SUPPLEMENTAL FINANCIAL INFORMATION

Q3 FY20

SEAGATE

Safe Harbor Statement

This document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Information concerning risks, uncertainties and other factors that could cause results to differ materially from the expectations described in this document include, among others, those risks and uncertainties included under the captions “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Company’s Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (“SEC") on August 2, 2019, and in Item 8.01 in our Form 8-K filed with the SEC on April 22, 2020, both of which are available on our investor relations website at investors.seagate.com. Additional information will also be set forth in our Quarterly Report on Form 10-Q for the quarter ended April 3, 2020. Undue reliance should not be placed on any forward-looking statements in this document, which are based on information available to us on, and which speak only as of, the date hereof. The Company undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date they were made, unless required by applicable law.

Use of Non-GAAP Financial Information

To supplement the consolidated financial statements presented in accordance with U.S. generally accepted accounting principles (GAAP), the Company uses non-GAAP measures of adjusted revenue, gross margin, gross margin as a percentage of revenue, operating expenses, income from operations, operating margin as a percentage of revenue, net income, diluted EPS, free cash flow and Credit Agreement defined EBITDA, which are adjusted from results based on GAAP to exclude certain benefits, expenses, gains and losses. These non-GAAP financial measures are provided to enhance the user's overall understanding of the Company's current financial performance and its prospects for the future. Specifically, the Company believes non-GAAP results provide useful information to both management and investors as these non-GAAP results exclude certain benefits, expenses, gains and losses that it believes are not indicative of its core operating results and because it is similar to the approach used in connection with the financial models and estimates published by financial analysts who follow the Company. Free cash flow does not reflect all of the Company's expenses and non-cash items, and does not reflect the Company's uses of cash in financing and investing activities.

These non-GAAP results are some of the measurements management uses to assess the Company's performance, allocate resources and plan for future periods. Reported non-GAAP results should only be considered as supplemental to results prepared in accordance with GAAP, and not considered as a substitute or replacement for, or superior to, GAAP results. These non-GAAP measures may differ from the non-GAAP measures reported by other companies in its industry.

Q3 FY20 Financial Highlights

$2.7B
REVENUE

27.4%
GROSS MARGIN
GAAP

13.8%
OPERATING MARGIN
GAAP

$1.22
DILUTED EPS
GAAP

120.2EB
HDD CAPACITY SHIPPED

$1.3B
YTD CASH FLOW FROM OPERATIONS

28.0%
GROSS MARGIN
NON-GAAP[1]

15.5%
OPERATING MARGIN
NON-GAAP[1]

$1.38
DILUTED EPS
NON-GAAP[1]

4.1TB
AVG. CAPACITY PER DRIVE

1. See ‘Reconciliation Tables’ section for GAAP reconciliation.

Quarterly Financial Trends

	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20
GAAP Results					
Revenue ($M)	2,313	2,371	2,578	2,696	2,718
Gross Margin %	26.0%	26.3%	26.0%	28.1%	27.4%
Operating Expenses ($M)	365	292	398	374	370
Operating Margin %	10.2%	14.0%	10.6%	14.2%	13.8%
Net Income ($M)	195	983	200	318	320
Diluted EPS	$0.69	$3.54	$0.74	$1.20	$1.22
Non-GAAP Results[1]					
Revenue ($M)	2,313	2,371	2,578	2,696	2,718
Gross Margin %	26.8%	27.1%	26.7%	28.7%	28.0%
Operating Expenses ($M)	327	330	359	350	340
Operating Margin %	12.7%	13.2%	12.8%	15.7%	15.5%
Net Income ($M)	263	265	278	359	363
Diluted EPS	$0.93	$0.95	$1.03	$1.35	$1.38
End of Qtr Actual Share Count (M)	277	269	263	261	257
Diluted Shares O/S for EPS (M)	284	278	270	265	263
Dividends Per Share Paid	$0.63	$0.63	$0.63	$0.63	$0.65
Shares Repurchased (M)	7.2	7.8	9.2	2.5	4.0
Fiscal YTD Shares Repurchased (M)	13.4	21.2	9.2	11.7	15.7
Revenue by Product Line ($M)					
HDD	2,124	2,204	2,390	2,482	2,526
Enterprise Data Solutions, SSD & Other	189	167	188	215	192
Revenue by Channel					
OEM	68%	71%	71%	68%	73%
Distributors	18%	17%	18%	17%	17%
Retail	14%	12%	12%	15%	10%

NOTE: Minor changes and calculation variances are due to rounding.

1. See 'Reconciliation Tables' section for GAAP reconciliation. Effective Q1FY20, share-based compensation is excluded from non-GAAP results, and the estimated useful lives of our manufacturing equipment changed from three to five years to three to seven years. Prior periods have been adjusted to reflect the exclusion of share-based compensation.

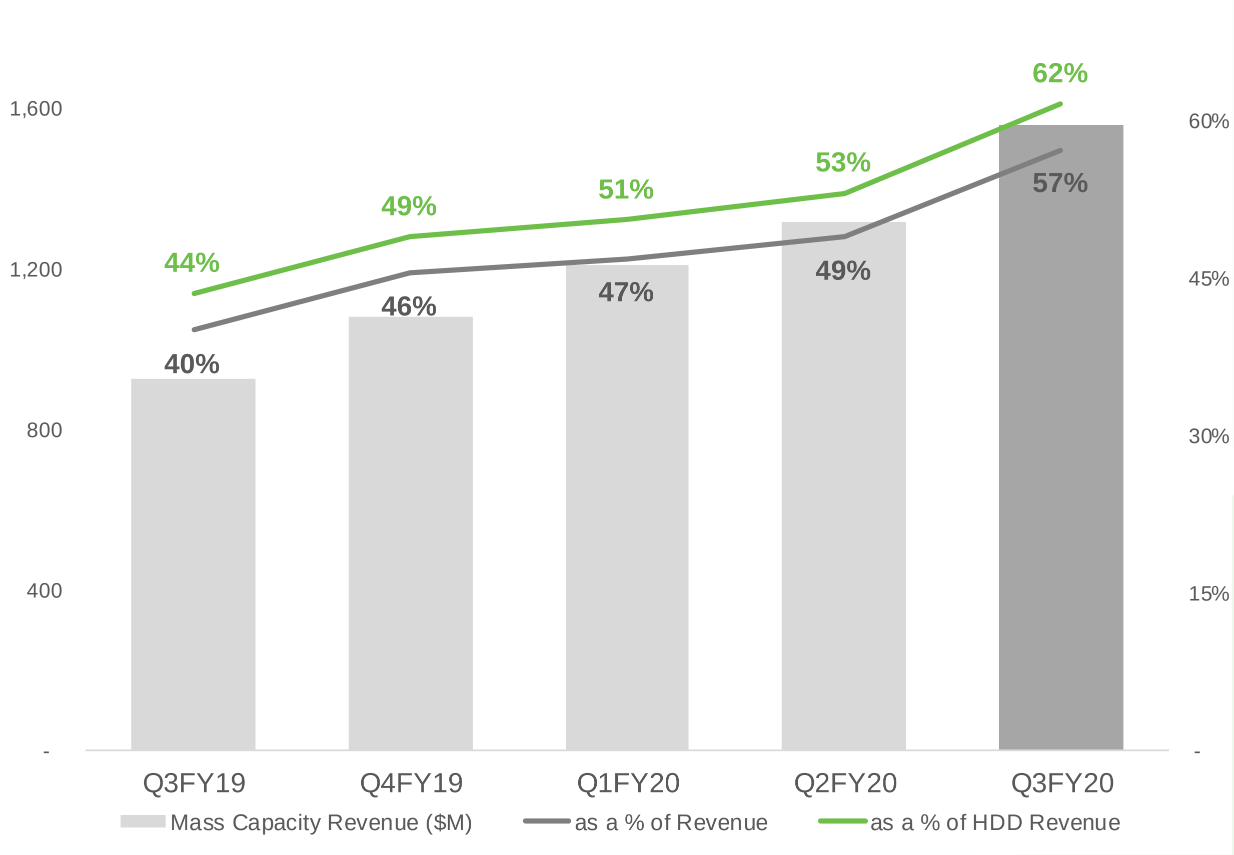
HDD Product Mix Trends

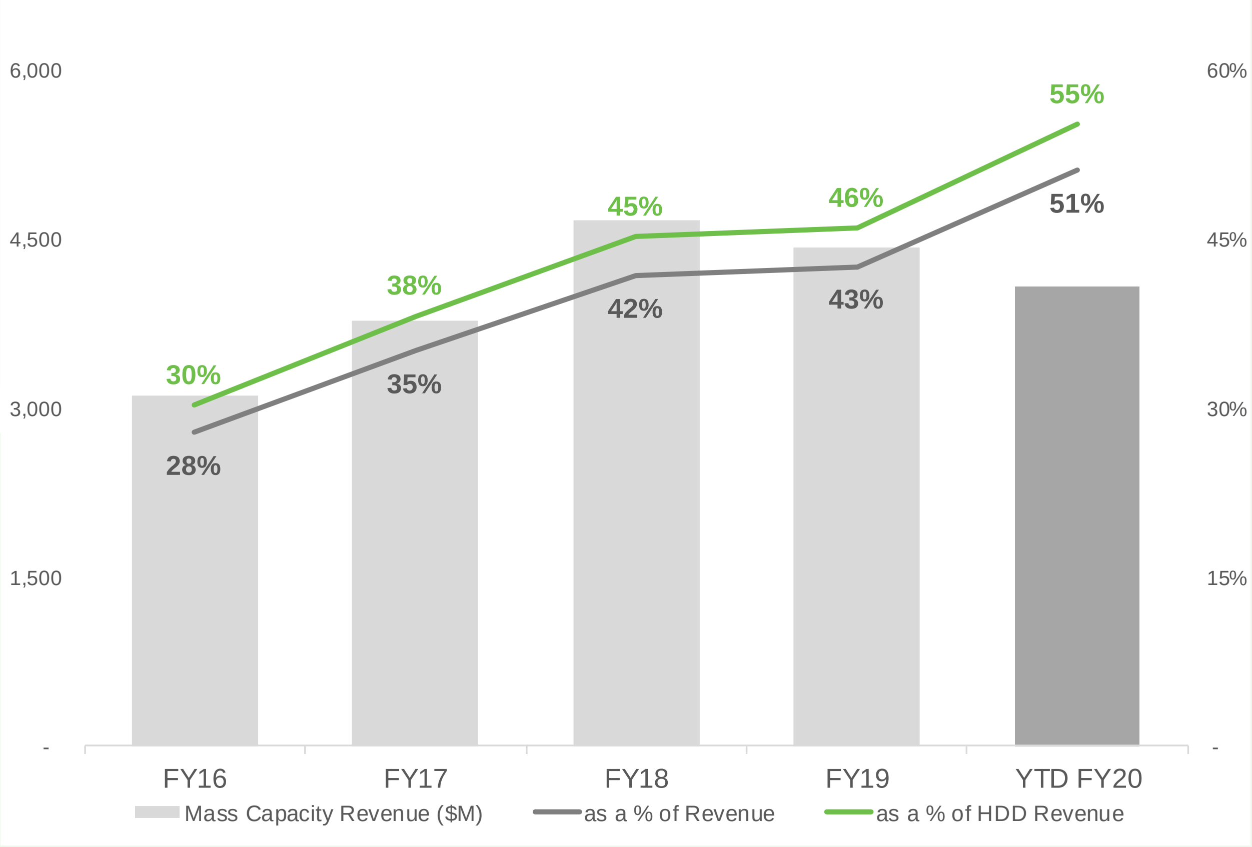
	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20
Capacity Shipped (EB)					
Mass Capacity	43.0	52.2	63.9	71.3	91.1
Nearline	*30.0*	*34.8*	*47.4*	*49.0*	*76.4*
Legacy	33.6	32.2	34.5	35.6	29.1
Average Capacity per Drive (TB)					
Mass Capacity	5.8	6.0	6.8	6.4	8.2
Legacy	1.4	1.4	1.4	1.6	1.6
Capacity Shipped (EB)	76.7	84.5	98.3	106.9	120.2
Average Capacity per Drive (TB)	2.4	2.7	2.9	3.3	4.1
Mass Capacity as a % of Revenue	40%	46%	47%	49%	57%
Legacy as a % of Revenue	52%	47%	46%	43%	36%

Mass capacity storage includes nearline, video and image applications and network-attached storage ("NAS"). **Legacy markets** include mission critical, desktop, notebook, digital video recorders ("DVRs"), gaming consoles and consumer applications. The markets were previously categorized as enterprise, edge non-compute, and edge compute.

NOTE: Minor changes and calculation variances to historical exabytes are due to rounding.

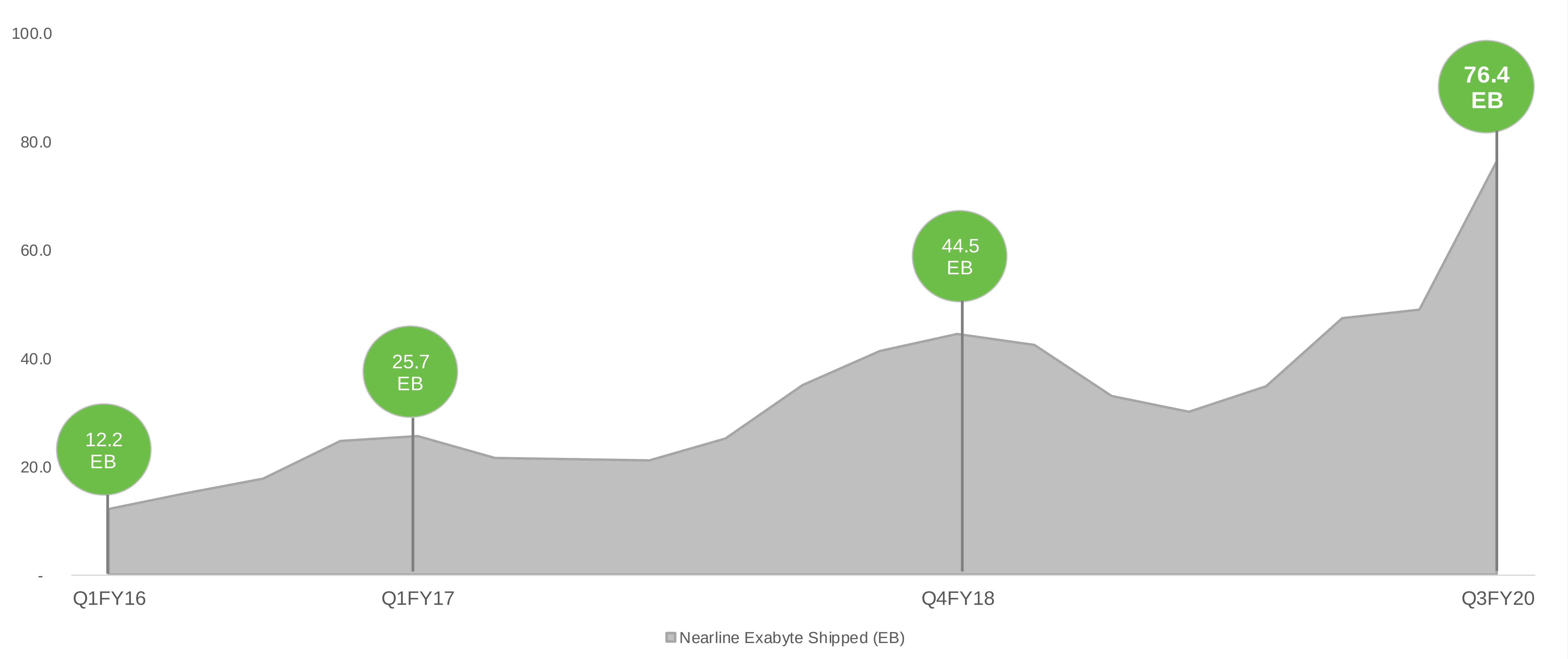
Mass Capacity Trends





Mass capacity storage includes nearline, video and image applications and NAS.

Seagate Nearline Demand Trend



NOTE: Minor changes and calculation variances to historical exabytes are due to rounding.

Cash, Cash Flow, and Operational Trends

	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20
Cash[1] ($M)	1,388	2,220	1,784	1,744	**1,612**
Debt ($M)	4,522	4,253	4,140	4,141	**4,103**
Cash Flow From Operations ($M)	438	448	456	480	**390**
Capital Expenditures[2] ($M)	147	151	147	194	**130**
Free Cash Flow[3] ($M)	291	297	309	286	**260**
YTD Cash Flow From Operations[4] ($M)	1,313	1,761	456	936	**1,326**
YTD Shares Repurchased[4] ($M)	613	963	450	600	**795**
YTD Dividend Paid[4] ($M)	539	713	170	335	**505**
Days Sales Outstanding	35	38	40	38	**39**
Days Inventory Outstanding	53	50	53	54	**51**
Days Payables Outstanding	70	74	90	88	**84**
Cash Conversion Cycle	19	14	4	4	**5**
Worldwide Headcount (000's)	41	40	41	41	**41**

NOTE: Minor calculation variances are due to rounding.

1. Cash includes cash and cash equivalents.
2. Capital Expenditures is cash paid for the acquisition of property, equipment, and leasehold improvements.
3. Free cash flow is a non-GAAP measure defined as cash flow from operations less capital expenditures.
4. Based on Fiscal Year.

Strategy and Perspectives on Debt

Sound Capital Management

- Earned and maintained Investment Grade benchmarks
- Debt with a pro forma weighted average maturity of ~6 years
- Maintain strong balance sheet with up to $3.1B in liquidity[1]

Investment Grade Framework

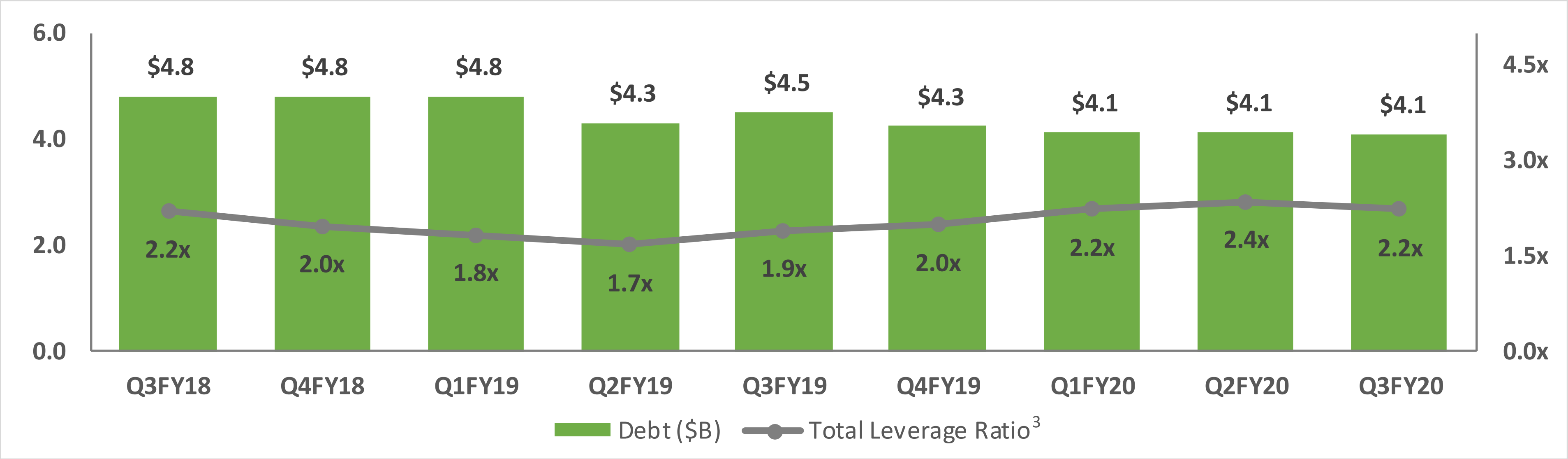
- Access to an undrawn Revolver of up to $1.5B[2]
- Debt portfolio has staggered maturities at modest coupon rates
- Less than 13% debt due within next 2 fiscal years

Flexible Capital Structure

- Managing to appropriate free cash flow levels and cash position through flexible capital expenditures, operating expenses and share repurchases

1. Liquidity levels include both cash and cash equivalents and revolver
2. Subject to compliance with certain requirements under the Company’s control

Financial Covenants: Total Leverage Ratio[1]



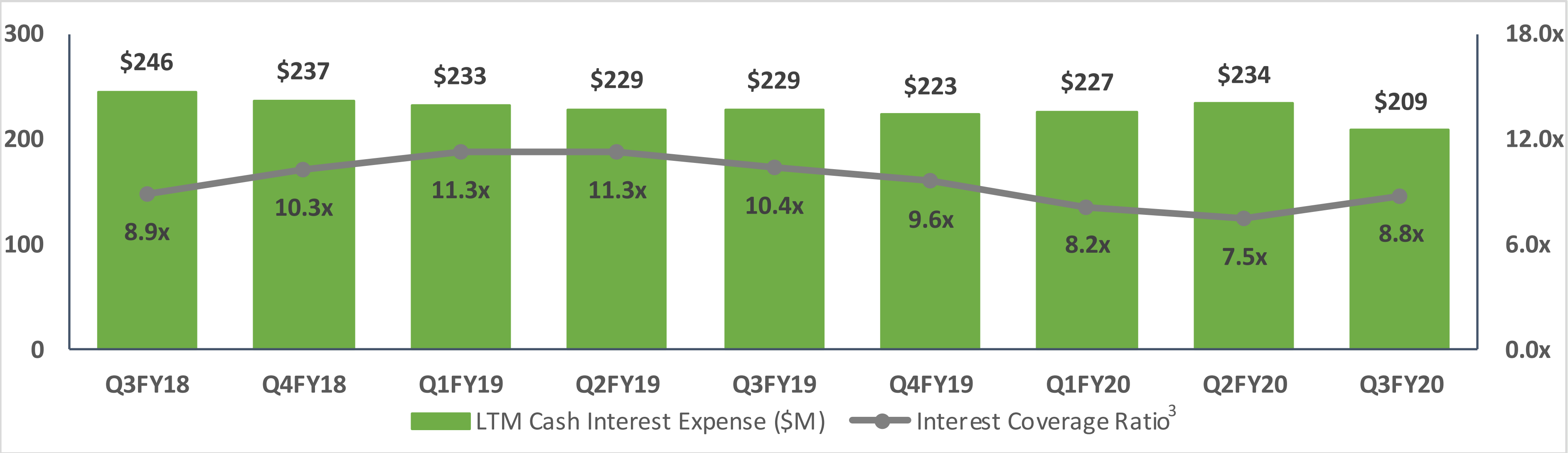
	Q3FY18	Q4FY18	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20
Debt ($M)	4,822	4,819	4,821	4,324	4,522	4,253	4,140	4,141	4,103
LTM Credit Agreement Defined EBITDA ($M)[2]	2,189	2,442	2,626	2,585	2,378	2,132	1,857	1,757	1,844
Total Leverage Ratio[3]	2.2x	2.0x	1.8x	1.7x	1.9x	2.0x	2.2x	2.4x	2.2x

The Credit Agreement includes three financial covenants: (1) interest coverage ratio, (2) total leverage ratio, and (3) a minimum liquidity amount. Seagate was in compliance with the covenants as of April 3, 2020 and expects to be in compliance for the next 12 months.

NOTE: Minor calculation variances are due to rounding.

1. For the capitalized terms included but not defined here, please see the Credit Agreement filed with the SEC.
2. See 'Reconciliation Tables' section for reconciliation of net income to Credit Agreement defined EBITDA.
3. Total leverage ratio not to exceed 3.75 as of the end of any fiscal quarter.

Financial Covenants: Interest Coverage Ratio[1]



	Q3FY18	Q4FY18	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20
LTM Credit Agreement Defined EBITDA ($M)[2]	2,189	2,442	2,626	2,585	2,378	2,132	1,857	1,757	**1,844**
LTM Cash Interest Expense ($M)	246	237	233	229	229	223	227	234	**209**
Interest Coverage Ratio[3]	8.9x	10.3x	11.3x	11.3x	10.4x	9.6x	8.2x	7.5x	**8.8x**

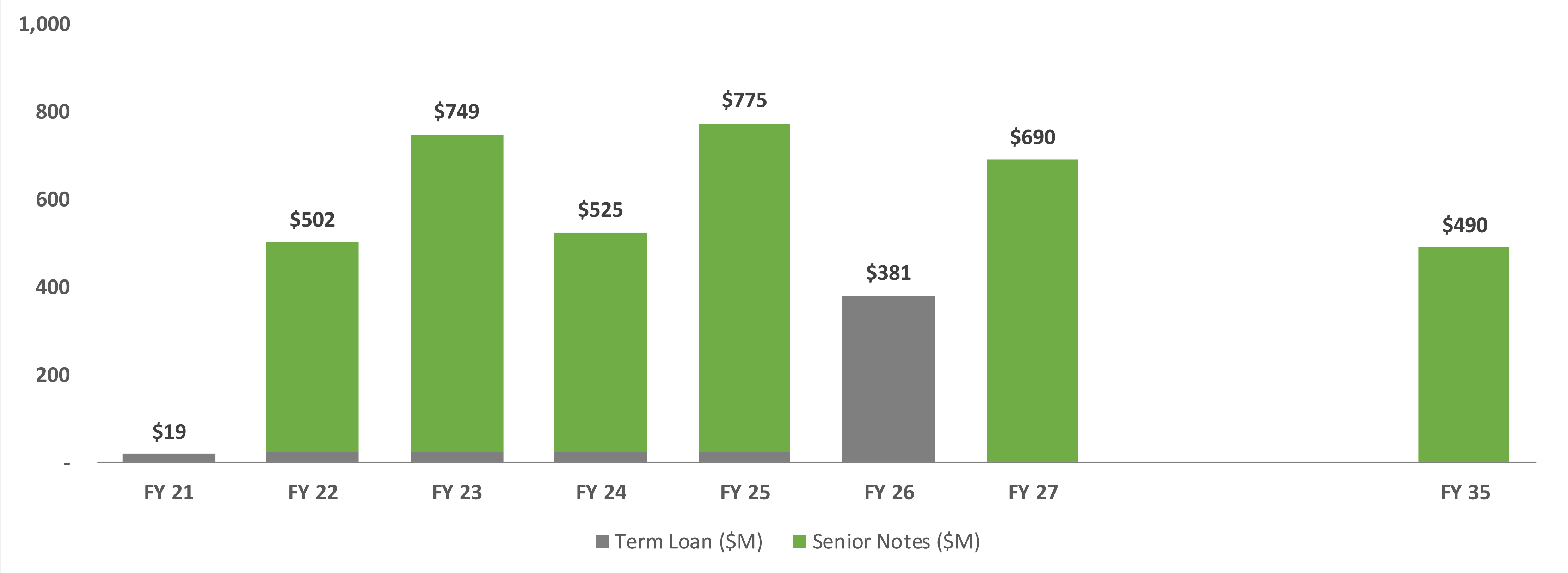
NOTE: Minor calculation variances are due to rounding.

1. For the capitalized terms included but not defined here, please see the Credit Agreement filed with the SEC.
2. See 'Reconciliation Tables' section for reconciliation of net income to Credit Agreement defined EBITDA.
3. Interest coverage ratio not to be less than 3.25 as of the end of any fiscal quarter.

Debt Maturity Profile[1]

Characteristics of Maturity Profile:

- Staggered maturity
- Manageable tranche levels provide ample liquidity at maturity



NOTE: Minor calculation variances are due to rounding.

1. Principal Outstanding

RECONCILIATION TABLES

Reconciliation of Gross Margin to Non-GAAP Gross Margin ($M)	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20
Gross Margin	**601**	**624**	**671**	**758**	**746**
Amortization of acquired intangible assets	14	12	10	10	9
Share-based compensation [1]	6	6	7	6	7
Non-GAAP Gross Margin	**621**	**642**	**688**	**774**	**762**
Gross Margin %	26.0%	26.3%	26.0%	28.1%	27.4%
Non-GAAP Gross Margin %	26.8%	27.1%	26.7%	28.7%	28.0%

Reconciliation of Operating Expenses to Non-GAAP Operating Expenses ($M)	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20
Operating Expenses	**365**	**292**	**398**	**374**	**370**
Amortization of acquired intangible assets	(5)	(5)	(3)	(3)	(3)
Restructuring and other, net	(11)	63	(17)	-	(2)
Share-based Compensation [1]	(22)	(20)	(19)	(21)	(20)
Other charges	-	-	-	-	(5)
Non-GAAP Operating Expenses	**327**	**330**	**359**	**350**	**340**

Reconciliation of Income From Operations to Non-GAAP Income From Operations ($M)	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20
Income From Operations	**236**	**332**	**273**	**384**	**376**
Amortization of acquired intangible assets	19	17	13	13	12
Restructuring and other, net	11	(63)	17	-	2
Share-based Compensation [1]	28	26	26	27	27
Other charges	-	-	-	-	5
Non-GAAP Income From Operations	**294**	**312**	**329**	**424**	**422**
Operating Margin %	10.2%	14.0%	10.6%	14.2%	13.8%
Non-GAAP Operating Margin %	12.7%	13.2%	12.8%	15.7%	15.5%

Reconciliation of Net Income to Non-GAAP Net Income ($M)	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20
Net Income	**195**	**983**	**200**	**318**	**320**
Amortization of acquired intangible assets	19	17	13	13	12
Restructuring and other, net	11	(63)	17	-	2
Losses recognized on the early redemption and repurchase of debt	-	-	30	-	-
Strategic investment losses (gains) or impairment recognized	-	-	-	1	-
Share-based compensation [1]	28	26	26	27	27
Other charges	-	4	-	-	4
Income tax adjustments	10	(702)	(8)	-	(2)
Non-GAAP Net Income	**263**	**265**	**278**	**359**	**363**
Shares used in diluted earnings per share calculation (M)	284	278	270	265	263
GAAP Diluted Net Income Per Share	**$0.69**	**$3.54**	**$0.74**	**$1.20**	**$1.22**
Non-GAAP Diluted Net Income Per Share	**$0.93**	**$0.95**	**$1.03**	**$1.35**	**$1.38**

1. Effective Q1FY20, share-based compensation is excluded from non-GAAP results. Prior periods have been adjusted to reflect the exclusion of share-based compensation.

Reconciliation of Net Income to Credit Agreement Defined EBITDA ($M)	Q3FY18	Q4FY18	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20	Q2FY20	Q3FY20
Net Income	**381**	**461**	**450**	**384**	**195**	**983**	**200**	**318**	**320**
Interest Income	(10)	(15)	(24)	(22)	(21)	(17)	(11)	(4)	(4)
Interest Expense	60	54	58	56	55	55	55	48	49
Income Tax Expense (Benefit)	12	5	18	14	20	(692)	(2)	18	18
Depreciation and Amortization	143	137	134	138	135	134	92	93	94
EBITDA	**586**	**642**	**636**	**570**	**384**	**463**	**334**	**473**	**477**
Adjustment to discontinued products	-	-	1	-	-	-	-	-	-
Losses recognized on the early redemption and repurchase of debt	1	-	-	-	-	-	30	-	-
Strategic investment losses (gains) or impairment recognized	3	8	4	(2)	-	-	-	1	-
Restructuring and other, net	11	(6)	23	7	11	(63)	17	-	2
Share-based compensation	26	27	18	27	28	26	26	27	27
Other charges	3	1	-	(1)	-	-	-	-	4
Credit Agreement Defined EBITDA[1]	**630**	**672**	**682**	**601**	**423**	**426**	**407**	**501**	**510**

1. "Credit Agreement Defined EBITDA" sometimes referred to as "Adjusted EBITDA".

Non-GAAP Measures Adjusted for the Following Items:

Amortization of acquired intangible assets

The Company records expense from amortization of intangible assets that were acquired in connection with its business combinations over their estimated useful lives. Such charges are inconsistent in size and are significantly impacted by the timing and magnitude of the Company's acquisitions. Consequently, these expenses are excluded in the non-GAAP measures to facilitate a more meaningful evaluation of its current operating performance and comparison to its past periods' operating performance.

Share-based compensation

These expenses consist primarily of expenses for employee share-based compensation. Given the variety of equity awards used by companies, the varying methodologies for determining share-based compensation expense, the subjective assumptions involved in those determinations, and the volatility in valuations that can be driven by market conditions outside the Company's control, the Company believes excluding share-based compensation expense enhances the ability of management and investors to understand and assess the underlying performance of its business over time and compare it against the Company's peers, a majority of whom also exclude share-based compensation expense from their non-GAAP results.

Restructuring and other, net

Restructuring and other, net are costs associated with restructuring plans that are primarily related to costs associated with reduction in the Company's workforce, exiting certain facilities and other related costs. These also exclude charges or gains from sale of properties. These costs or benefits do not reflect the Company's ongoing operating performance and consequently are excluded from the non-GAAP measures to facilitate a more meaningful evaluation of its current operating performance and comparison to its past periods' operating performance.

Other charges

The other charges primarily include impairments or write-offs of other assets and certain discontinued inventory and expense related to disposed business. These charges are inconsistent in amount and frequency and are excluded in the non-GAAP measures to facilitate a more meaningful evaluation of its current operating performance and comparison to its past periods' operating performance.

Losses recognized on the early redemption and repurchase of debt

From time to time, the Company incurs losses or gains from the early redemption and repurchase of certain long-term debt instruments. These losses or gains represent the difference between the reacquisition costs and the par value of the debt extinguished and include the write off of any related unamortized debt issuance costs. The amount of these charges may be inconsistent in size and varies depending on the timing of the repurchase of debt.

Strategic investment losses (gains) or impairment recognized

From time to time, the Company incurs losses or gains from strategic investments accounted for under the equity method of accounting or records impairment charges which are not considered as part of its ongoing operating performance. The resulting expense or gain is inconsistent in amount and frequency and consequently is excluded from the non-GAAP measures to facilitate a more meaningful evaluation of its current operating performance and comparison to its past periods' operating performance.

Income tax adjustments

Provision or benefit for income taxes represents the tax effects of non-GAAP adjustments determined using a hybrid with and without method and effective tax rate for the applicable adjustment and jurisdiction. For Q4FY19, it also includes impacts from a release of valuation allowance related primarily to the Company's U.S. deferred tax assets. This was driven by improvements in the Company's profitability outlook in the U.S. including the Company's effort to structurally and operationally align its enterprise data solutions business with the rest of the Company. This does not materially change the Company's future worldwide effective tax rate.

Free cash flow

Free cash flow is a non-GAAP measure defined as net cash provided by operating activities less acquisition of property, equipment and leasehold improvements. This non-GAAP financial measure is used by management to assess the Company's sources of liquidity, capital structure and operating performance.

Adjustment to discontinued products

These adjustments relate to sales of certain discontinued products or changes in sales provision for discontinued products. These adjustments are inconsistent in amount and frequency and are excluded in the non-GAAP measures as these adjustments are not indicative of the underlying ongoing operating performance.