
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): April 22, 2010

Western Digital Corporation

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

001-08703
(Commission File Number)

33-0956711
(I.R.S. Employer Identification No.)

20511 Lake Forest Drive
Lake Forest, California
(Address of Principal Executive Offices)

92630
(Zip Code)

(949) 672-7000
(Registrant's Telephone Number, Including Area Code)

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 240.425)
 - 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 2.02 Results of Operations and Financial Condition.

On April 22, 2010, Western Digital Corporation (“Western Digital”) announced financial results for the third fiscal quarter ended April 2, 2010. A copy of the press release making this announcement is attached hereto as Exhibit 99.1 and is incorporated herein by reference. A copy of Western Digital’s Investor Information Summary for the third fiscal quarter ended April 2, 2010 is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

In accordance with General Instruction B.2 of Form 8-K, the information in this Item 2.02, including Exhibit 99.1 and Exhibit 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 (the “Securities Act”), 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

- 99.1 Press Release issued by Western Digital Corporation on April 22, 2010 announcing financial results for the third fiscal quarter ended April 2, 2010.
- 99.2 Third Quarter Fiscal Year 2010 Western Digital Corporation Investor Information Summary.

SIGNATURE

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, thereunto duly authorized.

Western Digital Corporation
(Registrant)

By: /s/ Raymond M. Bukaty _____

Raymond M. Bukaty
Senior Vice President, Administration,
General Counsel and Secretary

Date: April 22, 2010

Company contacts:
Bob Blair
Investor Relations
949.672.7834
robert.blair@wdc.com

Steve Shattuck
Public Relations
949.672.7817
steve.shattuck@wdc.com

FOR IMMEDIATE RELEASE:

**WD® ANNOUNCES FISCAL Q3 REVENUE OF \$2.6 BILLION WITH
NET INCOME OF \$400 MILLION, OR \$1.71 PER SHARE**

***Revenue Up 66 Percent, Hard Drive Shipments Up 62 Percent,
From Year-ago Quarter***

LAKE FOREST, Calif. — Apr. 22, 2010 — Western Digital Corp. (NYSE: WDC) today reported revenue of \$2.6 billion, hard drive shipments of 51.1 million units and net income of \$400 million, or \$1.71 per share, for its third fiscal quarter ended Apr. 2, 2010. In the year-ago quarter, the company reported revenue of \$1.6 billion, hard drive shipments of 31.6 million units, and net income of \$50 million, or \$0.22 per share.

The company generated \$588 million in cash from operations during the third quarter, ending with total cash and cash equivalents of \$2.8 billion.

John Coyne, president and chief executive officer said: “With market demand stronger than anticipated in the March quarter, our large-scale vertical integration, agile business model and product breadth allowed us to respond to this upside opportunity and again grow our share of the overall hard drive market.

“We believe that 2010 will continue to be a strong year for digital storage,” said Coyne. “We will maintain our focus on facilitating our customers’ growth and making them successful while at the same time achieving sustained profitability for WD.”

The investment community conference call to discuss these results will be broadcast live over the Internet today at 2 p.m. Pacific/5 p.m. Eastern. The call will be accessible live and on an archived basis via the link below:

Audio Webcast: www.westerndigital.com/investor
Click on “Conference Calls”

Telephone Replay: 800-879-3693 (toll-free)
+1-402-220-4717 (international)

About WD

WD, one of the storage industry’s pioneers and long-time leaders, provides products and services for people and organizations that collect, manage and use digital information. The company designs and produces reliable, high-performance hard drives and solid state drives that keep users’ data accessible and secure from loss. Its advanced technologies are configured into applications for client and enterprise computing, embedded systems and consumer electronics, as well as its own consumer storage and media products.

WD was founded in 1970. The company’s storage products are marketed to leading OEMs, systems manufacturers, selected resellers and retailers under the Western Digital® and WD brand names. Visit the Investor section of the company’s website (www.westerndigital.com) to access a variety of financial and investor information.

This press release contains forward-looking statements concerning demand for digital storage in 2010, growth by WD's customers and WD's profitability. The foregoing forward-looking statements are based on WD's current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements, including: the impact of recent uncertainty and volatility in global economic conditions; supply and demand conditions in the hard drive industry; actions by competitors; unexpected advances in competing technologies; uncertainties related to the development and introduction of products based on new technologies and expansion into new data storage markets; business conditions and growth in the various hard drive markets; pricing trends and fluctuations in average selling prices; changes in the availability and cost of commodity materials and specialized product components that WD does not make internally; and other risks and uncertainties listed in WD's recent Form 10-Q filed with the SEC on Jan. 29, 2010, 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 WD undertakes no obligation to update these forward-looking statements to reflect subsequent events or circumstances.

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Western Digital, WD, and the WD logo are registered trademarks of Western Digital Technologies, Inc. All other trademarks mentioned herein belong to their respective owners.

WESTERN DIGITAL CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions; unaudited)

	<u>Apr. 2, 2010</u>	<u>Jul. 3, 2009</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,826	\$ 1,794
Accounts receivable, net	1,257	926
Inventories	507	376
Other	188	134
Total current assets	<u>4,778</u>	<u>3,230</u>
Property and equipment, net	1,756	1,584
Goodwill	139	139
Other intangible assets, net	80	89
Other assets	247	249
Total assets	<u>\$ 7,000</u>	<u>\$ 5,291</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,508	\$ 1,101
Accrued expenses	225	247
Accrued warranty	124	95
Current portion of long-term debt	100	82
Total current liabilities	<u>1,957</u>	<u>1,525</u>
Long-term debt	325	400
Other liabilities	287	174
Total liabilities	<u>2,569</u>	<u>2,099</u>
Shareholders' equity	4,431	3,192
Total liabilities and shareholders' equity	<u>\$ 7,000</u>	<u>\$ 5,291</u>

WESTERN DIGITAL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in millions, except per share amounts)
(unaudited)

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>Apr. 2, 2010</u>	<u>Mar. 27, 2009</u>	<u>Apr. 2, 2010</u>	<u>Mar. 27, 2009</u>
Revenue, net	\$ 2,641	\$ 1,592	\$ 7,468	\$ 5,524
Cost of revenue	1,976	1,339	5,602	4,557
Gross margin	<u>665</u>	<u>253</u>	<u>1,866</u>	<u>967</u>
Operating expenses:				
Research and development	160	125	456	377
Selling, general and administrative	64	49	177	149
Acquired in-process research and development	—	14	—	14
Restructuring	—	4	—	117
Total operating expenses	<u>224</u>	<u>192</u>	<u>633</u>	<u>657</u>
Operating income	441	61	1,233	310
Net interest and other	<u>(1)</u>	<u>(3)</u>	<u>(5)</u>	<u>(16)</u>
Income before income taxes	440	58	1,228	294
Income tax provision	40	8	110	20
Net income	<u>\$ 400</u>	<u>\$ 50</u>	<u>\$ 1,118</u>	<u>\$ 274</u>
Income per common share:				
Basic	<u>\$ 1.75</u>	<u>\$ 0.22</u>	<u>\$ 4.93</u>	<u>\$ 1.23</u>
Diluted	<u>\$ 1.71</u>	<u>\$ 0.22</u>	<u>\$ 4.82</u>	<u>\$ 1.22</u>
Common shares used in computing per share amounts:				
Basic	<u>229</u>	<u>223</u>	<u>227</u>	<u>222</u>
Diluted	<u>234</u>	<u>226</u>	<u>232</u>	<u>225</u>

WESTERN DIGITAL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions; unaudited)

	Three Months Ended		Nine Months Ended	
	Apr. 2, 2010	Mar. 27, 2009	Apr. 2, 2010	Mar. 27, 2009
Cash flows from operating activities				
Net income	\$ 400	\$ 50	\$ 1,118	\$ 274
Adjustments to reconcile net income to net cash provided by operations:				
Depreciation and amortization	128	119	376	358
Stock-based compensation	16	12	43	33
Deferred income taxes	4	—	(2)	(7)
Loss on investments	—	1	—	10
Non-cash portion of restructuring	—	1	—	81
Acquired in-process research and development	—	14	—	14
Changes in operating assets and liabilities	40	158	44	193
Net cash provided by operating activities	<u>588</u>	<u>355</u>	<u>1,579</u>	<u>956</u>
Cash flows from investing activities				
Acquisitions, net of cash acquired	—	(44)	—	(44)
Purchases of property and equipment	(177)	(106)	(552)	(408)
Sales and maturities of investments	1	—	4	1
Net cash used in investing activities	<u>(176)</u>	<u>(150)</u>	<u>(548)</u>	<u>(451)</u>
Cash flows from financing activities				
Issuance of stock under employee stock plans, net	(2)	(1)	38	8
Excess tax benefits from employee stock plans	—	1	20	5
Repurchases of common stock	—	—	—	(36)
Repayment of long-term debt	(19)	(2)	(57)	(7)
Net cash provided by (used in) financing activities	<u>(21)</u>	<u>(2)</u>	<u>1</u>	<u>(30)</u>
Net increase in cash and cash equivalents	391	203	1,032	475
Cash and cash equivalents, beginning of period	2,435	1,376	1,794	1,104
Cash and cash equivalents, end of period	<u>\$ 2,826</u>	<u>\$ 1,579</u>	<u>\$ 2,826</u>	<u>\$ 1,579</u>

WESTERN DIGITAL CORPORATION
INVESTOR INFORMATION SUMMARY
Q3 FY2010 (All amounts in millions, except ASPs and headcount)

	Q3 FY09	Q4 FY09	Q1 FY10	Q2 FY10	Q3 FY10
UNITS¹	31.6	40.0	44.1	49.5	51.1
REVENUE	\$ 1,592	\$ 1,928	\$ 2,208	\$ 2,619	\$ 2,641
AVERAGE SELLING PRICE¹	\$ 50	\$ 48	\$ 49	\$ 52	\$ 51
GROSS MARGIN %	15.9%	19.2%	23.3%	26.2%	25.2%
REVENUE BY CHANNEL					
OEM	48%	54%	52%	48%	49%
DISTRIBUTORS	30%	29%	31%	30%	33%
RETAIL	22%	17%	17%	22%	18%
REVENUE BY GEOGRAPHY					
AMERICAS	26%	24%	22%	25%	24%
EUROPE	28%	22%	22%	25%	24%
ASIA	46%	54%	56%	50%	52%
REVENUE CONCENTRATION					
10 LARGEST CUSTOMERS	47%	52%	56%	55%	51%
WORLDWIDE HEADCOUNT	43,898	45,991	52,208	55,128	61,803
CASH RELATED INFORMATION					
CASH FLOW FROM OPERATIONS	\$ 355	\$ 349	\$ 434	\$ 557	\$ 588
CAPITAL EXPENDITURES	\$ 106	\$ 111	\$ 176	\$ 199	\$ 177
DEPRECIATION AND AMORTIZATION	\$ 119	\$ 122	\$ 121	\$ 126	\$ 128
DAYS SALES OUTSTANDING	47	47	47	47	43
DAYS PAYABLES OUTSTANDING	68	69	72	71	69
INVENTORY METRICS					
RAW MATERIALS	\$ 104	\$ 97	\$ 96	\$ 102	\$ 115
WORK IN PROCESS	152	154	173	212	254
FINISHED GOODS	129	125	126	139	138
TOTAL INVENTORY, NET	\$ 385	\$ 376	\$ 395	\$ 453	\$ 507
INVENTORY TURNS	14	15	17	17	16

¹ Based on sales of hard drive units only (excludes SSD, WD TV Media Player, and media/substrates)