

## Seagate Technology Reports Fiscal Third Quarter 2008 Results

*Quarterly revenue grows 10% year-over-year; Quarterly net income increases 62% year-over-year; Ships approximately 43 million units for the quarter, up 8%*

New Delhi, Delhi, IND, 2008-04-17 15:30:47 (IndiaPRwire.com) Seagate Technology (NYSE: STX) reported disc drive unit shipments of approximately 43 million, revenue of \$3.1 billion, GAAP net income of \$344 million, and diluted net income per share of \$0.65 for the quarter ended March 28, 2008. GAAP net income and diluted net income per share includes approximately \$29 million of purchased intangibles amortization and other charges associated with Seagate's recent acquisitions and also a net gain from asset sales of approximately \$4 million. Excluding these items, non-GAAP net income and diluted net income per share were \$369 million and \$0.70, respectively. Included in both GAAP and non-GAAP results are restructuring and other charges of approximately \$20 million or approximately \$0.04 per share.

For the nine months ended March 28, 2008, Seagate reported revenue of \$9.8 billion, GAAP net income of \$1.1 billion, and diluted net income per share of \$2.02. GAAP net income and diluted net income per share includes approximately \$90 million of purchased intangibles amortization and other charges associated with Seagate's recent acquisitions and also a net gain from asset sales of approximately \$19 million. Excluding these items, non-GAAP net income and diluted net income per share were \$1.2 billion and \$2.15, respectively. Included in both GAAP and non-GAAP results are restructuring and other charges of approximately \$52 million or approximately \$0.09 per share.

'We are pleased with Seagate's solid operational and financial performance in the quarter driven by continued strong global demand for storage products,' said Bill Watkins, Seagate CEO. 'Further, we delivered strong year-over-year revenue and earnings growth in the third quarter. We continue to believe that there is significant opportunity in the notebook and retail markets - two areas where the company recently has not performed to expectation. We expect to see improved performance in these areas in the June quarter and through the calendar year.'

Adjustments made to GAAP net income and diluted net income per share can be found with the financial statements included with this press release. Additional information relating to the financial results for the third fiscal quarter of 2008 can be found online at [seagate.com](http://seagate.com).

### **Business Outlook**

For the June quarter, Seagate expects to report revenue of \$2.85 - \$3.0 billion, and GAAP diluted net income per share of \$0.37 - \$0.41. Excluding approximately \$21 million of purchased intangibles amortization and other charges associated with past closed acquisitions, non-GAAP diluted net income per share for the June quarter is expected to fall within the range of \$0.41 - \$0.45.

This guidance does not include the impact of any future acquisitions, stock repurchases or restructuring activities the company may undertake.

### **Dividend and Stock Repurchase**

The company has declared a quarterly dividend of \$0.12 per share to be paid on or before May 16, 2008 to all common shareholders of record as of May 2, 2008.

During the quarter ended March 28, 2008, the company purchased 36 million of its common shares at an average price of \$21.79. Additionally, through April 14, under a 10b5-1 qualified stock repurchase plan, Seagate has purchased 9.1 million shares at an average cost of \$21.36. The company has authorization to purchase approximately \$2.0 billion of additional shares under the current stock repurchase program.

### **Cautionary Note Regarding Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements include, but are not limited to, statements related to the company's future operating and financial performance, including expected revenue, net income and diluted earnings per share (presented on a GAAP basis as well as on a non-GAAP adjusted basis), price and product competition, customer demand for our products, and general market conditions. These forward-looking statements are based on information available to Seagate as of the date of this press release. Current expectations, forecasts and assumptions involve a number of risks, uncertainties, and other factors that could cause actual results to differ materially from those anticipated by these forward-looking statements. Such risks, uncertainties, and other factors may be beyond the company's control. In particular, such risks and uncertainties include the impact of the variable demand and the aggressive pricing environment for disc drives, particularly in view of current economic conditions; dependence on Seagate's ability to successfully qualify, manufacture and sell its disc drive products in increasing volumes on a cost-effective basis and with acceptable quality, particularly the new disc drive products with lower cost structures; the impact of competitive product announcements and possible excess industry supply with respect to particular disc drive products; and market conditions and alternative cash imperatives which could impact our ability to repurchase stock. Information concerning risk, uncertainties and other factors that could cause results to differ materially from those projected in the forward-looking statements is contained in the company's Annual Report on Form 10-K as filed with the U.S. Securities and Exchange Commission on August 27, 2007 and in the company's Quarterly Report on Form 10-Q as filed with the U.S. Securities and Exchange Commission on January 30, 2008, which statements are incorporated into this press release by reference. These forward-looking statements should not be relied upon as representing the company's views as of any subsequent date and Seagate undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date they were made.

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Seagate is the worldwide leader in the design, manufacture and marketing of hard disc drives, providing products for a wide-range of applications, including Enterprise, Desktop, Mobile Computing, Consumer Electronics and Branded Solutions. Seagate's business model leverages technology leadership and world-class manufacturing to deliver industry-leading innovation and quality to its global customers, with the goal of being the low cost producer in all markets in which it participates. The company is committed to providing award-winning products, customer support and reliability to meet the world's growing demand for information storage. Seagate can be found around the globe and at [www.seagate.com](http://www.seagate.com).

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You can also visit [www.melcole.com](http://www.melcole.com) for more information.