



STRATEGIC UPDATE

September 21, 2012



KATE

SCOLNICK

Vice President Investor Relations

FORWARD LOOKING STATEMENTS

The following information 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, including, in particular, statements about our plans, strategies and prospects and estimates of industry growth for the fiscal quarter ending September 30, 2012 and beyond. These statements identify prospective information and include words such as "expects," "plans," "anticipates," "believes," "estimates," "predicts," "projects" and similar expressions. These forward-looking statements are based on information available to the Company as of today. 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, the uncertainty in global economic conditions continues to pose a risk to the Company's operating and financial performance as consumers and businesses may defer purchases in response to tighter credit and financial news. Such risks and uncertainties also include, but are not limited to, the impact of the variable demand and adverse pricing environment for disk drives, particularly in view of current business and economic conditions; dependence on the Company's ability to successfully qualify, manufacture and sell its disk drive products in increasing volumes on a cost-effective basis and with acceptable quality, particularly the new disk drive products with lower cost structures; the impact of competitive product announcements; possible excess industry supply with respect to

FORWARD LOOKING STATEMENTS

The following information 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, including, in particular, statements about our plans, strategies and prospects and estimates of industry growth for the fiscal quarter ending September 30, 2012 and beyond. These statements identify prospective information and include words such as “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “projects” and similar expressions. These forward-looking statements are based on information available to the Company as of today. 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, the uncertainty in global economic conditions continues to pose a risk to the Company’s operating and financial performance as consumers and businesses may defer purchases in response to tighter credit and financial news. Such risks and uncertainties also include, but are not limited to, the impact of the variable demand and adverse pricing environment for disk drives, particularly in view of current business and economic conditions; dependence on the Company’s ability to successfully qualify, manufacture and sell its disk drive products in increasing volumes on a cost-effective basis and with acceptable quality, particularly the new disk drive products with lower cost structures; the impact of competitive product announcements; possible excess industry supply with respect to particular disk drive products; and the Company’s ability to achieve projected cost savings in connection with any restructuring plans. Information concerning risks, 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 9, 2012 which statements are incorporated herein by reference. These forward-looking statements should not be relied upon as representing the Company’s views as of any subsequent date and the Company undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date they were made.

EXECUTIVE MANAGEMENT TEAM

STEVE LUCZO

Chairman, President & Chief Executive Officer

PAT O'MALLEY

Executive Vice President & Chief Financial Officer

ROCKY PIMENTEL

Executive Vice President, Chief of Sales & Marketing Officer

DAVE MOSLEY

Executive Vice President Operations

BOB WHITMORE

Executive Vice President & Chief Technology Officer

AGENDA

SEAGATE FINANCIALS

Pat O'Malley: Executive Vice President & Chief Financial Officer

?? Q & A

BREAK

?? Q & A

SEAGATE STRATEGY

Steve Luczo: Chairman, President & Chief Executive Officer

An aerial view of a city skyline, rendered in a light blue and grey color palette. A prominent skyscraper with a curved facade is visible on the left. A circular white border frames a portrait of Steve Luczo, a middle-aged man with brown hair, wearing a dark suit jacket over a light blue shirt. To the right of the portrait, the name 'STEVE LUCZO' is displayed in large, white, sans-serif capital letters on a dark grey rectangular background. Below the name, a white callout box contains the text 'Chairman, President & CEO' in a teal color. The entire graphic is set against a background of orange and blue geometric shapes.

STEVE LUCZO

Chairman, President & CEO

FY2012 SNAPSHOT

GLOBAL EMPLOYEES

55,000 in 24 countries



- Design
- HQ, R&D, and/or Sales
- Customer Support
- Drive and Equipment Leasing

TAKE AWAYS

- Change and exponential information growth in mobility and cloud environments is driving tremendous opportunity for storage infrastructure
- Seagate is well positioned competitively with deep trusted technology expertise to maintain industry leadership in a consolidated market and successfully develop adjacent opportunities
- Seagate has a resilient financial model to effectively leverage both market opportunities and uncertainty.

Seagate is focused on sustaining a strong track record for delivering shareholder value

SEAGATE TECHNOLOGY FY 2012 SHAREHOLDER RETURN

- 83% of operating cash flow returned to shareholders
- A strong foundation capital allocation strategy aligned with total shareholder return

SEAGATE TECHNOLOGY FY 2012 RECORD RESULTS

	FY07	FY12	5-Year CAGR
Bytes shipped	21.6	148.8	+45.60%
Average Capacity Per Drive	160GB	167GB	+42.23%
Units Shipped	136 Million	224 Million	+15.94%
Revenue	\$11.4 Billion	\$24.6 Billion	+12.2%
Net Income	\$983 Million	\$1.8 Billion	+12.6%
Earnings Per Share	\$1.20	\$1.49	+19.2%
Gross Margin	38.2%	58.3 Billion	+28.5%
Operating Cash Flow	\$943 Million	\$636 Million	-8.8%
Capital Expenditures	\$988 Million	\$636 Million	-8.8%

A strong foundation of financial performance that shapes our long term model

SEAGATE TECHNOLOGY FY 2012 RECORD RESULTS

	FY07	FY12	5-Year CAGR
Exabytes shipped	24.6	149.6	+43.48%
Average Capacity Per Drive	165GB	667GB	+32.23%
Units Shipped	159 Million	224 Million	+8.54%
Revenue	\$11.4 Billion	\$14.9 Billion	+5.5%
Net Income	\$933 Million	\$2.9 Billion	+25.5%
Earnings Per Share	\$1.59	\$6.49	+32.5%
Gross Margin	19.2%	31.4%	+10.3%
Operating Cash Flow	\$943 Million	\$3.3 Billion	+28.5%
Capital Expenditures	\$906 Million	\$636 Million	-6.8%

**A strong foundation of financial performance
that shapes our long term model**

SEAGATE TECHNOLOGY FY 2012 SHAREHOLDER RETURN



85% of operating cash flow returned to shareholders

**A strong foundation capital allocation
strategy aligned with total shareholder return**

GLOBAL EMPLOYEES

55,000 in 24 countries



SEAGATE EXECUTIVES & BOARD OF DIRECTORS



Engaged and experienced **Senior Leadership Team**

Collective **decades** of global storage & manufacturing experience

1/3 of senior leadership is new to Seagate from top industry companies



Compensation aligned with Corporate Objectives



Engaged and experienced **Board of Directors**

Collective **decades** of global storage & manufacturing experience

9 directors current/former CEOs, **5** new directors

Focused on the **best** practices in corporate governance

TAKE AWAYS



Change and exponential information **growth in mobility and cloud environments** is driving tremendous **opportunity** for storage infrastructure



Seagate is well positioned competitively with **deep trusted technology expertise** to maintain industry leadership in a consolidated market and successfully develop adjacent opportunities



Seagate has a **resilient financial model** to effectively leverage both market opportunities and uncertainty.

Seagate is focused on sustaining a strong track record for delivering shareholder value



CONVERGENCE



APPLICATIONS



ARCHITECTURES

CONSOLIDATION



CHANGING WORLD

CONSOLIDATION

Years of Supplier Consolidation: 1997 - 2012

INDEPENDENT TECHNOLOGY

	1997	2012
Heads	14	1
Media	12	2
Motors	5	3
Substrates	22	6
Suspensions	4	4

Source: IDC, Gartner & Seagate Market Research

Seagate 

 Western Digital

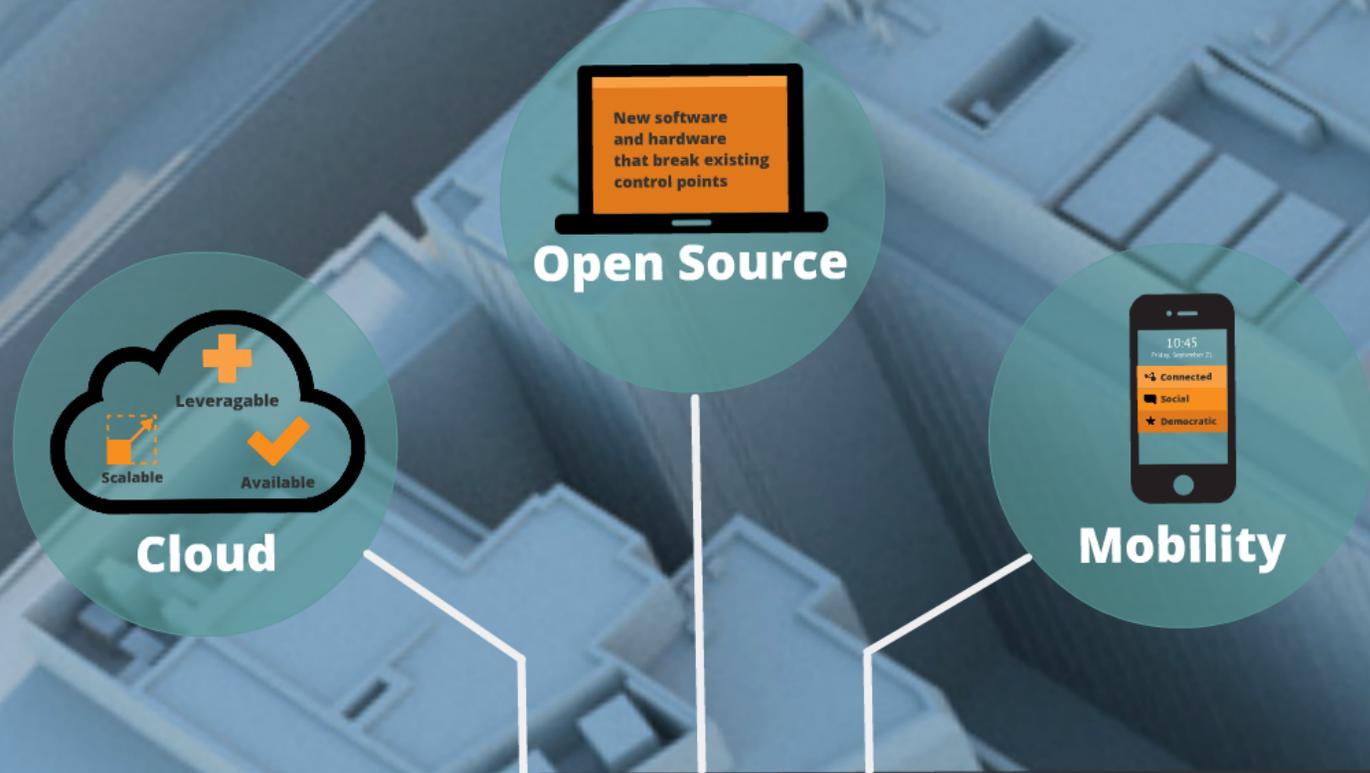
TOSHIBA

Years of Supplier Consolidation:1997 - 2012

INDEPENDENT TECHNOLOGY

	1997	2012
Heads	14	1
Media	12	2
Motors	5	3
Substrates	22	6
Suspensions	4	4

Source: IDC, Gartner & Seagate Market Research



New software and hardware that break existing control points

Open Source

Leveragable
Scalable Available

Cloud

10:45
Fri, September 21
Connected
Social
Democratic

Mobility

ARCHITECTURES



Leveragable

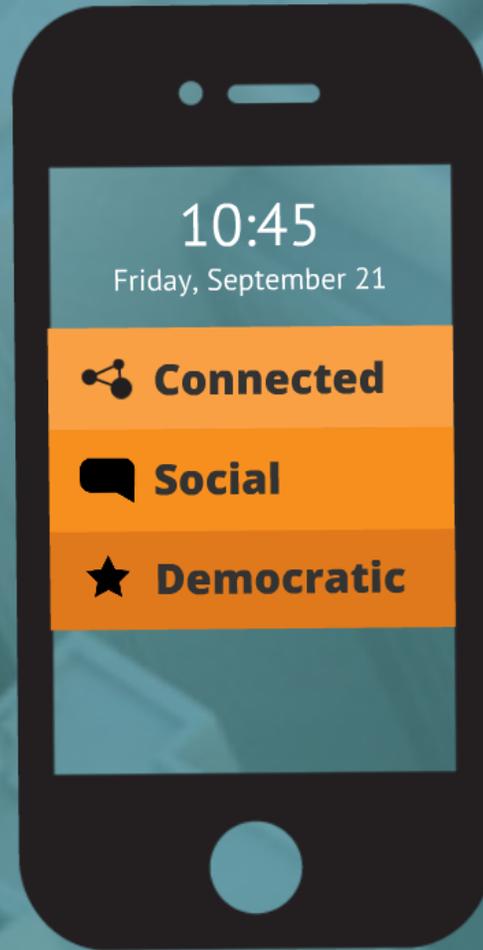


Scalable

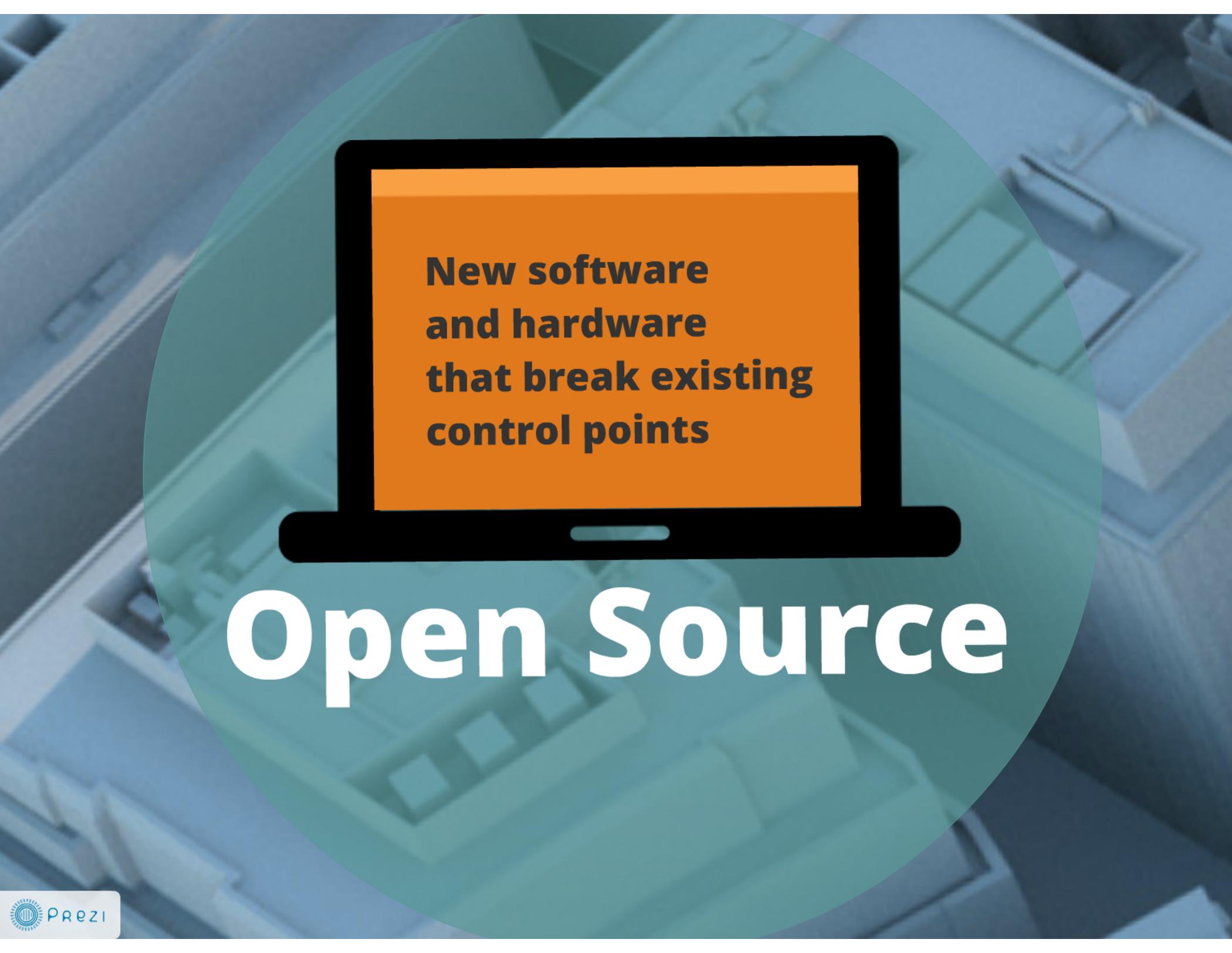


Available

Cloud



Mobility



**New software
and hardware
that break existing
control points**

Open Source



CONVERGENCE



APPLICATIONS

INFRASTRUCTURE



Processors, network, storage



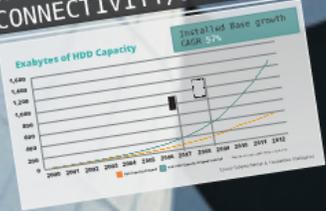
Security, ease of use, availability, analytics



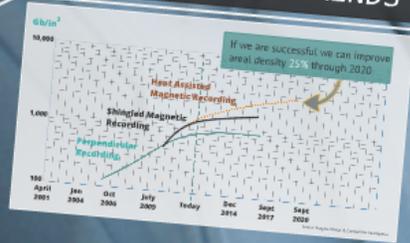
Virtualization

- Processors, network, stor
- Security, ease of use, avail
- Virtualization

DATA GROWTH FUELED BY CONNECTIVITY/DEVICE EXPANSION

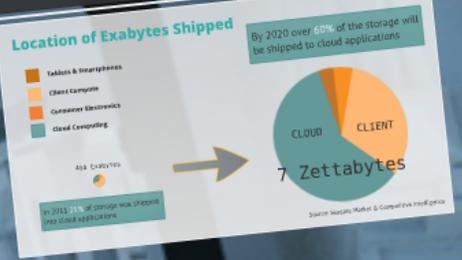


AREAL DENSITY TRENDS



DRIVE MASSIVE PETABYTE GROWTH

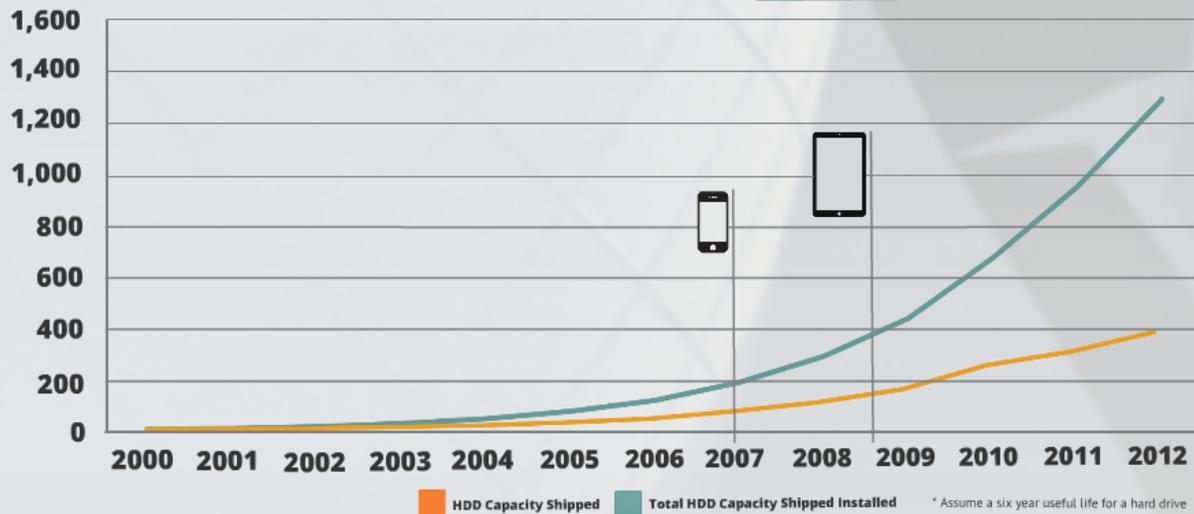
LOCATION, LOCATION, LOCATION



DATA GROWTH FUELED BY CONNECTIVITY/DEVICE EXPANSION

Exabytes of HDD Capacity

Installed Base growth
CAGR 57%

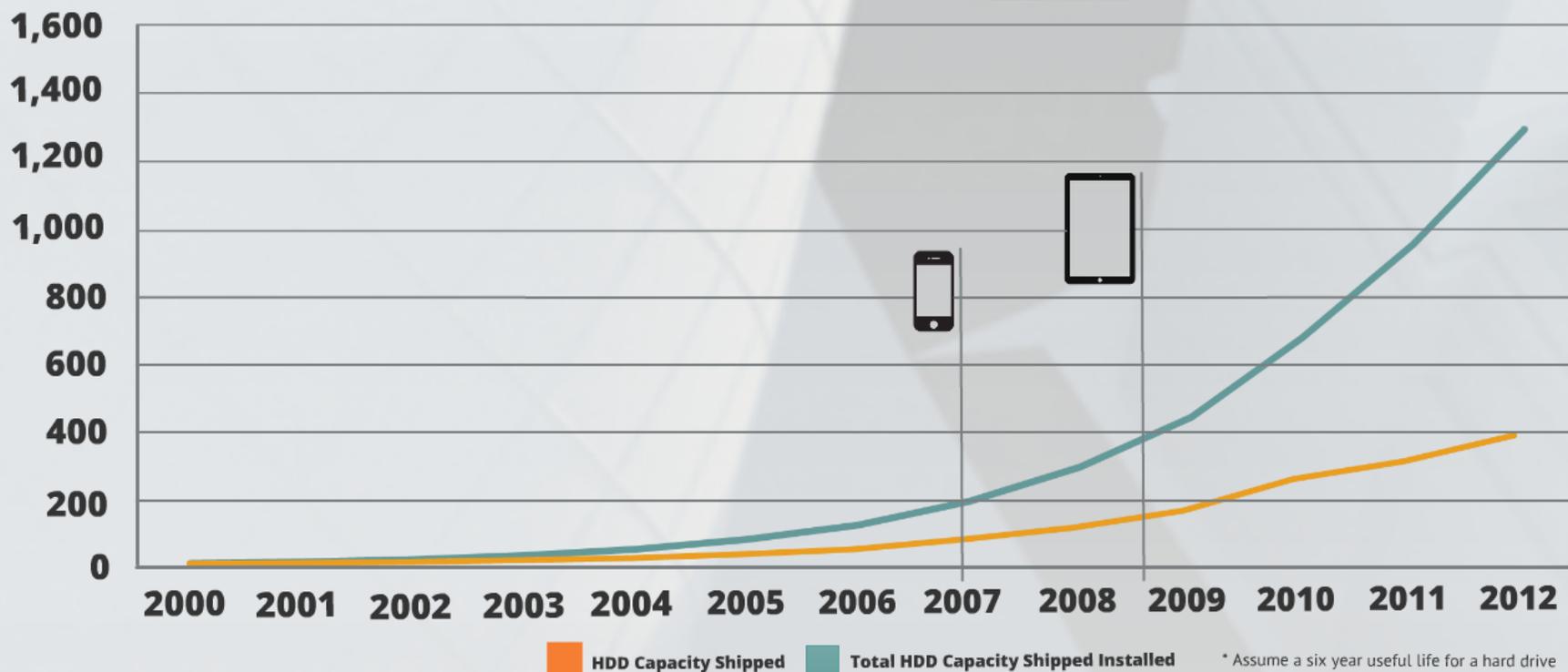


Source: Seagate Market & Competitive Intelligence

CONNECTIVITY/DEVICE EX

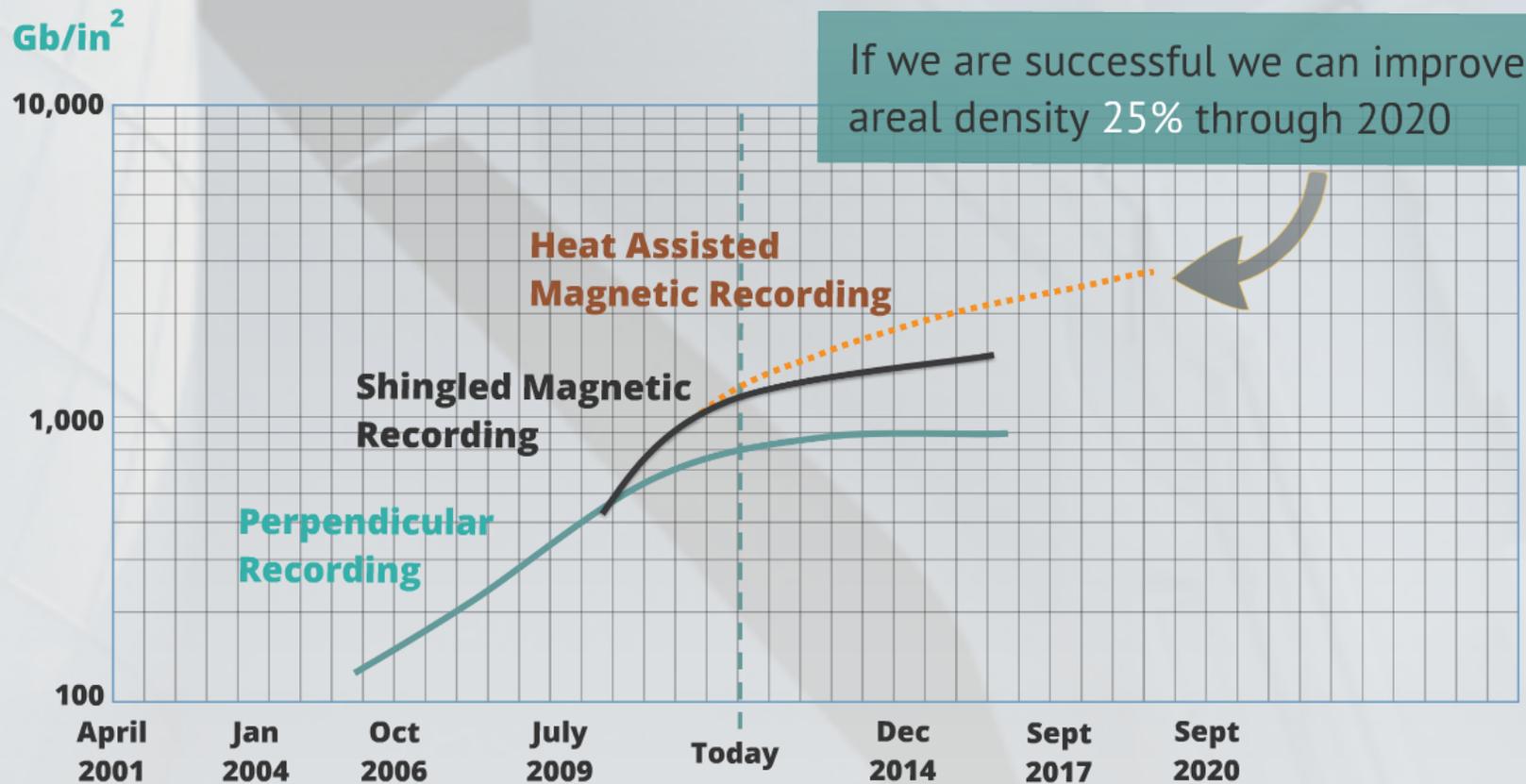
Exabytes of HDD Capacity

Installed Base growth
CAGR 57%



Source: Seagate Market & Competitive Intelligence

AREAL DENSITY TRENDS



Source: Seagate Market & Competitive Intelligence

LOCATION, LOCATION, LOCATION

Location of Exabytes Shipped



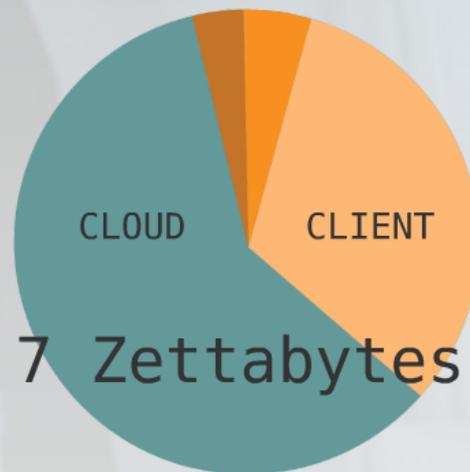
450 Exabytes



In 2011 25% of storage was shipped into cloud applications



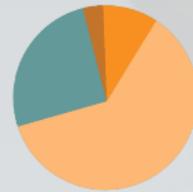
By 2020 over 60% of the storage will be shipped to cloud applications



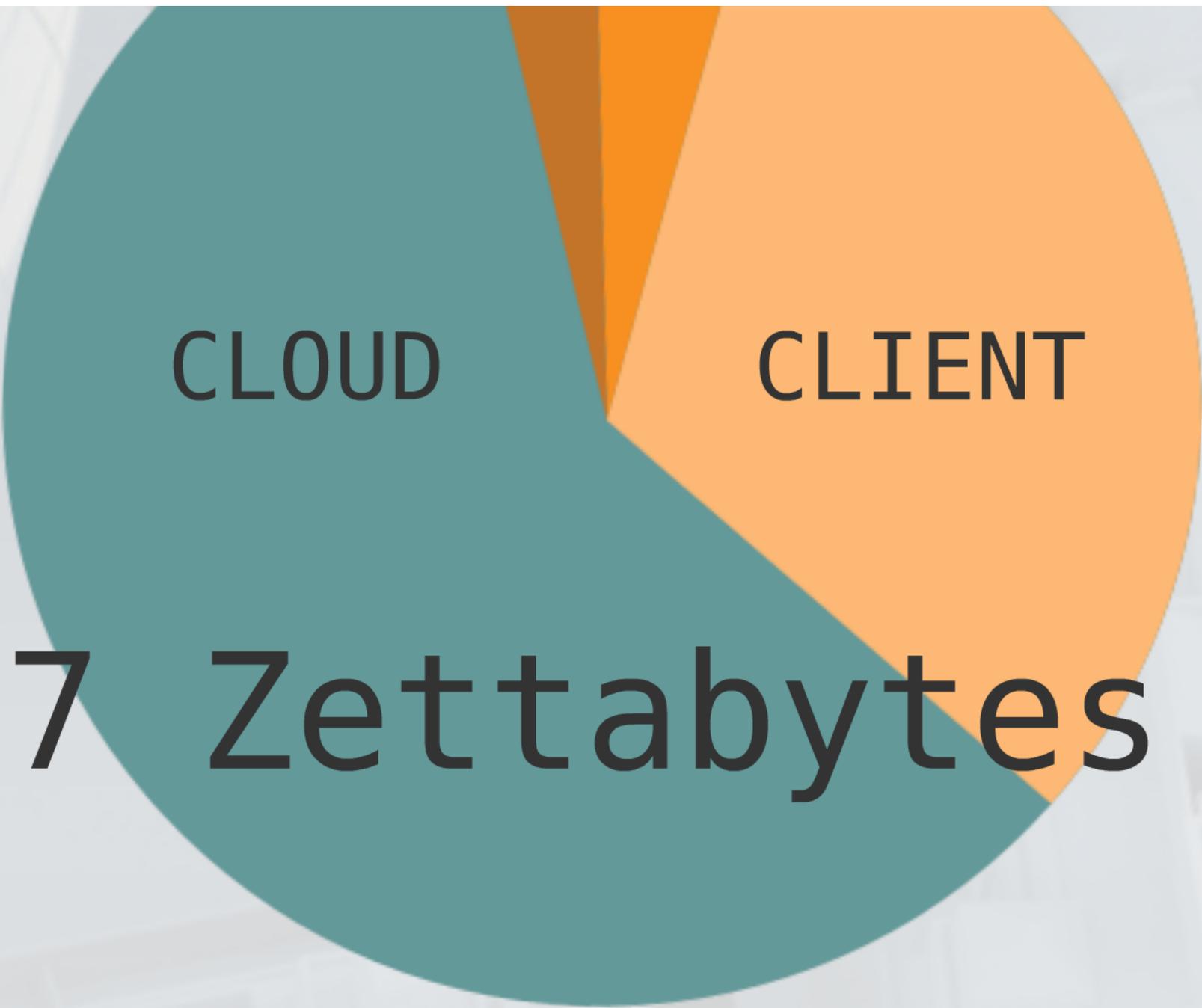
7 Zettabytes

Source: Seagate Market & Competitive Intelligence

450 Exabytes



In 2011 25% of storage was shipped into cloud applications



7 Zettabytes

Source: Seagate Market & Competitive Intelligence

LOCATION, LOCATION, LOCATION

Location of Exabytes Shipped



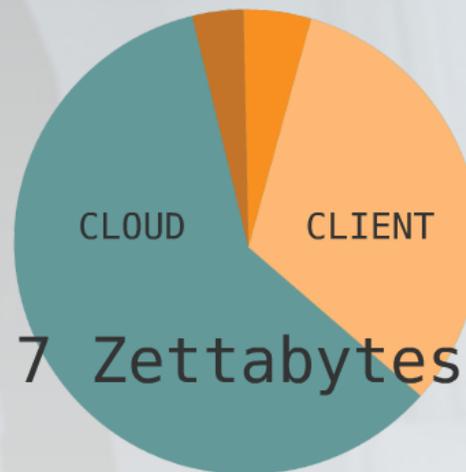
450 Exabytes



In 2011 25% of storage was shipped into cloud applications



By 2020 over 60% of the storage will be shipped to cloud applications



7 Zettabytes

Source: Seagate Market & Competitive Intelligence

OUR VISION

LEADERSHIP

Lead the world in storing, protecting & sharing its digital creations

PRIORITIES



INNOVATION & TECHNOLOGY LEADERSHIP

4,000 engineers, 7,500 patents



- Recent Firsts:
 - Perpendicular recording
 - Spin speeds: 7,200 rpm, 15,500 rpm
 - Capacity points: 150GB, 1.5 TB, 3TB, 4TB
 - Form factor: 2.5-inch Enterprise, form factor
 - Solid-state hybrid drive, wireless drive
 - 12Gb SAS

OUR STRATEGY

INNOVATION & LEADERSHIP

Innovative products and solutions
Extend technical leadership

LEADERSHIP



Lead the world in storing, protecting & sharing its digital creations

OUR STRATEGY

PRIORITIES



INNOVATION & TECHNOLOGY LEADERSHIP

- ✓ ✓ 4,000 engineers, 7,500 patents
- Recent Firsts:
 - Perpendicular recording
 - Spin speeds: 7,200 rpm, 15,000 rpm
 - Capacity points: 750GB, 1.5 TB, 3TB, 4TB
 - Form factor: 2.5-inch Enterprise, 7mm
 - Solid-state hybrid drive, wireless drive
 - 12Gb SAS

INNOVATION & LEADERSHIP

- ✓ ✓ Innovative products and solutions
- Extend technical leadership



INNOVATION & LEADERSHIP



Innovative products and solutions



Extend technical **leadership**

INNOVATION & TECHNOLOGY LEADERSHIP



HDD, SHDD



SSD



DAS



HOME
NAS



BUSINESS
NAS



WIRELESS



4,000 engineers, **7,500** patents

Recent Firsts:

- Perpendicular recording
- Spin speeds: 7,200 rpm, 15,000 rpm
- Capacity points: 750GB, 1.5 TB, 3TB, 4TB
- Form factor: 2.5-inch Enterprise, 7mm
- Solid-state hybrid drive, wireless drive
- 12Gb SAS



TAKE AWAYS



Change and exponential information **growth in mobility and cloud environments** is driving tremendous **opportunity** for storage infrastructure



Seagate is well positioned competitively with **deep trusted technology expertise** to maintain industry leadership in a consolidated market and successfully develop adjacent opportunities



Seagate has a **resilient financial model** to effectively leverage both market opportunities and uncertainty.

Seagate is focused on sustaining a strong track record for delivering shareholder value

... be back at
10:30AM ET

Q & A



BREAK

We'll be back at
10:30AM ET

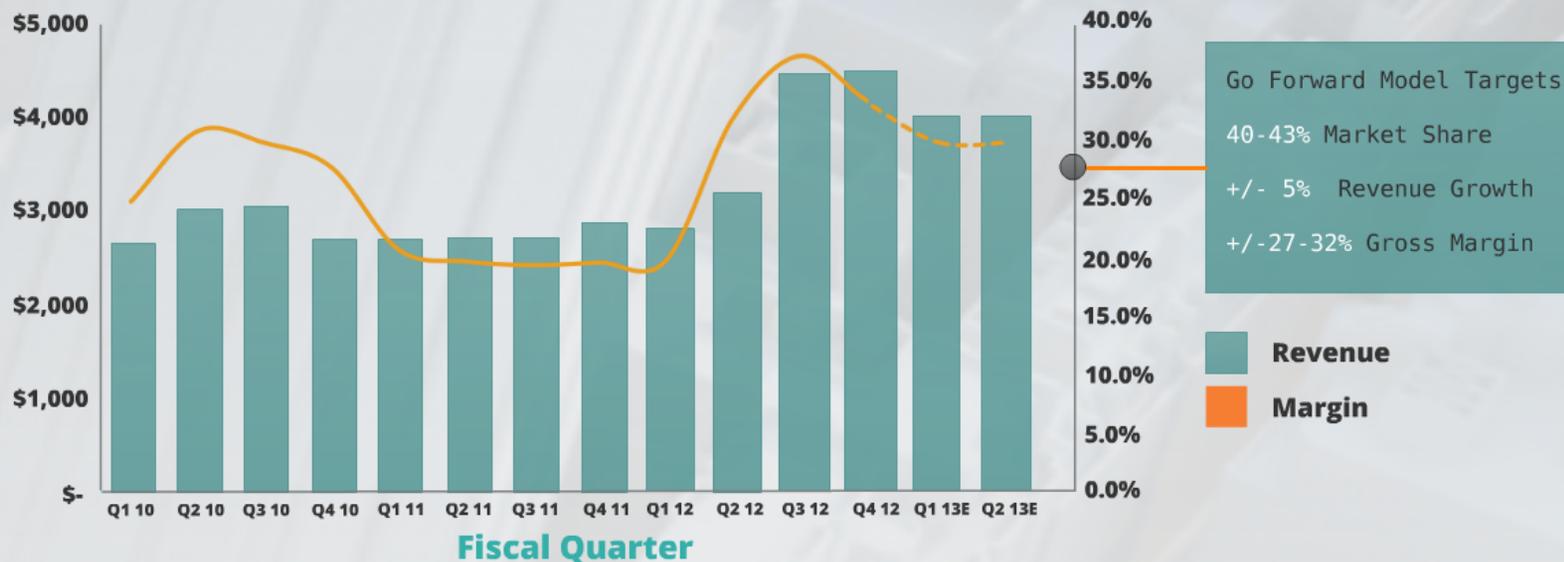


**PAT
O'MALLEY**

Executive Vice President & Chief Financial Officer

CONSOLIDATED MARKET REVENUE & MARGIN TARGETS

\$ in millions



OPERATING EXPENSES

Operating Expenses as % of Revenue

\$ in millions

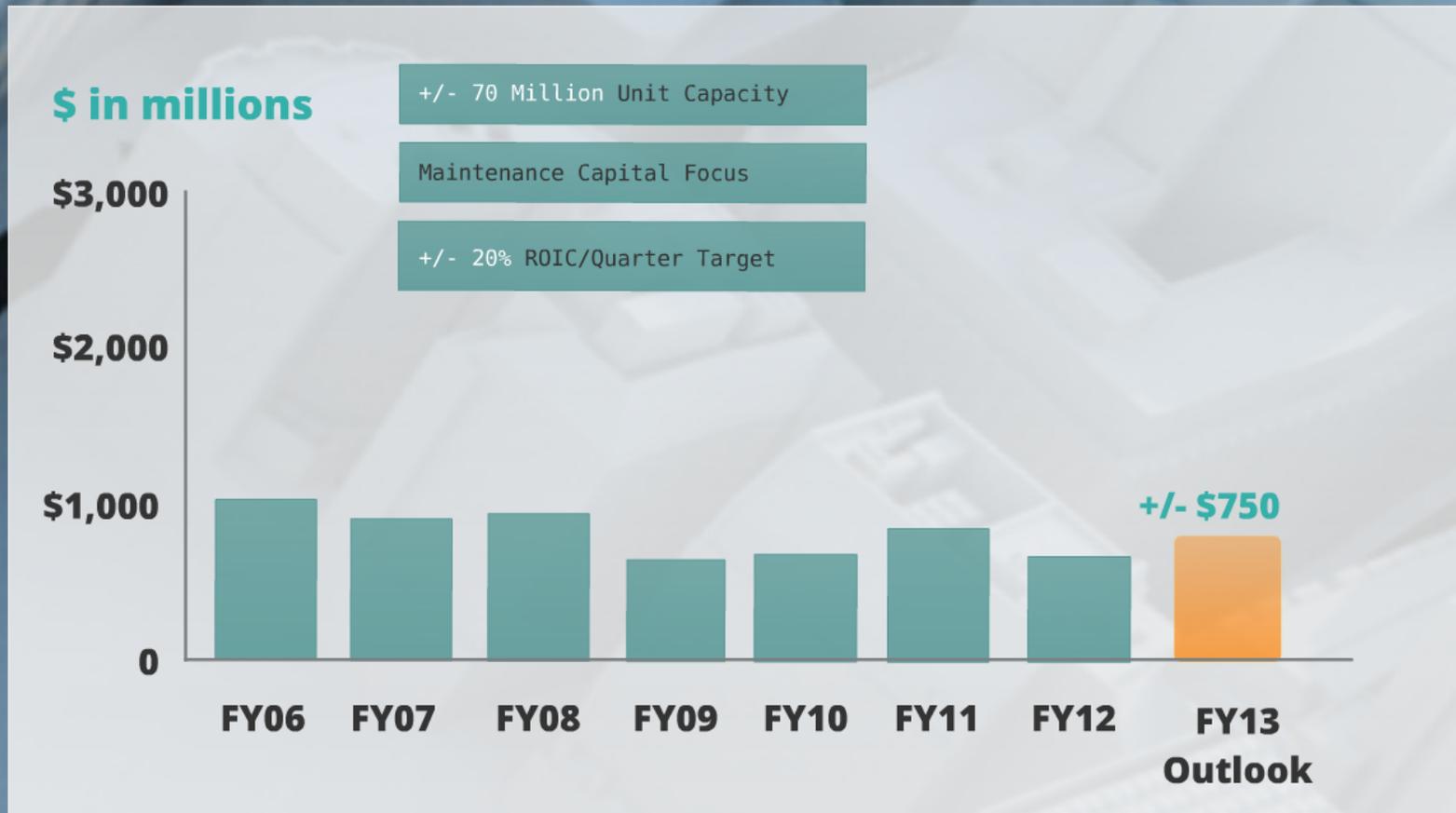


Most Efficient Industry Structure

FY 13 +/- \$400 Million Per Quarter Target

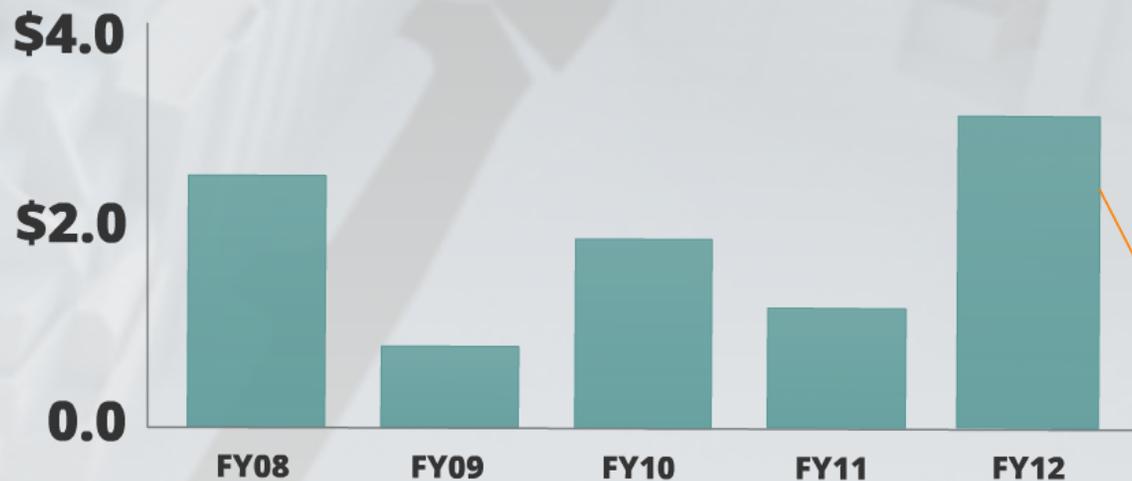
Covers investments in product portfolio and future investments

LEVERAGING VERTICAL INTEGRATION SCALE



CASH FLOW GENERATION

Operating Cash Flow
\$ in Billions



Cash flow of \$9.8 billion over 5 years

Current market valuation +/- 3.9x FY12 operating cash flow

Note: Market valuation based on share price of \$31.70 and 397M basic shares outstanding

PRINCIPLES FOR CAPITAL DEPLOYMENT

Adaptable & Disciplined

Balance Sheet \$1 Billion+

Dividends

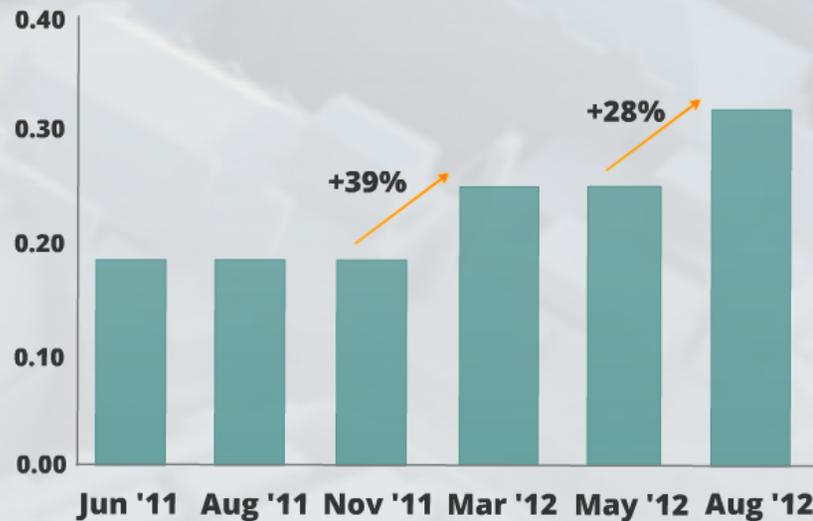
Share
Redemptions

Appropriate
Debt Levels

Opportunity
Driven M&A

ATTRACTIVE & GROWING DIVIDEND

\$ per share

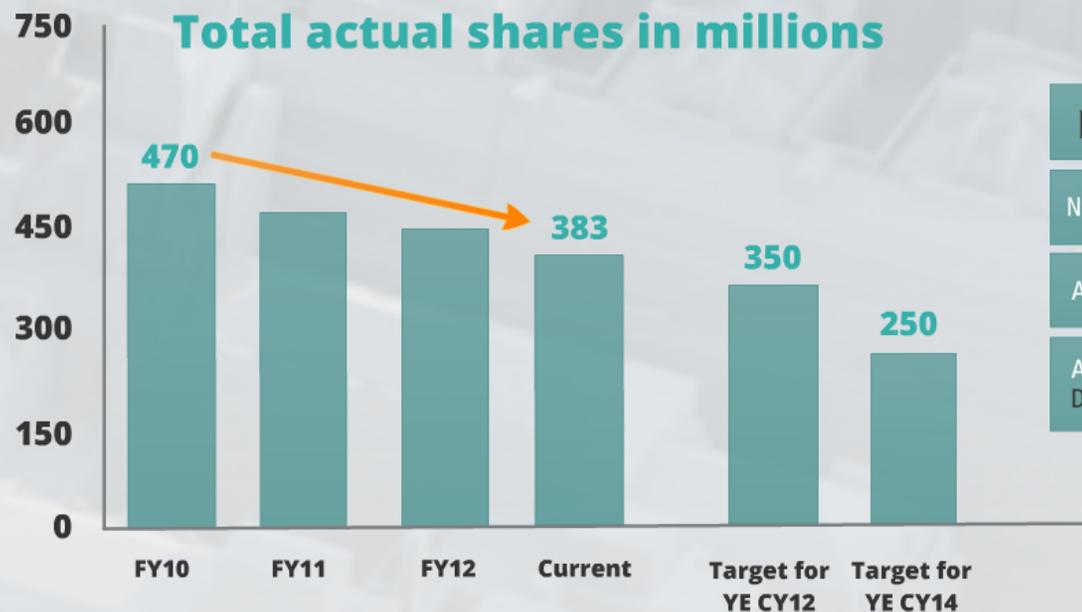


\$570M returned to shareholders over last 6 quarters

+/-10% Annual Dividend Growth Target

RETURNING CAPITAL THROUGH SHARE REDEMPTIONS

Total actual shares in millions



FY10 to Present:

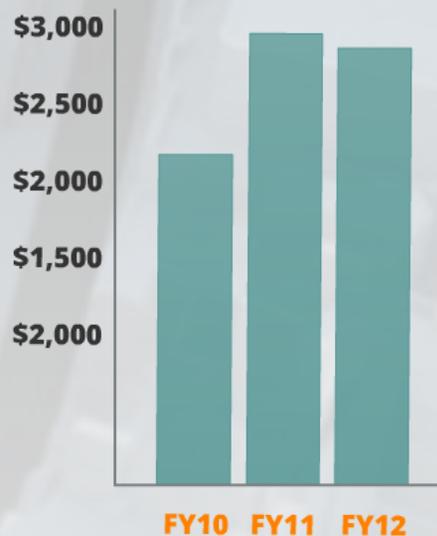
Nearly \$4B returned to Shareholders

Approx. 16% Decrease in Actual Shares

Approx. 50% Decrease in Potentially Dilutive Shares

LONG-TERM DEBT PROFILE

\$ in millions



S&P Credit Rating BB+

Facility	Rate	Facility	Principal
Senior secured notes	10%	May 2014	\$314M
Senior notes	6.8%	Oct 2016	\$599M
Senior notes	7.75%	Dec 2018	\$750M
Senior notes	6.875%	May 2020	\$600M
Senior notes	7.0%	Nov 2021	\$600M

**Current Debt
Repayment Schedule**

CAPITAL DEPLOYMENT PLAN

Use of Operating Cash Flow	FY12	Target FY13
Share Redemptions	74%	55%
Dividends	11%	15%
Total Payout	85%	70%
Debt Retirement	21%	+/- 8%
M&A/Strategic Investments	17%	Opportunity Dependent

MODEL SUMMARY

Financial Model Assumptions

Revenue Growth	+/- 5%
Margins	+/- 27-32%
Operating Expenses	+/- \$400 Million

FY 13 Capital Deployment Assumptions

Capital Expenditures	+/- \$750 Million
Dividends	+/- \$480 Million
Share Redemptions	+/- \$1.4 Billion
2014 Senior Note Retirement	+/- \$314 Million

**Generating at least \$2.8 Billion in Operating Cash Flow =
Maintaining Cash on Balance Sheet and creates flexibility
to invest in opportunities**

TAKE AWAYS



Change and exponential information growth in mobility and cloud environments is driving **tremendous** opportunity for storage infrastructure



Seagate is well positioned competitively with deep trusted technology expertise to maintain industry **leadership** in a consolidated market and successfully develop adjacent opportunities



Seagate has a **resilient financial model** to effectively leverage both market opportunities and uncertainty.

Seagate is focused on sustaining a strong track record for delivering shareholder value

Q & A





STRATEGIC UPDATE

September 21, 2012