



# SUPPLEMENTAL FINANCIAL INFORMATION

**Q4FY25**

JULY 29, 2025

# Safe Harbor Statement and Use of Non-GAAP Financial Information

This document and our other communications regarding our quarterly financial results contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical fact. Forward-looking statements include, among other things, statements about the Company's plans, programs, strategies, prospects, and opportunities; financial outlook for future periods, including the fiscal first quarter 2026; expectations regarding our ability to service debt and continue to generate free cash flow; expectations regarding our ability to make timely quarterly payments under the settlement agreement with the U.S. Department of Commerce's Bureau of Industry and Security; expectations regarding logistical, macroeconomic, or other factors affecting the Company, including uncertainty related to tariffs, trade restrictions, or evolving global trade policy; expectations regarding market demand for the Company's products, our visibility into such demand and our ability to optimize our level of production and meet market and industry expectations and the effects of these future trends on the Company's financial and operational performance; anticipated shifts in technology and storage industry trends, and anticipated demand and performance of new storage product introductions, including HAMR-based products; our ability to successfully integrate acquisitions with our existing business; and expectations regarding the Company's business strategy and performance, as well as dividend issuance plans for the fiscal quarter ending October 3, 2025 and beyond. Forward-looking statements generally can be identified by words such as "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," "projects," "should," "may," "will," "will continue," "can," "could" or the negative of these words, variations of these words and comparable terminology, in each case, intended to refer to future events or circumstances. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking. Forward-looking statements are subject to various uncertainties and risks that could cause our actual results to differ materially from historical experience and our present expectations or projections. These risks and uncertainties include, but are not limited to, those described under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's latest periodic report on Form 10-Q or Form 10-K filed with the U.S. Securities and Exchange Commission. Undue reliance should not be placed on the forward-looking statements in this press release, 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.

To supplement the consolidated financial statements presented in accordance with U.S. generally accepted accounting principles (GAAP), the Company uses non-GAAP measures of gross profit, gross margin, operating expenses, income from operations, operating margin, net income, diluted EPS, free cash flow, EBITDA, adjusted EBITDA and the last twelve months (LTM) adjusted EBITDA, which are adjusted from results based on GAAP to exclude certain benefits, expenses, gains and losses. A full discussion of these adjustments can be found in the earnings press release for the Company's most recent fiscal quarter. 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.

These non-GAAP financial measures are used by management to assess the Company's performance, allocate resources and plan for future periods. These non-GAAP financial measures 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.

# Q4FY25 Financial Results

## Delivered strong Q4FY25 and FY25 results<sup>1</sup> reflecting our focus on driving profitable growth

- FQ4 revenue exceeded the midpoint of guidance, up 30% YoY, supported by ongoing demand strength from cloud customers
- FQ4 record gross margin of 37.9%, up ~170 bps QoQ and ~700 bps YoY; reflecting increased adoption of our high capacity nearline products and ongoing pricing actions
- FQ4 operating margin increased QoQ to 26.2%, up ~270 bps sequentially and ~890 bps YoY
- FQ4 EPS expanded to \$2.59, at the high-end of our guidance range
- FQ4 free cash flow nearly doubled QoQ to \$425M
- On a YoY basis, FY25 revenue increased 39%, gross profit nearly doubled and operating profit more than tripled

|                                       | Q4FY25  | FY25     |
|---------------------------------------|---------|----------|
| Revenue                               | \$2.44B | \$9.10B  |
| Gross Margin (non-GAAP)               | 37.9%   | 35.8%    |
| Operating Margin (non-GAAP)           | 26.2%   | 23.4%    |
| Diluted Earnings Per Share (non-GAAP) | \$2.59  | \$8.10   |
| Cash Flow From Operations             | \$508M  | \$1,083M |

**162EB**

**HDD Capacity  
Shipped  
+13% Q/Q**



**13TB**

**Average Capacity  
Per Drive  
+3% Q/Q**

# Markets and Technology Highlights



## Markets

- **Hard drive** revenue reached \$2.3B, up 14% QoQ, reflecting continued momentum from global cloud sales along with seasonal improvements in the VIA markets
- **Mass Capacity** revenue topped \$2.0B, up 15% QoQ and 40% YoY. Mass capacity shipments were 151 exabytes up from 133 exabytes in Q3FY25
- **Nearline**<sup>1</sup> shipments of 137 exabytes, up 14% QoQ and 52% YoY, reflecting continued cloud demand strength



## Technology

- **24TB CMR / 28TB SMR** products widely adopted by global cloud and enterprise customers; record quarterly sales and volume shipments for any nearline product
- **Mozaic 3+** HAMR based drives volume ramp continues with shipments expanding to additional CSP's in Q1FY26; on track to qualify the key global CSP customers by mid CY26
- **Mozaic 4+** HAMR based drives started qualification with a global CSP recently, expecting initial volume ramp in 2H FY26. This product will support cloud workloads with capacities up to 44TB and also supports lower capacity drives ideal for edge workloads

NOTE: CMR-Conventional Magnetic Recording, SMR-Shingled Magnetic Recording- which provides a capacity boost for certain customers and applications. HAMR-Heat Assisted Magnetic Recording

1. Starting in Q2FY25, updated nearline revenue and exabyte shipments to include nearline products shipped to VIA customers as these drives are being deployed by the end customers into cloud-like applications. Prior periods in this presentation also reflect this update.

# Quarterly Financial Trends

|   | Q4FY24 | Q1FY25 | Q2FY25 | Q3FY25 | Q4FY25 | QoQ     | YoY     |
|---|--------|--------|--------|--------|--------|---------|---------|
| <b>Results (non-GAAP)<sup>1</sup></b>       |        |        |        |        |        |         |         |
| Revenue (\$M)                               | 1,887  | 2,168  | 2,325  | 2,160  | 2,444  | 13%     | 30%     |
| Gross Margin %                              | 30.9%  | 33.3%  | 35.5%  | 36.2%  | 37.9%  | 1.7 ppt | 7.0 ppt |
| Operating Expenses (\$M)                    | 256    | 281    | 287    | 274    | 286    | 4%      | 12%     |
| Operating Margin %                          | 17.3%  | 20.4%  | 23.1%  | 23.5%  | 26.2%  | 2.7 ppt | 8.9 ppt |
| Net Income (\$M)                            | 222    | 337    | 433    | 407    | 556    | 37%     | 150%    |
| Diluted EPS                                 | \$1.05 | \$1.58 | \$2.03 | \$1.90 | \$2.59 | 36%     | 147%    |
| End of Qtr Actual Share Count (M)           | 210    | 211    | 212    | 212    | 213    | 0%      | 1%      |
| Diluted Shares O/S for EPS <sup>1</sup> (M) | 212    | 213    | 213    | 214    | 215    | 0%      | 1%      |
| Cash and Cash Equivalents (\$M)             | 1,358  | 1,239  | 1,238  | 814    | 891    | 9%      | -34%    |
| Debt <sup>2</sup> (\$M)                     | 5,674  | 5,676  | 5,679  | 5,146  | 4,995  | -3%     | -12%    |
| Cash Flow From Operations (\$M)             | 434    | 95     | 221    | 259    | 508    | 96%     | 17%     |
| Capital Expenditures <sup>3</sup> (\$M)     | 54     | 68     | 71     | 43     | 83     | 93%     | 54%     |
| Free Cash Flow <sup>1</sup> (\$M)           | 380    | 27     | 150    | 216    | 425    | 97%     | 12%     |
| LTM Dividend Paid (\$M)                     | 585    | 587    | 589    | 594    | 600    |         |         |
| Dividends Per Share Paid                    | \$0.70 | \$0.70 | \$0.70 | \$0.72 | \$0.72 |         |         |
| Days Sales Outstanding                      | 21     | 26     | 23     | 26     | 36     |         |         |
| Days Inventory Outstanding                  | 88     | 87     | 89     | 96     | 86     |         |         |
| Days Payables Outstanding                   | 126    | 111    | 94     | 95     | 95     |         |         |
| Cash Conversion Cycle                       | -18    | 2      | 17     | 27     | 26     |         |         |

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

1. See 'Reconciliation Tables' section for GAAP reconciliation.

2. Principal outstanding less unamortized discount and debt issuance cost.

3. Capital Expenditures is cash paid for the acquisition of property, equipment, and leasehold improvements.

## Quarterly Financial Trends Continued

|  | Q4FY24 | Q1FY25 | Q2FY25 | Q3FY25 | Q4FY25 | QoQ   | YoY   |
|--|--------|--------|--------|--------|--------|-------|-------|
| <b>Revenue by Product Line (\$M)</b>       |        |        |        |        |        |       |       |
| HDD  | 1,727  | 2,004  | 2,169  | 2,003  | 2,281  | 14%   | 32%   |
| Mass Capacity                              | 1,437  | 1,733  | 1,894  | 1,749  | 2,012  | 15%   | 40%   |
| <i>Mass Capacity as a % of HDD revenue</i> | 83%    | 87%    | 87%    | 87%    | 88%    | 1 ppt | 5 ppt |
| Legacy                                     | 290    | 270    | 275    | 254    | 270    | 6%    | -7%   |
| Systems, SSD & Other                       | 160    | 164    | 156    | 157    | 163    | 3%    | 2%    |
| <b>Capacity Shipped (EB)</b>               |        |        |        |        |        |       |       |
| Mass Capacity                              | 103.9  | 128.0  | 140.0  | 132.9  | 150.9  | 14%   | 45%   |
| <i>Nearline<sup>1</sup></i>                | 90.1   | 114.4  | 125.8  | 119.7  | 136.6  | 14%   | 52%   |
| Legacy                                     | 10.3   | 9.6    | 10.8   | 10.7   | 11.5   | 7%    | 12%   |
| <b>Average Capacity per Drive (TB)</b>     |        |        |        |        |        |       |       |
| Mass Capacity                              | 12.6   | 14.3   | 15.0   | 16.2   | 16.5   | 2%    | 31%   |
| Legacy                                     | 2.5    | 2.4    | 3.0    | 3.3    | 3.4    | 3%    | 37%   |

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

1. Starting in Q2FY25, updated nearline revenue and exabyte shipments to include nearline products shipped to VIA customers as these drives are being deployed by the end customers into cloud-like applications. Prior periods in this presentation also reflect this update.

# Guidance Q1FY26

## Q1FY26

|  |                                   |
|--|-----------------------------------|
| Revenue  | \$2.50 billion ± \$150 million    |
| Operating Margin <sup>1</sup> (non-GAAP)             | mid-to-high twenties % of revenue |
| Diluted Earnings Per Share <sup>1,2</sup> (non-GAAP) | \$2.30 ± \$0.20                   |

Guidance based on announced tariff policies as of July 29, 2025 and reflects minimal direct impact to Q1FY26 financial outlook.

At the mid point of the guidance:

- Operating Expense (non-GAAP) expected to be ~\$290 million
- Tax Expense (non-GAAP) expected to be ~16% of income before taxes
- Diluted Shares O/S for EPS (non-GAAP) expected to be ~221 million including estimated dilution from Exchangeable Senior Notes due 2028<sup>3</sup> and equity compensation

1. We have not reconciled our non-GAAP diluted EPS guidance for fiscal first quarter 2026 to the most directly comparable GAAP measure, other than estimated share-based compensation expenses, because material items that may impact these measures are out of our control and/or cannot be reasonably predicted, including, but not limited to, net (gain) loss recognized from early redemption of debt, purchase order cancellation fees, strategic investment losses (gains) or impairment charges, income tax adjustments on these measures, and other charges or benefits that may arise. The amounts of these measures are not currently available but may be material to future results. A reconciliation of the non-GAAP diluted EPS guidance for fiscal first quarter 2026 to the corresponding GAAP measures is not available without unreasonable effort. A reconciliation of our historical non-GAAP financial measures to their nearest GAAP equivalent is contained in this release.

2. Guidance regarding non-GAAP diluted earnings per share excludes known pre-tax charges related to estimated share-based compensation expenses of \$0.23 per share.

3. Refer to [Illustrative Table of Potential Dilutive Impact of Exchangeable Senior Notes due 2028](#)

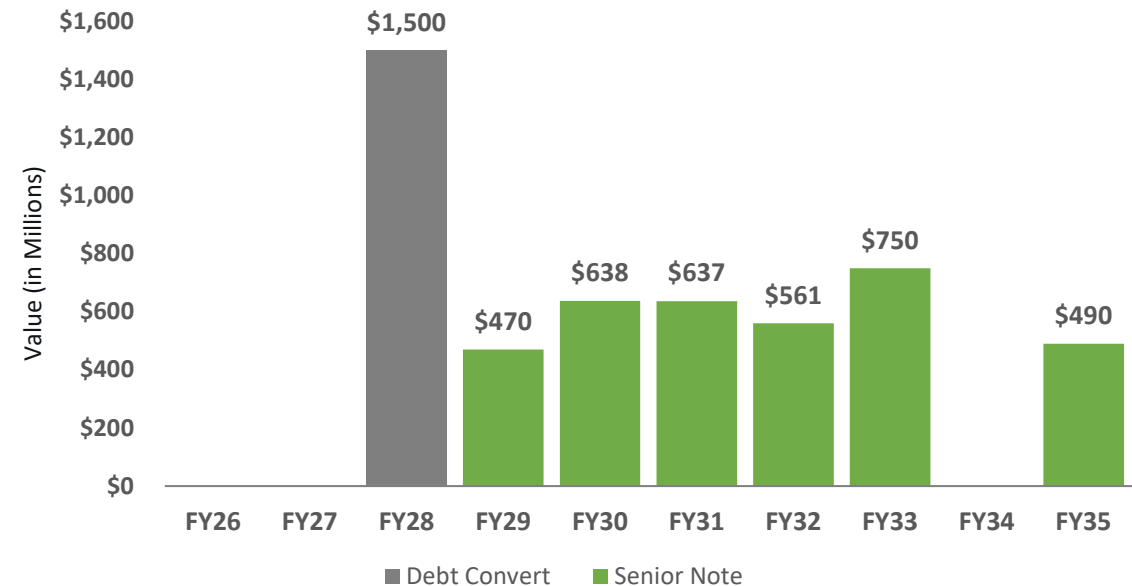
# Debt Capital Structure

- \$2.2B Liquidity<sup>1</sup>, \$0.9B cash, \$1.3B revolving credit facility
- \$5.0B Debt<sup>2</sup>, weighted average interest rate of 5.9%, weighted average maturity of ~5 years
- Reduced debt by \$147M in Q4FY25, including retiring \$505M of the FY27 Notes through a new \$400M Notes in FY31 and cash on hand
- Link to [Illustrative Table of Potential Dilutive Impact of Exchangeable Senior Notes due 2028](#)

## Debt Metrics

|   | Q4FY24 | Q1FY25 | Q2FY25 | Q3FY25 | Q4FY25 |
|---|--------|--------|--------|--------|--------|
| Net Debt (\$M) <sup>2</sup>                     | 4,371  | 4,490  | 4,491  | 4,379  | 4,155  |
| LTM Cash Interest Expense (\$M)                 | 303    | 330    | 327    | 324    | 324    |
| LTM Adjusted EBITDA (\$M) <sup>3</sup>          | 1,041  | 1,396  | 1,771  | 2,056  | 2,349  |
| Total Leverage Ratio on Net Debt <sup>4,5</sup> | 4.2x   | 3.2x   | 2.5x   | 2.1x   | 1.8x   |
| Interest Coverage Ratio <sup>6</sup>            | 3.4x   | 4.2x   | 5.4x   | 6.4x   | 7.2x   |

## Debt Maturity as of Q4FY25 (\$5.0B Principal Outstanding)



NOTE: Minor calculation variances are due to rounding. For the capitalized terms included but not defined here, please see the Credit Agreement filed with the SEC.

1. Liquidity levels include both Cash and cash equivalents and revolver.
2. Debt refers to principal outstanding and net debt refers to principal outstanding less cash and cash equivalents.
3. EBITDA is defined as net income (loss) before income tax expense, interest expense, interest income, depreciation and amortization. Adjusted EBITDA excludes certain benefits, expenses, gains, losses and other extraordinary charges such as factory underutilization charges and BIS settlement penalty. LTM adjusted EBITDA is defined as the total of last twelve months adjusted EBITDA. See 'Reconciliation Tables' section for reconciliation of Net Income to adjusted EBITDA.
4. Also known as "total net leverage ratio", which reflects Net Debt divided by LTM Adjusted EBITDA.



# We Build Value in a Data-driven World



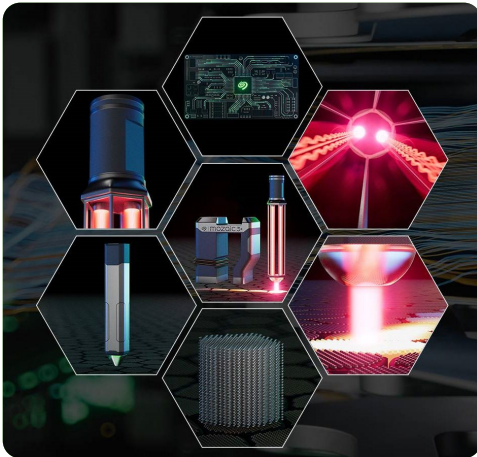
## When Scale Demands Performance: How a Global Cloud Service Provider Achieves Both Needs with Hard Drives

Real-world workload analysis can reshape assumptions and architecture.



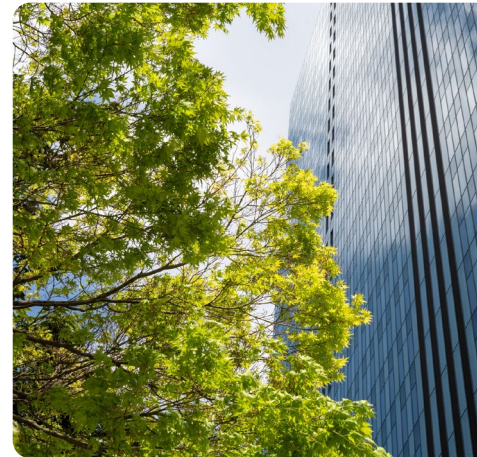
## The Data Rate Tug of War: Balancing Hard Drive Speed and Capacity

As enterprises keep pace with relentless data growth, they must deploy storage that meets demands for both scalability and performance. Without solutions that can handle both, critical operations can falter.



## How Mozaic 3+ Enables Enterprise to Tap AI's Full Potential

Breakthroughs in areal density, cost efficiency, and sustainability drive AI scalability.



## The Decarbonizing Data Report

Challenges and solutions around data center sustainability in the AI era.



The background is a dark, artistic representation of a hard drive. A metallic platter is visible, with a read/write head assembly positioned above it. Overlaid on this are glowing, ethereal lines of light in blue, yellow, and green, which appear to be representing data streams or magnetic fields. The overall aesthetic is high-tech and futuristic.

# Reconciliation Tables

| <u>Reconciliation of GAAP Gross Profit to Non-GAAP Gross Profit (\$M)</u> | <u>Q4FY24</u> | <u>Q1FY25</u> | <u>Q2FY25</u> | <u>Q3FY25</u> | <u>Q4FY25</u> | <u>FY25</u>  |
|---|---------------|---------------|---------------|---------------|---------------|--------------|
| <b>GAAP Gross Profit</b>  | <b>\$ 600</b> | <b>\$ 714</b> | <b>\$ 812</b> | <b>\$ 760</b> | <b>\$ 914</b> | <b>3,200</b> |
| Purchase order cancellation fees  | (26)          | (1)           | —             | (3)           | (5)           | (9)          |
| Restructuring and other, net <sup>1</sup>                                 | —             | —             | —             | 10            | 3             | 13           |
| Share-based compensation  | 9             | 10            | 13            | 14            | 14            | 51           |
| <b>Non-GAAP Gross Profit</b>  | <b>\$ 583</b> | <b>\$ 723</b> | <b>\$ 825</b> | <b>\$ 781</b> | <b>\$ 926</b> | <b>3,255</b> |
| <b>GAAP Gross Margin %</b>  | 31.8%         | 32.9%         | 34.9%         | 35.2%         | 37.4%         | 35.2%        |
| <b>Non-GAAP Gross Margin %</b>  | 30.9%         | 33.3%         | 35.5%         | 36.2%         | 37.9%         | 35.8%        |

| <u>Reconciliation of GAAP Operating Expenses to Non-GAAP Operating Expenses (\$M)</u> | <u>Q4FY24</u> | <u>Q1FY25</u> | <u>Q2FY25</u> | <u>Q3FY25</u> | <u>Q4FY25</u> | <u>FY25</u>  |
|---|---------------|---------------|---------------|---------------|---------------|--------------|
| <b>GAAP Operating Expenses</b>  | <b>\$ 286</b> | <b>\$ 311</b> | <b>\$ 324</b> | <b>\$ 329</b> | <b>\$ 346</b> | <b>1,310</b> |
| Acquisition-related charges   | —             | —             | —             | (5)           | (2)           | (7)          |
| Restructuring and other, net <sup>1</sup>   | 3             | (1)           | (1)           | (10)          | (13)          | (25)         |
| Share-based compensation  | (29)          | (28)          | (36)          | (40)          | (45)          | (149)        |
| Other charges   | (4)           | (1)           | —             | —             | —             | (1)          |
| <b>Non-GAAP Operating Expenses</b>  | <b>\$ 256</b> | <b>\$ 281</b> | <b>\$ 287</b> | <b>\$ 274</b> | <b>\$ 286</b> | <b>1,128</b> |

| <u>Reconciliation of GAAP Income From Operations to Non-GAAP Income From Operations (\$M)</u> | <u>Q4FY24</u> | <u>Q1FY25</u> | <u>Q2FY25</u> | <u>Q3FY25</u> | <u>Q4FY25</u> | <u>FY25</u>  |
|---|---------------|---------------|---------------|---------------|---------------|--------------|
| <b>GAAP Income From Operations</b>  | <b>\$ 314</b> | <b>\$ 403</b> | <b>\$ 488</b> | <b>\$ 431</b> | <b>\$ 568</b> | <b>1,890</b> |
| Acquisition-related charges   | —             | —             | —             | 5             | 2             | 7            |
| Purchase order cancellation fees  | (26)          | (1)           | —             | (3)           | (5)           | (9)          |
| Restructuring and other, net <sup>1</sup>   | (3)           | 1             | 1             | 20            | 16            | 38           |
| Share-based compensation  | 38            | 38            | 49            | 54            | 59            | 200          |
| Other charges   | 4             | 1             | —             | —             | —             | 1            |
| <b>Non-GAAP Income From Operations</b>  | <b>\$ 327</b> | <b>\$ 442</b> | <b>\$ 538</b> | <b>\$ 507</b> | <b>\$ 640</b> | <b>2,127</b> |
| <b>GAAP Operating Margin %</b>  | 16.6 %        | 18.6 %        | 21.0 %        | 20.0 %        | 23.2 %        | 20.8 %       |
| <b>Non-GAAP Operating Margin %</b>  | 17.3 %        | 20.4 %        | 23.1 %        | 23.5 %        | 26.2 %        | 23.4 %       |



| Reconciliation of GAAP Net Income to Non-GAAP Net Income (\$M)                                     | Q4FY24         | Q1FY25         | Q2FY25         | Q3FY25         | Q4FY25         | FY25         |
|--|----------------|----------------|----------------|----------------|----------------|--------------|
| <b>GAAP Net Income</b>   | <b>\$ 513</b>  | <b>\$ 305</b>  | <b>\$ 336</b>  | <b>\$ 340</b>  | <b>\$ 488</b>  | <b>1,469</b> |
| Acquisition-related charges  | —              | —              | —              | 5              | 2              | 7            |
| Net gain from business divestiture   | (313)          | —              | —              | (8)            | —              | (8)          |
| Net loss from debt transactions  | —              | —              | —              | 4              | 3              | 7            |
| Purchase order cancellation fees   | (26)           | (1)            | —              | (3)            | (5)            | (9)          |
| Restructuring and other, net <sup>1</sup>  | (3)            | 1              | 1              | 20             | 16             | 38           |
| Share-based compensation   | 38             | 38             | 49             | 54             | 59             | 200          |
| Strategic investment losses or impairment charges  | 8              | 1              | 52             | —              | —              | 53           |
| Other charges  | 4              | 1              | —              | —              | —              | 1            |
| Income tax adjustments   | 1              | (8)            | (5)            | (5)            | (7)            | (25)         |
| <b>Non-GAAP Net Income</b>   | <b>\$ 222</b>  | <b>\$ 337</b>  | <b>\$ 433</b>  | <b>\$ 407</b>  | <b>\$ 556</b>  | <b>1,733</b> |
| Reconciliation of GAAP Diluted Net Income Per Share to Non-GAAP Diluted Net Income Per Share (\$M) | Q4FY24         | Q1FY25         | Q2FY25         | Q3FY25         | Q4FY25         | FY25         |
| <b>GAAP Diluted Net Income Per Share</b>   | <b>\$ 2.39</b> | <b>\$ 1.41</b> | <b>\$ 1.55</b> | <b>\$ 1.57</b> | <b>\$ 2.24</b> | <b>6.77</b>  |
| Acquisition-related charges  | —              | —              | —              | 0.02           | 0.01           | 0.03         |
| Net gain from business divestiture   | (1.46)         | —              | —              | (0.04)         | —              | (0.04)       |
| Net loss from debt transactions  | —              | —              | —              | 0.02           | 0.01           | 0.03         |
| Purchase order cancellation fees   | (0.12)         | —              | —              | (0.01)         | (0.02)         | (0.04)       |
| Restructuring and other, net   | (0.01)         | —              | —              | 0.09           | 0.07           | 0.18         |
| Share-based compensation   | 0.18           | 0.18           | 0.23           | 0.25           | 0.27           | 0.92         |
| Strategic investment losses or impairment charges  | 0.04           | —              | 0.24           | —              | —              | 0.24         |
| Other charges  | 0.02           | —              | —              | —              | —              | —            |
| Income tax adjustments   | —              | (0.04)         | (0.02)         | (0.02)         | (0.03)         | (0.12)       |
| Non-GAAP diluted sharecount adjustments <sup>2</sup>   | 0.01           | 0.03           | 0.03           | 0.02           | 0.04           | 0.13         |
| <b>Non-GAAP Diluted Net Income Per Share<sup>2</sup></b>   | <b>\$ 1.05</b> | <b>\$ 1.58</b> | <b>\$ 2.03</b> | <b>\$ 1.90</b> | <b>\$ 2.59</b> | <b>8.10</b>  |
| Shares used in diluted net income per share calculation (M)  |                |                |                |                |                |              |
| GAAP   | 215            | 216            | 217            | 216            | 218            | 217          |
| Non-GAAP diluted sharecount adjustments <sup>2</sup>   | (3)            | (3)            | (4)            | (2)            | (3)            | (3)          |
| Non-GAAP   | 212            | 213            | 213            | 214            | 215            | 214          |

1. The Company recorded \$16 million of restructuring charges in Q4FY25, of which \$3 million was recorded to Cost of revenue and \$13 million recorded to Restructuring and other, net, within Operating expenses. The Company recorded \$20 million of restructuring charges in Q3FY25, of which \$10 million was recorded to Cost of revenue and \$10 million recorded to Restructuring and other, net, within Operating expenses.

2. Q4FY24, Q1FY25, Q2FY25, Q3FY25, Q4FY25, and twelve months ended June 27, 2025, non-GAAP shares used in diluted EPS calculation excluded approximately 3 million, 3 million, 4 million, 2 million, 3 million shares and 3 million shares, respectively, that are issuable upon conversion of our 2028 exchangeable senior notes using the if-converted method. This is because these dilutive effects are expected to be offset partially or in full by the capped call transactions entered by the Company in conjunction with the issuance of our 2028 exchangeable senior notes in order to reduce the potential dilution to the Company's ordinary shares upon the conversion.

| <u>Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow (\$M)</u> | <u>Q4 FY24</u> | <u>Q1FY25</u> | <u>Q2FY25</u> | <u>Q3FY25</u> | <u>Q4FY25</u> | <u>FY25</u>  |
|--|----------------|---------------|---------------|---------------|---------------|--------------|
| <b>Net Cash Provided by Operating Activities</b>   | <b>\$ 434</b>  | <b>\$ 95</b>  | <b>\$ 221</b> | <b>\$ 259</b> | <b>\$ 508</b> | <b>1,083</b> |
| Acquisition of property, equipment and leasehold improvements                              | (54)           | (68)          | (71)          | (43)          | (83)          | (265)        |
| <b>Free Cash Flow</b>  | <b>\$ 380</b>  | <b>\$ 27</b>  | <b>\$ 150</b> | <b>\$ 216</b> | <b>\$ 425</b> | <b>818</b>   |

| <u>Reconciliation of GAAP Net Income to Non-GAAP Adjusted EBITDA (\$M)</u> | <u>Q4 FY24</u> | <u>Q1FY25</u> | <u>Q2FY25</u> | <u>Q3FY25</u> | <u>Q4FY25</u> | <u>FY25</u>  |
|--|----------------|---------------|---------------|---------------|---------------|--------------|
| <b>GAAP Net Income</b>   | <b>\$ 513</b>  | <b>\$ 305</b> | <b>\$ 336</b> | <b>\$ 340</b> | <b>\$ 488</b> | <b>1,469</b> |
| Depreciation and amortization  | 63             | 64            | 63            | 63            | 61            | 251          |
| Interest expense   | 82             | 85            | 84            | 77            | 75            | 321          |
| Interest income  | (7)            | (7)           | (8)           | (4)           | (6)           | (25)         |
| Income tax expense   | 25             | 11            | 14            | 15            | 4             | 44           |
| <b>Non-GAAP EBITDA</b>   | <b>676</b>     | <b>458</b>    | <b>489</b>    | <b>491</b>    | <b>622</b>    | <b>2,060</b> |
| Acquisition-related charges  | —              | —             | —             | 5             | 2             | 7            |
| Net gain from business divestiture   | (313)          | —             | —             | (8)           | —             | (8)          |
| Net loss from debt transactions  | —              | —             | —             | 4             | 3             | 7            |
| Purchase order cancellation fees   | (26)           | (1)           | —             | (3)           | (5)           | (9)          |
| Restructuring and other, net   | (3)            | 1             | 1             | 20            | 16            | 38           |
| Share-based compensation   | 38             | 38            | 49            | 54            | 59            | 200          |
| Strategic investment losses or impairment charges                          | 8              | 1             | 52            | —             | —             | 53           |
| Underutilization charges, net of depreciation and amortization             | 20             | —             | —             | —             | —             | —            |
| Other charges  | 4              | 1             | —             | —             | —             | 1            |
| <b>Non-GAAP Adjusted EBITDA</b>  | <b>\$ 404</b>  | <b>\$ 498</b> | <b>\$ 591</b> | <b>\$ 563</b> | <b>\$ 697</b> | <b>2,349</b> |



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