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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of Earliest Event Reported):

June 24, 2013

Western Digital Corporation

(Exact name of registrant as specified in its charter)

Delaware

001-08703

33-0956711

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

3355 Michelson Drive, Suite 100, Irvine, California

92612

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(949) 672-7000

Not Applicable

Former name or former address, if changed since last report

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 7.01 Regulation FD Disclosure.

On June 24, 2013, Western Digital Corporation, a Delaware corporation (the "Company"), the parent company of HGST, Inc. ("HGST"), issued a press release announcing that it entered into an Agreement and Plan of Merger (the "Merger Agreement") with sTec, Inc., a California corporation ("sTec"), pursuant to which, and subject to the terms and conditions thereof, sTec will be acquired and become a wholly-owned subsidiary of HGST. A copy of the press release is furnished herewith as Exhibit 99.1 and is incorporated herein by reference.

Also furnished herewith as Exhibit 99.2 and incorporated in this Item 7.01 by reference is a FAQ presentation posted on the Company's website regarding the transactions contemplated by the Merger Agreement.

In accordance with General Instruction B.2 of Form 8-K, the information in this Item 7.01, including Exhibits 99.1 and 99.2, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit 99.1 Press Release, dated June 24, 2013

Exhibit 99.2 FAQ Presentation, dated June 24, 2013

SIGNATURES

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

Western Digital Corporation

June 24, 2013

By: */s/ Michael C. Ray*

Name: Michael C. Ray

Title: Senior Vice President, General Counsel and Secretary

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release, dated June 24, 2013
99.2	FAQ Presentation, dated June 24, 2013

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FOR IMMEDIATE RELEASE:

**WESTERN DIGITAL TO STRATEGICALLY EXPAND ITS POSITION IN
ENTERPRISE SOLID STATE STORAGE WITH THE ACQUISITION OF STEC, INC.;**
COMPANY TO BE FULLY INTEGRATED INTO HGST
HGST to Deepen SSD Capabilities and Expertise with sTec IP and Engineering Talent

SAN JOSE and SANTA ANA, Calif., June 24, 2013 – Western Digital[®] Corporation (NASDAQ: WDC) and sTec, Inc. (NASDAQ: STEC) announced today that they have entered into a definitive merger agreement under which sTec, Inc., an early innovator in enterprise solid-state drives (SSDs), will be acquired by HGST, a wholly-owned subsidiary of Western Digital. sTec will be acquired for approximately \$340 million in cash, which equates to \$6.85 per share. This represents approximately \$207 million in enterprise value, net of sTec's cash as of March 31, 2013.

The pending acquisition augments HGST's existing solid-state storage capabilities, accelerating its ability to expand its participation in the rapidly growing area of enterprise SSDs. HGST remains committed to its highly successful joint development program with Intel[®] Corp. and will continue to deliver current and future SAS-based SSD products with Intel.

sTec has strong engineering talent and intellectual property that will complement HGST technical expertise and capabilities. HGST will continue to support existing sTec[®] products and collaborate with its customers to understand their future requirements.

"Solid state storage in the enterprise will play an increasingly strategic role in the future of Western Digital," said Steve Milligan, president and chief executive officer, Western Digital Corporation. "This acquisition is one more building block in our strategy to capitalize on the dramatic changes within the storage industry by investing in SSDs and other high-growth storage products."

"This acquisition demonstrates HGST's ongoing commitment to the rapidly growing enterprise SSD segment, where we already have a successful product line," said Mike Cordano, president, HGST. "We are excited to welcome such a talented team of professionals to HGST, where their inventive spirit will be embraced and encouraged."

"At this key point in the evolution of the storage industry, sTec is excited to consummate this transaction. It will be an important next step in proliferating many of the innovative products and technologies that sTec has been known for throughout its 23-year history and provides immediate value for our shareholders and a strong future for our employees and customers," said Mark Moshayedi, president and chief executive officer, sTec. "This merger will enable our world-class engineering team and IP to continue to make a significant contribution to the high-performance enterprise SSD space that has long been sTec's focus."

The board of directors of sTec, on the unanimous recommendation of a special committee of independent directors of the board, has unanimously approved the merger agreement and has resolved to recommend that sTec shareholders approve the transaction at a sTec shareholders meeting to be held to approve the merger agreement and the merger. The directors and executive officers of sTec have entered into separate voting agreements under which they have agreed, subject to certain exceptions, to vote their respective shares in favor of the proposed transaction.

Wells Fargo Securities, LLC has acted as the financial advisor to Western Digital and BofA Merrill Lynch has acted as the financial advisor to sTec in connection with this transaction.

Closing of the acquisition, which is subject to customary conditions, is expected to occur in the third or fourth calendar quarter of 2013.

Supplemental Information

A question and answer document related to the sTec acquisition is available on the Western Digital website at www.wdc.com or click [here](#). The companies are not holding a conference call related to the acquisition; Western Digital will provide additional commentary on its next quarterly results conference call scheduled for Wednesday, July 24, after the close of the NASDAQ market.

About Western Digital Corporation

Western Digital Corporation (NASDAQ: WDC), Irvine, Calif., is a global provider of products and services that empower people to create, manage, experience and preserve digital content. Its subsidiaries design and manufacture storage devices, networking equipment and home entertainment products under the WD[®], HGST and G-Technology brands. Visit the Investor section of the company's website (www.westerndigital.com) to access a variety of financial and investor information.

About HGST

HGST (formerly known as Hitachi Global Storage Technologies or Hitachi GST), a Western Digital company (NASDAQ: WDC), develops advanced hard disk drives, enterprise-class solid state drives, innovative external storage solutions and services used to store, preserve and manage the world's most valued data. Founded by the pioneers of hard drives, HGST provides high-value storage for a broad range of market segments, including Enterprise, Desktop, Mobile Computing, Consumer Electronics and Personal Storage. HGST was established in 2003 and maintains its U.S. headquarters in San Jose, California. For more information, please visit the company's website at <http://www.hgst.com>.

About sTec, Inc.

sTec, Inc. is a leading global provider of enterprise-class, solid-state storage solutions designed for the ever-growing performance, reliability and endurance requirements of today's advanced data centers. The industry's first company to deploy solid-state drives (SSDs) into large-scale enterprise environments, sTec offers the industry's widest range of solid-state storage solutions, which protect critical information for major business and government organizations worldwide. Headquartered in Santa Ana, California, sTec also serves the embedded and military/aerospace segments with SSDs for industrial and rugged environments. For more information, visit www.stec-inc.com.

Forward Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements concerning benefits expected from the sTec acquisition, the expected timing of the completion of the transaction and management's anticipated plans and strategies for the sTec business. These forward-looking statements are based on management's current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements, including failure to consummate or delay in consummating the transaction; the possibility that the expected benefits of the transaction may not materialize as expected; failure to successfully integrate the products, technology, research and development capabilities, infrastructure and employees of HGST and sTec; the impact of continued uncertainty and volatility in global economic conditions; actions by competitors; business conditions and growth in the various hard drive markets; and other risks and uncertainties listed in Western Digital's and sTec's filings with the Securities and Exchange Commission (the "SEC"), including Western Digital's recent Form 10-Q filed with the SEC on May 3, 2013 and sTec's recent Form 10-Q filed with the SEC on May 8, 2013, to which your attention is directed. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, and neither Western Digital nor sTec undertakes any obligation to update these forward-looking statements to reflect subsequent events or circumstances.

Additional Information about the Merger and Where to Find It

In connection with the proposed merger, sTec, Inc. will file a proxy statement with the SEC. Additionally, sTec and Western Digital Corporation will file other relevant materials in connection with the proposed acquisition of sTec. The materials to be filed by sTec with the SEC may be obtained free of charge at the SEC's website at www.sec.gov. **Investors and security holders of sTec are urged to read the proxy statement and the other relevant materials when they become available before making any voting or investment decision with respect to the proposed merger because they will contain important information about the merger and the parties to the merger.** sTec and its directors and executive officers may be deemed to be participants in the solicitation of proxies of sTec shareholders in connection with the proposed merger. Investors and security holders may obtain more detailed information regarding the names, affiliations and interests of certain of sTec's executive officers and directors in the solicitation by reading the proxy statement relating to the merger and other relevant materials filed with the SEC when they become available. Additional information concerning sTec's directors and executive officers, including their ownership of sTec's common stock, is set forth in sTec's 2013 annual meeting proxy statement filed with the SEC on June 7, 2013 and will also be set forth in the proxy statement relating to the merger when it becomes available.

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Western Digital, WD, HGST and the WD and HGST logos are registered trademarks in the U.S. and other countries. sTec and the sTec logo are either registered trademarks or trademarks of sTec, Inc. in the U.S. and certain other countries. Other marks may be mentioned herein that belong to other companies.

**sTec, Inc. Acquisition
FAQs**

Acquisition

Q1: What is being announced today?

A1: Western Digital Corporation (WDC) has entered into a definitive merger agreement with sTec, Inc., an early innovator in enterprise solid-state drive (SSD) solutions. As a result of the transaction under the merger agreement, sTec, Inc. will be acquired by HGST, a wholly owned subsidiary of WDC, for approximately \$340 million in cash, which equates to \$6.85 per share. This represents approximately \$207 million in Enterprise Value, net of sTec's cash as of March 31, 2013.

When does HGST expect the deal to close?

The merger transaction, which is subject to customary regulatory reviews, is expected to close in the third or fourth calendar quarter of 2013.

What is the strategic rationale of the acquisition?

The sTec acquisition is part of Western Digital's strategy to capitalize on the dramatic changes within the storage industry by investing in SSDs and other high-growth storage products. The sTec acquisition enables HGST to accelerate its participation in the rapidly-growing areas of enterprise SSDs. sTec has strong engineering talent and intellectual property that will complement HGST technical expertise and capabilities.

Q4: Does the acquisition require regulatory approval? Has MOFCOM approved this acquisition?

A4: Yes, the sTec acquisition is subject to certain customary regulatory reviews and approvals. A MOFCOM filing is not required. We intend to work cooperatively with the regulators to obtain regulatory clearance as soon as possible.

Q5: Will Mark Moshayedi and Manouch Moshayedi, or any former sTec executives, be involved post-closing?

A5: Mark Moshayedi and Manouch Moshayedi will have no ongoing role with the company, but we will work closely with them to ensure a smooth transition. The specific post-close organization structure will be determined as part of the integration planning process.

Q8: Does WDC inherit any liability exposure associated with Manouch Moshayedi's dealings with the SEC?

A8: As a former officer of sTec, Manouch Moshayedi has an indemnification agreement with sTec. Under this agreement, sTec is advancing Manouch Moshayedi's legal fees in the pending SEC action, and these payments will continue to be made after the transaction closes for the duration of the SEC action. At the same time, WDC and Manouch Moshayedi have separately agreed that, for any liability resulting from the SEC action, the maximum exposure to sTec and WDC will be limited.

Q10: What are the most significant challenges about the eventual integration of sTec into the HGST organization?

A10: Our highest priority upon acquisition will be to capitalize on and retain the outstanding talent in the sTec organization and successfully integrate these professionals into the HGST SSD team.

Q12: Does the sTec acquisition complete the HGST SSD portfolio or are there other building blocks likely?

A12: WDC is focused on executing our growth strategy and capitalizing on the many opportunities within the storage industry. M&A

will be important as we look to expand our participation in cloud storage, solid state storage, Connected Life and other high-growth areas. We will continue to look for opportunities to accelerate technology innovation and product development efforts in order to better meet our customers' needs and demands.

Will this acquisition accelerate HGST's entry into the PCIe market? Are there strong PCIe assets being acquired?

As previously stated, HGST intends to participate in the PCIe segment of the enterprise SSD space. sTec has developed SSD products with a broad set of interfaces. The combined experience and talent of the engineering teams will strengthen our technical capabilities to enable a broad SSD solutions portfolio in support of our customers' expanding needs.

How many patents are being acquired?

sTec currently has approximately 55 issued patents and 78 patent applications pending. All of these patent rights are included in the transaction.

Is this deal changing the Western Digital business model?

No. The acquisition augments HGST's solid state capabilities, but does not change the Western Digital business model.

Will Western Digital be able to stay at \$550m per quarter for operating expenses?

A12: Western Digital's 10-12% OPEX to revenue target business model remains unchanged. sTec is an ongoing business; while efficiency synergies have been identified that can be achieved with the HGST organization, there will be opex incremental to the approximate \$550 million WDC quarterly opex run rate. The latter amount was established for the two drive subsidiaries at the time of the HGST acquisition by WDC.

Q13: When will this deal be accretive?

A13: We expect to achieve accretion within 12 months after we close the transaction.

Q14: Will Western Digital receive sTec's cash?

A14: Yes, as part of the acquisition.

Q15: Is Western Digital interested in exploring a deeper NAND relationship in the future?

A15: We are excited about the sTec acquisition, as the transaction fits well with our strategy to invest in SSDs

Q16: and other growth areas. We will continue to look for opportunities to grow in this area.
A16: **What are the anticipated benefits and synergies that can be gained by this acquisition?**
Q17: The sTec acquisition enables a broader participation in the rapidly growing area of enterprise SSDs. sTec has strong engineering talent and intellectual property that will complement HGST's technical expertise and capabilities. We are continuing to assess the benefits and possible financial synergies as a result of the acquisition.
A17:
Q18:
A18:

How does the acquisition complement HGST's technology?

The acquisition will complement HGST's technology position and IP portfolio. It will also bring valuable engineering and design resources that will allow us to accelerate our efforts across a broader portfolio of SSD products.

Does this focus on SSDs mean that WDC and HGST see more opportunity in flash solutions than in traditional HDDs?

SSDs represent a large, exciting growth area for HGST. However, HGST believes both SSDs and HDDs have a growing future in tiered storage for the datacenter. HDDs will remain the storage vehicle of choice for the bulk of data, storing 75% of all data, either in the cloud or locally, by 2020. SSDs are well-suited for datacenter applications and workloads – those involving highest I/O transactions and supporting applications such as cloud services, database workloads, and big-data analytics.

Products and Strategy

Q19: **How much overlap is there in the enterprise SSD space between sTec's solutions and HGST's offerings?**
A19:

Q20: sTec and HGST product offerings are largely complementary. sTec has developed SSD products with a broad set

Q20: of interfaces, while HGST has a successful product line that has been developed in partnership with Intel Corp.

Will HGST continue to support the sTec product line?

HGST will continue to support existing sTec products and collaborate with its customers to understand their

future requirements. There will be no change to sTec product availability through the close of the acquisition. Upon close, we will evaluate programs on a case-by-case basis to determine the go-forward strategy.

Q21: What impact does this announcement have, if any, on WD's SSD business and the SSD choices now being offered customers by the two subsidiaries?

A21: The sTec acquisition, which is focused on enterprise-class SSDs, does not directly impact WD. We are continuing to comply with the MOFCOM hold-separate order with regard to HGST and WD. WD is building the products and relationships that will sustain its success in the market. WD recently announced its relationship with SanDisk for Solid State Hybrid Drives (SSHDs). These products are in qualification at a number of WD's strategic OEM customers.

Partnerships

Q22: **What does the sTec acquisition mean to HGST's current relationship with Intel?**

A22: HGST remains committed to our highly successful joint development program with Intel Corp. and will continue to deliver current and future SAS-based SSD products with Intel.
Organization

Q23: **Who will be running the combined SSD business at HGST?**

A23: HGST CTO Steven Campbell will oversee the integration process upon close of the sTec acquisition. The specific post-close organization structure will be determined as part of the integration planning process.

Forward Looking Statements

These FAQs contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements concerning benefits expected from the sTec acquisition, the expected timing of the completion of the transaction and management's anticipated plans and strategies for the sTec business. These forward-looking statements are based on management's current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements, including failure to consummate or delay in consummating the transaction; the possibility that the expected benefits of the transaction may not materialize as expected; failure to successfully integrate the products, technology, research and development capabilities, infrastructure and employees of HGST and sTec; the impact of continued uncertainty and volatility in global economic conditions; actions by competitors; business conditions and growth in the various hard drive markets; and other risks and uncertainties listed in Western Digital's filings with the Securities and Exchange Commission (the "SEC"), including Western Digital's recent Form 10-Q filed with the SEC on May 3, 2013, to which your attention is directed. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, and Western Digital undertakes no obligation to update these forward-looking statements to reflect subsequent events or circumstances.