cannot deliver everything that is required to make a valid tender by such time, you may be able to use a guaranteed delivery procedure, which is described later in this Offer to Purchase. See Section 1 entitled "Terms of the Offer" and Section 3 entitled "Procedure for Tendering Shares" of this Offer to Purchase.

Can the tender offer be extended and under what circumstances?

Yes. We have agreed in the merger agreement that we will extend the tender offer beyond Tuesday, August 7, 2007:

- for successive periods of up to ten business days each (or any longer period agreed upon by Western Digital Corporation and the Company), if any of the conditions to the tender offer have not been satisfied or waived as of any then scheduled expiration date for the tender offer; and
- for any period required by any rule, regulation, interpretation or position of the New York Stock Exchange or the Securities and Exchange Commission or its staff.

Our ability and obligation to extend the tender offer is subject to each party's right to terminate the merger agreement if the tender offer is not consummated by December 28, 2007 (or, under the circumstances described in "Merger Agreement — Termination" in Section 13 entitled "The Transaction Documents" of this Offer to Purchase, March 28, 2008), and the parties' rights to otherwise terminate the merger agreement and tender offer pursuant to the terms of the merger agreement.

State M Corporation may also elect to provide a subsequent offering period of between three and 20 business days immediately following the expiration of the tender offer. A subsequent offering period is different from an extension of the tender offer. During a subsequent offering period, you would not be able to withdraw any of the shares that you had already tendered (because we would have already accepted those shares for payment); you also would not be able to withdraw any of the shares that you tender during the subsequent offering period.

See Section 1 entitled "Terms of the Offer" of this Offer to Purchase for more details on our ability to extend the tender offer.

How will I be notified if the tender offer is extended?

If we extend the tender offer, we will inform Computershare Trust Company, N.A. (the depositary for the tender offer) of that fact and will make a public announcement of the extension not later than 9:00 a.m., New York City time, on the next business day after the day on which the tender offer was scheduled to expire. See Section 1 entitled "Terms of the Offer" of this Offer to Purchase.

What are the most significant conditions to the tender offer?

We will not be required to accept for payment or, subject to any applicable rules and regulations of the U.S. Securities and Exchange Commission (including Rule 14e-1(c) under the Securities Exchange Act of 1934, as amended, relating to our obligation to pay for or return tendered shares promptly after termination or withdrawal of the tender offer), pay for any tendered shares, and may (but only to the extent expressly permitted by the merger agreement) delay the acceptance for payment of any tendered shares, if (i) any waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, or the antitrust laws of the People's Republic of China have not expired or been terminated, (ii) the minimum condition has not been satisfied, or (iii) certain other events described in Section 15 entitled "Certain Conditions to Offeror's Obligations" of this Offer to Purchase occur and are continuing.

The minimum condition is the condition that, prior to the then scheduled expiration date of the tender offer (as it may be extended from time to time pursuant to the merger agreement), there be validly tendered in accordance with the terms of the tender offer and not withdrawn a number of shares that would represent a majority of the sum of (1) all shares outstanding as of the scheduled expiration of the tender offer, plus (2) all shares issuable upon the exercise of Company stock options and other rights to acquire shares (excluding the Company's convertible notes) outstanding as of the scheduled expiration of the tender offer that have an exercise price of less than $32.25 and are vested as of the scheduled expiration of the tender offer or would vest within two months after the scheduled expiration of the tender offer (assuming the satisfaction of the conditions to vesting and assuming consummation of the tender offer), which would constitute approximately 50.5% of the outstanding shares based on shares, options and other rights outstanding as of July 2, 2007.

The foregoing conditions are for the sole benefit of Western Digital Corporation and State M Corporation and, subject to the terms and conditions of the merger agreement, may be waived by Western Digital Corporation or State M Corporation, in whole or in part at any time and from time to time in their sole discretion, except the minimum condition and the conditions relating to the receipt of required antitrust approvals and legal restraints can only be waived with the prior written consent of the Company.

See Section 15 entitled "Certain Conditions to Offeror's Obligations" of this Offer to Purchase.

Under what circumstances would the Company be obligated to pay a termination fee to Western Digital Corporation if the merger agreement is terminated?

Under the merger agreement, the Company has agreed to pay Western Digital Corporation a termination fee of $38,000,000 if:

- a 50% Proposal (as defined in "Merger Agreement — No Solicitation of Transactions" in Section 13 entitled "The Transaction Documents" of this Offer to Purchase) is publicly announced or otherwise becomes publicly known to the Company's stockholders or an intention (whether or not conditional and whether or not withdrawn) to make such a 50% Proposal is publicly announced or otherwise becomes publicly known to the Company's stockholders and thereafter (i) the merger agreement is terminated by either Western Digital Corporation or the Company because of a failure to close the transaction by December 28, 2007 (or March 28, 2008 under certain circumstances) and (ii) prior to the 12-month anniversary of termination of the merger agreement, the Company or any of its subsidiaries enters into any agreement with respect to any 40% Proposal (as defined in "Merger Agreement — No Solicitation of Transactions" in Section 13 entitled "The Transaction Documents" of this Offer to Purchase), the Company's board of directors recommends acceptance of any 40% Proposal or any 40% Proposal is consummated;

- the merger agreement is terminated by Western Digital Corporation in the event that an Adverse Recommendation Change (as defined in "Merger Agreement — No Solicitation of Transactions" in Section 13 entitled "The Transaction Documents" of this Offer to Purchase) has occurred;
- the merger agreement is terminated by Western Digital Corporation due to a failure by the Company's board of directors to reaffirm its recommendation of the Offer within five business days of a written request by Western Digital Corporation of such reaffirmation; or
- the merger agreement is terminated by the Company to immediately enter into a binding definitive agreement for a Superior Proposal (as defined in "Merger Agreement — No Solicitation of Transactions" in Section 13 entitled "The Transaction Documents" of this Offer to Purchase) with a third party.

See "Merger Agreement — Termination Fee" in Section 13 entitled "The Transaction Documents" of this Offer to Purchase.

How do I tender my shares?

To tender your shares, you must deliver the certificates representing your shares, together with a completed Letter of Transmittal and any other documents required by the Letter of Transmittal, to Computershare Trust Company, N.A., the depositary for the tender offer, not later than the date and time the tender offer expires. The Letter of Transmittal is enclosed with this Offer to Purchase. If your shares are held in street name, your shares can be tendered by your nominee through The Depository Trust Company. If you are unable to deliver any required document or instrument to the depositary by the expiration of the tender offer, you may gain some extra time by having a broker, a bank or other fiduciary that is an eligible institution guarantee that the missing items will be received by the depositary by using the enclosed Notice of Guaranteed Delivery. For the tender to be valid, however, the depositary must receive the missing items within the time period specified in the notice. See Section 3 entitled "Procedure for Tendering Shares" of this Offer to Purchase.

Until what time may I withdraw previously tendered shares?

The tender of your shares may be withdrawn at any time prior to 12:00 Midnight, New York City time, on Tuesday, August 7, 2007 or such later date as the tender offer may be extended and, unless accepted for payment pursuant to the tender offer, may also be withdrawn at any time after Saturday, September 8, 2007. However, if we provide a subsequent offering period, you would not be able to withdraw (i) any shares that you already tendered or (ii) any of the shares that you tendered during a subsequent offering period. See Section 4 entitled "Withdrawal Rights" of this Offer to Purchase.

How do I withdraw previously tendered shares?

To withdraw shares, you must deliver a written notice of withdrawal, or a manually signed facsimile of one, with the required information to the depositary, Computershare Trust Company, N.A., while you still have the right to withdraw the shares. If you tendered shares by giving instructions to a bank or broker, you must instruct the bank or broker to arrange for the withdrawal of your shares. See Section 4 entitled "Withdrawal Rights" of this Offer to Purchase.

If I decide not to tender, how will the tender offer affect my shares?

If the merger described above takes place, stockholders not tendering in the tender offer will receive the same amount of cash per share that they would have received had they tendered their shares in the tender offer. Therefore, if the merger takes place, the only difference to you between tendering your shares and not tendering your shares is that you will be paid earlier if you tender your shares. However, if the tender offer is consummated but the merger does not take place, the number of stockholders and the number of shares of the Company that are still in the hands of the public may be so small that there no longer will be an active public trading market (or, possibly, there may not be any public trading market) for the Company common stock. Also, as described below, the Company may cease making filings with the Securities and Exchange Commission or otherwise may not be required to comply with the rules relating to publicly held companies. See the "Introduction" and Section 7 entitled "Effect of Offer on Listing,

Market for Shares and SEC Registration" of this Offer to Purchase. As described under "Will I have appraisal rights?" below, you will have appraisal rights in connection with the merger.

If the tender offer is completed, will the Company continue as a public company?

No. Following the purchase of shares in the tender offer, we will complete the merger pursuant to the terms of the merger agreement if the conditions to the merger are satisfied. If the merger takes place, the Company will no longer be publicly owned. Even if the merger does not take place, if we purchase all of the tendered shares:

- there may not be a public trading market for the Company common stock; and
- the Company may cease making filings with the Securities and Exchange Commission or otherwise cease being required to comply with the rules relating to publicly held companies.

See Section 7 entitled "Effect of Offer on Listing, Market for Shares and SEC Registration" of this Offer to Purchase.

Will the tender offer be followed by a merger if all of the shares are not tendered in the tender offer?

Yes, unless the conditions to the merger are not satisfied or waived. If we accept for payment and pay for shares of Company stock pursuant to the tender offer, we are required under the merger agreement to merge with and into the Company if the conditions to the merger are satisfied. If the merger takes place, Western Digital Corporation (through Western Digital Technologies, Inc.) will own all of the shares of the Company and all stockholders of the Company remaining after the tender offer other than us (and other than stockholders validly exercising appraisal rights) will receive $32.25 per share in cash (or any higher price per share that is paid in the tender offer). See the "Introduction" to this Offer to Purchase. See "Merger Agreement — Conditions to the Merger" in Section 13 entitled "The Transaction Documents" of this Offer to Purchase for a description of the conditions to the merger and Section 17 entitled "Appraisal Rights" of this Offer to Purchase.

Will I have appraisal rights?

No appraisal rights are available in connection with the tender offer. Stockholders will be entitled to appraisal rights in connection with the merger. See Section 17 entitled "Appraisal Rights" of this Offer to Purchase.

What is the market value of my shares as of a recent date?

On June 28, 2007, the last full day of trading before the public announcement by the Company of its execution of an agreement with us for our acquisition of the Company at a price of $32.25 per share, the closing share price of the Company common stock on the Nasdaq Global Select Market was $29.58. Our offer price of $32.25 per share represents a premium of approximately 26% over the $25.52 thirty day average closing price of the Company common stock on the Nasdaq Global Select Market. On July 10, 2007, the last full day of trading before the commencement of the tender offer, the closing share price of the Company common stock on the Nasdaq Global Select Market was $31.94. We encourage you to obtain a recent quotation for shares of the Company common stock in deciding whether to tender your shares. See Section 6 entitled "Price Range of Shares; Dividends on the Shares" of this Offer to Purchase.

What are the material United States federal income tax consequences of tendering shares?

The receipt of cash for shares pursuant to the tender offer or the merger will be a taxable transaction for United States federal income tax purposes.

In general, a stockholder who sells shares pursuant to the tender offer or receives cash in exchange for shares pursuant to the merger will recognize gain or loss for United States federal income tax purposes equal to the difference, if any, between the amount of cash received and the stockholder's adjusted tax basis in the shares sold pursuant to the tender offer or exchanged for cash pursuant to the merger. If the shares sold or exchanged constitute capital assets in the hands of the stockholder, such gain or loss will be capital gain or loss. In general, capital gains recognized by a corporation will be subject to a maximum United States federal tax rate of 35%, while capital gains

recognized by an individual will be subject to a maximum United States federal income tax rate of 15% if the shares were held for more than one year, and if held for one year or less such capital gains will be subject to tax at ordinary income tax rates. See Section 5 entitled "Material U.S. Federal Income Tax Consequences" of this Offer to Purchase.

Stockholders are urged to consult their own tax advisors as to the particular tax consequences to them of the tender offer and the merger, including the effect of United States, federal, state and local tax laws or foreign tax laws.

Whom should I call if I have questions about the tender offer?

Shareholders can contact the information agent for the tender offer, D.F. King & Co., Inc., at its address and telephone number set forth on the back cover of this Offer to Purchase. Shareholders can also contact the dealer manager for the tender offer, Goldman, Sachs & Co., at its address and telephone number set forth on the back cover of this Offer to Purchase.

To the Holders of Common Stock of Komag, Incorporated:

INTRODUCTION

State M Corporation, a Delaware corporation ("Offeror") and a wholly owned subsidiary of Western Digital Technologies, Inc., a Delaware corporation ("WDTI") and a wholly owned subsidiary of Western Digital Corporation, a Delaware corporation ("Parent"), hereby offers to purchase all of the outstanding shares of common stock, par value $0.01 per share (the "Shares"), of Komag, Incorporated, a Delaware corporation (the "Company"), at a purchase price of $32.25 per Share, net to the seller in cash without interest thereon, less any required withholding taxes (the "Offer Price"), upon the terms and subject to the conditions set forth in this Offer to Purchase and in the related Letter of Transmittal (which, together with any amendments or supplements hereto or thereto, collectively constitute the "Offer").

The Offer is being made pursuant to an Agreement and Plan of Merger, dated as of June 28, 2007 (as it may be amended from time to time, the "Merger Agreement"), by and among Parent, Offeror and the Company. Offeror is a corporation newly formed by Parent and WDTI in connection with the acquisition of the Company. The Merger Agreement provides, among other things, for the making of the Offer by Offeror, and further provides that, upon the terms and subject to certain conditions of the Merger Agreement, Offeror will be merged with and into the Company (the "Merger"), and the Company will continue as the surviving corporation (the "Surviving Corporation") and be a wholly owned subsidiary of WDTI and Parent. The Merger is subject to conditions, including the approval and adoption of the Merger Agreement by stockholders of the Company, if such approval is required by applicable law. See Section 12 entitled "Purpose of the Offer; The Merger; Plans for the Company" of this Offer to Purchase. In the Merger, each outstanding Share (other than Shares held in the treasury of the Company or owned by Parent or Offeror, which shall automatically be cancelled and retired) shall automatically be cancelled and extinguished and, other than Shares with respect to which appraisal rights are properly exercised, will be converted into and become a right to receive the Offer Price. The Merger Agreement is more fully described in Section 13 entitled "The Transaction Documents" of this Offer to Purchase, which also contains a discussion of the treatment of stock options and the Company's convertible notes.

Tendering stockholders who are record holders of their Shares and tender directly to Computershare Trust Company, N.A. (the "Depositary") will not be obligated to pay brokerage fees or commissions or, except as set forth in Instruction 6 of the Letter of Transmittal, transfer taxes on the purchase of Shares by Offeror pursuant to the Offer. Stockholders who hold their Shares through a broker or bank should consult such institution as to whether it charges any service fees. Offeror will pay all charges and expenses of the Depositary, Goldman, Sachs & Co. (the "Dealer Manager") and D.F. King & Co., Inc. (the "Information Agent") for their respective services in connection with the Offer and the Merger. See Section 18 entitled "Fees and Expenses" of this Offer to Purchase.

The Company's board of directors has unanimously adopted, approved and declared advisable the Merger Agreement and the transactions contemplated by the Merger Agreement, declared it in the best interests of the Company's stockholders for the Company to enter into the Merger Agreement and consummate the transactions contemplated by the Merger Agreement, declared the terms of the Offer and the Merger fair to the Company's stockholders and recommends that the Company's stockholders tender their shares in the Offer and, if required, vote in favor of adoption of the Merger Agreement.

The Company has advised Parent that, on June 28, 2007, the Company's board of directors received the opinion of Credit Suisse Securities (USA) LLC ("Credit Suisse") to the effect that, as of June 28, 2007 and based upon and subject to, among other things, the procedures followed, assumptions made, matters considered and limitations on the scope of review undertaken by Credit Suisse, the $32.25 per Share cash consideration to be received by the holders of Shares in the Offer and the Merger was fair, from a financial point of view, to such holders. The full text of Credit Suisse's written opinion, dated June 28, 2007, which sets forth, among other things, the procedures followed, assumptions made, matters considered and limitations on the scope of review undertaken by Credit Suisse in rendering its opinion, will be attached as an exhibit to the Company's Solicitation/Recommendation Statement on Schedule 14D-9 (together with all amendments and supplements thereto, the "Schedule 14D-9") to be filed with the Securities and Exchange Commission (the "SEC") and which will be mailed to the Company's stockholders. **Holders of Shares are urged to read the opinion carefully and in its entirety.**

The opinion was provided to the Company's board of directors for its information in connection with its evaluation of the $32.25 per Share cash consideration to be received by holders of Shares in the Offer and the Merger, relates only to the fairness, from a financial point of view, of such cash consideration, does not address any other aspect of the Offer or the Merger and does not constitute a recommendation to any stockholder as to whether or not such stockholder should tender Shares in the Offer or as to how such stockholder should vote or act on any matter relating to the Offer or the Merger.

The Offer is conditioned upon, among other things, the condition that, prior to the then scheduled expiration date of the Offer (as it may be extended from time to time pursuant to the Merger Agreement), there be validly tendered in accordance with the terms of the tender offer and not withdrawn a number of Shares that would represent a majority of the sum of (1) all Shares outstanding as of the scheduled expiration of the tender offer, plus (2) all Shares issuable upon the exercise of Company stock options and other rights to acquire Shares (excluding the Company's convertible notes) outstanding as of the scheduled expiration of the tender offer that have an exercise price of less than $32.25 and are vested as of the scheduled expiration of the tender offer or would vest within two months after the scheduled expiration of the tender offer (assuming the satisfaction of the conditions to vesting and assuming consummation of the tender offer) (the "Minimum Condition"). The Offer is also conditioned on the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, (the "HSR Act") and the antitrust laws of the People's Republic of China. See Section 15 entitled "Certain Conditions to Offeror's Obligations" of this Offer to Purchase for a description of all of the conditions to the Offer.

The Company has represented in the Merger Agreement that as of June 27, 2007, there were 30,359,747 Shares issued and outstanding and that as of June 27, 2007, there were outstanding stock options to purchase 617,302 Shares. The Company has informed Parent that as of July 9, 2007 options to purchase an aggregate of 511,905 Shares have an exercise price that is equal to or less than $32.25 per share. None of Parent, WDTI or Offeror currently beneficially owns any Shares except insofar as the Tender and Voting Agreement described in the "Tender and Voting Agreement" in Section 13 entitled "The Transaction Documents" of this Offer to Purchase may be deemed to constitute beneficial ownership. Parent disclaims such beneficial ownership. Based on information available as of July 2, 2007, Offeror believes that approximately 15,324,115 Shares must be validly tendered and not withdrawn prior to the expiration of the Offer in order for the Minimum Condition to be satisfied. Owners of approximately 1.1% of the Company's issued and outstanding Shares as of June 27, 2007 have already agreed to tender their Shares into the Offer pursuant to the Tender and Voting Agreements. See Section 1 entitled "Terms of the Offer" of this Offer to Purchase.

THIS OFFER TO PURCHASE AND THE RELATED LETTER OF TRANSMITTAL CONTAIN IMPORTANT INFORMATION WHICH SHOULD BE READ BEFORE ANY DECISION IS MADE WITH RESPECT TO THE OFFER.

THE TENDER OFFER

1. Terms of the Offer.

Upon the terms and subject to the conditions set forth in the Offer (including, if the Offer is extended or amended, the terms and conditions of any extension or amendment), Offeror will accept for payment and pay for all Shares validly tendered prior to the Expiration Date and not theretofore withdrawn in accordance with Section 4 entitled "Withdrawal Rights" of this Offer to Purchase. The term "Expiration Date" means 12:00 Midnight, New York City time, on Tuesday, August 7, 2007 (the "Scheduled Expiration Date"), unless Offeror shall have extended the period of time for which the Offer is open, in which event the term "Expiration Date" shall mean the latest time and date at which the Offer, as so extended by Offeror, shall expire.

In the Merger Agreement, Offeror has agreed that it will extend the Offer beyond the Scheduled Expiration Date as follows:

- for successive periods of up to ten business days each (or any longer period agreed upon by Parent and the Company), if any of the conditions to the tender offer have not been satisfied or waived as of any then scheduled expiration date for the tender offer; and
- for any period required by any rule, regulation, interpretation or position of the New York Stock Exchange or the Securities and Exchange Commission (the "SEC") or its staff.

Offeror's ability and obligation to extend the Offer is subject to the parties' right to terminate the Merger Agreement if the Offer is not consummated by December 28, 2007 (or March 28, 2008 under the circumstances described in "Merger Agreement — Termination" in Section 13 entitled "The Transaction Documents" of this Offer to Purchase) and the parties' rights to otherwise terminate the Merger Agreement and the Offer pursuant to the terms of the Merger Agreement.

Offeror has also agreed in the Merger Agreement that it will not, without the prior written consent of the Company: (i) reduce the number of Shares subject to the Offer, (ii) reduce the Offer Price, (iii) waive the Minimum Condition or the conditions to the Offer related to antitrust approvals or legal restraints, (iv) add to the Offer conditions or modify any Offer condition (other than as required by law, the SEC or its staff in a manner that is not adverse to the holders of Shares), (v) except as otherwise required by the Merger Agreement, extend the Offer, (vi) change the form of consideration payable in the Offer or (vii) otherwise amend the Offer in any manner adverse to the holders of Shares or any manner that would result in any mandatory extension of the Offer (other than an increase in the Offer Price in response to an alternative acquisition proposal by a third party).

The Offer is conditioned upon satisfaction of the Minimum Condition and the expiration or termination of waiting periods under the HSR Act and the antitrust laws of the People's Republic of China. The Offer is also subject to other terms and conditions. See Section 15 entitled "Certain Conditions to Offeror's Obligations" of this Offer to Purchase. Offeror believes the minimum number of Shares that must be tendered in order to achieve the Minimum Condition on August 7, 2007 is approximately 15,324,115, based on the number of Shares, Company stock options and other rights outstanding on July 2, 2007.

Subject to the applicable rules and regulations of the SEC, Offeror expressly reserves the right, in its sole discretion, to delay acceptance for payment of any Shares (or delay payment for any Shares, regardless of whether such Shares were theretofore accepted for payment) pending the receipt of required governmental consents, or, subject to the limitations set forth in the Merger Agreement, to terminate the Offer and not to accept for payment or pay for any Shares not theretofore accepted for payment or paid for upon the failure of any of the Offer conditions, by giving oral or written notice of such delay or termination to the Depositary. Offeror's right to delay payment for any Shares or not to pay for any Shares theretofore accepted for payment is subject to the applicable rules and regulations of the SEC, including Rule 14e-1(c) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") relating to Offeror's obligation to pay for or return tendered Shares promptly after the termination or withdrawal of the Offer.

Except as set forth above, and subject to the applicable rules and regulations of the SEC, Offeror expressly reserves the right to waive any Offer condition (other than the Minimum Condition, the condition relating to the

receipt of required antitrust approvals and the condition relating to legal restraints), increase the Offer Price or amend the Offer in any respect. Any extension of the period during which the Offer is open, or delay in acceptance for payment or payment for Shares, or termination or amendment of the Offer, will be followed as promptly as practicable by public announcement thereof, such announcement in the case of an extension to be issued not later than 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Date in accordance with the public announcement requirements of Rule 14d-4(c) under the Exchange Act. Without limiting the obligation of Offeror under such rule or the manner in which Offeror may choose to make any public announcement, Offeror currently intends to make announcements by issuing a press release and making any appropriate filing with the SEC.

If Offeror makes a material change in the terms of the Offer or the information concerning the Offer or if it waives a material condition of the Offer, Offeror will disseminate additional tender offer materials and extend the Offer if and to the extent required by Rules 14d-4(c), 14d-6(c) and 14(e)-1 under the Exchange Act (which require that material changes be promptly disseminated to stockholders in a manner reasonably designed to inform them of such changes) or otherwise. The minimum period during which an offer must remain open following material changes in the terms of the offer or information concerning the offer, other than a change in price or a change in percentage of securities sought, will depend upon the facts and circumstances, including the relative materiality of the terms or information changes. In the SEC's view, an offer should remain open for a minimum of five business days from the date the material change is first published, sent or given to stockholders, and with respect to a change in price or a change in percentage of securities sought, a minimum ten business day period is generally required to allow for adequate dissemination to stockholders and investor response. For purposes of the Offer, a "business day" means any day other than a Saturday, Sunday or a federal holiday, and consists of the time period from 12:01 a.m. through 12:00 midnight, New York City time.

The Company has provided Offeror with the Company's list of stockholders and security position listings for the purpose of disseminating the Offer to holders of Shares. This Offer to Purchase, the Letter of Transmittal and other relevant materials will be mailed to record holders of the Shares and will be furnished to brokers, dealers, commercial banks, trust companies and similar persons whose names, or the names of whose nominees, appear on the list of stockholders or, if applicable, who are listed as participants in a clearing agency's security position listing for subsequent transmittal to beneficial owners of Shares.

2. Acceptance for Payment and Payment for Shares.

Upon the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of any such extension or amendment), Offeror will purchase, by accepting for payment, and will pay for, all Shares validly tendered prior to the Expiration Date (and not withdrawn) promptly after the Expiration Date. Subject to compliance with Rule 14e-1(c) under the Exchange Act, Offeror expressly reserves the right to delay payment for Shares in order to comply in whole or in part with any applicable law. See Section 1 entitled "Terms of the Offer" and Section 15 entitled "Certain Conditions to Offeror's Obligations" of this Offer to Purchase. In all cases, payment for Shares accepted for payment pursuant to the Offer will be made only after timely receipt by the Depositary of (i) certificates for such Shares or timely confirmation (a "Book-Entry Confirmation") of a book-entry transfer of such Shares into the Depositary's account at The Depository Trust Company ("DTC") pursuant to the procedures set forth in Section 3 entitled "Procedure for Tendering Shares" of this Offer to Purchase, (ii) a properly completed and duly executed Letter of Transmittal with all required signature guarantees (unless, in the case of a book-entry transfer, an Agent's Message (as defined below) is utilized) and (iii) any other documents required by the Letter of Transmittal.

The term "Agent's Message" means a message transmitted by DTC to, and received by, the Depositary and forming a part of a Book-Entry Confirmation, which states that DTC has received an express acknowledgment from the participant in DTC tendering the Shares that such participant has received and agrees to be bound by the terms of the Letter of Transmittal and that Offeror may enforce such agreement against the participant.

For purposes of the Offer, Offeror will be deemed to have accepted for payment, and thereby purchased, Shares validly tendered and not withdrawn as, if and when Offeror gives oral or written notice to the Depositary of Offeror's acceptance of such Shares for payment. In all cases, payment for Shares purchased pursuant to the Offer

will be made by deposit of the purchase price with the Depositary, which will act as agent for tendering stockholders for the purpose of receiving payment from Offeror and transmitting such payment to tendering stockholders. If, for any reason whatsoever, acceptance for payment of any Shares tendered pursuant to the Offer is delayed, or Offeror is unable to accept for payment Shares tendered pursuant to the Offer, then, without prejudice to Offeror's rights under Section 15 entitled "Certain Conditions to Offeror's Obligations" of this Offer to Purchase, the Depositary may, nevertheless, on behalf of Offeror, retain tendered Shares, and such Shares may not be withdrawn, except to the extent that the tendering stockholders are entitled to withdrawal rights as described in Section 4 entitled "Withdrawal Rights" of this Offer to Purchase and as otherwise required by Rule 14e-1(c) under the Exchange Act. **Under no circumstances will interest be paid on the purchase price for Shares by Offeror by reason of any delay in making such payment.**

If any tendered Shares are not accepted for payment pursuant to the terms and conditions of the Offer for any reason, or if certificates are submitted for more Shares than are tendered, certificates for such unpurchased or untendered Shares will be returned, without expense to the tendering stockholder (or, in the case of Shares delivered by book-entry transfer to DTC, such Shares will be credited to an account maintained within DTC), as promptly as practicable after the expiration, termination or withdrawal of the Offer.

If, prior to the Expiration Date, Offeror increases the consideration offered to stockholders pursuant to the Offer, such increased consideration will be paid to all stockholders whose Shares are purchased pursuant to the Offer.

3. Procedure for Tendering Shares.

Valid Tenders. For Shares to be validly tendered pursuant to the Offer, a properly completed and duly executed Letter of Transmittal, with any required signature guarantees and any other required documents, or an Agent's Message in the case of a book-entry delivery, must be received by the Depositary at one of its addresses set forth on the back cover of this Offer to Purchase prior to the Expiration Date. In addition, either (i) certificates representing such Shares must be received by the Depositary or such Shares must be tendered pursuant to the procedure for book-entry transfer set forth below, and a Book-Entry Confirmation must be received by the Depositary, in each case prior to the Expiration Date, or (ii) the tendering stockholder must comply with the guaranteed delivery procedure set forth below. No alternative, conditional or contingent tenders will be accepted. **Delivery of documents to DTC does not constitute delivery to the Depositary.**

Book-Entry Transfer. The Depositary will make a request to establish an account with respect to the Shares at DTC for purposes of the Offer within two business days after the date of this Offer to Purchase. Any financial institution that is a participant in DTC's system may make book-entry delivery of Shares by causing DTC to transfer such Shares into the Depositary's account at DTC in accordance with DTC's procedures for transfer. Although delivery of Shares may be effected through book-entry at DTC, the Letter of Transmittal (or a manually signed facsimile thereof), properly completed and duly executed, with any required signature guarantees and any other required documents, or an Agent's Message in the case of a book-entry delivery, must, in any case, be transmitted to and received by the Depositary at one of its addresses set forth on the back cover of this Offer to Purchase prior to the Expiration Date or the guaranteed delivery procedures described below must be complied with.

Signature Guarantee. Signatures on the Letter of Transmittal need not be guaranteed by a member firm of a registered national securities exchange (registered under Section 6 of the Exchange Act), by a member firm of the National Association of Securities Dealers, Inc., by a commercial bank or trust company having an office or correspondent in the United States or by any other "Eligible Guarantor Institution," as defined in Rule 17Ad-15 under the Exchange Act (collectively, "Eligible Institutions"), unless the Shares tendered thereby are tendered (i) by a registered holder of Shares who has completed either the box entitled "Special Payment Instructions" or the box entitled "Special Delivery Instructions" on the Letter of Transmittal or (ii) as noted in the following sentence. If the certificates evidencing Shares are registered in the name of a person or persons other than the signer of the Letter of Transmittal, or if payment is to be made, or certificates for unpurchased Shares are to be issued or returned, to a person other than the registered owner or owners, then the tendered certificates must be endorsed or accompanied by duly executed stock powers, in either case signed exactly as the name or names of the registered owner or owners

appear on the certificates, with the signatures on the certificates or stock powers guaranteed by an Eligible Institution as provided in the Letter of Transmittal. See Instructions 1 and 5 to the Letter of Transmittal.

Guaranteed Delivery. If a stockholder desires to tender Shares pursuant to the Offer and such stockholder's certificates for Shares are not immediately available or time will not permit all required documents to reach the Depositary prior to the Expiration Date, or the procedure for book-entry transfer cannot be completed on a timely basis, such Shares may nevertheless be tendered if such tender complies with all of the following guaranteed delivery procedures:

- the tender is made by or through an Eligible Institution;
- a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form provided by Offeror herewith, is received by the Depositary, as provided below, prior to the Expiration Date; and
- the certificates representing all tendered Shares, in proper form for transfer, or a Book-Entry Confirmation with respect to all tendered Shares, together with a properly completed and duly executed Letter of Transmittal, with any required signature guarantees and any other documents required by the Letter of Transmittal, are received by the Depositary within three trading days after the date of such Notice of Guaranteed Delivery. If certificates are forwarded separately to the Depositary, a properly completed and duly executed Letter of Transmittal must accompany each such delivery.

The Notice of Guaranteed Delivery may be transmitted by telegram, facsimile transmission or mail to the Depositary and must include a guarantee by an Eligible Institution in the form set forth in the Notice of Guaranteed Delivery.

The method of delivery of certificates representing Shares, the Letter of Transmittal and all other required documents, including delivery through DTC, is at the option and sole risk of the tendering stockholder and the delivery will be deemed made only when actually received by the Depositary. If delivery is by mail, registered mail with return receipt requested, properly insured, is recommended. In all cases, sufficient time should be allowed to ensure timely delivery.

Notwithstanding any other provision hereof, payment for Shares accepted for payment pursuant to the Offer will in all cases be made only after timely receipt by the Depositary of (i) certificates for the Shares (or a Book-Entry Confirmation) and (ii) a properly completed and duly executed Letter of Transmittal and any other documents required by the Letter of Transmittal (or, as applicable, an Agent's Message).

Backup Federal Income Tax Withholding. **To prevent federal backup withholding tax with respect to payment of the purchase price for Shares purchased pursuant to the Offer, each stockholder must provide the Depositary with its correct taxpayer identification number and certify that it is not subject to federal backup withholding by completing the Substitute Form W-9 included in the Letter of Transmittal or by otherwise certifying such stockholder's exemption from backup withholding. See Instruction 8 set forth in the Letter of Transmittal.**

Determinations of Validity. All questions as to the form of documents and the validity, eligibility (including time of receipt) and acceptance for payment of any tender of Shares will be determined by Offeror, in its sole discretion, and its determination will be final and binding on all parties, subject to the tendering stockholder's right to bring any dispute with respect thereto before a court of competent jurisdiction. Offeror reserves the absolute right to reject any or all tenders of any Shares that are determined by it not to be in proper form or the acceptance of or payment for which may, in the opinion of Offeror, be unlawful. Offeror also reserves the absolute right to waive any of the conditions of the Offer (other than as prohibited by the Merger Agreement, as described in Section 1 entitled "Terms of the Offer" of this Offer to Purchase) or any defect or irregularity in the tender of any Shares. Offeror's interpretation of the terms and conditions of the Offer (including the Letter of Transmittal and the Instructions to the Letter of Transmittal) will be final and binding on all parties. No tender of Shares will be deemed to have been validly made until all defects and irregularities have been cured or waived. None of Offeror, Parent, WDTI, the Depositary, the Information Agent or any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification.

Other Requirements. By executing the Letter of Transmittal as set forth above, a tendering stockholder irrevocably appoints Offeror's board of directors as the attorneys-in-fact and proxies of such stockholder, each with full power of substitution, to the full extent of such stockholder's rights with respect to the Shares tendered by such stockholder and accepted for payment by Offeror (and any and all other Shares or other securities issued or issuable in respect of such Shares on or after July 11, 2007), including, without limitation, the right to vote such Shares in such manner as such attorney and proxy or his substitute shall, in his sole discretion, deem proper. All such powers of attorney and proxies shall be considered coupled with an interest in the tendered Shares. Such appointment will be effective when, and only to the extent that, Offeror accepts such Shares for payment. Upon such acceptance for payment, all prior powers of attorney and proxies given by the stockholder with respect to such Shares will be revoked, without further action, and no subsequent powers of attorney and proxies may be given (and, if given, will be deemed ineffective). The designees of Offeror will, with respect to the Shares for which such appointment is effective, be empowered to exercise all voting and other rights of such stockholder as they in their sole judgment deem proper. Offeror reserves the right to require that, in order for Shares to be deemed validly tendered, immediately upon the acceptance for payment of such Shares, Offeror or its designees must be able to exercise full voting rights with respect to such Shares.

The tender of Shares pursuant to any one of the procedures described above will constitute the tendering stockholder's acceptance of the terms and conditions of the Offer as well as the tendering stockholder's representation and warranty that (a) such stockholder has a net long position in the Shares being tendered within the meaning of Rule 14e-4 under the Exchange Act and (b) the tender of such Shares complies with Rule 14e-4. It is a violation of Rule 14e-4 for a person, directly or indirectly, to tender Shares for such person's own account unless, at the time of tender, the person so tendering (i) has a net long position equal to or greater than the amount of (x) Shares tendered or (y) other securities immediately convertible into or exchangeable or exercisable for the Shares tendered and such person will acquire such Shares for tender by conversion, exchange or exercise and (ii) will cause such Shares to be delivered in accordance with the terms of the Offer. Rule 14e-4 provides a similar restriction applicable to the tender or guarantee of a tender on behalf of another person. Offeror's acceptance for payment of Shares tendered pursuant to the Offer will constitute a binding agreement between the tendering stockholder and Offeror upon the terms and subject to the conditions of the Offer.

4. Withdrawal Rights.

Except as otherwise provided in this Section 4, tenders of Shares made pursuant to the Offer are irrevocable. Shares tendered pursuant to the Offer may be withdrawn at any time prior to the Expiration Date and, unless theretofore accepted for payment pursuant to the Offer, may also be withdrawn at any time after September 8, 2007; provided, however, that **there will be no withdrawal rights during any Subsequent Offering Period**. If all conditions to the Offer have been met or waived, Offeror must pay for all shares tendered and immediately accept and pay for all Shares tendered and not withdrawn prior to the Expiration Date and any Shares tendered during any Subsequent Offering Period pursuant to Rule 14d-11 under the Exchange Act. If purchase of or payment for Shares is delayed for any reason or if Offeror is unable to purchase or pay for Shares for any reason, then, without prejudice to Offeror's rights under the Offer, tendered Shares may be retained by the Depositary on behalf of Offeror and may not be withdrawn except to the extent that tendering stockholders are entitled to withdrawal rights as set forth in this Section 4, subject to Rule 14e-1(c) under the Exchange Act which provides that no person who makes a tender offer shall fail to pay the consideration offered or return the securities deposited by or on behalf of security holders promptly after the termination or withdrawal of the Offer.

For a withdrawal to be effective, a written, telegraphic or facsimile transmission notice of withdrawal must be timely received by the Depositary at one of its addresses set forth on the back cover of this Offer to Purchase. Any notice of withdrawal must specify the name of the person who tendered the Shares to be withdrawn, the number of Shares to be withdrawn and the name in which the certificates representing such Shares are registered, if different from that of the person who tendered the Shares. If certificates for Shares to be withdrawn have been delivered or otherwise identified to the Depositary, then, prior to the physical release of such certificates, the serial numbers shown on such certificates must be submitted to the Depositary and, unless such Shares have been tendered by an Eligible Institution, the signatures on the notice of withdrawal must be guaranteed by an Eligible Institution. If Shares have been tendered pursuant to the procedures for book-entry transfer set forth in Section 3 entitled

"Procedure for Tendering Shares" of this Offer to Purchase, any notice of withdrawal must also specify the name and number of the account at DTC to be credited with the withdrawn Shares.

All questions as to the form and validity (including time of receipt) of notices of withdrawal will be determined by Offeror, in its sole discretion, and its determination will be final and binding on all parties. None of Offeror, Parent, WDTI, the Depositary, the Information Agent or any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal or incur any liability for failure to give any such notification.

If you tendered Shares by giving instructions to a bank or broker, you must instruct the bank or broker to arrange for the withdrawal of your Shares.

Any Shares properly withdrawn will be deemed not validly tendered for purposes of the Offer, but may be returned at any subsequent time prior to the Expiration Date by following any of the procedures described in Section 3 entitled "Procedure for Tendering Shares" of this Offer to Purchase.

5. Material U.S. Federal Income Tax Consequences.

The following is a summary of certain material U.S. federal income tax consequences of the tender offer and the merger to holders whose shares are purchased pursuant to the tender offer or whose shares are converted to cash in the merger (including pursuant to the exercise of appraisal rights). This summary is not a comprehensive description of all U.S. federal income tax considerations that may be relevant to the tender offer and the merger. The discussion applies only to holders that hold their shares as capital assets, and may not apply to shares received pursuant to the exercise of employee stock options or otherwise as compensation, or to holders of shares who are in special tax situations (such as insurance companies, tax-exempt organizations, financial institutions, dealers in securities or foreign currency, traders in securities who elect to use a mark-to-market method of accounting, partnerships or other pass-through entities and investors in such entities, and U.S. expatriates), or to persons holding shares as part of a "straddle," "hedge," "conversion transaction," constructive sale or other integrated transaction, or whose functional currency is not the U.S. dollar or holders subject to the alternative minimum tax. This discussion does not address any aspect of U.S. federal gift or estate tax, state, local or foreign taxation.

The material U.S. federal income tax consequences set forth below are based upon current law. Because individual circumstances may differ, each holder of shares should consult such holder's own tax advisor to determine the applicability of the rules discussed below to such stockholder and the particular tax effects of the tender offer and the merger to such stockholder, including the application and effect of U.S. federal estate and gift, state, local, foreign and other tax laws.

For purposes of the following discussion, a "U.S. Holder" is a beneficial owner of shares that is for U.S. tax purposes: (1) an individual who is a citizen or resident of the United States, (2) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) organized or created under the laws of the United States, any state thereof, or the District of Columbia, (3) an estate whose income is includible in gross income for U.S. federal income tax purposes regardless of its source or (4) a trust (i) if (x) a court within the United States can exercise primary supervision over its administration and (y) one or more U.S. persons have authority to control all of its substantial decisions or (ii) if it has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person. In addition, for purposes of this discussion, a "Non-U.S. Holder" is a beneficial owner of shares that is an individual, a corporation, an estate or trust other than a U.S. Holder.

U.S. Holders

The receipt of cash for shares pursuant to the tender offer or the merger (including pursuant to the exercise of appraisal rights) will be a taxable transaction for U.S. federal income tax purposes. In general, for U.S. federal income tax purposes, a U.S. Holder of shares will recognize gain or loss equal to the difference between such U.S. Holder's adjusted federal income tax basis in the shares sold pursuant to the tender offer or converted to cash in the merger and the amount of cash received therefor. Gain or loss must be determined separately for each block of shares (*i.e.*, shares acquired at the same cost in a single transaction) sold pursuant to the tender offer or converted to cash in the merger. Such gain or loss will be capital gain or loss (other than, with respect to the exercise of appraisal

rights, amounts, if any, which are or are deemed to be interest for federal income tax purposes, which amounts will be taxed as ordinary income) and will be long-term gain or loss if, on the date of sale (or, if applicable, the date of the merger), the shares were held for more than one year. **In general, capital gains recognized by a corporation will be subject to U.S. federal income tax at a maximum rate of 35%, while capital gains recognized by an individual will be subject to a maximum U.S. federal income tax rate of 15% if the shares were held for more than one year, and if held for one year or less, such gains will be subject to tax at ordinary income tax rates.** Net capital losses may be subject to limits on deductibility.

Payments in connection with the tender offer or the merger may be subject to "backup withholding" at a 28% rate. See Section 3, "Procedure for Tendering Shares," of this Offer to Purchase. Backup withholding generally applies if the stockholder (a) fails to furnish its social security number or other taxpayer identification number ("TIN"), (b) furnishes an incorrect TIN, or (c) fails to provide a certified statement, signed under penalties of perjury, that the TIN provided is its correct number and that the stockholder is not subject to backup withholding. Backup withholding is not an additional tax and may be refunded by the IRS to the extent it results in an overpayment of tax. Certain persons generally are entitled to exemption from backup withholding, including corporations. Certain penalties apply for failure to furnish correct information and for failure to include reportable payments in income. Each stockholder should consult with his or her own tax advisor as to his or her qualification for exemption from backup withholding and the procedure for obtaining such exemption. Tendering stockholders may be able to prevent backup withholding by completing the Substitute Form W-9 included in the Letter of Transmittal.

Non-U.S. Holders

Subject to the discussion below on backup withholding, any gain realized by a Non-U.S. Holder on the sale or exchange of shares pursuant to the tender offer or the merger generally will not be subject to U.S. federal income or withholding tax, unless (1) such gain is effectively connected with the Non-U.S. Holder's conduct of a U.S. trade or business (and, if a tax treaty so requires, is attributable to a U.S. permanent establishment maintained by such Non-U.S. Holder in the United States), in which case the Non-U.S. Holder generally will be taxed in the same manner as a U.S. Holder or (2) the Non-U.S. Holder is an individual who holds shares as a capital asset and is present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met. If the second exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30% (or at a reduced rate under an applicable treaty, if any) on the amount by which such Non-U.S. Holder's capital gain allocable to U.S. sources exceeds capital losses allocable to U.S. sources during the taxable year of disposition of shares.

The payment in connection with the tender offer or the merger will be subject to information reporting and possibly backup withholding at a rate of 28% unless a Non-U.S. Holder certifies as to its non-U.S. status under penalties of perjury by completing applicable Form W-8 or otherwise establishes an exemption as specified in the Letter of Transmittal. Backup withholding is not an additional tax. Any amounts so withheld will be allowed as a credit against the Non-U.S. Holder's U.S. federal income tax liability, provided the required information is timely provided to the Internal Revenue Service.

EACH HOLDER IS URGED TO CONSULT ITS OWN ADVISOR WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO ITS PARTICULAR SITUATION AS WELL AS ANY TAX CONSEQUENCES OF THE OFFER OR THE MERGER ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX RULES OR UNDER THE LAWS OF ANY STATE, LOCAL, NON-U.S. OR OTHER TAXING JURISDICTION OR UNDER ANY APPLICABLE TAX TREATY, OR ARISING AS A RESULT OF CHANGES IN U.S. FEDERAL INCOME TAX LAWS OR THE TAX LAWS OF SUCH OTHER JURISDICTIONS.

6. Price Range of Shares; Dividends on the Shares.

The Shares currently trade on the Nasdaq Global Select Market under the symbol "KOMG." The following table sets forth the high and low closing sales prices per Share for the periods indicated, as reported on published financial sources.

	High	Low
Year Ended January 1, 2006		
First Quarter	$23.33	$17.33
Second Quarter	$32.30	$19.96
Third Quarter	$39.95	$28.33
Fourth Quarter	$37.62	$24.93
Year Ended December 31, 2006		
First Quarter	$53.48	$34.73
Second Quarter	$48.83	$40.35
Third Quarter	$47.54	$30.83
Fourth Quarter	$40.72	$32.47
Year Ended December 30, 2007		
First Quarter	$36.46	$30.94
Second Quarter	$32.57	$23.01
Third Quarter (through July 10, 2007)	$32.02	$31.82

On June 28, 2007, the last full day of trading before the public announcement by the Company of its execution of an agreement with us to acquire the Company at a price of $32.25 per share, the closing share price of the Company common stock on the Nasdaq Global Select Market was $29.58. The Offer Price represents a premium of approximately 26% over the $25.52 thirty day average closing price of the Company common stock on the Nasdaq Global Select Market. On July 10, 2007, the last full day of trading before the commencement of the tender offer, the closing share price of the Company common stock on the Nasdaq Global Select Market was $31.94 per share. We encourage you to obtain a recent quotation for shares of the Company common stock in deciding whether to tender your shares. In addition, stockholders are urged to review all information received by them from the Company, including the materials referred to in Section 8 entitled "Certain Information Concerning the Company" of this Offer to Purchase.

It is the Company's policy not to pay dividends but, instead, to retain earnings to finance future development. Pursuant to the Merger Agreement, the Company has agreed not to declare, set aside or pay any dividends on, or make any other distributions (whether in cash, stock or property) in respect of, any of its capital stock or other equity or voting interests, except for dividends by a direct or indirect wholly owned subsidiary of the Company to its parent.

7. Effect of Offer on Listing, Market for Shares and SEC Registration.

The purchase of the Shares by Offeror pursuant to the Offer will reduce the number of Shares that might otherwise trade publicly and may reduce the number of holders of Shares, which could adversely affect the liquidity and market value of the remaining Shares, if any, held by stockholders other than Offeror.

The Shares are currently registered under the Exchange Act. Such registration may be terminated upon application by the Company to the SEC if there are fewer than 300 record holders of Shares. If such registration were terminated, the Company would no longer legally be required to disclose publicly in proxy materials distributed to stockholders the information which it now must provide under the Exchange Act or to make public disclosure of financial and other information in annual, quarterly and other reports required to be filed with the SEC under the Exchange Act; the officers, directors and 10% stockholders of the Company would no longer be subject to the "short-swing" insider trading reporting and profit recovery provisions of the Exchange Act or the proxy statement requirements of the Exchange Act in connection with stockholders' meetings; and the Shares would no longer be eligible for Nasdaq reporting or for continued inclusion on the Federal Reserve Board's "margin list."

Furthermore, if such registration were terminated, persons holding "restricted securities" of the Company may be deprived of their ability to dispose of such securities under Rule 144 promulgated under the Securities Act of 1933, as amended (the "Securities Act").

Offeror intends to cause the Company to apply for termination of registration of the Shares under the Exchange Act as soon after the completion of the Offer as the requirements for such delisting and termination are met. If registration of the Shares is not terminated prior to the Merger, the registration of the Shares under the Exchange Act will be terminated following the consummation of the Merger.

8. Certain Information Concerning the Company.

Except as specifically set forth herein, the information concerning the Company contained in this Offer to Purchase has been taken from or is based upon information furnished by the Company or its representatives or upon publicly available documents and records on file with the SEC and other public sources. The summary information set forth below is qualified in its entirety by reference to the Company's public filings with the SEC (which may be obtained and inspected as described below) and should be considered in conjunction with the more comprehensive financial and other information in such reports and other publicly available information. None of Parent, WDTI or Offeror has any knowledge that would indicate that any statements contained herein based on such documents and records are untrue. However, none of Parent, WDTI or Offeror assumes any responsibility for the accuracy or completeness of the information concerning the Company, whether furnished by the Company or contained in such documents and records, or for any failure by the Company to disclose events which may have occurred or which may affect the significance or accuracy of any such information but which are unknown to Parent, WDTI or Offeror.

General. The Company is a Delaware corporation with its principal executive offices located at 1710 Automation Parkway, San Jose, California 95131. The telephone number of the Company is (408) 576-2000. The Company is a supplier of thin-film disks, the primary high-capacity storage medium for digital data.

Available Information. The Company is subject to the information and reporting requirements of the Exchange Act and, in accordance therewith, is obligated to file reports and other information with the SEC relating to its business, financial condition and other matters. Information as of particular dates concerning the Company's directors and officers, their remuneration, stock options granted to them, the principal holders of the Company's securities, any material interests of such persons in transactions with the Company and other matters is required to be disclosed in proxy statements, the last one having been filed with the SEC on April 19, 2007, distributed to the Company's stockholders. Such information will also be available in the Schedule 14D-9. Such reports, proxy statements and other information are available for inspection at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549-0213. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Copies of such information should be obtainable by mail, upon payment of the SEC's customary charges, by writing to the SEC at 100 F Street, N.E., Washington, D.C. 20549-0213. The SEC also maintains a World Wide Web site on the Internet at http://www.sec.gov that contains reports, proxy statements and other information regarding registrants that file electronically with the SEC.

9. Certain Information Concerning Offeror, WDTI and Parent.

Offeror is a Delaware corporation incorporated on June 26, 2007, with principal executive offices at 20511 Lake Forest Drive, Lake Forest, California 92630. The telephone number of Offeror's principal executive offices is (949) 672-7000. To date, Offeror has engaged in no activities other than those incident to its formation and the commencement of the Offer. Offeror is a wholly owned subsidiary of WDTI.

WDTI is a Delaware corporation formed in 1970, with principal executive offices at 20511 Lake Forest Drive, Lake Forest, California 92630. The telephone number of WDTI's principal executive offices is (949) 672-7000. WDTI designs, develops, manufactures and sells hard drives. WDTI is a wholly owned subsidiary of Parent.

Parent is a Delaware corporation with principal executive offices at 20511 Lake Forest Drive, Lake Forest, California 92630. The telephone number of Parent's principal executive offices is (949) 672-7000. Parent is a holding company for WDTI.

The name, business address, current principal occupation or employment, five year material employment history and citizenship of each director and executive officer of Offeror, WDTI and Parent and certain other information are set forth in Annex I hereto.

Except as set forth below under "— Volume Purchase Agreement," "Tender and Voting Agreement" of Section 13 entitled "The Transaction Documents" and elsewhere in this Offer to Purchase or Annex I to this Offer to Purchase: (i) none of Parent, WDTI or Offeror and, to Parent's, WDTI's and Offeror's knowledge, the persons listed in Annex I hereto or any associate or majority owned subsidiary of Parent, WDTI, Offeror or of any of the persons so listed, beneficially owns or has a right to acquire any Shares or any other equity securities of the Company; (ii) none of Parent, WDTI, Offeror and, to Parent's, WDTI's and Offeror's knowledge, the persons or entities referred to in clause (i) above has effected any transaction in the Shares or any other equity securities of the Company during the past 60 days; (iii) none of Parent, WDTI, Offeror and, to Parent's, WDTI's and Offeror's knowledge, the persons listed in Annex I to this Offer to Purchase, has any contract, arrangement, understanding or relationship with any other person with respect to any securities of the Company (including, but not limited to, any contract, arrangement, understanding or relationship concerning the transfer or the voting of any such securities, joint ventures, loan or option arrangements, puts or calls, guaranties of loans, guaranties against loss or the giving or withholding of proxies, consents or authorizations); (iv) during the two years before the date of this Offer to Purchase, there have been no transactions between Parent, WDTI, Offeror, their subsidiaries or, to Parent's, WDTI's and Offeror's knowledge, any of the persons listed in Annex I to this Offer to Purchase, on the one hand, and the Company or any of its executive officers, directors or affiliates, on the other hand, that would require reporting under SEC rules and regulations; (v) during the two years before the date of this Offer to Purchase, there have been no contracts, negotiations or transactions between Parent, WDTI, Offeror, their subsidiaries or, to Parent's, WDTI's and Offeror's knowledge, any of the persons listed in Annex I to this Offer to Purchase, on the one hand, and the Company or any of its subsidiaries or affiliates, on the other hand, concerning a merger, consolidation or acquisition, a tender offer or other acquisition of securities, an election of directors or a sale or other transfer of a material amount of assets, (vi) during the past five years none of Parent, WDTI, Offeror and, to Parent's, WDTI's and Offeror's knowledge, the persons listed in Annex I to this Offer to Purchase was convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors); and (vii) during the past five years none of Parent, WDTI, Offeror and, to Parent's, WDTI's and Offeror's knowledge, the persons listed in Annex I to this Offer to Purchase was a party to any judicial or administrative proceeding (except for matters that were dismissed without sanction or settlement) that resulted in a judgment, decree or final order enjoining the person from future violations of, or prohibiting activities subject to, federal or state securities laws, or a finding of any violation of federal or state securities laws.

Volume Purchase Agreement. The Company, Komag USA (Malaysia) Sdn, a wholly owned subsidiary of the Company, and WDTI are party to the Volume Purchase Agreement dated June 6, 2005, as amended July 22, 2005, November 29, 2005 and January 31, 2006 (the **"Volume Purchase Agreement"**). The Volume Purchase Agreement provides for the supply of media from the Company (including Komag USA (Malaysia) Sdn for purposes of this summary) to Parent (including WDTI for purposes of this summary) on certain terms and conditions. Among other terms and conditions, the Volume Purchase Agreement provides for specified supply obligations by the Company as well as specified purchase obligations by Parent and requires that the Company install additional capacity to supply an increased amount of media to Parent. The Company's supply obligations under the Volume Purchase Agreement are for an initial period commencing eighteen months after the Company has commenced full capacity production from its new capacity, subject to certain extension and renewal periods. According to information provided by the Company, sales to Parent during 2004, 2005 and 2006 accounted for 14%, 24% and 37%, respectively, of the Company's revenue for that applicable year, and in the first quarter of 2007, 37% of the Company's media and substrate sales were to Parent. This summary of the Volume Purchase Agreement is qualified in its entirety by reference to the Volume Purchase Agreement, which is incorporated herein by reference and a copy of which is filed as an exhibit to the Schedule TO that Parent, WDTI and Offeror have filed with the SEC. The Volume Purchase Agreement may be examined and copies may be obtained in the manner set forth in Section 8 entitled "Certain Information Concerning the Company" of this Offer to Purchase.

Additional Information. Parent is subject to the information and reporting requirements of the Exchange Act and, in accordance therewith, is obligated to file reports, proxy statements and other information with the SEC relating to its business, financial condition, and other matters. Information as of particular dates concerning Parent's

directors and officers, their remuneration, stock options granted to them, the principal holders of Parent's securities and any material interests of such persons in transactions with Parent is required to be disclosed in proxy statements. Such reports, proxy statements and other information are available for inspection and copying at the offices of the SEC in the same manner as set forth with respect to the Company in Section 8 entitled "Certain Information Concerning the Company" of this Offer to Purchase.

10. Source and Amount of Funds.

Offeror expects that approximately $1,250,000,000 will be required to consummate the Offer and the Merger, to fund the repurchase of any of the Company's outstanding convertible notes due 2014 (the "Convertible Notes") that the Company is obligated to repurchase following completion of the Offer and to pay related fees and expenses. Offeror anticipates funding the purchase price, the offer to repurchase the Convertible Notes and related fees and expenses with a combination of (i) funds expected to be borrowed under a credit facility (the "Financing") either on terms set forth in a Commitment Letter dated June 28, 2007 (the "Commitment Letter") between Goldman Sachs Credit Partners L.P. (the "Agent") and Parent or on such other terms as Offeror may obtain prior to consummation of the Offer from alternative funding sources to the extent Offeror deems such other terms, taken as a whole, to be superior to those under the Commitment Letter (an "Alternative Financing") and (ii) cash on the balance sheet of Offeror.

Funding under the Financing as contemplated pursuant to the Commitment Letter is conditioned upon the satisfaction of conditions customary in similar transactions, including (i) satisfaction of the Minimum Condition; (ii) consummation of the Offer pursuant to the Merger Agreement; (iii) satisfaction or waiver of all conditions precedent to the consummation of the Offer; and (iv) there not occurring since April 1, 2007 a Material Adverse Effect (as defined in "Merger Agreement — Representations and Warranties" in Section 13 entitled "The Transaction Documents" of this Offer to Purchase).

The Financing as contemplated pursuant to the Commitment Letter consists of a $1,250,000,000 first-lien senior secured term loan facility (the "Term Facility"). If no Alternative Financing is obtained, the Term Facility is expected to be documented in definitive loan documents among Offeror, as borrower, Offeror's existing and subsequently acquired domestic (and, to the extent no material adverse tax consequences to Offeror would result, foreign) subsidiaries (including the Company and its subsidiaries after the Merger has been consummated), as guarantors (each, a "Guarantor" and, collectively, the "Guarantors"), the Agent and other banks and financial institutions to become parties thereto as lenders (each a "Lender" and, collectively, the "Lenders").

The Term Facility would be funded on the date of the Offer closing. The proceeds of any loans made under the Term Facility are expected to be used solely to finance the Acquisition, to fund the repurchase of Convertible Notes and to pay related fees and expenses. The Term Facility would be scheduled to mature on the sixth anniversary of the date of the Offer closing.

All amounts owing under the Term Facility, any obligations of Parent under interest rate hedging agreements or similar agreements with a Lender under the Term Facility or its affiliates, and all obligations under the guaranty by the Guarantors of all amounts owing under the Term Facility would be secured by (i) a first-priority perfected security interest in substantially all tangible and intangible assets owned by Parent and the Guarantors (subject to certain customary exceptions); (ii) 100% of the capital stock of each domestic subsidiary of Parent and each Guarantor; (iii) 65% of the capital stock of each foreign subsidiary of Parent and each Guarantor; and (iv) all intercompany debt owed to Parent or any Guarantor, provided that the collateral shall in no case include any margin stock (as defined in Regulation U of the Board of Governors of the Federal Reserve System).

Loans made under the Term Facility would bear interest at a variable rate based upon either the prime rate or the Eurodollar Rate (as described in the Commitment Letter), at Parent's option, plus a specified margin determined by reference to Parent's corporate rating.

The Term Facility documents will contain various customary covenants, including covenants with respect to mandatory prepayments of loans, restrictive covenants with respect to incurring additional indebtedness or guarantees, creating liens or other encumbrances, and certain financial covenants.

Parent intends to repay the loans under the Financing with proceeds from future refinancing arrangements.

The Offer is not conditioned upon Parent or Offeror obtaining financing.

The foregoing is a summary of certain provisions of the Commitment Letter. This summary does not purport to be complete and is qualified in its entirety by reference to the Commitment Letter, which is filed as an exhibit to the Tender Offer Statement on Schedule TO that Offeror has filed with the SEC (together with all amendments and supplements thereto, the "Schedule TO"). The Commitment Letter may be examined and copies may be obtained in the manner set forth in Section 8 entitled "Certain Information Concerning the Company" of this Offer to Purchase.

11. Background of the Offer; Past Contacts or Negotiations with the Company.

The information set forth below regarding the Company was provided by the Company and none of Parent, WDTI, Offeror nor any of their respective affiliates takes any responsibility for the accuracy or completeness of any information regarding meetings or discussions in which Parent or its affiliates or representatives did not participate.

Background of the Transaction

Parent's board of directors regularly considers strategic alternatives concerning the future growth and direction of its business. These strategic alternatives have included potential strategic transactions in the area of media. Parent and the Company have an existing commercial relationship pursuant to which the Company supplies media to Parent as described in "Volume Purchase Agreement" in Section 9 entitled the "Certain Information Concerning Offeror, WDTI and Parent" of this Offer to Purchase.

In November of 2006, John Coyne, with authorization from Parent's board of directors, then president and chief operating officer of Parent (and Parent's current chief executive officer), called Timothy Harris, chief executive officer of the Company, to set up a dinner meeting. On November 20, 2006, Mr. Coyne had dinner with Mr. Harris and indicated that Parent was interested in a possible business combination transaction between Parent and the Company. Mr. Coyne told Mr. Harris that Parent intended to retain Goldman, Sachs & Co. ("Goldman Sachs") as its financial advisor in connection with the possible business combination transaction with the Company. Mr. Harris subsequently called Mr. Coyne and informed him that Richard Kashnow, chairman of the Company's board of directors, would call Mr. Coyne and be the primary contact for any further discussions. Dr. Kashnow subsequently called Mr. Coyne, and Mr. Coyne proposed that a small team of Parent executives should meet with the Company to discuss information that would assist Parent in evaluating a potential transaction between Parent and the Company. Dr. Kashnow indicated that the Company's board of directors would consider Mr. Coyne's proposal.

Several days after Dr. Kashnow's and Mr. Coyne's initial meeting, Dr. Kashnow called Mr. Coyne and informed him that a meeting was not the approach preferred by the Company, but instead the Company would prefer that the parties first negotiate a non-binding term sheet with certain basic terms of a potential transaction, including a proposed price and structure. On several subsequent calls throughout late November and early December, Mr. Coyne and Dr. Kashnow discussed whether it would be preferable to have a management meeting or a preliminary term sheet. After those calls, Mr. Coyne said he would respond to Dr. Kashnow following the December holidays.

In early January 2007, Mr. Coyne informed the Company that Arif Shakeel, special advisor to the chief executive officer of Parent and former chief executive officer of Parent, would be the primary contact in discussions between Parent and the Company. Effective January 1, 2007, Mr. Coyne had become chief executive officer of Parent and Mr. Shakeel had become special advisor to the chief executive officer (and remained on Parent's board of directors).

Later in January, Mr. Shakeel informed Dr. Kashnow that a discussion of possible transaction terms was premature as Parent wanted to better understand the Company's technologies and manufacturing capabilities before proposing any transaction terms. A representative of Wilson Sonsini Goodrich & Rosati, Professional Corporation ("WSGR"), outside counsel to the Company, called Raymond M. Bukaty, senior vice president, administration, general counsel and secretary of Parent, and requested that a potential price range for the transaction and an agenda for the proposed management meeting be provided by Parent. The representative of WSGR left open the possibility of a management meeting following some indication of a proposed price range by Parent.

On February 2, 2007, Mr. Shakeel sent Dr. Kashnow a letter with proposed discussion topics and key business considerations related to the evaluation by Parent of a possible transaction, together with a proposed form of confidentiality agreement to be entered into by Parent and the Company. The letter also requested a meeting between management of Parent and the Company. Dr. Kashnow called Mr. Coyne and indicated that the Company needed to see a potential price range Parent would be willing to pay in a possible acquisition of the Company before engaging in any meetings.

On February 26, 2007 Mr. Coyne informed Dr. Kashnow that Parent had determined to conclude discussions regarding a possible business combination with the Company at this time. There were no further discussions between the parties until June 2007.

On June 6, 2007, Dr. Kashnow called Mr. Coyne and told him that the Company had been contacted by another company interested in pursuing a business combination with the Company. Dr. Kashnow asked whether Parent was interested in pursuing a potential transaction with the Company and indicated that if Parent were interested, it would have to move quickly toward reaching agreement with the Company on the terms and conditions of a transaction.

On June 8, 2007, Mr. Coyne called Dr. Kashnow to indicate that Parent was interested in exploring a potential transaction with the Company, that Parent was willing to move quickly and that Parent's diligence review of the Company should begin as soon as possible.

Also on June 8, 2007 representatives of Goldman Sachs spoke with representatives of Credit Suisse, financial advisor to the Company, to discuss the process to come to agreement on a potential transaction within a short time-frame. Credit Suisse informed Goldman Sachs that the Company was speaking with multiple potentially interested parties, and indicated that Parent should submit a bid as early as possible the following week.

On June 10, 2007, representatives of Goldman Sachs sent Credit Suisse a list of issues with respect to which Parent needed additional information before proposing a price.

Mr. Coyne called a meeting of the Executive Committee of its Board of Directors on June 11, 2007. This meeting was attended by Parent management. After an update on the status of discussions with the Company, the Executive Committee approved moving forward to explore a potential transaction with the Company. Mr. Coyne subsequently called Dr. Kashnow to convey Parent's desire to move forward with discussions.

On June 13, 2007, the Company and Parent entered into a confidentiality agreement (described in "Confidentiality Agreement" in Section 13 entitled "The Transaction Documents" of this Offer to Purchase).

On June 13, 2007, Timothy Leyden, executive vice president, finance of Parent, Rubik Babakanian, senior vice president, worldwide materials and procurement of Parent, Hossein Moghadam, senior vice president and chief technology officer of Parent, Wolfgang Nickl, vice president, finance of Parent, Mr. Bukaty, a representative of O'Melveny & Myers LLP ("O'Melveny & Myers"), outside counsel to Parent, and representatives of Goldman Sachs met with Mr. Harris, Kathleen Bayless, executive vice president, chief financial officer and secretary of the Company, Peter Norris, executive vice president, strategic business development of the Company, a representative of WSGR and a representative of Credit Suisse for a preliminary diligence meeting.

Parent's board of directors held a meeting on June 16, 2007, at which the board authorized submitting a non-binding preliminary indication of interest in acquiring the Company. Following that meeting, Mr. Coyne called Dr. Kashnow to inform him that Parent would be sending a preliminary, non-binding indication of interest to the Company proposing a potential price range, together with a proposed exclusivity agreement providing for an exclusive negotiating period with Parent. Dr. Kashnow informed Mr. Coyne that the finance committee of the Company's board of directors would be meeting the morning of June 17, 2007 to consider Parent's indication of interest. Following that call, Mr. Coyne sent the indication of interest and the proposed exclusivity agreement to Dr. Kashnow.

The finance committee of the Company's board of directors met on June 17, 2007. Also on June 17, 2007, Dr. Kashnow called Mr. Coyne to inform him that Parent would be permitted to conduct diligence on the Company and to inform him about the proposed diligence process. Mr. Coyne and Dr. Kashnow agreed to have a daily telephone conversation to discuss process and open issues. Dr. Kashnow also indicated that legal counsel for Parent

should call WSGR to discuss the process for reaching agreement on potential transaction terms. Also on June 17, 2007, Mr. Bukaty called a representative of WSGR, who requested Parent send along a draft merger agreement so that the Company could consider Parent's proposed terms, and told Mr. Bukaty the Company would not agree to negotiate exclusively with Parent at that time.

On June 19, 2007, O'Melveny & Myers sent a draft merger agreement to WSGR. Between June 22 and June 24, 2007, representatives of O'Melveny & Myers and WSGR started negotiating the terms of the proposed merger agreement. Also on June 19, 2007, Parent sent a detailed diligence request list to the Company.

Beginning on the afternoon of June 20 and continuing through June 24, 2007, Parent and its advisors continued their diligence review of the Company, holding diligence meetings between representatives of Parent and the Company in California and Malaysia.

On June 21, 2007, a representative of Credit Suisse informed Goldman Sachs that a third party that had previously indicated an interested in pursuing a transaction with the Company had raised its proposed offer price.

On June 22, 2007, a representative of Credit Suisse informed Goldman Sachs that the Company wanted Parent to increase the price moderately above the high end of Parent's proposed range of prices. Also on June 22, 2007 Goldman Sachs Credit Partners L.P. (the "Agent") sent a first draft of a proposed debt commitment letter to Parent. On June 22 and 23, 2007, Mr. Coyne and Dr. Kashnow had further discussions regarding the pricing terms.

On June 24, 2007, Mr. Coyne called Dr. Kashnow to further discuss price and the possibility of entering into an exclusive negotiating agreement. Mr. Coyne and Dr. Kashnow agreed that, subject to resolution of other terms and conditions, they would submit a proposed price of $32.25 per Share for consideration by their respective boards of directors. Dr. Kashnow also indicated that he would seek approval from the Company's board of directors to enter into an exclusive negotiating agreement with Parent.

On June 25, 2007, the Executive Committee of Parent's board of directors met to get an update on the status of negotiations with the Company. The Executive Committee agreed that management should enter into an exclusive negotiating period with the Company and continue negotiations with respect to the merger agreement and related documents. Also on June 25, 2007, the Company's board of directors held a meeting at which they authorized the Company to enter into an exclusivity agreement with Parent. On the same day, the parties entered into an exclusivity agreement with an expiration date of July 2, 2007.

Between June 24 and June 28, 2007, the parties and their legal advisors held multiple telephone conferences to continue to negotiate the terms of the merger agreement and related agreements. Also between June 24 and June 28, 2007, Parent and its advisors continued their due diligence review of the Company.

Parent's board of directors met on June 26, 2007 with representatives of management and O'Melveny & Myers. Mr. Coyne reviewed the history of Parent's negotiations with the Company and the results of Parent's diligence review of the Company to date. Mr. Bukaty reviewed for the Board its fiduciary duties concerning an acquisition. Mr. Leyden then reviewed financial models concerning the potential transaction. Members of the board raised several questions concerning the assumptions underlying the valuation models and the financial impact of the acquisition on Parent. Mr. Bukaty then reviewed with the board the provisions of the proposed merger agreement restricting the Company's ability to solicit alternative transactions and negotiate with third parties. The board discussed the possibility of a third party submitting a competing proposal for the Company, and the proposed price in light of those considerations. A representative of O'Melveny & Myers then reviewed the status of negotiations with respect to the merger agreement. After a brief discussion of the possible timing of the announcement of the transaction, the board agreed to adjourn the meeting and reconvene on June 27, 2007.

On June 27, 2007, Parent's board of directors met with representatives of management, Goldman Sachs and O'Melveny & Myers. The meeting began with a review by Mr. Leyden of certain financial aspects of the proposed transaction. Representatives of Goldman Sachs then presented to the board its financial analysis of the proposed transaction. The board questioned Goldman Sachs regarding the assumptions underlying its financial analyses and discussed these assumptions. A representative of O'Melveny & Myers then reviewed with the board the material terms of the proposed merger agreement and open issues still being negotiated with the Company. Members of the board questioned O'Melveny & Myers concerning certain terms of the agreement and engaged in a discussion of the

integration of the Company into Parent, including issues relating to the retention of key employees. Mr. Coyne then reviewed with the board the proposed plan for announcement of, and communications with respect to, the proposed transaction. The board discussed the proposed communications plan and the potential reaction of the market to the announcement of the transaction. Following this discussion, the board agreed to adjourn the meeting and reconvene on June 28, 2007.

Also on June 27, 2007, after negotiations between Parent and the Agent of certain terms and conditions of the proposed debt commitment letter, O'Melveny & Myers sent proposed drafts of the commitment letter to WSGR. Parent and the Agent finalized the terms of the debt commitment letter on that date.

On June 28, 2007, Parent's board of directors met with representatives of management, Goldman Sachs and O'Melveny & Myers. A representative of O'Melveny & Myers reviewed with the board changes to the merger agreement and the proposed resolution of the open issues that had previously been discussed with the board. This was followed by a discussion of internal controls at the Company, the proposed reporting structure of the Company following the proposed transaction, and the possible reaction of the employees of the Company and Parent to announcement of the proposed transaction. The board then discussed opportunities and challenges presented by the integration of the Company into Parent and the communications plan for announcement of the proposed transaction. Representatives of management reviewed with the board Parent's business and legal diligence process and the results of Parent's diligence review of the Company. Following this discussion, the board approved the Merger Agreement and the transactions contemplated by the Merger Agreement. Also on June 28, 2007, the Company's board of directors held a meeting at which it voted unanimously to approve the Merger Agreement.

Following the meetings of Parent and the Company's boards of directors on June 28, 2007, Parent and the Agent executed the debt commitment letter, and the parties executed the Merger Agreement and issued a press release announcing execution of the Merger Agreement.

12. Purpose of the Offer; The Merger; Plans for the Company.

Parent intends to consummate the Merger as promptly as practicable. Upon consummation of the Merger, the Company will become a wholly owned subsidiary of WDTI and Parent. The Offer is being made pursuant to the Merger Agreement.

Approval. Under the Delaware General Corporation Law, the approval of the Company's board of directors and the affirmative vote of the holders of a majority of the outstanding Shares may be required to approve and adopt the Merger Agreement and the transactions contemplated thereby including the Merger. The Company's board of directors has unanimously approved and adopted the Merger Agreement and the transactions contemplated thereby and, unless the Merger is consummated pursuant to the short-form merger provisions under the Delaware General Corporation Law described below, the only remaining required corporate action of the Company is the adoption of the Merger Agreement by the affirmative vote of the holders of a majority of the Shares. If stockholder approval for the Merger is required, Parent intends to cause the Company's board of directors to set the record date for the stockholder approval for a date immediately after the consummation of the Offer. Accordingly, if the Minimum Condition is satisfied, we believe Offeror will have sufficient voting power to cause the approval of the Merger Agreement without the affirmative vote of any other stockholders.

Stockholder Meetings. In the Merger Agreement, the Company has agreed, if a stockholder vote is required, to convene a meeting of its stockholders as promptly as practicable following consummation of the Offer or the expiration of any subsequent offering period for the purpose of considering and voting on adoption of the Merger Agreement. The Company, acting through its board of directors, has further agreed that if a stockholders' meeting is convened, the Company's board of directors shall recommend that stockholders of the Company vote to adopt the Merger Agreement. At any such meeting, all of the Shares then owned by Parent, Offeror and by any of Parent's other subsidiaries, and all Shares for which the Company has received proxies to vote, will be voted in favor of the Merger.

Board Representation. See "Merger Agreement — Directors" in Section 13 entitled "The Transaction Documents" of this Offer to Purchase. Parent currently intends to designate a majority of the directors of the

Company following consummation of the Offer. Offeror expects that such representation would permit Offeror to exert substantial influence over the Company's conduct of its business and operations.

Short-Form Merger. Under the Delaware General Corporation Law, if Parent and its subsidiaries acquire, pursuant to the Offer or otherwise, at least 90% of the outstanding Shares, Parent will be able to approve the Merger without a vote of the Company's stockholders. In such event, Parent, WDTI and Offeror anticipate that they will take all necessary and appropriate action to cause the Merger to become effective as soon as reasonably practicable after such acquisition, without a meeting of the Company's stockholders. If, however, Offeror does not acquire at least 90% of the outstanding Shares pursuant to the Offer or otherwise and a vote of the Company's stockholders is required under the Delaware General Corporation Law, a significantly longer period of time would be required to effect the Merger. Pursuant to the Merger Agreement, the Company has agreed to convene a meeting of its stockholders as promptly as practicable following consummation of the Offer or the expiration of any subsequent offering period to consider and vote on the Merger, if a stockholders' vote is required. Subject to certain terms and conditions, the Company has granted Offeror an irrevocable option (the "Top-Up Option") to purchase up to that number of newly issued Shares equal to the lowest number of Shares that, when added to the number of Shares directly or indirectly owned by Parent at the time of exercise of the Top-Up Option would constitute one share more than 90% of the Shares outstanding immediately after the issuance of the Shares acquired pursuant to the Top-Up Option. The Top-Up Option is intended to expedite the timing of the completion of the Merger by permitting the Merger to occur pursuant to Delaware's short form merger statute at a time when the approval of the Merger at a meeting of the Company's stockholders would be assured because of Offeror's ownership of a majority of the Shares following completion of the Offer.

Rule 13e-3. The SEC has adopted Rule 13e-3 under the Exchange Act, which is applicable to certain "going private" transactions and which may under certain circumstances be applicable to the Merger or another business combination following the purchase of Shares pursuant to the Offer or otherwise in which Offeror seeks to acquire the remaining Shares not held by it. Offeror believes, however, that Rule 13e-3 will not be applicable to the Merger if the Merger is consummated within one year after the Expiration Date at the same per Share price as paid in the Offer. If applicable, Rule 13e-3 requires, among other things, that certain financial information concerning the Company and certain information relating to the fairness of the proposed transaction and the consideration offered to minority stockholders in such transaction be filed with the SEC and disclosed to stockholders prior to consummation of the transaction.

Plans for the Company. In connection with Parent's consideration of the Offer, Parent has developed a plan, on the basis of available information, for the combination of the business of the Company with that of Parent. Important elements of that plan include: (i) continuing the manufacturing operations of the Company; (ii) fulfilling the Company's existing agreements with third party customers in accordance with the terms of the respective agreements; (iii) using the media and substrate manufacturing capabilities of the Company to meet internally a substantial portion of Parent's media needs for the manufacture of disk drives; and (iv) integrating, over time and to the extent practical to do so, the administrative, financial and other functions of the Company's and Parent's business. Parent will continue to evaluate and refine the plan and may make changes to it as additional information is obtained.

Extraordinary Corporate Transactions. Except as described above or elsewhere in this Offer to Purchase, Parent and Offeror have no present plans or proposals that would relate to or result in an extraordinary corporate transaction involving the Company or any of its subsidiaries (such as a merger, reorganization, liquidation, relocation of any operations or sale or other transfer of a material amount of assets), any change in the Company's board of directors or management, any material change in the Company's capitalization or dividend policy or any other material change in the Company's corporate structure or business.

13. The Transaction Documents.

Merger Agreement

The following is a summary of certain provisions of the Merger Agreement. This summary is qualified in its entirety by reference to the Merger Agreement, which is incorporated herein by reference and a copy of which is filed as an exhibit to the Schedule TO that Parent, WDTI and Offeror have filed with the SEC. The Merger

Agreement may be examined and copies may be obtained in the manner set forth in Section 8 entitled "Certain Information Concerning the Company" of this Offer to Purchase.

The Offer. The Merger Agreement provides that the Offer will be conducted on the terms and subject to the conditions described in Section 1 entitled "Terms of the Offer" and Section 15 entitled "Certain Conditions to Offeror's Obligations" of this Offer to Purchase.

Short-Form Merger. Under Section 253 of the Delaware General Corporation Law, if a corporation owns at least 90% of the outstanding shares of each class of a subsidiary corporation, the corporation holding such stock may merge such subsidiary into itself or itself into such subsidiary, without any action or vote on the part of the board of directors or stockholders of such other corporation (a "Short-Form Merger"). If Parent and its subsidiaries acquire, pursuant to the Offer, the Top-Up Option (described below under "— Top-Up Option") or otherwise, at least 90% of the outstanding Shares, Parent will be able to effect the proposed Merger without a vote of the Company's stockholders. In the event that Parent and its subsidiaries acquire in the aggregate at least 90% of the outstanding Shares pursuant to the Offer, the Top-Up Option or otherwise, then, at the election of Parent, a Short-Form Merger could be effected without any further approval of the board of directors or the stockholders of the Company.

Recommendation. The Company has represented to us in the Merger Agreement that its board of directors unanimously adopted resolutions (i) approving and declaring advisable the Merger Agreement, the Offer, the Merger and the other transactions contemplated by the Merger Agreement, (ii) declaring that it is in the best interests of the Company's stockholders that the Company enter into the Merger Agreement and consummate the transactions contemplated by the Merger Agreement on the terms and subject to the conditions set forth in the Merger Agreement, (iii) declaring that the terms of the Offer and the Merger are fair to the Company's stockholders, and (iv) recommending that the Company's stockholders accept the Offer, tender their Shares pursuant to the Offer and, if required by applicable law, vote in favor of adoption of the Merger Agreement.

The Company has agreed to file with the SEC a Solicitation/Recommendation Statement on Schedule 14D-9 that will comply as to form in all material respects with the provisions of all applicable federal securities laws. Additionally, the Company will use its reasonable best efforts to mail the Schedule 14D-9 to the stockholders of the Company with this Offer to Purchase.

Directors. The Merger Agreement provides that, after the Offer closes, Parent has the right to designate a number of directors of the Company that is equal to the product of the total number of directors on the Company's board of directors multiplied by the percentage that the aggregate number of Shares beneficially owned by Parent or any subsidiary of Parent (including Offeror) bears to the number of Shares outstanding. In the event that Parent's designees are appointed or elected to the board of directors, until the Effective Time the Company's board of directors shall have at least two directors who are "independent" within the meaning of the rules of The National Association of Securities Dealers, Inc., which means they cannot be officers of the Company or Parent. Following the election or appointment of Parent's designees to the Company's board of directors, the affirmative vote of a majority of the independent directors then on the Company's board of directors will be required for the Company to consent (i) to amend or terminate the Merger Agreement, (ii) to waive any of the Company's rights or remedies under the Merger Agreement, (iii) to extend the time for the performance of any of the obligations or other acts of Parent or Offeror under the Merger Agreement, or (iv) to take any other action of the Company's board of directors under or in connection with the Merger Agreement if such action would materially and adversely affect the holders of Shares (other than Parent or Offeror).

Top-Up Option. Subject to certain terms and conditions set forth in the Merger Agreement, the Company has granted Offeror the Top-Up Option to purchase up to that number of newly issued Shares (the "Top-Up Shares") equal to the lowest number of Shares that, when added to the number of Shares directly or indirectly owned by Parent at the time of exercise of the Top-Up Option will constitute one share more than 90% of the Shares outstanding immediately after the issuance of Top-Up Shares. The purchase price for the Top-Up Shares will be equal to the Offer Price, and will be payable in cash in an amount equal to the aggregate par value of the purchased Top-Up Shares and by the issuance of a full recourse note by Offeror with a principal amount equal to the remainder of the exercise price. The Top-Up Option is intended to expedite the timing of the completion of the Merger by permitting the Merger to occur pursuant to Delaware's short form merger statute at a time when the approval of the

Merger at a meeting of the Company's stockholders would be assured because of Offeror's ownership of a majority of the Shares following completion of the Offer. In no event will the Top-Up Option be exercisable for a number of Shares in excess of the Shares authorized and unissued at the time of exercise of the Top-Up Option.

Effective Time; Structure; Effects. The effective time of the Merger (the "Effective Time") will occur at the time that the Company files a certificate of merger with the Secretary of State of the State of Delaware on the closing date of the Merger (or such later time as Parent and the Company may agree and as provided in the certificate of merger). The closing date will occur on the second business day after satisfaction or waiver of all of the conditions to the Merger set forth in the Merger Agreement, as described below in "— Conditions to the Merger." If, as of or immediately following the date Offeror accepts Shares for payment in the Offer (the "Acceptance Date") or after the expiration of any subsequent offering period or the exercise of the Top-Up Option, a Short-Form Merger is available, then the closing date will, subject to the satisfaction of the conditions to the Merger, occur as soon as practicable following the time that Parent or any direct or indirect subsidiary of Parent owns at least 90% of the outstanding Shares, without a meeting of the stockholders of the Company.

At the Effective Time, Offeror will merge with and into the Company with the Company surviving the Merger as a wholly owned subsidiary of WDTI and Parent (the "Surviving Corporation"). At any time after the Acceptance Date, at Parent's request, the Company common stock will be delisted from Nasdaq Global Select Market, deregistered under the Exchange Act, and no longer publicly traded. The Company will be a privately held corporation and the holders of Shares will cease to have any ownership interest in the Company or rights as Company stockholders. Following the Merger, current stockholders of the Company will not participate in any future earnings or growth of the Company and will not benefit from any appreciation in value of the Company.

Treatment of Stock and Options. As of June 27, 2007, there were approximately 617,302 Shares subject to stock options granted under the Company's equity incentive plan. Under the terms of the Merger Agreement, each stock option outstanding immediately prior to the Effective Time with an exercise price less than the Offer Price will be converted into the right to receive, with the same vesting schedule applicable to that Company stock option before the Effective Time, the Offer Price minus the exercise price per Share. At the Effective Time, all Company stock options with an exercise price equal to or greater than the Offer Price will be cancelled.

Treatment of Restricted Shares. Under the terms of the Merger Agreement, each outstanding Share that is subject to vesting or repurchase rights by the Company will be converted into the right to receive, with the same vesting schedule and agreement as was applicable to the Share before the Effective Time, the consideration paid in the Merger.

Treatment of Convertible Notes. Parent will assume the Company's obligations under the indenture between the Company and U.S. Bank National Association governing the Convertible Notes (the "Indenture") through the execution of a supplemental indenture. Under the terms of the Indenture, the completion of the transactions contemplated by the Merger Agreement will constitute a "Fundamental Change" that will allow the holders of the Convertible Notes to obligate Parent, for a limited period of time, to repurchase the Notes for an amount equal to the face value of the Convertible Notes plus accrued but unpaid interest.

Representations and Warranties. The descriptions of the Merger Agreement and the transactions contemplated by the Merger Agreement in this Offer to Purchase do not purport to be complete and are qualified in their entirety by reference to the Merger Agreement. The Merger Agreement, which has been included with the Schedule TO to provide investors with information regarding its terms and is not intended to provide any other factual information about Parent, the Company or Offeror, contains representations and warranties of each of Parent, the Company and Offeror. The assertions embodied in those representations and warranties were made for purposes of the Merger Agreement and are subject to qualifications and limitations agreed to by the respective parties in connection with negotiating the terms of the Merger Agreement, including information contained in confidential disclosure schedules that the parties exchanged in connection with signing the Merger Agreement. Accordingly, investors and security holders should not rely on such representations and warranties as characterizations of the actual state of facts or circumstances, since they were only made as of a specific date and are modified in important part by the underlying disclosure schedules. In addition, certain representations and warranties may be subject to a contractual standard of materiality different from what might be viewed as material to stockholders, or may have been used for purposes of allocating risk between the respective parties rather than establishing matters of

fact. Moreover, information concerning the subject matter of such representations and warranties may change after the date of the Merger Agreement, which subsequent information may or may not be fully reflected in Parent's or the Company's public disclosures. For the foregoing reasons, you should not rely on the representations and warranties contained in the Merger Agreement as statements of factual information. The Company's representations and warranties relate to, among other things:

- the Company's and its subsidiaries' organization, standing and qualification to do business;
- the Company's subsidiaries;
- the Company's capitalization, including in particular the number of Shares, options and restricted stock;
- the Company's corporate power and authority to enter into the Merger Agreement and to consummate the transactions contemplated by the Merger Agreement;
- the enforceability of the Merger Agreement against the Company;
- the absence of violations of or conflicts with the Company's and its subsidiaries' governing documents, applicable law or certain agreements as a result of entering into the Merger Agreement and consummating the Offer and the Merger;
- the timeliness and compliance with requirements of the Company's SEC filings since January 1, 2004, including the accuracy and compliance with requirements of the financial statements contained therein;
- the consolidated financial position of the Company and its subsidiaries;
- the absence of undisclosed liabilities;
- the Company's compliance with the requirements of the Sarbanes-Oxley Act of 2002;
- compliance with applicable securities law of the information supplied by the Company for inclusion in filings made with the SEC in connection with the Offer and the Merger;
- the absence of certain changes or events since April 1, 2007;
- legal proceedings and governmental orders;
- material contracts and performance of obligations thereunder;
- permits and compliance with applicable legal requirements;
- matters relating to employee benefit plans, employment agreements and labor;
- environmental matters;
- tax matters;
- leased and owned properties;
- intellectual property;
- insurance;
- the approval of the Company's board of directors of certain employment compensation, severance or other employee benefit arrangements;
- the inapplicability of anti-takeover laws to the transactions contemplated by the Merger Agreement or any anti-takeover provision in the Company's charter documents;
- the absence of undisclosed brokers' fees; and
- the receipt by the Company's board of directors of a fairness opinion from Credit Suisse.

Many of the Company's representations and warranties are qualified by a "Material Adverse Effect" standard. For the purposes of the Merger Agreement, "Material Adverse Effect" means any state of facts, change, development, event, effect, condition, occurrence, action or omission that, individually or in the aggregate, would

reasonably be expected to result in a material adverse effect on the business, assets, properties, financial condition or results of operations of the Company and its subsidiaries, taken as a whole. However, none of the following, either individually or in the aggregate, will be considered in determining whether a Material Adverse Effect has occurred or would occur:

- any facts, changes, developments, events, effects, conditions, occurrences, actions or omissions generally affecting the industry in which the Company and its subsidiaries operate to the extent they do not disproportionately affect the Company and its subsidiaries, taken as a whole, in relation to other companies in the industry in which the Company and its subsidiaries operate (for example, conditions generally affecting such industry arising out of terrorism or war or other similar events or arising out of force majeure (e.g. weather-related events));
- any facts, changes, developments, events, effects, conditions, occurrences, actions or omissions generally affecting the economy, or financial or capital markets, in the United States or elsewhere in the world to the extent they do not disproportionately affect the Company and its subsidiaries, taken as a whole, in relation to other companies in the industry in which the Company and its subsidiaries operate (for example, conditions generally affecting the economy, or financial or capital markets, arising out of terrorism or war or other similar events or arising out of force majeure (e.g. weather-related events));
- changes (after the date of the Merger Agreement) in law or in GAAP (or the interpretation thereof);
- any loss or departure of officers or other employees of the Company or any of its subsidiaries, the termination, reduction or other similar negative development in the Company's relationships with its customers, suppliers, distributors or other business partners, or other facts, changes, developments, events, effects, conditions, occurrences, actions or omissions, in each case resulting from the announcement, pendency or consummation of the Offer, the Merger or the other transactions contemplated by the Merger Agreement (other than those related to representations and warranties by the Company directly concerning the effect of the Offer, the Merger or the other transactions contemplated by the Merger Agreement);
- any facts, changes, developments, events, effects, conditions or occurrences resulting from the failure by the Company or its subsidiaries to take any action prohibited by the Merger Agreement;
- any changes in the price of the Shares or the trading volume of the Shares, in and of itself (but the underlying cause of any such change may be taken into consideration in determining whether a Material Adverse Effect has or would occur);
- any failure by the Company to meet any published analyst estimates or expectations of the Company's revenue, earnings or other financial performance or results of operations for any period, in and of itself, or any failure by the Company to meet its internal budgets, plans or forecasts of its revenues, earnings or other financial performance or results of operations, in and of itself (but the underlying cause of any such failure may be taken into consideration in determining whether a Material Adverse Effect has or would occur);
- any legal proceedings made or brought by any of the current or former stockholders of the Company arising out of or related to the Offer, the Merger, the Merger Agreement or any of the transactions contemplated by the Merger Agreement; or
- certain other matters agreed to by the parties.

The Merger Agreement also contains various representations and warranties made by Offeror and Parent that are subject, in some cases, to specified exceptions and qualifications. The representations and warranties relate to, among other things:

- Parent's and Offeror's organization, standing and qualification to do business;
- Parent's and Offeror's corporate power and authority to enter into the Merger Agreement and to consummate the transactions contemplated by the Merger Agreement;
- the enforceability of the Merger Agreement against Parent and Offeror;

- the absence of violations of or conflicts with Parent's and Offeror's governing documents, applicable law or certain agreements as a result of entering into the Merger Agreement and consummating the Offer and the Merger;
- compliance with applicable securities law of the information supplied by Parent and Offeror for inclusion in filings made with the SEC in connection with the Offer and the Merger;
- the operations of Offeror;
- sufficiency of funds to consummate the Offer and the Merger and perform Offeror's obligations under the Merger Agreement;
- validity of Parent's financing commitment;
- legal proceedings and governmental orders; and
- ownership by Parent or Offeror of the capital stock of the Company.

Conduct of Business Pending the Merger. Under the Merger Agreement, the Company has agreed that, subject to certain exceptions, between the date of the Merger Agreement and the Acceptance Date or the valid termination of the Merger Agreement pursuant to its terms, the Company and its subsidiaries will carry on their respective businesses in the ordinary course consistent with past practice and use commercially reasonable efforts to comply with all applicable laws and use commercially reasonable efforts to keep available the services of their present officers and employees, preserve their assets and technology, preserve their relationships with customers, suppliers, licensors, licensees, distributors and others having business dealings with them, and maintain their franchises, rights and permits.

The Company has also agreed that between the date of the Merger Agreement and the Acceptance Date or the valid termination of the Merger Agreement pursuant to its terms, subject to certain exceptions, the Company will not, and will cause each of its subsidiaries not to (unless Parent gives its prior written consent):

- declare, set aside or pay any dividends on, or make any other distributions (whether in cash, stock or property) in respect of, any of its capital stock or other equity or voting interests, except for dividends by a direct or indirect wholly owned subsidiary of the Company to its parent;
- split, combine or reclassify any of its capital stock or other equity or voting interests, or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock or other equity or voting interests, other than by a Company subsidiary that remains a Company subsidiary after consummation of the transaction;
- purchase, redeem or otherwise acquire any shares of capital stock or any other securities of the Company or any of its subsidiaries or any options, warrants, calls or rights to acquire any such shares or other securities, subject to certain exceptions;
- amend, modify or change in any material respect the terms of any indebtedness of the Company or any of its subsidiaries if the effect of such amendment, modification or change is to increase the interest rate thereof, change to an earlier date the maturity or payment dates, add events of default or make any covenants of the Company or its subsidiaries more onerous;
- issue, deliver, sell, pledge or otherwise encumber any shares of its capital stock, any other equity or voting interests or any securities convertible into, or exchangeable for, or any options, warrants, calls or rights to acquire, any such stock, interests or securities or any stock appreciation rights, phantom stock awards or other rights that are linked to the value of Shares or the value of the Company (other than the issuance of Shares on the exercise of Company stock options and the conversion of the Convertible Notes);
- amend or propose to amend its organizational documents;
- acquire or agree to acquire by merging or consolidating with, or by purchasing all or a substantial portion of the assets of, or by purchasing all or a substantial equity or voting interest in, or by any other manner, any

business or person or division or any other assets, other than assets having a fair market value of less than $5 million or assets acquired in the ordinary course of business consistent with past practice;

- sell, lease, sell and lease back, mortgage or otherwise subject to any lien or otherwise dispose of any of its properties or assets;
- sell, transfer, license, encumber or otherwise dispose of any intellectual property, other than non-exclusive licenses granted in the ordinary course of business consistent with past practice;
- repurchase, prepay or incur any indebtedness, or issue and sell options, warrants, calls or other rights to acquire any debt securities of the Company or any of its subsidiaries, enter into any "keep well" or other contract to maintain any financial statement or similar condition of another person or enter into any arrangement having the same economic effect;
- make any loans, advances or capital contributions to, or investments in, any other person;
- incur or commit to incur any capital expenditures, or any obligations or liabilities in connection with any capital expenditures, in excess of $5 million in any individual case or $25 million in the aggregate in any three-month period, other than capital expenditures made after prior consultation with Parent to address changes in product mix required by customers of the Company;
- pay, discharge, settle or satisfy any claims, liabilities or obligations;
- waive any material benefits of, or agree to modify in any adverse respect, or fail to enforce, or consent to any matter with respect to which its consent is required under, any confidentiality, standstill or similar contract;
- enter into any lease or sublease of real property, or modify or amend in any material respect, or exercise any right to renew, any lease or sublease of real property;
- modify or amend in any material respect, or accelerate, terminate or cancel, certain specified contracts, other than as may be necessary to comply with any such contract in connection with the transactions contemplated by the Merger Agreement;
- enter into any contract that is not in the ordinary course of business or consistent with past practice;
- enter into or extend any contract to provide products to customers that by its terms does not expire without penalty more than 90 days after the date of the Merger Agreement;
- agree to provide or commit to provide to a customer under any contract with such customer a greater volume of its products than the minimum number of products the Company is contractually required to provide under such existing contract;
- adopt, enter into, terminate, amend or modify any employee benefit plan;
- increase in any manner the compensation or benefits of, or pay any bonus to, or grant any loan to, any current or former Company personnel;
- pay or provide to any Company personnel any compensation or benefit not provided for under an employee benefit plan;
- grant or amend any awards under any employee benefit plan or remove or modify existing restrictions in any employee benefit plan or awards made under any employee benefit plan;
- grant or pay any severance, change in control, retention, termination or similar compensation or benefits to, or increase in any manner the severance, change in control, retention, termination or similar compensation or benefits of, any Company personnel;
- take any action to fund or in any other way secure the payment of compensation or benefits under any employee benefit plan;
- take any action to accelerate the time of payment or vesting of any compensation or benefits under any employee benefit plan;

- make any material determination under any employee benefit plan that is inconsistent with the ordinary course of business or past practice;
- form any subsidiary;
- enter into any contract containing any restriction on the ability of the Company or any of its subsidiaries to assign all or any portion of its rights, interests or obligations under that contract, unless it expressly excludes any assignment to Parent and any of its subsidiaries;
- except as required by applicable law, adopt or enter into any collective bargaining agreement or other labor union contract applicable to the employees of the Company or any of its subsidiaries or terminate the employment of any Company personnel who has an employment, severance or similar agreement or arrangement with the Company or any of its subsidiaries;
- write down any of its material assets or make any change in any financial accounting principle, method or practice, other than as required by GAAP or applicable law or in the ordinary course of business consistent with past practice;
- except in the ordinary course of business consistent with past practice, take any action or fail to take any action which action or failure to act would result in the material loss or reduction in value of the intellectual property of the Company and its subsidiaries, taken as a whole;
- enter into, extend or renew certain specified contracts or amendments to certain specified contracts or any contract or amendment that grants any person the right or ability to access, license or use all or a material portion of the intellectual property of the Company and its subsidiaries, other than in the ordinary course of business consistent with past practice;
- enter into any contract with any beneficial owner of any Shares, or securities convertible into, or exchangeable for, or any options, warrants, calls or rights to acquire, any Shares, where the contract provides for consideration payable to such beneficial owner or any of its affiliates for Shares tendered, or to be tendered, in the Offer or any contract with any person where the amount payable is calculated based on the number of Shares tendered, or to be tendered, in the Offer;
- make or change any material tax election, change any annual tax accounting period, adopt or change any material method of tax accounting, materially amend any tax returns, enter into any closing agreement, settle any material tax claim, audit or assessment, or surrender any right to claim a material tax refund, offset or other reduction in tax liability; or
- authorize any of, or commit, resolve or agree to take any of, the foregoing actions.

Stockholders Meeting. If the Company is required to submit the Merger Agreement to a vote of the stockholders of the Company, the Company must, as promptly as practicable following the closing of the Offer and the expiration of any subsequent offering period provided by Parent, file a proxy statement with the SEC, mail the proxy statement to its stockholders, establish a record date for, and duly call, give notice of, convene and hold a meeting of its stockholders for the purpose of obtaining the vote of the Company's stockholders to adopt the Merger Agreement. If a Short-Form Merger may be effected pursuant to Section 253 of the Delaware General Corporation Law, Parent, Offeror and the Company will take all necessary and appropriate action to cause the Merger to become effective without a meeting of the stockholders of the Company.

No Solicitation of Transactions. The Company has agreed that it will not, nor will it permit any of its subsidiaries to, nor will it authorize or permit any of its or its subsidiaries' directors, officers, employees, investment bankers, attorneys, accountants or other advisors or representatives to, directly or indirectly:

- solicit, initiate or encourage, or knowingly facilitate, any Acquisition Proposal (as defined below) or any inquiries or the making of any proposal that would reasonably be expected to lead to an Acquisition Proposal; or

- enter into or otherwise participate in any discussions or negotiations regarding, or furnish to any person (or any representative thereof) any information with respect to, or otherwise cooperate in any way with any person (or any representative thereof) with respect to, any Acquisition Proposal.

"Acquisition Proposal" means any proposal or offer from any person relating to any direct or indirect acquisition, in one transaction or a series of transactions (including by way of any merger, consolidation, tender offer, exchange offer, stock acquisition, asset acquisition, binding share exchange, business combination, recapitalization, liquidation, dissolution, joint venture, license agreement or similar transaction) of:

- assets or businesses that constitute, represent or generate 15% or more of the total revenue, net income, EBITDA or assets of the Company and its subsidiaries, taken as a whole; or
- 15% or more of the outstanding Shares or of any class of capital stock of, or other equity or voting interests in, one or more of the subsidiaries of the Company which, in the aggregate, directly or indirectly, hold the assets or businesses referred to in the prior bullet point.

If, at any time prior to the Offer closing, the Company receives a bona fide written Acquisition Proposal that the Company's board of directors determines in good faith either constitutes, or is reasonably likely to lead to, a Superior Proposal (as defined below), and which did not result from a breach of the prohibition on solicitation of alternative proposals described above, the Company may, and may authorize and permit any of its subsidiaries and any of its or their directors, officers, employees, investment bankers, attorneys, accountants or other advisors or representatives to, in each case subject to compliance with the Merger Agreement:

- furnish information with respect to the Company and its subsidiaries to the person making the Acquisition Proposal (and its advisors and representatives) pursuant to a confidentiality agreement which contains terms that are no less restrictive (in all but de minimis respects) to such person than those contained in the Confidentiality Agreement between Parent and the Company (described in "Confidentiality Agreement" below) and which allows for the Company to comply with its obligations pursuant to the Merger Agreement (so long as all the same information has been provided, or is concurrently provided, to Parent); and
- enter into or otherwise participate in discussions or negotiations with the person making the Acquisition Proposal (and its advisors and representatives) regarding the Acquisition Proposal.

"Superior Proposal" means any binding bona fide written offer, which did not result from a breach of the no-solicitation provisions of the Merger Agreement, made by any person (other than Parent or Offeror or any of their affiliates) for a transaction that, if consummated, would result in that person (or in the case of a direct merger between such person and the Company, the stockholders of that person) acquiring, directly or indirectly, a majority of the voting power of the Shares or all or substantially all the assets of the Company and its subsidiaries, taken as a whole, and that, in the good faith judgment of the Company's board of directors (after consultation with its financial advisor and outside legal counsel and after taking into account all of the terms and conditions and other characteristics of that proposal, including the probability of, and time necessary to achieve, consummation of that proposal, and all financial, legal, regulatory and other aspects of that proposal and the Merger Agreement (including any changes to the terms of the Offer or the Merger Agreement proposed by Parent in response to such Superior Proposal or otherwise)) is more favorable from a financial point of view to the stockholders of the Company (in their capacity as such) than the Offer and the Merger, taken together.

The Company has also agreed that the Company's board of directors will not take the following actions or resolve or agree to take the following actions:

- withdraw or modify in a manner adverse to Parent or Offeror, or propose publicly to withdraw or modify in a manner adverse to Parent or Offeror, the recommendation or declaration of advisability of the Merger Agreement, the Offer or the Merger, or recommend, or propose publicly to recommend, the approval or adoption of any Acquisition Proposal (any such action, resolution or agreement to take such action is referred to as an "Adverse Recommendation Change");
- adopt or approve any Acquisition Proposal, or propose the approval or adoption of any Acquisition Proposal; or

- cause or permit the Company to enter into any letter of intent, memorandum of understanding, agreement in principle, acquisition agreement, merger agreement, option agreement, joint venture agreement, partnership agreement or other agreement constituting or related to, or which is intended to or is reasonably likely to lead to, any Acquisition Proposal.

However, before the Offer closing, the Company's board of directors may, in response to a Superior Proposal, effect an Adverse Recommendation Change and/or cause the Company to terminate the Merger Agreement to enter into a definitive agreement in respect of a Superior Proposal with a third party if:

- it determines in good faith, after consultation with its outside legal counsel, that the failure to do so would reasonably be expected to be a breach of its fiduciary duties to the stockholders of the Company under applicable Law;
- the Company complied in all material respects with all the no-solicitation provisions of the Merger Agreement in connection with the Superior Proposal and pays the termination fee (described under "— Termination Fee Payable by the Company" below);
- the Company's board of directors provides prior written notice to Parent that it is prepared to effect an Adverse Recommendation Change in response to a Superior Proposal and/or terminate the Merger Agreement to enter into a definitive agreement in respect of a Superior Proposal with a third party; and
- Parent does not make, within five business days after the receipt of that notice, a proposal that would, in the good faith judgment of the Company's board of directors (after consultation with its financial advisor and outside legal counsel), cause the offer previously constituting a Superior Proposal to no longer constitute a Superior Proposal.

The Company has also agreed to:

- notify Parent as promptly as practicable, and in any event within one business day after receipt, of any Acquisition Proposal or any request for information or inquiry that the Company reasonably believes could lead to or contemplates an Acquisition Proposal and the material terms and conditions of that Acquisition Proposal, request or inquiry (including any subsequent amendment or other modification to such terms and conditions) and the identity of the person making that Acquisition Proposal, request or inquiry;
- notify Parent, as promptly as practicable, and in any event within one business day, of any material change or other material development with respect to any such Acquisition Proposal, request or inquiry, including material amendments or proposed amendments as to price and other material terms thereof; and
- provide Parent with at least 48 hours prior notice of any meeting of the Company's board of directors (or such lesser notice as is provided to the Company's board of directors generally) at which the Company's board of directors is reasonably expected to consider any Acquisition Proposal.

The Merger Agreement does not prohibit the Company's board of directors from making certain disclosures contemplated by securities laws.

Employee Benefits. Following the Effective Time, Parent will arrange for each participant in Company benefit plans who becomes a Parent employee (or an employee of any of Parent's subsidiaries or affiliates) after the Effective Time to:

- be eligible for at least substantially the same benefits in the aggregate as those provided to similarly situated employees of Parent; and
- to the extent permitted by law and applicable tax qualification requirements, receive credit including for eligibility to participate and vesting under Parent employee benefit plans for years of service with the Company (and its subsidiaries, affiliates, and predecessors) prior to the Effective Time (except where doing so would cause a duplication of benefits).

Indemnification and Insurance. Parent and Offeror have agreed to, and Parent has agreed to cause the Surviving Corporation of the Merger to, honor and fulfill in all respects all of the Company's and its subsidiaries' obligations with respect to rights to indemnification, advancement of expenses and exculpation from liabilities for

acts or omissions occurring at or prior to the Effective Time existing at the time of the Merger Agreement in favor of the current or former directors or officers of the Company and its subsidiaries as provided in their respective organizational documents. Parent and Offeror have also agreed that any indemnification agreements disclosed to them will be assumed by the Surviving Corporation of the Merger, and will survive the Merger and continue in full force and effect in accordance with their terms. These obligations are subject to any limitation imposed from time to time under applicable law. Until the sixth anniversary of the Effective Time, Parent has agreed to (and has agreed to cause the Surviving Corporation of the merger and its subsidiaries to) cause the organizational documents of the Surviving Corporation of the Merger and its subsidiaries to contain provisions with respect to indemnification, advancement of expenses and exculpation that are at least as favorable as the provisions in their respective organizational documents on the date of the Merger Agreement, except as required by applicable law.

Parent has further agreed that for six years after the Effective Time, it will either:

- maintain the Company's current directors' and officers' liability insurance covering each person currently covered by that policy for acts or omissions occurring prior to the Effective Time on terms with respect to coverage and amounts no less favorable than those of the policy in effect on the date of the Merger Agreement, but in no event will Parent be required to pay, with respect to the entire six year period following the Effective Time, premiums for that insurance that in the aggregate exceed 225% of the current annual premium paid by the Company (but Parent will nevertheless be obligated to provide as much coverage as may be obtained for that amount); or
- substitute policies of any reputable insurance company or cause the Surviving Corporation of the Merger to obtain a prepaid "tail" directors' and officers' liability insurance policy, the material terms of which, including coverage and amount, are no less favorable to the covered directors and officers than the Company's current policy.

Alternatively, the Company may purchase a six-year prepaid "tail" policy to its existing directors' and officers' liability insurance policy, which will contain the same terms and conditions as the existing policy. In that event, Parent and the Surviving Corporation have agreed to maintain that "tail" policy in full force and effect for six years after the effective time, but in no event will the Company pay a premium for a "tail" policy that in the aggregate exceeds 225% of the current annual premium paid by the Company (but the Company may nevertheless acquire a "tail" policy providing as much coverage as may be obtained for that amount).

Agreement to Take Further Action and to Use All Reasonable Best Efforts. Each of Parent, Offeror and the Company has agreed to use its reasonable best efforts to take, or cause to be taken, all actions that are necessary, proper or advisable to consummate and make effective the Offer, the Merger and the other transactions contemplated by the Merger Agreement, including, among other things:

- using reasonable best efforts to satisfy the conditions precedent to the Offer and the Merger;
- using reasonable best efforts to obtain all necessary actions or nonactions, waivers, consents, approvals, orders and authorizations from, and the giving of any necessary notices to, governmental entities and other persons and the making of all necessary registrations, declarations and filings;
- using reasonable best efforts to provide any supplemental information requested by a governmental entity;
- using reasonable best efforts to avoid any suit, claim, action, investigation or proceeding by any governmental entity or other person; and
- litigating or participating in the litigation of any suit, claim, action, investigation or proceeding, whether judicial or administrative, brought by any governmental entity.

In no event will Parent or Offeror be obligated to, and the Company and its subsidiaries may not agree with any governmental entity without the prior written consent of Parent, to divest or hold separate, or enter into any licensing or similar arrangement with respect to, any material assets (whether tangible or intangible) or any material portion of any business of Parent, the Company or any of their respective subsidiaries (any such action is referred to as an "Action of Divestiture").

Financing Commitments; Company Cooperation. Parent and Offeror have agreed to use their reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to arrange and obtain the Financing contemplated by the Commitment Letter on the terms and conditions described in the Commitment Letter, including by using reasonable best efforts to:

- maintain in effect the Commitment Letter;
- negotiate and enter into definitive agreements with respect to the financing on the terms and conditions reflected in the Commitment Letter;
- satisfy on a timely basis all conditions applicable to Parent and Offeror in the definitive agreements that are within their control;
- enforce its rights under the Commitment Letter; and
- consummate the Financing at or prior to the Offer closing.

As an alternative, Parent and Offeror may obtain alternative financing from alternative sources on terms that are not less favorable, in the aggregate, to Parent and Offeror than the Financing contemplated by the Commitment Letter. In the event any portion of the Financing becomes unavailable, as promptly as practicable following the occurrence of that event, Parent and Offeror have agreed to use their reasonable best efforts to obtain alternative financing from alternative sources on terms that are not less favorable, in the aggregate, to Parent and Offeror than the Financing contemplated by the Commitment Letter.

The Company has agreed to use its reasonable best efforts to provide Parent and Offeror with all cooperation reasonably requested by Parent in connection with the arrangement of the Financing or any alternative financing, including, without limitation:

- using reasonable best efforts to assist in the preparation of confidential information memoranda and rating agency presentations;
- delivering financial and statistical information and projections relating to the Company and its subsidiaries as may be reasonably requested;
- using its reasonable best efforts to arrange for the Company's independent accountants to provide such assistance to Parent that may be reasonably required;
- making appropriate officers of the Company available for due diligence meetings and for participation in meetings with rating agencies and prospective lenders;
- providing timely access to diligence materials and appropriate personnel to allow lenders and their representatives to complete all appropriate diligence; and
- providing assistance with respect to the review and granting of security interests in collateral.

In no event will the Company be required to become party to any document or have any obligation related to the Financing or any alternative financing before the Effective Time or to pay any commitment fee or similar fee before the Effective Time.

Other Covenants and Agreements. The Merger Agreement contains additional agreements among the Company, Offeror and Parent relating to, among other things:

- providing Parent access to the Company's and its subsidiaries' respective properties, assets, books, records, contracts, permits, documents, information, directors, officers and employees;
- notices of certain events;
- public communications; and
- actions necessary to exempt the transactions contemplated by the Merger Agreement from the effect of any takeover statutes.

Conditions to the Merger. The obligations of the parties to complete the Merger are subject to the satisfaction or waiver of the following mutual conditions:

- if required, the Company's stockholders shall have approved adoption of the Merger Agreement;
- no temporary restraining order, preliminary or permanent injunction or other judgment issued by any court of competent jurisdiction in the United States or any other jurisdiction in which Parent or the Company have material businesses or operations or have current plans to have material businesses or operations or other legal restraint or prohibition that has the effect of preventing the consummation of the Merger shall be in effect; and
- Offeror shall have previously accepted for payment and paid for Shares validly tendered and not withdrawn pursuant to the Offer.

Conditions to the Offer. The conditions to the Offer are described in Section 15 entitled "Certain Conditions to Offeror's Obligations" of this Offer to Purchase.

Termination. The Merger Agreement may be terminated by either Parent or the Company, and the Offer or the Merger may be abandoned at any time, if:

- Parent and the Company agree;
- prior to the Offer closing, the Offer shall have expired or been terminated without Offeror accepting for payment any Shares tendered pursuant to the Offer or the Offer closing shall not have occurred, in either case for any reason prior to December 28, 2007 (referred to as the "Termination Date"), but if the conditions to consummation of the Offer related to receiving antitrust approvals have not been satisfied by that date, then the Company will have the right to extend the Termination Date until March 28, 2008; or
- any legal restraint having the effect of preventing the consummation of the Offer or the Merger shall have become final and nonappealable.

The Merger Agreement may be terminated by Parent, and the Offer or the Merger may be abandoned at any time prior to the Offer Closing, if:

- an Adverse Recommendation Change has occurred;
- the Company's board of directors fails to publicly reaffirm its recommendation of the Offer within five business days of a written request by Parent for reaffirmation;
- the Company breaches any of its representations or warranties or fails to perform any of its covenants or other agreements, which breach or failure to perform (i) would give rise to the failure of the conditions to the Offer related to the Company's representations, warranties and covenants and (ii) is incapable of being cured by the Company by the Termination Date or, if capable of being cured by the Company by the Termination Date, the Company does not commence efforts to cure the breach or failure within 10 business days after its receipt of written notice from Parent and does not reasonably pursue the cure; or
- if any legal restraint that could reasonably be expected to result, directly or indirectly, in any Action of Divestiture is in effect and has become final and nonappealable.

The Merger Agreement may be terminated by the Company, and the Offer or the Merger may be abandoned at any time prior to the Offer Closing:

- if the representations and warranties of Parent and Offeror contained in the Merger Agreement that are qualified as to materiality are not true and correct (as so qualified), and the representations and warranties of Parent and Offeror contained in the Merger Agreement that are not so qualified are not true and correct in all material respects, in each case as of the date of the Merger Agreement and as of the Offer closing (except that the accuracy of representations and warranties that by their terms speak as of a specified date will be determined as of that date), or Parent or Offeror fails to perform in all material respects any of its covenants or other agreements contained in the Merger Agreement required to be performed by it at or prior to the Offer closing, in each case, which breach or failure to perform is incapable of being cured by Parent or Offeror by

the Termination Date or, if capable of being cured by Parent by the Termination Date, Parent and Offeror do not commence efforts to cure such breach or failure within 10 business days after their receipt of written notice from the Company and Parent and Offeror do not reasonably pursue the cure; or

- to immediately enter into a binding definitive agreement for a Superior Proposal with a third party.

Termination Fee Payable by the Company. The Company must pay to Parent a termination fee of $38,000,000, if:

- a 50% Proposal (as defined below) is publicly announced or otherwise becomes publicly known to the Company's stockholders or an intention (whether or not conditional and whether or not withdrawn) to make a 50% Proposal is publicly announced or otherwise becomes publicly known to the Company's stockholders and thereafter (i) the Merger Agreement is terminated by either Parent or the Company as a result of a failure to close the transaction by the Termination Date and (ii) prior to the date that is 12 months after such termination, the Company or any of its subsidiaries enters into any agreement with respect to any 40% Proposal (as defined below), the Company's board of directors recommends acceptance of any 40% Proposal or any 40% Proposal is consummated;
- the Merger Agreement is terminated by Parent due to an Adverse Recommendation Change or a failure by the Company's board of directors to reaffirm its recommendation within five business days of a request by parent; or
- the Merger Agreement is terminated by the Company to immediately enter into a binding definitive agreement for a Superior Proposal with a third party.

A "50% Proposal" is an "Acquisition Proposal," except that references to "15% or more" in the definition of "Acquisition Proposal" are deemed references to "50% or more." A "40% Proposal" is an "Acquisition Proposal," except that references to "15% or more" in the definition of "Acquisition Proposal" are deemed references to "40% or more."

Amendment and Waiver. The Merger Agreement may be amended by a written agreement signed by the Company, Offeror and Parent at any time prior to the Effective Time. No amendment can be made after the closing of the Offer that decreases the consideration to be paid in the Merger. After receipt of the stockholder approval of the Merger, no amendment can be made that requires further approval of the Company's stockholders (without obtaining that approval). Except as otherwise set forth in the Merger Agreement, provisions of the Merger Agreement may be waived in writing by any party to the Merger Agreement, but after the receipt of stockholder approval of the Merger, no waiver may be made that requires further approval of the Company's stockholders without obtaining that approval.

Tender and Voting Agreement

The following is a summary of certain provisions of the Tender and Voting Agreement entered into between Parent and the executive officers and directors of the Company (the "Tender and Voting Agreement"). This summary is qualified in its entirety by reference to the Tender and Voting Agreement, which is incorporated herein by reference and a copy of which is filed as an exhibit to the Schedule TO that Parent, WDTI and Offeror have filed with the SEC. The Tender and Voting Agreement may be examined and copies may be obtained in the manner set forth in Section 8 entitled "Certain Information Concerning the Company" of this Offer to Purchase.

In connection with the execution of the Merger Agreement, the directors and executive officers of the Company, which include Kathleen A. Bayless, Paul A. Brahe, Chris A. Eyre, Timothy D. Harris, Richard A. Kashnow, Ray L. Martin, Peter S. Norris, Kenneth R. Swimm, David G. Takata, Harry G. Van Wickle, Dennis P. Wolf, Michael Lee Workman and Tsutomu Yamashita (collectively, the "Stockholders"), entered into the Tender and Voting Agreement pursuant to which they agreed, among other things:

- to tender the Shares owned by them into the Offer not later than the fifth business day prior to expiration of the Offer; and

- if required, to vote all the Shares owned by them in favor of the adoption of the Merger Agreement, and against any Acquisition Proposal or any agreement or arrangement related to any Acquisition Proposal or any other transaction that is designed to, or the consummation of which would, impede, interfere with, prevent or materially delay the Offer or the Merger.

The Tender and Voting Agreement also contains restrictions on the transfer of Shares by the signatories for so long as that agreement remains in effect, subject to certain exceptions including transfer for estate planning purposes, pursuant to a trading plan pursuant to Rule 10b5-1 of the Exchange Act in effect as of the date of the Merger Agreement and sales to pay taxes upon the vesting of restricted Shares. The Tender and Voting Agreement terminates on the earlier to occur of the termination of the Merger Agreement in accordance with its terms or the Effective Time.

Confidentiality Agreement

On June 13, 2007, the Company and Parent entered into a Confidentiality Agreement (the "Confidentiality Agreement") to allow the exchange of information in connection with the exploration of a possible transaction between Parent and the Company. Under the Confidentiality Agreement, the parties agreed, subject to certain exceptions, to keep confidential any non-public information provided by the other party and Parent and the Company agreed to certain "standstill" provisions. This summary of the Confidentiality Agreement is qualified in its entirety by reference to the Confidentiality Agreement, which is incorporated herein by reference and a copy of which is filed as an exhibit to the Schedule TO that Parent, WDTI and Offeror have filed with the SEC. The Confidentiality Agreement may be examined and copies may be obtained in the manner set forth in Section 8 entitled "Certain Information Concerning the Company" of this Offer to Purchase.

14. Dividends and Distributions.

As discussed in Section 13 entitled "The Transaction Documents" of this Offer to Purchase, pursuant to the Merger Agreement, without the prior approval of Parent, the Company has agreed not to declare, set aside or pay any dividends on, or make any other distributions (whether in cash, stock or property) in respect of, any of its capital stock or other equity or voting interests, except for dividends by a direct or indirect wholly owned subsidiary of the Company to its parent.

15. Certain Conditions to Offeror's Obligations.

Offeror shall not be required to accept for payment or, subject to any applicable rules and regulations of the SEC, including Rule 14e-l(c) under the Exchange Act (relating to Offeror's obligation to pay for or return tendered Shares promptly after the termination or withdrawal of the Offer), to pay for any Shares if (i) the Minimum Condition has not been satisfied, (ii) any waiting period under the HSR Act or the antitrust laws of the People's Republic of China has not expired or been terminated, or (iii) any of the following shall have occurred and be continuing:

- any legal restraint is in effect preventing the consummation of the Offer or the Merger;
- (i) the Company's representations and warranties relating to the absence of a Material Adverse Effect and capitalization are not true in all respects (but the Company's representations and warranties as to capitalization will be deemed satisfied if the capitalization of the Company varies by less than 1% from the capitalization set forth in the Merger Agreement); (ii) the Company's representations and warranties relating to certain board actions, the applicability of anti-takeover laws and anti-takeover provisions in the Company's charter documents, the absence of fees payable to brokers and the receipt of the opinion of Credit Suisse that is qualified by materiality or Material Adverse Effect is not true and correct in all respects or any of those representations and warranties that is not so qualified is not true and correct in all material respects as of the date of the Merger Agreement and the expiration of the Offer (as it may be extended from time to time) (except to the extent expressly made as of an earlier date, in which case as of such date); or (iii) any of the Company's other representations and warranties (disregarding all qualifications and exceptions contained therein regarding materiality or Material Adverse Effect) are not true and correct as of the date of the Merger Agreement and the expiration of the Offer (as it may be extended from time to

time) (except to the extent expressly made as of an earlier date, in which case as of such date), except where the failure of such representations and warranties to be so true and correct would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect;

- the Company fails to perform in all material respects all of its obligations under the Merger Agreement at or prior to the expiration of the Offer (as it may be extended from time to time);
- since the date of the Merger Agreement, there has occurred a Material Adverse Effect on the Company that is continuing as of the expiration of the Offer (as it may be extended from time to time);
- any suit, action or proceeding brought by any governmental entity is pending in the United States or any other jurisdiction in which Parent or the Company has material businesses or operations or has current plans to have material businesses or operations that challenges or seeks to restrain or prohibit the consummation of the Offer, Merger or any of the other transactions contemplated by the Merger Agreement, or that seeks an Action of Divestiture;
- any legal restraint that could reasonably be expected to result, directly or indirectly, in any Action of Divestiture is in effect; or
- the Merger Agreement has been terminated in accordance with its terms.

The foregoing conditions are for the sole benefit of Parent and Offeror and may be asserted by Parent or Offeror regardless of the circumstances giving rise to any condition and may be waived by Offeror and Parent in whole or in part at any time and from time to time, in their sole discretion prior to the expiration of the Offer; provided that the Minimum Condition, the condition relating to the receipt of required antitrust approvals and the condition relating to legal restraints can only be waived with the prior written consent of the Company. The failure by Parent, Offeror or any other affiliate of Parent at any time to exercise any of the foregoing rights will not be deemed a waiver of any such right, the waiver of any such right with respect to particular facts and circumstances will not be deemed a waiver with respect to any other facts and circumstances and each such right shall be deemed an ongoing right that may be asserted at any time and from time to time.

16. Certain Regulatory and Legal Matters.

Except as set forth in this Section 16, Offeror is not aware of any approval or other action by any governmental or administrative agency which would be required for the acquisition or ownership of Shares by Offeror as contemplated herein. However, Offeror, WDTI and Parent, together with their advisors, are currently reviewing whether any other approval or other action will be required by any other governmental or administrative agency in connection with the Offer and the Merger. Should any such approval or other action be required, it will be sought, but Offeror has no current intention to delay the purchase of Shares tendered pursuant to the Offer pending the outcome of any such matter, subject, however, to Offeror's right to decline to purchase Shares if any of the Offer conditions shall not have been satisfied. There can be no assurance that any such approval or other action, if needed, would be obtained or would be obtained without substantial conditions, or that adverse consequences might not result to the Company's business or that certain parts of the Company's business might not have to be disposed of if any such approvals were not obtained or other action taken.

Antitrust. The HSR Act provides that the acquisition of Shares by Offeror may not be consummated unless certain information has been furnished to the Antitrust Division of the U.S. Department of Justice (the "Division") and the Federal Trade Commission (the "FTC") and certain waiting period requirements have been satisfied. The rules promulgated by the FTC under the HSR Act require the filing of a Notification and Report Form (the "Form") with the Division and the FTC and provide that the acquisition of Shares under the Offer may not be consummated earlier than 15 days after receipt of the Form by the Division and the FTC. If the Division or the FTC issues a Request for Additional Information and Documentary Material to Offeror before the expiration of that 15 day waiting period, the acquisition of Shares under the Offer may not be consummated until 10 days after the receipt of such additional information and documentary material, or upon receiving earlier notification from the Division or the FTC that the transaction can be consummated. Parent and the Company filed their respective Forms with the Division and the FTC on July 6, 2007.

At any time before or after Offeror's purchase of Shares pursuant to the Offer, the Division or the FTC could take such action under the antitrust laws as it deems necessary or desirable in the public interest, including seeking to enjoin the purchase of Shares pursuant to the Offer or the Merger or seeking the divestiture of Shares acquired by Offeror or the divestiture of substantial assets of Parent or its subsidiaries, or of the Company or its subsidiaries. Private parties and state governments may also bring legal action under the antitrust laws under certain circumstances. While the Company believes that consummation of the Offer would not violate any antitrust laws, there can be no assurance that a challenge to the Offer on antitrust grounds will not be made or, if a challenge is made, what the result will be. If any such action is threatened or commenced by the FTC, the Division or any state or any other person, Offeror may not be obligated to consummate the Offer.

The transaction is subject to review in the People's Republic of China, by the Ministry of Commerce ("MOFCOM"), and the State Administration of Industry and Commerce ("SAIC"), pursuant to the *Regulations on Acquisitions of Domestic Enterprises by Foreign Investors* ("Regulations"). MOFCOM, SAIC, and other agencies that regulate foreign trade in China jointly issued new *Guidelines on Antitrust Filings for Mergers & Acquisitions of Domestic Enterprises by Foreign Investor*s on March 8, 2007 ("Guidelines"). Under the Regulations and Guidelines, a transaction is deemed to be approved upon the expiration of the 30th business day after the receipt of a complete set of filing materials by the authorities, unless the authorities issue a notice of extended review to the parties. If the review period is extended, a transaction is deemed approved upon the expiration of the 90th business day after the receipt of a complete set of filing materials, unless the authorities issue a notice of approval or a notice of disapproval. Parent intends to submit the required notification to the Chinese authorities on July 12, 2007 or as soon thereafter as possible.

Exchange Act Registration. The Shares are currently registered under the Exchange Act. Such registration may be terminated upon application of the Company to the SEC if the Shares are neither listed on a national securities exchange nor held by 300 or more holders of record. Termination of registration of the Shares under the Exchange Act would substantially reduce the information required to be furnished by the Company to its stockholders and to the SEC and would make certain provisions of the Exchange Act no longer applicable to the Company, such as the short-swing profit recovery provisions of Section 16(b) of the Exchange Act, the requirement of furnishing a proxy statement pursuant to Section 14(a) of the Exchange Act in connection with stockholders' meetings and the related requirement of furnishing an annual report to stockholders and the requirements of Rule 13e-3 under the Exchange Act with respect to "going private" transactions. Furthermore, the ability of "affiliates" of the Company and persons holding "restricted securities" of the Company to dispose of such securities pursuant to Rule 144 promulgated under the Securities Act may be impaired or eliminated. If registration of the Shares under the Exchange Act were terminated, the Shares would no longer be "margin securities" or be eligible for trading on the Nasdaq Global Select Market. Parent currently intends to seek to cause the Surviving Corporation to terminate the registration of the Shares under the Exchange Act upon completion of the Merger.

State Takeover Laws. The Company is incorporated under the laws of the State of Delaware. In general, Section 203 of the Delaware General Corporation Law prevents an "interested stockholder" (generally a person who owns or has the right to acquire 15% or more of a corporation's outstanding voting stock, or an affiliate or associate thereof) from engaging in a "business combination" (defined to include mergers and certain other transactions) with a Delaware corporation for a period of three years following the date such person became an interested stockholder unless, among other things, prior to such date the board of directors of the corporation approved either the business combination or the transaction in which the interested stockholder became an interested stockholder. On June 28, 2007, prior to the execution of the Merger Agreement, the Company's board of directors, by unanimous vote of all directors present at a meeting held on such date approved and declared advisable the Merger Agreement and the transactions contemplated by the Merger Agreement, declared it in the best interests of the Company's stockholders for the Company to enter into the Merger Agreement and consummate the transactions contemplated by the Merger Agreement and declared the terms of the Offer and the Merger fair to the Company's stockholders, and, accordingly, Section 203 is inapplicable to the Offer and the Merger.

A number of other states have adopted laws and regulations applicable to attempts to acquire securities of corporations which are incorporated, or have substantial assets, stockholders, principal executive offices or principal places of business, or whose business operations otherwise have substantial economic effects, in such

states. In 1982, in *Edgar v. MITE Corp.*, the Supreme Court of the United States invalidated on constitutional grounds the Illinois Business Takeover Statute which, as a matter of state securities law, made takeovers of corporations meeting certain requirements more difficult. However, in 1987 in *CTS Corp. v. Dynamics Corp. of America*, the Supreme Court held that the State of Indiana could, as a matter of corporate law, constitutionally disqualify a potential acquiror from voting shares of a target corporation without the prior approval of the remaining stockholders where, among other things, the corporation is incorporated, and has a substantial number of stockholders, in the state. Subsequently, in *TLX Acquisition Corp. v. Telex Corp.*, a U.S. federal district court in Oklahoma ruled that the Oklahoma statutes were unconstitutional as applied to corporations incorporated outside Oklahoma in that they would subject such corporations to inconsistent regulations. Similarly, in *Tyson Foods, Inc. v. McReynolds*, a U.S. federal district court in Tennessee ruled that four Tennessee takeover statutes were unconstitutional as applied to corporations incorporated outside Tennessee. This decision was affirmed by the United States Court of Appeals for the Sixth Circuit. In December 1988, a U.S. federal district court in Florida held in *Grand Metropolitan PLC v. Butterworth* that the provisions of the Florida Affiliated Transactions Act and the Florida Control Share Acquisition Act were unconstitutional as applied to corporations incorporated outside of Florida. The state law before the Supreme Court was by its terms applicable only to corporations that had a substantial number of stockholders in the state and were incorporated there.

The Company, directly or through subsidiaries, conducts business in a number of states throughout the United States, some of which have enacted takeover laws. Offeror does not know whether any of these laws will, by their terms, apply to the Offer or the Merger and has not complied with any such laws. Should any person seek to apply any state takeover law, Offeror will take such action as then appears desirable, which may include challenging the validity or applicability of any such statute in appropriate court proceedings. In the event it is asserted that the takeover laws of any state are applicable to the Offer or the Merger, and an appropriate court does not determine that it is inapplicable or invalid as applied to the Offer, Offeror might be required to file certain information with, or receive approvals from, the relevant state authorities. In addition, if enjoined, Offeror might be unable to accept for payment any Shares tendered pursuant to the Offer, or be delayed in continuing or consummating the Offer and the Merger. In such case, Offeror may not be obligated to accept for payment any Shares tendered. See Section 15 entitled “Certain Conditions to Offeror’s Obligations” of this Offer to Purchase.

17. Appraisal Rights.

No appraisal rights are available in connection with the Offer. However, if the Merger is consummated, stockholders will have certain rights under the Delaware General Corporation Law to dissent and demand appraisal of, and to receive payment in cash of the fair value of, their Shares. Such rights to dissent, if the statutory procedures are met, could lead to a judicial determination of the fair value of the Shares, as of the day prior to the date on which the stockholders’ vote was taken approving the Merger or similar business combination (excluding any element of value arising from the accomplishment or expectation of the Merger), required to be paid in cash to such dissenting holders for their Shares. In addition, such dissenting stockholders would be entitled to receive payment of a fair rate of interest from the date of consummation of the Merger on the amount determined to be the fair value of their Shares. In determining the fair value of the Shares, the court is required to take into account all relevant factors. Accordingly, such determination could be based upon considerations other than, or in addition to, the market value of the Shares, including, among other things, asset values and earning capacity. In *Weinberger v. UOP, Inc.*, the Delaware Supreme Court stated, among other things, that “proof of value by any techniques or methods which are generally considered acceptable in the financial community and otherwise admissible in court” should be considered in an appraisal proceeding. Therefore, the value so determined in any appraisal proceeding could be the same as, or more or less than, the purchase price per Share in the Offer or the Merger consideration.

In addition, several decisions by Delaware courts have held that, in certain circumstances, a controlling stockholder of a company involved in a merger has a fiduciary duty to other stockholders which requires that the merger be fair to such other stockholders. In determining whether a merger is fair to minority stockholders, Delaware courts have considered, among other things, the type and amount of consideration to be received by the stockholders and whether there was fair dealing among the parties. The Delaware Supreme Court stated in *Weinberger* and *Rabkin v. Philip A. Hunt Chemical Corp.* that the remedy ordinarily available to minority stockholders in a cash-out merger is the right to appraisal described above. However, a damages remedy or

injunctive relief may be available if a merger is found to be the product of procedural unfairness, including fraud, misrepresentation or other misconduct.

18. Fees and Expenses.

Except as set forth below, neither Parent nor Offeror will pay any fees or commissions to any broker or dealer or other person for soliciting tenders of Shares pursuant to the Offer. Brokers, dealers, commercial banks and trust companies will, upon request, be reimbursed by Offeror for customary mailing and handling expenses incurred by them in forwarding material to their customers.

Goldman Sachs has acted as financial advisor to Parent in connection with the Offer and the Merger and is acting as Dealer Manager in connection with the Offer. Parent has agreed to pay Goldman Sachs a customary fee for its services as financial advisor and Dealer Manager, a significant portion of which is contingent upon completion of the Offer. In addition, Parent and Offeror have agreed to reimburse Goldman Sachs for its reasonable expenses, including fees, disbursements and other charges of counsel, and to indemnify Goldman Sachs and related parties against liabilities, including liabilities under federal securities laws, relating to or arising out of its engagement as financial advisor and Dealer Manager. Goldman Sachs and its affiliates also are participating in the financing for the Offer. See Section 10 — “Source and Amount of Funds.”

The Dealer Manager in the ordinary course of its business purchases and sells securities, including shares of the Company’s common stock, for its own account and for the account of its customers. As a result, the Dealer Manager at any time may own certain of the equity and debt securities of Parent and the Company, including shares of the Company’s common stock. In addition, the Dealer Manager may tender shares of the Company’s common stock into the tender offer for its own account.

Offeror has retained D.F. King & Co., Inc. as Information Agent and Computershare Trust Company, N.A. as Depositary in connection with the Offer. The Information Agent and the Depositary will receive reasonable and customary compensation for their services hereunder and reimbursement for their reasonable out-of-pocket expenses. The Information Agent and the Depositary will also be indemnified by Offeror against certain liabilities in connection with the Offer.

19. Miscellaneous.

Other Information

The Offer is not being made to, nor will tenders be accepted from or on behalf of, holders of Shares residing in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities or blue sky laws of such jurisdiction. In any jurisdiction where the securities or blue sky laws require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on behalf of Offeror by one or more registered brokers or dealers which are licensed under the laws of such jurisdiction.

No person has been authorized to give any information or make any representation on behalf of Offeror other than as contained in this Offer to Purchase or in the Letter of Transmittal, and, if any such information or representation is given or made, it should not be relied upon as having been authorized by Offeror.

Offeror has filed with the SEC the Schedule TO, pursuant to Rule 14d-3 promulgated under the Exchange Act, furnishing certain information with respect to the Offer. Such statement and any amendments thereto, including exhibits, may be examined and copies may be obtained at the same places and in the same manner as set forth with respect to the Company in Section 8 entitled “Certain Information Concerning the Company” of this Offer to Purchase.

State M Corporation
July 11, 2007

ANNEX I

DIRECTORS AND EXECUTIVE OFFICERS OF OFFEROR, WDTI AND PARENT

DIRECTORS AND EXECUTIVE OFFICERS OF WDTI AND PARENT

The name, current principal occupation or employment and material occupations, positions, offices or employment for the past five years of each director and executive officer of WDTI and Parent are set forth below. WDTI and Parent have identical directors and executive officers. The business address of each director and executive officer is 20511 Lake Forest Drive, Lake Forest, California 92630. Unless otherwise indicated, each occupation set forth opposite an individual's name refers to employment currently with Parent.

None of the directors and executive officers listed below has, during the past five years, (i) been convicted in a criminal proceeding or (ii) been a party to any judicial or administrative proceeding that resulted in a judgment, decree or final order enjoining the person from future violations of, or prohibiting activities subject to, federal or state securities laws, or a finding of any violation of federal or state securities laws. All directors and executive officers listed below are citizens of the United States.

Name	Age	Current Principal Occupation or Employment and Five-Year Employment History
Matthew E. Massengill Director	45	Mr. Massengill has been a director since January 2000. He joined Parent in 1985 and served in various executive capacities with Parent until January 2007. From October 1999 until January 2000, he served as Chief Operating Officer, from January 2000 until January 2002, he served as President, and from January 2000 until October 2005, he served as Chief Executive Officer. Mr. Massengill served as Chairman of the Board of Directors from November 2001 until March 2007. He is also a director of ViewSonic Corporation and Microsemi Corporation.
Peter D. Behrendt Director	68	Mr. Behrendt has been a director since 1994. He was Chairman of Exabyte Corporation, a manufacturer of computer tape storage products, from January 1992 until he retired in January 1998 and was President and Chief Executive Officer of Exabyte Corporation from July 1990 to January 1997. Mr. Behrendt is currently a venture partner with NEA, a California-based venture fund. He is also a director of Infocus Corporation.
Kathleen A. Cote Director	58	Ms. Cote has been a director since January 2001. She was the Chief Executive Officer of Worldport Communications, Inc., a European provider of Internet managed services, from May 2001 to June 2003. From September 1998 until May 2001, she served as President of Seagrass Partners, a provider of expertise in business planning and strategic development for early stage companies. From November 1996 until January 1998, she served as President and Chief Executive Officer of Computervision Corporation, an international supplier of product development and data management software. She is also a director of Forgent Networks, Inc.

Name	Age	Current Principal Occupation or Employment and Five-Year Employment History
John F. Coyne Director, Executive Officer	57	Mr. Coyne has been a director since October 2006. He joined Parent in 1983 and has served in various executive capacities. From November 2002 until June 2005, Mr. Coyne served as Senior Vice President, Worldwide Operations, from June 2005 until September 2005, he served as Executive Vice President, Worldwide Operations and from November 2005 until June 2006, he served as Executive Vice President and Chief Operations Officer. Effective June 2006, he was named President and Chief Operating Officer. In January 2007, he became President and Chief Executive Officer.
Henry T. DeNero Director	61	Mr. DeNero has been a director since June 2000. He was Chairman and Chief Executive Officer of Homespace, Inc., a provider of Internet real estate and home services, from January 1999 until it was acquired by LendingTree, Inc. in August 2000. From July 1995 to January 1999, he was Executive Vice President and Group Executive, Commercial Payments for First Data Corporation, a provider of information and transaction processing services. Prior to 1995, he was Vice Chairman and Chief Financial Officer of Dayton Hudson Corporation, a general merchandise retailer, and was previously a Director of McKinsey & Company, a management consulting firm. He is also a director of THQ, Inc. and Vignette Corp.
William L. Kimsey Director	65	Mr. Kimsey has been a director since March 2003. He is a veteran of 32 years' service with Ernst & Young, a global independent auditing firm, and became that firm's Global Chief Executive Officer. Mr. Kimsey served at Ernst & Young as director of management consulting in St. Louis, office managing partner in Kansas City, Vice Chairman and Southwest Region managing partner in Dallas, Vice Chairman and West Region managing partner in Los Angeles, Deputy Chairman and Chief Operating Officer and, from 1998 to 2002, Chief Executive Officer and a global board member. He is also a director of Accenture Ltd., NAVTEQ Corporation and Royal Caribbean Cruises Ltd.
Michael D. Lambert Director	60	Mr. Lambert has been a director since August 2002. From 1996 until he retired in May 2002, he served as Senior Vice President for Dell Inc.'s Enterprise Systems Group. During that period, he also participated as a member of a six-man operating committee at Dell, which reported to the Office of the Chairman. Mr. Lambert served as Vice President, Sales and Marketing for Compaq Computer Corporation from 1993 to 1996. Prior to that, for four years, he ran the Large Computer Products division at NCR/AT&T Corporation as Vice President and General Manager. Mr. Lambert began his career with NCR Corporation, where he served for 16 years in product management, sales and software engineering capacities. He is also a director of Vignette Corp.

Name	Age	Current Principal Occupation or Employment and Five-Year Employment History
Roger H. Moore Director	65	Mr. Moore has been a director since June 2000. He served as President and Chief Executive Officer of Illuminet Holdings, Inc., a provider of network, database and billing services to the communications industry, from January 1996 until it was acquired by Verisign, Inc. in December 2001 and he retired at that time. He was a member of Illuminet's Board of Directors from July 1998 until December 2001. From September 1998 to October 1998, he served as President, Chief Executive Officer and as a director of VINA Technologies, Inc., a telecommunications equipment company. From November 1994 to December 1995, he served as Vice President of major accounts of Northern Telecom. He is also a director of Arbinet-thexchange, Inc., Consolidated Communications Holdings, Inc., Tut Systems, Inc., and Verisign, Inc.
Thomas E. Pardun Director	63	Mr. Pardun has been a director since 1993 and Chairman of the Board of Directors since April 2007. He served as Chairman of the Board of Directors from January 2000 until November 2001 and as Chairman of the Board and Chief Executive Officer of Edge2net, Inc., a provider of voice, data and video services, from November 2000 until September 2001. Mr. Pardun was President of MediaOne International Asia Pacific (previously U.S. West International, Asia-Pacific, a subsidiary of U.S. West, Inc.), an owner/operator of international properties in cable television, telephone services, and wireless communications companies, from May 1996 until his retirement in July 2000. Before joining U.S. West, Mr. Pardun was President of the Central Group for Sprint, as well as President of Sprint's West Division and Senior Vice President of Business Development for United Telecom, a predecessor company to Sprint. Mr. Pardun also held a variety of management positions during a 19-year tenure with IBM, concluding as Director of product-line evaluation. He is also a director of CalAmp Corporation and Occam Networks, Inc.
Arif Shakeel Director	52	Mr. Shakeel has been a director since September 2004. He joined Parent in 1985 and has served in various executive capacities. From February 2000 until April 2001, he served as Executive Vice President and General Manager of Hard Disk Drive Solutions, from April 2001 until January 2003, he served as Executive Vice President and Chief Operating Officer, and from January 2002 until June 2006, he served as President. He served as Chief Executive Officer from October 2005 until January 2007. He served as Special Advisor to the Chief Executive Officer from January 2007 until June 2007.
Raymond M. Bukaty Executive Officer	49	Mr. Bukaty joined Parent in 1999 as Vice President, Corporate Law. He was appointed to Vice President, General Counsel and Secretary in March 2002, and to Senior Vice President in January 2004, and assumed his current position as Senior Vice President, Administration, General Counsel and Secretary in October 2004.

Name	Age	Current Principal Occupation or Employment and Five-Year Employment History
Timothy M. Leyden Executive Officer	55	Mr. Leyden joined Parent in May 2007 as Executive Vice President, Finance. Parent has announced that Mr. Leyden will succeed Stephen D. Milligan as Chief Financial Officer effective September 1, 2007 or earlier if Mr. Milligan resigns as Chief Financial Officer prior to August 31, 2007. From December 2001 to May 2007, Mr. Leyden served in senior finance capacities at Sage Software Inc. and Sage Software of California, subsidiaries of Sage Group PLC, a U.K. public company that supplies accounting and business management software to small and medium-sized businesses, including as Senior Vice President, Finance and Chief Financial Officer from May 2004 to May 2007 and as Vice President, Finance and Chief Financial Officer from December 2001 to May 2004. From January 2001 to December 2001, Mr. Leyden was a Principal for Pittiglio, Rabin, Todd & McGrath, an operational strategy consulting firm, where he worked as a management consultant to technology-based companies. Mr. Leyden also previously served in various worldwide finance, manufacturing and information technology capacities at Parent from 1983 to December 2000.
Stephen D. Milligan Executive Officer	43	Mr. Milligan joined Parent in September 2002 as Vice President, Finance. He was appointed Senior Vice President and Chief Financial Officer in January 2004. Before joining Parent, Mr. Milligan served in a variety of senior finance capacities at Dell between April 1997 and September 2002, including Assistant Controller, European Controller, North European Finance Director, Director of Finance for the Americas, and Controller for Dell Financial Services.
Hossein Moghadam Executive Officer	63	Dr. Moghadam joined Parent in October 2000 as Vice President, Engineering and site manager of Parent's San Jose facility. He served as Senior Vice President, Research and Development from November 2004 to November 2005 and was appointed Senior Vice President and Chief Technology Officer in November 2005.

DIRECTORS AND EXECUTIVE OFFICERS OF OFFEROR

John F. Coyne is Chairman of the Board of Directors and President of Offeror. Timothy M. Leyden is a director and Treasurer of Offeror. Raymond M. Bukaty is a director and Secretary of Offeror. The business address, current principal occupation or employment and material occupations, positions, offices or employment for the past five years of each director and executive officer of Offeror are set forth above under "Directors and Executive Officers of WDTI and Parent."

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The Dealer Manager for the Offer is:

Goldman Sachs

85 Broad Street
New York, New York 10004
(212) 902-1000 (Call Collect)
(800) 323-5678 (Call Toll-Free)

The Information Agent for the Offer is:

D. F. King & Co., Inc.

48 Wall Street, 22nd Floor
New York, New York 10005
Shareholders Call Toll-Free: (888) 628-9011
Banks and Brokers Call Collect: (212) 269-5550

The Depositary for the Offer is:

Computershare

By Mail:	By Facsimile Transmission:	By Overnight Courier:
Computershare Trust Company, N.A. c/o Voluntary Corporate Actions P.O. Box 43011 Providence, RI 02940-3011	For Eligible Institutions Only: (617) 360-6810 For Confirmation Only Telephone: (781) 575-2332	Computershare Trust Company, N.A. c/o Voluntary Corporate Actions 250 Royall Street Canton, MA 02021

Exhibit (a)(1)(B)

LETTER OF TRANSMITTAL

To Tender Shares of Common Stock
of

Komag, Incorporated

Pursuant to the Offer to Purchase,
Dated July 11, 2007
by

State M Corporation,

a wholly owned subsidiary of

Western Digital Technologies, Inc.,

a wholly owned subsidiary of

Western Digital Corporation

THE OFFER AND WITHDRAWAL RIGHTS EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON TUESDAY, AUGUST 7, 2007, UNLESS THE OFFER IS EXTENDED.

The Depositary for the Offer is:

Computershare

By Mail:

Computershare Trust Company, N.A
c/o Voluntary Corporate Actions
P.O. Box 43011
Providence, RI 02940-3011

By Overnight Courier:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions
250 Royall Street
Canton, MA 02021

Delivery of this Letter of Transmittal to an address other than as set forth above for the depositary will not constitute a valid delivery.

This Letter of Transmittal and the instructions accompanying this Letter of Transmittal should be read carefully before this Letter of Transmittal is completed. All questions regarding the offer should be directed to the information agent, D.F. King & Co., Inc. at the addresses and telephone numbers as set forth on the back cover page of the Offer to Purchase.

DESCRIPTION OF SHARES TENDERED			
Name(s) and Address(es) of Registered Holder(s) (Please fill in, if blank, exactly as name(s) appear(s) on Share Certificate(s))	**Share Certificate(s) Enclosed (Attach additional signed list if necessary)**		
	Share Certificate Number(s)*	**Total Number of Shares Represented by Share Certificate(s)***	**Number of Shares Tendered****

* Need not be completed by stockholders tendering by book-entry transfer.
** Unless otherwise indicated, it will be assumed that all Shares represented by any certificates delivered to the Depositary are being tendered. See Instruction 4.

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This Letter of Transmittal is to be used if certificates are to be forwarded herewith or, unless an Agent's Message (as defined in the Offer to Purchase) is utilized, if delivery of Shares (as defined below) is to be made by book-entry transfer to the Depositary's account at The Depository Trust Company ("DTC") pursuant to the procedures set forth in Section 3 entitled "Procedure for Tendering Shares" of the Offer to Purchase.

Holders of outstanding shares of common stock, par value $0.01 per share (the "Shares"), of Komag, Incorporated, whose certificates for such shares are not immediately available or who cannot deliver such certificates and all other required documents to the Depositary on or prior to the expiration of the Offer, or who cannot complete the procedure for book-entry transfer on a timely basis, must tender their Shares according to the guaranteed delivery procedure set forth in Section 3 entitled "Procedure for Tendering Shares" of the Offer to Purchase. See Instruction 2 to this Letter of Transmittal. Delivery of documents to DTC does not constitute delivery to the Depositary.

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o **CHECK HERE IF SHARES ARE BEING DELIVERED BY BOOK-ENTRY TRANSFER TO THE DEPOSITARY'S ACCOUNT AT DTC AND COMPLETE THE FOLLOWING:**

Name of Tendering Institution:

Account Number:

Transaction Code Number:

o **CHECK HERE IF SHARES ARE BEING TENDERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE DEPOSITARY AND COMPLETE THE FOLLOWING:**

Name(s) of Tendering Stockholder(s):

Date of Execution of Notice of Guaranteed Delivery: , 2007

Name of Institution which Guaranteed Delivery:

If delivery is by book-entry transfer:

Name of Tendering Institution:

Account Number:

Transaction Code Number:

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Ladies and Gentlemen:

The undersigned hereby tenders to State M Corporation, a Delaware corporation (the "Offeror") and a wholly owned subsidiary of Western Digital Technologies, Inc., a Delaware corporation ("WDTI") and a wholly owned subsidiary of Western Digital Corporation, a Delaware corporation ("Parent"), the above-described shares of common stock, par value $0.01 per share (the "Shares"), of Komag, Incorporated, a Delaware corporation (the "Company"), pursuant to the Offeror's offer to purchase all outstanding Shares at $32.25 per Share, net to the seller in cash, upon the terms and subject to the conditions set forth in the Offer to Purchase dated July 11, 2007 (the "Offer to Purchase"), receipt of which is hereby acknowledged, and in this Letter of Transmittal (which, together with any amendments and supplements thereto, collectively constitute the "Offer"). The Offer is being made in connection with the Agreement and Plan of Merger, dated June 28, 2007, among the Offeror, Parent and the Company. The Offer expires at 12:00 Midnight, New York City time, on Tuesday, August 7, 2007, unless extended as described in the Offer to Purchase (as extended, the "Expiration Date"). The Offeror reserves the right to transfer or assign, in whole or from time to time in part, to one or more of its affiliates the right to purchase Shares tendered pursuant to the Offer, but any such transfer or assignment will not relieve the Offeror of its obligations under the Offer or prejudice your rights to receive payment for Shares validly tendered and accepted for payment.

Upon the terms and subject to the conditions of the Offer and effective upon acceptance for payment of and payment for the Shares tendered herewith, the undersigned hereby sells, assigns and transfers to, or upon the order of, the Offeror all right, title and interest in and to all the Shares that are being tendered hereby (and any and all other Shares or other securities issued or issuable in respect thereof on or after July 11, 2007) and appoints the Depositary the true and lawful agent and attorney-in-fact of the undersigned with respect to such Shares (and all such other Shares or securities), with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest), to (i) deliver certificates for such Shares (and all such other Shares or securities), or transfer ownership of such Shares (and all such other Shares or securities) on the account books maintained by The Depository Trust Company ("DTC"), together, in any such case, with all accompanying evidences of transfer and authenticity, to or upon the order of the Offeror, (ii) present such Shares (and all such other Shares or securities) for transfer on the books of the Company and (iii) receive all benefits and otherwise exercise all rights of beneficial ownership of such Shares (and all such other Shares or securities), all in accordance with the terms of the Offer.

The undersigned hereby irrevocably appoints the Board of Directors of Offeror, or any of them, the attorneys-in-fact and proxies of the undersigned, each with full power of substitution, to the full extent of such stockholder's rights with respect to the Shares tendered hereby which have been accepted for payment by the Offeror prior to the time of any vote or other action (and any and all other Shares or other securities issued or issuable in respect thereof on or after July 11, 2007), including, without limitation, the right to vote such shares in such manner as such attorney and his substitute shall, in his sole discretion, deem proper at any meeting of the stockholders of the Company (whether annual or special and whether or not an adjourned meeting), or otherwise. This proxy is irrevocable and is granted in consideration of, and is effective upon and to the extent of, the acceptance for payment of such Shares by the Offeror in accordance with the terms of the Offer. Such acceptance for payment shall revoke, without further action, all prior powers of attorney and proxies given by the undersigned at any time with respect to such Shares (and all such other Shares or securities), and no subsequent proxies will be given by the undersigned (and if given, will be deemed ineffective).

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, sell, assign and transfer the Shares tendered hereby (and any and all other Shares or other securities issued or issuable in respect thereof on or after July 11, 2007) and that when the same are accepted for payment by the Offeror, the Offeror will acquire good and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claims. The undersigned will, upon request, execute and deliver any additional documents deemed by the Depositary, the Offeror , WDTI or Parent to be necessary or desirable to complete the sale, assignment and transfer of the Shares tendered hereby (and all such other Shares or securities).

All authority herein conferred or agreed to be conferred shall survive the death or incapacity of the undersigned, and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned. Except as stated in the Offer, this tender is irrevocable.

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The undersigned understands that tenders of the Shares pursuant to any one of the procedures described in Section 3 entitled “Procedure for Tendering Shares” of the Offer to Purchase and in the instructions hereto will constitute an agreement between the undersigned and the Offeror upon the terms and subject to the conditions of the Offer.

Unless otherwise indicated under “Special Payment Instructions,” please issue the check for the purchase price of any Shares purchased, and return any Shares not tendered or not purchased, in the name(s) of the undersigned (and, in the case of the Shares tendered by book-entry transfer, by credit to the account at DTC). Similarly, unless otherwise indicated under “Special Delivery Instructions,” please mail the check for the purchase price of any Shares purchased and any certificates for the Shares not tendered or not purchased (and accompanying documents, as appropriate) to the undersigned at the address shown below the undersigned’s signature(s). In the event that both “Special Payment Instructions” and “Special Delivery Instructions” are completed, please issue the check for the purchase price of any Shares purchased and return any Shares not tendered or not purchased in the name(s) of, and mail said check and any certificates to, the person(s) so indicated. The undersigned recognizes that the Offeror has no obligation, pursuant to the “Special Payment Instructions,” to transfer any Shares from the name of the registered holder(s) thereof if the Offeror does not accept for payment any of the Shares so tendered.
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SPECIAL PAYMENT INSTRUCTIONS
(See Instructions 6, 7 and 8)

To be completed ONLY if the check for the purchase price of the Shares purchased (less the amount of any Federal income and backup withholding tax required to be withheld) or certificates for the Shares not tendered or not purchased are to be issued in the name of someone other than the undersigned.

Issue check and/or certificate to:

Name:

(Please Print)

Address: _____

_____

_____

(Include Zip Code)

_____

(Tax ID or Social Security Number(s))
(See Substitute Form W-9)

SPECIAL DELIVERY INSTRUCTIONS
(See Instructions 6, 7 and 8)

To be completed ONLY if the check for the purchase price of the Shares purchased (less the amount of any Federal income and backup withholding tax required to be withheld) or certificates for the Shares not tendered or not purchased are to be mailed to someone other than the undersigned or to the undersigned at an address other than that shown below the undersigned's signature(s).

Issue check and/or certificate to:

Name: _____

(Please Print)

Address: _____

_____

_____

(Include Zip Code)

_____

(Tax ID or Social Security Number(s))
(See Substitute Form W-9)

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PLEASE SIGN ON THIS PAGE
(To be completed by all the tendering Shareholders regardless of whether the Shares are being physically delivered herewith)

X _____

X

Signature(s) of Registered Holder(s) or Authorized Signatory)

Dated: ¸ 2007

(Must be signed by registered holder(s) exactly as name(s) appear(s) on the Share Certificate(s) or on a security position listing or by person(s) authorized to become registered holder(s) by certificates and documents transmitted with this Letter of Transmittal. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, agent, officer of a corporation or other person acting in a fiduciary or representative capacity, please provide the following information and see Instruction 5.)

Name(s): _____

_____

(Please Print)

Name of Firm: _____

Capacity (full title): _____

Address: _____

_____

(Include Zip Code)

Area Code and Telephone Number: _____

Taxpayer Identification or Social Security Number: _____

(Complete Substitute Form W-9 at the end of this Letter of Transmittal)

GUARANTEE OF SIGNATURE(S)
(See Instructions 1 and 5)

FOR USE BY FINANCIAL INSTITUTIONS ONLY
PLACE MEDALLION GUARANTEE IN SPACE BELOW

Name(s): _____

_____

(Please Print)

Name of Firm: _____

Capacity (full title): _____

Address: _____

_____

(Include Zip Code)

Area Code and Telephone Number: _____

Dated: ¸ 2007
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Substitute Form W-9 Request for Taxpayer Identification Number and Certification
PAYER'S NAME: Computershare Trust Company, N.A.

Name as shown on account (if joint, list first and circle name of the person or entity whose number you enter below)

Name: _____

Address: _____

City, State, and Zip Code: _____

SUBSTITUTE **Form W-9** **Department of the Treasury** **Internal Revenue Service** **Payer's Request for** **Taxpayer Identification Number** **(TIN)**	**TAXPAYER IDENTIFICATION NO. FOR ALL ACCOUNTS** Enter your taxpayer identification number in the appropriate box. For most individuals this is your social security number. If you do not have a number, see the enclosed Guidelines. **Note:** If the account is in more than one name, see the chart in the enclosed Guidelines on which number to give the payer	**Social Security Number** **Employer Identification Number**

Certification — Under penalties of perjury, I certify that:
(1) the number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me),
(2) I am not subject to backup withholding either because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service ("IRS") that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
(3) I am a U.S. person (including a U.S. resident alien).

Certification Instructions — You must cross out Item (2) above if you have been notified by the IRS that you are subject to backup withholding because of underreporting interest or dividends on your tax returns. However, if after being notified by the IRS that you were subject to backup withholding you received another notification from the IRS that you are no longer subject to backup withholding, do not cross out Item (2).

SIGNATURE **DATE**

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING OF 28% OF ANY CASH PAYMENT (IF ANY) MADE TO YOU WITH RESPECT TO SHARES SURRENDERED IN CONNECTION WITH THE OFFER AND A $50 PENALTY IMPOSED BY THE IRS. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS.

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU WROTE "APPLIED FOR" IN THE SPACE FOR THE "TIN" ON THE SUBSTITUTE FORM W-9.

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CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me and either (a) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office or (b) I intend to mail or deliver an application in the near future. I understand that I will be subject to backup withholding on payments other than interest, dividends and certain payments relating to readily tradable instruments and that if I do not provide a taxpayer identification number within 60 days, 28% of all reportable payments made to me thereafter will be withheld until I provide a number.

Signature	**Date**

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INSTRUCTIONS
Forming Part of the Terms and Conditions of the Offer

1. *Guarantee of Signatures.* Except as otherwise provided below, all signatures on this Letter of Transmittal must be guaranteed by a financial institution (including most banks, savings and loan associations and brokerage houses) that is a member of a recognized Medallion Program approved by The Securities Transfer Association, Inc., including the Securities Transfer Agents Medallion Program (STAMP), the Stock Exchange Medallion Program (SEMP) and the New York Stock Exchange, Inc. Medallion Signature Program (MSP) or any other "eligible guarantor institution" (as such term is defined in Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended) (each an "Eligible Institution"). Signatures on this Letter of Transmittal need not be guaranteed (i) if this Letter of Transmittal is signed by the registered holder(s) of the Shares (which term, for purposes of this document, shall include any participant in DTC whose name appears on a security position listing as the owner of the Shares) tendered herewith and such holder(s) has not completed the box entitled "Special Payment Instructions" on this Letter of Transmittal or (ii) if such Shares are tendered for the account of an Eligible Institution. See Instruction 5.

2. *Delivery of Letter of Transmittal and Shares.* This Letter of Transmittal is to be used either if certificates are to be forwarded herewith or, unless an Agent's Message is utilized, if delivery of Shares is to be made by book-entry transfer pursuant to the procedures set forth in Section 3 entitled "Procedure for Tendering Shares" of the Offer to Purchase. Certificates for all physically delivered Shares, or a confirmation of a book-entry transfer into the Depositary's account at DTC of all Shares delivered electronically, as well as a properly completed and duly executed Letter of Transmittal (or facsimile thereof or, in the case of a book-entry transfer, an Agent's Message) and any other documents required by this Letter of Transmittal, must be received by the Depositary at one of its addresses set forth on the front page of this Letter of Transmittal by the Expiration Date. Stockholders who cannot deliver their Shares and all other required documents to the Depositary by the Expiration Date must tender their Shares pursuant to the guaranteed delivery procedure set forth in Section 3 entitled "Procedure for Tendering Shares" of the Offer to Purchase. Pursuant to such procedure: (i) such tender must be made by or through an Eligible Institution, (ii) a properly completed and duly executed Notice of Guaranteed Delivery substantially in the form provided by the Offeror must be received by the Depositary by the Expiration Date and (iii) the certificates for all physically delivered Shares, or a confirmation of a book-entry transfer into the Depositary's account at DTC of all Shares delivered electronically, as well as a properly completed and duly executed Letter of Transmittal (or facsimile thereof or, in the case of a book-entry delivery, an Agent's Message) and any other documents required by this Letter of Transmittal, must be received by the Depositary within three New York Stock Exchange trading days after the date of execution of such Notice of Guaranteed Delivery, all as provided in Section 3 entitled "Procedure for Tendering Shares" of the Offer to Purchase.

The method of delivery of the Shares and all other required documents, including through DTC, is at the option and risk of the tendering stockholder. If certificates for the Shares are sent by mail, registered mail with return receipt requested, properly insured, is recommended.

No alternative, conditional or contingent tenders will be accepted, and no fractional Shares will be purchased. By executing this Letter of Transmittal (or facsimile thereof), the tendering stockholder waives any right to receive any notice of the acceptance for payment of the Shares.

3. *Inadequate Space.* If the space provided herein is inadequate, the certificate numbers and/or the number of the Shares should be listed on a separate schedule attached hereto.

4. *Partial Tenders (not applicable to stockholders who tender by book-entry transfer).* If fewer than all the Shares represented by any certificate delivered to the Depositary are to be tendered, fill in the number of Shares which are to be tendered in the box entitled "Number of Shares Tendered". In such case, a new certificate for the remainder of the Shares represented by the old certificate will be issued and sent to the person(s) signing this Letter of Transmittal, unless otherwise provided in the boxes entitled "Special Payment Instructions" or "Special Delivery Instructions," as the case may be, on this Letter of Transmittal, as promptly as practicable following the expiration or termination of the Offer. All Shares represented by certificates delivered to the Depositary will be deemed to have been tendered unless otherwise indicated.

5. *Signatures on Letter of Transmittal; Stock Powers and Endorsements.* If this Letter of Transmittal is signed by the registered holder(s) of the Shares tendered hereby, the signature(s) must correspond with the name(s) as written on the face of the certificates without alteration, enlargement or any change whatsoever.

If any of the Shares tendered hereby are held of record by two or more persons, all such persons must sign this Letter of Transmittal.

If any of the Shares tendered hereby are registered in different names on different certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations of the certificates.

If this Letter of Transmittal is signed by the registered holder(s) of the Shares tendered hereby, no endorsements of certificates or separate stock powers are required unless payment of the purchase price is to be made, or Shares not tendered or not purchased are to be returned, in the name of any person other than the registered holder(s). Signatures on any such certificates or stock powers must be guaranteed by an Eligible Institution.

If this Letter of Transmittal is signed by a person other than the registered holder(s) of the Shares tendered hereby, certificates must be endorsed or accompanied by appropriate stock powers, in either case, signed exactly as the name(s) of the registered holder(s) appear(s) on the certificates for such Shares. Signature(s) on any such certificates or stock powers must be guaranteed by an Eligible Institution.

If this Letter of Transmittal or any certificate or stock power is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, such person should so indicate when signing, and proper evidence satisfactory to the Offeror of the authority of such person so to act must be submitted.

6. *Stock Transfer Taxes.* The Offeror will pay any stock transfer taxes with respect to the sale and transfer of any Shares to it or its order pursuant to the Offer. If, however, payment of the purchase price is to be made to, or Shares not tendered or not purchased are to be returned in the name of, any person other than the registered holder(s), or if a transfer tax is imposed for any reason other than the sale or transfer of Shares to the Offeror pursuant to the Offer, then the amount of any stock transfer taxes (whether imposed on the registered holder(s), such other person or otherwise) will be deducted from the purchase price unless satisfactory evidence of the payment of such taxes, or exemption therefrom, is submitted herewith.

7. *Special Payment and Delivery Instructions.* If the check for the purchase price of any Shares purchased is to be issued, or any Shares not tendered or not purchased are to be returned, in the name of a person other than the person(s) signing this Letter of Transmittal or if the check or any certificates for Shares not tendered or not purchased are to be mailed to someone other than the person(s) signing this Letter of Transmittal or to the person(s) signing this Letter of Transmittal at an address other than that shown above, the appropriate boxes on this Letter of Transmittal should be completed. Any Shares tendered by book-entry transfer not purchased will be returned by crediting the account at DTC designated above.

8. *Substitute Form W-9.* Each tendering stockholder, and, if applicable, each other payee, must provide the Depositary with such stockholder's or payee's correct taxpayer identification number and certify that such stockholder or payee is not subject to such backup withholding by completing the Substitute Form W-9 set forth above. Each holder must date and sign the Substitute W-9 in the spaces indicated. Failure to provide the information on the form may subject the holder to a 28% federal backup withholding on any cash payment he or she is otherwise entitled to receive pursuant to the Offer. The Certificate of Awaiting Taxpayer Identification Number box must be completed and executed if the holder has not been issued a TIN and has applied for a number or intends to apply for a number in the near future. If the certificate is completed, the Depositary will withhold 28% of all reportable payments that the holder is otherwise entitled to receive (other than reportable interest, dividend and certain other payments for a period of 60 days) until a TIN is provided to the Depositary.

To ensure compliance with requirements imposed by the Internal Revenue Service ("IRS"), we inform you that any U.S. tax advice contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing or recommending to another party any matters addressed herein.

9. *Mutilated, Lost, Stolen or Destroyed Certificates.* If the certificate(s) representing Shares to be tendered have been mutilated, lost, stolen or destroyed, stockholders should contact Wells Fargo Bank Minnesota, National Association, the current transfer agent for the Shares (the "Transfer Agent") at (800) 401-1957. The Transfer Agent will provide such stockholder with all necessary forms and instructions with respect to any such mutilated, lost, stolen or destroyed certificates. The stockholder may be required to give the Offeror, the Depository or the Transfer Agent a bond as indemnity against any claim that may be made against it with respect to the certificate(s) alleged to have been mutilated, lost, stolen or destroyed.

10. *Requests for Assistance or Additional Copies.* Requests for assistance or additional copies of the Offer to Purchase and this Letter of Transmittal may be obtained from the Information Agent at the address or telephone numbers set forth below.

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IMPORTANT TAX INFORMATION

Under U.S. Federal income tax laws, a stockholder whose tendered Shares are accepted for payment is required by law to provide the Depositary (as payer) with such stockholder's correct TIN on Substitute Form W-9 above. If such stockholder is an individual, the TIN is such stockholder's social security number. If a tendering stockholder is subject to backup withholding, such stockholder must cross out item (2) of the Certification box on the Substitute Form W-9. If the Depositary is not provided with the correct TIN, the stockholder may be subject to a $50 penalty imposed by the IRS. In addition, payments that are made to such stockholder with respect to Shares purchased pursuant to the Offer may be subject to backup withholding. If a stockholder makes a false statement that results in no imposition of backup withholding, and there was no reasonable basis for such statement, a $500 penalty may also be imposed by the IRS, in addition to any criminal penalty provided by law.

Certain stockholders (including, among others, all corporations and certain non-corporate foreign stockholders) are not subject to these backup withholding and reporting requirements. In order for a non-corporate foreign stockholder to qualify as an exempt recipient, that stockholder must submit an appropriate Form W-8 (instead of Form W-9), signed under penalties of perjury, attesting to that stockholder's exempt status. Such Form may be obtained from the Depositary or from the website maintained by the IRS at *www.irs.gov*. Exempt stockholders, other than non-corporate foreign stockholders, should furnish their TIN, write "exempt" on the face of the Substitute Form W-9 above and sign, date and return the Substitute Form W-9 to the Depositary. See the instructions to Form W-9 for additional guidance. A stockholder should consult such stockholder's tax advisor as to such stockholder's qualification for exemption from backup withholding and the procedure for obtaining such exemption.

If backup withholding applies, the Depositary is required to withhold 28% of any payments made to the stockholder. Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of taxes, a refund may be obtained from the IRS by filing an appropriate claim, provided that the applicable information and forms are provided to the IRS and other requirements are satisfied.

PURPOSE OF SUBSTITUTE FORM W-9

To prevent backup withholding tax with respect to payment for Shares purchased pursuant to the Offer, the stockholder must provide the Depositary with such stockholder's correct taxpayer identification number by completing the form contained herein, certifying that the taxpayer identification number provided on Substitute Form W-9 is correct and that (1) such stockholder is exempt from federal backup withholding, (2) such stockholder has not been notified by the IRS that such stockholder is subject to backup withholding tax as a result of failure to report all interest or dividends or (3) the IRS has notified the stockholder that he or she is no longer subject to backup withholding tax.

WHAT NUMBER TO GIVE THE DEPOSITARY

The stockholder is required to give the Depositary the social security number or employer identification number of such stockholder. If the Shares are registered in more than one name or are not in the name of the actual owner, consult the Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 accompanying this Letter of Transmittal for additional guidance on which number to report.

IRS Circular 230 Disclosure
To ensure compliance with requirements imposed by the IRS, we inform you that any U.S. tax advice contained in this communication (including any attachments) is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing or recommending to another party any matters addressed herein.
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Important: This Letter of Transmittal (or a facsimile hereof), together with share certificates or confirmation of book-entry transfer or the notice of guaranteed delivery, and all other required documents, must be received by the depositary on or prior to the Expiration Date.

Questions or requests for assistance or for additional copies of the Offer to Purchase, this Letter of Transmittal or other materials related to the Offer may be directed to D.F. King & Co., Inc., the information agent for the Offer, or Goldman, Sachs and Co., the dealer manager for the Offer, at their respective addresses and telephone numbers set forth below. Stockholders may also contact brokers, dealers, banks, trust companies or other nominees for assistance concerning the Offer.

The Dealer Manager for the Offer is:

Goldman Sachs

85 Broad Street
New York, New York 10004

(212) 902-1000 (Call Collect)
(800) 323-5678 (Call Toll-Free)

The Information Agent for the Offer is:

D.F. King & Co., Inc.

48 Wall Street, 22nd Floor
New York, New York 10005

Shareholders Call Toll-Free: (888) 628-9011
Banks and Brokers Call Collect: (212) 269-5550

The Depositary for the Offer is:

Computershare

By Mail:

Computershare Trust Company, N.A.
c/o Voluntary Corporate Actions
P.O. Box 43011
Providence, RI 02940-3011

By Facsimile Transmission:

For Eligible Institutions Only:
(617) 360-6810

For Confirmation Only Telephone:
(781) 575-2332

By Overnight Courier:

Computershare Trust Company, N.A
c/o Voluntary Corporate Actions
250 Royall Street
Canton, MA 02021

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Exhibit (a)(1)(c)

NOTICE OF GUARANTEED DELIVERY

To Tender Shares of Common Stock
of

Komag, Incorporated

Pursuant to the Offer to Purchase
dated July 11, 2007
by

State M Corporation,

a wholly owned subsidiary of

Western Digital Technologies, Inc.,

a wholly owned subsidiary of

Western Digital Corporation

This form, or a substantially equivalent form, must be used to accept the Offer (as defined below) if the certificates for shares of common stock, par value $0.01 per share, of Komag, Incorporated and any other documents required by the Letter of Transmittal cannot be delivered to the Depositary by the expiration of the Offer. Such form may be transmitted by telegram, facsimile transmission, or mail to the Depositary. See Section 3 of the Offer to Purchase.

The Depositary for the Offer is:

Computershare

By Mail:	By Facsimile Transmission:	By Overnight Courier:
Computershare Trust Company, N.A. c/o Voluntary Corporate Actions P.O. Box 43011 Providence, RI 02940-3011	For Eligible Institutions Only: (617) 360-6810 For Confirmation Only Telephone: (781) 575-2332	Computershare Trust Company, N.A c/o Voluntary Corporate Actions 250 Royall Street Canton, MA 02021

DELIVERY OF THIS NOTICE OF GUARANTEED DELIVERY TO AN ADDRESS OTHER THAN AS SET FORTH ABOVE, OR TRANSMISSION OF INSTRUCTIONS VIA A FACSIMILE NUMBER OTHER THAN AS SET FORTH ABOVE, WILL NOT CONSTITUTE A VALID DELIVERY.

This Notice of Guaranteed Delivery is not to be used to guarantee signatures. If a signature on a Letter of Transmittal is required to be guaranteed by an Eligible Institution under the instructions thereto, such signature guarantee must appear in the applicable space provided in the signature box on the Letter of Transmittal.

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Ladies and Gentlemen:

The undersigned hereby tenders to State M Corporation, a Delaware corporation (the "Offeror") and a wholly-owned subsidiary of Western Digital Technologies, Inc., a Delaware corporation and a wholly-owned subsidiary of Western Digital Corporation, a Delaware corporation (the "Parent"), upon the terms and subject to the conditions set forth in the Offer to Purchase dated July 11, 2007 (the "Offer to Purchase") and the related Letter of Transmittal (which, together with any amendments and supplements thereto, collectively constitute the "Offer"), receipt of which is hereby acknowledged, the shares of common stock, par value $0.01 per share (the "Shares"), of Komag, Incorporated, a Delaware corporation (the "Company"), pursuant to the guaranteed delivery procedure set forth in Section 3 of the Offer to Purchase. The Offer is being made in connection with the Agreement and Plan of Merger, dated June 28, 2007, among the Offeror, Parent and the Company.

Number of Shares:

(Please Type or Print)

Share Certificate Number(s) (if available): _____

Please check this box if Shares will be tendered by book-entry transfer: o

Account Number: _____

Date: _____

Name of Record Holder(s): _____

Address: _____

Telephone Number: _____

Signature(s): _____

Dated: , 2007

Scan: Corp Actions Voluntary

GUARANTEE
(Not to be Used for Signature Guarantees)

The undersigned, a firm which is a bank, broker, dealer, credit union, savings association or other entity which is a member in good standing of a recognized Medallion Program approved by The Securities Transfer Association Inc., including the Securities Transfer Agents Medallion Program (STAMP), the Stock Exchange Medallion Program (SEMP) and the New York Stock Exchange, Inc. Medallion Signature Program (MSP) or any other "eligible guarantor institution" (as such term is defined in Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended), guarantees (i) that the above named person(s) "own(s)" the Shares tendered hereby within the meaning of Rule 14e-4 under the Securities Exchange Act of 1934, as amended, (ii) that such tender of Shares complies with Rule 14e-4 and (iii) to deliver to the Depositary the Shares tendered hereby, together with a properly completed and duly executed Letter(s) of Transmittal (or facsimile(s) thereof) or an Agent's Message (as defined in the Offer to Purchase) in the case of a book-entry delivery, and certificates for the Shares to be tendered and any other required documents, all within three New York Stock Exchange trading days of the date hereof.

Name of Firm: _____

Authorized Signature: _____

Name:

(Please Type or Print)

Title: _____

Address: _____

Telephone Number: _____

Dated: ¸ 2007

NOTE: DO NOT SEND SHARES WITH THIS FORM; SHARES SHOULD BE SENT WITH YOUR LETTER OF TRANSMITTAL SO THAT THEY ARE RECEIVED BY THE DEPOSITARY WITHIN THREE NEW YORK STOCK EXCHANGE TRADING DAYS AFTER THE DATE OF EXECUTION OF THE NOTICE OF GUARANTEED DELIVERY.

Scan: Corp Actions Voluntary

Exhibit (a)(1)(D)

Offer to Purchase for Cash
All Outstanding Shares of Common Stock
of
Komag, Incorporated
at
$32.25 Net Per Share
by
State M Corporation,
a wholly owned subsidiary of
Western Digital Technologies, Inc.,
a wholly owned subsidiary of
Western Digital Corporation

July 11, 2007

To Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees:

State M Corporation, a Delaware corporation (the "Offeror") and a wholly owned subsidiary of Western Digital Technologies, Inc., a Delaware corporation ("WDTI") and a wholly owned subsidiary of Western Digital Corporation, a Delaware corporation ("Parent"), WDTI and Parent have appointed Goldman, Sachs & Co. as Dealer Manager (the "Dealer Manager") in connection with the offer to purchase all outstanding shares of common stock, par value $0.01 per share (the "Shares"), of Komag, Incorporated, a Delaware corporation (the "Company"), at $32.25 per Share, net to the seller in cash, upon the terms and subject to the conditions set forth in the Offeror's Offer to Purchase dated July 11, 2007 (the "Offer to Purchase"), and the related Letter of Transmittal (which, together with any amendments or supplements thereto, collectively constitute the "Offer"). The Offer is being made in connection with the Agreement and Plan of Merger, dated June 28, 2007, among the Offeror, Parent and the Company.

For your information and for forwarding to your clients for whom you hold Shares registered in your name or in the name of your nominee, we are enclosing the following documents:

1. **Offer to Purchase,** dated July 11, 2007;

2. **Letter of Transmittal**, including a Substitute Form W-9, for your use and for the information of your clients;

3. **Notice of Guaranteed Delivery** to be used to accept the Offer if the Shares and any of the other required documents cannot be delivered to Computershare Trust Company, N.A., the Depositary for the Offer, by the expiration of the Offer;

4. **A form of letter which may be sent to your clients** for whose accounts you hold Shares registered in your name or in the name of your nominee, with space provided for obtaining such clients' instructions with regard to the Offer;

5. **Guidelines for Certification of Taxpayer Identification Number** on Substitute Form W-9 providing information relating to backup federal income tax withholding; and

6. **Return envelope** addressed to the Depositary.

WE URGE YOU TO CONTACT YOUR CLIENTS AS PROMPTLY AS POSSIBLE.

THE OFFER AND WITHDRAWAL RIGHTS EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON TUESDAY, AUGUST 7, 2007, UNLESS THE OFFER IS EXTENDED.

The Offeror will not pay any fees or commissions to any broker, dealer or other person (other than the Dealer Manager, D.F. King & Co., Inc. (the "Information Agent") or the Depositary as described in the Offer to Purchase) for soliciting tenders of Shares pursuant to the Offer. The Offeror will, however, upon request, reimburse brokers, dealers, banks and trust companies for reasonable and necessary costs and expenses incurred by them in forwarding materials to their customers. The Offeror will pay all stock transfer taxes applicable to its purchase of Shares pursuant to the Offer, subject to Instruction 6 of the Letter of Transmittal.

In order to accept the Offer, a duly executed and properly completed Letter of Transmittal and any required signature guarantees, or an Agent's Message (as defined in the Offer to Purchase) in connection with a book-entry delivery of Shares, and

any other required documents, must be received by the Depositary by 12:00 midnight, New York City time, on Tuesday, August 7, 2007.

Any inquiries you may have with respect to the Offer should be addressed to the Dealer Manager at its address and telephone numbers set forth on the back cover of the enclosed Offer to Purchase. Requests for additional copies of the enclosed materials may be obtained from the Information Agent at the address and telephone numbers set forth on the back cover of the Offer to Purchase.

Very truly yours,

GOLDMAN, SACHS & CO.

NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL CONSTITUTE YOU THE AGENT OF THE OFFEROR, WDTI, PARENT OR ANY OF THEIR AFFILIATES, THE DEALER MANAGER, THE INFORMATION AGENT OR THE DEPOSITARY, OR AUTHORIZE YOU OR ANY OTHER PERSON TO USE ANY DOCUMENT OR MAKE ANY STATEMENT ON BEHALF OF ANY OF THEM IN CONNECTION WITH THE OFFER OTHER THAN THE DOCUMENTS ENCLOSED HEREWITH AND THE STATEMENTS CONTAINED THEREIN.

Exhibit (a)(1)(E)

Offer to Purchase for Cash
All Outstanding Shares of Common Stock
of
Komag, Incorporated
at
$32.25 Net Per Share
by
State M Corporation,
a wholly owned subsidiary of
Western Digital Technologies, Inc.,
a wholly owned subsidiary of
Western Digital Corporation

July 11, 2007

To Our Clients:

Enclosed for your consideration are the Offer to Purchase dated July 11, 2007 and the related Letter of Transmittal (which, together with any amendments or supplements thereto, collectively constitute the "Offer") in connection with the offer by State M Corporation, a Delaware corporation (the "Offeror") and a wholly owned subsidiary of Western Digital Technologies, Inc., a Delaware corporation and a wholly owned subsidiary of Western Digital Corporation, a Delaware corporation ("Parent"), to purchase for cash all outstanding shares of common stock, par value $0.01 per share (the "Shares"), of Komag, Incorporated, a Delaware corporation (the "Company"). The Offer is being made in connection with the Agreement and Plan of Merger, dated June 28, 2007, among the Offeror, Parent and the Company. We are the holder of record of the Shares held for your account. A tender of such Shares can be made only by us as the holder of record and pursuant to your instructions. The Letter of Transmittal is furnished to you for your information only and cannot be used by you to tender the Shares held by us for your account.

We request instructions as to whether you wish us to tender any or all of the Shares held by us for your account, upon the terms and subject to the conditions set forth in the Offer to Purchase and the Letter of Transmittal.

Your attention is directed to the following:

1. The tender price is $32.25 per Share, net to you in cash without interest, less any required withholding tax.

2. The Offer and withdrawal rights expire at 12:00 midnight, New York City time, on Tuesday, August 7, 2007, unless extended (as extended, the "Expiration Date").

3. The Offer will be conditioned upon, among other things, (1) the valid tender of the number of Shares that would represent a majority of the sum of (a) all Shares outstanding as of the scheduled expiration of the Offer plus (b) all Shares issuable upon exercise of Company stock options and other rights to acquire Shares (excluding the Company's convertible notes) outstanding as of the scheduled expiration of the Offer with an exercise price less than $32.25 and which are vested as of the scheduled expiration of the Offer or would vest within two months after the scheduled expiration of the Offer and (2) the expiration or termination of the required waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and the antitrust laws of the People's Republic of China.

4. Any stock transfer taxes applicable to the sale of Shares to the Offeror pursuant to the Offer will be paid by the Offeror, except as otherwise provided in Instruction 6 of the Letter of Transmittal.

If you wish to have us tender any or all of your Shares, please so instruct us by completing, executing, detaching and returning to us the instruction form below. An envelope to return your instructions to us is enclosed. If you authorize the tender of your Shares, all such Shares will be tendered unless otherwise specified on the instruction form. Your instructions should be forwarded to us in ample time to permit us to submit a tender on your behalf by the Expiration Date.

The Offer is not being made to, nor will tenders be accepted from or on behalf of, holders of Shares in any jurisdiction in which the making of the Offer or acceptance thereof would not be in compliance with the laws of such jurisdiction.

Payment for the Shares purchased pursuant to the Offer will in all cases be made only after timely receipt by Computershare Trust Company, N.A. (the "Depositary") of (i) certificates representing the Shares tendered or timely confirmation of the book-entry transfer of such Shares into the account maintained by the Depositary at The Depository Trust Company ("DTC"), pursuant to the procedures set forth in Section 3 of the Offer to Purchase, (ii) the Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, with any required signature guarantees or an Agent's Message (as defined in the Offer to Purchase), in connection with a book-entry delivery, and (iii) any other documents required by the Letter of Transmittal. Accordingly, payment may not be made to all tendering stockholders at the same time depending upon when certificates for or confirmations of book-entry transfer of such Shares into the Depositary's account at DTC are actually received by the Depositary.

Instruction Form with Respect to

Offer to Purchase for Cash
All Outstanding Shares of Common Stock
of

Komag, Incorporated

by

State M Corporation

The undersigned acknowledge(s) receipt of your letter and the enclosed Offer to Purchase dated July 11, 2007 (the "Offer to Purchase"), and the related Letter of Transmittal, in connection with the offer by State M Corporation to purchase all outstanding shares of common stock, par value $0.01 per share (the "Shares"), of Komag, Incorporated.

This will instruct you to tender the number of Shares indicated below held by you for the account of the undersigned, upon the terms and subject to the conditions set forth in the Offer to Purchase and the related Letter of Transmittal.

Number of Shares to be Tendered: *

Account Number: _____

Dated: _____

* Unless otherwise indicated, we are authorized to tender all Shares held by us for your account.

PLEASE SIGN HERE

Signature(s): _____

Name(s):

(Please Print)

Address: _____

Zip Code: _____

Area Code and Telephone No.: _____

Tax Identification or Social Security No.: _____

My Account Number With You: _____

Date: , 2007

Exhibit (a)(1)(F)

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9

GUIDELINES FOR DETERMINING THE PROPER IDENTIFICATION NUMBER TO GIVE THE PAYER — Social Security Numbers have nine digits separated by two hyphens: i.e., 000-00-0000. Employer Identification Numbers have nine digits separated by only one hyphen: i.e., 00-0000000. The table below will help determine the number to give the payer.

For this Type of Account:	Give the Social Security Number of —
1. An individual's account	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account(1)
3. Husband and wife (joint account)	The actual owner of the account or, if joint funds, the first individual on the account(l)
4. Custodian account of a minor (Uniform Gift to Minors Act)	The minor(2)
5. Adult and minor (joint account)	The adult or, if the minor is the only contributor, the minor(l)
6. Account in the name of guardian or committee for a designated ward, minor, or incompetent person	The ward, minor, or incompetent person(3)
7. a. The usual revocable savings trust account (grantor is also trustee)	The grantor-trustee(1)
b. So-called trust account that is not a legal or valid trust under state law	The actual owner(l)

For this Type of Account:	Give the Employer Identification Number of —
8. Sole proprietorship or single-member limited liability company ("LLC") that is disregarded as separate from its member	The owner(4)
9. A valid trust, estate or pension trust	The legal entity(5)
10. Corporation or LLC electing corporate status on IRS Form 8832	The corporation or LLC
11. Religious, charitable or educational organization	The organization
12. Partnership or multiple member LLC	The partnership or LLC
13. Association, club or other tax-exempt organization	The organization
14. A broker or registered nominee	The broker or nominee
15. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

(1) List first and circle the name of the person whose number you furnish. If only one person on a joint account has a social security number, that person's number must be furnished.

(2) Circle the minor's name and furnish the minor's social security number.

(3) Circle the ward's, minor's or incompetent person's name and furnish such person's social security number.

(4) You must show your individual name, but you may also enter your business or "doing business as" name. You may use either your social security number or employer identification number (if you have one). If you are a sole proprietor, the IRS encourages you to use your social security number.

(5) List first and circle the name of the legal entity, either a trust, estate or pension trust. Do not furnish the taxpayer identification number of the personal representative or trustee unless the legal entity itself is not designated in the account title.

NOTE: If no name is circled when there is more than one name, the number will be considered to be that of the first name listed.

Obtaining a Number

If you do not have a taxpayer identification number or if you do not know your number, obtain Form SS-5, Application for Social Security Card, or Form SS-4, Application for Employer Identification Number, at the local office of the Social Security Administration or the Internal Revenue Service (the "IRS") and apply for a number. In this case, sign and date the "Certificate of Awaiting Taxpayer Identification Number," and return the form to the payer. If you do not timely provide a taxpayer identification number, a portion of all reportable payments made to you will be withheld.

Section references in these guidelines refer to sections under the Internal Revenue Code of 1986, as amended.

Payees specifically exempted from backup withholding include:

- An organization exempt from tax under Section 501(a), an individual retirement account (IRA), or a custodial account under Section 403(b)(7), if the account satisfies the requirements of Section 401(f)(2).
- The United States, a state thereof, the District of Columbia or a possession of the United States, or a political subdivision or agency or instrumentality of any the foregoing.
- An international organization or any agency or instrumentality thereof.
- A foreign government or any political subdivision, agency or instrumentality thereof.

Payees that may be exempt from backup withholding include:

- A corporation.
- A financial institution.
- A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States.
- A real estate investment trust.
- A common trust fund operated by a bank under Section 584(a).
- An entity registered at all times during the tax year under the Investment Company Act of 1940, as amended.
- A middleman known in the investment community as a nominee or custodian.
- A futures commission merchant registered with the Commodity Futures Trading Commission.
- A foreign central bank of issue.
- A trust exempt from tax under Section 664 or a non-exempt trust described in a Section 4947.

Payments of dividends and patronage dividends not generally subject to backup withholding include the following:

- Payments to nonresident aliens subject to withholding under Section 1441.
- Payments to partnerships not engaged in a trade or business in the U.S. and which have at least one nonresident alien partner.
- Payments of patronage dividends where the amount received is not paid in money.
- Payments made by certain foreign organizations.
- Section 404(k) payments made by an ESOP.

Payments of interest not generally subject to backup withholding include the following:

- Payments of interest on obligations issued by individuals. Note: You may be subject to backup withholding if this interest is $600 or more and is paid in the course of the payer's trade or business and you have not provided your correct taxpayer identification number to the payer.
- Payments of tax-exempt interest (including exempt-interest dividends under Section 852).
- Payments described in Section 6049(b)(5) to nonresident aliens.
- Payments on tax-free covenant bonds under Section 1451.
- Payments made by certain foreign organizations.
- Mortgage or student loan interest paid to you.

U.S. exempt payees described above should generally file a Substitute Form W-9 to avoid possible erroneous backup withholding. FILE THIS FORM WITH THE PAYER, FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE "EXEMPT" ON THE FACE OF THE FORM, SIGN AND DATE THE FORM AND RETURN IT TO THE PAYER. Foreign exempt payees described above should generally file a properly completed Internal Revenue Service Form W-8BEN, W-8ECI, W-8MY

(or successor or other applicable form) to avoid possible erroneous backup withholding.

Certain payments other than interest, dividends, and patronage dividends, which are not subject to information reporting are also not subject to backup withholding. For details, see the regulations under Sections 6041, 6041A, 6045, 6050A and 6050N.

Privacy Act Notice. — Section 6109 requires most recipients of dividend, interest, or certain other payments to give taxpayer identification numbers to payers who must report the payments to the IRS. The IRS uses the numbers for identification purposes and to help verify the accuracy of tax returns. The IRS may also provide this information to the Department of Justice for civil and criminal litigation and to cities, states and the District of Columbia to carry out their tax laws. The IRS may also disclose this information to other countries under a tax treaty, or to Federal and state agencies to enforce Federal nontax criminal laws and to combat terrorism. Payers must be given the numbers whether or not recipients are required to file tax return. Failure to provide a taxpayer identification number may subject the payee to a 28% federal backup withholding on any cash payment he or she is otherwise entitled to receive pursuant to the Offer.

Penalties

(1) Penalty for Failure to Furnish Taxpayer Identification Number. — If you fail to furnish your correct taxpayer identification number to a payer, you are subject to a penalty of $50 for each failure unless your failure is due to reasonable cause and not to willful neglect.

(2) Civil Penalty for False Information with Respect to Withholding. — If you make a false statement with no reasonable basis which results in no imposition of backup withholding, you are subject to a penalty of $500.

(3) *Criminal Penalty for Falsifying Information.*— Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

(4) Misuse of Taxpayer Identification Numbers. — If the requester discloses or uses taxpayer identification numbers in violation of federal law, the requester may be subject to civil and criminal penalties.

FAILURE TO REPORT CERTAIN DIVIDEND AND INTEREST PAYMENTS. If you fail to include any portion of an includible payment for interest, dividends or patronage dividends in gross income, such failure is strong evidence of negligence. If negligence is shown, you will be subject to a penalty of 20% on any portion of an underpayment attributable to that failure.

FOR ADDITIONAL INFORMATION CONTACT YOUR TAX CONSULTANT OR THE INTERNAL REVENUE SERVICE.

This announcement is not an offer to purchase or a solicitation of an offer to sell Shares (as defined below). The Offer (as defined below) is made solely by the Offer to Purchase dated July 11, 2007 and the related Letter of Transmittal and any amendments or supplements thereto and is being made to all holders of Shares. The Offer is not being made to, nor will tenders be accepted from or on behalf of, holders of Shares in any jurisdiction in which the making of the Offer or acceptance thereof would not be in compliance with the laws of such jurisdiction. In those jurisdictions where the applicable laws require that the Offer be made by a licensed broker or dealer, the Offer shall be deemed to be made on behalf of the Purchaser (as defined below) by one or more registered brokers or dealers licensed under the laws of such jurisdiction.

Notice of Offer to Purchase for Cash
All Outstanding Shares of Common Stock
of
KOMAG, INCORPORATED
at $32.25 Net Per Share
by
STATE M CORPORATION,
a wholly owned subsidiary of
WESTERN DIGITAL TECHNOLOGIES, INC.,
a wholly owned subsidiary of
WESTERN DIGITAL CORPORATION

State M Corporation (the "Purchaser"), a Delaware corporation and wholly owned subsidiary of Western Digital Technologies, Inc. ("WDTI"), a Delaware corporation and wholly owned subsidiary of Western Digital Corporation ("Parent"), a Delaware corporation, is offering to purchase all outstanding shares of common stock, $0.01 par value per share (the "Shares"), of Komag, Incorporated, a Delaware corporation (the "Company"), at a price of $32.25 per Share, net to the seller in cash, upon the terms and subject to the conditions set forth in the Offer to Purchase dated July 11, 2007 (the "Offer to Purchase") and in the related Letter of Transmittal (which, together with any amendments or supplements thereto, collectively constitute the "Offer").

THE OFFER AND WITHDRAWAL RIGHTS EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON TUESDAY, AUGUST 7, 2007, UNLESS THE OFFER IS EXTENDED.

The Offer is being made pursuant to an agreement and plan of merger, dated as of June 28, 2007 (the "Merger Agreement"), by and among the Purchaser, Parent and the Company, under which, after completion of the Offer and satisfaction or waiver of all the conditions thereto, the Purchaser will be merged with and into the Company with the Company surviving as a wholly owned subsidiary of WDTI (the "Merger"). At the effective time of the Merger, each Share (other than Shares held by the Company, the Purchaser or Parent or by shareholders who properly exercise their appraisal rights under Delaware law) will be canceled and converted into the right to receive $32.25 per Share (or any higher price paid in the Offer), without interest. The board of directors of the Company has, among other things, unanimously adopted, approved and declared advisable the Merger Agreement, the Offer, the Merger and the other transactions contemplated by the Merger Agreement and recommends that the Company's stockholders accept the Offer, tender their Shares in the Offer and, if required by applicable law, vote in favor of adoption of the Merger Agreement.

The Offer is conditioned upon, among other things, (i) there being validly tendered in accordance with the terms of the Offer and not withdrawn a number of Shares that represents a majority of the sum of (a) all Shares outstanding as of the scheduled expiration of the Offer, plus (b) all Shares issuable upon the exercise of Company stock options and other rights to acquire Shares (excluding the Company's convertible notes) outstanding as of the scheduled expiration of the Offer that have an exercise price of less than $32.35 and are vested as of the scheduled expiration of the Offer or would vest within two months after the scheduled expiration of the Offer (assuming the satisfaction of the conditions to vesting and assuming consummation of the Offer) (the "Minimum Condition"), and (ii) any waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the antitrust laws of the People's Republic of China having expired or been terminated. The Offer is also subject to the other conditions described in the Offer to Purchase. The Offer is not conditioned upon Parent or the Purchaser obtaining financing. If any condition is not satisfied, the Purchaser either must extend the Offer for successive periods of up to ten business days (or any longer period agreed to by Parent and the Company) as described in the Offer to Purchase and, subject to withdrawal rights as set forth below, shall retain all such Shares until the expiration of the Offer as so extended, or waive such condition and, subject to any requirement to extend the period of time during which the Offer is open, purchase all Shares validly tendered prior to the expiration of the Offer and not withdrawn. The Purchaser may also extend the Offer for any period as may be required by applicable rules and regulations of the Securities and Exchange Commission or the New York Stock Exchange. If the Purchaser extends

the Offer, the Purchaser will inform Computershare Trust Company, N.A., the depositary for the Offer (the "Depositary"), of that fact, and will make a public announcement of the extension, not later than 9:00 a.m., New York City time, on the next business day after the day on which the Offer was scheduled to expire.

The Purchaser may elect to provide a subsequent offering period of between three and 20 business days immediately following the expiration of the Offer. No withdrawal rights apply to Shares tendered in a subsequent offering period, and no withdrawal rights apply during a subsequent offering period with respect to Shares previously tendered in the Offer and accepted for payment. The Purchaser does not currently intend to include a subsequent offering period, although the Purchaser reserves the right to do so.

For purposes of the Offer, the Purchaser shall be deemed to have accepted for payment tendered Shares when, as and if the Purchaser gives oral or written notice to the Depositary of its acceptance for payment of the tenders of such Shares. Payment for Shares accepted for payment pursuant to the Offer will be made only after timely receipt by the Depositary of (i) certificates for such Shares (or a confirmation of a book-entry transfer of such Shares into the Depositary's account at the Depository Trust Company ("DTC")), (ii) a properly completed and duly executed Letter of Transmittal (or facsimile thereof) and (iii) any other required documents.

Tenders of Shares made pursuant to the Offer may be withdrawn at any time prior to the expiration of the Offer. Thereafter, such tenders are irrevocable, except that they may be withdrawn after September 8, 2007 unless such Shares have been accepted for payment as provided in the Offer to Purchase. To withdraw tendered Shares, a written, telegraphic or facsimile transmission notice of withdrawal with respect to such Shares must be timely received by the Depositary at one of its addresses set forth on the back cover of the Offer to Purchase, and the notice of withdrawal must specify the name of the person who tendered the Shares to be withdrawn, the number of Shares to be withdrawn and the name of the registered holder of Shares, if different from that of the person who tendered such Shares. If certificates for Shares to be withdrawn have been delivered or otherwise identified to the Depositary, then, prior to the physical release of such certificates, the serial numbers shown on such certificates must be submitted to the Depositary and, unless such Shares have been tendered by an Eligible Institution (as defined in the Offer to Purchase), the signatures on the notice of withdrawal must be guaranteed by an Eligible Institution. If Shares have been tendered pursuant to the procedures for book-entry transfer set forth in the Offer to Purchase, any notice of withdrawal must also specify the name and number of the account at DTC to be credited with the withdrawn Shares.

The information required to be disclosed by paragraph (d)(1) of Rule 14d-6 of the General Rules and Regulations under the Securities Exchange Act of 1934 is contained in the Offer to Purchase and the related Letter of Transmittal and is incorporated herein by reference.

The Offer to Purchase and the related Letter of Transmittal will be mailed to record holders of Shares and will be furnished to brokers, banks and similar persons whose names, or the names of whose nominees, appear on the stockholder list or, if applicable, who are listed as participants in a clearing agency's security position listing for subsequent transmittal to beneficial owners of Shares.

The Offer to Purchase and the related Letter of Transmittal contain important information. Stockholders should carefully read both in their entirety before any decision is made with respect to the Offer.

Any questions or requests for assistance may be directed to the Information Agent at the telephone numbers and addresses set forth below. Requests for copies of the Offer to Purchase and the related Letter of Transmittal and other tender offer materials may be directed to the Information Agent as set forth below, and copies will be furnished promptly at the Purchaser's expense. Stockholders may also contact their broker, dealer, commercial bank, trust company or nominee for assistance concerning the Offer. To confirm delivery of Shares, stockholders are directed to contact Computershare Trust Company, N.A., the Depositary.

The Information Agent for the Offer is:

D.F. King & Co., Inc.
48 Wall Street, 22nd Floor
New York, New York 10005
Shareholders Call Toll-Free: (888) 628-9011
Banks and Brokers Call Collect: (212) 269-5550

July 11, 2007

Exhibit (b)(1)

GOLDMAN SACHS CREDIT PARTNERS L.P.
85 Broad Street
New York, New York 10004

PERSONAL AND CONFIDENTIAL

June 28, 2007

Western Digital Corporation
Attention: Tim Leyden, Executive Vice President Finance

Commitment Letter

Ladies and Gentlemen:

We are pleased to confirm the arrangements under which Goldman Sachs Credit Partners L.P. (**"GSCP"**) is exclusively authorized by Western Digital Corporation (the **"Company"**) to act as sole lead arranger, sole bookrunner, sole syndication agent and administrative agent in connection with, and commits to provide the financing for, certain transactions described herein, in each case on the terms and subject to the conditions set forth in the fourth and fifth paragraphs of this letter and the attached Annex C hereto (this letter and the attached Annexes A, B and C hereto are referred to herein collectively as the **"Commitment Letter"**).

You have informed GSCP that State M Corporation, a wholly-owned subsidiary of the Company (**"Merger Sub"**), intends to acquire (the **"Acquisition"**) all of the outstanding capital stock of Komag, Inc. (the "**Target**" and, together with its subsidiaries, the **"Acquired Business"**) via a tender offer (the "**Tender Offer**"), followed by a merger (the "**Merger**") of Merger Sub with and into the Target, with the Target as the surviving corporation. You have also informed us that the Acquisition will be financed from up to $1.25 billion under a senior secured term loan facility (the **"Term Facility"**) having the terms set forth on Annex B.

GSCP is pleased to confirm its commitment to act, and you hereby appoint GSCP to act, as sole lead arranger, sole bookrunner and sole syndication agent in connection with the Term Facility and to act as administrative agent (the **"Administrative Agent"**) for the Term Facility, and to provide the Borrower (as defined in Annex B hereto) the full $1.25 billion of the Term Facility, in each case on the terms and subject to the conditions contained in this Commitment Letter and the Fee Letter (as defined below). Our fees for services related to the Term Facility are set forth in a separate fee letter (the **"Fee Letter"**) entered into by the Company and GSCP on the date hereof.

GSCP's commitment is subject, in its discretion, to the condition that there shall not have been, since April 1, 2007, any Material Adverse Effect (as defined in the Acquisition Agreement (as defined below)). GSCP's commitment is also subject, in its discretion, to the satisfactory negotiation, execution and delivery of appropriate definitive loan documents relating to the Term Facility including, without limitation, a credit agreement, guarantees, security agreements, pledge agreements, real property security agreements, opinions of counsel and other related definitive documents (collectively, the **"Loan Documents"**) to be based upon and substantially consistent with the terms set forth in this Commitment Letter.

Notwithstanding anything in this Commitment Letter, the Annexes hereto or the Fee Letter to the contrary, (a) the only representations relating to the Acquired Business the accuracy of which shall be a condition to the availability of the Term Facility on the Closing Date (as defined below) shall be (i) the representations made by or with respect to the Acquired Business in the Acquisition Agreement (but only to the extent that the Company has the right to terminate its obligations under the Acquisition Agreement as a result of a breach of such representations in the Acquisition Agreement) and (ii) the Specified Representations (as defined below), and (b) the terms of the documentation for the Term Facility shall be such that they do not impair the availability of the Term Facility on the Closing Date if the conditions set forth herein and in Annex C hereto are satisfied (it being understood that (I) to the extent any security interest in the intended collateral (other than any collateral the security interest in which may be perfected by the filing of a UCC financing statement or the delivery of stock certificates) is not provided on the Closing Date after your use of commercially reasonable efforts to do so, the provision of such perfected security interest(s) shall not constitute a condition precedent to the availability of the Term Facility on the Closing Date but shall be required to be delivered after the Closing Date pursuant to arrangements to be mutually agreed by GSCP and the Company and (II) nothing in the preceding clause (a) shall be construed to limit the applicability of the individual conditions expressly listed in Annex C). As used herein, "**Specified Representations**" means representations relating to organizational power and authority to enter into the documentation relating to the Term Facility, due execution, delivery and enforceability of such documentation, solvency, no conflicts with laws, charter documents or the indenture governing the Target's 2.125% convertible subordinated notes due 2014, Federal Reserve margin regulations, the Investment Company Act, and, subject to clause (b) of the preceding sentence, the perfection and required priority of the security interests granted in the proposed collateral.

GSCP intends and reserves the right to syndicate the Term Facility to the Lenders (as defined in Annex B), and you acknowledge and agree that GSCP intends to commence syndication efforts promptly following your acceptance of this Commitment Letter. GSCP will select the Lenders subject to the consent of the Company (not to be unreasonably withheld or delayed). GSCP will lead the syndication in consultation with the Company, including determining the timing of all offers to potential Lenders, any title of agent or similar designations or roles awarded to any Lender (subject to the consent of the Company, not to be unreasonably withheld or delayed) and the acceptance of commitments, the amounts offered and the compensation provided to each Lender from the amounts to be paid to GSCP pursuant to the terms of this Commitment Letter and the Fee Letter. GSCP will determine the final commitment allocations and will notify the Company of such determinations. Notwithstanding the foregoing, the Company shall have the right to designate additional bookrunners, arrangers, agents or similar designations; *provided* that GSCP shall retain the right to act as physical bookrunner and shall continue to have "left-side" designation and shall appear on the top left of any offering document. It is understood and agreed that notwithstanding anything contained herein or elsewhere (i) the commitment of GSCP hereunder to provide the full amount of the Term Facility is not subject to the success of the syndication efforts of GSCP and (ii) the commitment of GSCP hereunder with respect to the Term Facility shall not be reduced, released or subject to novation prior to the occurrence of the initial borrowings under the Term Facility (the "**Closing Date**") as a result of the acceptance of any commitment from any other lender to provide all or any portion of the Term Facility (except in the case of any assignment to a financial institution designated by the Company to act as a joint bookrunner, joint arranger, co-agent or similar designation, in which case GSCP shall be released from the portion of its commitment hereunder that has been assigned to such entity), and until the initial borrowings under the Term Facility, GSCP or its affiliates shall retain exclusive control over all rights associated with its commitments hereunder, including all rights to consent, approve amendments to or modifications of the Acquisition Agreement or any document related thereto and approval of definitive documentation for the Term Facility. The Company agrees to use all commercially reasonable efforts to ensure that GSCP's syndication efforts benefit from the existing lending relationships of the Company and the Acquired Business and their respective subsidiaries. To facilitate an orderly and successful syndication of the Term Facility, you

agree that, until the earlier of the termination of the syndication as determined by GSCP and 60 days following the date of initial funding under the Term Facility, the Company will not, and will use commercially reasonable efforts to ensure that the Acquired Business will not, syndicate or issue, attempt to syndicate or issue, announce or authorize the announcement of the syndication or issuance of, or engage in discussions concerning the syndication or issuance of, any debt facility or debt security of the Acquired Business or the Company or any of their respective subsidiaries or affiliates (other than the Term Facility, other indebtedness contemplated hereby to remain outstanding after the Closing Date and any fully-committed bank or similar financing for the purpose of financing the Acquisition for which GSCP has been provided with a bona fide opportunity to match the terms of such bank or similar financing), including any renewals or refinancings of any existing debt facility or debt security, without the prior written consent of GSCP.

The Company agrees to cooperate with GSCP, and agrees to use commercially reasonable efforts to cause the Acquired Business to cooperate with GSCP, in connection with (i) the preparation of an information package regarding the business, operations, financial projections and prospects of the Company and the Acquired Business including, without limitation, the delivery of all information relating to the transactions contemplated hereunder prepared by or on behalf of the Company or the Acquired Business deemed reasonably necessary by GSCP to complete the syndication of the Term Facility (including, without limitation, obtaining a corporate family rating from Moody's Investor Services, Inc. (**"Moody's"**) and a corporate credit rating from Standard & Poor's Ratings Group, a division of The McGraw Hill Corporation (**"S&P"**)) and (ii) the presentation of an information package acceptable in format and content to GSCP in meetings and other communications with prospective Lenders in connection with the syndication of the Term Facility (including, without limitation, direct contact between senior management and representatives of the Company and the Acquired Business with prospective Lenders and participation of such persons in meetings). The Company acknowledges that GSCP may be syndicating the Term Facility after the Closing Date and agrees that its obligations under this paragraph shall continue until successful syndication of the Term Facility (as determined by GSCP). The Company will be solely responsible for the contents of any such information package and presentation and acknowledges that GSCP will be using and relying upon the information contained in such information package and presentation without independent verification thereof. The Company agrees that information regarding the Term Facility and information provided by the Company, the Acquired Business or their respective representatives to GSCP in connection with the Term Facility (including, without limitation, draft and execution versions of the Loan Documents, publicly filed financial statements, and draft or final offering materials relating to contemporaneous or prior securities issuances by the Company or the Acquired Business) may be disseminated to potential Lenders and other persons through one or more internet sites (including an IntraLinks, SyndTrak or other electronic workspace (the "**Platform**")) created for purposes of syndicating the Term Facility or otherwise, in accordance with GSCP's standard syndication practices (including hard copy and via electronic transmissions), and you acknowledge that neither GSCP nor any of its affiliates will be responsible or liable to you or any other person or entity for damages arising from the use by others of the information or other materials obtained on the Platform.

The Company acknowledges that certain of the Lenders may be "public side" Lenders (i.e. Lenders that do not wish to receive material non-public information with respect to the Company, its subsidiaries or its securities) (each, a "**Public Lender**"). At the request of GSCP, the Company agrees to prepare an additional version of the information package and presentation to be used by Public Lenders that does not contain material non-public information concerning the Company or the Acquired Business, their respective affiliates or their securities. It is understood that in connection with your assistance described above, authorization letters will be included in any Confidential Information Memorandum that authorize the distribution of the Confidential Information Memorandum to prospective Lenders, containing a representation to the Arranger that the public-side version does not include material non-public

information about the Company or the Acquired Business, their respective affiliates or their securities. In addition, the Company agrees that unless specifically labeled "Private — Contains Non-Public Information," no information, documentation or other data disseminated to prospective Lenders in connection with the syndication of the Term Facility, whether through an internet site (including, without limitation, the Platform), electronically, in presentations at meetings or otherwise, will contain any material non-public information concerning the Company or the Acquired Business, their respective affiliates or their securities. For the avoidance of any doubt, the Company acknowledges and agrees that the following documents may be distributed to Public Lenders (unless the Company promptly notifies GSCP that any such document contains material non-public information with respect to the Company, the Acquired Business or their respective securities): (a) drafts and final versions of the Loan Documents; (b) administrative materials prepared by the Arranger for prospective Lenders (such as a lender meeting invitation, allocations and funding and closing memoranda); and (c) term sheets and notification of changes in the terms of the Term Facility.

The Company represents and covenants that (i) all information (other than financial projections) provided directly or indirectly by the Acquired Business or the Company to GSCP or the Lenders in connection with the transactions contemplated hereunder is and will be, when taken as a whole, complete and correct in all material respects (it being understood that prior to the Acquisition, with respect to the Acquired Business and its representatives, such representations may be to the best of the Company's knowledge) and does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein not misleading and (ii) the financial projections that have been or will be made available to GSCP or the Lenders by or on behalf of the Acquired Business or the Company have been and will be prepared in good faith based upon assumptions that are believed by the preparer thereof to be reasonable at the time made, it being understood and agreed that financial projections are not a guarantee of financial performance and actual results may differ from financial projections and such differences may be material. You agree that if at any time prior to the Closing Date, any of the representations in the preceding sentence would be incorrect in any material respect if the information and financial projections were being furnished, and such representations were being made, at such time, then you will promptly supplement, or cause to be supplemented, the information and financial projections so that such representations will be correct in all material respects under those circumstances.

In connection with arrangements such as this, it is our firm's policy to receive indemnification. The Company agrees to the provisions with respect to our indemnity and other matters set forth in Annex A, which is incorporated by reference into this Commitment Letter.

This Commitment Letter may not be assigned by you without the prior written consent of GSCP (and any purported assignment without such consent will be null and void), is intended to be solely for the benefit of the parties hereto and is not intended to confer any benefits upon, or create any rights in favor of, any person other than the parties hereto. GSCP may assign its commitment hereunder, in whole or in part, to any of its affiliates or, as provided above, to any Lender prior to the Closing Date; ***provided***, that notwithstanding anything contained herein or elsewhere, the commitment of GSCP hereunder with respect to the Term Facility shall not be reduced, released or subject to novation prior to the occurrence of the Closing Date as a result of the acceptance of any commitment from any other lender to provide all or any portion of the Term Facility, and GSCP or its affiliates shall retain exclusive control over all rights associated therewith, including all rights to consent, approve amendments to or modifications of the Acquisition Agreement or any document related thereto and approval of definitive documentation for the Term Facility, until the Closing Date has occurred. Neither this Commitment Letter nor the Fee Letter may be amended or any term or provision hereof or thereof waived or modified except by an instrument in writing signed by each of the parties hereto and thereto, and any term or provision hereof or thereof may be amended or waived only by a written agreement executed and delivered by all parties hereto.

GSCP hereby notifies the Company and the Acquired Business that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the **"Patriot Act"**) it and each Lender may be required to obtain, verify and record information that identifies the Borrower and each of the Guarantors (as defined in Annex B), which information includes the name and address of the Borrower and each of the Guarantors and other information that will allow GSCP and each Lender to identify the Borrower and each of the Guarantors in accordance with the Patriot Act. This notice is given in accordance with the requirements of the Patriot Act and is effective for GSCP and each Lender.

Please note that this Commitment Letter, the Fee Letter and any written or oral advice provided by GSCP in connection with this arrangement are exclusively for the information of the Company and may not be disclosed to any third party or circulated or referred to publicly without our prior written consent except pursuant to a subpoena or order issued by a court of competent jurisdiction or by a judicial, administrative or legislative body or committee if the Company gives GSCP prompt written notice of the receipt of any such subpoena or order; *provided* that we hereby consent to your disclosure of (i) this Commitment Letter, the Fee Letter and such advice to the Company's officers, directors, agents and advisors who are directly involved in the consideration of the Term Facility and who have been informed by you of the confidential nature of such advice and the Commitment Letter and Fee Letter and who have agreed to treat such information confidentially, (ii) this Commitment Letter or the information contained herein (but not the Fee Letter or the information contained therein) to the Acquired Business to the extent you notify such persons of their obligations to keep such material confidential, and to the Acquired Business's officers, directors, agents and advisors who are directly involved in the consideration of the Term Facility to the extent such persons agree to hold the same in confidence, (iii) this Commitment Letter and the Fee Letter as required by applicable law or compulsory legal process (in which case you agree to inform us promptly thereof) and (iv) this Commitment Letter or the information contained herein (but not the Fee Letter or the information contained therein) in any proxy relating to the Acquisition. You agree that you will permit us to review and approve (such approval not to be unreasonably withheld or delayed) any reference to us or any of our affiliates in connection with the Term Facility or the transactions contemplated hereby contained in any press release or similar written public disclosure prior to public release. The provisions of this paragraph shall survive any termination or completion of the arrangement provided by this Commitment Letter.

As you know, Goldman, Sachs & Co. ("**Goldman Sachs**") is a full service securities firm engaged, either directly or through its affiliates in various activities, including securities trading, investment management, financing and brokerage activities and financial planning and benefits counseling for both companies and individuals. In the ordinary course of these activities, Goldman Sachs or its affiliates may actively trade the debt and equity securities (or related derivative securities) of the Company and other companies which may be the subject of the arrangements contemplated by this letter for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities. Goldman Sachs or its affiliates may also co-invest with, make direct investments in, and invest or co-invest client monies in or with funds or other investment vehicles managed by other parties, and such funds or other investment vehicles may trade or make investments in securities or other debt obligations of the Company or other companies which may be the subject of the arrangements contemplated by this letter.

GSCP and its affiliates, including Goldman Sachs (collectively "**GS**") may have economic interests that conflict with those of the Company. You agree that GS will act under this letter as an independent contractor and that nothing in this Commitment Letter or the Fee Letter or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between GS and the Company, its stockholders or its affiliates. You acknowledge and agree that (i) the transactions contemplated by this Commitment Letter and the Fee Letter are arm's-length commercial transactions between GS, on the one hand, and the Company, on the other, (ii) in connection therewith and with the

process leading to such transaction GS is acting solely as a principal and not the agent or fiduciary of the Company, its management, stockholders, creditors or any other person, (iii) GS has not assumed an advisory or fiduciary responsibility in favor of the Company with respect to the transactions contemplated hereby or the process leading thereto (irrespective of whether GS or any of its affiliates has advised or is currently advising the Company on other matters) or any other obligation to the Company except the obligations expressly set forth in this Commitment Letter and the Fee Letter and (iv) the Company has consulted its own legal and financial advisors to the extent it deemed appropriate. The Company further acknowledges and agrees that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. The Company agrees that it will not claim that GS has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Company, in connection with such transaction or the process leading thereto. In addition, GSCP may employ the services of its affiliates in providing certain services hereunder and may exchange with such affiliates information concerning the Company, the Acquired Business and other companies that may be the subject of this arrangement, and such affiliates shall be entitled to the benefits afforded to GSCP hereunder.

In addition, please note that GSCP, Goldman Sachs and their affiliates do not provide accounting, tax or legal advice.

Consistent with GSCP's policies to hold in confidence the affairs of its customers, GSCP will not furnish confidential information obtained from you by virtue of the transactions contemplated by this Commitment Letter to any of its other customers. Furthermore, you acknowledge that neither GSCP nor any of its affiliates has an obligation to use in connection with the transactions contemplated by this Commitment Letter, or to furnish to you, confidential information obtained or that may be obtained by them from any other person.

GSCP's commitments hereunder will terminate upon the first to occur of (i) the consummation of the Acquisition, (ii) the abandonment or termination of the definitive documentation for the Acquisition (the **"Acquisition Agreement"**), (iii) a material breach by the Company under this Commitment Letter or the Fee Letter, (iv) acceptance of a binding commitment for a fully-committed bank or similar financing for the purpose of financing the Acquisition for which GSCP has been granted a bona fide right to match the terms of such bank or similar financing and (v) the date that is six months after the date hereof (or nine months after the date hereof if the Termination Date (as defined in the Acquisition Agreement) is extended pursuant to Section 8.01(b)(i) of the Acquisition Agreement), unless the closing of the Term Facility, on the terms and subject to the conditions contained herein, shall have been consummated on or before such date.

The Company agrees that any suit or proceeding arising in respect to this letter or our commitment or the Fee Letter will be tried exclusively in the U.S. District Court for the Southern District of New York or, if that court does not have subject matter jurisdiction, in any state court located in the City of New York, and the Company agrees to submit to the exclusive jurisdiction of, and to venue in, such court. Any right to trial by jury with respect to any action or proceeding arising in connection with or as a result of either our commitment or any matter referred to in this letter or the Fee Letter is hereby waived by the parties hereto. This Commitment Letter and the Fee Letter shall be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflicts of laws.

This Commitment Letter may be executed in any number of counterparts, each of which when executed will be an original, and all of which, when taken together, will constitute one agreement. Delivery of an executed counterpart of a signature page of this Commitment Letter by facsimile transmission or electronic transmission (in pdf format) will be effective as delivery of a manually executed counterpart hereof. This Commitment Letter and the Fee Letter are the only agreements that have been entered into

among the parties hereto with respect to the Term Facility and set forth the entire understanding of the parties with respect thereto and supersede any prior written or oral agreements among the parties hereto with respect to the Term Facility.

[Remainder of page intentionally left blank**]**

Please confirm that the foregoing is in accordance with your understanding by signing and returning to GSCP the enclosed copy of this Commitment Letter, together, if not previously executed and delivered, with the Fee Letter on or before 5:00 p.m. (New York time) on July 2, 2007, whereupon this Commitment Letter and the Fee Letter will become binding agreements between us. If not signed and returned as described in the preceding sentence by such date, this offer will terminate on such date. We look forward to working with you on this assignment.

Very truly yours,

GOLDMAN SACHS CREDIT PARTNERS L.P.

By: /s/ Bruce H. Mendelsohn
Bruce H. Mendelsohn
Authorized Signatory

ACCEPTED AS OF June 28, 2007:

WESTERN DIGITAL CORPORATION

By: /s/ Tim Leyden
Name: Tim Leyden
Title: Executive Vice President of Finance

Annex A

In the event that GSCP becomes involved in any capacity in any action, proceeding or investigation brought by or against any person, including stockholders, partners or other equity holders of the Company or the Acquired Business in connection with or as a result of either this arrangement or any matter referred to in this Commitment Letter or the Fee Letter (together, the "Letters") (excluding the fourteenth paragraph of the Commitment Letter) the Company agrees to periodically reimburse GSCP for its reasonable legal and other expenses (including the reasonable cost of any investigation and preparation) incurred in connection therewith. The Company also agrees to indemnify and hold GSCP harmless against any and all losses, claims, damages or liabilities to any such person in connection with or as a result of either this arrangement or any matter referred to in the Letters (excluding the fourteenth paragraph of the Commitment Letter), except to the extent that such loss, claim, damage or liability has resulted from the gross negligence or bad faith of GSCP in performing the services that are the subject of the Letters. If for any reason the foregoing indemnification is unavailable to GSCP or insufficient to hold it harmless, then the Company shall contribute to the amount paid or payable by GSCP as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect the relative economic interests of (i) the Company and the Acquired Business and their respective affiliates, stockholders, partners or other equity holders on the one hand and (ii) GSCP on the other hand in the matters contemplated by the Letters as well as the relative fault of (i) the Company and the Acquired Business and their respective affiliates, stockholders, partners or other equity holders and (ii) GSCP with respect to such loss, claim, damage or liability and any other relevant equitable considerations. The reimbursement, indemnity and contribution obligations of the Company under this paragraph shall be in addition to any liability which the Company may otherwise have, shall extend upon the same terms and conditions to any affiliate of GSCP and the partners, directors, agents, employees and controlling persons (if any), as the case may be, of GSCP and any such affiliate, and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Company, GSCP, any such affiliate and any such person. The Company also agrees that neither any indemnified party nor any of such affiliates, partners, directors, agents, employees or controlling persons shall have any liability to the Company or the Acquired Business or any person asserting claims on behalf of or in right of the Company or the Acquired Business or any other person in connection with or as a result of either this arrangement or any matter referred to in the Letters, except in the case of the Company to the extent that any losses, claims, damages, liabilities or expenses incurred by the Company or its affiliates, stockholders, partners or other equity holders have resulted from the gross negligence or bad faith of such indemnified party in performing the services that are the subject of the Letters; provided, however, that in no event shall such indemnified party or such other parties have any liability for any indirect, consequential or punitive damages in connection with or as a result of such indemnified party's or such other parties' activities related to the Letters. ***The provisions of this Annex A shall survive any termination or completion of the arrangement provided by the Letters.***

Annex B

Western Digital Corporation

Summary of Terms and Conditions of the Term Facility

This Summary of Terms and Conditions outlines certain terms of the Term Facility referred to in the Commitment Letter, of which this Annex B is a part. Certain capitalized terms used herein are defined in the Commitment Letter.

Borrower:	Western Digital Corporation (the **"Borrower"**).
Guarantors:	Each of the Borrower's existing and subsequently acquired or organized domestic (and, to the extent no material adverse tax consequences to the Borrower would result therefrom, foreign) subsidiaries (including, without limitation, the Acquired Business) (collectively, the **"Guarantors"**) shall guarantee (the **"Guarantee"**) all obligations under the Term Facility; *provided* that until the Merger is consummated, the Acquired Business shall not guarantee the Term Facility.
Purpose/Use of Proceeds:	The proceeds of the Term Facility will be contributed to Merger Sub and used by Merger Sub to fund the Tender Offer and the Acquisition (including paying fees, commissions and expenses in connection with the Tender Offer and the Acquisition). In addition, if the Merger has not been consummated prior to the date that the Target's existing 2.125% convertible subordinated notes are required to be redeemed pursuant to the terms of the indenture with respect thereto as a result of the change of control of the Target, a portion of the proceeds of the Term Facility may be used to make a secured intercompany loan to the Target to allow it to redeem its existing 2.125% convertible subordinated notes.
Sole Lead Arranger and Sole Bookrunner:	Goldman Sachs Credit Partners L.P. (**"GSCP"**; in its capacities as Sole Lead Arranger and Sole Bookrunner, the **"Arranger"**).
Syndication Agent:	GSCP or another financial institution selected by GSCP (in such capacity, the "**Syndication Agent**").
Administrative Agent:	GSCP (in such capacity, the **"Administrative Agent"**).
Lenders:	GSCP and/or other financial institutions selected by GSCP (each, a **"Lender"** and, collectively, the **"Lenders"**).
Amount of Term Facility:	Up to $1.25 billion of senior secured term loans (the "**Term Facility**").
Availability:	One drawing may be made under the Term Facility on the Closing Date.

Maturity: Six year anniversary of the Closing Date.

Closing Date: The date on or before the four-month anniversary of the date of the Commitment Letter (or the nine-month anniversary if the Termination Date (as defined in the Acquisition Agreement) is extended pursuant to Section 8.01(b)(i) of the Acquisition Agreement) on which the borrowings under the Term Facility are made and the Tender Offer is consummated (the **"Closing Date"**).

Amortization: The outstanding principal amount of the Term Facility will be payable in equal quarterly amounts of 1% per annum prior to the sixth anniversary of the Closing Date, with the remaining balance due in equal quarterly installments in the final year of the Term Facility.

Interest Rate: All amounts outstanding under the Term Facility will bear interest, at the Borrower's option, as
follows:

A. If the Borrower's corporate family rating from Moody's is Ba2 or better (with a stable outlook) and the Borrower's corporate credit rating from S&P is BB or better (with a stable outlook):

   (i) at the Base Rate plus 0.75% *per annum*; or

   (ii) at the reserve adjusted Eurodollar Rate plus 1.75% *per annum*.

B. If the Borrower's corporate family rating from Moody's is less than Ba2 (with a stable outlook) or the Borrower's corporate credit rating from S&P is less than BB (with a stable outlook) and the condition in clause (C) below is not met:

   (i) at the Base Rate plus 1.00% *per annum*; or

   (ii) at the reserve adjusted Eurodollar Rate plus 2.00% *per annum*.

C. If the Borrower's corporate family rating from Moody's is less than Ba3 (with a stable outlook) or the Borrower's corporate credit rating from S&P is less than BB- (with a stable outlook):

   (i) at the Base Rate plus 1.25% *per annum*; or

   (ii) at the reserve adjusted Eurodollar Rate plus 2.25% *per annum*.

As used herein, the terms **"Base Rate"** and **"reserve adjusted Eurodollar Rate"** will have meanings customary and appropriate for financings of this type, and the basis for calculating accrued interest

	and the interest periods for loans bearing interest at the reserve adjusted Eurodollar Rate will be customary and appropriate for financings of this type. Interest on amounts not paid when due will accrue at a rate equal to the rate on loans bearing interest at the rate determined by reference to the Base Rate plus an additional two percentage points (2.00%) per annum and shall be payable on demand.
Interest Payments:	Quarterly for loans bearing interest with reference to the Base Rate; except as set forth below, on the last day of selected interest periods (which shall be one, two, three and six months) for loans bearing interest with reference to the reserve adjusted Eurodollar Rate (and at the end of every three months, in the case of interest periods of longer than three months); and upon prepayment, in each case payable in arrears and computed on the basis of a 360-day year (365/366 day year with respect to loans bearing interest with reference to the Base Rate).
Funding Protection:	Customary for transactions of this type, including breakage costs, gross-up for withholding, compensation for increased costs and compliance with capital adequacy and other regulatory restrictions.
Voluntary Prepayments:	The Term Facility may be prepaid in whole or in part without premium or penalty; *provided* that loans bearing interest with reference to the reserve adjusted Eurodollar Rate will be prepayable only on the last day of the related interest period unless the Borrower pays any related breakage costs. Voluntary prepayments of the Term Facility will be applied to scheduled amortization payments as directed by the Borrower.
Mandatory Prepayments:	The following mandatory prepayments shall be required (subject to certain basket amounts to be negotiated in the definitive Loan Documents): 1. Asset Sales: Prepayments in an amount equal to 100% of the net cash proceeds of the sale or other disposition of any property or assets of the Borrower or its subsidiaries (subject to certain exceptions to be determined), other than net cash proceeds of sales or other dispositions of inventory in the ordinary course of business and net cash proceeds (not in excess of an amount to be agreed upon in the aggregate) that are reinvested in other assets useful in the business of the Borrower and its subsidiaries within one year of receipt thereof. 2. Insurance Proceeds: Prepayments in an amount equal to 100% of the net cash proceeds of insurance paid on account of any loss of any property or assets of the Borrower or its subsidiaries, other than net cash proceeds (not in excess of an amount to be agreed upon in the aggregate) that are reinvested in other long-term assets useful in the business of the Borrower and its subsidiaries (or used to replace damaged or destroyed assets) within one year of receipt thereof.

3. Incurrence of Indebtedness: Prepayments in an amount equal to 100% of the net cash proceeds received from the incurrence of indebtedness by the Borrower or its subsidiaries (other than indebtedness otherwise permitted under the Loan Documents), payable no later than the first Business Day following the date of receipt.

4. Excess Cash Flow: Prepayments in a percentage to be agreed (subject to reductions to a lower percentage upon achievement of certain financial performance measures to be determined) of "excess cash flow" (to be defined in the applicable Loan Document), payable within 90 days of fiscal year-end.

All mandatory prepayments will be applied without penalty or premium (except for breakage costs, if any) and will be applied pro rata to remaining scheduled amortization payments and the payments at final maturity.

Security: The Term Facility, each Guarantee and any interest rate hedging obligations of the Borrower owed to a Lender or its affiliates will be secured by first priority security interests in all assets, including without limitation, all personal, real and mixed property of the Borrower and the Guarantors (except as otherwise agreed to by the Arranger). In addition, the Term Facility will be secured by a first priority security interest in 100% of the capital stock of each domestic subsidiary of the Borrower, 65% of the capital stock of each foreign subsidiary of the Borrower and all intercompany debt. Notwithstanding the foregoing, the collateral shall not include any margin stock (as defined in Regulation U of the Board of Governors of the Federal Reserve System). All security arrangements will be in form and substance satisfactory to the Administrative Agent.

Representations and Warranties: The Term Facility will contain representations and warranties by the Borrower (with respect to the Borrower and its subsidiaries) as are usual and customary for financings of this kind, limited to the following: due organization; requisite power and authority; qualification; equity interests and ownership; due authorization, execution, delivery and enforceability of the Loan Documents; no conflicts; governmental consents; historical and projected financial condition; no material adverse change; no restricted junior payments; absence of material litigation; payment of taxes; title to properties; environmental matters; no defaults under material agreements; Investment Company Act and margin stock matters; ERISA and other employee matters; absence of brokers or finders fees; solvency; compliance with laws; full disclosure and Patriot Act and other related matters.

Covenants: The Term Facility will contain such financial, affirmative and negative covenants by the Borrower (with respect to the Borrower and its

	subsidiaries) as are usual and customary for financings of this kind, limited to the following:
- financial covenants:	a maximum total leverage ratio,
- affirmative covenants:	delivery of financial statements and other reports; maintenance of existence; payment of taxes and claims; maintenance of properties; maintenance of insurance; books and records; inspections; lender meetings; compliance with laws; environmental matters; additional collateral and guarantors; maintenance of corporate level and facility level ratings; consummation of the Merger; and further assurances, in each case, subject to exceptions and baskets to be mutually agreed upon, and
- negative covenants:	limitations with respect to other indebtedness; liens; negative pledges; restricted junior payments (dividends, redemptions and voluntary payments on certain debt); restrictions on subsidiary distributions; investments, mergers and acquisitions; sales of assets (including subsidiary interests); sales and lease-backs; capital expenditures; transactions with affiliates; conduct of business; amendments and waivers of organizational documents, subordinated indebtedness and other material agreements; and changes to fiscal year, in each case, subject to exceptions and baskets to be mutually agreed upon.
Events of Default:	The Term Facility will include such events of default (and, as appropriate, grace periods) as are usual and customary for financings of this kind, limited to the following: failure to make payments when due, defaults under other agreements or instruments of indebtedness, noncompliance with covenants, breaches of representations and warranties, bankruptcy, judgments in excess of specified amounts, ERISA, impairment of security interests in collateral, invalidity of guarantees, and “change of control” (to be defined in a mutually agreed upon manner).
Conditions Precedent to Borrowing:	The several obligations of the Lenders to make, or cause one of their respective affiliates to make, loans under the Term Facility will be subject to (i) the conditions precedent set forth in the Commitment Letter and those listed on Annex C attached to the Commitment Letter, (ii) prior written notice of borrowing, (iii) the accuracy of representations and warranties (subject to the provisions of the Commitment Letter), and (iv) the absence of any default or potential event of default.
Assignments and Participations:	The Lenders may assign all or, in an amount of not less than $1.0 million, any part of, their respective shares of the Term Facility to their affiliates or one or more banks, financial institutions or other entities that are eligible assignees (to be described in the Loan Documents). Upon such assignment, such affiliate, bank, financial institution or entity will become a Lender for all purposes under the Loan Documents; *provided* that assignments made to affiliates and

	other Lenders will not be subject to the above described consent or minimum assignment amount requirements. A $3,500 processing fee will be required in connection with any such assignment. The Lenders will also have the right to sell participations, subject to customary limitations on voting rights, in their respective shares of the First Lien Facilities.
Requisite Lenders:	Lenders holding more than 50% of total commitments or exposure under the Term Facility, except that with respect to matters relating to the interest rates, maturity, amortization, certain collateral issues and the definition of Requisite Lenders, Requisite Lenders will be defined as Lenders holding 100% of total commitments or exposure of the total commitments affected thereby.
Taxes:	The Term Facility will provide that all payments are to be made free and clear of any taxes (other than franchise taxes and taxes on overall net income), imposts, assessments, withholdings or other deductions whatsoever. Lenders shall furnish to the Administrative Agent appropriate certificates or other evidence of exemption from U.S. federal tax withholding.
Indemnity:	The Term Facility will provide customary and appropriate provisions relating to indemnity and related matters in a form reasonably satisfactory to the Arranger, the Administrative Agent and the Lenders.
Governing Law and Jurisdiction:	The Term Facility will provide that the Borrower will submit to the non-exclusive jurisdiction and venue of the federal and state courts of the State of New York and shall waive any right to trial by jury. New York law shall govern the Loan Documents.
Counsel to the Arranger and Administrative Agent:	Latham & Watkins LLP.

Annex C

Western Digital Corporation

Summary of Conditions Precedent to the Term Facility

This Summary of Conditions Precedent outlines certain of the conditions precedent to the Term Facility referred to in the Commitment Letter, of which this Annex C is a part. Certain capitalized terms used herein are defined in the Commitment Letter.

A. CONDITIONS PRECEDENT TO THE TERM FACILITY

1. Concurrent Transactions: The Minimum Tender Condition (as defined in the Acquisition Agreement in the most recent form delivered to the Arranger prior to execution of the Commitment Letter) shall have been satisfied. The Tender Offer shall have been consummated pursuant to the Acquisition Agreement (in the most recent form delivered to the Arranger prior to the execution of the Commitment Letter, unless otherwise consented to by the Arranger). All conditions precedent to the consummation of the Tender Offer shall have been satisfied or waived (with the prior consent of the Arranger if the Arranger determines such waiver is materially adverse to the Lenders). Concurrently with the consummation of the Acquisition, all pre-existing indebtedness of the Company and its subsidiaries (other than the Target) (excluding certain indebtedness disclosed to and approved by GSCP) shall have been repaid or repurchased in full, all commitments relating thereto shall have been terminated, and all liens or security interests related thereto shall have been terminated or released, in each case on terms satisfactory to the Arranger.

2. Financial Statements. Each of the Company and the Acquired Business shall have filed with the Securities and Exchange Commission all required reports on Form 10-K and Form 10-Q in a timely manner. The Arranger shall have received customary pro forma financial statements meeting the requirements of Regulation S-X for Form S-1 registration statements.

3. Performance of Obligations. All costs, fees, expenses (including, without limitation, legal fees and expenses, title premiums, survey charges and recording taxes and fees) and other compensation contemplated by the Commitment Letter and the Fee Letter payable to GSCP, the Arranger, the Administrative Agent or the Lenders shall have been paid to the extent due.

4. Customary Closing Documents. Subject to the fifth paragraph of the Commitment Letter, the Company shall have complied with all other customary closing conditions, including, without limitation: (i) the delivery of legal opinions, corporate records and documents from public officials, lien searches and officer's certificates; (ii) evidence of authority; (iii) obtaining material third party and governmental consents necessary in connection with the Acquisition, the related transactions or the financing thereof; (iv) perfection of liens, pledges, and mortgages on the collateral securing the Term Facility; and (v) delivery of a solvency certificate from the chief financial officer of the Borrower and each Guarantor. The Arranger shall have received sufficiently in advance of the Closing Date all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the Patriot Act.

Exhibit (d)(3)

Confidentiality Agreement
June 13, 2007

Komag, Incorporated
1710 Automation Parkway
San Jose, California 95131

Re: **Confidentiality Agreement**

Ladies and Gentlemen:

In connection with a possible transaction ("Possible Transaction") between Western Digital Corporation, on behalf of itself and its subsidiaries ("Western Digital") and Komag, Incorporated, on behalf of itself and its subsidiaries ("Company"), and in order to allow Western Digital and Company to evaluate the Possible Transaction, each of Western Digital and Company may deliver to the other party hereto, upon the execution and delivery of this letter agreement by such other party, certain information about its properties, employees, finances, businesses, prospects and operations (such party when disclosing such information being the "Disclosing Party" and when receiving such information being the "Receiving Party").

All information (i) about the Disclosing Party or (ii) about any third party (which information was provided to the Disclosing Party subject to an applicable confidentiality obligation to such third party), furnished by the Disclosing Party or its Representatives (as defined below) to the Receiving Party or its Representatives, whether furnished before or after the date hereof, and regardless of the manner in which it is furnished, is referred to in this letter agreement as "Proprietary Information." Proprietary Information shall not include, however, information which (i) is or becomes generally available to the public other than as a result of a disclosure by the Receiving Party or its Representatives in violation of this letter agreement; (ii) was available to the Receiving Party on a nonconfidential basis prior to its disclosure by the Disclosing Party or its Representatives; (iii) becomes available to the Receiving Party on a nonconfidential basis from a person other than the Disclosing Party or its Representatives who is not otherwise known to the Receiving Party to be bound by a confidentiality agreement with the Disclosing Party, or is otherwise not known to the Receiving Party to be under any obligations not to transmit the information to the Receiving Party; or (iv) was independently developed by the Receiving Party without reference to or use of the Proprietary Information. For purposes of this letter agreement, (i) "Representative" shall mean, as to any person, its directors, officers, employees, agents and advisors (including, without limitation, financial advisors, attorneys and accountants and financing sources and their advisors); and (ii) "person" shall be broadly interpreted to include, without limitation, any corporation, company, partnership, limited liability company, group, association or other entity or individual, acting individually or together.

All Proprietary Information is provided "as is." Each party makes no warranties, express, implied or otherwise, regarding the accuracy and completeness of the Proprietary Information. Each party shall secure and safeguard any and all information, documents, work in process and

work product that embodies Proprietary Information of the other to reasonably restrict access and prevent unauthorized use and/or disclosure. Each party further agrees that it will maintain reasonable procedures to protect the secrecy of and prevent accidental or other loss or unauthorized use of any Proprietary Information of the other. Each party shall reproduce the other party's proprietary rights notices on any copies of Proprietary Information, in the same manner in which such notices were set forth in or on the original. Notwithstanding any other provision hereof, each party reserves the right not to make available hereunder any information, the provision of which is determined by it, in its sole discretion, to be inadvisable, inappropriate or subject to other restrictions on disclosure, whether contractual, legal or fiduciary. The Disclosing Party shall not be under any obligation to make any particular Proprietary Information available to Receiving Party or its Representatives or to supplement or update any Proprietary Information previously furnished.

All Proprietary Information shall remain the property of the Disclosing Party. Nothing in this letter agreement grants any rights to the Receiving Party under any patent, copyright, trade secret or other proprietary right of the Disclosing Party, nor does this letter agreement grant the Receiving Party any rights in or to the Proprietary Information of the Disclosing Party except as expressly set forth herein.

Subject to the immediately succeeding paragraph, unless otherwise agreed to in writing by the Disclosing Party, the Receiving Party (i) except as required by law, shall keep all Proprietary Information confidential, shall not disclose or reveal any Proprietary Information to any person other than its Representatives who are actively and directly participating in its evaluation of the Possible Transaction or who otherwise need to know for the purpose of evaluating the Possible Transaction and shall cause those persons to observe the terms of this letter agreement; (ii) shall not use Proprietary Information for any purpose other than in connection with its evaluation of the Possible Transaction or the consummation of the Possible Transaction; and (iii) except as required by law, shall not disclose to any person (other than those of its Representatives who are actively and directly participating in its evaluation of the Possible Transaction or who otherwise need to know for the purpose of evaluating the Possible Transaction) any information about the Possible Transaction, or the terms or conditions or any other facts relating thereto, including, without limitation, the fact that discussions are taking place with respect thereto or the status thereof, or the fact that Proprietary Information has been made available to the Receiving Party or its Representatives. The Receiving Party shall be responsible for any breach of the terms of this letter agreement by it or its Representatives.

In the event that the Receiving Party or any of its Representatives are requested pursuant to, or required by, applicable law or regulation (including, without limitation, any rule, regulation or policy statement of any national securities exchange, market or automated quotation system on which any of the Receiving Party's securities are listed or quoted) or by legal process to disclose any Proprietary Information or any other information concerning the Disclosing Party or the Possible Transaction, the Receiving Party shall provide the Disclosing Party with prompt notice of such request or requirement in order to enable the Disclosing Party (i) to seek an appropriate protective order or other remedy, (ii) to consult with the Receiving Party with respect to the Disclosing Party's taking steps to resist or narrow the scope of such request or legal process or (iii) to waive compliance, in whole or in part, with the terms of this letter agreement. In the event that such protective order or other remedy is not obtained, or the Disclosing Party

waives compliance, in whole or in part, with the terms of this letter agreement, the Receiving Party or its Representative shall use commercially reasonable efforts to disclose only that portion of the Proprietary Information which is legally required to be disclosed and to ensure that all Proprietary Information that is so disclosed will be accorded confidential treatment. In the event that the Receiving Party or its Representatives shall have complied fully with the provisions of this paragraph, such disclosure may be made by the Receiving Party or its Representatives without any liability hereunder.

For a period commencing with the date of this letter agreement and ending on the earlier of (i) the first anniversary of the date of this letter agreement and (ii) the first occurrence of a "Trigger Event" (as defined below), neither party hereto nor any of its Representatives shall, without the prior written consent of the other party or its board of directors:

(a) acquire, offer to acquire, or agree to acquire, directly or indirectly, by purchase or otherwise, any voting securities or direct or indirect rights to acquire any voting securities of the other party or any subsidiary thereof, or any assets of the other party or any subsidiary or division thereof (other than commercial transactions in the ordinary course of business consistent with past practice and which do not involve the issuance or acquisition of securities);

(b) make, or in any way participate, directly or indirectly, in any "solicitation" of "proxies" to vote (as such terms are used in the rules of the Securities and Exchange Commission ("SEC")), or seek to advise or influence any person or entity with respect to the voting of any voting securities of the other party;

(c) make any public announcement with respect to, or publicly submit a proposal for, or publicly offer of (with or without conditions) any extraordinary transaction involving the other party or any of its securities or assets (other than commercial transactions in the ordinary course of business consistent with past practice and which do not involve the issuance or acquisition of securities);

(d) form, join or in any way participate in a "group" as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), in connection with any of the foregoing;

(e) otherwise act or seek to control or influence the management, Board of Directors or policies of the other party; or

(f) take any action that would reasonably be expected to require the other party to make a public announcement regarding the possibility of any of the events described in clauses (a) through (e) above.

A "Trigger Event" shall be deemed to occur if (A) an unsolicited bona fide tender offer or exchange offer is made by any person or group of persons to acquire securities of the other party which would (when added to shares already owned by such group) represent 22.5% or more of the total combined voting power or total economic power of all securities of the other party then outstanding, (B) the other party enters into an agreement providing for the sale of 22.5% or more of the other party's assets or a merger or other business combination as a result of which less

than 77.5% of the outstanding voting securities of the other party or the surviving entity are to be owned by persons who were stockholders of the other party immediately prior to the consummation of the transaction contemplated by the such agreement or (C) pursuant to a transaction or series or related transaction, the primary purpose of which is to raise capital, the other party issues to any person or group voting securities representing 22.5% of the total combined voting power of all voting securities of the other party then outstanding. In addition, each party agrees that if, since April 1, 2007 it has provided or hereafter it provides, material confidential information concerning such party as part of discussions or proposed discussions concerning a business combination with or sale of such party to an Identified Party (as defined below) without such Identified Party being bound by a standstill agreement or if a standstill agreement entered into by such Identified Party (whether entered into prior to or after the date of this Agreement) contains terms more favorable, in the aggregate, to such Identified Party than the terms of the standstill limitations contained in this letter agreement, then the standstill limitations (and for the avoidance of doubt, no other provisions) of this letter agreement shall automatically terminate, in the case where material confidential information has been provided without a standstill agreement, or the other party shall automatically be entitled to the benefits of such more favorable standstill limitations in the case where the recipient of material confidential information is bound by a more favorable standstill limitation. Each party agrees to give the other party written notice, as soon as practicable thereafter, of any modifications to the standstill provisions of this letter agreement as a result of the immediately preceding sentence. “Identified Party” shall mean an entity that is a competitor of the other party (i.e., the party who has not received an unsolicited offer or entered into an agreement) and that has equal or greater total annual revenue to such other party as of the most recently completed fiscal year.

Each party agrees that it will not at any time from the date of this letter agreement until the one-year anniversary of such date, directly or indirectly, solicit for employment any employee of the other party who is identified by such party as a result of its evaluation or otherwise in connection with the Possible Transaction; provided, however, that (i) non-directed newspaper or internet help wanted advertisements and search firm engagements shall not be considered solicitations hereunder and (ii) the restrictions of this paragraph shall not apply to a party with respect to employees of the other party that initiate contact with such first party.

To the extent that any Proprietary Information may include material subject to the attorney-client privilege, work product doctrine or any other applicable privilege concerning pending or threatened legal proceedings or governmental investigations, the parties understand and agree that they have a commonality of interest with respect to such matters and it is their desire, intention and mutual understanding that the sharing of such material is not intended to, and shall not, waive or diminish in any way the confidentiality of such material or its continued protection under the attorney-client privilege, work product doctrine or other applicable privilege. All Proprietary Information provided by a party that is entitled to protection under the attorney-client privilege, work product doctrine or other applicable privilege shall remain entitled to such protection under these privileges, this agreement, and under the joint defense doctrine. Nothing in this letter agreement obligates any party to reveal material subject to the attorney-client privilege, work product doctrine or any other applicable privilege. Notwithstanding anything in this letter agreement to the contrary, the Disclosing Party hereby represents and warrants that such party may rightfully disclose or make available the Proprietary Information to

the Receiving Party without the violation of any contractual, legal, fiduciary or other obligation to any person.

If either party hereto shall determine that it does not wish to proceed with the Possible Transaction, such party shall promptly advise the other party of that decision. In that case, or in the event that the Disclosing Party, in its sole discretion, so requests, the Receiving Party shall promptly return to the Disclosing Party or, at the election of the Receiving Party, destroy (with such destruction certified in writing by the Receiving Party) all Proprietary Information and all copies, reproductions, summaries, analyses or extracts thereof or based thereon (whether in hard-copy form or on intangible media, such as electronic mail or computer files) in the Receiving Party's possession or in the possession of any Representative of the Receiving Party; provided, however, that if a legal proceeding has been instituted to seek disclosure of the Proprietary Information, such material shall not be destroyed until the proceeding is settled or a final judgment with respect thereto has been rendered; and provided further, however, that notwithstanding the foregoing, those of the Receiving Party's Representatives that are accounting firms may retain copies of the Disclosing Party's Proprietary Information in accordance with policies and procedures implemented by such persons in order to comply with applicable law, regulation, professional standards or reasonable business practice, and furthermore, those of the Receiving Party's Representatives that are accounting firms may disclose the Disclosing Party's Proprietary Information to the extent required by law, rule, regulation or applicable professional standards of the American Institute of Certified Public Accountants, Public Company Accounting Oversight Board or state boards of accountancy or obligations thereunder (provided that, to the extent permitted by law or regulation, notice of any such required disclosure will be provided to the Disclosing Party).

Subject to the terms and conditions of a definitive agreement regarding the Possible Transaction and without prejudice thereto, each party hereto acknowledges that neither it nor its Representatives nor any of the officers, directors, employees, agents or controlling persons of such Representatives makes any express or implied representation or warranty as to the completeness of the Proprietary Information. The Receiving Party shall not be entitled to rely on the completeness of any Proprietary Information, but shall be entitled to rely solely on such representations and warranties regarding the completeness of the Proprietary Information as may be made to it in any definitive agreement relating to the Possible Transaction, subject to the terms and conditions of such agreement.

Until a definitive agreement regarding the Possible Transaction has been executed by the parties hereto, no obligation of any kind is assumed or implied against either party by virtue of the parties' meetings or conversations with respect to the Proprietary Information, and neither party hereto shall be under any legal obligation or have any liability to the other party of any nature whatsoever with respect to the Possible Transaction by virtue of this letter agreement or otherwise (other than with respect to the confidentiality and other matters set forth herein). Each party hereto and its Representatives (i) may conduct the process that may or may not result in the Possible Transaction in such manner as such party, in its sole discretion, may determine (including, without limitation, negotiating and entering into a definitive agreement with any third party without notice to the other party); and (ii) reserves the right to change (in its sole discretion, at any time and without notice to the other party) the procedures relating to the parties' consideration of the Possible Transaction (including, without limitation, terminating all

further discussions with the other party and requesting that the other party return or destroy the Proprietary Information as described, and subject to the limitations set forth, above). Nothing herein requires either party to disclose or update any information to the other party or, subject to the obligations of use and confidentiality imposed herein, impairs either party's right to make, use, procure or market any products or services, now or in the future, which may be competitive with those offered or contemplated by the other party.

Each party acknowledges that the Proprietary Information may constitute material, non-public information regarding the Disclosing Party, and that trading in the securities of the Disclosing Party while in possession of such information may violate federal and state securities laws.

Without prejudice to the rights and remedies otherwise available to either party hereto, each party hereto shall be entitled to equitable relief by way of injunction or otherwise if the other party or its Representatives breaches or threatens to breach any of the provisions of this letter agreement.

It is further understood and agreed that no failure or delay by either party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder.

This letter agreement will be binding upon Receiving Party and its respective heirs, successors and assigns, and will inure to the benefit of Disclosing Party and its respective heirs, successors and assigns. This letter agreement shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to its principles or rules regarding conflicts of laws, other than such principles directing application of New York. Receiving Party: (a) irrevocably and unconditionally consents and submits to the jurisdiction of the state and federal courts located in the State of New York for purposes of any action, suit or proceeding arising out of or relating to this letter agreement; (b) agrees that service of any process, summons, notice or document by U.S. registered mail to the address set forth at the end of this letter agreement shall be effective service of process for any action, suit or proceeding brought against Receiving Party; (c) irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of or relating to this letter agreement in any state or federal court located in the State of New York; and (d) irrevocably and unconditionally waives the right to plead or claim, and irrevocably and unconditionally agrees not to plead or claim, that any action, suit or proceeding arising out of or relating to this letter agreement that is brought in any state or federal court located in the State of New York has been brought in an inconvenient forum. If any provision of this letter agreement is found to be illegal or unenforceable, the other provisions shall remain effective and enforceable to the greatest extent permitted by law.

This letter agreement contains the entire agreement between the parties hereto concerning confidentiality of their respective Proprietary Information, and no modification of this letter agreement or waiver of the terms and conditions hereof shall be binding upon either party hereto, unless approved in writing by each such party. Neither party may assign any of its rights or obligations hereunder; provided, that the Disclosing Party reserves the right to assign its rights,

powers and privileges under this letter agreement (including, without limitation, the right to enforce the terms of this letter agreement) to any person who enters into a transaction to acquire control of the Disclosing Party or substantially all of its assets. This letter agreement does not supersede any existing secrecy or confidentiality agreements between or among the parties.

This letter agreement shall terminate on the earlier of (i) two years from the date of this agreement or (ii) the closing of a Possible Transaction.

[remainder of the page intentionally left blank]

Please confirm your agreement with the foregoing by signing and returning to the undersigned the duplicate copy of this letter enclosed herewith.

WESTERN DIGITAL CORPORATION

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

Address for purposes of notice:
20511 Lake Forest Drive
Lake Forest, California 92630

ACCEPTED AND AGREED as of
the date first written above:

KOMAG, INCORPORATED

By: /s/ Tim Harris
Name: Tim Harris
Title: Chief Executive Officer

Address for purposes of notice:
1710 Automation Parkway
San Jose, California 95131