

WESTERN DIGITAL CORP

Form S-4/A

January 27, 2016

Table of Contents

As filed with the Securities and Exchange Commission on January 26, 2016

Registration No. 333-208517

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 1

to

Form S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

WESTERN DIGITAL CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

Delaware (State or Other Jurisdiction of	3577 (Primary Standard Industrial	33-0956711 (I.R.S. Employer
Incorporation or Organization)	Classification Code Number) 3355 Michelson Drive, Suite 100	Identification Number)

Irvine, California 92612

(949) 672-7000

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Michael C. Ray, Executive Vice President, Chief Legal Officer and Secretary

3355 Michelson Drive, Suite 100

Irvine, California 92612

(949) 672-7000

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

Copies to:

Neil Q. Whoriskey	Mark Brazeal	Kenton J. King
Matthew P. Salerno	Chief Legal Officer and Senior	Amr Razzak
Cleary Gottlieb Steen &	Vice President, IP Licensing	Skadden, Arps, Slate,
Hamilton LLP		Meagher & Flom LLP
One Liberty Plaza	SanDisk Corporation	525 University Avenue
New York, NY 10006	951 SanDisk Drive	Palo Alto, CA 94301
Tel.: (212) 225-2000	Milpitas, California 95035	Tel.: (650) 470-4500
Fax: (212) 225-3999	Tel.: (408) 801-1000	Fax: (650) 470-4570

Approximate date of commencement of proposed sale to public: As soon as practicable after the effectiveness of this registration statement and the satisfaction or waiver of all other conditions to the transactions described herein.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

Table of Contents

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

The information in this joint proxy statement/prospectus is subject to completion and amendment. A registration statement relating to the securities described in this joint proxy statement/prospectus has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy these securities be accepted prior to the time the registration statement becomes effective. This joint proxy statement/prospectus shall not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration under the securities laws of any such jurisdiction.

SUBJECT TO COMPLETION, DATED January 26, 2016

PRELIMINARY COPY

JOINT PROXY STATEMENT/PROSPECTUS PROPOSED TRANSACTION YOUR VOTE IS VERY IMPORTANT

Dear Stockholders:

Western Digital Corporation, which we refer to as Western Digital, Schrader Acquisition Corporation, an indirect subsidiary of Western Digital, which we refer to as Merger Sub, and SanDisk Corporation, which we refer to as SanDisk, have entered into an agreement and plan of merger, dated as of October 21, 2015 (the Merger Agreement). Merger Sub is a direct wholly owned subsidiary of Western Digital Technologies, Inc. (WDT), which is a wholly owned subsidiary of Western Digital. Pursuant to the Merger Agreement, Merger Sub will merge with and into SanDisk (the Merger), with SanDisk continuing as the Surviving Corporation (as defined in *The Merger Agreement The Merger*) of the Merger as a direct wholly owned subsidiary of WDT. Upon successful completion of the Merger, each issued and outstanding share of common stock, par value \$0.001 per share, of SanDisk, other than any shares owned by Western Digital, SanDisk or any of their respective subsidiaries, will be converted into the right to receive: (1) if the Unis Investment (as defined in *Questions and Answers about the Special Meetings and the Merger What is the Unis Investment?*) closes by the time of the Merger, 0.0176 shares of Western Digital common stock, par value \$0.01 per share, and \$85.10 in cash or (2) if the Unis Investment does not close or the Unis SPA (as defined in *Questions and Answers about the Special Meetings and the Merger What is the Unis Investment?*) is terminated by the time of the Merger, 0.2387 shares of Western Digital common stock, par value \$0.01 per share, and \$67.50 in cash, provided that, in each case, if SanDisk's cash or cash equivalents available for use in the United States without payment of withholding or U.S. income taxes at closing of the Merger is less than (a) \$4.049 billion if closing occurs before June 30, 2016 or (b) \$4.139 billion if closing occurs on or after June 30, 2016, then Western Digital at its option may decrease the aggregate cash consideration by an amount equal to the shortfall and increase the aggregate stock consideration by the shortfall amount.

If the Unis Investment closes by the time of the Merger, immediately following the Merger, the Western Digital stockholders including the Unis Investor (as defined in *Questions and Answers about the Special Meetings and the Merger What is the Unis Investment?*) will own approximately 98.72% of Western Digital common stock, and SanDisk's stockholders will own approximately 1.28% of Western Digital common stock, based on the number of shares of Western Digital and SanDisk common stock outstanding as of January 13, 2016, and provided that there is no cash shortfall as described above and excluding potential issuance of shares to be issued under SanDisk's

outstanding convertible notes. However, if the Unis Investment does not close by the time of the Merger, immediately following the Merger Western Digital's stockholders will own approximately 82.90% of Western Digital common stock, and SanDisk's stockholders will own approximately 17.10% of Western Digital common stock, based on the number of shares of Western Digital and SanDisk common stock outstanding as of December 4, 2015 and provided that there is no cash shortfall as described above and excluding potential issuance of shares to be issued under SanDisk's outstanding convertible notes. Common stock of Western Digital is listed on NASDAQ under the symbol WDC. Common stock of SanDisk is listed on NASDAQ under the symbol SNDK. Upon completion of the Merger, we expect to delist SanDisk common stock from NASDAQ.

The Merger will be a taxable transaction for U.S. federal income tax purposes.

We are each holding a special meeting of stockholders (the Western Digital special meeting and the SanDisk special meeting, respectively) in order to obtain the stockholder approvals necessary to consummate the Merger. At our respective special meetings, SanDisk will ask its stockholders to adopt the Merger Agreement and Western Digital will ask its stockholders to approve the issuance of shares of Western Digital common stock in connection with the Merger to the extent such issuances would require approval under NASDAQ Stock Market Rule 5635(a), which, subject to certain exceptions, generally requires stockholder approval prior to issuance of common stock in connection with a merger to the extent such issuances would equal or exceed 20% of the issuer's issued and outstanding common stock (the NASDAQ Stock Issuance Proposal). Adoption of the Merger Agreement by the SanDisk stockholders is a condition to the consummation of the Merger. If the Unis Investment does not close or the Unis SPA is terminated prior to the consummation of the Merger, for purposes of NASDAQ Stock Market Rule 5635(a), the number of shares to be issued in connection with the Merger will exceed 20% of Western Digital's outstanding common stock and the approval of the Western Digital stockholders of the NASDAQ Stock Issuance Proposal is a condition to the consummation of the Merger. If the Unis Investment does close prior to the consummation of the Merger, the number of shares to be issued in connection with the Merger will not exceed 20% of Western Digital's outstanding common stock and the approval of the Western Digital stockholders of the NASDAQ Stock Issuance Proposal is not a condition to the consummation of the Merger. The obligations of Western Digital, Merger Sub and SanDisk to complete the Merger are also subject to the satisfaction or waiver of several other conditions to the Merger set forth in the Merger Agreement and described in this joint proxy statement/prospectus. More information about Western Digital, Merger Sub, SanDisk and the proposed merger is contained in this joint proxy statement/prospectus. We urge you to read this joint proxy statement/prospectus, and the documents incorporated by reference into this joint proxy statement/prospectus, carefully and in their entirety. In particular, we urge you to read carefully Risk Factors beginning on page 35.

After careful consideration, the board of directors of each of Western Digital and SanDisk has determined that the Merger Agreement and the Merger are fair to, advisable and in the best interests of, their respective stockholders. Accordingly, the Western Digital board of directors recommends that the Western Digital stockholders vote FOR the NASDAQ Stock Issuance Proposal, and FOR the Western Digital Adjournment Proposal (as defined in Western Digital's *Notice of Special Meeting of Western Digital Stockholders to be Held on [], 2016*), and FOR the Western Digital Non-Binding Advisory Proposal (as defined in Western Digital's *Notice of Special Meeting of Western Digital Stockholders to be Held on [], 2016*) and the SanDisk board of directors recommends that the SanDisk stockholders vote FOR the adoption of the Merger Proposal (as defined in SanDisk's *Notice of Special Meeting of SanDisk Stockholders to be Held on [], 2016*), FOR the SanDisk Adjournment Proposal (as defined in SanDisk's *Notice of Special Meeting of SanDisk Stockholders to be Held on [], 2016*) and FOR the SanDisk Non-Binding Advisory Proposal (as defined in SanDisk's *Notice of Special Meeting of SanDisk Stockholders to be Held on [], 2016*).

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We are very excited about the opportunities the proposed merger brings to both Western Digital stockholders and SanDisk stockholders, and we thank you for your consideration and continued support.

Stephen D. Milligan
Chief Executive Officer
Western Digital Corporation

Sanjay Mehrotra
President and Chief Executive Officer
SanDisk Corporation

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(877) 849-0763

E-mail: wdc.info@morrowco.com

SanDisk or its proxy solicitor will provide you with copies of such information that relates to SanDisk, without charge, if you request them in writing or by telephone from:

SanDisk Corporation

951 SanDisk Drive

Milpitas, California 95035

Attention: Investor Relations

Tel.: (408) 801-1000

E-mail: ir@sandisk.com

Table of Contents

Innisfree M&A Incorporated

501 Madison Avenue, 20th Floor

New York, NY 10022

Shareholders may call toll free: (877) 825-8772

Banks and Brokers may call collect: (212) 750-5833

If you would like to request documents, please do so by [], 2016, in order to receive them before the special meetings.

Western Digital has supplied, and is responsible for, all information contained in or incorporated by reference in this joint proxy statement/prospectus relating to Western Digital and Merger Sub, and SanDisk has supplied, and is responsible for, all information contained in or incorporated by reference in this joint proxy statement/prospectus relating to SanDisk. No one else has been authorized to give you any other information, and neither Western Digital nor SanDisk takes responsibility for any information that others may give you. This joint proxy statement/prospectus is dated as of [], 2016. You should not assume that the information contained in this joint proxy statement/prospectus is accurate as of any other date or that information incorporated by reference in this joint proxy statement/prospectus is accurate as of any date other than the date of such information. Neither Western Digital's nor SanDisk's mailing of this joint proxy statement/prospectus will create any implication to the contrary. This joint proxy statement/prospectus does not constitute an offer to sell any securities, a solicitation of an offer to buy any securities, or the solicitation of a proxy, in each case in any jurisdiction in which such offer or solicitation would be unlawful.

Table of Contents

3355 Michelson Drive, Suite 100

Irvine, California 92612

NOTICE OF SPECIAL MEETING OF WESTERN DIGITAL STOCKHOLDERS

TO BE HELD ON [], 2016

To the Stockholders of WESTERN DIGITAL CORPORATION:

Western Digital will hold a special meeting of stockholders at [], located at [], on [], 2016, at [], local time, unless postponed or adjourned to a later date. This special meeting will be held for the following purposes:

- 1. to approve the issuance of Western Digital common stock in connection with the merger (the *Merger*) of Schrader Acquisition Corporation (*Merger Sub*) with and into SanDisk Corporation (*SanDisk*) with SanDisk continuing as the Surviving Corporation (as defined in *The Merger Agreement* *The Merger*) and as a direct wholly owned subsidiary of Western Digital Technologies, Inc. (*WDT*), which is a wholly owned subsidiary of Western Digital Corporation (*Western Digital*), to the extent such issuance would require approval under NASDAQ Stock Market Rule 5635(a); the Merger being effected pursuant to the Agreement and Plan of Merger, dated October 21, 2015, by and among Western Digital, Merger Sub and SanDisk (the *Merger Agreement*), a copy of which is attached as Annex A to the joint proxy statement/ prospectus accompanying this notice (the *NASDAQ Stock Issuance Proposal*);**
- 2. to approve adjournments of the Western Digital special meeting, if necessary or appropriate, including to permit further solicitation of proxies if there are not sufficient votes at the time of the Western Digital special meeting to approve the NASDAQ Stock Issuance Proposal (the *Western Digital Adjournment Proposal*); and**
- 3. to approve, by non-binding, advisory vote, compensation that will or may be paid or become payable by Western Digital to one of its named executive officers, in connection with the Merger (the *Western Digital Non-Binding Advisory Proposal*).**

These items of business are described in the accompanying joint proxy statement/prospectus. Please refer to the attached document, including the Merger Agreement and all other annexes, including any documents incorporated by reference, for further information with respect to the business to be transacted at the Western Digital special meeting. This joint proxy statement/prospectus is also available on Western Digital's Internet site at <http://investor.wdc.com>. You are encouraged to read the entire document carefully before voting. **In particular, see the section entitled *Risk Factors* beginning on page 35.**

Only Western Digital stockholders of record at the close of business on [], 2016 are entitled to notice of the Western Digital special meeting and to vote at the Western Digital special meeting and any adjournments or postponements of the Western Digital special meeting. The Western Digital board of directors has fixed the close of business on [] as the record date for determination of Western Digital stockholders entitled to receive notice of, and to vote at, the Western Digital special meeting or any adjournments or postponements thereof.

The Western Digital board of directors has unanimously approved and declared advisable the Merger Agreement and the transactions contemplated thereby, including the Merger, and has determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, are fair to, advisable and

in the best interests of Western Digital and Western Digital's stockholders. The Western Digital board of directors has approved and declared fair, advisable and in the best interests of, Western Digital and Western Digital's stockholders, the NASDAQ Stock Issuance Proposal. The Western Digital board of directors recommends that you vote FOR the NASDAQ Stock Issuance Proposal, FOR the Western Digital Adjournment Proposal, and FOR the Western Digital Non-Binding Advisory Proposal.

In deciding to approve the Merger Agreement and the transactions contemplated thereby, including the Merger and the NASDAQ Stock Issuance Proposal, the Western Digital board of directors considered a number of factors, including those listed beginning on page 98.

Table of Contents

*Your vote is very important regardless of the number of shares that you own. Whether or not you plan to attend the Western Digital special meeting in person, please complete, sign and date the enclosed proxy card(s) as soon as possible and return it in the postage-paid envelope provided, or vote your shares by telephone or over the Internet as described in the accompanying joint proxy statement/prospectus. Submitting a proxy or voting by telephone or Internet now will not prevent you from being able to vote at the Western Digital special meeting by attending in person and casting a vote. **However, if you do not return or submit your proxy or vote your shares by telephone or over the Internet or vote in person at the Western Digital special meeting, it will have no effect in determining the outcome of the NASDAQ Stock Issuance Proposal, provided that a quorum is achieved. If you attend the Western Digital special meeting in person or by proxy, and you abstain from voting, that will have the same effect as a vote AGAINST approval of the NASDAQ Stock Issuance Proposal.***

Western Digital stockholders who hold their Western Digital common stock beneficially in street name and wish to submit a proxy must provide instructions to the broker, bank, trustee or other nominee that holds their Western Digital common stock as to how to vote their Western Digital common stock with respect to the proposals above. Western Digital stockholders who hold their Western Digital common stock beneficially in street name and wish to vote in person at the Western Digital special meeting must obtain proxies issued in their own names (known as a legal proxy) from their broker, bank or trustee.

By Order of the Board of Directors,

MICHAEL C. RAY

Executive Vice President, Chief Legal Officer and

Secretary

Irvine, California

[], 2016

Please vote your shares promptly. You can find instructions for voting on the enclosed proxy card.

If you have questions, contact:

Western Digital Corporation

3355 Michelson Drive, Suite 100

Irvine, California 92612

Attention: Investor Relations

(800) 695-6399

E-mail: investor@wdc.com

or

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Morrow & Co. LLC

470 West Ave

Stamford, CT 06902

Banks and Brokers call collect: (203) 658-9400

All others call toll-free: (877) 849-0763

YOUR VOTE IS VERY IMPORTANT.

Table of Contents

SANDISK CORPORATION

951 SanDisk Drive

Milpitas, California 95035

NOTICE OF SPECIAL MEETING OF SANDISK STOCKHOLDERS

To Be Held on []

To the Stockholders of SANDISK CORPORATION:

NOTICE IS HEREBY GIVEN that a special meeting of stockholders of SanDisk Corporation, a Delaware corporation (SanDisk), will be held at SanDisk s corporate headquarters, 951 SanDisk Drive, Milpitas, CA 95035, at [], local time, on [], 2016, for the following purposes, as more fully described in the joint proxy statement/prospectus accompanying this notice:

- 1. to approve the adoption of the Agreement and Plan of Merger (as it may be amended from time to time, the Merger Agreement), dated as of October 21, 2015, by and among Western Digital Corporation, Schrader Acquisition Corporation (Merger Sub) and SanDisk, the merger of Merger Sub with and into SanDisk, with SanDisk continuing as the Surviving Corporation of such merger (such merger, the Merger) and the transactions contemplated by the Merger Agreement (the Merger Proposal);**
- 2. to adjourn the SanDisk special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the Merger Proposal (the SanDisk Adjournment Proposal); and**
- 3. to approve, by non-binding, advisory vote, compensation that will or may be paid or become payable by SanDisk to its named executive officers in connection with the Merger (the SanDisk Non-Binding Advisory Proposal).**

This joint proxy statement/prospectus describes the proposals listed above in more detail. Please refer to the attached document, including the Merger Agreement and all other annexes, including any documents incorporated by reference, for further information with respect to the business to be transacted at the SanDisk special meeting. This joint proxy statement/prospectus is also available on SanDisk s Internet site at <http://investor.sandisk.com>. You are encouraged to read the entire document carefully before voting. **In particular, see the section entitled *Risk Factors* beginning on page 35.**

The SanDisk board of directors has fixed the close of business on [], 2016 as the record date for determination of SanDisk stockholders entitled to receive notice of, and to vote at, the SanDisk special meeting or any adjournments or postponements thereof. Only SanDisk stockholders of record at the close of business on [], 2016 are entitled to receive notice of, and to vote at, the SanDisk special meeting or any adjournment or postponement thereof.

The board of directors of SanDisk has unanimously determined that the Merger Agreement and the transactions contemplated by the Merger Agreement, including the Merger, are advisable, fair to and in the best interests of SanDisk and its stockholders and recommends that SanDisk stockholders vote: FOR the Merger Proposal; FOR the SanDisk Adjournment Proposal; and FOR the SanDisk Non-Binding Advisory Proposal.

YOUR VOTE IS VERY IMPORTANT REGARDLESS OF THE NUMBER OF SHARES THAT YOU OWN.

The Merger cannot be completed without the approval of the Merger Agreement by the affirmative vote of a majority of the outstanding shares of SanDisk common stock.

SanDisk stockholders as of [], 2016 may have their SanDisk common stock voted by submitting a proxy by following the instructions provided in this joint proxy statement/prospectus or on the enclosed proxy card or voting

Table of Contents

instruction form. SanDisk strongly recommends that SanDisk stockholders entitled to vote submit a proxy even if they plan to attend the SanDisk special meeting. Submitting a proxy or voting by telephone or Internet now will not prevent you from being able to vote at the SanDisk special meeting by attending in person and casting a vote. **If you do not return or submit your proxy or vote your shares by telephone or over the Internet or vote in person at the SanDisk special meeting, it will have the same effect as a vote AGAINST the approval of the Merger Proposal. If you attend the SanDisk special meeting in person or by proxy, and you abstain from voting, that will have the same effect as a vote AGAINST approval of the Merger Proposal.**

SanDisk stockholders who hold their SanDisk common stock beneficially in street name and wish to submit a proxy must provide instructions to the broker, bank, trustee or other nominee that holds their SanDisk common stock as to how to vote their SanDisk common stock with respect to the proposals above. SanDisk stockholders who hold their SanDisk common stock beneficially in street name and wish to vote in person at the SanDisk special meeting must obtain proxies issued in their own names (known as a legal proxy) from their broker, bank or trustee.

If you have any questions concerning the Merger Agreement, the Merger or the other transactions contemplated by the Merger Agreement, or this joint proxy statement/prospectus, would like additional copies or need help voting your SanDisk common stock, please contact SanDisk or SanDisk's proxy solicitor:

SanDisk Corporation

951 SanDisk Drive

Milpitas, California 95035

Attention: Investor Relations

Tel.: (408) 801-1000

E-mail: ir@sandisk.com

or

Innisfree M&A Incorporated

501 Madison Avenue, 20th Floor

New York, NY 10022

Shareholders may call toll free: (877) 825-8772

Banks and Brokers may call collect: (212) 750-5833

By Order of the Board of Directors,

Michael E. Marks

Chairman of the Board of Directors

Table of Contents

TABLE OF CONTENTS

<u>QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETINGS AND THE MERGER</u>	1
<u>SUMMARY</u>	15
<u>Information About Western Digital</u>	15
<u>Information About Merger Sub</u>	16
<u>Information About SanDisk</u>	16
<u>The Merger</u>	17
<u>Financing Relating to the Merger</u>	19
<u>Western Digital's Reasons for the Merger and Recommendations of the Board of Directors to Western Digital's Stockholders</u>	19
<u>SanDisk's Reasons for the Merger and Recommendations of the Board of Directors to SanDisk's Stockholders</u>	19
<u>Opinions of Financial Advisors</u>	20
<u>Effect of the Merger on SanDisk's Equity Incentive Compensation Awards</u>	21
<u>Effect of the Merger on SanDisk's Convertible Notes</u>	22
<u>Effect of the Merger on SanDisk's Bond Hedge Transactions and Warrant Transactions</u>	23
<u>Record Date; Outstanding Shares; Shares Entitled to Vote; Vote Required</u>	25
<u>Stock Ownership and Voting by Western Digital's and SanDisk's Directors and Executive Officers</u>	26
<u>Interests of Western Digital Directors and Executive Officers in the Merger</u>	26
<u>Interests of SanDisk Directors and Executive Officers in the Merger</u>	26
<u>Post-Closing Western Digital Board</u>	27
<u>Listing of Western Digital Common Stock and Delisting of SanDisk Common Stock</u>	27
<u>Rights of Appraisal for SanDisk Stockholders</u>	27
<u>Conditions to Completion of the Merger</u>	28
<u>Regulatory Approvals Required for the Merger</u>	30
<u>Termination of the Merger Agreement</u>	30
<u>Termination Fees</u>	32
<u>Litigation Related to the Merger</u>	33
<u>Material United States Federal Income Tax Consequences</u>	34
<u>Accounting Treatment</u>	34
<u>Risk Factors</u>	34
<u>Comparison of Rights of Stockholders</u>	34
<u>RISK FACTORS</u>	35
<u>Risk Factors Relating to the Merger</u>	35
<u>Risk Factors Relating to the Combined Company Following the Merger</u>	45
<u>Risk Factors Relating to Western Digital Common Stock</u>	52
<u>FINANCIAL SUMMARY</u>	54
<u>Comparative Market Price Data for Western Digital and SanDisk</u>	54
<u>Western Digital Dividends to Stockholders</u>	54
<u>SanDisk Dividends to Stockholders</u>	55
<u>Selected Historical Consolidated Financial Data of Western Digital</u>	56
<u>Selected Historical Consolidated Financial Data of SanDisk</u>	57
<u>Selected Unaudited Pro Forma Condensed Combined Financial Information</u>	58
	60

COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA AND PER SHARE FINANCIAL INFORMATION

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

62

Table of Contents

<u>THE WESTERN DIGITAL SPECIAL MEETING</u>	64
<u>Overview</u>	64
<u>Date, Time and Place of the Western Digital Special Meeting</u>	64
<u>Purposes of the Western Digital Special Meeting</u>	64
<u>Record Date; Outstanding Shares; Shares Entitled to Vote</u>	64
<u>Quorum and Vote Required</u>	64
<u>Stock Ownership and Voting by Western Digital's Directors and Executive Officers</u>	68
<u>How to Vote</u>	69
<u>Revoking Your Proxy</u>	70
<u>Other Voting Matters</u>	70
<u>Proxy Solicitations</u>	71
<u>Other Business</u>	71
<u>Assistance</u>	71
<u>THE SANDISK SPECIAL MEETING</u>	72
<u>Overview</u>	72
<u>Date, Time and Place of the SanDisk Special Meeting</u>	72
<u>Purposes of the SanDisk Special Meeting</u>	72
<u>Record Date; Outstanding Shares; Shares Entitled to Vote</u>	72
<u>Quorum and Vote Required</u>	72
<u>Stock Ownership and Voting by SanDisk's Directors and Executive Officers</u>	76
<u>How to Vote</u>	77
<u>Revoking Your Proxy</u>	78
<u>Other Voting Matters</u>	78
<u>Proxy Solicitations</u>	79
<u>Other Business</u>	79
<u>Assistance</u>	79
<u>THE MERGER</u>	80
<u>Overview</u>	80
<u>Background of the Merger</u>	80
<u>Western Digital's Reasons for the Merger and Recommendation of Western Digital's Board of Directors</u>	98
<u>SanDisk's Reasons for the Merger and Recommendation of SanDisk's Board of Directors</u>	102
<u>Opinion of Western Digital's Financial Advisor, Merrill Lynch, Pierce, Fenner & Smith, Incorporated</u>	107
<u>Opinion of Western Digital's Financial Advisor, J.P. Morgan Securities LLC</u>	116
<u>Opinion of SanDisk's Financial Advisor, Goldman Sachs</u>	122
<u>Unaudited Prospective Financial Information</u>	131
<u>Stock Ownership of Directors and Executive Officers of Western Digital and SanDisk</u>	136
<u>Interests of Western Digital Directors and Executive Officers in the Merger</u>	137
<u>Interests of SanDisk Directors and Executive Officers in the Merger</u>	139
<u>Indemnification of Directors and Officers</u>	145
<u>Regulatory Approvals Required for the Merger</u>	146
<u>Litigation Related to the Merger</u>	146
<u>Dividend Policy</u>	147
<u>Financing Relating to the Merger</u>	147
<u>Listing of Western Digital Common Stock and Delisting of SanDisk Common Stock</u>	148
<u>Rights of Appraisal for SanDisk Stockholders</u>	149
<u>Accounting Treatment</u>	152

MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

Table of Contents

<u>THE MERGER AGREEMENT</u>	155
<u>The Merger</u>	155
<u>Effective Time and Completion of the Merger</u>	156
<u>Merger Consideration; Cancellation of Shares</u>	156
<u>Fractional Shares</u>	158
<u>Exchange Procedures</u>	158
<u>Treatment of SanDisk Equity Awards</u>	159
<u>Representations and Warranties</u>	160
<u>Interim Operations of Western Digital and SanDisk</u>	163
<u>No Solicitation by SanDisk; No Change in SanDisk Board Recommendation</u>	168
<u>No Solicitation by Western Digital; No Change in Western Digital Board Recommendation</u>	171
<u>Stockholder Meetings; Proxy Statement/Prospectus</u>	175
<u>Financing Matters</u>	177
<u>SanDisk's Indentures, Bond Hedge Transactions and Warrants</u>	180
<u>Employee Matters</u>	181
<u>Indemnification and Insurance</u>	182
<u>Efforts to Complete the Merger</u>	182
<u>Other Covenants</u>	184
<u>Conditions to Completion of the Merger</u>	184
<u>Termination of the Merger Agreement</u>	187
<u>Effect of Termination</u>	188
<u>Transaction Expenses and Termination Fees</u>	188
<u>Specific Performance; Remedies</u>	189
<u>Amendment; Waiver</u>	190
<u>Third-Party Beneficiaries</u>	190
<u>Governing Law</u>	191
<u>INFORMATION ABOUT WESTERN DIGITAL</u>	192
<u>INFORMATION ABOUT MERGER SUB</u>	194
<u>INFORMATION ABOUT SANDISK</u>	194
<u>COMPARISON OF RIGHTS OF STOCKHOLDERS</u>	195
<u>UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL DATA</u>	200
<u>UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET AS OF OCTOBER 2, 2015</u>	203
<u>UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENTS OF INCOME FOR THE FISCAL YEAR ENDED JULY 3, 2015</u>	204
<u>UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENTS OF INCOME FOR THE THREE MONTHS ENDED OCTOBER 2, 2015</u>	205
<u>NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS</u>	206
<u>LEGAL MATTERS</u>	220
<u>EXPERTS</u>	220
<u>SUBMISSION OF FUTURE STOCKHOLDER PROPOSALS</u>	221
<u>Western Digital</u>	221
<u>SanDisk</u>	221

<u>Householding</u>	222
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	222
<u>Western Digital SEC Filings</u>	223
<u>SanDisk SEC Filings</u>	224

Table of Contents

<u>ANNEX A AGREEMENT AND PLAN OF MERGER</u>	A-1
<u>ANNEX B OPINION OF MERRILL LYNCH, PIERCE, FENNER & SMITH, INCORPORATED</u>	B-1
<u>ANNEX C OPINION OF J.P. MORGAN SECURITIES LLC</u>	C-1
<u>ANNEX D OPINION OF GOLDMAN, SACHS & CO.</u>	D-1
<u>ANNEX E DGCL SECTION 262</u>	E-1

Table of Contents

QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETINGS AND THE MERGER

The following questions and answers briefly address some questions that you may have about the special meetings and the Merger. They may not include all the information that is important to you. Western Digital, Merger Sub and SanDisk urge you to read carefully this entire joint proxy statement/prospectus, including the annexes and the other documents to which we have referred you. We have included cross-references in certain parts of this section to direct you to a more detailed description of each topic presented elsewhere in this joint proxy statement/prospectus.

Q: What is this document?

A: This joint proxy statement/prospectus serves as the joint proxy statement through which Western Digital and SanDisk provide their respective stockholders with important information regarding their respective special meetings, the Merger and the other transactions contemplated by the Merger Agreement and solicit proxies to obtain approvals from their respective stockholders for the adoption of the Merger Agreement (in the case of SanDisk) and the issuance of Western Digital common stock (in the case of Western Digital in connection with the Merger), to the extent such issuance requires approval pursuant to NASDAQ Stock Market Rules 5635(a), which, subject to certain exceptions, generally requires stockholder approval prior to issuances of common stock in connection with a merger to the extent such issuance would equal or exceed 20% of the issuer's issued and outstanding common stock. It also serves as the prospectus by which Western Digital will offer and issue Western Digital common stock pursuant to the Merger.

Q: Why am I receiving this joint proxy statement/prospectus?

A: The board of directors of each of Western Digital, Merger Sub and SanDisk has approved the Merger of Merger Sub with and into SanDisk pursuant to the Merger Agreement that is described in this joint proxy statement/prospectus. A copy of the Merger Agreement is attached to this joint proxy statement/prospectus as Annex A. See *The Merger Agreement*, *The Merger* and *The Merger Agreement Effective Time and Completion of the Merger* for more information.

In order to complete the transactions contemplated by the Merger Agreement, including the Merger, SanDisk stockholders must adopt the Merger Agreement and, if the Unis Investment does not close or the Unis SPA is terminated by the Effective Time of the Merger (as defined in *The Merger Agreement Effective Time and Completion of the Merger*), Western Digital stockholders must approve the issuance of shares of Western Digital common stock in connection with the Merger as such issuance would equal or exceed 20% of Western Digital's issued and outstanding common stock, and all other conditions to the Merger set forth in the Merger Agreement must be satisfied or waived. If the Unis Investment does close prior to the Effective Time of the Merger, the approval by the stockholders of Western Digital is not a condition to consummation of the Merger. Regardless of whether the Unis Investment closes, Western Digital will seek approval of Western Digital stockholders to issue a number of its shares in connection with the Merger to the extent such issuances require approval pursuant to NASDAQ Stock Market Rule 5635(a), which, subject to certain exceptions, generally requires stockholder approval prior to issuances of common stock in connection with a merger to the extent such issuances would equal or exceed 20% of the issuer's issued and outstanding common stock, as Western Digital stockholder approval will maximize Western Digital's flexibility with respect to the Merger. Absent such approval, Western Digital may not be able to exercise its right to reallocate the cash and stock consideration for SanDisk stockholders in the Merger in the event of the Closing Cash Shortfall (as

defined in *Questions and Answers about the Special Meetings and the Merger What will SanDisk stockholders receive in the Merger?*) and Western Digital might need to convert certain SanDisk equity incentive awards into cash settled awards or rely on exceptions to NASDAQ Stock Market Rule 5635(a). Western Digital and SanDisk will hold separate special meetings of their respective stockholders to vote on these proposals. This joint proxy statement/prospectus contains important information, which you should read carefully, about the Merger Agreement, the transactions

Table of Contents

contemplated by the Merger Agreement, including the Merger and the issuance by Western Digital of shares of Western Digital common stock in connection with the Merger, and the respective special meetings of the stockholders of Western Digital and the stockholders of SanDisk.

The enclosed proxy materials allow you to grant a proxy or vote your shares by telephone or Internet without attending your respective company's special meeting in person.

Your vote is important. We encourage you to submit your proxy or vote your shares by telephone or Internet as soon as possible.

Q: What is the Unis Investment?

A: As publicly announced by Western Digital in Western Digital's Current Report on Form 8-K filed on September 30, 2015, Western Digital entered into a stock purchase agreement (the Unis SPA) with Unis Union Information System Ltd., a Hong Kong corporation (the Unis Investor), and Unisplendour Corporation Limited, a Chinese corporation (the Unis Guarantor) and, together with Unis Investor, the Unis Parties), pursuant to which Western Digital agreed to issue and sell to the Unis Investor 40,814,802 shares of Western Digital common stock, \$0.01 par value per share for \$92.50 per share, for an aggregate purchase price of approximately \$3.775 billion, and the Unis Guarantor agreed to guarantee the payment and performance of the Unis Investor's obligations therein (collectively, the Unis Investment) and, the consummation of the Unis Investment, the Unis Closing). The obligations of Western Digital and the Unis Parties to cause the Unis Closing to occur are subject to certain regulatory and other conditions as described in Western Digital's public filings, including clearing the Committee on Foreign Investment in the United States (CFIUS) process and the receipt of certain other requisite regulatory approvals. The proceeds of the Unis Investment will be used to help fund the Base Cash Consideration (as defined below in *What will SanDisk stockholders receive in the Merger?*). However, the closing of the Unis Investment is not conditioned upon the closing of the Merger, and the closing of the Merger is not conditioned upon the closing of the Unis Investment.

Q: What is the proposed transaction for which I am being asked to vote?

A: Western Digital and SanDisk stockholders are being asked to vote on two distinct issues. SanDisk stockholders are being asked to approve the Merger Proposal. Western Digital stockholders are being asked to approve the NASDAQ Stock Issuance Proposal. See *Merger Agreement Merger Consideration; Cancellation of Shares* for more information regarding the Merger Consideration.

Q: What if the Western Digital stockholder approval of the NASDAQ Stock Issuance Proposal is not obtained?

A: If the Unis Investment does not close or if the Unis SPA is terminated by the time of the Merger, the approval by the Western Digital stockholders of the NASDAQ Stock Issuance Proposal is a condition to the obligation of the parties to the Merger Agreement to complete the Merger. If the Unis Investment does close by the time of the Merger, approval by Western Digital stockholders of the NASDAQ Stock Issuance Proposal is not a condition to

the obligation of the parties to the Merger Agreement to complete the Merger; however, obtaining such approval is still important to Western Digital because without this approval Western Digital's flexibility with respect to the mix of Merger Consideration (as defined in *Questions and Answers about the Special Meetings and the Merger What will SanDisk stockholders receive in the Merger?*) will be limited. In particular, without this approval Western Digital may not be able to exercise its rights to alter the allocation of the cash and stock portions of Merger Consideration in the event of a Closing Cash Shortfall as described below and Western Digital might need to convert certain SanDisk equity awards into cash settled awards or rely on an exception to NASDAQ Stock Market Rule 5635(a). If this were to occur, Western Digital would need to use additional cash in lieu of issuing Western Digital common stock and might therefore need to incur additional debt to effect the Merger.

Table of Contents

If the Unis Investment does not close or if the Unis SPA is terminated and the Western Digital stockholders do not approve the issuance of shares of Western Digital common stock pursuant to the Merger, then the parties are not obligated to consummate the Merger and have the right to terminate the Merger Agreement.

Q: What if the SanDisk stockholder approval of the Merger Agreement is not obtained?

A: If the SanDisk stockholder approval is not obtained, then the Merger will not be consummated.

Q: Why are Western Digital and SanDisk proposing the Merger?

A: The boards of directors of Western Digital and SanDisk believe that the Merger will provide substantial strategic and financial benefits to the stockholders of their respective companies. To review the reasons for the Merger, see *The Merger Western Digital's Reasons for the Merger and Recommendation of Western Digital's Board of Directors* and *The Merger SanDisk's Reasons for the Merger and Recommendation of SanDisk's Board of Directors* for more information.

Q: What are the positions of the Western Digital board of directors and the SanDisk board of directors regarding the Merger and the related proposals which are being put to a vote of their respective stockholders?

A: Both boards of directors have unanimously approved and declared advisable the Merger Agreement and the transactions contemplated thereby, including the Merger, and determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, are fair to, advisable and in the best interests of, their respective companies and stockholders. The Western Digital board of directors unanimously recommends that the Western Digital stockholders vote **FOR** the NASDAQ Stock Issuance Proposal, **FOR** the Western Digital Adjournment Proposal, and **FOR** the Western Digital Non-Binding Advisory Proposal at the Western Digital special meeting. The SanDisk board of directors unanimously recommends that the SanDisk stockholders vote **FOR** the Merger Proposal, **FOR** the SanDisk Adjournment Proposal and **FOR** the SanDisk Non-Binding Advisory Proposal at the SanDisk special meeting. See *The Merger Western Digital's Reasons for the Merger and Recommendation of Western Digital's Board of Directors* and *The Merger SanDisk's Reasons for the Merger and Recommendation of SanDisk's Board of Directors* for more information.

Q: What vote is required to approve each proposal on the agenda for the Western Digital special meeting?

A: The approval of the NASDAQ Stock Issuance Proposal requires the affirmative vote of a majority of shares present in person or represented by proxy at the Western Digital special meeting and entitled to vote, assuming a quorum is present. If you are a Western Digital stockholder who attends the meeting in person or by proxy, and you abstain from voting, that will have the same effect as a vote **AGAINST** approval of the NASDAQ Stock Issuance Proposal. Shares not in attendance whether by proxy or in person at the Western Digital special meeting and broker non-votes will have no effect on the outcome of the NASDAQ Stock Issuance Proposal, provided that

a quorum is achieved. See *Questions and Answers about the Special Meetings and the Merger What if I don't provide my bank, broker or other nominee with instructions on how to vote?* for an explanation of broker non-votes.

To approve the Western Digital Adjournment Proposal, the affirmative vote of a majority of the shares of common stock present in person or represented by proxy at the Western Digital special meeting and entitled to vote is required, regardless of whether a quorum is present. If you are present in person or represented by proxy, attend the meeting in person or by proxy, and vote to abstain, it will have the same effect as a vote **AGAINST** the Western Digital Adjournment Proposal, while broker non-votes and shares not in attendance at the Western Digital special meeting will have no effect on the outcome of the Western Digital Adjournment Proposal. See *The Western Digital Special Meeting Quorum and Vote Required* for more information.

Table of Contents

To approve the Western Digital Non-Binding Advisory Proposal, the affirmative vote of a majority of the shares of Western Digital common stock present in person or represented by proxy at the Western Digital special meeting and entitled to vote is required, assuming a quorum is present. If you are a Western Digital stockholder who attends the meeting in person or by proxy, and you abstain from voting, that will have the same effect as a vote **AGAINST** approval of the Western Digital Non-Binding Advisory Proposal. Broker non-votes and shares not in attendance at the Western Digital special meeting will have no effect on the Western Digital Non-Binding Advisory Proposal, provided that a quorum is achieved. See *The Western Digital Special Meeting Quorum and Vote Required* for more information. The Western Digital Non-Binding Advisory Proposal is advisory, and therefore not binding on Western Digital, Western Digital's compensation committee or the Western Digital board of directors. However, the Western Digital board of directors and Western Digital's compensation committee value the opinions of the Western Digital stockholders, and Western Digital's compensation committee will consider the Western Digital stockholders' opinions and will evaluate whether any actions are necessary to address any concerns.

Q: What vote is required to approve each proposal on the agenda for the SanDisk special meeting?

A: The Merger Proposal requires the affirmative vote of a majority of the outstanding shares of SanDisk common stock entitled to vote at the SanDisk special meeting. Abstentions, broker non-votes and shares not in attendance at the SanDisk special meeting will have the same effect as a vote **AGAINST** the Merger Proposal.

To approve the SanDisk Adjournment Proposal, the affirmative vote of a majority of the shares of SanDisk common stock present in person or represented by proxy at the SanDisk special meeting and entitled to vote is required regardless of whether a quorum is present. Abstentions will have the same effect as a vote **AGAINST** the SanDisk Adjournment Proposal, while broker non-votes and shares not in attendance at the SanDisk special meeting will have no effect on the outcome of the SanDisk Adjournment Proposal.

To approve the SanDisk Non-Binding Advisory Proposal, the affirmative vote of a majority of the shares of SanDisk common stock present in person or represented by proxy at the SanDisk special meeting and entitled to vote is required, assuming a quorum is present. Abstentions will have the same effect as a vote **AGAINST** the SanDisk Non-Binding Advisory Proposal, while broker non-votes and shares not in attendance at the SanDisk special meeting will have no effect on the outcome of the SanDisk Non-Binding Advisory Proposal, provided that a quorum is achieved. See *The SanDisk Special Meeting Quorum and Vote Required* for more information. The SanDisk Non-Binding Advisory Proposal is advisory, and therefore not binding on SanDisk, SanDisk's compensation committee or the SanDisk board of directors. However, the SanDisk board of directors and SanDisk's compensation committee value the opinions of the SanDisk stockholders, and SanDisk's compensation committee will consider the SanDisk stockholders' opinions and will evaluate whether any actions are necessary to address any concerns. See *The SanDisk Special Meeting Quorum and Vote Required* for more information.

Q: What will happen in the Merger?

A: In the Merger, Merger Sub, a direct wholly owned subsidiary of Western Digital Technologies, Inc. (WDT), which is a wholly owned subsidiary of Western Digital, will merge with and into SanDisk, with SanDisk continuing as the Surviving Corporation (as defined in *The Merger Agreement The Merger*) of the Merger and as a wholly owned indirect subsidiary of Western Digital. See *The Merger Agreement Effective Time and*

Completion of the Merger for more information.

Q: Will the Merger affect the board of directors or officers of Western Digital after the Merger?

A: Yes. The chief executive officer of SanDisk, Sanjay Mehrotra, will be appointed to the board of directors of Western Digital at the Effective Time of the Merger. Western Digital expects that all directors and officers of Western Digital will continue to serve as members of the board of directors and officers of Western Digital, as applicable, after the Merger is complete.

Table of Contents**Q: What will SanDisk stockholders receive in the Merger?**

A: Pursuant to the terms of the Merger Agreement, if at the time of the consummation of the Merger, the Unis Investment (as defined above in *What is the Unis Investment?*) has closed, each SanDisk stockholder will receive in exchange for each share of SanDisk common stock 0.0176 (the *Base Exchange Ratio*) shares of Western Digital common stock and \$85.10 in cash (the *Base Cash Consideration* and together with the stock consideration, the *Base Merger Consideration*). If the Unis Investment does not close or the Unis SPA has been terminated by the time of the consummation of the Merger, each SanDisk stockholder will receive in exchange for each share of SanDisk common stock, 0.2387 shares of Western Digital common stock (the *Alternate Exchange Ratio*) and \$67.50 in cash (the *Alternate Cash Consideration* and together with the stock consideration, the *Alternate Merger Consideration*). The Alternate Merger Consideration or the Base Merger Consideration as applicable will also be referred to as the *Merger Consideration*.

The above allocation between cash and shares of Western Digital common stock is subject to reallocation, at Western Digital's election: if on the closing date of the Merger, the amount of cash and cash equivalents held by SanDisk or any of its subsidiaries available for use or that can be repatriated in the United States, in each case without the payment of withholding tax or U.S. income tax (the *Available Cash*) is less than (x) \$4.049 billion if the closing occurs before June 30, 2016 and (y) \$4.139 billion if the closing occurs on or after June 30, 2016 (the *Target Available Cash*, and the amount of such shortfall, if any, the *Closing Cash Shortfall*). If Western Digital so elects, the cash portion of the per share Merger Consideration will be reduced by the Closing Cash Shortfall, divided by the number of shares of SanDisk common stock outstanding as of the closing date (the *Per Share Cash Reduction Amount*), and the Western Digital common stock portion of the per share Merger Consideration will be increased by a number of shares of Western Digital common stock equal to the Per Share Cash Reduction Amount divided by \$79.5957.

The table below shows the impact that a 0%, 10% and 25% Closing Cash Shortfall would have on the consideration received by SanDisk stockholders both in the event that the Merger closes prior to or on or after June 30, 2016, pursuant to Section 3.1(g) of the Merger Agreement. A Closing Cash Shortfall would result in adjustments to the Base Cash Consideration, Base Exchange Ratio, Alternate Cash Consideration and the Alternate Exchange Ratio (resulting in the *Adjusted Base Cash Consideration*, *Adjusted Base Exchange Ratio*, *Adjusted Alternate Cash Consideration* and the *Adjusted Alternate Exchange Ratio*, respectively). As of September 27, 2015, SanDisk had a total of \$3.743 billion in cash and cash equivalents and marketable securities which can be sold and proceeds held as cash or cash equivalents available for use in the United States or that can be repatriated to the United States, without payment of withholding tax or U.S. income taxes. Such Available Cash as of September 27, 2015 is not indicative of the amount of Available Cash SanDisk will have as of the actual closing date of the Merger and SanDisk's actual closing date Available Cash is subject to the risks associated with operating SanDisk's business, which are described in SanDisk's Exchange Act reports, including SanDisk's quarterly report on Form 10-Q for the quarter ended September 27, 2015, which is incorporated by reference in this joint proxy statement/prospectus. See *Where You Can Find More Information*. The table below uses the number of shares of SanDisk common stock that were outstanding as of January 13, 2016.

<i>Closing Cash Shortfall</i>	<i>The Merger Closes Prior to June 30, 2016</i>			
	<i>Adjusted Base Cash Consideration (Unis Investment Closes</i>	<i>Adjusted Base Exchange Ratio (Unis Investment Closes Prior to</i>	<i>Adjusted Alternate Cash Consideration (Unis Investment Does Not</i>	<i>Adjusted Alternate Exchange Ratio (Unis Investment Does Not</i>

	<i>Prior to the Merger)</i>	<i>the Merger)</i>	<i>Close or the Unis SPA is Terminated Prior to the Merger)</i>	<i>Close or the Unis SPA is Terminated Prior to the Merger)</i>
0%	\$ 85.10	0.0176	\$ 67.50	0.2387
10%	\$ 83.09	0.0429	\$ 65.49	0.2640
25%	\$ 80.06	0.0809	\$ 62.46	0.3020

Table of Contents

	<i>The Merger Close On or After June 30, 2016</i>			
	<i>Adjusted Base Cash Consideration (Unis Investment Closes Prior to the Merger)</i>	<i>Adjusted Base Exchange Ratio (Unis Investment Closes Prior to the Merger)</i>	<i>Adjusted Alternate Cash Consideration (Unis Investment Does Not Close or the Unis SPA is Terminated Prior to the Merger)</i>	<i>Adjusted Alternate Exchange Ratio (Unis Investment Does Not Close or the Unis SPA is Terminated Prior to the Merger)</i>
Closing Cash Shortfall				
0%	\$ 85.10	0.0176	\$ 67.50	0.2387
10%	\$ 83.04	0.0435	\$ 65.44	0.2646
25%	\$ 79.95	0.0823	\$ 62.35	0.3034

Western Digital will not issue fractional shares as a result of the Merger and instead each holder of SanDisk common stock that would otherwise be entitled to a fraction of a share of Western Digital common stock will be entitled to receive a cash payment in lieu thereof, which payment will represent such holder's proportionate interest in the net proceeds from the sale by the exchange agent on behalf of such holders of the fractions of shares of Western Digital common stock that would otherwise be issued (the Excess Shares). Until the net proceeds of such sale have been distributed to the holders of SanDisk common stock entitled to such proceeds, the exchange agent will hold such proceeds as part of the Exchange Fund (as defined in *The Merger Agreement Exchange Procedures*). Notwithstanding the foregoing, Western Digital may elect at its option, in lieu of the issuance and sale of Excess Shares and the making of payments described herein, to pay each former holder of shares of SanDisk common stock an amount in cash equal to the product obtained by multiplying (A) the fractional share interest to which such former holder would otherwise be entitled by (B) the volume weighted average trading price of Western Digital common stock on NASDAQ for the five consecutive trading days ending on the trading day immediately preceding the closing date.

Q: What percentage of Western Digital common stock will be owned by former SanDisk stockholders following the Merger?

A: The issuance of additional shares of Western Digital common stock to stockholders of SanDisk, assuming that there is no Closing Cash Shortfall, and excluding potential issuance of shares to be issued under SanDisk's outstanding convertible notes, will comprise approximately 1.52% of Western Digital's issued and outstanding shares of common stock (if the planned Unis Investment closes prior to the Merger) or approximately 20.63% of Western Digital's issued and outstanding shares of common stock (if the planned Unis Investment has not closed or the Unis SPA has been terminated), based on the number of issued and outstanding shares of Western Digital common stock and SanDisk common stock on January 13, 2016. In addition, the former SanDisk stockholders ownership of Western Digital common stock will also depend on (1) whether there is a Closing Cash Shortfall and Western Digital elects to reallocate the stock and cash consideration as described above and (2) whether Western Digital elects to convert any SanDisk equity awards into cash settled awards.

The relative Western Digital and SanDisk stockholder ownership immediately following the Merger as a function of (i) whether the Unis Closing has occurred prior to the Effective Time, (ii) whether the Merger closes prior to or on or after June 30, 2016 and (iii) a potential Closing Cash Shortfall of 0%, 10% and 25% are illustrated in the following

table, which uses the number of shares of SanDisk common stock that were outstanding as of January 13, 2016, and excludes the impact of the conversion of SanDisk equity awards.

The Merger Closes Prior to June 30, 2016	Unis Investment Closes Prior to the Merger		Unis Investment Does Not Close or the Unis SPA is Terminated Prior to the Merger	
	<i>SanDisk (with Unis Investor)</i>	<i>Western Digital</i>	<i>SanDisk</i>	<i>Western Digital</i>
Closing Cash Shortfall				
0%	1.28%	98.72%	17.10%	82.90%
10%	3.06%	96.94%	18.58%	81.42%
25%	5.61%	94.39%	20.70%	79.30%

Table of Contents

The Merger Closes On or After June 30, 2016	Unis Investment Closes Prior to the Merger		Unis Investment Does Not Close or the Unis SPA is Terminated Prior to the Merger	
	<i>SanDisk (with Unis Investor)</i>	<i>Western Digital</i>	<i>SanDisk</i>	<i>Western Digital</i>
Closing Cash Shortfall				
0%	1.28%	98.72%	17.10%	82.90%
10%	3.10%	96.90%	18.61%	81.39%
25%	5.70%	94.30%	20.77%	79.23%

Q: Do SanDisk stockholders have appraisal rights?

A: Under the General Corporation Law of the State of Delaware, referred to as the DGCL, holders of SanDisk common stock who do not vote for the adoption of the Merger Agreement have the right to seek appraisal of the fair value of their shares as determined by the Delaware Court of Chancery if the Merger is completed, but only if they comply with all applicable requirements of Delaware law, which are summarized in this document and attached as Annex E. This appraisal amount could be more than, the same as, or less than the amount a SanDisk stockholder would be entitled to receive under the Merger Agreement. Any holder of SanDisk common stock intending to exercise appraisal rights, among other things, must submit a written demand for appraisal to SanDisk prior to the vote on the adoption of the Merger Agreement and must not vote or otherwise submit a proxy in favor of adoption of the Merger Agreement. Failure to follow exactly the procedures specified under Delaware law will result in the loss of appraisal rights. Because of the complexity of Delaware law relating to appraisal rights, if you are considering exercising your appraisal rights, SanDisk encourages you to seek the advice of your own legal counsel. These procedures are summarized in this joint proxy statement/prospectus in the section titled *The Merger Rights of Appraisal for SanDisk Stockholders* .

Q: When do you expect to complete the Merger?

A: While Western Digital and SanDisk expect to complete the Merger in the second calendar quarter of 2016, the completion of the Merger is subject to the satisfaction of certain conditions to closing, including the receipt of required regulatory approvals. See *The Merger Agreement Effective Time and Completion of the Merger* .

Q: What is required to complete the Merger?

A: The obligations of Western Digital and SanDisk to consummate the Merger are subject to the satisfaction or waiver of certain conditions, including adoption by SanDisk stockholders of the Merger Agreement and if the Unis Investment does not close or the Unis SPA is terminated by the Effective Time of the Merger, approval by Western Digital stockholders of the NASDAQ Stock Issuance Proposal; no material action being taken by any governmental entity enjoining or otherwise prohibiting consummation of any of the Merger; no law passed by any governmental entity making the consummation of the Merger illegal; receipt of required regulatory

approvals; approval by NASDAQ for listing of the Western Digital common stock to be allotted and issued pursuant to the Merger; accuracy of representations and warranties of the parties to the applicable standard provided by the Merger Agreement; no event occurring that had or would reasonably be expected to have a material adverse effect on Western Digital or SanDisk; compliance by the parties with their covenants in the Merger Agreement in all material respects; and the effectiveness of the registration statement (the Registration Statement) of which this joint proxy statement/prospectus forms a part, as well as other customary closing conditions. In addition, the Merger Agreement provides that there will be a marketing period prior to closing of the Merger in order to provide Western Digital the opportunity to market the Debt Financing (see *Questions and Answers about the Special Meetings and the Merger What is the Marketing Period?* for more information about the marketing period).

Table of Contents***Q: What are the U.S. federal income tax consequences of the Merger to U.S. holders of SanDisk common stock ?***

A: The exchange of SanDisk common stock pursuant to the Merger will be a taxable transaction for U.S. federal income tax purposes. Accordingly, a U.S. holder (as defined in *Material United States Federal Income Tax Consequences*) of SanDisk common stock who receives the Merger Consideration in exchange for such U.S. holder's shares of SanDisk common stock generally will recognize taxable gain or loss in an amount equal to the difference, if any, between the fair market value of the Merger Consideration received and such U.S. holder's adjusted tax basis in the shares of SanDisk common stock exchanged therefor. See *Material United States Federal Income Tax Consequences* for more information.

Q: What is the amount of financing to be incurred in connection with the Merger?

A: The transaction will be financed by a mix of cash, new debt financing and Western Digital common stock. In connection with the transaction, Western Digital expects to enter into new debt facilities totaling \$18.1 billion. Western Digital has received commitments for a \$1 billion revolving credit facility, \$3 billion in amortizing term loans, \$6 billion in other term loans and \$8.1 billion in secured and unsecured bridge facilities. Western Digital expects to issue approximately \$5.1 billion in secured and unsecured notes in lieu of drawing on the full amount of bridge facilities at close, with the amount of the bridge facilities drawn at closing to be repaid with available cash. The proceeds from the new debt facilities are expected to be used to pay part of the purchase price, refinance existing debt of Western Digital and SanDisk and pay transaction related fees and expenses.

If Western Digital stockholders do not approve the issuance of Western Digital common stock in connection with the Merger, it will substantially decrease Western Digital's flexibility to exercise its rights to increase the stock component and decrease the cash component of the Merger Consideration in the event of a Closing Cash Shortfall and its ability to convert certain SanDisk equity awards into cash settled awards (unless Western Digital utilizes an exception under NASDAQ Stock Market Rule 5635(a)), which may require Western Digital to incur additional indebtedness as a result of a Closing Cash Shortfall.

Q: What is the Marketing Period?

A: The Marketing Period (as defined in *The Merger Agreement Effective Time and Completion of the Merger*) is the first period of thirty consecutive calendar days, subject to certain terms and excluded dates set forth in the Merger Agreement, commencing (a) after the date on which Western Digital will have received all requested financing information in connection with the Debt Financing and such financing information meets certain requirements set forth in the Merger Agreement and (b) on the earlier of (i) the Marketing Period Trigger Date (as defined in *The Merger Agreement Effective Time and Completion of the Merger*) and (ii) the date on which the conditions to each party's obligation to effect the Merger and the conditions to the obligations of Western Digital and Merger Sub to effect the Merger will have been satisfied and nothing has occurred and no condition or state of fact exists that would cause any of such conditions to fail to be satisfied assuming the closing were to be scheduled for any time during such thirty consecutive calendar day period; provided that the Marketing Period shall end on any earlier date that is the date on which the Debt Financing is consummated. For more information about the Marketing Period please see *The Merger Agreement Effective Time and Completion of the Merger* .

Q: Does my vote matter?

A: Yes, your vote is very important. Western Digital and SanDisk cannot consummate the Merger unless the SanDisk common stockholders approve the Merger Proposal and, if the Unis Investment does not close by the Effective Time of the Merger or the Unis SPA is terminated, the Western Digital stockholders approve the NASDAQ Stock Issuance Proposal. In addition if Western Digital stockholders do not approve the NASDAQ Stock Issuance Proposal in the event that the Unis Investment closes prior to the Effective Time

Table of Contents

of the Merger, Western Digital will have less flexibility to reallocate the stock and cash consideration in the event of a Closing Cash Shortfall and less flexibility to rollover the SanDisk equity awards to Western Digital equity awards, and therefore Western Digital might need to use additional cash in lieu of issuing Western Digital common stock and incur additional debt to effect the Merger. Whether or not you plan to attend the Western Digital or SanDisk special meeting, please vote as soon as possible by following the instructions in this joint proxy statement/prospectus.

Q: Should SanDisk stockholders send in stock certificates now?

A: NO, SANDISK STOCKHOLDERS SHOULD NOT SEND STOCK CERTIFICATE(S) WITH THE PROXY CARD(S). If the Merger is completed, Western Digital will send SanDisk stockholders written instructions for sending in their stock certificates or, in the case of book-entry shares, for surrendering their book-entry shares. See *The SanDisk Special Meeting Proxy Solicitations*, and *The Merger Agreement Exchange of Shares* for more information.

Q: Who can answer my questions about the Merger?

A: If you have any questions about the Merger or your special meeting, need assistance in voting your shares, or need additional copies of this joint proxy statement/prospectus or the enclosed proxy card(s), you should contact:
If you are a Western Digital stockholder:

Morrow & Co., LLC

470 West Ave

Stamford, CT 06902

Banks and Brokers call collect: (203) 658-9400

All others call toll-free: (877) 849-0763

If you are a SanDisk stockholder:

Innisfree M&A Incorporated

501 Madison Avenue, 20th Floor

New York, NY 10022

Banks and Brokers may call collect: (212) 750-5833

Shareholders may call toll free: (877) 825-8772

Q: When and where are the special meetings?

A: The Western Digital special meeting will be held at [], located at [], [], local time, on [], 2016. The SanDisk special meeting will be held at SanDisk's headquarters, located at 951 SanDisk Drive, Milpitas, CA 95035, [], local time, on [], 2016.

Q: Who is eligible to vote at the Western Digital and the SanDisk special meetings?

A: Owners of Western Digital common stock are eligible to vote at the Western Digital special meeting if they are stockholders of record at the close of business on [], 2016 (the Western Digital Record Date). See *The Western Digital Special Meeting Record Date; Outstanding Shares; Shares Entitled to Vote* for more information. Owners of SanDisk common stock are eligible to vote at the SanDisk special meeting if they are stockholders of record at the close of business on [], 2016 (the SanDisk Record Date). See *The SanDisk Special Meeting Record Date; Outstanding Shares; Shares Entitled to Vote* for more information.

Table of Contents

Q: What constitutes a quorum?

A: A quorum for Western Digital or SanDisk is the presence at the Western Digital special meeting or SanDisk special meeting, respectively, either in person or by proxy, of holders of outstanding Western Digital or SanDisk, common stock, respectively, entitled to vote and representing at least a majority of the outstanding voting power of Western Digital or SanDisk common stock, respectively. Abstentions (Western Digital or SanDisk common stock that are represented in person at the respective special meeting or for which proxies have been received but for which the holders have abstained from voting), if any, will be included in the calculation of the number of Western Digital or SanDisk shares represented at the respective special meetings for purposes of determining whether a quorum has been achieved. Broker non-votes will not be included in the calculation of the number of Western Digital or SanDisk shares represented at the respective special meetings for purposes of determining whether quorum has been achieved.

Q: What should I do now?

A: You should read this joint proxy statement/prospectus carefully, including the annexes, and return your completed, signed and dated proxy card(s) by mail in the enclosed postage-paid envelope or submit your voting instructions by telephone or over the Internet as soon as possible so that your shares will be represented and voted at the Western Digital or SanDisk special meeting, as applicable. A number of banks and brokerage firms participate in a program that also permits stockholders whose shares are held in street name to direct their vote by telephone or over the Internet. This option, if available, will be reflected in the voting instructions from the bank or brokerage firm that accompany this joint proxy statement/prospectus. If your shares are held in an account at a bank or brokerage firm that participates in such a program, you may direct the vote of these shares by telephone or over the Internet by following the voting instructions enclosed with the proxy form from the bank or brokerage firm. See *The Western Digital Special Meeting How to Vote* and *The SanDisk Special Meeting How to Vote* for more information.

Q: What happens if I sell my shares before the Western Digital or SanDisk special meeting?

A: If a SanDisk or Western Digital stockholder transfers his or her respective SanDisk or Western Digital common stock after the SanDisk Record Date or the Western Digital Record Date, as applicable, but before the applicable special meeting, the stockholder will retain (subject to any arrangements made with the purchaser of such stockholder's shares) such stockholder's right to vote at the meeting. In order for SanDisk stockholders to receive the Merger Consideration pursuant to the Merger, they must hold their shares through the Effective Time of the Merger.

Q: How do I vote my Western Digital common stock?

A: You may vote your shares of Western Digital common stock in person at the Western Digital special meeting or by proxy. Western Digital recommends that you submit your proxy even if you plan to attend the Western Digital special meeting. If you submit your proxy, you may change your vote if you attend and vote at the Western

Digital special meeting; however, mere attendance at the Western Digital special meeting will have no effect on your vote.

Owners of record (that is, stockholders who hold shares of Western Digital common stock in their own name and not through a bank, broker or other nominee), as of the close of business on the record date, may vote in person at the Western Digital special meeting or by proxy. This means that you may use the enclosed proxy card(s) to tell the persons named as proxies how to vote your shares. If you properly complete, sign and date your proxy card(s) or submit your voting instructions by telephone or over the Internet, your shares will be voted in accordance with your instructions. The named proxies will vote all shares at the Western Digital special meeting for which proxies have been properly submitted (whether by mail, telephone or over the Internet) and not revoked. Owners of record have three ways to vote by proxy:

Internet: You can vote over the Internet at the web address shown on your proxy card(s). You will be prompted to enter your Control Number from your proxy card. This number will identify you

Table of Contents

as a stockholder of record. Follow the simple instructions that will be given to you to record your vote. If you vote over the Internet, do not return your proxy card(s).

Telephone: You can vote by telephone by calling the toll-free number on your proxy card(s). You will be prompted to enter your Control Number from your proxy card. This number will identify you as a stockholder of record. Follow the simple instructions that will be given to you to record your vote. If you vote by telephone, do not return your proxy card(s).

Mail: You can vote by mail by simply signing, dating and mailing your proxy card(s) in the postage-paid envelope included with this joint proxy statement/prospectus.

If you sign and return your proxy card(s) but do not mark your card(s) to tell the proxies how to vote your shares on each proposal, your shares will be voted as recommended by the Western Digital board of directors with the following exception:

If you are one of Western Digital's employees or former employees who participates in the Western Digital Common Stock Fund under the Western Digital 401(k) Plan, you will receive a request for voting instructions with respect to all of the shares allocated to your plan account. You are entitled to direct T. Rowe Price Company, the plan trustee, how to vote your plan shares. If T. Rowe Price does not receive voting instructions for shares in your plan account, your shares will be voted by T. Rowe Price in the same proportion as other shares in the Western Digital Common Stock Fund are affirmatively voted by plan participants.

Q: How do I vote my SanDisk common stock?

A: You may vote your shares of SanDisk common stock in person at the SanDisk special meeting or by proxy. SanDisk recommends that you submit your proxy even if you plan to attend the SanDisk special meeting. If you submit your proxy, you may change your vote if you attend and vote at the SanDisk special meeting; however, mere attendance at the SanDisk special meeting will have no effect on your vote.

Owners of record (that is, stockholders who hold shares of SanDisk common stock in their own name and not through a bank, broker or other nominee), as of the close of business on the record date, may vote in person at the SanDisk special meeting or by proxy. This means that you may use the enclosed proxy card(s) to tell the persons named as proxies how to vote your shares. If you properly complete, sign and date your proxy card(s) or submit your voting instructions by telephone or over the Internet, your shares will be voted in accordance with your instructions. The named proxies will vote all shares at the SanDisk special meeting for which proxies have been properly submitted (whether by mail, telephone or over the Internet) and not revoked. Owners of record have three ways to vote by proxy:

Internet: You can vote over the Internet at the web address shown on your proxy card(s). You will be prompted to enter your Control Number from your proxy card. This number will identify you as a stockholder of record. Follow the simple instructions that will be given to you to record your vote. If you vote over the Internet, do not return your proxy card(s).

Telephone: You can vote by telephone by calling the toll-free number on your proxy card(s). You will be prompted to enter your Control Number from your proxy card. This number will identify you as a stockholder of record. Follow the simple instructions that will be given to you to record your vote. If you vote by telephone, do not return your proxy card(s).

Mail: You can vote by mail by simply signing, dating and mailing your proxy card(s) in the postage-paid envelope included with this joint proxy statement/prospectus.

Q: If I am going to attend my special meeting, should I return my proxy card(s)?

A: Yes. Returning your completed, signed and dated proxy card(s) or voting by telephone or over the Internet ensures that your shares will be represented and voted at your special meeting. See *The Western Digital Special Meeting How to Vote* and *The SanDisk Special Meeting How to Vote* for more information.

Table of Contents

Q: How will my proxy be voted?

A: If you complete, sign and date your proxy card(s) or vote by telephone or over the Internet, your shares will be voted in accordance with your instructions. If you sign and date your proxy card(s) but do not indicate how you want to vote at your special meeting:

for Western Digital stockholders of record as of the Western Digital Record Date, your shares will be voted **FOR** the NASDAQ Stock Issuance Proposal, **FOR** the Western Digital Adjournment Proposal, and **FOR** the Western Digital Non-Binding Advisory Proposal provided that if you are one of Western Digital's employees or former employees who participates in the Western Digital Common Stock Fund under the Western Digital 401(k) Plan, you will receive a request for voting instructions with respect to all of the shares allocated to your plan account. You are entitled to direct T. Rowe Price Company, the plan trustee, how to vote your plan shares. If T. Rowe Price does not receive voting instructions for shares in your plan account, your shares will be voted by T. Rowe Price in the same proportion as other shares in the Western Digital Common Stock Fund are affirmatively voted by plan participants; and

for SanDisk stockholders of record as of the SanDisk Record Date, your shares will be voted **FOR** the Merger Proposal, **FOR** the SanDisk Adjournment Proposal and **FOR** the SanDisk Non-Binding Advisory Proposal.

Q. Can I change my vote after I mail my proxy card(s) or vote by telephone or over the Internet?

A: Yes. If you are a stockholder of record of Western Digital common stock or of SanDisk common stock (that is, you hold your shares in your own name and not through a bank, broker or other nominee) as of the close of business on the applicable record date for your special meeting, you can change your vote by:

sending a written notice to the corporate secretary of the company in which you hold shares that is received prior to your special meeting and states that you revoke your proxy;

signing, dating and delivering a new valid proxy card(s) bearing a later date that is received prior to your special meeting;

voting again by telephone or over the Internet by 11:59 p.m. eastern time on [], 2016; or

attending your special meeting and voting in person, although your attendance alone will not revoke your proxy.

If your shares are held in a street name account, you must contact your broker, bank or other nominee to change your vote.

Q: What if my bank, broker or other nominee holds my shares in street name ?

A: If a bank, broker or other nominee holds your shares for your benefit but not in your own name, your shares are in street name. In that case, your bank, broker or other nominee will send you a voting instruction form to use in voting your shares. The availability of telephone and Internet voting depends on the voting procedures of your bank, broker or other nominee. Please follow the instructions on the voting instruction form they send you. If your shares are held in the name of your bank, broker or other nominee and you wish to vote in person at your special meeting, you must contact your bank, broker or other nominee and request a document called a legal proxy. You must bring this legal proxy to your applicable special meeting in order to vote in person.

Q: What if I don't provide my bank, broker or other nominee with instructions on how to vote?

A: Generally, a bank, broker or other nominee may vote the shares that it holds for you only in accordance with your instructions. However, if your bank, broker or other nominee has not received your instructions, your bank, broker or other nominee has the discretion to vote on certain matters that are considered routine. A

Table of Contents

broker non-vote occurs if your bank, broker or other nominee cannot vote on a particular matter because your bank, broker or other nominee has not received instructions from you and because the proposal is not routine. Each of the matters being presented to stockholders for a vote at the special meetings of Western Digital and SanDisk is not considered a routine matter. Therefore, your bank, broker or other nominee will not be permitted to vote at the special meeting without instruction from you as the beneficial owner of the shares of Western Digital or SanDisk common stock.

Q: What if I abstain from voting?

A: Your abstention from voting will have the following effect:
If you are a Western Digital stockholder:

For all proposals, a properly executed proxy marked *abstain* will be counted in determining whether a quorum is present at the Western Digital special meeting. With respect to the NASDAQ Stock Issuance Proposal, abstentions will have the same effect as a vote **AGAINST** the NASDAQ Stock Issuance Proposal. With respect to the Western Digital Adjournment Proposal, abstentions will have the same effect as a vote **AGAINST** the Western Digital Adjournment Proposal. With respect to the Western Digital Non-Binding Advisory Proposal, abstentions will have the same effect as a vote **AGAINST** the Western Digital Non-Binding Advisory Proposal.

If you are a SanDisk stockholder:

For all proposals, a properly executed proxy marked *abstain* will be counted in determining whether a quorum is present at the SanDisk special meeting. With respect to the Merger Proposal, abstentions will have the same effect as a vote **AGAINST** the Merger Proposal. With respect to the SanDisk Adjournment Proposal, abstentions will have the same effect as a vote **AGAINST** the SanDisk Adjournment Proposal. With respect to the SanDisk Non-Binding Advisory Proposal, abstentions will have the same effect as a vote **AGAINST** the SanDisk Non-Binding Advisory Proposal.

Q: What does it mean if I receive multiple proxy cards?

A: Your shares may be registered in more than one account, such as brokerage accounts and 401(k) accounts. It is important that you complete, sign, date and return each proxy card or voting instruction form you receive or vote using the telephone or the Internet as described in the instructions included with your proxy card(s) or voting instruction form(s).

Q: What will happen to unvested SanDisk equity awards and vested SanDisk stock options that are at or out of the money at the time of the Merger?

A: At the Effective Time of the Merger, each outstanding and unvested SanDisk stock option, each outstanding Underwater Option (as defined below) and each unvested SanDisk restricted stock unit will be assumed by Western Digital and converted (each such as-converted equity award a SanDisk Converted Equity Award) into an

option to purchase a number of shares of Western Digital's common stock or an award of a number of restricted stock units of Western Digital's common stock, respectively (in each case, rounded down to the nearest whole share), equal to the product of (i) the number of shares of SanDisk common stock subject to such SanDisk stock option or restricted stock unit award immediately prior to the Effective Time of the Merger and (ii) the quotient obtained by dividing the volume weighted average trading price of SanDisk common stock on NASDAQ, for the five consecutive trading days ending on the trading day immediately preceding the date of the closing of the Merger by the volume weighted average trading price of Western Digital common stock on NASDAQ for the five consecutive trading days ending on the trading day immediately preceding the closing date (the Western Digital Measurement Price), (such quotient, the Equity Conversion Ratio). The exercise price per Western Digital common stock for such converted SanDisk stock options (which will be rounded up to the nearest whole cent) will be equal to the quotient

Table of Contents

obtained by dividing (x) the exercise price applicable to such SanDisk stock option immediately prior to the Effective Time of the Merger by (y) the Equity Conversion Ratio. All such SanDisk Converted Equity Awards will have substantially the same terms and conditions as were applicable to such SanDisk stock options and SanDisk restricted stock units, including with respect to any applicable change in control or other accelerated vesting provisions.

An Underwater Option means each vested SanDisk stock option with an exercise price equal to or greater than (a) in the event that the Unis Investment closes by the time of the Merger, the value of the Base Merger Consideration or (b) in the event the Unis Investment does not close by the time of the Merger or the Unis SPA is terminated, the value of the Alternate Merger Consideration.

If the Unis Investment closes prior to the Merger, Western Digital may instead settle some or all of the SanDisk Converted Equity Awards in cash on the date of exercise or settlement, as applicable, based upon the value of Western Digital's common stock at the time, and determined in accordance with the terms of the applicable award, less the exercise price (in the case of converted stock options) and any required withholdings applicable to the SanDisk Converted Equity Awards.

Q: What will happen to vested SanDisk equity awards in the Merger (other than options that are at or out of the money)?

A: At the Effective Time of the Merger, each outstanding and vested SanDisk stock option (other than any such vested SanDisk stock option that is an Underwater Option) will be cancelled and the holder of the cancelled option will be entitled to receive the Merger Consideration, less the exercise price and any required withholdings applicable to such SanDisk stock option (the Vested Option Consideration) (which exercise price and withholding shall first be applied against the stock portion of the Vested Option Consideration, if any, to reduce the number of shares delivered to the holder, and thereafter shall reduce the cash delivered to the holder).

At the Effective Time of the Merger, each outstanding and vested SanDisk restricted stock unit award (including any SanDisk restricted stock unit that becomes vested as a result of the Merger) will be cancelled, and the holder of the cancelled restricted stock unit will be entitled to receive the Merger Consideration, less any required withholdings applicable to such SanDisk restricted stock units (the Vested Restricted Stock Unit Consideration) (which withholding shall first be applied against the stock portion of the Vested Restricted Stock Unit Consideration, if any, to reduce the number of shares delivered to the holder, and thereafter shall reduce the cash delivered to the holder).

Under the terms of their award agreements, SanDisk stock options and SanDisk restricted stock units held by SanDisk's non-employee directors will vest in full immediately prior to the Effective Time of the Merger.

Q: Where can I find more information about Western Digital and SanDisk?

A: You can find more information about Western Digital and SanDisk from various sources described under *Where You Can Find More Information*.

Table of Contents**SUMMARY**

This summary highlights selected information from this joint proxy statement/prospectus and might not contain all of the information that is important to you. You should read carefully this entire joint proxy statement/prospectus, including the Annexes, and the other documents to which this joint proxy statement/prospectus refers to understand fully the Merger and the related transactions. In addition, Western Digital and SanDisk incorporate by reference into this joint proxy statement/prospectus important business and financial information about Western Digital and SanDisk. See *Where You Can Find More Information* for more information.

Information About Western Digital

Western Digital is a leading developer, manufacturer and provider of data storage solutions that enable consumers, businesses, governments and other organizations to create, manage, experience and preserve digital content. Western Digital's product portfolio includes hard disk drives (HDDs), solid state drives (SSDs), direct attached storage solutions, personal cloud network attached storage solutions, and public and private cloud data center storage solutions. HDDs are Western Digital's principal products and are today's primary storage medium for the vast majority of digital content, with the use of solid-state storage products growing rapidly. Western Digital's products are marketed under the HGST (as defined below in *Ministry of Commerce of the People's Republic of China (MOFCOM) Decision*) and WD product brand names.

Ministry of Commerce of the People's Republic of China (MOFCOM) Decision

In connection with the regulatory approval process of the Hitachi Global Storage Technologies Holdings Pte. Ltd. (HGST) acquisition, which closed on March 8, 2012, Western Digital agreed to certain conditions required by MOFCOM, the competition regulator in China responsible for approving transactions such as the Merger. These conditions include adopting measures to maintain HGST as an independent competitor until MOFCOM agreed otherwise. Accordingly, since March 2012, Western Digital has operated its global business through two independent subsidiaries HGST and WD. In March 2014, Western Digital submitted an application to MOFCOM to lift the condition it imposed on Western Digital to operate these businesses separately. On October 19, 2015, MOFCOM issued a decision in response to Western Digital's application that permits Western Digital to integrate its HGST and WD subsidiaries, except that Western Digital committed to maintain two sales teams that will separately offer products under the WD or HGST product brand names for two years from the date of the decision. Western Digital began integration planning activities immediately following the MOFCOM decision and integration is expected to occur in phases over 24 months from having received MOFCOM's decision.

Unis Investment

As publicly announced by Western Digital in Western Digital's Current Report on Form 8-K filed on September 30, 2015, Western Digital entered into a stock purchase agreement with the Unis Investor and the Unis Guarantor, pursuant to which Western Digital agreed to issue and sell to the Unis Investor 40,814,802 shares of Western Digital common stock, \$0.01 par value per share for \$92.50 per share, for an aggregate purchase price of approximately \$3.775 billion, and the Unis Guarantor agreed to guarantee the payment and performance of the Unis Investor's obligations thereunder. The obligations of Western Digital and the Unis Parties to cause the Unis Closing to occur are subject to certain regulatory and other conditions as described in Western Digital's public filings, including clearing the CFIUS process and the receipt of certain other requisite regulatory approvals. The proceeds of the Unis Investment will be used to help fund the Base Cash Consideration or, in the event of a Closing Cash Shortfall, the Adjusted Base Cash Consideration. However, the closing of the Unis Investment is not conditioned upon the closing of the Merger and the closing of the Merger is not conditioned upon the closing of the Unis Investment.

At the closing of the Unis Investment, Western Digital and the Unis Parties would enter into an investor rights agreement (the Investor Rights Agreement). Under the Investor Rights Agreement, as long as the Unis

Table of Contents

Parties hold more than 10% of the issued and outstanding shares of common stock of Western Digital, the Unis Investor will have the right to nominate one representative for election to the board of directors of Western Digital. In addition, until the later of such time as the Unis Parties hold less than 5% of the total voting power of Western Digital and six months following the date on which the Unis Investor is no longer entitled to nominate a representative for election to the board of directors of Western Digital, each of the Unis Parties has agreed to vote its shares in accordance with the recommendation of the board of directors of Western Digital on various matters submitted to a vote of the Western Digital stockholders, including, among other things, matters relating to the election of directors, business combination transactions, the issuance of indebtedness and compensation matters. Otherwise, the Unis Parties may vote such shares in their discretion. Further, under the Investor Rights Agreement, the Unis Parties will be subject to a customary standstill restriction which, among other things, generally prohibits the Unis Parties from purchasing additional securities of Western Digital beyond the 15% ownership level acquired under the Unis SPA. The standstill terminates at the latest to occur of the fifth anniversary of closing, such time as the Unis Parties hold less than 5% of Western Digital's voting securities and three months following the date on which the Unis Investor is no longer entitled to nominate a representative for election to the board of directors of Western Digital. In addition, the Unis Parties have agreed to a lock-up restriction such that the Unis Parties will not sell the Western Digital common stock for a period of five years following the closing, subject to certain exceptions, including the elimination of the lock-up restriction for 2.5% of such Western Digital common stock purchased by the Unis Parties on the six-month anniversary following the closing, and an additional 5%, 15%, 20% and 27.5% of such Western Digital common stock purchased by the Unis Parties under the Unis SPA on each of the first, second, third and fourth year anniversaries, respectively, following the closing. The Unis Investor will have certain registration rights under the Investor Rights Agreement with respect to the Western Digital common stock.

The principal executive office of Western Digital is located at 3355 Michelson Drive, Suite 100, Irvine, California 92612 and its telephone number is (949) 672-2000. Western Digital was founded in 1970 as a specialized semiconductor manufacturer and since entering the hard drive industry in 1988, its WD subsidiary has been a technology standard-setter in the industry's highest volume markets. HGST, a provider of high-value storage in enterprise markets, was acquired by Western Digital in March 2012. HGST was founded in 2003 through the combination of the HDD businesses of International Business Machines Corporation, the inventor of the HDD, and Hitachi, Ltd. (Hitachi). As of July 3, 2015, Western Digital had approximately 9,700 engineers and one of the industry's largest patent portfolios with more than 7,000 active patents worldwide.

Information About Merger Sub

Merger Sub, a direct wholly owned subsidiary of WDT, which is a wholly owned subsidiary of Western Digital, is a Delaware corporation that was formed on October 19, 2015, for the purpose of effecting the Merger. In the Merger, Merger Sub will be merged with and into SanDisk, with SanDisk surviving as a wholly owned indirect subsidiary of Western Digital.

Information About SanDisk

SanDisk is a global leader in NAND flash storage solutions. SanDisk sells its products globally to commercial and retail customers. SanDisk designs, develops and manufactures data storage solutions in a variety of form factors using flash memory, controller, firmware and software technologies. SanDisk's solutions include client solid state drives (SSDs), enterprise SSDs and solutions, embedded products, removable cards, universal serial bus drives, wireless media drives, digital media players, and wafers and components. SanDisk's SSD products are used in both client computing platforms and enterprise data centers and provide high-speed, high-capacity storage solutions that can be used in lieu of hard disk drives. SanDisk's embedded flash products are used in mobile phones, tablets, notebooks, computing platforms, imaging devices, and many other products. SanDisk's removable cards are used in a wide range

of applications such as mobile phones, tablets, digital

Table of Contents

cameras, gaming devices, personal computers, automobiles and many other products. SanDisk common stock is traded on NASDAQ under the symbol `SNDK`. Following the Merger, SanDisk common stock will be delisted from NASDAQ.

SanDisk was incorporated under the laws of the State of Delaware in June 1988. The address of SanDisk's principal executive office is 951 SanDisk Drive, Milpitas, California 95035, and its telephone number is (408) 801-1000. Additional information about SanDisk and its subsidiaries is included in documents incorporated by reference into this joint proxy statement/prospectus. See *Where You Can Find More Information* for more information.

The Merger

Upon the terms and subject to the conditions of the Merger Agreement, and in accordance with Delaware law, at the Effective Time of the Merger, Merger Sub will merge with and into SanDisk. The separate corporate existence of Merger Sub will cease, and SanDisk will continue as the Surviving Corporation of the Merger and a direct wholly owned subsidiary of WDT, which is a wholly owned subsidiary of Western Digital.

We encourage you to read the Merger Agreement, which governs the Merger and is attached as Annex A to this joint proxy statement/prospectus, because it sets forth the terms of the Merger.

Merger Consideration (page 156)

Pursuant to the terms of the Merger Agreement, if at the time of the consummation of the Merger, the Unis Investment has closed, each share of SanDisk common stock issued and outstanding at that time will be cancelled and extinguished and automatically converted into the right to receive, subject to reallocation (as described below), 0.0176 shares of Western Digital common stock and \$85.10 in cash (the *Base Merger Consideration*). If the Unis Investment does not close by the time of the consummation of the Merger or the Unis SPA has been terminated each share of SanDisk common stock issued and outstanding at the time of the consummation of the Merger will be cancelled and extinguished and automatically converted into the right to receive, subject to reallocation (as described below), 0.2387 shares of Western Digital common stock and \$67.50 in cash (the *Alternate Merger Consideration*).

The above allocation between cash and shares of Western Digital common stock is subject to reallocation, at Western Digital's election, if the amount of Available Cash on the closing date falls short of a target cash amount of \$4.049 billion (if the closing occurs before June 30, 2016), or \$4.139 billion (if the closing occurs on or after June 30, 2016). If Western Digital so elects, the cash portion of the per share Merger Consideration will be reduced by the Closing Cash Shortfall, divided by the number of shares of SanDisk common stock outstanding as of the closing date (the *Per Share Cash Reduction Amount*), and the Western Digital common stock portion of the per share Merger Consideration will be increased by a number of shares of Western Digital common stock equal to the Per Share Cash Reduction Amount divided by \$79.5957.

The following table shows the closing prices for Western Digital common stock and SanDisk common stock and the implied per share value in the Merger to SanDisk stockholders, as impacted by various possible Closing Cash Shortfalls, for October 20, 2015, the last full trading day prior to the public announcement of the Merger and on January 13, 2016, the last practicable full trading day prior to the filing of this joint proxy statement/prospectus with the SEC. Assuming no Closing Cash Shortfall, if the SanDisk stockholders will receive the Base Merger Consideration, the implied per share value of SanDisk common stock is calculated by adding (i) the Base Cash Consideration of \$85.10 and (ii) the closing price of a share of Western Digital common stock multiplied by the Base Exchange Ratio of 0.0176. Assuming no Closing Cash Shortfall, if the SanDisk stockholders will receive the Alternate Merger Consideration, the implied per share value of SanDisk common stock is calculated

Table of Contents

by adding (i) the Alternate Cash Consideration of \$67.50 and (ii) the closing price of a share of Western Digital common stock multiplied by the Alternate Exchange Ratio of 0.2387. In the event there is a Closing Cash Shortfall, the base and alternate cash considerations are decreased by the applicable Per Share Cash Reduction Amount, and the base and alternate exchange ratios are adjusted accordingly. The table below shows the impact of a Closing Cash Shortfall of 0%, 10% and 25%, uses the number of shares of SanDisk common stock that were outstanding as of January 13, 2016.

Implied Value of One Share of SanDisk Common Stock if the Merger Closes Prior to June 30, 2016

	Western Digital Common Stock	SanDisk Common Stock	0% Cash Shortfall	10% Cash Shortfall	25% Cash Shortfall
October 20, 2015	\$ 74.86	\$ 75.19			
Base Merger Consideration (Unis Investment Closes Prior to the Merger)			\$ 86.42	\$ 86.30	\$ 86.12
Alternate Merger Consideration (Unis Investment Does Not Close or the Unis SPA is Terminated Prior to the Merger)			\$ 85.37	\$ 85.25	\$ 85.07
January 13, 2016	\$ 49.99	\$ 71.80			
Base Merger Consideration (Unis Investment Closes Prior to the Merger)			\$ 85.98	\$ 85.23	\$ 84.11
Alternate Merger Consideration (Unis Investment Does Not Close or the Unis SPA is Terminated Prior to the Merger)			\$ 79.43	\$ 78.68	\$ 77.56

Implied Value of One Share of SanDisk Common Stock if the Merger Closes On or After June 30, 2016

	Western Digital Common Stock	SanDisk Common Stock	0% Cash Shortfall	10% Cash Shortfall Cash	25% Cash Shortfall Cash
October 20, 2015	\$ 74.86	\$ 75.19			
Base Merger Consideration (Unis Investment Closes Prior to the Merger)			\$ 86.42	\$ 86.29	\$ 86.11
Alternate Merger Consideration (Unis Investment Does Not Close or the Unis SPA is Terminated Prior to the Merger)			\$ 85.37	\$ 85.25	\$ 85.06
January 13, 2016	\$ 49.99	\$ 71.80			
Base Merger Consideration (Unis Investment Closes Prior to the Merger)			\$ 85.98	\$ 85.21	\$ 84.06
Alternate Merger Consideration (Unis Investment Does Not Close or the Unis SPA is			\$ 79.43	\$ 78.67	\$ 77.52

Terminated Prior to the Merger)

Western Digital will not issue fractional shares as a result of the Merger and instead each holder of SanDisk common stock that would otherwise be entitled to a fraction of a share of Western Digital common stock will be entitled to receive a cash payment in lieu thereof, which payment will represent such holder's proportionate interest in the net proceeds from the sale by the exchange agent on behalf of such holders of the fractions of shares of Western Digital common stock that would otherwise be issued. Until the net proceeds of such sale have been distributed to the holders of SanDisk common stock entitled to such proceeds, the exchange agent will hold such proceeds as part of the Exchange Fund. Notwithstanding the foregoing, Western Digital may elect at its option, in lieu of the issuance and sale of Excess Shares and the making of payments described herein, to pay each former holder of shares of SanDisk common stock an amount in cash equal to the product obtained by multiplying (A) the fractional share interest to which such former holder would otherwise be entitled by (B) the volume weighted average trading price of Western Digital common stock on NASDAQ for the five consecutive trading days ending on the trading day immediately preceding the closing date.

Table of Contents

Subject to reallocation between the cash and stock consideration due to any Closing Cash Shortfall and depending on whether the Unis Investment closes, the number of shares of Western Digital common stock and cash to be issued in the Merger for each share of SanDisk common stock is fixed (except in the event of any stock dividend, subdivision, recapitalization, split, reverse split, combination or exchange of shares or similar event with respect to Western Digital common stock or SanDisk common stock) and will not be adjusted for changes in the market price of either Western Digital common stock or SanDisk common stock. Accordingly, any change in the price of Western Digital common stock prior to the Merger will affect the market value of the Merger Consideration that SanDisk stockholders will receive as a result of the Merger. You should obtain current stock price quotations for Western Digital common stock and SanDisk common stock. Western Digital common stock and SanDisk common stock are listed on NASDAQ under the symbols WDC and SNDK, respectively.

As noted above, the mix of consideration that SanDisk stockholders will receive is subject to a variety of factors including whether the Unis Investment closes and whether SanDisk has a Closing Cash Shortfall.

Financing Relating to the Merger (beginning on page 147)

The transaction will be financed by a mix of cash, new debt financing and Western Digital common stock. In connection with the transaction, Western Digital expects to enter into new debt facilities totaling \$18.1 billion. Western Digital has received commitments for a \$1 billion revolving credit facility, \$3 billion in amortizing term loans, \$6 billion in other term loans and \$8.1 billion in secured and unsecured bridge facilities. Western Digital expects to issue approximately \$5.1 billion in secured and unsecured notes in lieu of drawing on the full amount of bridge facilities at close, with the amount of the bridge facilities drawn at closing to be repaid with available cash. The proceeds from the new debt facilities are expected to be used to pay part of the purchase price, refinance existing debt of Western Digital and SanDisk and pay transaction related fees and expenses. For a full description of financing relating to the Merger, see *The Merger Financing Relating to the Merger*.

If Western Digital stockholders do not approve the issuance of Western Digital common stock in connection with the Merger, it will substantially decrease Western Digital's flexibility to exercise its rights to increase the stock component and decrease the cash component of the Merger Consideration in the event of a Closing Cash Shortfall, which may require Western Digital to incur additional indebtedness as a result of a Closing Cash Shortfall.

Western Digital's Reasons for the Merger and Recommendations of the Board of Directors to Western Digital's Stockholders (beginning on page 98)

In evaluating the Merger, the Western Digital board of directors consulted with Western Digital's management, as well as Western Digital's legal and financial advisors and, in reaching its decision to approve and declare advisable the Merger Agreement and the transactions contemplated thereby, including the Merger, and to determine that the Merger Agreement and the transactions contemplated thereby, including the Merger, are fair to, advisable and in the best interests of, Western Digital and its stockholders, the Western Digital board of directors reviewed a significant amount of information and considered a number of factors, including those listed in *The Merger Western Digital's Reasons for the Merger and Recommendation of Western Digital's Board of Directors*.

The Western Digital board of directors has resolved to recommend that Western Digital stockholders vote **FOR** the NASDAQ Stock Issuance Proposal.

SanDisk's Reasons for the Merger and Recommendations of the Board of Directors to SanDisk's Stockholders (beginning on page 102)

In the course of reaching its decision to approve and declare advisable the Merger Agreement and the transactions contemplated thereby, including the Merger, and to determine that the Merger Agreement and the transactions contemplated thereby, including the Merger, are advisable, fair to and in the best interests of, SanDisk and its stockholders, the SanDisk board of directors consulted with members of SanDisk's management,

Table of Contents

and SanDisk's legal and financial advisors, reviewed a significant amount of information and considered a number of factors, including those listed in *The Merger SanDisk's Reasons for the Merger and Recommendation of SanDisk's Board of Directors*.

The SanDisk board of directors has resolved to recommend that SanDisk stockholders vote **FOR** the Merger Proposal.

Opinions of Financial Advisors (beginning on page 107 for Western Digital's financial advisors and on page 122 for SanDisk's financial advisor)

Opinion of Western Digital's Financial Advisor, Merrill Lynch, Pierce, Fenner & Smith, Incorporated (beginning on page 107)

In connection with the Merger, Merrill Lynch, Pierce, Fenner & Smith, Incorporated (BofA Merrill Lynch), Western Digital's financial advisor, delivered to Western Digital's board of directors an opinion (which opinion was rendered orally on October 20, 2015, and subsequently confirmed in writing), as to the fairness, from a financial point of view and as of the date of the opinion, of the Merger Consideration to be paid by Western Digital in the Merger. The full text of the written opinion, dated October 20, 2015, of BofA Merrill Lynch, which describes, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken, is attached as Annex B to this document and is incorporated by reference herein in its entirety. **BofA Merrill Lynch provided its opinion to Western Digital's board of directors (in its capacity as such) for the benefit and use of Western Digital's board of directors in connection with and for purposes of its evaluation of the consideration to be paid by Western Digital in the Merger from a financial point of view. BofA Merrill Lynch's opinion does not address any other aspect of the Merger and no opinion or view was expressed as to the relative merits of the Merger in comparison to other strategies or transactions that might be available to Western Digital or in which Western Digital might engage or as to the underlying business decision of Western Digital to proceed with or effect the Merger. BofA Merrill Lynch's opinion does not address any other aspect of the Merger and does not constitute a recommendation to any stockholder as to how to vote or act in connection with the proposed Merger or any related matter.**

Opinion of Western Digital's Financial Advisor, J.P. Morgan Securities LLC (beginning on page 116)

In connection with the Merger, the Western Digital board of directors considered the opinion of Western Digital's financial advisor, J.P. Morgan Securities LLC, (J.P. Morgan) which opinion was rendered orally on October 20, 2015, and subsequently confirmed in writing, to the effect that, as of such date and based upon and subject to the factors and assumptions set forth in its opinion, the consideration to be paid by Western Digital in the proposed Merger was fair, from a financial point of view, to Western Digital. The full text of J.P. Morgan's written opinion, which is attached to this joint proxy statement/prospectus as Annex C, sets forth the assumptions made, matters considered and limits on the review undertaken. J.P. Morgan's opinion was provided to Western Digital's board of directors (in its capacity as such) in connection with and for the purposes of its evaluation of the proposed Merger, was directed only to the consideration to be paid in the Merger and did not address any other aspect of the Merger. J.P. Morgan expressed no opinion as to the fairness of the consideration to the holders of any class of securities, creditors or other constituencies of Western Digital or as to the underlying decision by Western Digital to engage in the proposed Merger. The opinion does not constitute a recommendation to any stockholder of Western Digital as to how such stockholder should vote with respect to the proposed Merger or any other matter.

Opinion of SanDisk's Financial Advisor, Goldman Sachs (beginning on page 122)

Goldman, Sachs & Co. (Goldman Sachs) delivered its opinion to SanDisk s board of directors that, as of October 21, 2015 and based upon and subject to the factors and assumptions set forth therein, the Merger Consideration to be paid to the holders (other than Western Digital and its affiliates) of SanDisk common stock pursuant to the Merger Agreement was fair from a financial point of view to such holders.

Table of Contents

The full text of the written opinion of Goldman Sachs, dated October 21, 2015, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex D. Goldman Sachs provided its opinion for the information and assistance of the SanDisk Board of Directors in connection with its consideration of the Merger. The Goldman Sachs opinion is not a recommendation as to how any holder of SanDisk common stock should vote with respect to the Merger or any other matter. Pursuant to an engagement letter between SanDisk and Goldman Sachs, SanDisk has agreed to pay Goldman Sachs a transaction fee of approximately \$43 million assuming the Unis Investment closes prior to the Effective Time of the Merger, approximately \$7.1 million of which was paid in connection with the announcement of the transaction, and the remainder of which is contingent upon consummation of the Merger.

Effect of the Merger on SanDisk's Equity Incentive Compensation Awards (beginning on page 159)

Unvested Stock Options, Unvested Restricted Stock Units and Underwater Options: At the Effective Time of the Merger, each outstanding and unvested SanDisk stock option, each outstanding Underwater Option (as defined below) and each unvested SanDisk restricted stock unit will be assumed by Western Digital and converted (each such as-converted equity award a SanDisk Converted Equity Award) into an option to purchase a number of shares of Western Digital's common stock or an award of a number of restricted stock units of Western Digital's common stock, respectively (in each case, rounded down to the nearest whole share), equal to the product of (i) the number of shares of SanDisk common stock subject to such SanDisk stock option or restricted stock unit immediately prior to the Effective Time of the Merger and (ii) the quotient obtained by dividing the volume weighted average trading price of SanDisk common stock on NASDAQ, for the five consecutive trading days ending on the trading day immediately preceding the date of the closing of the Merger by the volume weighted average trading price of Western Digital common stock on NASDAQ for the five consecutive trading days ending on the trading day immediately preceding the Effective Time of the Merger (the Western Digital Measurement Price) (such quotient, the Equity Conversion Ratio). The exercise price per Western Digital common stock for such converted SanDisk stock options (which will be rounded up to the nearest whole cent) will be equal to the quotient obtained by dividing (x) the exercise price applicable to such SanDisk stock option immediately prior to the Effective Time of the Merger by (y) the Equity Conversion Ratio. All such SanDisk Converted Equity Awards will have substantially the same terms and conditions as were applicable to such SanDisk stock options and SanDisk restricted stock units, including with respect to any applicable change in control or other accelerated vesting provisions.

An Underwater Option means each vested SanDisk stock option with an exercise price equal to or greater than (a) in the event that the Unis Investment closes by the time of the Merger, the value of the Base Merger Consideration or (b) in the event the Unis Investment does not close by the time of the Merger or the Unis SPA is terminated, the value of the Alternate Merger Consideration.

If the Unis Investment closes prior to the Merger, Western Digital may instead settle in cash some or all of the SanDisk Converted Equity Awards on the date of exercise or settlement, as applicable, based upon the value of Western Digital's common stock at the time, and determined in accordance with the terms of the applicable award, less the exercise price (in the case of converted stock options) and any required withholdings applicable to the SanDisk Converted Equity Awards.

Vested Stock Options: At the Effective Time of the Merger, each outstanding and vested SanDisk stock option (other than any vested SanDisk stock option that is an Underwater Option) will be cancelled and the holder of the cancelled option will be entitled to receive the Merger Consideration, less the exercise price and any required withholdings applicable to such SanDisk stock option (the Vested Option Consideration) (which exercise price and withholding shall first be applied against the stock portion of the Vested Option Consideration, if any, to reduce the number of shares delivered to the holder, and thereafter shall reduce the cash delivered to the holder).

Table of Contents

Vested Restricted Stock Units: At the Effective Time of the Merger, each outstanding and vested SanDisk restricted stock unit award (including any SanDisk restricted stock unit award that becomes vested as a result of the Merger) will be cancelled and the holder of the cancelled restricted stock unit will be entitled to receive the Merger Consideration, less any required withholdings applicable to such SanDisk restricted stock unit (the Vested Restricted Stock Unit Consideration) (which withholding shall first be applied against the stock portion of the Vested Restricted Stock Unit Consideration.

Under the terms of their award agreements, SanDisk stock options and SanDisk restricted stock units held by SanDisk's non-employee directors will vest in full immediately prior to the Effective Time of the Merger.

For a full description of the treatment of SanDisk's equity awards, see *The Merger Agreement Treatment of SanDisk Equity Awards* .

Effect of the Merger on SanDisk's Convertible Notes

As of September 30, 2015, approximately \$997 million aggregate principal amount of SanDisk's 1.5% convertible senior notes due 2017 (the 2017 Convertible Notes) and \$1.5 billion aggregate principal amount of SanDisk's 0.5% convertible senior notes due 2020 (the 2020 Convertible Notes and, together with the 2017 Convertible Notes, the Convertible Notes) were outstanding. Under the terms of the Convertible Notes, from and after the Effective Time the Convertible Notes will no longer be convertible on the basis of SanDisk common stock and will instead be convertible on the basis of the consideration paid pursuant to the Merger. The Convertible Notes will remain obligations of SanDisk following the Merger (until their conversion, repurchase, maturity or other cancellation) although Western Digital currently intends to guarantee such obligations.

Conversions of the Convertible Notes are subject to net share settlement. That means that upon conversion prior to the 24th scheduled trading day preceding the Effective Time, a holder would receive the sum of the following for each trading day in a 20 trading day observation period that (except in the case of conversions during the 25 scheduled trading days immediately preceding maturity) begins on the second trading day after the holder gives notice of conversion: (i) cash equal to 1/20th of the lesser of the principal amount of the Convertible Note or the conversion value of the Convertible Note, and (ii) if the conversion value exceeds the principal amount of the Convertible Note, SanDisk common stock with a value equal to 1/20th of such excess, plus cash in lieu of any fractional shares of SanDisk common stock. The conversion value is the volume-weighted average price of a number of shares of SanDisk common stock equal to the conversion rate for the Convertible Notes of the relevant series on the relevant day, determined as described in the indenture for the applicable series of Convertible Notes.

From and after the 24th scheduled trading day preceding the Effective Time, a converting holder would receive conversion consideration calculated using the formula described in the previous paragraph, but each reference to common stock in that formula would refer to a share of SanDisk common stock only prior to the Effective Time and would instead refer to a unit of reference property after the Effective Time. Each unit of reference property would consist of (a) the amount of cash and (b) the number of shares of Western Digital common stock that a holder of one share of SanDisk common stock would have received in the Merger. As a result, units of reference property would be used in calculating the conversion value deliverable and in settling any portion of the conversion value that would have been settled in shares of SanDisk common stock prior to the Merger. Additionally, the conversion rate applicable to Convertible Notes that are converted in connection with the Merger will be temporarily increased, as described below, creating an incentive for holders to convert.

Under the terms of the Convertible Notes, the Merger will constitute a designated event and a fundamental change. As a result, holders of the Convertible Notes will be permitted to choose (i) to convert their Convertible Notes at a

temporarily increased conversion rate, (ii) to require SanDisk to buy back their Convertible Notes for a

Table of Contents

price equal to their principal amount plus accrued but unpaid interest to but excluding the repurchase date, or (iii) to continue holding their Convertible Notes. If the Merger closes, the holders of the Convertible Notes would be expected to exercise the right to convert their notes in accordance with their terms at a temporarily increased conversion rate shortly following the closing of the Merger (although the holders' actual decisions will depend upon their judgments based on the prevailing market conditions).

If holders of the Convertible Notes choose to convert in order to receive the temporarily increased conversion rate calculated as set forth in the respective indentures governing the Convertible Notes, the exact conversion consideration they receive will depend upon (x) the date on which the Merger is consummated, (y) the market price of SanDisk common stock during the 5-trading day period preceding such date and (z) the market price of SanDisk common stock and/or Western Digital common stock (as applicable) during the related observation period. Assuming, for illustrative purposes, that (a) the Merger closes on June 30, 2016, (b) the Base Merger Consideration is paid in the Merger (with no adjustment for a Closing Cash Shortfall or otherwise), (c) all holders of the Convertible Notes convert their Convertible Notes on the day after the Merger closes, (d) the market price of SanDisk common stock during the 5-trading day period preceding the Effective Time is \$86.50 (the implied value of the Merger Consideration) and (e) the market price of Western Digital common stock is \$49.99 (its closing price on January 13, 2016) throughout the observation period during which the conversion consideration will be calculated following holders' elections to convert, then an aggregate of \$3.41 billion in cash, together with approximately 0.19 million shares of Western Digital stock, would be deliverable in respect of the SanDisk Convertible Notes on the 25th trading day following conversion. Alternatively, assuming, for illustrative purposes, that (a) the Merger closes on June 30, 2016, (b) the Alternate Merger Consideration is paid in the Merger (with no adjustment for a Closing Cash Shortfall or otherwise), (c) all holders of the Convertible Notes convert their Convertible Notes on the day after the Merger closes, (d) the market price of SanDisk common stock during the 5-trading day period preceding the Effective Time is \$86.50 (the implied value of the Merger Consideration) and (e) the market price of Western Digital common stock is \$49.99 (its closing price on January 13, 2016) throughout the observation period during which the conversion consideration will be calculated following holders' elections to convert, then an aggregate of \$3.06 billion in cash, together with approximately 2.0 million shares of Western Digital stock, would be deliverable in respect of the Convertible Notes on the 25th trading day following conversion. The potential amounts of consideration deliverable upon conversion of the SanDisk Convertible Notes that are set forth in this paragraph are illustrative only and the value of the consideration deliverable in respect of SanDisk Convertible Notes that are converted in connection with the Merger may be higher or lower.

For further information regarding SanDisk's outstanding indebtedness, see Note 7 (Financing Arrangements) in the Notes to Consolidated Financial Statements included in SanDisk's Form 10-K for the year ended December 28, 2014 and Note 7 (Financing Arrangements) in the Notes to Condensed Consolidated Financial Statements included in SanDisk's Quarterly Report on Form 10-Q for the fiscal quarter ended on September 27, 2015, which are incorporated by reference herein.

Effect of the Merger on SanDisk's Bond Hedge Transactions and Warrant Transactions

Concurrent with the issuance of the 2017 Convertible Notes and the 2020 Convertible Notes, SanDisk entered into bond hedge transactions and warrant transactions (respectively, the 2017 Call Spread Transactions and the 2020 Call Spread Transactions and, collectively, the Call Spread Transactions) with five counterparties (the Hedge Banks). The bond hedge transactions, which were intended to potentially offset the dilutive effect on SanDisk's stockholders of the conversion of the Convertible Notes, consisted of the purchase by SanDisk of call options with respect to (i) all of the \$1 billion aggregate principal amount of the 2017 Convertible Notes (which were initially convertible into approximately 19.1 million shares and, as the result of adjustments and conversions, were convertible into an aggregate of approximately 19.7 million shares as of September 27, 2015) (the 2017 Bond Hedge Transactions) and

(ii) all of the \$1.5 billion aggregate principal

Table of Contents

amount of the 2020 Convertible Notes (which were initially convertible into approximately 16.3 million shares and, as the result of adjustments, were convertible into an aggregate of approximately 16.4 million shares as of September 27, 2015) (the 2020 Bond Hedge Transactions) and, together with the 2017 Bond Hedge Transactions, the Bond Hedge Transactions). As the result of the conversion of approximately \$3 million in principal amount of the 2017 Convertible Notes, SanDisk exercised a corresponding portion of the 2017 Bond Hedge Transactions.

The Bond Hedge Transactions generally require the Hedge Banks to deliver to SanDisk in respect of each Convertible Note that is converted the number of shares of common stock that SanDisk is required to deliver under the terms of the indenture governing the applicable Convertible Note. Under the terms of the Bond Hedge Transactions, from and after the Effective Time the Bond Hedge Transactions will no longer be exercisable on the basis of SanDisk common stock and will instead be exercisable on the basis of the consideration paid pursuant to the Merger.

The effect of the Merger on the Bond Hedge Transactions depends on whether the holders of the Convertible Notes choose (i) to convert their Convertible Notes at a temporarily increased conversion rate, (ii) to require SanDisk to buy back their Convertible Notes for a price equal to their principal amount plus accrued but unpaid interest to, but excluding, the repurchase date, or (iii) to continue to hold their Convertible Notes. If the holders of the Convertible Notes convert, SanDisk could exercise the Bond Hedge Transaction with respect to such notes and receive the excess (if any) of the conversion consideration calculated on the same basis as the Convertible Notes, as described above under *Effect of the Merger on SanDisk's Convertible Notes*, over the principal amount of the notes, except that the calculation under the Bond Hedge Transactions would not incorporate the temporary increase in the conversion rate of the Convertible Notes.

If the holders of the Convertible Notes require SanDisk to buy back their notes, the Bond Hedge Transactions with respect to the repurchased notes would terminate. The amount payable by the Hedge Bank under its terminated transaction will, unless the amount is otherwise agreed to by the parties, be determined by the Hedge Bank in a commercially reasonable manner and in accordance with the terms of the Bond Hedge Transaction.

If the holders of the Convertible Notes choose to continue to hold their notes, the Bond Hedge Transactions would continue with adjustments made to the transactions that correspond to the adjustments made under the Convertible Notes as a result of the Merger.

The Warrant Transactions, which were intended to partially offset the cost to SanDisk of the Bond Hedge Transactions, consisted of the sale by SanDisk to the Hedge Banks of call options on its own shares of common stock with a strike price higher than the conversion price of the applicable Convertible Notes, with respect to the number of shares underlying the 2017 Convertible Notes (the 2017 Warrant Transactions) and the 2020 Convertible Notes (the 2020 Warrant Transactions) and, together with the 2017 Warrant Transactions, the Warrant Transactions). The 2017 Warrant Transactions and the 2020 Warrant Transactions are settled on a cashless basis and are automatically exercised in approximately equal installments over a series of expiration dates in 2017-2018 and 2021, respectively.

Under the original terms of the Warrant Transactions, the portion of the Warrant Transactions corresponding to the cash portion of the Merger Consideration terminates in connection with the Merger Agreement and the Merger and each Hedge Bank would be entitled to receive a termination payment from SanDisk for the value of that terminated portion. The original terms of the Warrant Transactions provide that, no later than five business days following the consummation of the Merger, the parties will seek to agree on the termination payment and absent any agreement, the Hedge Bank, as calculation agent, will determine the termination payment in good faith and in a commercially reasonable manner.

Table of Contents

With respect to the portion of the Warrant Transactions corresponding to the portion of the Merger Consideration consisting of shares of Western Digital common stock, the original terms of the Warrant Transactions provide that each Hedge Bank may elect (i) to continue that portion of the Warrant Transactions after the consummation of the Merger and to adjust the terms of the continuing Warrant Transaction to account for the economic effect of the Merger on the Warrant Transaction, or (ii) to terminate such portion of the Warrant Transactions and determine the amount of any termination payment SanDisk owes to the Hedge Bank for the value of such portion on the same basis as the Hedge Bank determines the termination payment for the portion of the Warrant Transaction corresponding to the cash portion of the Merger Consideration, as described in the preceding paragraph.

Unless otherwise agreed by the parties, the amounts payable in respect of the termination of the Warrant Transactions will vary depending on factors including the date the Merger is consummated, the market price of the relevant common stock, and market conditions (including interest rates and volatility) at the time as of which the Warrant Transactions are terminated.

Since the Merger Agreement was entered into, SanDisk has been discussing with the Hedge Banks potential amendments to the terms of its Call Spread Transactions, including as to the timing of the termination of the Warrant Transactions and the amount of the Warrant Transaction termination payments owed by SanDisk. SanDisk has executed definitive agreements with two of the five Hedge Banks and is close to completing a definitive agreement with a third Hedge Bank. With respect to the 2017 Warrant Transactions, SanDisk has agreed on a termination value of approximately \$209 million with respect to one Hedge Bank's 2017 Warrant Transactions, representing 50% of the 2017 Warrant Transactions. SanDisk will be required to pay such amount on the business day following the earlier of the closing date of the Merger and August 1, 2017 (regardless of whether the Merger closes by such time). With respect to the 2020 Warrant Transactions, SanDisk has executed an agreement with one Hedge Bank, representing 20% of the 2020 Warrant Transactions, and is close to completing a definitive agreement with another Hedge Bank, representing 40% of the 2020 Warrant Transactions. The terms of these agreements include (a) an agreement that the 2020 Warrant Transactions with such Hedge Bank will continue if the Merger does not close, potentially with adjustments to reflect the economic effect of the Merger announcement on the 2020 Warrant Transactions, and (b) a methodology to determine the termination value of the 2020 Warrant Transactions, with agreed inputs, if the Merger closes. SanDisk is negotiating definitive documentation with another Hedge Bank, representing 20% of the 2020 Warrant Transactions, that is also expected to provide that the 2020 Warrant Transaction with such Hedge Bank will (a) continue if the Merger does not close and (b) include a methodology to determine the termination value of the applicable 2020 Warrant Transactions. There can be no assurance that definitive documentation will be executed with these two Hedge Banks or as to the terms that documentation will contain. With respect to the final Hedge Bank, which has a 50% position in the 2017 Warrant Transactions and a 20% position in the 2020 Warrant Transactions, the parties have had discussions regarding potential modifications to the Warrant Transactions, but there can be no assurance that these discussions will continue or, if they do continue, that the parties will reach an agreement to modify the Warrant Transactions. If SanDisk does not execute a definitive agreement with any Hedge Bank, the original terms of the Warrant Transactions will continue to apply with respect to that Hedge Bank.

The payments or deliveries to or from the Hedge Banks under the Bond Hedge Transactions and the Warrant Transactions as the result of the consummation of the Merger could be greater than, equal to, or less than the amount of the payments that would have been paid or received or the value of the shares that would have been delivered or received by the Hedge Banks upon exercise, expiration or termination of the Bond Hedge Transactions and the Warrant Transactions in the ordinary course in the absence of the Merger.

Table of Contents**Record Date; Outstanding Shares; Shares Entitled to Vote; Vote Required (page 64 for Western Digital and page 72 for SanDisk)**

Western Digital Stockholders. The record date for the special meeting of Western Digital stockholders is [], 2016. This means that you must be a stockholder of record of Western Digital common stock at the close of business on [], 2016, in order to vote at the Western Digital special meeting. You are entitled to one vote for each share of Western Digital common stock you own. At the close of business on [], 2016, there were [] shares of Western Digital common stock (excluding [] shares of treasury stock) outstanding and entitled to vote at the Western Digital special meeting. The approval of the NASDAQ Stock Issuance Proposal requires the affirmative vote of a majority of shares of Western Digital common stock present in person or represented by proxy at the Western Digital special meeting and entitled to vote thereat, assuming a quorum is present. To approve the Western Digital Adjournment Proposal, the affirmative vote of a majority of the shares of Western Digital common stock present in person or represented by proxy and entitled to vote at the Western Digital special meeting is required, regardless of whether a quorum is present. To approve the Western Digital Non-Binding Advisory Proposal, the affirmative vote of a majority of the shares of Western Digital common stock present in person or represented by proxy and entitled to vote at the Western Digital special meeting is required, assuming a quorum is present.

SanDisk Stockholders. The record date for the special meeting of SanDisk stockholders is [], 2016. This means that you must be a stockholder of record of SanDisk common stock at the close of business on [], 2016, in order to vote at the SanDisk special meeting. You are entitled to one vote for each share of SanDisk common stock you own. At the close business on [], 2016, there were [] shares of SanDisk common stock (excluding [] shares of treasury stock) outstanding and entitled to vote at the SanDisk special meeting. The adoption of the Merger Agreement requires the affirmative vote of a majority of the outstanding shares of SanDisk common stock entitled to vote at the SanDisk special meeting. To approve the SanDisk Adjournment Proposal, the affirmative vote of a majority of the shares of SanDisk common stock present in person or represented by proxy and entitled to vote at the SanDisk special meeting is required, regardless of whether a quorum is present. To approve the SanDisk Non-Binding Advisory Proposal, the affirmative vote of a majority of the shares of SanDisk common stock present in person or represented by proxy and entitled to vote at the SanDisk special meeting is required, assuming a quorum is present.

Stock Ownership and Voting by Western Digital's and SanDisk's Directors and Executive Officers (page 68 for Western Digital and page 76 for SanDisk)

Western Digital. At the close of business on [], 2016, the record date for the Western Digital special meeting, Western Digital's directors and executive officers had the right to vote approximately [] shares of the then-outstanding Western Digital common stock at the Western Digital special meeting, collectively representing approximately []% of Western Digital common stock outstanding and entitled to vote at the Western Digital special meeting.

SanDisk. At the close of business on [], 2016, the record date for the SanDisk special meeting, SanDisk's directors and executive officers had the right to vote approximately [] shares of the then-outstanding SanDisk common stock at the SanDisk special meeting, collectively representing approximately []% of SanDisk common stock outstanding and entitled to vote at the SanDisk special meeting.

Interests of Western Digital Directors and Executive Officers in the Merger (beginning on page 137)

Some of Western Digital's executive officers and members of its board of directors, in their capacities as such, may have financial interests in the Merger that may be different from, or in addition to, their interests as stockholders and the interests of stockholders of Western Digital generally.

Table of Contents

Other than an award of performance-based restricted stock units (the PSUs) to Mark Long, Executive Vice President and Chief Strategy Officer of Western Digital, Western Digital's named executive officers are not party to any agreements or understandings concerning compensation that is based on or otherwise relates to the transactions contemplated by the Merger Agreement.

The members of Western Digital's board of directors were aware of and considered these interests, among other matters, in evaluating and negotiating the Merger Agreement and the Merger, and in recommending that Western Digital stockholders vote for the NASDAQ Stock Issuance Proposal.

The interests summarized above are discussed in more detail in the section entitled *The Merger Interests of Western Digital Directors and Executive Officers in the Merger*.

Interests of SanDisk Directors and Executive Officers in the Merger (beginning on page 139)

SanDisk's executive officers and members of its board of directors, in their capacities as such, have financial interests in the Merger that may be different from, or in addition to, their interests as stockholders and the interests of stockholders of SanDisk generally. The members of SanDisk's board of directors were aware of and considered these interests, among other matters, in evaluating and negotiating the Merger Agreement and the Merger, and in recommending to the SanDisk stockholders that the Merger Agreement be adopted. Interests of SanDisk's executive officers and members of its board of directors that may be different from or in addition to the interests of stockholders of SanDisk generally include:

accelerated vesting of SanDisk stock options and SanDisk restricted stock units held by SanDisk's non-employee directors immediately prior to the Effective Time of the Merger and SanDisk stock options and restricted stock units held by SanDisk's executive officers and its employee director will be treated consistent with the general treatment of such awards above in the section entitled *Effect of the Merger on SanDisk's Equity Incentive Compensation Awards* ;

separation payments and other benefits that are payable to SanDisk executive officers under their change in control agreements in the event of a qualifying termination of employment following the Effective Time of the Merger; and

continued indemnification and insurance coverage following Effective Time of the Merger.

If the proposal to approve and adopt the Merger Agreement is approved and adopted, the shares of common stock held by SanDisk directors and executive officers will be treated in the same manner as outstanding shares of common stock held by all other stockholders of SanDisk.

The interests summarized above are discussed in more detail in the section entitled *The Merger Interests of SanDisk Directors and Executive Officers in the Merger*.

Post-Closing Western Digital Board

The chief executive officer of SanDisk, Sanjay Mehrotra, will be appointed to the board of directors of Western Digital at the Effective Time of the Merger. Western Digital expects that all of the directors and officers of Western

Digital will continue to serve as members of the board of directors and officers of Western Digital, as applicable, after the Merger is complete.

Table of Contents

Listing of Western Digital Common Stock and Delisting of SanDisk Common Stock (beginning on page 148)

It is a condition to the Merger that the shares of common stock to be issued by Western Digital pursuant to the Merger Agreement be authorized for listing on NASDAQ subject to official notice of issuance. The shares of common stock to be issued by Western Digital pursuant to the Merger Agreement will trade under the symbol WDC and will be fully fungible with the Western Digital common stock currently trading under that symbol.

Shares of SanDisk common stock are currently traded on NASDAQ under the symbol SNDK. If the Merger is completed, SanDisk common stock will be delisted from NASDAQ and will be deregistered under the Securities Exchange Act of 1934, as amended (Exchange Act), and SanDisk will no longer file periodic reports with the SEC.

Rights of Appraisal for SanDisk Stockholders (beginning on page 149)

Under Section 262 of the DGCL, holders of SanDisk common stock may have the right to obtain an appraisal of the value of their shares of SanDisk common stock in connection with the Merger. To perfect appraisal rights, a SanDisk stockholder must not vote in favor of the Merger Proposal and must strictly comply with all of the procedures required under Delaware law, including submitting a written demand for appraisal to SanDisk prior to the special meeting. Failure to strictly comply with Section 262 of the DGCL by a SanDisk stockholder may result in termination or waiver of that stockholder's appraisal rights. Because of the complexity of Delaware law relating to appraisal rights, if any SanDisk stockholder is considering exercising his, her or its appraisal rights, Western Digital and SanDisk encourage such SanDisk stockholder to seek the advice of his, her or its own legal counsel. A summary of the requirements under Delaware law to exercise appraisal rights is included in this joint proxy statement/prospectus in *The SanDisk Special Meeting How to Vote* and the text of Section 262 of the DGCL as in effect with respect to this transaction is included as Annex E to this joint proxy statement/prospectus. See *The Merger Rights of Appraisal for SanDisk Stockholders* for more information.

Conditions to Completion of the Merger (beginning on page 184)

The completion of the Merger depends upon the satisfaction or waiver of a number of conditions which, to the extent permitted by applicable laws and as described below, may be waived by Western Digital, Merger Sub and SanDisk, as applicable.

The following conditions must be satisfied or mutually waived before Western Digital, Merger Sub or SanDisk is obligated to complete the Merger:

the SanDisk stockholders approve of the Merger Agreement;

if the Unis Closing Date (as defined in *The Merger Agreement Effective Time and Completion of the Merger*) has not occurred or the Unis SPA has been terminated, the NASDAQ Stock Issuance Proposal (as defined in *The Merger Agreement Stockholder Meetings; Proxy Statement/Prospectus*) has been approved by the Western Digital stockholders;

no governmental authority having jurisdiction over SanDisk, Western Digital or Merger Sub, any of their respective significant subsidiaries or any of their or their respective significant subsidiaries business

properties or assets material to SanDisk and its subsidiaries, taken as a whole or to Western Digital, Merger Sub and their respective subsidiaries, taken as a whole (Applicable Governmental Entity) has (i) issued an order, decree or ruling or taken any other material action enjoining or otherwise prohibiting consummation of the Merger substantially on the terms contemplated by the Merger Agreement which remains in effect and (ii) no law has been enacted or promulgated by any Applicable Governmental Entity that makes consummation of the Merger illegal;

Table of Contents

there shall not be pending by any Applicable Governmental Entity any proceeding that seeks to enjoin or otherwise prohibit consummation of the Merger;

the waiting period (and any extensions thereof) applicable to the consummation of the Merger under the Hart-Scott-Rodino Act (the HSR Act) will have expired or otherwise been terminated, and all consents, approvals or clearances under applicable antitrust laws in the People s Republic of China, the European Union, Japan, South Africa, South Korea, Taiwan and Turkey have been obtained;

the Registration Statement of which this joint proxy statement/prospectus is a part has been declared effective by the SEC under the Securities Act of 1933, as amended, and no stop order suspending the effectiveness of such Registration Statement has been issued by the SEC and no proceedings for that purpose have been initiated or threatened in writing by the SEC that have not been withdrawn;

the shares of Western Digital common stock issuable in the Merger have been authorized for listing on NASDAQ upon official notice of issuance; and

if the Unis Investment is a covered transaction for CFIUS purposes and the Unis SPA has not been terminated or if CFIUS has requested or required a filing with respect to the Merger, the CFIUS Approval (as defined in *The Merger Agreement Efforts to Complete the Merger*) shall have been obtained.

The obligations of Western Digital and Merger Sub to consummate the Merger are also conditioned on the satisfaction or waiver of the following conditions:

certain representations and warranties made by SanDisk in the Merger Agreement relating to capitalization are true and correct except for *de minimis* inaccuracies as of the date of the Merger Agreement and as of the date of the closing (other than representations and warranties which address matters only as of a particular date, which will be true and correct except for *de minimis* inaccuracies only as of such date);

certain representations and warranties made by SanDisk in the Merger Agreement relating to organization, authority, voting requirements and the recommendation of SanDisk s board of directors are true and correct in all respects as of the date of the Merger Agreement and as of the date of the closing (other than representations and warranties which address matters only as of a particular date, which will be true and correct in all respects only as of such date);

certain representations and warranties made by SanDisk in the Merger Agreement relating to the absence of a SanDisk Material Adverse Effect (as defined in *The Merger Agreement Representations and Warranties*) are true and correct as of the date of the Merger Agreement and as of the date of the closing (other than that clause of the SanDisk Material Adverse Effect definition relating to SanDisk s ability to consummate the transactions contemplated by the Merger Agreement);

the remaining representations and warranties made by SanDisk in the Merger Agreement are true and correct as of the date of the Merger Agreement and as of the date of the closing (other than representations and warranties which address matters only as of a particular date, which will be true and correct only as of such date), except where the failure to be so true and correct (without giving effect to any limitation as to materiality, SanDisk Material Adverse Effect or similar qualifications) would not constitute a SanDisk Material Adverse Effect;

SanDisk has performed or complied with in all material respects its obligations under the Merger Agreement required to be performed and complied with by SanDisk at or prior to the closing;

Western Digital has received a certificate dated as of the closing date and signed by an authorized officer of SanDisk to the effect that the foregoing conditions have been satisfied; and

Table of Contents

since the date of the Merger Agreement, no SanDisk Material Adverse Effect has occurred that is continuing; provided that that clause of the SanDisk Material Adverse Effect definition relating to SanDisk's ability to consummate the transactions contemplated by the Merger Agreement is excluded for purposes of determining the satisfaction of this condition.

The obligations of SanDisk to consummate the Merger are also conditioned on the satisfaction or waiver of the following conditions:

if the Unis Closing Date has not occurred, certain representations and warranties made by Western Digital and Merger Sub in the Merger Agreement relating to capitalization are true and correct except for *de minimis* inaccuracies as of the date of the Merger Agreement and as of the date of the closing (other than representations and warranties which address matters only as of a particular date, which will be true and correct except for *de minimis* inaccuracies only as of such date);

certain representations and warranties made by Western Digital and Merger Sub in the Merger Agreement relating to organization, authority, voting requirements and the recommendation of Western Digital's board of directors are true and correct in all respects as of the date of the Merger Agreement and (except for those relating to the recommendation of Western Digital's board of directors if the Unis Closing Date has occurred) as of the date of the closing (other than representations and warranties which address matters only as of a particular date, which will be true and correct in all respects only as of such date);

if the Unis Closing Date has not occurred, certain representations and warranties made by Western Digital and Merger Sub in the Merger Agreement relating to the absence of a Western Digital Material Adverse Effect (as defined in *The Merger Agreement Representations and Warranties*) are true and correct as of the date of the Merger Agreement and as of the date of the closing (other than that clause of the Western Digital Material Adverse Effect definition relating to Western Digital's ability to consummate the transactions contemplated by the Merger Agreement);

if the Unis Closing Date has not occurred, certain representations and warranties made by Western Digital and Merger Sub in the Merger Agreement relating to organization, absence of certain changes, litigation, undisclosed liabilities, compliance with law, intellectual property, taxes and environmental matters are true and correct (without giving effect to any limitation as to materiality, Western Digital Material Adverse Effect or similar qualifications) as of the date of the Merger Agreement and as of the date of the closing (other than representations and warranties which address matters only as of a particular date, which will be true and correct only as of such date), except where the failure to be so true and correct (without giving effect to any limitation as to materiality, Western Digital Material Adverse Effect or similar qualifications) would not constitute a Western Digital Material Adverse Effect;

the remaining representations and warranties made by Western Digital and Merger Sub in the Merger Agreement are true and correct as of the date of the Merger Agreement and as of the date of the closing (other than representations and warranties which address matters only as of a particular date, which will be true and correct only as of such date), except where the failure to be so true and correct (without giving effect to any limitation as to materiality, Western Digital Material Adverse Effect or similar qualifications)

would not constitute a Western Digital Material Adverse Effect;

each of Western Digital and Merger Sub has performed or complied with in all material respects its obligations under the Merger Agreement required to be performed and complied with by Western Digital or Merger Sub, as the case may be, at or prior to the closing;

SanDisk has received a certificate dated as of the closing date and signed by an authorized officer of Western Digital to the effect that the foregoing conditions have been satisfied; and

Table of Contents

since the date of the Merger Agreement, no Western Digital Material Adverse Effect shall have occurred that is continuing; provided that that clause of the Western Digital Material Adverse Effect definition relating to Western Digital's ability to consummate the transactions contemplated by the Merger Agreement is excluded for purposes of determining the satisfaction of this condition.

Regulatory Approvals Required for the Merger (beginning on page 146)

The completion of the Merger is subject to compliance with the HSR Act. Under the HSR Act, the Merger may not be completed until the required 30-day HSR waiting period has expired or been terminated. The waiting period under the HSR Act expired at 11:59 p.m. eastern time on January 15, 2016. The completion of the Merger is also subject to compliance with applicable foreign antitrust laws. Notifications are required under the antitrust laws of the People's Republic of China, the European Union, Japan, South Africa, South Korea, Taiwan and Turkey. Clearance was obtained in Japan on January 22, 2016. Clearance was obtained in Singapore on January 19, 2016.

Furthermore, if CFIUS deems the Unis Investment to be a covered transaction for CFIUS purposes, and the Unis SPA has not been terminated by the Effective Time of the Merger or if CFIUS has requested or required a filing with respect to the Merger, then the CFIUS Approval (as defined in *The Merger Agreement Efforts to Complete the Merger*) is a condition to consummation of the Merger. In November 2015, the Unis Parties and Western Digital withdrew from the CFIUS process. The parties refiled the notice with CFIUS in January 2016, and, in February 2016, Western Digital expects to receive a determination from CFIUS regarding whether the UNIS Investment is a covered transaction.

Termination of the Merger Agreement (beginning on page 187)

At any time before the Effective Time of the Merger, whether or not the Western Digital stockholders have approved the NASDAQ Stock Issuance Proposal and/or the SanDisk stockholders have adopted the Merger Agreement, the Merger Agreement may be terminated at any time prior to the closing in the following ways:

by the mutual consent of Western Digital and SanDisk;

by either Western Digital or SanDisk, if the Merger has not occurred on or prior to 11:59 p.m. New York City time on October 21, 2016 or 11:59 p.m. New York City time on January 21, 2017, if extended by either Western Digital or SanDisk if the conditions related to (i) orders or rulings relating to antitrust laws that enjoin or prohibit the consummation of the Merger or (ii) the receipt of all required approvals from governmental authorities relating to antitrust have not been satisfied (the Termination Date), except that the right to so terminate the Merger Agreement will not be available to Western Digital or SanDisk if its material breach of the Merger Agreement is the cause of or resulted in the failure of the Merger to occur on or prior to such date;

by either Western Digital or SanDisk, if any Applicable Governmental Entity has issued an order, decree or ruling or taken any other action enjoining or otherwise prohibiting consummation of the Merger substantially on the terms contemplated by the Merger Agreement, and such order, decree, ruling or other action has become final and non-appealable, except that the right to so terminate the Merger Agreement will not be available to Western Digital or SanDisk if it failed to comply with its obligations relating to its antitrust efforts pursuant to the Merger Agreement;

by either Western Digital or SanDisk, if the SanDisk Stockholder Approval (as defined in *The Merger Agreement Stockholder Meetings; Proxy Statement/Prospectus*) is not obtained by the conclusion of the SanDisk stockholder meeting duly convened therefor (including any and all adjournments or postponements thereof);

Table of Contents

by either Western Digital or SanDisk, if the Unis Closing Date has not occurred or the Unis SPA has been terminated and the Western Digital Stockholder Approval (as defined in *The Merger Agreement Stockholder Meetings; Proxy Statement/Prospectus*) shall not have been obtained by the conclusion of the Western Digital stockholder meeting duly convened therefor (including any and all adjournments or postponements thereof), provided that the right to terminate the Merger Agreement pursuant to this bullet point will not be available prior to the earlier of March 3, 2016 and the date of the termination of the Unis Investment;

by SanDisk, (i) if Western Digital or Merger Sub breaches any of their covenants or agreements under the Merger Agreement, or if any representation or warranty of Western Digital or Merger Sub is untrue, which breach or failure to be true would cause the conditions precedent to SanDisk's obligations under the Merger Agreement not to be satisfied and is incapable of being cured by Western Digital at least five business days prior to the Termination Date or, if capable of being cured, has not been cured by Western Digital prior to the earlier to occur of (x) five business days prior to such Termination Date and (y) 30 calendar days following receipt of written notice of such breach or failure to perform from SanDisk, and SanDisk has not failed to perform in any material respect any of its obligations under the Merger Agreement and is not in breach of any of the conditions precedent to Western Digital's obligations to close under the Merger Agreement relating to SanDisk's representations and warranties, (ii) in order to accept a SanDisk Superior Proposal (as defined in *The Merger Agreement No Solicitation by SanDisk; No Change in SanDisk Board Recommendation*) in accordance with the Merger Agreement or (iii) if a Western Digital Change of Recommendation (as defined in *The Merger Agreement No Solicitation by Western Digital; No Change in Western Digital Board Recommendation*) occurs, prior to the Western Digital Stockholder Meeting; and

by Western Digital, (i) if SanDisk breaches any of its covenants or agreements under the Merger Agreement, or if any representation or warranty of SanDisk is untrue, which breach or failure to be true would cause the conditions precedent to Western Digital's obligations under the Merger Agreement not to be satisfied and is incapable of being cured by SanDisk at least five business days prior to the Termination Date or, if capable of being cured, has not been cured by SanDisk prior to the earlier to occur of (x) five business days prior to such Termination Date and (y) 30 calendar days following receipt of written notice of such breach or failure to perform from Western Digital, and Western Digital has not failed to perform in any material respect any of its obligations under the Merger Agreement and is not in breach of any of the conditions precedent to SanDisk's obligations to close under the Merger Agreement relating to Western Digital's representations and warranties, (ii) in order to accept a Western Digital Superior Proposal (as defined in *The Merger Agreement No Solicitation by Western Digital; No Change in Western Digital Board Recommendation*) in accordance with the Merger Agreement or (iii) if a SanDisk Change of Recommendation occurs (as defined in *The Merger Agreement No Solicitation by SanDisk; No Change in SanDisk Board Recommendation*), prior to the SanDisk Stockholder Meeting.

Termination Fees (beginning on page 188)

Under the Merger Agreement, SanDisk will be required to pay Western Digital a termination fee of approximately \$553.3 million if the Merger Agreement is terminated:

by SanDisk, in order to accept a SanDisk Superior Proposal in compliance with the Merger Agreement;

by SanDisk, if (i) the Merger has not occurred by the Termination Date, (ii) there has been publicly disclosed and not irrevocably withdrawn prior to termination of the Merger Agreement a SanDisk Acquisition Proposal (as defined in *The Merger Agreement No Solicitation by SanDisk; No Change in SanDisk Board Recommendation*) and (iii) within 12 months after such termination, either (A) SanDisk enters into a definitive agreement providing for any acquisition of (1) 50% or more of the

Table of Contents

outstanding shares of SanDisk common stock pursuant to a Merger, amalgamation, consolidation or other business combination, sale of shares, tender offer or exchange offer or similar transaction or (2) all or substantially all of the assets of SanDisk and its subsidiaries, taken as a whole (any transaction matching the description contained in (1) or (2), a SanDisk Qualifying Transaction) that is later consummated or (B) a SanDisk Qualifying Transaction is consummated;

by either Western Digital or SanDisk, if (i) the SanDisk Stockholder Approval is not obtained by the conclusion of the SanDisk Stockholder Meeting duly convened therefor, (ii) there has been publicly disclosed and not irrevocably withdrawn prior to the time of the SanDisk Stockholder Meeting, a SanDisk Acquisition Proposal and (iii) within 12 months after such termination, either (A) SanDisk enters into a definitive agreement with respect to a SanDisk Qualifying Transaction that is later consummated or (B) a SanDisk Qualifying Transaction is consummated; or

by Western Digital, if a SanDisk Change of Recommendation has occurred prior to the SanDisk Stockholder Meeting.

Under the Merger Agreement, Western Digital will be required to pay SanDisk a termination fee of approximately \$553.3 million if the Merger Agreement is terminated:

by Western Digital, in order to accept a Western Digital Superior Proposal (as defined in *The Merger Agreement No Solicitation by Western Digital; No Change in Western Digital Board Recommendation*) in compliance with the Merger Agreement;

by Western Digital, if (i) the Merger has not occurred by the Termination Date, (ii) there has been publicly disclosed and not withdrawn prior to termination of the Merger Agreement a Western Digital Acquisition Proposal and (iii) within 12 months after such termination, either (A) Western Digital enters into a definitive agreement providing for any acquisition of (1) 50% or more of the outstanding shares of Western Digital common stock pursuant to a merger, amalgamation, consolidation or other business combination, sale of shares, tender offer or exchange offer or similar transaction or (2) all or substantially all of the assets of Western Digital and its subsidiaries, taken as a whole (any transaction matching the description contained in (1) or (2), a Western Digital Qualifying Transaction) that is later consummated or (B) a Western Digital Qualifying Transaction is consummated;

by either Western Digital or SanDisk, if (i) the Unis Closing Date has not occurred or the Unis SPA has been terminated and the Western Digital Stockholder Approval is not obtained by the conclusion of the Western Digital Stockholder Meeting duly convened therefor, (ii) there has been publicly disclosed and not withdrawn prior to the time of the Western Digital Stockholder Meeting, a Western Digital Acquisition Proposal and (iii) within 12 months after such termination, either (A) Western Digital enters into a definitive agreement with respect to a Western Digital Qualifying Transaction that is later consummated or (B) a Western Digital Qualifying Transaction is consummated; or

by SanDisk, if a Western Digital Change of Recommendation has occurred prior to the Western Digital Stockholder Meeting.

In addition, in the event that either Western Digital or SanDisk terminates the Merger Agreement as a result of the failure by either party's stockholders to approve the Merger Agreement and the transactions applicable to such party, Western Digital or SanDisk, as the case may be, must pay the other party a fee of approximately \$184.4 million (a "No Vote Fee"). Any No Vote Fee paid by Western Digital or SanDisk may be deducted from any other termination fee subsequently paid by Western Digital or SanDisk.

In the event that either Western Digital or SanDisk terminates the Merger Agreement as a result of the Merger having not been consummated by the Termination Date or if any Applicable Governmental Entity has issued an order, decree or ruling or taken any other action enjoining or otherwise prohibiting consummation of

Table of Contents

the Merger substantially on the terms contemplated by the Merger Agreement relating to antitrust law, and such order, decree, ruling or other action has become final and non-appealable, and in each case if, as of the time of such termination all other conditions to closing have been satisfied other than (x) the condition relating to the absence of rulings or orders enjoining or prohibiting the consummation of the Merger (which shall not have been satisfied due to the failure to receive any required consent, approval or clearance from a governmental entity or any action by any governmental entity to prevent the Merger for antitrust or competition reasons) or (y) relating to expiration or termination of the waiting period (and any extensions thereof) applicable to the consummation of the Merger under the HSR Act and to the receipt of all other required antitrust approvals, then Western Digital must pay SanDisk a termination fee of approximately \$1.06 billion (the Antitrust Fee).

The payor of a termination fee shall not be required to pay any termination fee on more than one occasion and Western Digital shall not be required to pay both the Antitrust Fee and any other termination fee. In the event that a termination fee is paid, upon payment, the payor will have no further liability to the payee with respect to the Merger Agreement or the Merger contemplated thereby, except that, if the payor paid the No Vote Fee under certain circumstances the payor may also be required to pay a termination fee less the No Vote Fee and the payor is not released from liability for fraud or a knowing and intentional breach of the Merger Agreement.

Litigation Related to the Merger (beginning on page 146)

Commencing on November 4, 2015, two alleged stockholders of SanDisk filed putative class actions captioned *Michael Cloud v. SanDisk Corp., et al.*, Case Number 1-15-cv-287706, and *Jaromir Koutnak v. Sanjay Mehrotra, et al.*, Case Number 1-15-cv-288079, each in the Superior Court of the State of California, County of Santa Clara (together, the California Actions). The defendants are SanDisk, the members of SanDisk's board of directors, Western Digital, and Merger Sub. The complaints in the California Actions allege that SanDisk's directors breached their fiduciary duties to SanDisk's stockholders in connection with the Merger Agreement and the transaction contemplated thereby. Specifically, the complaints allege, among other things, that the proposed Merger arises out of a flawed process which resulted in an unfair price for SanDisk's shares and a failure to maximize stockholder value. The complaints also allege that the terms of the Merger Agreement will deter other purported interested parties from coming forward with a superior offer. The California Actions further allege that SanDisk, Western Digital, or Merger Sub aided and abetted the SanDisk directors' breaches of fiduciary duties. On January 26, 2016, the plaintiff in the *Cloud* action filed an amended complaint. The amended complaint adds allegations that defendants caused Western Digital to file a registration statement that contains misleading statements and omits other information about the proposed transaction. The plaintiffs seek, among other things, an order enjoining defendants from consummating the proposed Merger, rescinding the proposed Merger if it is consummated, awarding damages, and awarding attorneys fees and costs. The defendants believe the complaints are meritless and intend to defend the actions.

Material United States Federal Income Tax Consequences (beginning on page 153)

The exchange of SanDisk common stock pursuant to the Merger will be a taxable transaction for U.S. federal income tax purposes. Accordingly, a U.S. Holder (as defined in *Material United States Federal Income Tax Consequences*) of SanDisk common stock who receives the Merger Consideration in exchange for such U.S. Holder's shares of SanDisk common stock generally will recognize taxable gain or loss in an amount equal to the difference, if any, between the fair market value of the Merger Consideration received and such U.S. Holder's adjusted tax basis in the shares of SanDisk common stock exchanged therefor.

THIS JOINT PROXY STATEMENT/PROSPECTUS CONTAINS A GENERAL DESCRIPTION OF THE MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER. THIS DESCRIPTION DOES NOT ADDRESS ANY NON-U.S. TAX CONSEQUENCES, NOR DOES IT PERTAIN TO

STATE, LOCAL OR OTHER TAX CONSEQUENCES. CONSEQUENTLY, YOU ARE URGED TO

Table of Contents

CONTACT YOUR OWN TAX ADVISOR TO DETERMINE THE PARTICULAR TAX CONSEQUENCES TO YOU OF THE MERGER.

Accounting Treatment (page 152)

The Merger will be accounted for as a business combination using the acquisition method of accounting with Western Digital as the accounting acquiror. The Western Digital's stockholders immediately prior to the Effective Time of the Merger will continue to own the majority of the Western Digital common stock after the consummation of the Merger. For a table illustrating the percentage of Western Digital common stock that will be owned by former SanDisk stockholders following the Merger, please see *Questions and Answers about the Special Meetings and the Merger What percentage of Western Digital common stock will be owned by former SanDisk stockholders following the Merger?*

Risk Factors (beginning on page 35)

In deciding how to vote your Western Digital or SanDisk shares, you should read carefully this entire joint proxy statement/prospectus, including the documents incorporated by reference herein and the Annexes hereto, and especially consider the factors discussed in *Risk Factors*.

Comparison of Rights of Stockholders (beginning on page 195)

As a result of the Merger, the holders of SanDisk common stock will become holders of Western Digital common stock and their rights will be governed by the DGCL and by Western Digital's certificate of incorporation and bylaws. Following the Merger, SanDisk stockholders may have different rights as stockholders of Western Digital than they had as stockholders of SanDisk. For a summary of the material differences between the rights of Western Digital stockholders and SanDisk stockholders, see *Comparison of Rights of Stockholders* for more information.

Table of Contents**RISK FACTORS**

In deciding whether to vote for the proposals discussed in this joint proxy statement/prospectus, we urge you to consider carefully all of the information included or incorporated by reference in this joint proxy statement/prospectus. You should also read and consider the risks associated with each of the businesses of Western Digital and SanDisk, because these risks will also affect Western Digital after consummation of the Merger. The risks associated with the business of Western Digital can be found in Western Digital's Exchange Act reporting, including Western Digital's Annual Report on Form 10-K for the year ended July 3, 2015 and its Quarterly Report on Form 10-Q for the fiscal quarter period ended on October 2, 2015, which are incorporated by reference in this joint proxy statement/prospectus. The risks associated with the business of SanDisk can be found in SanDisk's Exchange Act reporting including the SanDisk Annual Report on Form 10-K for the year ended December 28, 2014, and its Quarterly Reports on Form 10-Q for the fiscal quarters ended on March 29, 2015, June 28, 2015 and September 27, 2015, which are incorporated by reference in this joint proxy statement/prospectus. See *Where You Can Find More Information* beginning on page 222.

Risk Factors Relating to the Merger

Because of uncertainties concerning (i) the potential closing of the Unis Investment, and (ii) the amount of cash SanDisk will have available for use in the United States without payment or withholding of U.S. income taxes upon completion of the Merger, SanDisk stockholders cannot be sure of the form and value of the Merger Consideration they will receive and SanDisk stockholders will be exposed to the risk of market fluctuations in the price of Western Digital common stock.

Upon completion of the Merger, each share of SanDisk common stock will be converted into the right to receive Merger Consideration consisting of shares of Western Digital common stock and cash pursuant to the terms of the Merger Agreement. However, the exact form and value of consideration each SanDisk stockholder will receive is not yet knowable due to several factors. If, at the time of the consummation of the Merger the Unis Investment has closed, each SanDisk stockholder will receive, subject to reallocation (as described below), in exchange for each share of SanDisk common stock, 0.0176 shares of Western Digital common stock and \$85.10 in cash. If the Unis Investment does not close or the Unis SPA has been terminated by the time of the consummation of the Merger, each SanDisk stockholder will receive, subject to reallocation (as described below), in exchange for each share of SanDisk common stock, 0.2387 shares of Western Digital common stock and \$67.50 in cash. Furthermore, the above figures assume that, at completion of the Merger, SanDisk has cash available for use in the United States without payment or withholding of U.S. income taxes (Available Cash) of \$4.049 billion or more, if the closing of the Merger occurs before June 30, 2016, and \$4.139 billion or more, if the closing of the Merger occurs on or after June 30, 2016. If SanDisk has less than these specified amounts, Western Digital may, under the terms of the Merger Agreement, decrease the aggregate cash consideration and increase the aggregate stock consideration by an equal amount. Accordingly, at this time SanDisk stockholders will not know or be able to calculate the exact amount of either the cash or stock consideration that they would receive upon completion of the Merger. As of September 27, 2015, SanDisk had a total of \$3.743 billion in cash and cash equivalents and marketable securities which can be sold and proceeds held as cash or cash equivalents available for use in the United States or that can be repatriated to the United States, without payment of withholding tax or US income taxes. Such Available Cash as of September 27, 2015 is not indicative of the amount of Available Cash SanDisk will have as of the actual closing date of the Merger and SanDisk's actual closing date Available Cash is subject to the risks associated with operating SanDisk's business, which are described in SanDisk's Exchange Act reports, including SanDisk's quarterly report on Form 10-Q for the quarter ended September 27, 2015, which is incorporated by reference in this joint proxy statement/prospectus. See *Where You Can Find More Information*.

The per share Merger Consideration will not be adjusted prior to completion of the Merger for changes in the market price of either Western Digital common stock or SanDisk common stock or for share repurchases or issuances of common stock by Western Digital or SanDisk. Such market price fluctuations or changes in the number of outstanding shares of Western Digital or SanDisk common stock may affect the value that SanDisk

Table of Contents

stockholders will receive upon completion of the Merger. Stock price changes may result from a variety of factors, some of which are out of Western Digital's and SanDisk's control, including general market and economic conditions, changes in businesses, operations and prospects and regulatory considerations, and risks discussed in this section of this joint proxy statement/prospectus. Neither Western Digital nor SanDisk is permitted to terminate the Merger Agreement or resolicit the vote of their respective stockholders solely because of changes in the market price of either of their common stock.

The prices of Western Digital common stock and SanDisk common stock at the completion of the Merger may vary from their respective prices on the date the Merger Agreement was executed, on the date of this document and on the date of the special meetings. As a result, the value represented by the exchange ratio will also vary. For example, based on the range of closing sales prices of Western Digital common stock during the period from October 20, 2015, the last trading day before public announcement of the Merger, through January 13, 2016, the Base Merger Consideration per share of SanDisk common stock represented a value ranging from a high of \$86.42 to a low of \$85.98 and the Alternate Merger Consideration per share of SanDisk common stock represented a value ranging from a high of \$85.37 to a low of \$79.43, assuming no adjustment for any Closing Cash Shortfall.

Because the date that the Merger becomes effective will be later than the dates of the special meetings, at the time of SanDisk's special meeting, SanDisk stockholders will not know the exact amount or market value of the Western Digital common stock that they will receive upon completion of the Merger, which could be lower than the market value at the time of the SanDisk special meeting. You should obtain current stock price quotations for Western Digital common stock and SanDisk common stock. Western Digital common stock and SanDisk common stock are listed on NASDAQ under the symbols WDC and SNDK, respectively.

The market price of Western Digital common stock after the Merger might be affected by factors different from, or in addition to, those currently affecting the respective market prices of Western Digital and SanDisk common stock.

The businesses of Western Digital and SanDisk differ and, accordingly, the results of operations of Western Digital and the market price of Western Digital common stock after the Merger may be affected by factors different from, or in addition to, those currently affecting the independent results of operations of each of Western Digital and SanDisk. For a discussion of the businesses of Western Digital and SanDisk and of factors to consider in connection with those businesses, see the documents incorporated by reference into this document and referred to under *Where You Can Find More Information*.

Until the Effective Time of the Merger or the termination of the Merger Agreement in accordance with its terms, Western Digital and SanDisk are prohibited from entering into certain business combination transactions.

During the period that the Merger Agreement is in effect, except as permitted by certain limited exceptions in the Merger Agreement or required by their fiduciary duties and subject to the other requirements of the Merger Agreement, the Western Digital board of directors may not withdraw or adversely modify its recommendation of approval by the Western Digital stockholders of the NASDAQ Stock Issuance Proposal and the SanDisk board of directors may not withdraw or adversely modify its recommendation of approval by the SanDisk stockholders of the Merger Proposal. In addition, during such time, neither the SanDisk or Western Digital board of directors may recommend an acquisition proposal to acquire beneficial ownership of 15% or more of the issued and outstanding common stock or assets of SanDisk or Western Digital, respectively, other than the Merger, or negotiate or authorize negotiations with a third party regarding an acquisition proposal other than the Merger, except as permitted by certain limited exceptions in the Merger Agreement or required by their fiduciary duties and subject to the other requirements of the Merger Agreement. In the event that SanDisk's or Western Digital's board of directors change their respective

recommendations, SanDisk or Western Digital, as the case may be, will be required pursuant to the terms of the Merger Agreement to pay to the other party \$553.3 million as a

Table of Contents

termination fee. SanDisk, Western Digital and their respective subsidiaries are also required pursuant to the terms of the Merger Agreement to conduct their respective businesses only in the ordinary and usual course of business in all material respects consistent with past practice and use commercially reasonable efforts to preserve intact their business organization, operations and assets. The foregoing could have the effect of delaying other strategic transactions and may, in some cases, make it impossible to pursue other strategic transactions that are available only for a limited time.

The Merger is subject to a number of conditions, some of which are outside of the parties' control, and if these conditions are not satisfied or waived, the Merger will not be completed.

The Merger Agreement contains a number of conditions that must be fulfilled to complete the Merger. Those conditions include, among other customary conditions, approval by SanDisk stockholders of the Merger and by Western Digital stockholders of the NASDAQ Stock Issuance Proposal (if the Unis Investment does not close or the Unis SPA is terminated by the time of the Merger), no material action being taken by any governmental entity enjoining or otherwise prohibiting consummation of the Merger, no law being enacted or promulgated by any governmental entity making the consummation of the Merger illegal, receipt of required regulatory approvals, approval by NASDAQ for listing of the shares Western Digital common stock issued in connection with the Merger, accuracy of representations and warranties of the parties to the applicable standards provided by the Merger Agreement, no event occurring that had or would reasonably be expected to have a material adverse effect on Western Digital or SanDisk, compliance by the parties with their covenants in the Merger Agreement to the applicable standards provided by the Merger Agreement, and the effectiveness of the Registration Statement of which this joint proxy statement/prospectus forms a part, as well as other customary closing conditions.

The required satisfaction of the foregoing conditions could delay the completion of the Merger for a significant period of time or prevent it from occurring. Any delay in completing the Merger could cause the combined company not to realize some or all of the benefits that the parties expect the combined company to achieve. Further, there can be no assurance that the conditions to the closing of the Merger will be satisfied or waived or that the Merger will be completed.

In addition, if the Merger is not completed by October 21, 2016 (subject to potential extensions to January 21, 2017, in the event certain required regulatory approvals related to antitrust matters have not been obtained), either Western Digital or SanDisk may choose to terminate the Merger Agreement. Western Digital or SanDisk may also elect to terminate the Merger Agreement in certain other circumstances, and the parties can mutually decide to terminate the Merger Agreement at any time prior to the closing, before or after stockholder approval, as applicable. See *The Merger Agreement Termination of the Merger Agreement* and *Transaction Expenses and Termination Fees* for a more detailed description of these circumstances.

Western Digital and SanDisk must obtain required approvals and governmental and regulatory consents to complete the Merger, which, if delayed, not granted or granted with conditions, may jeopardize or delay the Merger, result in additional expenditures of money and resources and/or reduce the anticipated benefits of the Merger.

The Merger is subject to customary closing conditions. These closing conditions include, among others, the receipt of required approvals of the respective stockholders of Western Digital (if the Unis Investment does not close or the Unis SPA is terminated by the time of the Merger) and SanDisk at their respective special meetings, the expiration or termination of all waiting periods under applicable antitrust laws, including the applicable waiting periods under the HSR Act and foreign antitrust laws, and if required pursuant to the terms of the Merger Agreement, approval under CFIUS.

The governmental agencies from which the parties will seek these approvals have broad discretion in administering the governing regulations. As a condition to their approval of the Merger, agencies may impose requirements, limitations or costs or require divestitures or place restrictions on the conduct of Western Digital s

Table of Contents

business after consummation of the Merger. These requirements, limitations, costs, divestitures or restrictions could jeopardize or delay the consummation of the Merger. However, in no event shall Western Digital be required to agree to the divestiture of any Assets (as defined in *The Merger Agreement Efforts to Complete the Merger*) other than Assets of SanDisk and its subsidiaries that collectively generated revenues for the year ended December 29, 2013, not in excess of \$250 million in the aggregate. Even if all required consents and approvals are obtained and the closing conditions are satisfied, no assurance can be given as to the terms, conditions and timing of the approvals. If Western Digital agrees to any material requirements, limitations, costs, divestitures or restrictions in order to obtain any approvals required to consummate the Merger, these requirements, limitations, costs, divestitures or restrictions could adversely affect Western Digital's ability to integrate its operations with SanDisk's operations, reduce the anticipated benefits of the Merger, and have a material adverse effect on the business and results of operations of Western Digital after consummation of the Merger. These material requirements, limitations, costs, divestitures or restrictions imposed by governmental agencies could also result in a failure to consummate the Merger. Western Digital and SanDisk are obligated to pay certain transaction-related fees and expenses in connection with the Merger, whether or not the Merger is completed.

Furthermore, in the event that either Western Digital or SanDisk terminates the Merger Agreement as a result of the Merger having not been consummated by the Termination Date or if any Applicable Governmental Entity has issued an order, decree or ruling or taken any other action enjoining or otherwise prohibiting consummation of the Merger substantially on the terms contemplated by the Merger Agreement relating to antitrust law, and such order, decree, ruling or other action has become final and non-appealable, and in each case if, as of the time of such termination all other conditions to closing have been satisfied other than (x) the condition relating to the absence of rulings or orders enjoining or prohibiting the consummation of the Merger (which shall not have been satisfied due to the failure to receive any required consent, approval or clearance from a governmental entity or any action by any governmental entity to prevent the Merger for antitrust or competition reasons) or (y) relating to expiration or termination of the waiting period (and any extensions thereof) applicable to the consummation of the Merger under the HSR Act and to the receipt of all other required antitrust approvals, then Western Digital must pay SanDisk a termination fee of approximately \$1.06 billion. Please see *The Merger Agreement Conditions to Completion of the Merger*, for a discussion of the conditions to consummation of the Merger and *The Merger Regulatory Approvals Required for the Merger*, for a description of the antitrust approvals necessary to consummate the Merger.

Any delay in completing the Merger may significantly reduce the benefits expected to be obtained from the Merger.

In addition to the required regulatory clearances and approvals, the Merger is subject to a number of other conditions that are beyond the control of Western Digital and SanDisk and that may prevent, delay or otherwise materially adversely affect completion of the Merger. Western Digital and SanDisk cannot predict whether and when these other conditions will be satisfied. Further, the requirements for obtaining the required regulatory clearances and approvals could delay the completion of the Merger for a significant period of time or prevent it from occurring. Any delay in completing the Merger may significantly reduce the synergies projected to result from the Merger and other benefits that Western Digital and SanDisk expect to achieve if they successfully complete the Merger within the expected timeframe and integrate their respective businesses. See *The Merger Agreement Conditions to the Completion of the Merger* for more information.

If CFIUS determines that the Unis Investment is a covered transaction and the Unis SPA has not been terminated or if CFIUS has requested or requires a filing, then the Merger will be subject to the receipt of the CFIUS Approval that may impose measures to protect U.S. national security or other conditions that could have an adverse effect on Western Digital or the combined company, or, if not obtained, could prevent completion of the Merger.

If CFIUS determines that the Unis Investment is a covered transaction and the Unis SPA is not terminated or if CFIUS has requested or requires a filing with respect to the Merger, then the CFIUS Approval must be

Table of Contents

obtained for the Merger to be consummated. In deciding whether to grant the CFIUS Approval, CFIUS will consider the effect of the Merger on U.S. national security and other factors within its relevant jurisdiction. As a condition to granting the CFIUS Approval, CFIUS could seek measures and impose conditions to protect U.S. national security, certain of which may materially and adversely affect the combined company's operating results due to the imposition of requirements, limitations or costs or placement of restrictions on the conduct of the combined company's business and which may adversely affect the financial position and prospects of the combined company and its ability to achieve the synergies projected to result from the Merger. There can be no assurance that CFIUS will not require conditions, terms, obligations or restrictions, or that such conditions, terms, obligations or restrictions will not have the effect of delaying completion of the Merger or imposing additional material costs on, or materially adversely impacting the combined company following the Merger.

Furthermore if CFIUS determines that the Unis Investment is a covered transaction and the Unis Investment closes, Western Digital may be deemed to be a foreign person for CFIUS purposes and future acquisitions, investments or other transactions in the United States involving Western Digital may be subject to CFIUS review.

For a more detailed description of the regulatory review process, see *The Merger Regulatory Approvals Required for the Merger*.

If Western Digital stockholders do not approve the NASDAQ Stock Issuance Proposal, Western Digital's flexibility with respect to the Merger may be limited and Western Digital's ability to complete the Merger may be affected.

If the Unis Investment closes prior to the Effective Time of the Merger, Western Digital stockholder approval of the NASDAQ Stock Issuance Proposal is not required for the Merger to close, and Western Digital will be required to close the Merger upon satisfaction or waiver of the conditions to the Merger. If the Western Digital stockholders do not approve of the NASDAQ Stock Issuance Proposal, Western Digital's ability to reallocate the stock and cash components of the Merger Consideration as described in *The Merger Agreement Merger Consideration; Cancellation of Shares* will be limited as Western Digital may not be able to reallocate the cash component of the Merger Consideration into shares of Western Digital common stock and may need to convert certain SanDisk equity awards into cash settled awards or rely on an exception to NASDAQ Stock Market Rule 5635(a). If there is a Closing Cash Shortfall and Western Digital stockholders do not approve the NASDAQ Stock Issuance Proposal, Western Digital may not be able to exercise its right to reallocate the stock component and cash component of the Merger Consideration and may need to incur additional debt to complete the Merger.

Furthermore, if the Unis Investment does not close or the Unis SPA is terminated and the Western Digital stockholders do not approve the NASDAQ Stock Issuance Proposal, then the parties are not obligated to consummate the Merger.

The Merger will allow holders of the Convertible Notes to convert their notes into a mixture of cash and stock at a temporarily increased conversion rate.

Under the terms of the 2017 Convertible Notes and 2020 Convertible Notes, the Merger will constitute a designated event and a fundamental change. As a result, holders of the Convertible Notes will be permitted to choose (i) to convert their Convertible Notes into a mixture of cash and stock at a temporarily increased conversion rate, (ii) to require SanDisk to buy back their Convertible Notes for a price equal to their principal amount plus accrued but unpaid interest to but excluding the repurchase date, or (iii) to continue holding their Convertible Notes. If the Merger closes, the holders of the Convertible Notes would be expected to exercise the right to convert their notes in accordance with their terms at a temporarily increased conversion rate shortly following the closing of the Merger (although the holders' actual decisions will depend upon their judgments based on the prevailing market conditions).

As of September 30, 2015 approximately \$997 million aggregate

Table of Contents

principal amount of 2017 Convertible Notes and \$1.5 billion aggregate principal amount of 2020 Convertible Notes were outstanding. For further information concerning the Convertible Notes, including the calculation of amounts payable upon conversion, see *Summary Effect of the Merger on SanDisk's Convertible Notes* above.

The need to pay cash amounts owing on conversion of, or in respect of any demands for repurchase of, the Convertible Notes in connection with the Merger, and to issue Western Digital common stock, may have an adverse effect on the value of Western Digital common stock. Furthermore, the delivery of conversion notices by holders of the Convertible Notes prior to the Effective Time of the Merger will require SanDisk to settle such conversions regardless of whether the Merger closes. As a result, if the Merger does not close, SanDisk would still be required to pay in cash the principal amount of the Convertible Notes surrendered for conversion, and deliver SanDisk common stock with respect to the excess thereof. Such requirement might have a material adverse effect on SanDisk's financial condition and liquidity.

Although the conversion consideration that SanDisk must deliver for qualifying conversions of the Convertible Notes will be increased as a result of the temporarily increased conversion rate, SanDisk will not receive any corresponding increase in payments or deliveries it receives under the related Bond Hedge Transactions in connection with such conversions.

The amounts payable by the Hedge Banks to SanDisk under the Bond Hedge Transactions will not incorporate the temporary increase in the conversion rate of the Convertible Notes or otherwise factor in the option time value of the Bond Hedge Transactions. As a result, SanDisk will receive less under the Bond Hedge Transactions in connection with the Merger than the amount it owes under the Convertible Notes in excess of their principal amount, which may have an adverse effect on the value of Western Digital common stock.

The payments or deliveries from the Hedge Banks under the Bond Hedge Transactions as the result of the consummation of the Merger could be greater than, equal to, or less than the amount of the payments that would have been paid or the value of the shares that would have been delivered by the Hedge Banks upon exercise, expiration or termination of the Bond Hedge Transactions in the ordinary course in the absence of the Merger. For a more detailed description of the Bond Hedge Transactions, see *Summary Effect of the Merger on SanDisk's Bond Hedge Transactions and Warrant Transactions*.

SanDisk will owe the Hedge Banks cash payments with respect to the Warrant Transactions that terminate in connection with the Merger Agreement and the Merger.

Under the original terms of the Warrant Transactions, the Hedge Banks would be entitled to receive from SanDisk a cash payment equal to the value of the Warrant Transactions with such Hedge Bank. If not otherwise agreed by the parties, the amount payable under these terminated Warrant Transactions will be determined by the applicable Hedge Bank in good faith and in a commercially reasonable manner.

Unless otherwise agreed by the parties, the amounts payable in respect of the termination of the Warrant Transactions will vary depending on factors including the date the Merger is consummated, the market price of the relevant common stock, and market conditions (including interest rates and volatility) at the time as of which the Warrant Transactions are terminated.

The payments to the Hedge Banks with respect to the Warrant Transactions that terminate in connection with the Merger Agreement and the Merger could be greater than, equal to, or less than the amount of the payments or the value of the shares that would have been received by the Hedge Banks upon exercise or expiration of the Warrant Transactions in the ordinary course in the absence of the Merger Agreement and the Merger. The cash payments owed

by SanDisk to the Hedge Banks as a result of the termination of the Warrant Transactions will be significant and are expected to exceed in the aggregate the amounts receivable by SanDisk under the Bond Hedge Transactions, which may have a material adverse effect on the value of Western Digital common stock. For a more detailed description of the Warrant Transactions, the status of the negotiations with

Table of Contents

the Hedge Banks regarding the calculation of the amount of any Warrant Transaction termination payments owed by SanDisk and the agreements reached with certain of the Hedge Banks, see *Summary Effect of the Merger on SanDisk's Bond Hedge Transactions and Warrant Transactions*.

The consummation of the Merger may permit counterparties to other agreements to terminate those agreements.

SanDisk is also a party to certain agreements that give the counterparties to such agreements certain rights, including consent and termination rights, in connection with change in control transactions or otherwise. Under certain of these agreements, the Merger may constitute a change in control or otherwise give rise to consent or termination rights and, therefore, the counterparties may assert their rights in connection with the Merger, which may adversely affect the value of Western Digital common stock.

Uncertainty about the Merger may adversely affect Western Digital's business and stock price, whether or not the Merger is completed.

Western Digital is subject to risks in connection with the announcement and pendency of the Merger, including the pendency and outcome of any legal proceedings against Western Digital, its directors and others relating to the Merger and the risks from possibly foregoing opportunities Western Digital might otherwise pursue absent the Merger. Furthermore, uncertainties about the Merger may cause Western Digital's current and prospective employees to experience uncertainty about their future with the company. These uncertainties may impair Western Digital's ability to retain, recruit or motivate key management, sales, marketing, engineering, technical and other personnel.

In addition, in response to the announcement of the Merger, Western Digital's existing or prospective customers, suppliers or joint development partners may:

delay, defer or cease purchasing goods or services from or providing goods or services to Western Digital;

delay or defer other decisions concerning Western Digital, or refuse to extend credit to Western Digital;

cease further joint development activities; or

otherwise seek to change the terms on which they do business with Western Digital.

While Western Digital is attempting to address these risks through communications with its existing and prospective customers, suppliers or joint development partners, they may be reluctant to purchase Western Digital's products, supply Western Digital with goods and service or continue joint development due to the potential uncertainty about the direction of Western Digital's product offerings and the support and service of its products after Western Digital completes the Merger.

Uncertainty about the Merger may adversely affect SanDisk's business and stock price, whether or not the Merger is completed.

SanDisk is subject to risks in connection with the announcement and pendency of the Merger, including the pendency and outcome of any legal proceedings against SanDisk, its directors and others relating to the Merger, the restrictions

imposed on SanDisk's business and operations pursuant to certain covenants set forth in the Merger Agreement and the risks from possibly foregoing opportunities SanDisk might otherwise pursue absent the Merger. Furthermore, uncertainties about the Merger may impair SanDisk's ability to retain and motivate current employees and recruit new employees who may be uncertain about their future roles and relationships with the combined company following the completion of the Merger. These uncertainties may impair SanDisk's ability to retain, recruit or motivate key management, sales, marketing, engineering, technical and other

Table of Contents

personnel. These uncertainties may divert employees' and management's attention, which could otherwise have been devoted to other opportunities that may have been beneficial to SanDisk.

In addition, SanDisk has incurred, and will continue to incur, significant costs, expenses and fees for professional services, other than transaction costs and employee retention costs in connection with the Merger, and these fees and costs are payable by SanDisk regardless of whether the Merger is consummated.

Uncertainties about the Merger could also have other adverse effects on SanDisk's revenue and operating results. For example, these uncertainties could adversely impact SanDisk's relationships or contract negotiations with third parties, including SanDisk's strategic partners, such as Toshiba Corporation (Toshiba), customers, suppliers and other business partners, or those with which SanDisk is seeking to establish business relationships. Strategic partners, customers, suppliers or other business partners may:

delay, defer or cease purchasing goods or services from or providing goods or services to SanDisk;

delay or defer other decisions concerning SanDisk, or refuse to extend credit to SanDisk;

cease further joint development activities; or

otherwise seek to change the terms on which they do business with SanDisk.

The Merger Agreement subjects Western Digital to certain restrictive covenants that will restrict the way it conducts its business until either the consummation or the termination of the Merger which could adversely affect Western Digital's stock price and its operations.

Unless SanDisk otherwise consents in writing (not to be unreasonably withheld, conditioned or delayed) or as expressly contemplated or expressly permitted by the Merger Agreement or confidential disclosure schedules, or where a change in applicable law requires the taking of an action otherwise prohibited, Western Digital and each of its subsidiaries will not, subject to certain conditions and exceptions described in detail in the Merger Agreement: (1) amend its organizational documents; (2) redeem or purchase any outstanding Western Digital common stock (except in respect of (A) any tax withholding or exercise price in connection with equity or equity-based awards granted pursuant to Western Digital's equity compensation plans, and (B) repurchases pursuant to any previously announced stock repurchase programs) or pay any dividend (other than dividends in the ordinary course and consistent with Western Digital's past practice) or distribution with respect to any of its capital stock or otherwise make any payments to stockholders of Western Digital; (3) issue, split, combine, subdivide or reclassify any capital stock of Western Digital; (4) adopt any plan of liquidation or reorganization other than the Merger; (5) make certain acquisitions or dispositions of any entity, any equity interest thereof or therein, or tangible assets comprising a business or division; or (6) enter into any contract, commitment or arrangement to do any of the foregoing. The restrictive covenants described in clauses (3) and (5) and in clause (6) (to the extent applicable to clauses (3) and (5)) shall cease to apply on the Unis Closing Date if the Unis Investment closes prior to the Effective Time. See *The Merger Agreement Interim Operations of Western Digital and SanDisk Western Digital Interim Operating Covenants* for more information regarding the foregoing covenants.

The Merger Agreement subjects SanDisk to certain restrictive covenants that will restrict the way it conducts its business until either the consummation or the termination of the Merger which could adversely affect SanDisk's stock price and its operations.

Unless Western Digital otherwise consents in writing (not to be unreasonably withheld, conditioned or delayed) or as expressly contemplated or expressly permitted by the Merger Agreement or confidential disclosure schedules, or where a change in applicable law requires the taking of an action otherwise prohibited, SanDisk and each of its subsidiaries will not, subject to certain conditions and exceptions, engage in any of the activities described in detail in the Merger Agreement including: (1) amend its organizational documents; (2) redeem or purchase any outstanding SanDisk common stock; (3) issue, split, combine, subdivide or reclassify any SanDisk

Table of Contents

common stock or pay any dividend or other distribution with respect to any of its common stock or otherwise make any payments to stockholders of SanDisk; (4) adopt any plan of liquidation or reorganization other than the Merger; (5) make certain acquisitions or dispositions of any entity, and equity interest thereof or therein, or tangible assets comprising a business or division, or sell certain tangible assets; (6) enter into certain joint ventures or strategic partnerships; (7) sell, assign, transfer or grant an exclusive license under or otherwise dispose of material intellectual property or take certain other actions with respect to intellectual property; (8) enter into, modify, amend or terminate, or waive its rights under, certain material contracts and real property leases; (9) authorize certain capital expenditures or incur certain indebtedness; (10) adopt any stockholder rights plan or poison pill; (11) make certain changes impacting employee compensation and benefits and take certain actions related to labor; (12) take certain actions with respect to accounting, taxes and cash management procedures; (13) take certain actions related to settlements or commencing material litigation; and (14) enter into any contract, commitment or arrangement to do any of the foregoing. See *The Merger Agreement Interim Operations of Western Digital and SanDisk SanDisk Interim Operating Covenants* for the additional covenants and for more information regarding the foregoing covenants.

Some of Western Digital's and SanDisk's officers and directors may have interests in the Merger that are different from, or in addition to, the interests of Western Digital and SanDisk stockholders.

When considering the recommendation of the Western Digital and SanDisk boards of directors with respect to the Merger, Western Digital stockholders should be aware that some directors and executive officers of Western Digital may have interests in the Merger that may be different from, or in addition to, their interests as stockholders and the interests of stockholders of Western Digital generally. In addition, SanDisk stockholders should be aware that the directors and executive officers of SanDisk have interests in the Merger that may be different from, or in addition to, their interests as stockholders and the interests of stockholders of SanDisk generally. These interests include, among others, potential payments under employment agreements and change in control severance agreements, rights to acceleration of vesting and exercisability of options, and acceleration of vesting of restricted stock units as a result of the Merger and rights to ongoing indemnification and insurance coverage for acts or omissions occurring prior to the Merger. See *The Merger Interests of Western Digital Directors and Executive Officers in the Merger* and *The Merger Interests of SanDisk Directors and Executive Officers in the Merger* for more information.

As a result of these interests, these directors and executive officers of Western Digital or SanDisk, as the case may be, might be more likely to support and to vote in favor of the proposals described in this joint proxy statement/prospectus than if they did not have these interests. Each of Western Digital's and SanDisk's stockholders should consider whether these interests might have influenced these directors and executive officers to support or recommend adoption of the Merger Agreement. At the close of business on [], 2016, Western Digital directors and executive officers were entitled to vote approximately []% of the then-outstanding shares of Western Digital common stock. As of the close of business on [], 2016, SanDisk directors and executive officers were entitled to vote approximately []% of the then-outstanding shares of SanDisk common stock. See *The Merger Stock Ownership of Directors and Executive Officers of Western Digital and SanDisk* for more information.

There can be no assurance that Western Digital will be able to secure the funds necessary to pay the cash portion of the Merger Consideration and refinance certain of Western Digital's and SanDisk's existing indebtedness on acceptable terms, in a timely manner or at all.

Western Digital intends to fund the cash portion of the Merger Consideration to be paid to holders of SanDisk common stock and the repayment of Western Digital and SanDisk indebtedness with a combination of cash on hand and debt financing. To this end, Western Digital has entered into a debt commitment letter containing commitments as of the date of this joint proxy statement/prospectus for term loan facilities and bridge loan facilities in an aggregate amount of up to \$17.1 billion and a \$1 billion revolving credit facility. However, as of the date of this joint proxy

statement/prospectus, neither Western Digital nor any of its subsidiaries has entered

Table of Contents

into definitive agreements for the debt financing (or any equity issuance or other financing arrangements in lieu thereof). There can be no assurance that Western Digital will be able to secure the debt financing pursuant to the debt commitment letter.

In the event that the debt financing contemplated by the debt commitment letter is not available, other financing may not be available on acceptable terms, in a timely manner or at all. If Western Digital is unable to secure financing, the Merger may be delayed or not be completed. If Western Digital is not able to complete the Merger, Western Digital would be liable to SanDisk for breach of the Merger Agreement in connection with its failure to consummate the Merger.

The failure to complete the Merger will have an adverse impact on SanDisk's business, operating results and stock price.

If the Merger is not completed, SanDisk stock price could fall to the extent that its current price reflects an assumption that the Merger will be completed. Furthermore, if the acquisition is not completed, SanDisk may suffer other consequences that could adversely affect its business, results of operations and stock price, including the following:

SanDisk could be required to pay a termination fee of up to approximately \$553.3 million to Western Digital under certain circumstances;

SanDisk could be required to pay a termination fee of approximately \$184.4 million to Western Digital in the event its stockholders fail to approve the Merger;

SanDisk will be required to pay one Hedge Bank approximately \$209 million as a termination payment with respect to its Warrant Transaction with such Hedge Bank and may be required to make payments to additional Hedge Banks;

the Warrant Transactions with certain Hedge Banks may be adjusted to lower strike prices to reflect the economic effect of the Merger announcement on the transactions;

SanDisk would have incurred significant costs in connection with the Merger that it would be unable to recover, including transaction, legal, employee-related and other costs;

SanDisk may be subject to legal proceedings related to the Merger;

the failure of the Merger to be consummated may result in negative publicity and a negative impression of SanDisk in the investment community;

disruptions to SanDisk's business resulting from the announcement and pendency of the Merger, including any adverse changes in its relationships with its customers, strategic partners including Toshiba, suppliers, licensees, other business partners and employees, may continue or intensify in the event the Merger is not consummated;

SanDisk may not be able to take advantage of alternative business opportunities or effectively respond to competitive pressures; and

SanDisk may experience an increase in employee departures.

Litigation filed against SanDisk, Western Digital and Merger Sub could prevent or delay the completion of the Merger or result in the payment of damages following completion of the Merger.

SanDisk, Western Digital, Merger Sub and members of their respective board of directors are currently and may in the future be parties, among others, to various claims and litigation related to the Merger, including putative stockholder class actions. Among other remedies, the plaintiffs in such matters are seeking to enjoin the Merger. The results of complex legal proceedings are difficult to predict, and could delay or prevent the Merger from becoming effective in a timely manner. The existence of litigation relating to the Merger could impact the

Table of Contents

likelihood of obtaining the stockholder approvals from either Western Digital or SanDisk. Moreover, the pending litigation is, and any future additional litigation could be, time consuming and expensive, could divert Western Digital and SanDisk's respective management's attention away from their regular business, and, if any one of these lawsuits is adversely resolved against either Western Digital, SanDisk or Merger Sub, could have a material adverse effect on their respective financial condition. For additional information regarding the pending litigation matters, please see the section entitled *The Merger Litigation Related to the Merger*.

One of the conditions to the closing of the Merger is that no Applicable Governmental Entity having jurisdiction over Western Digital, SanDisk or Merger Sub shall have issued an order, decree or ruling or taken any other material action enjoining or otherwise prohibiting the consummation of the Merger substantially on the terms contemplated by the Merger Agreement that remains in effect, and that no law shall have been enacted or promulgated by any Applicable Governmental Entity that makes the consummation of the Merger illegal and remains in effect. Consequently, if a settlement or other resolution is not reached in the lawsuits referenced above and the plaintiffs secure injunctive or other relief prohibiting, delaying or otherwise adversely affecting Western Digital's and/or SanDisk's ability to complete the Merger on the terms contemplated by the Merger Agreement, then such injunctive or other relief may prevent the Merger from becoming effective in a timely manner or at all.

Risk Factors Relating to the Combined Company Following the Merger

Western Digital may fail to realize the benefits expected from the Merger, which could adversely affect Western Digital's stock price.

The anticipated benefits Western Digital expects from the Merger are, necessarily, based on projections and assumptions about the combined businesses of Western Digital and SanDisk, which may not materialize as expected or which may prove to be inaccurate. The value of Western Digital common stock following the completion of the Merger could be adversely affected if Western Digital is unable to realize the anticipated benefits from the Merger on a timely basis or at all. Achieving the benefits of the Merger will depend, in part, on Western Digital's ability to integrate the business and operations of SanDisk successfully and efficiently with Western Digital's business. The challenges involved in this integration, which will be complex and time-consuming, include the following:

difficulties entering new markets or manufacturing in new geographies where Western Digital has no or limited direct prior experience;

successfully managing relationships with Western Digital and SanDisk's combined supplier and customer base;

coordinating and integrating independent research and development and engineering teams across technologies and product platforms to enhance product development while reducing costs;

coordinating sales and marketing efforts to effectively position the combined company's capabilities and the direction of product development;

limitations or restrictions required by regulatory authorities on the ability of management of Western Digital and of SanDisk to conduct planning regarding the integration of the two companies;

difficulties in integrating the systems and processes of two companies with complex operations including multiple manufacturing sites;

the increased scale and complexity of Western Digital's operations resulting from the Merger;

retaining key employees of Western Digital and SanDisk;

obligations that Western Digital will have to counterparties of SanDisk that arise as a result of the change in control of SanDisk; and

the diversion of management attention from other important business objectives.

Table of Contents

If Western Digital does not successfully manage these issues and the other challenges inherent in integrating an acquired business of the size and complexity of SanDisk, then Western Digital may not achieve the anticipated benefits of the Merger and Western Digital's revenue, expenses, operating results and financial condition could be materially adversely affected.

In addition, SanDisk is dependent on its business ventures with Toshiba (Flash Ventures) and other strategic relationships with Toshiba, and therefore the combined company's business, financial condition and operating results, and Western Digital's ability to realize the anticipated benefits from the Merger, will be dependent on the success of Flash Ventures and other strategic relationships with Toshiba. Substantially all of SanDisk's NAND flash memory is supplied by Flash Ventures, and Flash Ventures is expected to manufacture and supply 3D NAND to SanDisk. In addition, SanDisk partners with Toshiba on the development of NAND flash technology and it has entered into strategic partnerships with Toshiba relating to research and development for the next technology transitions of NAND flash and alternative technologies beyond NAND flash technologies. These ventures and strategic partnerships are subject to various risks that could harm the value of the combined company's investments, its revenue and costs, its future rate of spending, its technology plans and its future growth opportunities. SanDisk's Exchange Act reports incorporated by reference into this joint proxy statement/prospectus contain additional information about Flash Ventures and the associated risks; see *Where You Can Find More Information*. Toshiba's financial position or shift in strategic priorities could adversely impact SanDisk and the combined company's business. Flash Ventures require significant investments by both Toshiba and SanDisk for technology transitions and capacity expansions, and if Toshiba or SanDisk does not provide sufficient resources or have adequate access to credit, these investments could be delayed or reduced. A change in the management or control of Toshiba's semiconductor business could lead to delays in decision-making or changes in strategic direction that could adversely impact Flash Ventures.

The business and operating results of Western Digital could be harmed by the highly cyclical nature of the semiconductor industry.

Western Digital and SanDisk operate in the semiconductor industry. Historically, the semiconductor industry has been highly cyclical with recurring periods of diminished product demand. Significant downturns in the semiconductor industry are often experienced in connection with, or in anticipation of, excess manufacturing capacity worldwide, maturing product cycles and declines in general economic conditions. Even if demand for the products and solutions of Western Digital and SanDisk remains constant after the completion of the Merger, oversupply in the semiconductor industry may create competitive pressures that can degrade pricing levels and reduce revenues of the combined company. Any failure to expand in cycle upturns to meet customer demand and delivery requirements or contract in cycle downturns at a pace consistent with cycles in the industry could have an adverse effect on the business of the combined company.

Western Digital stockholders and SanDisk stockholders will have a reduced ownership and voting interest after completion of the Merger and will exercise less influence over management.

Western Digital stockholders currently have the right to vote on the election of the board of directors of Western Digital and on other matters affecting Western Digital. Similarly, SanDisk stockholders presently have the right to vote on the election of the board of directors of SanDisk and on other matters affecting SanDisk. If the Unis Investment closes by the time of the Merger, immediately following the Merger, Western Digital stockholders including the Unis Investor will own approximately 98.72% of Western Digital common stock, and SanDisk's stockholders will own approximately 1.28% of Western Digital common stock, based on the number of shares of Western Digital and SanDisk common stock outstanding as of January 13, 2016, and provided that there is no Closing Cash Shortfall and excluding potential issuance of shares to be issued under SanDisk's outstanding convertible notes. However, if the Unis Investment does not close by the time of the Merger, immediately following the Merger,

Western Digital's stockholders will own approximately 82.90% of Western Digital common stock, and SanDisk's stockholders will own approximately 17.10% of Western Digital common stock, based on the number of shares of Western Digital and SanDisk common stock outstanding as of

Table of Contents

January 13, 2016 and provided that there is no Closing Cash Shortfall and excluding potential issuance of shares to be issued under SanDisk's outstanding convertible notes. As a result, current Western Digital stockholders and current SanDisk stockholders will have less influence on the management and policies of the combined company than they now have on the management and policies of Western Digital and SanDisk, respectively.

Uncertainties associated with the Merger may cause a loss of employees and may otherwise materially adversely affect the future business and operations of the combined company.

The combined company's success after the Merger will depend in part upon the ability of the combined company to retain executive officers and key employees of Western Digital and SanDisk. In some of the fields in which Western Digital and SanDisk operate, there are only a limited number of people in the job market who possess the requisite skills and it may be increasingly difficult for the combined company to hire personnel over time. The combined company will operate in several geographic locations where the labor markets, especially for application engineers, are particularly competitive. Each of Western Digital and SanDisk has experienced difficulty in hiring and retaining sufficient numbers of qualified management, manufacturing, technical, application engineering, marketing, sales and support personnel in parts of their respective businesses.

Current and prospective employees of Western Digital and SanDisk may experience uncertainty about their roles with the combined company following the Merger. In addition, key employees may depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the combined company following the Merger. The loss of services of any key personnel or the inability to hire new personnel with the requisite skills could restrict the ability of the combined company to develop new products or enhance existing products in a timely manner, to sell products to customers or to manage the business of the combined company effectively. Also, the business, financial condition and results of operations of the combined company could be materially adversely affected by the loss of any of its key employees, by the failure of any key employee to perform in his or her current position, or by the combined company's inability to attract and retain skilled employees, particularly engineers.

Third parties may claim that the combined company is infringing their intellectual property, and the combined company could suffer significant litigation or licensing expenses or be prevented from selling its products or services.

The semiconductor industry is characterized by uncertain and conflicting intellectual property claims and vigorous protection and pursuit of these rights. Each of Western Digital and SanDisk is frequently involved in disputes regarding patent and other intellectual property rights. Each of Western Digital and SanDisk has in the past received, and the combined company may in the future receive, communications from third parties asserting that certain of its products, processes or technologies infringe upon their patent rights, copyrights, trademark rights or other intellectual property rights. The combined company may also receive claims of potential infringement if it attempts to license intellectual property to others. Defending these claims may be costly and time consuming, and may divert the attention of management and key personnel from other business issues. The complexity of the technology involved and the uncertainty of intellectual property litigation increase these risks. Claims of intellectual property infringement also might require the combined company to enter into costly royalty or license agreements. The combined company may be unable to obtain royalty or license agreements on acceptable terms, or at all. Similarly, changing its products or processes to avoid infringing the rights of others may be costly or impractical. The combined company may also be subject to significant damages or injunctions against the development and sale of certain of its products and services. Resolution of such disputes could have a material adverse effect on the combined company's results of operations or financial condition and may require material changes in production processes and products.

Table of Contents

The combined company may not be able to adequately protect or enforce its intellectual property rights, which could harm its competitive position, license and royalty revenue could decline and litigation to enforce its rights could be costly.

The combined company's success and future revenue growth will depend, in part, on its ability to protect its intellectual property. The combined company will primarily rely on patent, copyright, trademark and trade secret laws, as well as nondisclosure agreements and other methods, to protect its proprietary technologies and processes. It is possible that competitors or other unauthorized third parties may obtain, copy, use or disclose, illegally or otherwise, the combined company's proprietary technologies and processes, despite efforts of the combined company to protect its proprietary technologies and processes. While the combined company will hold a significant number of patents, there can be no assurances that such patents will not be challenged. As new patents are issued, the claims allowed may not be sufficiently broad to protect the combined company's technology. In addition, any of Western Digital's or SanDisk's existing patents, and any future patents issued to the combined company, may be challenged, invalidated or circumvented, either in connection with the transactions contemplated by the Merger Agreement or otherwise. As such, any rights granted under these patents may not provide the combined company with meaningful protection. Western Digital and SanDisk may not have, and in the future the combined company may not have, foreign patents or pending applications corresponding to its U.S. patents and applications. Even if foreign patents are granted, effective enforcement in foreign countries may not be available. If the combined company's patents do not adequately protect its technology, competitors may be able to offer products similar to the combined company's products. The combined company's competitors may also be able to develop similar technology independently or design around its patents.

SanDisk's license agreements may require it in certain instances to recognize license revenue related to a particular licensee all in one period instead of over time, which could create volatility in its licensing revenue. A portion of its license and royalty revenue is based on sales of product categories as well as underlying technology, and fluctuations in the sales of those products or technology adoption rates would also result in fluctuations in the license and royalty revenue due to SanDisk under its agreements. If SanDisk's existing licensees do not renew their licenses upon expiration, renew them on less favorable terms, exercise their option to terminate the license or fail to exercise their option to extend the licenses, or the combined company is not successful in signing new licensees in the future, the combined company's license revenue, profitability and cash provided by operating activities would be harmed. To the extent that the combined company is unable to renew license agreements under similar terms, or at all, whether because of the consummation of the Merger or otherwise, the combined company's financial results would be harmed by the reduced license and royalty revenue.

The combined company may incur significant patent litigation costs as part of the licensing process or to enforce its patents. Litigation is subject to inherent risks and uncertainties that may cause actual results to differ materially from the combined company's expectations. If the combined company brings a patent infringement action and is not successful, its competitors would be able to use similar technology to compete with it. Moreover, the defendant in such an action may successfully countersue for infringement of their patents or assert a counterclaim that the combined company's patents are invalid or unenforceable. If the combined company does not prevail in the defense of patent infringement claims, it could be required to pay substantial damages and royalties, cease the manufacture, use and sale of infringing products in one or more geographic locations, expend significant resources to develop non-infringing technology, discontinue the use of specific processes or obtain licenses to the technology infringed, all of which could be materially adverse to the business and results of operations of the combined company.

The Merger could have an adverse effect on the Western Digital and SanDisk brands.

The success of Western Digital and SanDisk is largely dependent upon the ability of Western Digital and SanDisk to maintain and enhance the value of their respective brands, their customers' connection to and perception of the brands,

and a positive relationship with customers and suppliers. Brand value, and as a result

Table of Contents

the businesses and results of operations of Western Digital and SanDisk, could be severely damaged if the Merger receives considerable negative publicity or if customers or suppliers otherwise come to have a diminished view of the brands as a result of the Merger or the common ownership of the existing businesses.

Following the Merger, Western Digital will have significantly less cash on hand than Western Digital and SanDisk collectively have as of the date of this joint proxy statement/ prospectus.

Following an assumed completion of the Merger on October 2, 2015, after repayment of certain indebtedness of Western Digital and SanDisk, as described in *Unaudited Pro Forma Condensed Combined Financial Data*, and all other pro forma adjustments relating to the Merger, Western Digital would have had, on a pro forma basis as of October 2, 2015, approximately \$4.140 billion in cash, cash equivalents, and marketable securities. In addition, the combined company would have had, on a pro forma basis as of October 2, 2015 approximately \$13.980 billion in long-term indebtedness and \$360 million of other short-term borrowings. By comparison, as of October 2, 2015, Western Digital has approximately \$5.784 billion in cash, cash equivalents, and marketable securities, and as of September 27, 2015, SanDisk has approximately \$3.875 billion in cash, cash equivalents, and marketable securities. In addition, as of October 2, 2015, Western Digital has approximately \$2.109 billion of long-term debt and \$427 million of other short term borrowings, and as of September 27, 2015, SanDisk has approximately \$2.497 billion of convertible long-term debt. In addition if there is a Closing Cash Shortfall and Western Digital stockholders do not approve the NASDAQ Stock Issuance Proposal, Western Digital may not be able to exercise its right to reallocate the stock component and cash component of the Merger Consideration and may need to incur additional debt to complete the Merger. If the actual amount of cash and cash equivalents that Western Digital has on hand following the Merger is less than expected, this could adversely affect Western Digital's ability to grow and to perform. See *The Merger Financing Relating to the Merger* for more information.

The use of cash and incurrence of substantial indebtedness in connection with the financing of the Merger may have an adverse impact on Western Digital's liquidity, limit Western Digital's flexibility in responding to other business opportunities and increase Western Digital's vulnerability to adverse economic and industry conditions.

The Merger will be financed in part by the use of Western Digital's cash on hand and the incurrence of a significant amount of indebtedness. As of October 2, 2015, Western Digital had approximately \$5.1 billion of cash and cash equivalents, approximately \$347 million of short-term investments, approximately \$356 million of long-term investments and approximately \$2.5 billion of total debt outstanding. In connection with the Merger, Western Digital expects to enter into new debt facilities totaling \$18.1 billion. The proceeds from the new debt facilities are expected to be used to pay part of the purchase price, refinance existing debt of both Western Digital and SanDisk and pay transaction related fees and expenses. The use of cash on hand and indebtedness to finance the acquisition will reduce Western Digital's liquidity and could cause Western Digital to place more reliance on cash generated from operations to pay principal and interest on Western Digital's debt, thereby reducing the availability of Western Digital's cash flow for working capital, dividend and capital expenditure needs or to pursue other potential strategic plans. Western Digital expects that the agreements it will enter into with respect to the indebtedness it will incur to finance the Merger will contain restrictive covenants, including financial covenants requiring Western Digital to maintain specified financial ratios and limitations on Western Digital's ability to incur additional liens and indebtedness or to pay dividends and make certain investments. Western Digital's ability to comply with these restrictive covenants can be affected by events beyond its control. The indebtedness and these restrictive covenants will also have the effect, among other things, of limiting Western Digital's ability to obtain additional financing, if needed, limiting its flexibility in the conduct of its business and making Western Digital more vulnerable to economic downturns and adverse competitive and industry conditions. In addition, a breach of the restrictive covenants could result in an event of default with respect to the indebtedness, which, if not cured or waived, could result in the indebtedness becoming immediately due and payable and could have a material adverse effect on Western Digital's business, financial

condition or operating results.

Table of Contents

Because of high debt levels, Western Digital may not be able to service its debt obligations in accordance with their terms after the completion of the Merger.

Western Digital's ability to meet its expense and debt service obligations contained in the agreements Western Digital expects to enter into with respect to the indebtedness Western Digital will incur to finance the Merger will depend on Western Digital's available cash and its future performance, which will be affected by financial, business, economic and other factors, including potential changes in laws or regulations, industry conditions, industry supply and demand balance, customer preferences, the success of Western Digital's products and pressure from competitors. If Western Digital is unable to meet its debt service obligations after the Merger or should Western Digital fail to comply with its financial and other restrictive covenants contained in the agreements governing its indebtedness, Western Digital may be required to refinance all or part of its debt, sell important strategic assets at unfavorable prices, incur additional indebtedness or issue common stock or other equity securities. Western Digital may not be able to, at any given time, refinance its debt, sell assets, incur additional indebtedness or issue equity securities on terms acceptable to Western Digital, in amounts sufficient to meet Western Digital's needs or at all. If Western Digital is able to raise additional funds through the issuance of equity securities, such issuance would also result in dilution to Western Digital's stockholders. Western Digital's inability to service its debt obligations or refinance its debt could have a material adverse effect on its business, financial conditions or operating results after the Merger. In addition, Western Digital's debt obligations may limit its ability to make required investments in capacity, technology or other areas of its business, which could have a material adverse effect on its business, financial conditions or operating results.

The Merger may result in significant charges or other liabilities that could adversely affect the financial results of the combined company.

The financial results of the combined company may be adversely affected by cash expenses and non-cash accounting charges incurred in connection with our integration of the business and operations of SanDisk. The amount and timing of these possible charges are not yet known. Further, Western Digital's failure to identify or accurately assess the magnitude of certain liabilities that Western Digital is assuming in the Merger could result in unexpected litigation or regulatory exposure, unfavorable accounting charges, unexpected increases in taxes due, a loss of anticipated tax benefits or other adverse effects on Western Digital's business, operating results or financial condition. The price of Western Digital common stock following the Merger could decline to the extent the combined company's financial results are materially affected by any of these events.

Western Digital's actual financial position and results of operations may differ materially from the unaudited pro forma financial data included herein.

The unaudited pro forma financial data included herein are presented for illustrative purposes only and are not necessarily indicative of what Western Digital's actual financial position or results of operations would have been had the Merger been completed on the dates indicated. These data reflect adjustments, which are based upon preliminary estimates, to allocate the purchase price to SanDisk's net assets. The purchase price allocation reflected in this document is preliminary, and final allocation of the purchase price will be based upon the actual purchase price and the fair value of the assets and liabilities of SanDisk as of the date of the completion of the Merger. In addition, subsequent to the closing date of the Merger, there may be further refinements of the purchase price allocation as additional information becomes available.

Accordingly, the final purchase accounting adjustments might differ materially from the pro forma adjustments reflected herein. See *Selected Unaudited Pro Forma Combined Financial Information* for more information.

Table of Contents

The unaudited prospective financial information of Western Digital and SanDisk included in this joint proxy statement/prospectus involves risks, uncertainties and assumptions, many of which are beyond the control of Western Digital and SanDisk. As a result, it may not prove to be accurate and is not necessarily indicative of current values or future performance.

The unaudited prospective financial information of Western Digital and SanDisk referred to in *The Merger Opinion of Western Digital's Financial Advisor, Merrill Lynch*, *The Merger Opinion of Western Digital's Financial Advisor, J.P. Morgan*, *The Merger Opinion of SanDisk's Financial Advisor, Goldman Sachs* and contained in *The Merger Unaudited Prospective Financial Information*, involves risks, uncertainties and assumptions and is not a guarantee of future performance. While the unaudited prospective financial information utilized by Western Digital, SanDisk and their respective advisors in connection with the Merger and summarized in this joint proxy statement/statement were prepared in good faith based on information available at the time of preparation, no assurances can be made regarding future events or that the assumptions made in preparing such unaudited prospective financial information will accurately reflect future conditions. In preparing such unaudited prospective financial information, the management of Western Digital and SanDisk each made assumptions regarding, among other things, future economic, competitive, regulatory and financial market conditions and future business decisions that may not be realized and that are inherently subject to significant uncertainties and contingencies, including, among others, risks and uncertainties described or incorporated by reference in this section and the section entitled *Cautionary Statement Concerning Forward-Looking Statements*, all of which are difficult to predict and many of which are beyond the control of Western Digital and SanDisk and, if the Merger is completed, will be beyond the control of the combined company. Thus, the future financial results of Western Digital and SanDisk and, if the Merger is completed, the combined company, may materially differ from those expressed in the unaudited prospective financial information due to factors that are beyond Western Digital's and SanDisk's ability to control or predict. Neither Western Digital nor SanDisk can provide any assurance that Western Digital or SanDisk's unaudited prospective financial information will be realized or that Western Digital's or SanDisk's future financial results will not materially vary from the applicable unaudited prospective financial information. As a result, the unaudited prospective financial information cannot be considered predictive of actual future operating results, and this information should not be relied on as such. The unaudited prospective financial information covers multiple years, and the information by its nature becomes subject to greater uncertainty with each successive year. The unaudited prospective financial information does not reflect Western Digital's or SanDisk's current estimates and does not take into account any circumstances or events occurring after the date it was prepared.

More specifically, the unaudited prospective financial information:

necessarily makes numerous assumptions, many of which are difficult to predict and beyond the control of Western Digital or SanDisk and may not prove to be accurate;

does not necessarily reflect revised prospects for Western Digital's or SanDisk's respective businesses, changes in general business or economic conditions, or any other transaction or event that has occurred or that may occur and that was not anticipated at the time the unaudited prospective financial information was prepared;

is not necessarily indicative of current values or future performance, which may be significantly more favorable or less favorable than is reflected in the unaudited prospective financial information; and

should not be regarded as a representation that the unaudited prospective financial information will be achieved.

The unaudited prospective financial information was not prepared with a view toward public disclosure or compliance with published guidelines of the SEC or the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information or U.S. generally accepted accounting principles or GAAP and does not reflect the effect of any proposed or other changes in GAAP that may be made in the future.

Table of Contents

Uncertainties underlie Western Digital's expectation that, relative to Western Digital on a stand-alone basis, the Merger will be accretive to Western Digital's earnings per share after consummation of the Merger, and excluding the impacts of acquisition accounting, within 12 months following the consummation of the Merger.

Western Digital believes that relative to Western Digital on a stand-alone basis, and excluding impacts of acquisition accounting, the Merger will be accretive to Western Digital's earnings per share, within 12 months following the consummation of the Merger. However, Western Digital cannot assure you that the Merger will be accretive to Western Digital's earnings per share within 12 months following the consummation of the Merger or at all. In addition to the uncertainties that underlie any financial forecast, Western Digital will account for the Merger as an acquisition under Accounting Standards Codification Topic 805, Business Combinations, or ASC 805 (formerly Statement of Financial Accounting Standards No. 141(R)). The total cost of the Merger will be allocated to the underlying identifiable net tangible and intangible assets based on their respective estimated fair values. Until the acquisition price is known, Western Digital can only estimate the allocation of this acquisition price to the net assets acquired and the effect of this allocation on future results. That estimate could materially change.

Risk Factors Relating to Western Digital Common Stock

SanDisk stockholders will become stockholders in Western Digital upon receipt of shares of Western Digital common stock, which may change certain stockholder rights and privileges they hold as stockholders of SanDisk.

SanDisk stockholders will receive Western Digital common stock as part of the consideration in connection with the Merger. Although both companies are incorporated under Delaware law, there are a number of differences between the rights of a stockholder of SanDisk and the rights of a stockholder of Western Digital. We urge SanDisk stockholders to review the discussion *Comparison of Rights of Stockholders* beginning on page 195.

The market for Western Digital common stock may be adversely affected by the issuance of shares pursuant to the Merger.

If the Merger is consummated, Western Digital will issue an estimated 3.54 million shares (if the Unis Investment closes) or 47.97 million shares (if the Unis Investment does not close) of Western Digital common stock to SanDisk stockholders, based on the number of shares of SanDisk common stock outstanding on January 13, 2016, provided that there is no Closing Cash Shortfall and all of the SanDisk equity awards continue to be stock settled and excluding potential issuances of shares to be issued under SanDisk's outstanding convertible notes. The increase in the number of outstanding shares of Western Digital common stock may lead to sales of such stock or the perception that such sales may occur, either of which may adversely affect the market for, and the market price of, Western Digital common stock.

The issuance of shares of Western Digital common stock in connection with the Unis Investment and the Merger, and any future offerings of securities by Western Digital, will dilute Western Digital stockholders' ownership interest in the company.

Western Digital will issue additional shares of its common stock to the Unis Investor in connection with the Unis Investor's \$3.8 billion equity investment in Western Digital, comprising approximately 14.93% of Western Digital's issued and outstanding shares of common stock (based on the number of shares of Western Digital common stock outstanding on January 13, 2016, including the issuance of shares to the Unis Investor in connection with the equity investment). The Merger will be financed in part by the issuance of additional shares of Western Digital common stock to stockholders of SanDisk and assuming that there is no Closing Cash Shortfall, comprised of approximately 1.52% of Western Digital issued and outstanding shares of common stock (if the planned Unis Investment closes prior

to the Merger) or approximately 20.63% of Western Digital's issued

Table of Contents

and outstanding shares of common stock (if the planned Unis Investment has not closed or if the Unis SPA has been terminated), based on the number of issued and outstanding shares of Western Digital common stock and SanDisk's common stock outstanding on January 13, 2016, excluding potential issuances of shares to be issued under the Convertible Notes. These issuances of additional shares of Western Digital common stock will dilute Western Digital stockholders' ownership interest in Western Digital, and Western Digital stockholders will have a reduced ownership and voting interest in Western Digital following the completion of either or both of these transactions.

In addition, following the Merger, Western Digital may from time to time seek to refinance the substantial indebtedness it will incur to finance the Merger by issuing additional shares of Western Digital common stock in one or more securities offerings. These securities offerings by Western Digital may dilute Western Digital existing stockholders and SanDisk stockholders who become Western Digital stockholders as a result of the Merger, reduce the value of Western Digital common stock, or both. Because Western Digital's decision to issue securities will depend on, among other things, market conditions and other factors beyond Western Digital's control, Western Digital cannot predict or estimate the amount, timing or nature of any future securities offerings. Thus, holders of Western Digital common stock bear the risk of Western Digital's future offerings diluting and potentially reducing the value of Western Digital common stock.

Table of Contents**FINANCIAL SUMMARY****Comparative Market Price Data for Western Digital and SanDisk**

Western Digital common stock is traded on NASDAQ under the symbol WDC. On [], 2016, the Western Digital Record Date, there were [] shares of Western Digital stock in the issued capital of Western Digital. The closing sales prices of Western Digital common stock on NASDAQ on October 20, 2015 and January 13, 2016, were \$74.86 and \$49.99, respectively. October 20, 2015 was the last full trading day prior to the public announcement of the Merger. January 13, 2016 was the last practicable full trading day prior to the filing of this joint proxy statement/prospectus with the SEC.

SanDisk common stock is traded on NASDAQ under the symbol SNDK. On [], 2016, the SanDisk Record Date, there were [] shares of SanDisk common stock in the issued capital of SanDisk. The closing sales prices of SanDisk common stock on NASDAQ on October 20, 2015 and January 13, 2016, were \$75.19 and \$71.80, respectively. October 20, 2015 was the last full trading day prior to the public announcement of the Merger. January 13, 2016 was the last practicable full trading day prior to the filing of this joint proxy statement/prospectus with the SEC.

The following table shows the high and low sales prices of Western Digital common stock and SanDisk common stock as reported by NASDAQ for the indicated calendar quarters. For current price information, you are urged to consult publicly available sources.

For the calendar quarter ended:	SanDisk Common Stock		Western Digital Common Stock	
	High	Low	High	Low
2016				
March 31 (through January 13)	\$ 76.51	\$ 71.20	\$ 60.97	\$ 49.47
2015				
December 31	\$ 78.83	\$ 53.77	\$ 86.39	\$ 57.94
September 30	\$ 64.76	\$ 44.28	\$ 88.46	\$ 67.87
June 30	\$ 72.19	\$ 57.88	\$ 102.07	\$ 78.33
March 31	\$ 98.99	\$ 63.56	\$ 113.88	\$ 90.28
2014				
December 31	\$ 106.64	\$ 80.26	\$ 114.69	\$ 82.85
September 30	\$ 108.77	\$ 90.66	\$ 103.51	\$ 93.10
June 30	\$ 104.75	\$ 73.11	\$ 95.00	\$ 80.78
March 31	\$ 82.55	\$ 66.80	\$ 92.47	\$ 80.84
2013				
December 31	\$ 70.93	\$ 59.16	\$ 84.70	\$ 62.40
September 30	\$ 63.97	\$ 53.09	\$ 70.61	\$ 59.36
June 30	\$ 63.73	\$ 50.68	\$ 65.26	\$ 48.78
March 31	\$ 56.49	\$ 44.30	\$ 51.00	\$ 41.62
2012				
December 31	\$ 46.84	\$ 38.47	\$ 42.75	\$ 32.25
September 30	\$ 46.99	\$ 32.08	\$ 45.94	\$ 29.58
June 30	\$ 50.07	\$ 30.99	\$ 44.44	\$ 28.31
March 31	\$ 53.08	\$ 45.43	\$ 43.10	\$ 30.49

Western Digital Dividends to Stockholders

On September 13, 2012, Western Digital announced that Western Digital's board of directors had authorized the adoption of a quarterly cash dividend policy. Under the cash dividend policy, holders of Western Digital common stock receive dividends when and as declared by Western Digital's board of directors. In the fiscal year 2015, Western Digital declared aggregate cash dividends of \$1.80 per share of Western Digital common stock, totaling \$418 million. Western Digital may modify, suspend or cancel its cash dividend policy in any manner and at any time.

Table of Contents

The following table provides information about the quarterly dividends of Western Digital's board of directors declared in the last four fiscal years.

Fiscal Period in which declared:	Payment Date:	\$ Per Share
Fiscal Year 2016		
Record Date: January 1, 2016	January 15, 2016	\$ 0.50
Record Date: October 2, 2015	October 15, 2015	\$ 0.50
Fiscal Year 2015		
Record Date: July 3, 2015	July 15, 2015	\$ 0.50
Record Date: April 3	April 16, 2015	\$ 0.50
Record Date: January 2, 2015	January 15, 2015	\$ 0.40
Record Date: October 3, 2014	October 15, 2014	\$ 0.40
Fiscal Year 2014		
Record Date: June 27, 2014	July 15, 2014	\$ 0.40
Record Date: March 28, 2014	April 15, 2014	\$ 0.30
Record Date: December 27, 2013	January 15, 2014	\$ 0.30
Record Date: September 30, 2013	October 15, 2013	\$ 0.25
Fiscal Year 2013		
Record Date: June 28, 2013	July 15, 2013	\$ 0.25
Record Date: March 29, 2013	April 15, 2013	\$ 0.25
Record Date: December 14, 2012	December 26, 2012	\$ 0.25
Record Date: September 28, 2012	October 15, 2012	\$ 0.25

SanDisk Dividends to Stockholders

The table below sets forth, for the fiscal quarters indicated, quarterly dividends paid per SanDisk common stock, in U.S. dollars per share. From the third quarter of its 2013 fiscal year through the third quarter of its 2015 fiscal year, SanDisk paid quarterly cash dividends with respect to SanDisk common stock.

Fiscal Period:	Payment Date	\$ Per Share
Fiscal Year 2015		
Fourth Quarter (ended January 3, 2016)	N/A	
Third Quarter (ended September 27, 2015)	August 25, 2015	\$ 0.30
Second Quarter (ended June 28, 2015)	May 26, 2015	\$ 0.30
First Quarter (ended March 29, 2015)	March 23, 2015	\$ 0.30
Fiscal Year 2014		
Fourth Quarter (ended December 28, 2014)	November 24, 2014	\$ 0.30
Third Quarter (ended September 28, 2014)	August 25, 2014	\$ 0.30
Second Quarter (ended June 29, 2014)	May 27, 2014	\$ 0.225
First Quarter (ended March 30, 2014)	February 24, 2014	\$ 0.225
Fiscal Year 2013		
Fourth Quarter (ended December 29, 2013)	November 25, 2013	\$ 0.225
Third Quarter (ended September 29, 2013)	August 30, 2013	\$ 0.225
Second Quarter (ended June 30, 2013)	N/A	
First Quarter (ended March 31, 2013)	N/A	

Fiscal Year 2012	N/A
Fourth Quarter (ended December 30, 2012)	N/A
Third Quarter (ended September 30, 2012)	N/A
Second Quarter (ended July 1, 2012)	N/A
First Quarter (ended April 1, 2012)	N/A

Table of Contents**Selected Historical Consolidated Financial Data of Western Digital**

The following table presents selected historical financial and other data for Western Digital, as of and for the years ended July 3, 2015, June 27, 2014, June 28, 2013, June 29, 2012, and July 1, 2011 and as of and for the fiscal quarters ended October 2, 2015 and October 3, 2014.

The consolidated statement of income data for the years ended July 3, 2015, June 27, 2014, and June 28, 2013 and the consolidated balance sheet data as of July 3, 2015 and June 27, 2014 have been derived from Western Digital's audited consolidated financial statements included in Western Digital's Annual Report on Form 10-K for the fiscal year ended July 3, 2015 and incorporated by reference in this joint proxy statement/prospectus. The consolidated statement of income data for the years ended June 29, 2012 and July 1, 2011 and the consolidated balance sheet data as of June 28, 2013, June 29, 2012 and July 1, 2011 have been derived from Western Digital's audited consolidated financial statements for such periods, which have not been incorporated into this document by reference.

The consolidated statement of income data for the fiscal quarters ended October 2, 2015 and October 3, 2014 and the consolidated balance sheet data as of October 2, 2015 have been derived from Western Digital's Quarterly Report on Form 10-Q for the fiscal quarter ended October 2, 2015, which is incorporated by reference in this joint proxy statement/prospectus. The consolidated balance sheet data as of October 3, 2014 has been derived from Western Digital's Quarterly Report on Form 10-Q for the fiscal quarter ended October 3, 2014, which has not been incorporated into this document by reference. You should read the following selected financial data together with Western Digital's historical consolidated financial statements, including the related notes, and the other information contained or incorporated by reference in this joint proxy statement/prospectus. See *Where You Can Find More Information* for more information.

The results of operations for the historical periods included in the following table are not necessarily indicative of the results to be expected for future periods.

	Fiscal Quarter Ended		Fiscal Year Ended				
	October 2, 2015	October 3, 2014	July 3, 2015	June 27, 2014	June 28, 2013	June 29, 2012	July 1, 2011
<i>(In millions, except per share data)</i>							
Statement of Income Data:							
Revenue, net	\$ 3,360	\$ 3,943	\$ 14,572	\$ 15,130	\$ 15,351	\$ 12,478	\$ 9,526
Gross profit	\$ 955	\$ 1,149	\$ 4,221	\$ 4,360	\$ 4,363	\$ 3,638	\$ 1,791
Net income	\$ 283	\$ 423	\$ 1,465	\$ 1,617	\$ 980	\$ 1,612	\$ 726
Income per common share:							
Basic	\$ 1.23	\$ 1.81	\$ 6.31	\$ 6.88	\$ 4.07	\$ 6.69	\$ 3.14
Diluted	\$ 1.21	\$ 1.76	\$ 6.18	\$ 6.68	\$ 3.98	\$ 6.58	\$ 3.09
Cash dividends declared per common share	\$ 0.50	\$ 0.40	\$ 1.80	\$ 1.25	\$ 1.00	\$	\$
	As of the Fiscal Quarter Ended			As of the Fiscal Year Ended			

October 2, 2015 **October 3, 2014** **July 3, 2015** **June 27, 2014** **June 28, 2013** **June 29, 2012** **July 1, 2011**

(In millions)

Balance Sheet Data:

Working capital	\$ 5,424	\$ 5,072	\$ 5,275	\$ 4,875	\$ 3,625	\$ 3,109	\$ 3,317
Total assets	\$ 15,261	\$ 15,652	\$ 15,181	\$ 15,499	\$ 14,036	\$ 14,206	\$ 8,118
Long-term debt	\$ 2,109	\$ 2,281	\$ 2,156	\$ 2,313	\$ 1,725	\$ 1,955	\$ 150
Shareholders equity	\$ 9,336	\$ 8,963	\$ 9,219	\$ 8,842	\$ 7,893	\$ 7,669	\$ 5,488

Table of Contents**Selected Historical Consolidated Financial Data of SanDisk**

The following table presents selected historical consolidated financial data for SanDisk as of and for the years ended December 28, 2014, December 29, 2013, December 30, 2012, January 1, 2012 and January 2, 2011, and as of and for the nine months ended September 27, 2015 and September 28, 2014.

The consolidated statement of operations data for the years ended December 28, 2014, December 29, 2013 and December 30, 2012 and the consolidated balance sheet data as of December 28, 2014 and December 29, 2013 have been derived from SanDisk's audited consolidated financial statements included in SanDisk's Annual Report on Form 10-K for the annual period ended December 28, 2014, which is incorporated by reference into this joint proxy statement/prospectus. The consolidated statement of operations data for the years ended January 1, 2012 and January 2, 2011 and the consolidated balance sheet data as of December 30, 2012, January 1, 2012 and January 2, 2011 have been derived from SanDisk's audited consolidated financial statements for such periods, which have not been incorporated into this document by reference.

The consolidated statement of operations data for the nine months ended September 27, 2015 and September 28, 2014 and the consolidated balance sheet data as of September 27, 2015 have been derived from SanDisk's unaudited condensed consolidated financial statements included in SanDisk's Quarterly Report on Form 10-Q for the quarterly period ended September 27, 2015, which is incorporated by reference into this joint proxy statement/prospectus. The consolidated balance sheet data as of September 28, 2014 has been derived from SanDisk's unaudited condensed consolidated financial statements which have not been incorporated into this document by reference.

The information set forth below is not necessarily indicative of future results and should be read together with the other information contained in SanDisk's Annual Report on Form 10-K for the annual period ended December 28, 2014 and SanDisk's Quarterly Report on Form 10-Q for the quarterly period ended September 27, 2015, including the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and related notes therein. See the section entitled "Where You Can Find More Information" of this joint proxy statement/prospectus.

	Nine months ended			Years ended			
	September 27, 2015 (1)	September 28, 2014 (2)	December 28, 2014 (3)	December 29, 2013 (4)	December 30, 2012 (5)	January 1, 2012 (6)	January 2, 2011 (7)
<i>(In millions, except per share data)</i>							
Statement of Operations Data:							
Revenue	\$ 4,022	\$ 4,892	\$ 6,628	\$ 6,170	\$ 5,053	\$ 5,662	\$ 4,827
Gross profit	\$ 1,632	\$ 2,328	\$ 3,068	\$ 2,868	\$ 1,683	\$ 2,439	\$ 2,262
Net income	\$ 253	\$ 806	\$ 1,007	\$ 1,043	\$ 417	\$ 987	\$ 1,300
Net income per share:							
Basic	\$ 1.22	\$ 3.59	\$ 4.52	\$ 4.44	\$ 1.72	\$ 4.12	\$ 5.59
Diluted	\$ 1.18	\$ 3.37	\$ 4.23	\$ 4.34	\$ 1.70	\$ 4.04	\$ 5.44
Cash dividends declared per share	\$ 0.90	\$ 0.75	\$ 1.05	\$ 0.45	\$	\$	\$

Table of Contents

	As of the third quarter ended			As of the year ended			
	September 29, 2015	September 28, 2014	December 28, 2014	December 29, 2013	December 30, 2012	January 1, 2012	January 2, 2011
	(In millions)						
Balance Sheet Data:							
Working capital	\$ 2,475	\$ 2,139	\$ 2,009	\$ 3,420	\$ 2,725	\$ 3,263	\$ 3,073
Total assets	9,073	10,708	10,290	10,489	10,339	10,175	8,777
Convertible debt	2,138	2,050	2,069	1,985	1,697	1,605	1,711
Total equity	5,634	6,924	6,527	6,966	7,260	7,061	5,779

- (1) Includes share based compensation expense of \$127 million, amortization of acquisition-related intangible assets of \$123 million, amortization of convertible debt bond discount of \$67 million, impairment of acquisition-related IPRD of \$61 million, and restructuring and other expense of \$51 million.
- (2) Includes share based compensation expense of \$115 million, amortization of acquisition-related intangible assets of \$81 million, inventory step-up expense of \$5 million, amortization of convertible debt bond discount of \$64 million, and restructuring and other expense of \$25 million.
- (3) Includes share based compensation expense of \$155 million, amortization of acquisition-related intangible assets of \$127 million, inventory step-up expense of \$8 million, amortization of convertible debt bond discount of \$86 million, and restructuring and other expense of \$33 million.
- (4) Includes share based compensation expense of \$100 million, amortization of acquisition-related intangible assets of \$61 million, impairment of acquisition-related intangible assets of \$83 million and amortization of convertible debt bond discount of \$68 million.
- (5) Includes share based compensation expense of \$78 million, amortization of acquisition-related intangible assets of \$52 million, impairment of acquisition-related intangible assets of \$1 million and amortization of convertible debt bond discount of \$90 million.
- (6) Includes share based compensation expense of \$63 million, amortization of acquisition-related intangible assets of \$44 million, amortization of convertible debt bond discount of \$91 million, a charge of \$25 million related to a power outage and earthquake experienced in Feb 3 and Feb 4, a loss of \$11 million related to the early extinguishment of debt and a net gain of \$19 million related to the sale of SanDisk's investment in certain equity securities.
- (7) Includes share based compensation expense of \$78 million, which includes \$17 million due to a non-cash modification of outstanding stock awards pursuant to the retirement of SanDisk's former chief executive officer, amortization of acquisition-related intangible assets of \$14 million, amortization of convertible debt bond discount of \$69 million, a charge of \$18 million related to a power outage experienced in Feb 3 and Feb 4 and a gain of \$13 million related to the sale of the net assets of SanDisk's mobile phone SIM business.

Selected Unaudited Pro Forma Condensed Combined Financial Information

The following selected unaudited pro forma condensed combined financial information (the "selected pro forma data") give effect to the acquisition of SanDisk by Western Digital as described in the section entitled "Unaudited Pro Forma Condensed Combined Financial Data" beginning on page 200 of this joint proxy statement/prospectus. The acquisition of SanDisk will be accounted for as a business combination using the acquisition method of accounting under the provisions of Accounting Standards Codification 805, "Business Combinations" (ASC 805). The selected unaudited pro forma condensed combined balance sheet data as of October 2, 2015 give effect to the Merger as if it had occurred on October 2, 2015. The selected unaudited pro forma condensed combined statements of income data for the year ended July 3, 2015 and for the three months ended October 2, 2015 give effect to the Merger as if it had occurred on June 28, 2014, the first day of Western Digital's fiscal year ended July 3, 2015. Western Digital and SanDisk have different

fiscal year ends which end on the Friday nearest to June 30 and the Sunday closest to December 31, respectively. As a consequence of Western Digital and SanDisk having different fiscal years, SanDisk historical results have been aligned to more closely conform to the fiscal periods of Western Digital as further described in the section entitled *Unaudited Pro Forma Condensed Combined Financial Data* beginning on page 200 of this joint proxy statement/prospectus.

Table of Contents

The selected pro forma data have been derived from, and should be read in conjunction with, the more detailed unaudited pro forma condensed combined financial data (the pro forma financial statements) of the combined company appearing elsewhere in this joint proxy statement/prospectus and the accompanying notes to the pro forma financial statements. In addition, the pro forma financial statements were based on, and should be read in conjunction with, the historical consolidated financial statements and related notes of Western Digital and SanDisk for the applicable periods, which have been incorporated in this joint proxy statement/prospectus by reference. See the sections entitled *Unaudited Pro Forma Condensed Combined Financial Data* and *Where You Can Find More Information* beginning on pages 200 and 222, respectively, of this joint proxy statement/prospectus for additional information.

The selected pro forma data have been presented on the assumption that the Unis Closing has occurred prior to the Effective Time of the Merger and that there is no Closing Cash Shortfall on the closing date. See Note 6 to the *Unaudited Pro Forma Condensed Combined Financial Data* for sensitivity analyses to show the effect of changes in management's assumption with respect to the Unis Closing and Closing Cash Shortfall.

The selected pro forma data have been presented for informational purposes only and are not necessarily indicative of what the combined company's financial position or results of operations actually would have been had the acquisition been completed as of the dates indicated. In addition, the selected pro forma data do not purport to project the future financial position or operating results of the combined company. Also, as explained in more detail in the accompanying notes to the pro forma financial statements, the preliminary fair values of assets acquired and liabilities assumed reflected in the selected pro forma data are subject to adjustment and may vary significantly from the fair values that will be recorded upon completion of the Merger.

(In millions, except per share amounts)	Year Ended	
	July 3, 2015	Three Months Ended October 2, 2015
Pro Forma Statements of Income Data:		
Revenue, net	\$ 20,613	\$ 4,812
Net income	999	146
Income per common share:		
Basic	\$ 3.61	\$ 0.53
Diluted	3.44	0.51
Weighted average shares outstanding:		
Basic	277	276
Diluted	290	287

(In millions)	As of October 2, 2015
Pro Forma Balance Sheet Data:	
Cash and cash equivalents	\$ 3,318
Total assets	33,584
Total debt	14,340
Total shareholders' equity	13,339

Table of Contents**COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA AND PER SHARE FINANCIAL INFORMATION**

The following tables set forth certain historical, pro forma and pro forma equivalent per share financial information for Western Digital and SanDisk common stock. The following information should be read in conjunction with the audited financial statements of Western Digital and SanDisk, which are incorporated by reference in this joint proxy statement/prospectus, and the financial information contained in the *Unaudited Pro Forma Condensed Combined Financial Data*, *Selected Historical Consolidated Financial Data of Western Digital* and *Selected Historical Consolidated Financial Data of SanDisk* sections of this joint proxy statement/prospectus. The unaudited pro forma information below is presented for informational purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if the Merger had been completed as of the periods presented, nor is it necessarily indicative of the future operating results or financial position of the combined company. In addition, the unaudited pro forma information does not purport to indicate balance sheet data or results of operations data as of any future date or for any future period.

The selected pro forma data have been presented on the assumption that the Unis Closing has occurred prior to the Effective Time of the Merger and that there is no Closing Cash Shortfall on the closing date. See Note 6 to the *Unaudited Pro Forma Condensed Combined Financial Data* for sensitivity analyses to show the effect of changes in management's assumption with respect to the Unis Closing and Closing Cash Shortfall.

	As of and for the Year Ended July 3, 2015	As of and for the Three Months Ended October 2, 2015
Western Digital Historical Data		
Basic income per common share	\$ 6.31	\$ 1.23
Diluted income per common share	\$ 6.18	\$ 1.21
Book value per share (1)	\$ 40.08	\$ 40.42
Cash dividends declared per share	\$ 1.80	\$ 0.50
Shares outstanding as of period end date (in millions)	230	231

	As of and for the Year Ended December 28, 2014	As of and for the Nine Months Ended September 27, 2015
SanDisk Historical Data		
Basic income per common share	\$ 4.52	\$ 1.22
Diluted income per common share	\$ 4.23	\$ 1.18
Book value per share(1)	\$ 30.26	\$ 28.07
Cash dividends declared per share	\$ 1.05	\$ 0.90
Shares outstanding as of period end date (in millions)	216	201

Table of Contents

	As of and for the Year Ended July 3, 2015	As of and for the Three Months Ended October 2, 2015
Combined Company Unaudited Pro Forma Data		
Basic income per common share	\$ 3.61	\$ 0.53
Diluted income per common share	\$ 3.44	\$ 0.51
Book value per share (1)	N/A	\$ 48.45
Cash dividends declared per share	\$ 1.80	\$ 0.50
Shares outstanding as of period end date (in millions)	N/A	276
SanDisk Pro Forma Equivalent Data (2)		
Basic income per common share	\$ 0.06	\$ 0.01
Diluted income per common share	\$ 0.06	\$ 0.01
Book value per share	N/A	\$ 0.85
Cash dividends declared per share	\$ 0.03	\$ 0.01

- (1) Historical book value per share was computed using book value attributable to Western Digital (as of July 3, 2015 and October 2, 2015) or SanDisk (as of December 28, 2014 and September 27, 2015), as applicable, divided by the number of shares of Western Digital and SanDisk common stock, as applicable, outstanding. Combined company pro forma book value per share as of October 2, 2015 was computed using pro forma book value divided by the number of pro forma shares outstanding.
- (2) SanDisk pro forma equivalent amounts are calculated by multiplying the combined company unaudited pro forma data per share amounts by the exchange ratio of 0.0176. The exchange ratio does not include the \$85.10 per share cash portion of the acquisition consideration.

Table of Contents

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This joint proxy statement/prospectus, including the information and other documents incorporated by reference into this joint proxy statement/prospectus, contains or incorporates by reference or may contain or may incorporate by reference forward-looking statements that have been made pursuant to the provisions of, and in reliance on the safe harbor under, the Private Securities Litigation Reform Act of 1995. These statements, which involve risks and uncertainties, relate to analyses and other information that are based on forecasts of future results and estimates of amounts not yet determinable and may also relate to future prospects, developments and business strategies. Words such as will, continue, potential, forecast, anticipate, believe, could, estimate, expect, intend, may, project, should and similar terms and phrases, including references to assumptions, are used to identify forward-looking statements. These forward-looking statements are made based on expectations and beliefs concerning future events affecting Western Digital and SanDisk and are subject to uncertainties and factors relating to their respective operations and business environment, all of which are difficult to predict and many of which are beyond their control, that could cause their actual results to differ materially from those matters expressed in or implied by these forward-looking statements.

The forward-looking statements involve certain risks and uncertainties. The ability of either Western Digital or SanDisk to predict results or actual effects of its plans and strategies is inherently uncertain. Accordingly, actual results may differ materially from those expressed in, or implied by, the forward-looking statements. Some of the factors that may cause actual results or earnings to differ materially from those contemplated by the forward-looking statements include, but are not limited to, those discussed under *Risk Factors* and those discussed in the filings of each of Western Digital and SanDisk that are incorporated herein by reference, including the following:

the timing of the completion of the Merger;

the risk that SanDisk's stockholders do not approve the Merger;

the risk that the Unis Investment is not closed or the Unis SPA is terminated prior to the Merger and the resulting impact on the mix of cash and stock in the Merger Consideration payable to SanDisk stockholders;

the risk that there is a Closing Cash Shortfall and the resulting impact on the mix of cash and stock in the Merger Consideration payable to SanDisk stockholders;

fluctuations in the stock price of Western Digital;

the risk that the conditions to the closing of the Merger, including regulatory approvals, are not satisfied or are not satisfied in the expected timeframe;

the risk that regulatory agencies impose restrictions, limitations, costs, divestitures or other conditions in connection with providing regulatory approval for the Merger;

uncertainty of the expected financial performance of Western Digital following completion of the Merger, which may differ significantly from the pro forma financial data and financial projections contained in this joint proxy statement/prospectus;

the failure of Western Digital stockholders to approve the NASDAQ Stock Issuance Proposal;

the calculations of, and factors that may impact the calculations of, the Merger Consideration in connection with the Merger and the allocation of such Merger Consideration to the net assets acquired in accordance with applicable accounting rules and methodologies;

the outcome of pending or potential litigation or governmental investigations;

the risk that the businesses of Western Digital and SanDisk will not be integrated successfully or such integration may be more difficult, time-consuming or costly than expected, including any restrictions, limitations, costs, divestitures or other conditions imposed by regulatory agencies;

Table of Contents

Western Digital's ability to achieve the synergies contemplated by the proposed transaction within the expected time frame;

disruptions resulting from the proposed Merger making it more difficult for Western Digital and SanDisk to maintain relationships with their respective customers, employees, suppliers and strategic partners, including Toshiba;

changes in both companies' businesses during the period between now and the completion of the Merger might have adverse impacts on the combined company following the Merger;

the combined company's high debt levels and ability to service its debt obligations in accordance with their terms, or the ability to make required investments in capacity, technology or other areas of the business;

adverse effects on Western Digital's stock price resulting from the announcement or completion of the Merger;

competitive responses to the proposed Merger;

unexpected costs, liabilities, charges or expenses resulting from the Merger;

the inability to obtain, renew or modify permits in a timely manner, or comply with government regulations;

the inability to retain key personnel of SanDisk or of Western Digital;

changes in laws and regulations or interpretations or applications thereof;

general economic or industry-specific conditions that are less favorable than expected; and

competition in the industry.

Because these forward-looking statements are subject to assumptions and uncertainties, actual results might differ materially from those expressed or implied by these forward-looking statements. You are cautioned not to place undue reliance on these statements, which speak only as of the date of this joint proxy statement/prospectus or the date of any document incorporated by reference in this joint proxy statement/prospectus.

All subsequent written and oral forward-looking statements concerning the Merger or other matters addressed in this joint proxy statement/prospectus and attributable to Western Digital or SanDisk or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except to

the extent required by applicable law or regulation, Western Digital and SanDisk undertake no obligation to update these forward-looking statements to reflect events or circumstances after the date of this joint proxy statement/prospectus or to reflect the occurrence of unanticipated events.

Table of Contents

THE WESTERN DIGITAL SPECIAL MEETING

Overview

This joint proxy statement/prospectus is being provided to Western Digital stockholders as part of a solicitation of proxies by the Western Digital board of directors for use at the special meeting of Western Digital stockholders and at any adjournments or postponements thereof. This joint proxy statement/prospectus is first being furnished to stockholders of Western Digital on or about [], 2016. In addition, this joint proxy statement/prospectus constitutes a prospectus for Western Digital in connection with the issuance by Western Digital of its common stock pursuant to the Merger Agreement. This joint proxy statement/prospectus provides Western Digital stockholders with information they need to know to vote or instruct their vote to be cast at the special meeting of Western Digital stockholders.

Date, Time and Place of the Western Digital Special Meeting

The special meeting of Western Digital stockholders will be held at [], located at [] on [], 2016, at [], local time, unless adjourned or postponed to a later date or time.

Purposes of the Western Digital Special Meeting

At the Western Digital special meeting, Western Digital's stockholders will be asked:

to approve the NASDAQ Stock Issuance Proposal;

to approve the Western Digital Adjournment Proposal; and

to approve the Western Digital Non-Binding Advisory Proposal

Record Date; Outstanding Shares; Shares Entitled to Vote

The record date for the special meeting of Western Digital stockholders is the close of business on [], 2016. This means that you must be a stockholder of record of Western Digital common stock at the close of business on [], 2016, in order to vote at the Western Digital special meeting. You are entitled to one vote for each share of Western Digital common stock you own. At the close of business on the record date, there were [] shares of Western Digital common stock outstanding and entitled to vote, held by approximately [] holders of record.

A complete list of Western Digital stockholders entitled to vote at the Western Digital special meeting will be available for inspection at the principal place of business of Western Digital during regular business hours for a period of no less than ten days before the Western Digital special meeting and at the place of the Western Digital special meeting during the meeting.

Quorum and Vote Required

A quorum of stockholders is necessary to hold a valid special meeting of Western Digital. The required quorum for the transaction of business at the Western Digital special meeting is a majority of the issued and outstanding shares of Western Digital common stock entitled to vote at the Western Digital special meeting, whether present in person or

represented by proxy. Any abstentions will be counted as present and entitled to vote in determining whether a quorum is present at the Western Digital special meeting. For shares held in street name, your bank, broker or other nominee will not be permitted to vote at the Western Digital special meeting without specific instructions as to how to vote from you as the beneficial owner of the shares of Western Digital common stock. A broker non-vote (as defined below) will have no effect on the NASDAQ Stock Issuance Proposal (assuming a quorum is achieved), the Western Digital Adjournment Proposal or the Western Digital Non-Binding Advisory Proposal. Broker non-votes will not be counted as present for purposes of determining whether a quorum is present at the Western Digital special meeting.

Table of Contents

The approval of the NASDAQ Stock Issuance Proposal requires the affirmative vote of a majority of shares present in person or represented by proxy at the Western Digital special meeting, assuming a quorum is present. If you are a Western Digital stockholder who attends the meeting in person or by proxy, and you abstain from voting, that will have the same effect as a vote **AGAINST** approval of the NASDAQ Stock Issuance Proposal. Broker non-votes and shares not in attendance at the Western Digital special meeting will have no effect on the NASDAQ Stock Issuance Proposal, provided that a quorum is achieved.

To approve the Western Digital Adjournment Proposal, the affirmative vote of a majority of the shares of Western Digital common stock present in person or represented by proxy at the Western Digital special meeting and entitled to vote is required, regardless of whether a quorum is present. Abstentions will have the same effect as a vote **AGAINST** the Western Digital Adjournment Proposal, while broker non-votes and shares not in attendance at the Western Digital special meeting will have no effect on the outcome of the Western Digital Adjournment Proposal.

To approve the Western Digital Non-Binding Advisory Proposal, the affirmative vote of a majority of shares present in person or represented by proxy at the Western Digital special meeting is required, assuming a quorum is present. If you are a Western Digital stockholder who attends the meeting in person or by proxy, and you abstain from voting, that will have the same effect as a vote **AGAINST** approval of the Western Digital Non-Binding Advisory Proposal. Broker non-votes and shares not in attendance at the Western Digital special meeting will have no effect on the Western Digital Non-Binding Advisory Proposal, provided that a quorum is achieved. The Western Digital Non-Binding Advisory Proposal is advisory, and therefore not binding on Western Digital, Western Digital's compensation committee or the Western Digital board of directors. However, the Western Digital board of directors and Western Digital's compensation committee value the opinions of the Western Digital stockholders, and Western Digital's compensation committee will consider the Western Digital stockholders' opinions and will evaluate whether any actions are necessary to address any concerns.

Table of Contents

PROPOSAL 1

THE NASDAQ STOCK ISSUANCE PROPOSAL

As discussed elsewhere in this joint proxy statement/prospectus, Western Digital stockholders are considering and voting on the proposal to approve the issuance of Western Digital common stock in connection with the Merger of Merger Sub with and into SanDisk with SanDisk continuing as the Surviving Corporation and a direct wholly owned subsidiary of WDT, which is a wholly owned subsidiary of Western Digital to the extent such issuances would require approval under NASDAQ Stock Market Rules 5635(a), which, subject to certain exceptions, generally requires stockholder approval prior to issuances of common stock in connection with a merger to the extent such issuances would equal or exceed 20% of the issuer's issued and outstanding common stock; the Merger being effected pursuant to the Merger Agreement, a copy of which is attached as Annex A to this joint proxy statement/prospectus. If the Unis Investment does not close or the Unis SPA is terminated by the Effective Time of the Merger, the approval of this proposal by the stockholders of Western Digital is a condition to consummation of the Merger. If the Unis Investment closes prior to the Effective Time of the Merger, the approval by the stockholders of Western Digital is not a condition to consummation of the Merger; however, the approval of this proposal would provide Western Digital with increased flexibility to reallocate the cash and stock portions of Merger Consideration in the event of a Closing Cash Shortfall, and would further provide Western Digital with increased flexibility to not convert SanDisk equity awards into cash settled equity awards.

You should read carefully this joint proxy statement/prospectus in its entirety for more detailed information concerning the proposed common stock issuances and the transactions contemplated by the Merger Agreement, including the Merger. In particular, you are directed to the Merger Agreement, which is attached as Annex A to this joint proxy statement/prospectus.

After careful consideration, the Western Digital board of directors has approved and declared advisable the Merger Agreement and the transactions contemplated thereby, including the Merger and has determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, are fair to, advisable and in the best interests of, Western Digital and the stockholders of Western Digital. Accordingly, the Western Digital board of directors recommends that Western Digital stockholders vote **FOR** the NASDAQ Stock Issuance Proposal, and your properly signed and dated proxy will be so voted unless you specify otherwise.

Table of Contents

PROPOSAL 2

THE WESTERN DIGITAL ADJOURNMENT PROPOSAL

Western Digital stockholders may be asked to vote on a proposal to adjourn the Western Digital special meeting if necessary or appropriate, including to permit further solicitation of proxies if there are not sufficient votes at the time of the Western Digital special meeting to approve the NASDAQ Stock Issuance Proposal.

The Western Digital board of directors recommends that Western Digital stockholders vote **FOR** the proposal to adjourn the Western Digital special meeting, and your properly signed and dated proxy will be so voted unless you specify otherwise.

Please note that pursuant to section 2.05 of Western Digital's bylaws, the chairman, or a majority in voting power of the stockholders present in person or by proxy and entitled to vote is authorized to adjourn the Western Digital special meeting for any reason, whether or not quorum is present. If necessary, the Western Digital chairman may exercise the authority to adjourn the special meeting irrespective of the outcome on the Western Digital Adjournment Proposal or without opening the polls on the proposal. Any postponement or adjournment of the Western Digital special meeting is subject to conditions set forth in the Merger Agreement (for more information see *The Merger Agreement Stockholder Meetings; Proxy Statement/Prospectus*).

Table of Contents

PROPOSAL 3

THE WESTERN DIGITAL NON-BINDING ADVISORY PROPOSAL

Section 14A of the Exchange Act, which was enacted as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, requires that Western Digital stockholders be provided with the opportunity to vote to approve, on an advisory, non-binding basis, the payment of certain compensation that will or may become payable by Western Digital to one of its named executive officers, in connection with the Merger, as disclosed in the section of this joint proxy statement/prospectus entitled *The Merger Interests of Western Digital Directors and Executive Officers in the Merger Quantification of Payments and Benefits to Western Digital's Named Executive Officers* beginning on page 137.

Western Digital is asking its stockholders to indicate their approval, on an advisory, non-binding basis, of the compensation that will or may become payable by Western Digital to its named executive officers in connection with the Merger. Only one of Western Digital's named executive officers will or may become entitled to merger-related compensation, and this payment is set forth in the section entitled *The Merger Interests of Western Digital Directors and Executive Officers in the Merger Quantification of Payments and Benefits to Western Digital's Named Executive Officers* beginning on page 137 of this joint proxy statement/prospectus and the accompanying footnotes. The plans governing this compensation arrangement are part of Western Digital's overall compensation program for its named executive officers. The compensation committee of the Western Digital board of directors, which is composed solely of non-employee directors, believes this compensatory arrangement to be reasonable.

The Western Digital board of directors encourages Western Digital stockholders to review carefully the named executive officer merger-related compensation information disclosed in this joint proxy statement/prospectus. The Western Digital board of directors unanimously recommends that you vote **FOR** the following resolution:

RESOLVED, that the compensation that may be paid or become payable to Western Digital's named executive officers in connection with the transaction, as disclosed in the section of the joint proxy statement/prospectus entitled *Quantification of Payments and Benefits to Western Digital's Named Executive Officers* including the associated narrative discussion, is hereby APPROVED on a nonbinding, advisory basis.

This resolution requires the affirmative vote of the holders of a majority of the shares of Western Digital common stock present in person or represented by proxy and entitled to vote on the matter. Western Digital stockholders should note that this proposal is not a condition to completion of the Merger, and as an advisory vote, the result will not be binding on Western Digital or the board of directors of Western Digital. Further, the arrangements are contractual in nature and not, by their terms, subject to stockholder approval. Accordingly, regardless of the outcome of the Western Digital Non-Binding Advisory Proposal, if the Merger is consummated, the named executive officers may be or become entitled to receive the compensation that is based on or otherwise relates to the Merger in accordance with the terms and conditions applicable to those payments, as described under the section titled *The Merger Interests of Western Digital's Directors and Executive Officers in the Merger Quantification of Payments and Benefits to Western Digital's Named Executive Officers*.

The board of directors of Western Digital believes that the Western Digital Non-Binding Advisory Proposal is in the best interests of Western Digital and Western Digital stockholders and unanimously recommends that you vote **FOR** the proposal to approve, by non-binding, advisory vote, compensation that will or may become payable by Western Digital to its named executive officers in connection with the Merger.

Stock Ownership and Voting by Western Digital's Directors and Executive Officers

At the close of business on [], 2016, the record date for the Western Digital special meeting, Western Digital's directors and executive officers had the right to vote approximately [] shares of the then-outstanding

Table of Contents

Western Digital common stock at the Western Digital special meeting, collectively representing approximately []% of Western Digital common stock outstanding and entitled to vote on that date. We currently expect that Western Digital's directors and executive officers will vote their shares **FOR** the NASDAQ Stock Issuance Proposal, **FOR** the Western Digital Adjournment Proposal and **FOR** the Western Digital Non-Binding Advisory Proposal, although none of them has entered into any agreement requiring them to do so.

How to Vote

You may vote your shares of Western Digital common stock in person at the Western Digital special meeting or by proxy. Western Digital recommends that you submit your proxy even if you plan to attend the Western Digital special meeting. If you submit your proxy, you may change your vote if you attend and vote at the Western Digital special meeting; however, mere attendance at the Western Digital special meeting will have no effect on your vote.

Owners of record (that is, stockholders of record who hold shares of Western Digital in their own name, as opposed to through a bank, broker or other nominee), as of the close of business on the record date, may vote in person at the Western Digital special meeting or by proxy. This means that you may use the enclosed proxy card(s) to tell the persons named as proxies how to vote your shares. If you properly complete, sign and date your proxy card(s) or submit your voting instructions by telephone or over the Internet, your shares will be voted in accordance with your instructions. The named proxies will vote all shares at the Western Digital special meeting for which proxies have been properly submitted (whether by mail, telephone or over the Internet) and not revoked. Owners of record have three ways to vote by proxy:

Internet: You can vote over the Internet at the Web address shown on your proxy card(s). You will be prompted to enter your Control Number from your proxy card. This number will identify you as a stockholder of record. Follow the simple instructions that will be given to you to record your vote. If you vote over the Internet, do not return your proxy card(s).

Telephone: You can vote by telephone by calling the toll-free number on your proxy card(s). You will be prompted to enter your Control Number from your proxy card. This number will identify you as a stockholder of record. Follow the simple instructions that will be given to you to record your vote. If you vote by telephone, do not return your proxy card(s).

Mail: You can vote by mail by simply signing, dating and mailing your proxy card(s) in the postage-paid envelope included with this joint proxy statement/prospectus.

If you sign and return your proxy card(s) but do not mark your card(s) to tell the proxies how to vote your shares on each proposal, your shares will be voted as recommended by the Western Digital board of directors with the following exception:

If you are one of Western Digital's employees or former employees who participates in the Western Digital Common Stock Fund under the Western Digital 401(k) Plan, you will receive a request for voting instructions with respect to all of the shares allocated to your plan account. You are entitled to direct T. Rowe Price Company, the plan trustee, how to vote your plan shares. If T. Rowe Price does not receive

voting instructions for shares in your plan account, your shares will be voted by T. Rowe Price in the same proportion as other shares in the Western Digital Common Stock Fund are affirmatively voted by plan participants.

The deadline for voting electronically through the Internet or by telephone is 11:59 p.m., eastern time, on [], 2016.

Western Digital stockholders who hold shares of Western Digital common stock in a stock brokerage account or through a bank, broker or other nominee (street name stockholders) who wish to vote at the Western Digital special meeting should be provided a voting instruction card by the institution that holds their shares. If this has not occurred, contact the institution that holds your shares. A number of banks and brokerage firms

Table of Contents

participate in a program that also permits stockholders whose shares are held in street name to direct their vote by telephone or over the Internet. If your shares are held in an account at a bank or brokerage firm that participates in such a program, you may direct the vote of these shares by telephone or over the Internet by following the voting instructions enclosed with the proxy form from the bank or brokerage firm. The Internet and telephone proxy procedures are designed to authenticate stockholders' identities, to allow stockholders to give their proxy voting instructions and to confirm that those instructions have been properly recorded. Votes directed by telephone or over the Internet through such a program must be received by 11:59 p.m. eastern time on [], 2016. Directing the voting of your shares will not affect your right to vote in person if you decide to attend the Western Digital special meeting; however, you must first obtain a signed and properly executed legal proxy from your bank, broker or other nominee to vote your shares held in street name at the Western Digital special meeting. Requesting a legal proxy prior to the deadline described above will automatically cancel any voting directions you have previously given by telephone or over the Internet with respect to your shares.

With respect to the NASDAQ Stock Issuance Proposal, the Western Digital Adjournment Proposal and the Western Digital Non-Binding Advisory Proposal for shares held in street name, if you do not instruct your bank, broker or other nominee how to vote your shares, your bank, broker or other nominee will not be authorized to vote, and a broker non-vote will occur. A broker non-vote will have no effect on the NASDAQ Stock Issuance Proposal (provided that a quorum is achieved), the Western Digital Adjournment Proposal or the Western Digital Non-Binding Advisory Proposal.

If you abstain from voting with respect to the NASDAQ Stock Issuance Proposal, the Western Digital Adjournment Proposal or the Western Digital Non-Binding Advisory Proposal, your abstention will have the same effect as a vote **AGAINST** such proposal.

Revoking Your Proxy

If you are the owner of record as of the close of business on the record date, you can revoke your proxy at any time before its exercise by:

sending a written notice to Western Digital Corporation at 3355 Michelson Drive, Suite 100, Irvine, California 92612, attention: Secretary, bearing a date later than the date of the proxy, that is received prior to the Western Digital special meeting and states that you revoke your proxy;

submitting your voting instructions again by telephone or over the Internet;

signing another valid proxy card(s) bearing a later date and mailing it so that it is received by Western Digital prior to the Western Digital special meeting; or

attending the Western Digital special meeting and voting in person, although attendance at the Western Digital special meeting will not, by itself, revoke a proxy.

If you are a street name stockholder, you must follow the instructions found on the voting instruction card provided by your bank, broker or other nominee, or contact your bank, broker or other nominee in order to revoke your previously given proxy.

Other Voting Matters

Voting in Person

If you plan to attend the Western Digital special meeting and wish to vote in person, Western Digital will give you a ballot at the special meeting. However, if your shares are held in street name, you must first obtain from your bank, broker or other nominee a legal proxy authorizing you to vote the shares in person, which you must bring with you to the Western Digital special meeting.

Table of Contents

Electronic Access to Proxy Materials

This joint proxy statement/prospectus is available on Western Digital's Internet site at <http://investor.wdc.com>.

People with Disabilities

Western Digital can provide you with reasonable assistance to help you to participate in the Western Digital special meeting if you tell Western Digital about your disability and how you plan to attend. Please write to Western Digital Corporation at 3355 Michelson Drive, Suite 100, Irvine, California 92612, Attention: Secretary, or call at (800) 695-6399, at least two weeks before the Western Digital special meeting.

Proxy Solicitations

Western Digital is soliciting proxies for the Western Digital special meeting from Western Digital stockholders. Western Digital will bear the entire cost of soliciting proxies from Western Digital stockholders. In addition to this mailing, Western Digital's directors, officers and employees (who will not receive any additional compensation for their services) may solicit proxies personally, and by telephone, facsimile, courier service, mail, email, Internet, press release or advertisement (including on television, radio, newspapers or other publications of general distribution). Morrow & Co., LLC which we refer to as Morrow, has been engaged to aid in the distribution and solicitation of proxies. Western Digital will pay Morrow a fee estimated not to exceed \$25,000 plus a reasonable amount to cover expenses. Western Digital has agreed to indemnify Morrow against certain liabilities arising out of or in connection with this engagement. Western Digital will also reimburse brokers or other persons holding Western Digital common stock in their names or the names of their nominees for the expenses of forwarding soliciting material to their principals.

Western Digital stockholders should not submit any stock certificates with their proxy cards.

Western Digital stockholders will not need to send in their share certificates or surrender their book-entry shares.

Other Business

Western Digital is not aware of any other business to be acted upon at the Western Digital special meeting. If, however, other matters are properly brought before the Western Digital special meeting, your proxies will have discretion to vote or act on those matters according to their best judgment and they intend to vote the shares as the Western Digital board of directors may recommend.

Assistance

If you need assistance in completing your proxy card or have questions regarding Western Digital's special meeting, please contact Morrow & Co., LLC, 470 West Ave, Stamford, CT 06902, banks and brokers call collect: (203) 658-9400, all others call toll-free: (877) 849-0763.

Table of Contents

THE SANDISK SPECIAL MEETING

Overview

This joint proxy statement/prospectus is being provided to SanDisk stockholders as part of a solicitation of proxies by the SanDisk board of directors for use at the special meeting of SanDisk stockholders and at any adjournments or postponements thereof. This joint proxy statement/prospectus is first being furnished to stockholders of SanDisk on or about [], 2016. In addition, this joint proxy statement/prospectus constitutes a prospectus for Western Digital in connection with the issuance by Western Digital of its common stock pursuant to the Merger Agreement. This joint proxy statement/prospectus provides SanDisk stockholders with information they need to know to vote or instruct their vote to be cast at the special meeting of SanDisk stockholders.

Date, Time and Place of the SanDisk Special Meeting

The special meeting of SanDisk stockholders will be held at SanDisk's headquarters, located at 951 SanDisk Drive, Milpitas, CA 95035, on [], 2016, at [], local time.

Purposes of the SanDisk Special Meeting

At the SanDisk special meeting, SanDisk stockholders will be asked:

to approve the Merger Proposal;

to approve the SanDisk Adjournment Proposal; and

to approve the SanDisk Non-Binding Advisory Proposal.

Record Date; Outstanding Shares; Shares Entitled to Vote

The record date for the special meeting of SanDisk stockholders is [], 2016. This means that you must be a stockholder of record of SanDisk common stock at the close of business on [], 2016, in order to vote at the SanDisk special meeting. You are entitled to one vote for each share of SanDisk common stock you own. At the close of business on the record date, there were [] shares of SanDisk common stock outstanding and entitled to vote, held by approximately [] holders of record.

A complete list of SanDisk stockholders entitled to vote at the SanDisk special meeting will be available for inspection at the principal place of business of SanDisk during regular business hours for a period of no less than ten days before the SanDisk special meeting and at the place of the SanDisk special meeting during the meeting.

Quorum and Vote Required

The presence in person or by proxy of a majority of the shares of SanDisk common stock entitled to vote will constitute a quorum for the transaction of business at the SanDisk special meeting.

The votes required for each proposal are as follows:

Required vote to approve the Merger Proposal. Approval of the Merger Proposal requires the affirmative vote of a majority of the outstanding shares of SanDisk common stock entitled to vote at the SanDisk special meeting. **Accordingly, abstentions, broker non-votes and shares not in attendance at the SanDisk special meeting will have the same effect as a vote AGAINST the Merger Proposal.**

Required vote to approve the SanDisk Adjournment Proposal. Approval of the SanDisk Adjournment Proposal requires an affirmative vote of a majority of the shares present or represented by proxy and entitled to vote at the SanDisk special meeting, regardless of whether a quorum is present. **Accordingly, abstentions will have the same effect as a vote AGAINST the SanDisk Adjournment Proposal, while broker non-votes and shares not in attendance at the SanDisk special meeting will have no effect on the SanDisk Adjournment Proposal.**

Table of Contents

Required vote to approve the SanDisk Non-Binding Advisory Proposal. Approval of the SanDisk Non-Binding Advisory Proposal requires an affirmative vote of a majority of the shares present or represented by proxy and entitled to vote, assuming a quorum is present. **Accordingly, abstentions will have the same effect as a vote AGAINST the SanDisk Non-Binding Advisory Proposal, while broker non-votes and shares not in attendance will have no effect on the SanDisk Non-Binding Advisory Proposal, provided that a quorum is achieved.** The SanDisk Non-Binding Advisory Proposal is advisory, and therefore not binding on SanDisk, SanDisk's compensation committee or the SanDisk board of directors. However, the SanDisk board of directors and SanDisk's compensation committee value the opinions of the SanDisk stockholders, and SanDisk's compensation committee will consider the SanDisk stockholders' opinions and will evaluate whether any actions are necessary to address any concerns.

Table of Contents

PROPOSAL 1

THE MERGER PROPOSAL

As discussed elsewhere in this joint proxy statement/prospectus, SanDisk stockholders are considering and voting on the Merger Proposal. You should read carefully this joint proxy statement/prospectus in its entirety for more detailed information concerning the transactions contemplated by the Merger Agreement, including the Merger. In particular, you are directed to the Merger Agreement, which is attached as Annex A to this joint proxy statement/prospectus.

After careful consideration, the SanDisk board of directors has approved and declared advisable the Merger Agreement and the transactions contemplated thereby, including the Merger and has determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, are fair to, advisable and in the best interests of, SanDisk and the stockholders of SanDisk, respectively. Accordingly, the SanDisk board of directors recommends that SanDisk stockholders vote **FOR** the adoption of the Merger Agreement and your properly signed and dated proxy will be so voted unless you specify otherwise.

Table of Contents

PROPOSAL 2

THE SANDISK ADJOURNMENT PROPOSAL

SanDisk stockholders may be asked to vote on the SanDisk Adjournment Proposal to adjourn the SanDisk special meeting if necessary or appropriate, including to permit further solicitation of proxies if there are not sufficient votes at the time of the SanDisk special meeting to approve the Merger Proposal.

The SanDisk board of directors recommends that SanDisk stockholders vote **FOR** the SanDisk Adjournment Proposal, and your properly signed and dated proxy will be so voted unless you specify otherwise.

Please note that pursuant to Article II, Section 8 of SanDisk's bylaws, the stockholders entitled to vote thereon and present or represented by proxy are authorized to adjourn the SanDisk special meeting. Additionally, Article II, Section 14 of SanDisk's bylaws generally authorizes the chairman of a special meeting to adjourn the meeting for any or no reason, and Article V, Section 7 of SanDisk's bylaws authorizes directors in attendance to adjourn a special meeting if a quorum is not present. Any postponement or adjournment of the SanDisk special meeting is subject to conditions set forth in the Merger Agreement (for more information see *The Merger Agreement Stockholder Meetings; Proxy Statement/Prospectus*).

Table of Contents

PROPOSAL 3

THE SANDISK NON-BINDING ADVISORY PROPOSAL

Section 14A of the Exchange Act, which was enacted as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, requires that SanDisk stockholders be provided with the opportunity to vote to approve, on an advisory, non-binding basis, the payment of certain compensation that will or may become payable by SanDisk to its named executive officers in connection with the Merger, as disclosed in the section of this joint proxy statement/prospectus entitled *The Merger Interests of SanDisk Directors and Executive Officers in the Merger Golden Parachute Compensation* beginning on page 143.

SanDisk is asking its stockholders to indicate their approval, on an advisory, non-binding basis, of the compensation that will or may become payable by SanDisk to its named executive officers in connection with the Merger. These payments are set forth in the section entitled *The Merger Interests of SanDisk Directors and Executive Officers in the Merger Golden Parachute Compensation* beginning on page 143 of this joint proxy statement/prospectus. Certain plans and arrangements pursuant to which these compensation payments may be made formed part of SanDisk's overall compensation program for its named executive officers, and have previously been disclosed to SanDisk stockholders as part of the Compensation Discussion and Analysis and related sections of its annual proxy statements. The compensation committee of the SanDisk board of directors, which is composed solely of non-employee directors, believes the compensatory arrangements to be reasonable.

The SanDisk board of directors encourages SanDisk stockholders to review carefully the named executive officer merger-related compensation information disclosed in this joint proxy statement/prospectus. The SanDisk board of directors unanimously recommends that you vote **FOR** the following resolution:

RESOLVED, that the stockholders of SanDisk Corporation approve, on a nonbinding, advisory basis, the compensation that will or may become payable by SanDisk to its named executive officers that is based on or otherwise relates to the Merger as disclosed pursuant to Item 402(t) of Regulation S-K in the section entitled *The Merger Interests of SanDisk's Directors and Executive Officers in the Merger Golden Parachute Compensation* in the joint proxy statement/prospectus for the special meeting.

This resolution requires the affirmative vote of the holders of a majority of the shares of SanDisk common stock present in person or represented by proxy and entitled to vote on the matter. SanDisk stockholders should note that this proposal is not a condition to completion of the Merger, and as an advisory vote, the result will not be binding on SanDisk, the board of directors of SanDisk, or Western Digital. Further, the arrangements are contractual in nature and not, by their terms, subject to stockholder approval. Accordingly, regardless of the outcome of the SanDisk Non-Binding Advisory Proposal, if the Merger is consummated, SanDisk's named executive officers may be or become entitled to receive the compensation that is based on or otherwise relates to the Merger in accordance with the terms and conditions applicable to those payments, as described under the section titled *The Merger Interests of SanDisk Directors and Executive Officers in the Merger Golden Parachute Compensation*.

The board of directors of SanDisk believes that the SanDisk Non-Binding Advisory Proposal is in the best interests of SanDisk and SanDisk stockholders and unanimously recommends that you vote **FOR** the proposal to approve, by non-binding, advisory vote, compensation that will or may become payable by SanDisk to its named executive officers in connection with the Merger.

Stock Ownership and Voting by SanDisk's Directors and Executive Officers

At the close of business on [], 2016, the record date for the SanDisk special meeting, SanDisk's directors and executive officers had the right to vote approximately [] shares of the then-outstanding SanDisk voting stock at the SanDisk special meeting, collectively representing approximately []% of the SanDisk common stock outstanding and entitled to vote on that date. We currently expect that SanDisk's directors and executive

Table of Contents

officers will vote their shares **FOR** the Merger Proposal, **FOR** the SanDisk Adjournment Proposal and **FOR** the SanDisk Non-Binding Advisory Proposal, although none of them has entered into any agreement requiring them to do so.

How to Vote

You may vote your shares of SanDisk common stock in person at the SanDisk special meeting or by proxy. SanDisk recommends that you submit your proxy even if you plan to attend the SanDisk special meeting. If you submit your proxy, you may change your vote if you attend and vote at the SanDisk special meeting; however, mere attendance at the SanDisk special meeting will have no effect on your vote.

Owners of record (that is, stockholders of record who hold shares of SanDisk common stock in certificated or book-entry form, as opposed to through a bank, broker or other nominee) as of the close of business on the record date, may vote in person at the SanDisk special meeting or by proxy. This means that you may use the enclosed proxy card(s) to tell the persons named as proxies how to vote your shares. If you properly complete, sign and date your proxy card(s) or submit your voting instructions by telephone or over the Internet, your shares will be voted in accordance with your instructions. The named proxies will vote all shares at the SanDisk special meeting for which proxies have been properly submitted (whether by mail, telephone or over the Internet) and not revoked. Owners of record have three ways to vote by proxy:

Internet: You can vote over the Internet at the Web address shown on your proxy card(s). You will be prompted to enter your Control Number from your proxy card. This number will identify you as a stockholder of record. Follow the simple instructions that will be given to you to record your vote. If you vote over the Internet, do not return your proxy card(s).

Telephone: You can vote by telephone by calling the toll-free number on your proxy card(s). You will be prompted to enter your Control Number from your proxy card. This number will identify you as a stockholder of record. Follow the simple instructions that will be given to you to record your vote. If you vote by telephone, do not return your proxy card(s).

Mail: You can vote by mail by simply signing, dating and mailing your proxy card(s) in the postage-paid envelope included with this joint proxy statement/prospectus.

If you sign and return your proxy card(s) but do not mark your card(s) to tell the proxies how to vote your shares on each proposal, your shares will be voted as recommended by the SanDisk board of directors.

The deadline for voting electronically through the Internet or by telephone is 11:59 p.m., eastern time on [], 2016.

SanDisk stockholders who hold shares of SanDisk common stock in a stock brokerage account or through a bank, broker or other nominee (street name stockholders) who wish to vote at the SanDisk special meeting should be provided a voting instruction card by the institution that holds their shares. If this has not occurred, contact the institution that holds your shares. A number of banks and brokerage firms participate in a program that also permits street name stockholders to direct their vote by telephone or over the Internet. If your shares are held in an account at a bank or brokerage firm that participates in such a program, you may direct the vote of these shares by telephone or over the Internet by following the voting instructions enclosed with the proxy form from the bank or brokerage firm.

The Internet and telephone proxy procedures are designed to authenticate stockholders' identities, to allow stockholders to give their proxy voting instructions and to confirm that those instructions have been properly recorded. Votes directed by telephone or over the Internet through such a program must be received by 11:59 p.m. eastern time, on [], 2016. Directing the voting of your shares will not affect your right to vote in person if you decide to attend the SanDisk special meeting; however, you must first obtain a signed and properly executed legal proxy from your bank, broker or other nominee to vote your shares held in street name at the SanDisk special meeting. Requesting a legal proxy prior to the deadline described above will automatically cancel any voting directions you have previously given by telephone or over the Internet with respect to your shares.

Table of Contents

With respect to the Merger Proposal, the SanDisk Adjournment Proposal and the SanDisk Non-Binding Advisory Proposal, for shares held in street name, if you do not instruct your bank, broker or other nominee how to vote your shares, your bank, broker or other nominee will not be authorized to vote, and a broker non-vote will occur. A broker non-vote will have the same effect as a vote **AGAINST** the Merger Proposal, but will have no effect on the SanDisk Adjournment Proposal and will have no effect on the SanDisk Non-Binding Advisory Proposal (provided that a quorum is achieved).

If you abstain from voting with respect to the Merger Proposal, the SanDisk Adjournment Proposal or the SanDisk Non-Binding Advisory Proposal, your abstention will have the same effect as a vote **AGAINST** such proposal.

If you do not vote your shares, either in person at the SanDisk special meeting or by proxy, your failure to vote will have the same effect as a vote **AGAINST** the Merger Proposal, but will have no effect on the SanDisk Adjournment Proposal and will have no effect on the SanDisk Non-Binding Advisory Proposal (provided that a quorum is achieved).

Revoking Your Proxy

If you are the owner of record as of the close of business on the record date, you can revoke your proxy at any time before its exercise by:

 sending a written notice to SanDisk, at SanDisk Corporation, 951 SanDisk Drive, Milpitas, California 95035, Attention: Secretary, bearing a date later than the date of the proxy that is received prior to the SanDisk special meeting and states that you revoke your proxy;

 submitting your voting instructions again by telephone or over the Internet;

 signing another valid proxy card(s) bearing a later date and mailing it so that it is received prior to the SanDisk special meeting; or

 attending the SanDisk special meeting and voting in person, although attendance at the SanDisk special meeting will not, by itself, revoke a proxy.

If you are a street name stockholder, you must follow the instructions found on the voting instruction card provided by your bank, broker or other nominee, or contact your bank, broker or other nominee in order to revoke your previously given proxy.

Other Voting Matters

Voting in Person

If you plan to attend the SanDisk special meeting and wish to vote in person, SanDisk will give you a ballot at the special meeting. However, if your shares are held in street name, you must first obtain from your bank, broker or other nominee a legal proxy authorizing you to vote the shares in person, which you must bring with you to the SanDisk special meeting.

Electronic Access to Proxy Materials

This joint proxy statement/prospectus is available on SanDisk's Internet site at <http://investor.sandisk.com>.

People with Disabilities

SanDisk can provide you with reasonable assistance to help you to participate in the SanDisk special meeting if you tell SanDisk about your disability and how you plan to attend. Please write to SanDisk's Investor

Table of Contents

Relations department, at SanDisk Corporation, 951 SanDisk Drive, Milpitas, CA 95035, Attention: Investor Relations, or call SanDisk's Investor Relations department at (408) 801-1000, at least two weeks before the SanDisk special meeting.

Proxy Solicitations

SanDisk is soliciting proxies for the SanDisk special meeting from SanDisk stockholders. SanDisk will bear the entire cost of soliciting proxies from SanDisk stockholders. In addition to this mailing, SanDisk's directors, officers and employees (who will not receive any additional compensation for their services) may solicit proxies personally, and by telephone, facsimile, courier service, mail, email, Internet, press release or advertisement (including on television, radio, newspapers or other publications of general distribution). Innisfree M&A Incorporated, which we refer to as Innisfree, has been engaged to aid in the distribution and solicitation of proxies. SanDisk will pay Innisfree a fee estimated not to exceed \$35,000 plus a reasonable amount to cover expenses. SanDisk has agreed to indemnify Innisfree against certain liabilities arising out of or in connection with this engagement. SanDisk and its proxy solicitors will also request that banks, brokerage houses and other custodians, nominees and fiduciaries send proxy materials to the beneficial owners of SanDisk common stock and will, if requested, reimburse them for their reasonable out-of-pocket expenses in doing so.

SanDisk stockholders should not submit any stock certificates with their proxy cards

SanDisk stockholders will not need to send in their share certificates or surrender their book-entry shares with their proxy cards. A transmittal form with instructions for the surrender of certificates representing shares of common stock or book-entry shares of common stock, as applicable, will be mailed to SanDisk stockholders assuming the Merger is completed.

Other Business

SanDisk is not aware of any other business to be acted upon at the SanDisk special meeting. If, however, other matters are properly brought before the SanDisk special meeting, the proxies will have discretion to vote or act on those matters according to their best judgment and they intend to vote the shares as the SanDisk board of directors may recommend.

Assistance

If you need assistance in completing your proxy card or have questions regarding SanDisk's special meeting, please contact Innisfree M&A Incorporated, 501 Madison Avenue, 20th Floor, New York, NY 10022, banks and brokers call collect: (212) 750-5833, all others call toll-free: (877) 825-8772.

Table of Contents**THE MERGER****Overview**

The Western Digital board of directors and the SanDisk board of directors have each approved the Merger Agreement. Pursuant to the Merger Agreement, Merger Sub, an indirect subsidiary of Western Digital, will merge with and into SanDisk, with SanDisk continuing as the Surviving Corporation and an indirect subsidiary of Western Digital.

Pursuant to the terms of the Merger Agreement, if at the time of the consummation of the Merger, the Unis Investment has closed, each share of SanDisk common stock will be cancelled and extinguished and automatically converted into the right to receive, subject to reallocation (as described below), 0.0176 shares of Western Digital common stock and \$85.10 in cash. If the Unis Investment does not close by the time of the consummation of the Merger or the Unis SPA has been terminated, each share of SanDisk common stock will be cancelled and extinguished and automatically converted into the right to receive, subject to reallocation, 0.2387 shares of Western Digital common stock and \$67.50 in cash. The above allocation between cash and shares of Western Digital common stock is subject to reallocation (as described below), at Western Digital's election: if the Available Cash on the closing date falls short of a target cash amount of \$4.049 billion (if the closing occurs before June 30, 2016), or \$4.139 billion (if the closing occurs on or after June 30, 2016). For this purpose, Available Cash means the amount of cash and cash equivalents held by SanDisk or any of its subsidiaries available for use or that can be repatriated in the United States, in each case without the payment of withholding tax or U.S. income tax, and if the Available Cash is less than (x) \$4.049 billion if the closing occurs before June 30, 2016 and (y) \$4.139 billion if the closing occurs on or after June 30, 2016, the amount of such shortfall, if any, is referred to as the Closing Cash Shortfall. If Western Digital so elects, the cash portion of the per share Merger Consideration will be reduced by the Closing Cash Shortfall divided by the number of shares of SanDisk common stock outstanding as of the closing date (the Per Share Cash Reduction Amount), and the Western Digital common stock portion of the per share Merger Consideration will be increased by a number of shares of Western Digital common stock equal to the Per Share Cash Reduction Amount divided by \$79.5957.

Background of the Merger

Each of SanDisk's and Western Digital's board of directors and senior management team regularly reviews their respective company's performance, future growth prospects and overall strategic direction and considers potential opportunities to strengthen their respective businesses and enhance stockholder value. These reviews have included consideration of investments and potential strategic business combinations and transactions with third parties that would further their respective company's strategic objectives and could enhance their respective company's ability to serve customers and create stockholder value, and the potential benefits and risks of those investments and transactions in light of, among other things, the business environment and their respective company's competitive position. These reviews have included consideration of the viability of potential strategic transactions with various industry participants, based on publicly available information regarding such companies, as well as discussions with various industry participants. These reviews have also included consideration of whether the continued execution of each company's strategy as a stand-alone company or a possible sale or combination with a third party offered the best avenue to maximize stockholder value. In the case of Western Digital, these reviews have included consideration of the viability of potential strategic transactions with, and discussions with, investors.

In the case of SanDisk, during the past two years, these potential opportunities have included sporadic communications with Company A regarding a potential business combination of SanDisk and Company A. These communications, however, did not progress beyond a preliminary stage.

On December 5, 2014, at the invitation of the Chief Executive Officer of Company A, Sanjay Mehrotra, the Co-Founder, President and Chief Executive Officer of SanDisk, met with the Chief Executive Officer of

Table of Contents

Company A and another representative of Company A. At this meeting, Company A's representatives suggested that Company A and SanDisk take further steps to explore the viability of a potential business combination.

On December 6, 2014, Mr. Mehrotra met with Michael Marks, the Chairman of the Board of Directors of SanDisk, to apprise him of the overture from Company A. Mr. Marks and Mr. Mehrotra agreed that Mr. Mehrotra would inform SanDisk's board of directors of Company A's overture at its upcoming regularly scheduled meeting on December 12, 2014 and that Company A's overture merited further exploration. During an executive session at the December 12, 2014 board of directors meeting, Mr. Marks apprised SanDisk's board of directors of Company A's overture, and, following discussion, the board of directors agreed that SanDisk should engage with Company A to commence initial exploration of a possible business combination and to assess the level of seriousness of Company A's interest.

Following the initial approach from Company A, on January 7, 2015, representatives of Company A, including its Chief Executive Officer, and Mr. Mehrotra, engaged in general discussions regarding the viability of a business combination between Company A and SanDisk from a commercial and regulatory perspective, including the implication of any such transaction for SanDisk's joint ventures with Company D.

On January 23, 2015, the Chief Executive Officer, the Vice President of Corporate Development and two other representatives of Company A met with Mr. Mehrotra, Sumit Sadana, Executive Vice President, Chief Strategy Officer and General Manager, Enterprise Solutions of SanDisk, and Manish Bhatia, Senior Vice President, Worldwide Operations of SanDisk, to continue discussions regarding the possibility of a business combination between Company A and SanDisk.

On February 23, 2015, at the invitation of Steve Milligan, President and Chief Executive Officer of Western Digital, Mr. Mehrotra met with Mr. Milligan to generally explore ways to expand collaboration between the two companies.

During February and March of 2015, representatives of Company A and SanDisk discussed the possibility of the companies entering into a non-disclosure agreement in connection with consideration of a potential business combination between the two companies. The parties did not enter into a non-disclosure agreement at that time, but agreed to continue consideration of a potential business combination of the two companies. Accordingly, on March 17, 2015, Mr. Mehrotra had a telephone call with the President of Company A to discuss a potential business combination.

On March 19, 2015, at a regularly scheduled meeting of SanDisk's board of directors, Mr. Sadana updated the board of directors with regard to the ongoing discussions with Company A and other potentially interested parties, and the implications of SanDisk's joint ventures with Company D in respect of any such transaction. Following the discussion, SanDisk's board of directors determined that SanDisk should suspend discussions with Company A and other potentially interested parties in order to continue focus on execution of its business plan.

On April 20, 2015, at a meeting between Messrs. Mehrotra, Bhatia, Siva Sivaram, Executive Vice President, Memory of SanDisk and Mark Brazeal, Chief Legal Officer of SanDisk and representatives of Company D relating to SanDisk's joint ventures with Company D, the discussion turned to whether Company D might be interested in exploring a business combination with SanDisk. The representatives of Company D did not indicate any interest in further discussions at that time.

On April 21, 2015, Mark Long, Executive Vice President and Chief Strategy Officer of Western Digital, called Mr. Sadana to invite Messrs. Sadana and Mehrotra to meet with Messrs. Long and Milligan to discuss strategic opportunities for Western Digital and SanDisk.

On May 6, 2015, during a regularly scheduled meeting of Western Digital's board of directors, Mr. Long discussed recent developments in the storage industry and indicated that Western Digital may have an

Table of Contents

opportunity to pursue a strategic combination with SanDisk. Mr. Long discussed SanDisk's financial performance, products and technology and discussed the strategic rationale for the combination as well as potential interlopers and deal structures and valuations. Following the discussion, the board of directors indicated that Western Digital management was authorized to explore with SanDisk's management SanDisk's interest in a potential strategic transaction and should keep the board of directors apprised of any material developments.

On May 13, 2015, Messrs. Sadana and Mehrotra met with Mr. Long and Mr. Milligan, and during this discussion, the Western Digital executives communicated Western Digital's desire to explore a strategic combination with SanDisk. Following the meeting, Mr. Mehrotra informed Mr. Marks of this development. Mr. Marks asked Mr. Mehrotra to work with Western Digital to better understand their mindset regarding a strategic combination with SanDisk, and to report any developments to the full board of directors at the regularly-scheduled June board meeting.

On May 21, 2015, Mr. Sadana had a telephone call with Mr. Long to discuss how Western Digital and SanDisk could begin a discussion of next steps to explore a potential combination of the companies.

On May 29, 2015, Mr. Sadana and René Hartner, Vice President of Corporate Business Development at SanDisk, met with Mr. Long and Steffen Hellmold, Vice President of Non-Volatile Memory Strategy at Western Digital, for the purpose of discussing publicly available information about Western Digital.

On June 1, 2015, Mr. Hartner had a telephone call with Mr. Hellmold and Daniel Flynn, Vice President, Strategy and Corporate Development at Western Digital, to understand Western Digital's views regarding next steps to assess a possible business combination between SanDisk and Western Digital.

On June 8, 2015, Messrs. Mehrotra and Brazeal met with representatives of Company D and engaged in further general discussions of potential strategic business opportunities that SanDisk and Company D could consider pursuing. Mr. Mehrotra encouraged representatives of Company D to consider making a proposal for a business combination with SanDisk.

On June 15, 2015, Messrs. Sadana and Hartner met with Messrs. Long, Hellmold, Flynn and Travis Johnson, Senior Director, Strategy and Corporate Development at Western Digital, for the purpose of discussing publicly available information about SanDisk.

On June 18, 2015, SanDisk's board of directors held a regularly scheduled meeting. At the meeting, SanDisk's board of directors reviewed its previous discussions in March 2015 about a potential business combination with Company A or other potentially interested parties, and the implications of SanDisk's joint ventures with Company D in respect of any such transaction. Mr. Sadana updated SanDisk's board of directors on the discussions that had taken place between representatives of SanDisk and Western Digital, between SanDisk and Company A prior to March 19, 2015, and also between SanDisk and Company D. After discussion, SanDisk's board of directors authorized and directed management to continue its preliminary discussions with Western Digital, with a view toward entering into a transactional non-disclosure agreement with Western Digital that would facilitate the exchange of information and allow Western Digital to develop a proposal to acquire SanDisk. SanDisk's board of directors then engaged in a further discussion of other parties who might be interested in considering a possible business combination with SanDisk, including Company A and Company D, and determined that potentially interested parties such as Company A and Company D would be contacted at the appropriate time. SanDisk's board of directors also discussed engaging a financial advisor to SanDisk, focusing on Goldman Sachs due to its skill, reputation, familiarity with SanDisk and its history of providing advice to SanDisk. Highlighting its concern for maintaining confidentiality, the board of directors directed management of SanDisk to reach out to Goldman Sachs to discuss a potential engagement and determine if there might be any potential conflicts of interest.

On June 24, 2015, Mr. Sadana had a telephone call with Mr. Long to begin discussion of certain key terms related to a proposed non-disclosure agreement to be entered into between SanDisk and Western Digital.

Table of Contents

On July 13, 2015, Messrs. Sadana and Hartner had a telephone call with Messrs. Long and Flynn. During this telephone call, the parties discussed developing a process for consideration of a potential business combination between the two companies.

On July 16, 2015, Messrs. Mehrotra and Sadana met with Messrs. Milligan and Long. At this meeting, the parties further discussed Western Digital's interest in acquiring SanDisk, as well as certain key terms in the parties' proposed non-disclosure agreement and next steps towards a potential business combination between the two companies. This discussion also addressed the implications of any such transaction for SanDisk's joint ventures with Company D. Following this call, Mr. Mehrotra informed Mr. Marks about this interaction.

On July 21, 2015, SanDisk's board of directors held a meeting. At the meeting, Mr. Sadana updated SanDisk's board of directors on the meetings that had taken place between representatives of SanDisk and Western Digital, and the discussion around a proposed non-disclosure agreement with Western Digital. SanDisk's board of directors also discussed potentially engaging Goldman Sachs as financial advisor to SanDisk. The board of directors was informed by SanDisk management that Goldman Sachs had performed a conflicts check by reviewing the potential engagement through a centralized process to determine, among other things, whether Goldman Sachs was in a position to fulfill its responsibilities to SanDisk in connection with the potential engagement. Based on its review, Goldman Sachs concluded that, in its opinion, nothing would limit its ability to fulfill its responsibilities as financial advisor to SanDisk in connection with the contemplated engagement. The board of directors was also advised that Goldman Sachs had not been informed of the identities of any potential counterparties to the transaction. The board discussed the possibility of engaging other or additional financial advisors, and determined that it preferred Goldman Sachs not only due to its skill, reputation, familiarity with SanDisk and its history of providing advice to SanDisk, but also because any marginal benefit of having additional financial advisors was outweighed by the associated risks, including the risk of leaks. The board authorized SanDisk management to continue discussions with Goldman Sachs about a potential engagement, and to share with Goldman Sachs additional information concerning potential counterparties to allow it to further analyze any potential conflicts. In addition, at the meeting, a representative of Skadden, Arps, Slate, Meagher & Flom LLP, outside legal counsel to SanDisk, reviewed with the members of SanDisk's board of directors their fiduciary duties in the context of consideration of a strategic transaction. Finally, the board discussed recent publicly available information relating to Company A and authorized SanDisk management to resume discussions with Company A's representatives regarding a possible business combination.

On July 25, 2015, Mr. Sadana contacted a representative of Goldman Sachs to discuss engaging Goldman Sachs to act as SanDisk's financial advisor in connection with SanDisk's review of potential strategic transactions.

On July 28, 2015, SanDisk sent a draft non-disclosure agreement to Western Digital.

On July 31, 2015, Western Digital sent SanDisk a revised version of the draft non-disclosure agreement.

Also on July 31, 2015, Messrs. Mehrotra and Marks met, at the request of Company C, a private equity firm, with representatives of Company C to discuss the general industry environment and to explore the possibility of strategic transactions with Company A or Company D that might include the financial participation of Company C. Following the meeting, Messrs. Mehrotra and Marks concluded that the participation of Company C was unlikely to facilitate a transaction with Company A or Company D. Company C did not contact SanDisk again.

On August 1, 2015, Mr. Mehrotra met with the President of Company A to discuss Company A's exploratory interest in a possible business combination with SanDisk and the implications for SanDisk's joint ventures with Company D with respect to such a possible business combination.

Also on August 1, 2015, Mr. Mehrotra received a telephone call from the Chief Executive Officer of Company B, during which they discussed Company B's interest in exploring potential business and strategic opportunities with SanDisk. Following the call, Mr. Mehrotra notified Mr. Marks of his discussion with the Chief Executive Officer of Company B.

Table of Contents

On August 4, 2015, Messrs. Mehrotra and Marks met with the Chief Executive Officer of Company A and the President of Company A to discuss Company A's exploratory interest in a possible business combination with SanDisk and the implications for SanDisk's joint ventures with Company D with respect to such a possible business combination.

On August 5, 2015, at a regularly scheduled meeting of Western Digital's board of directors, Western Digital's board of directors and senior management discussed market trends affecting the memory and storage industries as well as a potential business acquisition of SanDisk, including preliminary financial review of such a transaction. Mr. Long proposed that Western Digital's management team refine its transaction and value analysis and submit a non-binding letter of intent. After further discussion among the Western Digital's board of directors, Western Digital's board of directors authorized Western Digital's management to continue pursuing a potential acquisition of SanDisk but to seek further authorization prior to submitting a non-binding letter of intent.

Also, on August 5, 2015, Mr. Mehrotra had a telephone call with a representative of Company D to inform Company D of both Western Digital and Company A's exploratory interest in a possible business combination with SanDisk.

On August 6, 2015, Mr. Mehrotra contacted the Chief Executive Officer of Company B by telephone to discuss whether Company B had an interest in exploring a potential business combination with SanDisk.

Also on August 6, 2015, representatives of Skadden discussed with representatives of Cleary Gottlieb Steen & Hamilton LLP (Cleary Gottlieb), outside counsel to Western Digital, the draft non-disclosure agreement between SanDisk and Western Digital.

In addition, on August 6, 2015, SanDisk sent a draft non-disclosure agreement to Company A.

On August 7, 2015, Mr. Sadana and Mr. Long discussed the draft of the non-disclosure agreement between SanDisk and Western Digital and the process for considering a potential transaction between the two companies.

On August 8, 2015, Company A sent a revised draft of the non-disclosure agreement to SanDisk.

On August 10, 2015 and August 11, 2015, Mr. Hartner had telephone calls with the Associate General Counsel and the Vice President of Corporate Development of Company A to discuss a draft non-disclosure agreement and the focus areas for due diligence review that would enable Company A to make a proposal for a business combination with SanDisk.

On August 11, 2015, Western Digital's board of directors held a meeting and Western Digital's management reviewed both Western Digital's proposal for a business combination with SanDisk and the broader corporate strategy underlying the proposed business combination with Western Digital's board of directors. Mr. Long also updated the board of directors about the meetings and discussions that had taken place between representatives of Western Digital and SanDisk relating to the proposed business combination and provided updates regarding due diligence and SanDisk's desire for Western Digital to sign a standstill agreement with a one-year term. Messrs. Milligan, Long and Western Digital's board of directors also discussed potential bidding strategies, and current and possible future market conditions. Messrs. Milligan and Long discussed with Western Digital's board of directors preliminary financial analyses regarding a potential transaction with SanDisk prepared by McKinsey & Co., J.P. Morgan and BofA Merrill Lynch. Western Digital's management also reviewed with Western Digital's board of directors the result of its preliminary due diligence investigation of SanDisk, including SanDisk's joint ventures with Company D and the proposed due diligence strategy. Western Digital's management also discussed the regulatory clearance process for a transaction with SanDisk and the expected debt levels that would result from a deal with SanDisk. Western Digital's

management s also discussed the potential impact of potential interlopers. Representatives of Cleary Gottlieb also discussed with the board of

Table of Contents

directors the methods that SanDisk might use in evaluating other potential alternative opportunities. After additional discussion, the board of directors authorized Western Digital's management to submit a preliminary non-binding bid to SanDisk at a purchase price of \$80 per share.

On August 12, 2015, Mr. Mehrotra met with the Chief Executive Officer of Company B to further explore Company B's potential interest in a possible business combination with SanDisk.

Also on August 12, 2015, Mr. Mehrotra met with Mr. Milligan. At the meeting, Mr. Milligan provided a written preliminary non-binding indication of interest to Mr. Mehrotra for the acquisition of all of the outstanding shares of SanDisk common stock by Western Digital for a price of \$80 per share, to consist of \$65 in cash and 0.1803 shares of Western Digital common stock. The indication of interest was accompanied by highly confident letters from J.P. Morgan, dated August 11, 2015, and BofA Merrill Lynch, dated August 12, 2015, to give SanDisk comfort that Western Digital would be able to fund the proposed transaction. The indication of interest also requested a four-week exclusivity period for negotiations. Following its receipt, Mr. Mehrotra provided the indication of interest to SanDisk's board of directors.

On August 13, 2015, Messrs. Mehrotra and Sadana spoke with the Chief Executive Officer of Company A by telephone regarding the unresolved issues in the draft non-disclosure agreement being negotiated between SanDisk and Company A.

Also on August 13, 2015, Mr. Mehrotra spoke with Mr. Milligan by telephone and informed him that SanDisk would respond to Western Digital's preliminary indication of interest during the week of August 27, 2015, because SanDisk needed time to carefully consider the preliminary indication of interest. On the same day, Mr. Sadana spoke with Mr. Long via telephone and conveyed the same message.

Also on August 13, 2015, the Chief Executive Officer of Company B communicated to Mr. Mehrotra via e-mail that Company B was not interested in pursuing an acquisition of SanDisk.

Later on August 13, 2015, SanDisk's board of directors held a meeting at which representatives of SanDisk's management provided an update on the meetings and communications that had taken place between representatives of SanDisk and representatives from each of Company A, Company B, Company C, Company D and Western Digital. SanDisk's board of directors discussed SanDisk's strategy for engagement with each of Company A and Western Digital, the possibility of reaching out to additional potential transaction counterparties and Mr. Mehrotra's upcoming trip to visit Company D and the discussions with Company D. In particular, the Board directed management to complete the negotiation of a non-disclosure agreement with Company A and to obtain input from Company D on how a transaction with Company A or Western Digital would affect SanDisk's joint ventures with Company D. The board of directors and SanDisk's management also discussed the business environment surrounding SanDisk as a stand-alone entity, the competitive environment generally and alternative acquisition targets potentially available to Western Digital and the potential impact on SanDisk of various industry merger and acquisition (M&A) scenarios. The board of directors also conferred with members of management about Goldman Sachs' role as a counterparty to SanDisk with respect to 50% of the 2017 Call Spread Transactions and 20% of the 2020 Call Spread Transactions, which had been put in place to potentially offset the dilutive effects of conversion of the applicable Convertible Notes. The discussion included a review of conversations held on July 31, 2015 and August 10, 2015 between SanDisk management and representatives of Goldman Sachs regarding a detailed presentation prepared by Goldman Sachs on this topic. The board of directors considered the possible financial implications of the Call Spread Transactions in the context of a change of control transaction, including preliminary estimates (as of July 28, 2015) provided by Goldman Sachs of the amounts that would be due to or from Goldman Sachs on early termination of the Call Spread Transactions and the estimated possible effect on Goldman Sachs, taking into account Goldman Sachs' theoretical

expected hedging activities in connection with the Call Spread Transactions based on ordinary practice (the GS Unwind Estimates), in each case at different takeout premiums and certain assumptions regarding market volatility and other relevant factors. On the basis of a range of specified assumptions, including an acquisition with a cash

Table of Contents

component that is greater than 10%, an assumed transaction announcement date of October 30, 2015, an assumed closing date of June 30, 2016 and a range of assumed transaction prices, these estimates showed that Goldman Sachs might realize a net theoretical gain (after taking into account any estimated hedging gains or losses) ranging from approximately \$109.1 million to approximately \$156.8 million (or a net cash impact to Goldman Sachs ranging from a net cash receipt of approximately \$18.1 million to approximately \$65.8 million). On the same basis and assumptions, but with an assumed transaction announcement date of February 1, 2016 and an assumed closing date of October 3, 2016, these estimates showed that Goldman Sachs might realize a net theoretical gain (after taking into account any estimated hedging gains or losses) ranging from approximately \$100.1 million to approximately \$146.8 million (or a net cash impact to Goldman Sachs ranging from a net cash receipt of approximately \$9.1 million to approximately \$55.9 million). Under each set of estimates, within the assumed range of transaction prices and based on the related set of assumptions, the aggregate amount of such net theoretical gain to Goldman Sachs would be greater at higher transaction prices. The GS Unwind Estimates were prepared by Goldman Sachs based on theoretical models because of information barriers between the representatives of Goldman Sachs who were advising SanDisk, on the one hand, and the Goldman Sachs professionals who were directly managing the Call Spread Transactions on the part of Goldman Sachs, on the other hand. The board requested additional information regarding the transactions and Goldman Sachs' potential financial incentives in connection therewith, which was provided to the board at its August 24, 2015 meeting.

On August 14, 2015, Mr. Sadana had a telephone call with Mr. Long. During this call, the parties discussed details about the process to explore the potential combination between the companies.

On August 15, 2015, Mr. Hartner had a telephone call with the Associate General Counsel of Company A. The parties discussed the status of negotiations over the draft non-disclosure agreement.

On August 16, 2015, at the direction of SanDisk's board of directors, a representative of Goldman Sachs spoke with the Chief Executive Officer of Company A via telephone regarding Company A's exploratory interest in a potential business combination with SanDisk and potential next steps.

On August 18, 2015, at the direction of SanDisk's board of directors, a representative of Goldman Sachs spoke with representatives of Company A's financial advisor regarding potential next steps for the exploration of a business combination between Company A and SanDisk.

On August 19, 2015 and August 20, 2015, Mr. Mehrotra met with representatives of Company D, including Company D's President and Chief Executive Officer, to discuss the possible acquisition of SanDisk by a third party, and sought Company D's support in any such transaction, including by providing appropriate access to the joint venture agreements between SanDisk and Company D to potential counterparties. During the discussions, Mr. Mehrotra further encouraged representatives of Company D to consider making a proposal for a business combination transaction with SanDisk.

On August 23, 2015, SanDisk and Company A entered into a non-disclosure agreement, which included a standstill provision that by its terms will terminate on August 23, 2016, and that would fall away sooner if a third party commenced a tender or exchange offer and SanDisk recommended acceptance, or SanDisk entered into a definitive agreement with a third party for a change of control of SanDisk.

On August 24, 2015, SanDisk's board of directors held a meeting. At the meeting, representatives of Skadden reminded the members of SanDisk's board of directors of their fiduciary duties in the context of consideration of a strategic transaction and possible regulatory considerations in connection with a potential business combination between SanDisk and possible counterparties. During this meeting, SanDisk's board of directors discussed the fact

that, as had been previously disclosed in earlier proxy statements of SanDisk, D. Scott Mercer, a member of SanDisk's board of directors, had previously served as an executive of Western Digital. At the meeting, Mr. Mercer provided additional information regarding the fact that he had been employed by Western Digital from 1991-1995 and again from 2001-2004, at one point had served as Western

Table of Contents

Digital's Chief Financial Officer and that he has very close personal ties to certain employees at Western Digital. Mr. Mercer also noted that he owns no Western Digital common stock and has no other financial interest in Western Digital. Following this disclosure, Mr. Mercer excused himself to permit the board to consider his connections with Western Digital outside his presence. In Mr. Mercer's absence, SanDisk's board engaged in a discussion of these connections and concluded that Mr. Mercer could still be disinterested and independent with respect to a transaction with Western Digital and that SanDisk's board of directors would benefit from his knowledge and experience. Mr. Mercer then rejoined the meeting. SanDisk's board of directors then continued its review of the possible financial implications of Goldman Sachs' role as one of the counterparties to the Call Spread Transactions, including the potential amounts payable thereunder on early termination. Specifically, the board considered the estimated possible effect of a business combination on Goldman Sachs, taking into account Goldman Sachs' theoretical expected hedging activities in connection with the Call Spread Transactions based on ordinary practice, and certain assumptions regarding stock price, market volatility, and other relevant factors, as described in the GS Unwind Estimates provided to the board and discussed at the August 14, 2015 board meeting. It was noted that the GS Unwind Estimates generally showed that, subject to the specified assumptions and within the defined range of transaction prices, for the 2017 Call Spread Transactions and 2020 Call Spread Transactions in the aggregate, Goldman Sachs expected to accrue greater aggregate net theoretical gains (after taking into account any estimated hedging gains and losses) at higher premium levels and at a sooner deal date (comparing transaction announcement dates of October 30, 2015 and February 1, 2016). Representatives of management noted that, given the complexity of the call spread analysis, SanDisk consulted with an additional advisor who provided management with its separate analysis which management determined confirmed the conclusion that Goldman Sachs is expected to accrue greater aggregate gains at higher premium levels and sooner deal dates. SanDisk management summarized the analysis of this additional third party advisor during the board meeting. Following the discussion, a consensus emerged that Goldman Sachs' interests in achieving a deal at the highest possible price would be aligned with those of SanDisk and its stockholders, and, after reviewing a draft engagement letter between SanDisk and Goldman Sachs as financial advisor, SanDisk's board of directors determined to engage Goldman Sachs. Following such review, representatives of Skadden discussed with the board of directors certain regulatory matters that may be relevant to the proposed transaction with Western Digital and the potential transaction with Company A. After representatives of Goldman Sachs joined the meeting, Mr. Mehrotra and Mr. Sadana updated SanDisk's board of directors on SanDisk's discussions with each of Western Digital and Company A. Representatives of SanDisk's management gave a presentation on SanDisk's financial outlook on a stand-alone basis. Goldman Sachs discussed with SanDisk's board of directors financial aspects of the indication of interest from Western Digital and reviewed strategic alternatives with the board of directors, including acquisitions, a recapitalization, spin-offs, leveraged buyouts, a sale of SanDisk and potential acquirers. After the representatives of Goldman Sachs left the meeting, SanDisk's board of directors discussed the various potential strategic alternatives, including transactions with the various parties engaged in discussions with SanDisk and other potentially interested parties, SanDisk's stand-alone prospects and engagement with Company D. The board of directors, together with SanDisk's management and representatives of Goldman Sachs and Skadden, also engaged in discussion of the benefits and risks of contacting certain third parties who might have an interest in engaging in a strategic transaction with SanDisk. Following that discussion, SanDisk's board of directors determined not to contact additional third parties beyond Western Digital, Company A and Company D because of the significant commercial issues involved in contacting such third parties, the high likelihood that the potential transaction would be leaked to the public and negatively impact prospects for the current discussions underway with Western Digital (as well as SanDisk's business and employees), the low likelihood of securing a superior proposal (from both a financial and a deal-certainty perspective), and the fact that the merger agreement would be negotiated to preserve the ability of SanDisk's board of directors to consider superior offers should any interested parties emerge following the announcement of any transaction. SanDisk's board of directors then discussed with SanDisk's management next steps with each of Western Digital, Company D and Company A. Following a lengthy discussion about the importance of achieving the greatest value for SanDisk stockholders, SanDisk's board of directors reaffirmed their interest in pursuing a potential transaction with Western Digital but directed management to seek a higher purchase price in the mid-\$90s per share.

SanDisk's board of directors also directed management to continue to seek a proposal for a business combination from Company A.

Table of Contents

On August 25, 2015, SanDisk formally engaged Goldman Sachs as its financial advisor and executed an engagement letter with Goldman Sachs.

Also on August 25, 2015, Mr. Mehrotra communicated to Mr. Milligan that SanDisk's board of directors viewed Western Digital's \$80 per share proposal as unacceptable, but reiterated SanDisk's continued interest in pursuing a possible transaction with Western Digital at a purchase price in the mid-\$90s per share.

On August 27, 2015 and August 28, 2015, Mr. Hartner spoke with representatives of Company A on telephone calls regarding the logistics and agenda for upcoming due diligence meetings between SanDisk and Company A.

On August 28, 2015, Mr. Sadana had a telephone call with Mr. Long. During this call, the parties discussed next steps regarding a potential combination between SanDisk and Western Digital.

Also on August 28, 2015, representatives of SanDisk met with representatives of Company A to provide Company A with detailed due diligence on SanDisk, focused on SanDisk's joint ventures and operations. Representatives of Goldman Sachs and Company A's financial advisor and outside legal counsel were also present at this meeting.

On August 30, 2015, a representative of Goldman Sachs had a telephone call with Mr. Long regarding the expectations of SanDisk's board of directors and the draft non-disclosure agreement being negotiated between SanDisk and Western Digital.

Also on August 31, 2015, Mr. Sadana spoke with Mr. Long on two telephone calls regarding the terms of the non-disclosure agreement being negotiated between SanDisk and Western Digital.

On August 31, 2015, representatives of SanDisk again met with representatives of Company A for detailed due diligence on SanDisk. Representatives of Goldman Sachs and Company A's financial advisor also attended this meeting.

On September 2, 2015 and September 3, 2015, a representative of Goldman Sachs had telephone calls with representatives of Company A's financial advisor regarding Company A's transaction process-related and due diligence requests to SanDisk.

Also on September 2, 2015, Company D agreed to permit SanDisk to allow potential counterparties to a business combination with SanDisk to have access to redacted copies of the joint venture agreements between SanDisk and Company D for a period of 30 days.

On September 3, 2015, SanDisk and Western Digital entered into a non-disclosure agreement, which included a standstill provision that by its terms will terminate on September 3, 2016, and that would fall away sooner if a third party commenced a tender or exchange offer with respect to SanDisk which, if successful, would result in the third party owning a majority of SanDisk's voting equity, or if SanDisk entered into or publicly announced a definitive agreement with a third party for a change of control of SanDisk, or if SanDisk publicly disclosed a process for a possible change of control acquisition.

On September 4, 2015, SanDisk provided Company A with access to the redacted Company D-SanDisk joint venture agreements for a 30-day period.

On September 9, 2015, representatives of SanDisk met with representatives of Western Digital, Western Digital's lenders and consultants to review a management presentation by SanDisk.

Also on September 9, 2015, Mr. Mehrotra had a telephone call with a representative of Company D regarding the possibility that SanDisk would be sold to a third party and Company D's possible interest in a business combination with SanDisk. During that telephone call, the representative of Company D advised Mr. Mehrotra that Company D might have an interest in acquiring SanDisk some time during the second half of

Table of Contents

2016 and, accordingly, would be making a proposal in a few weeks. Mr. Mehrotra responded that the pace of activity with the other interested parties was accelerating and that Company D needed to take this into consideration in its internal deliberation process.

On September 10, 2015, SanDisk's board of directors held a meeting. SanDisk's management and the board of directors discussed Company D's expressed interest in acquiring SanDisk and related discussions between SanDisk and Company D about timing and the benefits and risks associated with such a transaction. SanDisk's management further updated the board of directors on recent discussions with each of Western Digital, Company D and Company A regarding possible business combination transactions, related due diligence and process issues and potential reactions of Company D to an offer from any of the prospective buyers.

On September 11, 2015, a representative of Goldman Sachs had a telephone call with Mr. Long to follow up regarding the availability of the due diligence materials Western Digital requested.

Also on September 11, 2015, SanDisk provided Western Digital with access to the redacted Company D-SanDisk joint venture agreements for a 30-day period.

On September 14, 2015, in connection with its proposed engagement as financial advisor to Western Digital, BofA Merrill Lynch provided a letter addressed to Western Digital's board of directors summarizing its relationships with SanDisk. The disclosure to the Western Digital board of directors discussed that, in connection with SanDisk's issuance of the 2020 Convertible Notes, SanDisk had entered into the 2020 Call Spread Transactions with BofA Merrill Lynch's affiliate, BANA, and three other counterparties (collectively, the 2020 Hedge Banks), each acting as principal for its own account, and that a sale of SanDisk could trigger adjustments to or the termination of, as well as payment obligations under, the 2020 Call Spread Transactions.

Between September 14, 2015 and September 16, 2015, representatives of SanDisk had a series of due diligence telephone calls with representatives of Western Digital regarding various aspects of SanDisk's business, as well as an in-person meeting on September 15, 2015 regarding the same matter.

Separately, on September 15, 2015, a representative of Goldman Sachs had a telephone call with Mr. Long in advance of the Western Digital board meeting regarding the expectations of SanDisk's board of directors around purchase price.

On September 16, 2015, at a regularly scheduled meeting of Western Digital's board of directors, Mr. Long updated Western Digital's board of directors on the potential business combination with SanDisk and discussed the communications between representatives of Western Digital and SanDisk and the additional diligence meetings between Western Digital and SanDisk that were planned. Mr. Long discussed with Western Digital's board of directors that Western Digital's management hoped to negotiate a definitive agreement, financing terms and complete confirmatory diligence during the next month. Mr. Long also reviewed with the board certain preliminary financial analyses with respect to SanDisk as well as an analysis of potential interlopers and the opportunities and challenges each would face in completing a combination with SanDisk.

On September 16, 2015, a representative of Goldman Sachs had a telephone call with the Chief Financial Officer of Company A regarding due diligence requests of Company A.

On September 17, 2015, Mr. Mehrotra met with Company A's Chief Executive Officer in person at a conference to discuss due diligence matters.

On September 18, 2015, a representative of Goldman Sachs spoke with Mr. Long regarding the timeline for a revised proposal for a transaction between Western Digital and SanDisk.

Table of Contents

On September 21, 2015, representatives of SanDisk and representatives of Goldman Sachs met in person with representatives of Company A and Company A's financial advisor regarding financial due diligence matters. Following the meeting, Judy Bruner, SanDisk's Executive Vice President, Administration and Chief Financial Officer met with the chief financial officer of Company A to further discuss financial due diligence matters.

On September 22, 2015, Mr. Mehrotra met with Mr. Milligan. At the meeting, Mr. Milligan orally conveyed to Mr. Mehrotra a revised indication of interest from Western Digital to purchase all of SanDisk's common stock at a valuation of \$83 per share, of which \$65 would be paid in cash, with the remaining \$18 to be paid in Western Digital common stock. Mr. Milligan subsequently provided Mr. Mehrotra via e-mail with a written preliminary indication of interest containing such terms, which also included a proposed four-week exclusivity provision. The preliminary indication of interest was subsequently provided to SanDisk's board of directors.

On September 23, 2015, SanDisk's board of directors held a meeting. Skadden representatives reviewed with the members of SanDisk's board of directors their fiduciary duties in the context of the consideration of a strategic transaction. At this meeting, SanDisk's board of directors, with the assistance of SanDisk's management and financial and legal advisors, discussed Company D's prior expression of interest regarding a potential business combination with SanDisk, the revised preliminary indication of interest from Western Digital, SanDisk's own standalone prospects, the bidding history to date with Western Digital, alternatives that may be available to Western Digital and the status of SanDisk's discussions with other potential transaction counterparties. Following this discussion, SanDisk's board of directors directed SanDisk's management to continue discussions with Western Digital with a view towards increasing the price offered by Western Digital to \$92 per share and coming to alignment with Western Digital around certain key deal certainty matters.

Later on September 23, 2015, and also on September 24, 2015, Mr. Mehrotra met with Mr. Milligan to discuss Western Digital's revised preliminary indication of interest and to convey the view of SanDisk's board of directors that Western Digital needed to increase the value of its proposal to \$92 per share.

On September 25, 2015, Mr. Mehrotra had a telephone call with Mr. Milligan to discuss Western Digital's revised indication of interest and a potential path forward for a transaction. Following the telephone call, Mr. Milligan delivered to Mr. Mehrotra a revised preliminary indication of interest to purchase all of SanDisk's common stock at a valuation of \$85 per share, of which \$65 would be paid in cash, with the remaining \$20 to be paid in Western Digital common stock. The revised preliminary indication of interest provided for a four week exclusivity period to complete due diligence and definitive agreements, and included highly confident letters from J.P. Morgan and BofA Merrill Lynch, Western Digital's financing sources, each dated September 21, 2015. These materials were provided to SanDisk's board of directors. Later on September 25, 2015, Mr. Mehrotra spoke by phone with Mr. Marks regarding Western Digital's revised preliminary indication of interest. In addition, a representative of Goldman Sachs and Mr. Long discussed the topics of deal certainty, due diligence and transaction timing, during a September 25, 2015 telephone call.

On September 26, 2015, Mr. Mehrotra had a telephone call with Mr. Milligan to deliver SanDisk's response to Western Digital's revised preliminary indication of interest. Pursuant to SanDisk's board of directors' prior discussions regarding maximizing stockholder value, Mr. Mehrotra conveyed to Mr. Milligan that SanDisk would not accept Western Digital's revised preliminary indication of interest and reiterated SanDisk's view that Western Digital needed to increase the value of its proposal to \$92 per share. Mr. Milligan declined to increase the proposal as requested. With Mr. Marks' authorization, Mr. Mehrotra advised Mr. Milligan that SanDisk's board of directors had authorized him only to accept \$92 per share, but that he and Mr. Marks were prepared to support a proposal at \$90.50 per share and he urged Mr. Milligan to increase Western Digital's proposed consideration.

On September 27, 2015, Mr. Mehrotra had a telephone call with Mr. Milligan to discuss Western Digital's revised indication of interest and potential path forward for a transaction. Following this telephone call, Western

Table of Contents

Digital delivered a revised preliminary indication of interest to purchase all of SanDisk's outstanding shares of common stock at a valuation of \$86.50 per share, of which \$65 would be paid in cash, with the remaining \$21.50 to be paid in Western Digital common stock. The indication of interest stated that it was Western Digital's best and final non-binding proposal, and again requested a four week exclusivity period. Also on September 27, 2015, a representative of Goldman Sachs spoke with Mr. Long about matters associated with deal certainty as well as the plan for continued Western Digital due diligence and reciprocal due diligence to be done by SanDisk on Western Digital.

Also on September 27, 2015, Mr. Mehrotra received a telephone call from a representative of Company D, during which the Company D representative asked for an update on the state of SanDisk's process and orally reiterated interest in a business combination transaction between Company D and SanDisk. Mr. Mehrotra responded that the negotiations with one of the interested parties had advanced significantly since their last conversation and advised Company D that time was of the essence with respect to any proposal it might make.

On September 28, 2015, SanDisk's board of directors held a meeting. At the meeting, the board of directors deliberated on the revised preliminary indication of interest from Western Digital and provided guidance to SanDisk's management on how to respond to Western Digital. Skadden representatives reviewed with the members of SanDisk's board of directors their fiduciary duties in the context of the consideration of a strategic transaction. SanDisk's board considered Western Digital's request for exclusivity, including possible benefits and risks of granting exclusivity, and received advice from the representatives of Goldman Sachs and Skadden. Representatives of Goldman Sachs discussed with SanDisk's board of directors the financial aspects of the revised proposal from Western Digital, including the high premium reflected in the proposal. Skadden representatives also discussed with SanDisk's board a draft term sheet of key terms that might be presented to Western Digital, with a particular focus on matters relating to certainty of closing, fiduciary duties and related matters such as the importance and the ability of SanDisk's board of directors to consider superior offers were any interested parties to emerge following announcement of any transaction. Also at this meeting, SanDisk's management discussed with SanDisk's board of directors the oral expression of interest from Company D the prior evening. Management further reported that Company A's 30-day period to access redacted versions of the joint venture agreements between SanDisk and Company D had entered its last week, yet Company A had not requested an extension of this period, made significant updates or provided additional information. The board of directors then had a general discussion regarding the likelihood that neither Company A nor Company D would propose a transaction that would be superior to the proposed transaction with Western Digital. After an extensive discussion about the options available to SanDisk, the board of directors directed Mr. Mehrotra to inform Western Digital that Western Digital's recent proposed price of \$86.50 represented a valuation at which SanDisk was prepared to continue to negotiate with Western Digital with respect to the portion of the purchase price that would be paid in cash, the need to maximize deal certainty and other terms and conditions of the proposed transaction.

Following the SanDisk board meeting, on September 28, 2015, Mr. Mehrotra met with Mr. Milligan to discuss the revised proposal from Western Digital. Mr. Mehrotra conveyed SanDisk's board of directors' willingness to pursue a transaction on the basis of Western Digital's revised proposal of \$86.50 per share, provided agreement could be achieved on certain deal certainty terms highlighted by SanDisk's board and the portion of the consideration that could be paid in cash. Messrs. Mehrotra and Milligan discussed next steps for the potential transaction including the timing for a joint visit to seek the support of Company D for the proposed combination.

Also on September 28, 2015, a representative of Goldman Sachs and Mr. Long discussed on a telephone call next steps regarding the term sheet, the preliminary indication of interest and a possible timeline for a potential transaction.

On September 29, 2015, Mr. Mehrotra spoke with Mr. Milligan on a series of telephone calls regarding the Unis Investment, as well as to discuss the terms of the proposed transaction between Western Digital and SanDisk.

Table of Contents

Also on September 29, 2015, Mr. Long had a telephone call with a representative of Goldman Sachs to discuss adjustments to Western Digital's preliminary non-binding indication of interest requested by Western Digital. Mr. Long thereafter sent to representatives of Goldman Sachs a letter from Mr. Milligan addressed to Mr. Mehrotra adjusting certain terms of the preliminary non-binding indication of interest delivered by Western Digital on September 27, 2015. Specifically, the adjusted terms provided that, if the proposed Unis Investment were to close prior to the closing of the proposed transaction between SanDisk and Western Digital, the \$86.50 per share consideration would be paid solely in cash or, at Western Digital's election, would include up to 5 million shares of Western Digital common stock valued at its pre-signing 5-day trailing volume weighted average price and, if the proposed Unis Investment were not to have closed prior to the anticipated closing of the transaction between SanDisk and Western Digital, up to 19.9% of Western Digital's outstanding shares could be included in the \$86.50 per share at Western Digital's election.

On September 30, 2015, Western Digital issued a press release announcing that Western Digital had entered into an agreement with the Unis Parties, pursuant to which Western Digital would issue and sell to the Unis Guarantor 40,814,802 shares of Western Digital common stock, \$0.01 par value, for \$92.50 per share, for an aggregate purchase price of approximately \$3.775 billion.

On October 1, 2015, Mr. Mehrotra had a meeting with Mr. Milligan regarding the key terms of the proposed transaction between Western Digital and SanDisk and the timeline to arrive at an agreement. That same day, a representative of Goldman Sachs had a separate telephone call with Mr. Long regarding the potential need for a Western Digital shareholder vote, Western Digital's request for exclusivity and a timeline for the potential transaction.

Also on October 1, 2015, representatives of Goldman Sachs provided further information regarding the estimates of the net unwind payments to be made to or by SanDisk as a consequence of the unwind of the Call Spread Transactions to SanDisk management, on the basis previously provided in the GS Unwind Estimates, using \$86.50 as the transaction value and updated volatility assumptions, and an assumed October 21, 2015 transaction announcement date and June 30, 2016 closing date.

Also on October 1, 2015, SanDisk's board of directors held a meeting. At the meeting, SanDisk's board discussed Western Digital's announcement of a planned investment by the Unis Guarantor in Western Digital, and how this announced transaction might affect the proposed business combination between SanDisk and Western Digital and the ongoing negotiations between SanDisk and Western Digital.

On October 2, 2015, Mr. Mehrotra had a telephone call with Mr. Milligan to discuss the terms of a draft outline of certain key terms for the proposed transaction. That same day, a representative of Goldman Sachs had a telephone call with Mr. Long regarding the status of Western Digital's due diligence efforts.

Also on October 2, 2015, a representative of Goldman Sachs also had a telephone call with representatives of Company A's financial advisor to discuss the status of Company A's deliberations and the timing for any potential indication of interest from Company A to acquire SanDisk. Company A signaled that they were continuing to do work on a potential indication of interest but were unable to provide any timeline for when Company A might submit an offer. Ultimately, Company A never submitted a proposal to SanDisk.

On October 3, 2015, Messrs. Sadana and Long discussed the status and timeline of ongoing due diligence, and next steps.

On October 4, 2015, representatives of SanDisk, Western Digital, Skadden and Cleary Gottlieb met to discuss regulatory matters that may be relevant to the proposed transaction. On the same day, after the meeting, Mr. Mehrotra

had a telephone call with Mr. Milligan during which they discussed regulatory matters and the possibility that a vote of Western Digital's stockholders might be required.

Later on October 4, 2015, Mr. Mehrotra provided SanDisk's board of directors with an update on the status of discussions between Western Digital and SanDisk regarding the proposed transaction. Mr. Mehrotra indicated

Table of Contents

that, following the last board meeting, he had reiterated to Western Digital the board's proposed process for moving forward with a potential transaction. Mr. Mehrotra also provided an update on the meeting of SanDisk, Western Digital and their respective legal advisors that had been held earlier in the day to discuss regulatory matters.

On October 5, 2015 and October 6, 2015, Mr. Mehrotra had telephone calls with Mr. Milligan and a representative of Goldman Sachs had a separate telephone call with Mr. Long regarding the outline of key terms under negotiation between SanDisk and Western Digital.

On October 6, 2015, Mr. Milligan sent a letter to Mr. Mehrotra regarding the progress of negotiations between Western Digital and SanDisk and the preliminary non-binding indication of interest that Western Digital had previously delivered to SanDisk, attaching a revised outline of key terms for the potential transaction.

On October 7, 2015 and October 8, 2015, a representative of Goldman Sachs had additional telephone calls with Mr. Long during which they continued to discuss key terms for the potential transaction between Western Digital and SanDisk.

On October 8, 2015, Mr. Mehrotra called Mr. Milligan to discuss the progress of negotiations between Western Digital and SanDisk and Western Digital's most recent indication of interest and outline of key terms, and subsequently sent a letter to Mr. Milligan regarding the same.

On October 9, 2015, Mr. Milligan sent an e-mail to Mr. Mehrotra, attaching a letter to Mr. Marks regarding the progress of negotiations between Western Digital and SanDisk, the preliminary non-binding indication of interest that Western Digital had made to SanDisk in prior correspondence and proposing in-person meetings to further the negotiations over the outline of key terms.

Also, on or around October 9, 2015, a representative of Goldman Sachs had a telephone call with Mr. Long to discuss the details of the proposed in-person meetings.

On October 11, 2015, representatives of SanDisk, Western Digital, Skadden, Cleary Gottlieb and Goldman Sachs met to negotiate a draft term sheet for the potential transaction. Following the negotiations, alignment on key transaction terms emerged. Following the meeting, Mr. Mehrotra contacted representatives to Company D to arrange a meeting among Mr. Mehrotra, Mr. Milligan and representatives of Company D.

On October 12, 2015, two due diligence calls were held with representatives of SanDisk and Western Digital. The first call pertained to financial matters and included Ms. Bruner and others from SanDisk. The second call pertained to human resource matters and included Mr. Thomas Baker, SanDisk Senior Vice President, Human Resources, as well as Ms. Bruner and others from SanDisk.

Also on October 12, 2015, Mr. Sadana discussed with Mr. Long the reverse due diligence process, timeline and next steps so that SanDisk could assess the business prospects and outlook of Western Digital.

On October 13, 2015, representatives of Company D called Mr. Mehrotra and agreed to a meeting among Mr. Mehrotra, Mr. Milligan and representatives of Company D, which was scheduled for October 19, 2015. Also on the call on October 13, 2015, representatives of Company D indicated that the price Company D was considering for an acquisition of SanDisk was below the price being offered by Western Digital. Ultimately, Company D never submitted a proposal to SanDisk.

Also on October 13, 2015, representatives of SanDisk communicated with representatives of Company D and requested that Company D consent to providing the unredacted joint venture documents to Western Digital and extend the review period originally permitted by Company D. Company D consented to the extension of the

Table of Contents

review period for the redacted joint venture agreements, but did not grant permission to share unredacted versions of the joint ventures related agreements with Western Digital.

Also on October 13, 2015, SanDisk's board of directors held a meeting. Skadden representatives reviewed with members of SanDisk's board of directors their fiduciary duties in the context of the consideration of the proposal from Western Digital. At the meeting, SanDisk's management and the board of directors discussed the proposal, the key terms of the negotiations with Western Digital, anticipated next steps, anticipated interaction and discussion with Company D, the scope of SanDisk's due diligence investigation of Western Digital in relation to the stock component of the Western Digital proposal and the status of discussions with other potential interested parties. Representatives of SanDisk's management and the board discussed Company A's failure to submit a bid and the likelihood that Company A would not submit a proposal, despite repeated requests by SanDisk representatives and representatives of Goldman Sachs that it do so.

Also on October 13, 2015, Mr. Sadana and Mr. Long discussed the ongoing due diligence process and the reverse due diligence process.

On October 14, 2015, representatives of SanDisk spoke with representatives of Western Digital regarding due diligence matters.

Also on October 14, 2015, representatives of Skadden delivered an initial draft of the merger agreement to representatives of Cleary Gottlieb.

Also on October 14, 2015, representatives of Goldman Sachs provided to SanDisk management an update to the GS Unwind Estimates, on the basis of and subject to the limitations discussed above for the original GS Unwind Estimates, but assuming an \$86.50 transaction value, a transaction announcement date of October 21, 2015 and a transaction closing date of June 30, 2016 (similar to the October 1, 2015 update), and reflecting the stock price as of October 6, 2015. The updated estimates showed that, under a range of volatility assumptions, Goldman Sachs might realize a net theoretical gain (after taking into account any estimated hedging gains or losses) ranging from approximately \$93.6 million to approximately \$219.9 million (or a net cash impact to Goldman Sachs ranging from a net cash receipt of approximately \$2.8 million to approximately \$129.0 million). Within the assumed range of volatilities and based on the related set of assumptions, the net theoretical gains to Goldman Sachs would be greater at higher volatility levels.

On October 15, 2015, Mr. Long delivered to Mr. Sadana a draft timeline for the execution of definitive agreements between Western Digital and SanDisk.

Also on October 15, 2015, Ms. Bruner had a financial due diligence session with representatives of Western Digital.

Also on October 15, 2015, SanDisk's board of directors held a meeting during which SanDisk's management provided SanDisk's board of directors with an overview of SanDisk's due diligence investigation of Western Digital.

On October 16, 2015, representatives of SanDisk met with representatives of Western Digital for a management presentation by Western Digital. Following the presentation, Messrs. Mehrotra and Sadana met with Messrs. Milligan and Long to discuss a revised proposal from Western Digital valued at \$86.50 per share of SanDisk common stock, based on two scenarios: (1) if the Unis Investment had not closed prior to the anticipated closing of the transaction between SanDisk and Western Digital, \$67.00 in cash and Western Digital shares valued at \$19.50 based on the 5-day volume weighted average price of Western Digital common stock prior to the signing of the definitive agreement for the transaction; or (2) if the Unis Investment were to close prior to the anticipated closing of the transaction between

SanDisk and Western Digital, \$84.80 in cash and Western Digital shares valued at \$1.70 based on the 5-day volume weighted average price of Western Digital common stock prior to the signing of the definitive agreement for the transaction.

Table of Contents

Also on October 16, 2015, representatives of Skadden sent the initial draft of SanDisk's disclosure schedules to the merger agreement to representatives of Cleary Gottlieb.

On October 17, 2015, representatives of Cleary Gottlieb sent a revised draft of the merger agreement to representatives of Skadden, and on October 19, 2015, representatives of Cleary Gottlieb sent the initial draft of Western Digital's disclosure schedules to the merger agreement to representatives of Skadden.

Between October 17, 2015 and October 20, 2015, representatives of Skadden, Cleary Gottlieb, SanDisk and Western Digital negotiated the terms and exchanged drafts of the merger agreement and the respective disclosure schedules of SanDisk and Western Digital.

On October 18, 2015, Messrs. Mehrotra, Bhatia and Marks met with representatives of Company D to discuss the proposed business combination between SanDisk and Western Digital. At the meeting, Mr. Marks described to the representatives of Company D that the terms of the proposed merger agreement between SanDisk and Western Digital did not preclude SanDisk's board of directors from considering competing proposals.

Also on October 18, 2015, SanDisk's board of directors had a meeting. At the invitation of the board of directors, representatives of Goldman Sachs and Skadden were also present. Skadden representatives reviewed with the members of SanDisk's board of directors their fiduciary duties in the context of the consideration of a strategic transaction. SanDisk's management updated the board of directors on the negotiations with Western Digital, including the revised proposal received by SanDisk on October 16, 2015 and the status of the merger agreement and negotiations. Representatives of Goldman Sachs provided advice to SanDisk on the proposal from Western Digital. The board of directors provided the management of SanDisk with guidance on how to respond to Western Digital's latest offer, including emphasizing the importance of the cash and stock consideration mix, the absence of a closing condition tied to a minimum cash amount and the implications of SanDisk's joint ventures with Company D in respect of any such transaction. Additionally, Mr. Mehrotra and Mr. Marks provided an update on their meetings with representatives of Company D.

Also on October 18, 2015, BofA Merrill Lynch delivered a letter and written materials to Western Digital's board of directors with an updated summary of its relationships with SanDisk. BofA Merrill Lynch's letter included details regarding the 2020 Call Spread Transactions SanDisk entered into with the 2020 Hedge Banks, each acting as principal for its own account, in connection with SanDisk's issuance of the 2020 Convertible Notes. It described that BofA Merrill Lynch's affiliate, BANA, is a counterparty to SanDisk with respect to 20% of the 2020 Call Spread Transactions. In the written materials provided to the board of directors of Western Digital, BofA Merrill Lynch described, for illustrative purposes only, the potential effect of the sale of SanDisk as then proposed on the 2020 Call Spread Transactions and estimated the amount of the net contractual benefit under the 2020 Bond Hedge Transactions and the amount of the termination payment payable to BANA under the 2020 Warrant Transactions at various assumed acquisition prices and volatilities of SanDisk common stock. BofA Merrill Lynch estimated that BANA's net contractual benefit under its 2020 Bond Hedge Transactions would range from approximately \$61 million to approximately \$95 million (assuming Merger Consideration ranging from \$86.00 per share to \$87.00 per share of SanDisk common stock and a volatility of SanDisk common stock ranging from 30% to 45%) and the amount payable by SanDisk to BANA upon termination of its portion of the 2020 Warrant Transactions would range from approximately \$39 million to approximately \$76 million (assuming Merger Consideration ranging from \$86.00 per share to \$87.00 per share of SanDisk common stock and a volatility of SanDisk common stock ranging from 30% to 45%). The disclosures made by BofA Merrill Lynch in connection with the 2020 Call Spread Transactions are discussed further below under the heading *Opinion of Western Digital's Financial Advisors Merrill Lynch, Pierce, Fenner & Smith Incorporated*. In such written materials, BofA Merrill Lynch also described that in accordance with its internal policies and procedures, BofA Merrill Lynch maintains an enterprise information wall reasonably designed

to prevent the unauthorized disclosure of confidential information by or to employees in its investment banking division to or by employees on the public side of BofA Merrill Lynch, including employees who undertake

Table of Contents

hedging and other market transactions. Accordingly, BofA Merrill Lynch noted, as part of such written materials, that its employees providing advice to Western Digital in connection with the potential sale of SanDisk were not aware of BANA's actual hedge, and those employees involved in undertaking such hedging and other market transactions were not aware of the potential sale of SanDisk.

On October 19, 2015, Messrs. Mehrotra, Bhatia and Marks had another meeting with representatives of Company D, including the Chief Executive Officer of Company D, to continue the discussion of the proposed business combination between SanDisk and Western Digital.

Also on October 19, 2015, a representative of Company D contacted SanDisk to grant SanDisk permission to provide specified representatives of Western Digital with access to unredacted copies of the joint venture agreements between SanDisk and Company D.

Later that same day, on October 19, 2015, Messrs. Mehrotra, Bhatia and Milligan had a meeting with representatives of Company D, including the Chief Executive Officer of Company D, continuing the parties' discussion of the proposed SanDisk-Western Digital transaction as it relates to Company D. At the meeting, Company D's representatives indicated that they would be supportive of the proposed SanDisk-Western Digital transaction.

Also on October 19, 2015, Mr. Marks received from Mr. Milligan a letter conveying Western Digital's best and final offer, still valued at \$86.50 per share of SanDisk common stock, but with an increased cash component in each of the two scenarios as follows: (1) if the Unis Investment has not closed prior to the anticipated closing of the transaction between SanDisk and Western Digital, \$67.50 in cash and Western Digital shares valued at \$19.00 based on the 5-day volume weighted average price of Western Digital common stock prior to the signing of the definitive agreement for the transaction; or (2) if the Unis Investment were to close prior to the anticipated closing of the transaction between SanDisk and Western Digital, \$85.10 in cash and Western Digital shares valued at \$1.40 based on the 5-day volume weighted average price of Western Digital common stock prior to the signing of the definitive agreement for the transaction. However, the cash component of this proposal was, at Western Digital's option, subject to reduction (with a corresponding increase in the stock component, valuing such increase in the stock component based on the 5-day volume weighted average price of Western Digital common stock prior to the signing of the definitive agreement for the transaction) if SanDisk did not have a target level of cash available at closing.

.In addition, on October 19, 2015, representatives of Goldman Sachs provided to SanDisk management a further update to the GS Unwind Estimates, on the same basis and subject to the assumptions and limitations discussed above for the prior GS Unwind Estimates, but assuming an \$86.50 transaction value, a transaction announcement date of October 21, 2015 and transaction closing date of June 30, 2016 (similar to the October 1, 2015 and October 14, 2015 updates) and updated to reflect the stock price as of October 15, 2015. The updated estimates showed that, under a range of volatility assumptions, Goldman Sachs might realize a net theoretical gain (after taking into account any estimated hedging gains or losses) ranging from approximately \$109.1 million to approximately \$235.6 million (or a net cash impact ranging from a net cash payment by Goldman Sachs of approximately \$19.2 million to a net cash receipt by Goldman Sachs of approximately \$107.3 million). Within the assumed range of volatilities and based on the related set of assumptions, the net theoretical gains to Goldman Sachs would be greater at higher volatility levels. These updated GS Unwind Estimates were shared with SanDisk's board of directors at its meeting on October 20, 2015.

Also on October 19, 2015, Western Digital's board of directors held a meeting and Mr. Long and Olivier C. Leonetti, Western Digital's Chief Financial Officer summarized the proposed financing for the proposed business combination of SanDisk and reviewed related materials with Western Digital's board of directors. Messrs. Long and Leonetti explained to the board of directors that it had received commitment papers from Bank of America, N.A. (BANA),

BofA Merrill Lynch, JPMorgan Chase Bank, N.A., J.P. Morgan, Credit Suisse Securities (USA) LLC, Credit Suisse AG, Cayman Islands Branch and Royal Bank of Canada, which would involve a refinancing of existing debt of both Western Digital and SanDisk. Messrs. Long and Leonetti further explained

Table of Contents

that Rothschild, Inc. (Rothschild) had been engaged in assisting with the negotiation of the financing and that Cleary Gottlieb had advised Western Digital in negotiating the commitment letters. Mr. Leonetti reviewed with Western Digital s board of directors the credit profiles of Western Digital and SanDisk and representatives of both Rothchild and Cleary Gottlieb presented a detailed summary of the key economic terms of the financing commitment. Representatives of Rothschild also discussed several of the key covenant, fee and mandatory prepayment features present in the financing and presented a general update on the state of the debt markets. A representative of Baker & McKenzie LLP and Roberta Swanson, Western Digital s Vice President, Tax, discussed the proposed financing and acquisition from a tax perspective. Representatives of BofA Merrill Lynch and J.P. Morgan presented an additional overview of the financing, including key terms, a transaction timeline and update on the state of the markets. After additional questions and discussions among the board of directors, the board of directors unanimously authorized the financing as described in the commitment papers and authorized management to execute the final commitment papers.

On October 20, 2015, representatives of SanDisk and Goldman Sachs spoke with representatives of Western Digital regarding Western Digital s capitalization, due diligence matters and plans for the public announcement of the proposed transaction.

Also on October 20, 2015, SanDisk s board of directors held a meeting to discuss the revised offer from Western Digital, the mechanics of the offer and the state of negotiations. Skadden representatives reviewed with members of SanDisk s board of directors their fiduciary duties in the context of the consideration of the proposal from Western Digital. In discussion it was noted that neither Company A nor Company D had made a business combination proposal to SanDisk. After discussion, the board of directors reached a consensus that SanDisk should move forward with consideration of the transaction premised on Western Digital s revised proposal, and directed management to proceed accordingly.

Later on October 20, 2015, SanDisk s board of directors held another meeting. Skadden representatives reviewed with members of SanDisk s board of directors their fiduciary duties in the context of the consideration of the proposal from Western Digital. Skadden representatives also reviewed certain legal and regulatory considerations in connection with a potential transaction with Western Digital, and the implications of the proposed transaction under SanDisk s outstanding debt. The board of directors also discussed the updated GS Unwind Estimates that had been provided to SanDisk management on October 19, 2015. SanDisk s board of directors and management considered recent discussions with Western Digital, and together with representatives of Goldman Sachs and Skadden, discussed the results of the due diligence investigation SanDisk had conducted on Western Digital. Representatives of Goldman Sachs then presented an overview of the proposed transactions and its financial analysis of the merger consideration and delivered to SanDisk s board of directors an oral opinion, confirmed by delivery of a written opinion dated October 20, 2015, that, as of that date and based on and subject to various assumptions, matters considered and limitations and qualifications described in such opinion, the merger consideration to be paid to holders of shares of SanDisk common stock was fair from a financial point of view to such holders, as more fully described below under the caption *Opinion of SanDisk s Financial Advisor, Goldman Sachs* attached as Annex D to this joint proxy statement/prospectus. After further consideration and consultation with its advisors, including consideration of the factors described under the section *SanDisk s Reasons for the Merger and Recommendation of SanDisk s Board of Directors* below in this joint proxy statement/prospectus, SanDisk s board of directors determined that the merger agreement and the transactions contemplated thereby were advisable, fair to and in the best interests of SanDisk and SanDisk s stockholders, and authorized management to execute the final definitive agreement with Western Digital based on Western Digital s final offer.

Also on October 20, 2015, Western Digital executed engagement letters to formally engage J.P. Morgan and BofA Merrill Lynch as its financial advisors effective as of July 23, 2015.

Also on October 20, 2015, Western Digital's board of directors held a meeting. Mr. Long discussed with Western Digital's board of directors the letter sent to SanDisk on October 19, 2015, conveying Western Digital's

Table of Contents

best and final offer valued at \$86.50 per share of SanDisk common stock, of which \$85.10 would be payable in cash and the balance in Western Digital common stock if the Unis Investment were to close prior to the closing of the acquisition of SanDisk, or \$67.50 per share in cash and the balance in Western Digital Common Stock (calculated based on the trading 5-day volume weighted average price of Western Digital's common stock) if the Unis Investment had not closed by such time. Western Digital's board of directors and management considered recent discussions with SanDisk, and discussed the results of the due diligence investigation Western Digital had conducted on SanDisk. Michael Ray, the Executive Vice President, Chief Legal Officer and Secretary of Western Digital, discussed key terms of the proposed merger agreement and a representative of Cleary Gottlieb reviewed with members of Western Digital's board of directors their fiduciary duties in the context of the proposed acquisition of SanDisk and also reviewed certain key terms of the proposed merger agreement and various legal and regulatory considerations in connection with a potential transaction with SanDisk. Also at this meeting, representatives of BofA Merrill Lynch reviewed with Western Digital's board of directors its financial analysis relating to the Merger Consideration and delivered to Western Digital's board of directors an oral opinion, which was confirmed by delivery of a written opinion dated October 20, 2015, to the effect that, as of that date and based on and subject to the factors and assumptions set forth in its opinion, the consideration to be paid by Western Digital in the proposed Merger, was fair, from a financial point of view, to Western Digital as more fully described below under the heading *Opinion of Western Digital's Financial Advisors Merrill Lynch, Pierce, Fenner & Smith Incorporated*. In connection with the delivery of its fairness opinion at this meeting, BofA Merrill Lynch again reviewed its relationships with SanDisk, as previously disclosed to the board of directors, including the written materials related to the 2020 Call Spread Transactions delivered to the board of directors on October 18, 2015. The disclosure made by BofA Merrill Lynch in connection with the 2020 Call Spread Transactions is discussed further below under the heading *Opinion of Western Digital's Financial Advisors Merrill Lynch, Pierce, Fenner & Smith Incorporated*. Also at this meeting, representatives of J.P. Morgan reviewed with Western Digital's board of directors its financial analysis relating to the Merger Consideration and delivered to Western Digital's board of directors an oral opinion, which was confirmed by delivery of a written opinion dated October 20, 2015, to the effect that, as of such date and based on and subject to the factors and assumptions set forth in its opinion, the consideration to be paid by Western Digital in the proposed Merger, was fair, from a financial point of view, to Western Digital as more fully described below under the heading *Opinion of Western Digital's Financial Advisors J.P. Morgan*. After further consideration and consultation with its advisors, including consideration of the factors described under the section *Western Digital's Reasons for the Merger and Recommendation of Western Digital's Board of Directors* below in this joint proxy statement/prospectus, Western Digital's board of directors unanimously determined that the merger is advisable, fair to and in the best interests of Western Digital and Western Digital's stockholders, and authorized management to execute the final definitive agreement SanDisk.

Following final negotiations, the parties executed and delivered the merger agreement. SanDisk and Western Digital jointly announced the transactions on the morning of October 21, 2015.

Western Digital's Reasons for the Merger and Recommendation of Western Digital's Board of Directors

At the meeting of the Western Digital board of directors on October 20, 2015, after careful consideration, including detailed discussions with Western Digital's management and its legal and financial advisors, all of the directors present at the meeting unanimously approved and declared advisable the Merger Agreement and the transactions contemplated thereby, including the Merger, and determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, are fair to, advisable and in the best interests of, Western Digital and the stockholders of Western Digital, and recommended that the Western Digital stockholders vote **FOR** the NASDAQ Stock Issuance Proposal, **FOR** the Western Digital Adjournment Proposal and **FOR** the Western Digital Non-Binding Advisory Proposal.

Table of Contents

In evaluating the Merger, the Western Digital board of directors consulted with Western Digital's management, as well as Western Digital's legal and financial advisors and, in reaching a conclusion to approve the Merger and related transactions and to recommend that Western Digital stockholders approve the NASDAQ Stock Issuance Proposal, the Western Digital board of directors reviewed a significant amount of information and considered a number of factors including:

its knowledge of Western Digital's business, operations, financial condition, earnings and prospects and of SanDisk's business, operations, financial condition, earnings and prospects and the ratio of Western Digital's stock price to SanDisk's stock price over various periods, taking into account the results of Western Digital's due diligence of SanDisk;

its knowledge of the current environment in the data storage industry, including emerging competing technologies, emerging complementary technologies, customer consolidation trends, economic conditions, current financial market conditions and the likely effects of these factors on Western Digital's and SanDisk's potential growth, development, productivity and strategic options;

the flexibility afforded by the Merger Agreement to adjust the allocation of the cash component and stock component of the Merger Consideration if there is a Closing Cash Shortfall, as well as the flexibility to convert certain SanDisk equity awards into cash-settled Western Digital equity awards;

the strategic nature of the acquisition, which would create a media-agnostic, storage solutions company with global scale, extensive product, technology and intellectual property assets, and a combination of deep expertise in non-volatile memory (NVM) and rotating magnetic storage, with the prospects for an expanded customer base and optimized product offering to allow for new business relationships and transactions not available to either company on a stand-alone basis;

the complementary nature of Western Digital's and SanDisk's product lines, including hard disk drives, solid state drives, embedded NVM storage, branded retail products, cloud data centers storage solutions and flash storage solutions that are expected to provide the foundation for a broader set of products and technologies that provide an increased value proposition from consumer to datacenter;

that NAND and other NVM is more complex than a simple commodity, and that the transaction enables Western Digital to vertically integrate into NVM, securing long-term access to non-volatile memory and manufacturing processes needed to achieve advantaged time to market, tune media specifications to desired levels, and optimize media to the application layer;

that the SanDisk and Toshiba joint ventures have had a successful 15 year history through a time-tested business model, providing stable NAND supply at scale through a capital efficient business model, and that extends across NVM technologies such as 3D NAND and ReRAM.

that, at the storage system level, maximum innovation requires deep understanding and control over intricacies of the underlying NAND, including the architecture and its application optimization.

that a fixed exchange ratio avoids fluctuations in value caused by near-term market volatility;

the probability that regulatory approvals for the transaction could be obtained in a timely manner without the imposition of any conditions that Western Digital would find unacceptable;

that Sanjay Mehrotra, President and CEO of SanDisk would be joining the Western Digital board of directors and that the Western Digital board of directors and senior management would otherwise continue as the board of directors and senior management of Western Digital;

the belief that the Western Digital management team will be able to successfully integrate the two companies;

Western Digital's management's expectation of achieving full annual run-rate synergies of \$500 million within 18 months following closing of the Merger;

Western Digital's management's expectations that the addressable market for the combined company in 2017 will more than double to \$76 billion from \$37 billion;

Table of Contents

the results of a meeting between Western Digital's senior management and senior management of Toshiba indicating Toshiba's support for the transaction and their continued support for the Toshiba/SanDisk joint ventures;

the provisions of the Merger Agreement that allow Western Digital to engage in negotiations with, and provide information to, third parties, under certain circumstances in response to an unsolicited takeover proposal received prior to the Western Digital stockholder approval that Western Digital's board of directors determines in good faith, after consultation with outside counsel and financial advisors, constitutes or would reasonably be expected to lead to a transaction that is more favorable to Western Digital stockholders than the Merger with SanDisk;

the provisions of the Merger Agreement that allow Western Digital, under certain circumstances, to terminate the Merger Agreement prior to its stockholder approval of the Merger Agreement, in order to enter into an alternative transaction in response to an unsolicited takeover proposal that Western Digital's board of directors determines in good faith, after consultation with outside counsel and financial advisors, is more favorable to Western Digital stockholders than the Merger with SanDisk;

that, subject to certain exceptions, SanDisk is prohibited from taking certain actions that would be deemed to be a solicitation under the Merger Agreement, including solicitation, initiation, encouragement of any inquiries or the making of any proposals for certain types of business combinations or acquisitions of SanDisk (or entering into any agreements for such business combinations or acquisitions of SanDisk or any requirement to abandon, terminate or fail to consummate the Merger);

that SanDisk must pay to Western Digital a termination fee of \$553.3 million if the Merger Agreement is terminated under circumstances specified in the Merger Agreement, as described in the section entitled *The Merger Agreement Transaction Expenses and Termination Fees* ;

the probability that the conditions to completion of the Merger would be satisfied prior to the outside date of October 21, 2016 (subject to potential extensions to January 21, 2017, in the event receipt of certain required regulatory approvals is the only condition to closing that has not been satisfied);

the premiums paid by the acquiring entities in comparable mixed cash-and-stock transactions in the recent past; and

the opinions of BofA Merrill Lynch and J.P. Morgan, both dated October 20, 2015, to Western Digital's board of directors as to the fairness, from a financial point of view, to Western Digital and as of the date of the opinion of the consideration to be paid by Western Digital in the Merger, as more fully described below in *Opinion of Western Digital's Financial Advisor, Merrill, Lynch, Pierce, Fenner & Smith Incorporated and Opinion of Western Digital's Financial Advisor, J.P. Morgan Securities LLC*.

The Western Digital board of directors also considered the potential adverse impact of other factors weighing negatively against the proposed transaction, including, without limitation, the following:

the risks and contingencies relating to the announcement and pendency of the Merger and the risks and costs to Western Digital if the Merger does not close timely or does not close at all, including the impact on Western Digital's relationships with employees and with third parties;

the potential dilution to Western Digital stockholders;

the risk of diverting management focus, employee attention and resources from other strategic opportunities, from Western Digital's ongoing integration of its HGST and WD subsidiaries and from operational matters while working to complete the Merger and implement Merger integration efforts;

the challenges of combining the businesses, operations and workforces of SanDisk and Western Digital and realizing the anticipated synergies projected to result from the Merger;

the possibility that the Merger may not be completed or that completion may be unduly delayed for reasons beyond the control of Western Digital and/or SanDisk, including the potential length of the

Table of Contents

regulatory review process and the risk that applicable antitrust and competition authorities or CFIUS may prohibit or enjoin the proposed Merger or Unis Investment, as applicable, or otherwise impose conditions on Western Digital and/or Western Digital in order to obtain clearance for the Merger or Unis Investment, as applicable;

the risk that the parties may incur significant costs and delays resulting from seeking governmental consents and approvals necessary for completion of the Merger;

the terms and conditions of the Merger Agreement, including:

the restrictions on Western Digital's ability to solicit or participate in discussions or negotiations regarding alternative business combination transactions, subject to specified exceptions;

the requirement that Western Digital provide SanDisk with an opportunity to propose revisions to the Merger Agreement prior to being able to terminate the Merger Agreement to accept a superior proposal;

that Western Digital must pay to SanDisk a termination fee of \$553.3 million or \$1.06 billion if the Merger Agreement is terminated under circumstances specified in the Merger Agreement, as described in the section entitled *The Merger Agreement Transaction Expenses and Termination Fees* ;

that if the Unis Investment closes, Western Digital could be required to consummate the Merger even if Western Digital stockholders do not approve the NASDAQ Stock Issuance Proposal;

the requirement that Western Digital generally conduct its business only in the ordinary course and that Western Digital is subject to a variety of other restrictions on the conduct of its business prior to the completion of the Merger, any of which may delay or prevent Western Digital from pursuing business opportunities that may arise or may delay or preclude Western Digital from taking actions that would be advisable if it were to remain an independent company; and

the restrictive covenants that Western Digital undertakes, subject to certain conditions more fully described in the section entitled *The Merger Agreement Interim Operations of Western Digital and SanDisk Western Digital Interim Operating Covenants* to not: (1) amend its organizational documents; (2) redeem or purchase any outstanding Western Digital common stock (except in respect of (A) any tax withholding or exercise price in connection with equity or equity-based awards granted pursuant to Western Digital's equity compensation plans, and (B) repurchases pursuant to any previously announced stock repurchase programs) or pay any dividend (other than dividends issued in the ordinary course consistent with Western Digital's past practice) or distribution with respect to any of its capital stock or otherwise make any payments to

stockholders of Western Digital; (3) issue, split combine, subdivide or reclassify any capital stock of Western Digital; (4) adopt any plan of liquidation or reorganization other than the Merger; (4) make certain acquisitions or dispositions of any entity, any equity interest thereof or therein, or tangible assets comprising a business or division; or (5) enter into any contract, commitment or arrangement to do any of the foregoing. See *The Merger Agreement Interim Operations of Western Digital and SanDisk Western Digital Interim Operating Covenants* for more information regarding the foregoing covenants.

the fact that Western Digital may incur indebtedness of up to approximately \$17.4 billion in connection with the Merger, which debt may adversely impact Western Digital's operations following the Merger and prevent Western Digital from engaging in share buybacks or finance larger new projects;

the risks described in the section entitled *Risk Factors*; and

Table of Contents

the fact that SanDisk appears to be less cost efficient and has lower operating margins than Western Digital. The Western Digital board of directors concluded that the anticipated benefits of the Merger would outweigh the preceding considerations.

In addition, the Western Digital board of directors was aware of and considered the interests that some of Western Digital's directors and executive officers may have in the transactions contemplated by the Merger Agreement that may be different from, or in addition to, their interests as stockholders and the interests of Western Digital stockholders generally, as described in *Interests of Western Digital Directors and Executive Officers in the Merger*.

The reasons set forth above are not intended to be exhaustive, but include material facts considered by the Western Digital board of directors in approving the Merger Agreement. In view of the wide variety of factors considered in connection with its evaluation of the Merger and the complexity of these matters, the Western Digital board of directors did not find it useful to and did not attempt to quantify or assign any relative or specific weights to the various factors that it considered in reaching its determination to approve the Merger and the Merger Agreement and to make its recommendations to Western Digital stockholders. In addition, individual members of the Western Digital board of directors may have given differing weights to different factors. The Western Digital board of directors carefully considered all of the factors described above as a whole.

SanDisk's Reasons for the Merger and Recommendation of SanDisk's Board of Directors

The SanDisk board of directors has determined that the Merger Agreement and the transactions contemplated by the Merger Agreement, including the Merger, are advisable, fair to and in the best interests of SanDisk and its stockholders. Accordingly, by a vote at a meeting held on October 20, 2015, the SanDisk board of directors unanimously approved the Merger Agreement and the transactions contemplated by the Merger Agreement, including the Merger.

The SanDisk board of directors recommends that SanDisk stockholders vote FOR each of the Merger Proposal, the SanDisk Adjournment Proposal and the SanDisk Non-Binding Advisory Proposal at the SanDisk Special Meeting.

In evaluating the proposed Merger, the SanDisk board of directors consulted with SanDisk's management and SanDisk's legal and financial advisors and, in reaching its determination and recommendation, the SanDisk board of directors considered a number of factors. The SanDisk board of directors also consulted with SanDisk's legal counsel regarding its obligations, legal due diligence matters and the legal terms of the Merger Agreement and SanDisk's financial advisor regarding the financial terms of the Merger Agreement.

Many of the factors considered favored the conclusion of the SanDisk board of directors that the Merger Agreement and the transactions contemplated by the Merger Agreement, including the Merger, are advisable, fair to and in the best interests of SanDisk and its stockholders, including the following (which are not in any relative order of importance):

the growing challenges faced by the storage and flash memory industries, including macroeconomic trends, a highly competitive and cyclical industry environment subject to constant and rapid technological change with short product life-cycles for certain products and wide fluctuations in product supply and demand, with the attendant impact of these factors on pricing, revenue, margins, earnings and cash flow;

the opportunity for the combined company to become a storage solutions leader with leading global scale, extensive product and technology assets and deep flash expertise;

the opportunity to combine resources, including consolidating and reducing areas of overlap in operating and other expenses, such as the expenses of maintaining two separate public companies;

the opportunity to combine expertise, including the skills of experienced managers in the storage industry, to better meet the needs of the customers of both SanDisk and Western Digital;

Table of Contents

the products and development capabilities of SanDisk and Western Digital are complementary, and should enable the combined company to offer broader product value to customers of both companies;

the opportunity for the combined company to vertically integrate its solid state storage solutions while also having an expanded portfolio in large market segments such as notebooks, desktops and tablets;

the expected consolidation of the storage industry, which will make it more difficult for SanDisk to compete as a stand-alone company longer term;

the financial strength of the combined company and its ability to fund required investments to retain leadership in the storage industry;

the fact that, assuming cash that SanDisk has available for use in the United States without payment of withholding or United States income taxes on the closing date of the Merger equals or is greater than the certain target cash amount as specified in the Merger Agreement, the cash component of the Merger Consideration is expected to be approximately 98% of the total Merger Consideration if the Unis Investment closes and 78% of the total Merger Consideration if the Unis Investment does not close or the Unis SPA is terminated, which, in either case provides a high level of price certainty and liquidity and mitigates the risk to SanDisk stockholders of any decrease in Western Digital's stock price; furthermore, any potential shortfall relative to the targeted cash balance at time of closing could increase the mix of Western Digital stock in the per share Merger Consideration, but this modified mix is likely to be bounded in a range that is unlikely to materially change the prior conclusion;

the fact that the stock component of the Merger Consideration offers SanDisk stockholders an opportunity to participate in the potential for earnings per share accretion and potential synergies created by the Merger;

the fact that the consideration proposed by Western Digital reflected extensive negotiations between the parties and their respective advisors, and the SanDisk board of directors' and financial advisor's belief that the agreed Merger Consideration represented the best proposal and economic value available to SanDisk stockholders, based upon an overall assessment of the net present value of the risk-adjusted returns that are likely to accrue to stockholders over the long term;

the historical share prices of SanDisk and Western Digital, including the fact that the implied value of the Merger Consideration of \$86.50 per share represents:

an approximate premium of 20.1% based on the closing price per share of SanDisk common stock of \$72.00 on October 19, 2015;

an approximate premium of 46.6% based on the average closing price per share of SanDisk common stock of \$59.02 over the 30 trading day period ending October 19, 2015; and

an approximate premium of 76% based on the closing price per share of SanDisk common stock of \$49.09 on September 29, 2015, the last day of trading prior to the announcement of Unisplendour's investment in Western Digital;

the fact that the implied value of the Merger Consideration of \$86.50 as of October 21, 2015 reflected a ratio of price to last twelve month earnings per share of approximately 23.6x;

the expectation that the Merger will result in greater long-term stockholder value than the potential for earnings per share accretion that might result from other alternatives available to SanDisk, including seeking an alternative transaction with another third party or remaining an independent public company, in each case, considering the potential for SanDisk stockholders to share in any future earnings growth of SanDisk's businesses, and the continued expenses of operating a public company and the overall assessment of the net present value of the risk-adjusted returns that are likely to accrue to stockholders over the long term;

the SanDisk board of directors' familiarity with, and understanding of, SanDisk's business, assets, financial condition, results of operations, current business strategy, prospects and the risks facing the flash memory industry and SanDisk;

Table of Contents

information and discussions with SanDisk's management and advisors regarding Western Digital's business, assets, financial condition, results of operations, current business strategy and prospects, including the projected long-term financial results of Western Digital as a standalone company, the size and scale of the combined company and the expected pro forma effect of the proposed Merger on the combined company;

the oral opinion of Goldman Sachs delivered to the SanDisk board of directors on October 20, 2015, which was confirmed by delivery of a written opinion dated October 21, 2015, that, as of such date and based upon and subject to the various assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of the review undertaken by Goldman Sachs as set forth in its written opinion, the Merger Consideration to be paid to the holders of SanDisk common stock pursuant to the Merger Agreement was fair from a financial point of view to such holders, as more fully described in the section entitled

Opinion of SanDisk's Financial Advisor, Goldman Sachs. The full text of Goldman Sachs' written opinion, which sets forth, among other things, the assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of the review undertaken by Goldman Sachs in rendering its opinion, is attached as Annex D to this joint proxy statement/prospectus, and SanDisk stockholders are urged to read this written opinion in its entirety;

the fact that SanDisk conducted a thorough process to explore SanDisk's strategic alternatives during which representatives of SanDisk sought offers from various potential buyers, none of whom made an offer at a value equal to or greater than the Merger Consideration;

the commitment that SanDisk's President and Chief Executive Officer will become a member of the Western Digital board of directors following the closing of the Merger, which will provide additional flash memory industry expertise to the Western Digital board of directors and guidance to the integration of SanDisk and Western Digital;

the nature of the closing conditions included in the Merger Agreement, as well as the likelihood of satisfaction of all of the conditions to the completion of the proposed Merger;

the fact that, although the lack of a continuing material adverse effect of SanDisk is a closing condition included in the Merger Agreement, the SanDisk Material Adverse Effect definition in the Merger Agreement excludes any effect resulting from the announcement of the Merger Agreement, including any resulting negative development in SanDisk's relationships with any of its customers, suppliers, distributors or other business partners;

the obligation of the parties to use reasonable best efforts to obtain approvals or clearances from the applicable antitrust and competition authorities, including providing information, pursuing litigation and agreeing to divestitures, hold separates and other conduct remedies (provided that Western Digital will not be required to agree to divest Assets other than Assets of SanDisk that generated less than \$250 million in aggregate revenues for the fiscal year ended December 29, 2013), and Western Digital's obligation to pay a termination fee to SanDisk in the event that the Merger Agreement is terminated based on the failure to receive any required antitrust or competition clearance (as more fully described in the section entitled *The*

Merger Agreement Transaction Expenses and Termination Fees);

the delivery by Western Digital of a debt commitment letter setting forth the financing commitments and other arrangements regarding the financing Western Digital contemplates using to complete the proposed Merger;

the fact that Western Digital's obligations pursuant to the Merger Agreement are not subject to any financing condition or similar contingency based on Western Digital's ability to obtain financing, and that SanDisk would be entitled to specifically enforce the Merger Agreement, including the obligations of Western Digital to consummate the Merger, regardless of the availability or terms of Western Digital's financing;

SanDisk's right to engage in negotiations with, and provide information to, a third party that makes an unsolicited proposal relating to an alternative transaction, if the SanDisk board of directors determines in good faith after consultation with its financial advisors and outside legal counsel that such proposal is, or

Table of Contents

would reasonably be expected to lead to, a superior proposal (as more fully described in the section entitled *The Merger Agreement No Solicitation by SanDisk; No Change in SanDisk Board Recommendation*);

the right of the SanDisk board of directors to change its recommendation in favor of the approval of the Merger Agreement (i) to terminate the Merger Agreement to accept a superior proposal, subject to payment of a termination fee (as more fully described in the section entitled *The Merger Agreement Transaction Expenses and Termination Fees*) or (ii) in response to a post-signing intervening event, in each case if it has determined, in good faith, after consultation with its outside legal counsel, that the failure to take such action would reasonably be expected to be inconsistent with its directors' fiduciary duties, subject to certain conditions (including providing notice to Western Digital and, with respect to a superior proposal, taking into account any modifications to the terms of the Merger that are proposed by Western Digital);

the right of SanDisk and Western Digital to specific performance to prevent breaches and to enforce the Merger Agreement (as more fully described in the section entitled *The Merger Agreement Specific Performance; Remedies*);

the availability of dissenters' rights under Delaware law for the SanDisk stockholders who oppose adoption of the Merger Agreement;

the customary nature of the other representations, warranties and covenants of SanDisk in the Merger Agreement; and

the requirement that SanDisk or Western Digital pay a termination fee to the other party under certain circumstances specified in the Merger Agreement (as more fully described in the section entitled *The Merger Agreement Transaction Expenses and Termination Fees*).

In the course of its deliberations, the SanDisk board of directors also considered a variety of risks and other potentially negative factors, including the following (which are not in any relative order of importance):

the possibility that the Merger may not be completed or that completion may be unduly delayed for reasons beyond the control of SanDisk and/or Western Digital, including the potential length of the regulatory review process and the risk that applicable antitrust and competition authorities may prohibit or enjoin the proposed Merger or otherwise impose conditions on SanDisk and/or Western Digital in order to obtain clearance for the Merger;

the fact that the exchange ratio is fixed, indicating that SanDisk stockholders could be adversely affected by a decrease in the trading price of Western Digital common stock during the pendency of the proposed Merger and the fact that the Merger Agreement does not provide SanDisk with a price-based termination right or other similar protection in favor of SanDisk or its stockholders (other than the cash component of the Merger Consideration);

the potential for diversion of management and employee attention and for increased employee attrition during the period prior to completion of the proposed Merger, and the potential effect of the proposed Merger on SanDisk's business and relations with customers, suppliers and strategic alliance and joint venture partners;

the restrictions on the conduct of SanDisk's business prior to completion of the proposed Merger, requiring SanDisk to conduct its business only in the ordinary and usual course of business in all material respects consistent with past practice, subject to specific limitations, which could delay or prevent SanDisk from undertaking business opportunities that may arise pending completion of the Merger and could negatively impact SanDisk's ability to attract and retain employees and decisions of customers, suppliers and strategic alliance and joint venture partners;

the difficulty inherent in integrating the businesses, assets and workforces of two large companies and the risk that anticipated strategic and other benefits to SanDisk and Western Digital following completion of the proposed Merger, including any expected synergies, will not be realized or will take longer to realize than expected;

Table of Contents

the increased leverage of the combined company, which will result in increased interest payments and could negatively affect the combined business's net earnings and credit ratings, limit access to credit markets or make such access more expensive and reduce operational and strategic flexibility;

the fact that, if the amount of cash that SanDisk has available for use in the United States without payment of withholding or United States income taxes on the closing date of the Merger falls short of a certain target cash amount, Western Digital may elect to alter the mix of consideration to be paid to SanDisk stockholders such that a greater portion of the total Merger Consideration would be paid in stock instead of cash (based on the price of Western Digital stock set at signing of the Merger Agreement), although the SanDisk board of directors considered this risk and noted that even if the cash target is not achieved in full, the Merger Consideration provides a significant premium to SanDisk's stock price;

the transaction costs and retention costs to be incurred in connection with the proposed Merger, regardless of whether the proposed Merger is completed;

the fact that the Merger Agreement includes restrictions on the ability of SanDisk to solicit proposals for alternative transactions or engage in discussions regarding such proposals, subject to exceptions and termination provisions, which in some cases requires payment of a termination fee by SanDisk (as more fully described in the section entitled *The Merger Agreement No Solicitation by SanDisk; No Change in SanDisk Board Recommendation*), which could have the effect of discouraging such proposals from being made or pursued;

Western Digital's right, if Western Digital stockholder approval is required, to engage in negotiations with, and provide information to, a third party that makes an unsolicited proposal relating to an alternative transaction, if the Western Digital board of directors determines in good faith after consultation with its financial advisors and outside legal counsel that such proposal is, or would reasonably be expected to lead to, a superior proposal (as more fully described in the section entitled *The Merger Agreement No Solicitation by Western Digital; No Change in Western Digital Board Recommendation*);

the risk that if Western Digital stockholders fail to approve the NASDAQ Stock Issuance Proposal and if the Unis Investment does not close or the Unis SPA is terminated by the time of the Merger, then Western Digital may terminate the Merger Agreement;

the fact that if the Merger is not completed, SanDisk will have expended significant human and financial resources on a failed transaction, and may also be required to pay a termination fee under various circumstances (as more fully described in the section entitled *The Merger Agreement Transaction Expenses and Termination Fees*); and

various other risks associated with the Merger and the business of SanDisk and the combined company described in the sections entitled *Risk Factors* and *Cautionary Note Regarding Forward-Looking Statements*, respectively.

The SanDisk board of directors considered all of these factors as a whole, and, on balance, concluded that they supported a determination to approve the Merger Agreement and the transactions contemplated by the Merger Agreement, including the Merger. The foregoing discussion of the information and factors considered by the SanDisk board of directors is not exhaustive. In view of the wide variety of factors considered by the SanDisk board of directors in connection with its evaluation of the proposed Merger and the complexity of these matters, the SanDisk board of directors did not consider it practical to, nor did it attempt to, quantify, rank or otherwise assign relative weights to the specific factors that it considered in reaching its decision. The SanDisk board of directors evaluated the factors described above, among others, and concluded that the Merger Agreement and the transactions contemplated by the Merger Agreement, including the Merger, were advisable, fair to and in the best interests of SanDisk and its stockholders. In considering the factors described above and any other factors, individual members of the SanDisk board of directors may have viewed factors differently or given different weight or merit to different factors.

In considering the recommendation of the SanDisk board of directors to approve the Merger Proposal, SanDisk stockholders should be aware that SanDisk's executive officers and directors may have interests in the

Table of Contents

Merger that are different from, or in addition to, those of SanDisk stockholders generally. The SanDisk board of directors was aware of these interests during its deliberations on the merits of the Merger and in deciding to recommend that SanDisk stockholders vote FOR the Merger Proposal. See the section entitled *Interests of SanDisk Directors and Executive Officers in the Merger*.

Opinion of Western Digital's Financial Advisor, Merrill Lynch, Pierce, Fenner & Smith Incorporated

Western Digital has retained BofA Merrill Lynch to act as Western Digital's financial advisor in connection with the Merger. BofA Merrill Lynch is an internationally recognized investment banking firm which is regularly engaged in the valuation of businesses and securities in connection with mergers and acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements and valuations for corporate and other purposes. Western Digital selected BofA Merrill Lynch to act as Western Digital's financial advisor in connection with the Merger on the basis of BofA Merrill Lynch's experience in transactions similar to the Merger, its reputation in the investment community and its familiarity with Western Digital and its business.

On October 20, 2015, at a meeting of Western Digital's board of directors held to evaluate the Merger, BofA Merrill Lynch delivered to Western Digital's board of directors an oral opinion, which was confirmed by delivery of a written opinion dated October 20, 2015, to the effect that, as of the date of the opinion and based on and subject to various assumptions and limitations described in its opinion, the consideration to be paid by Western Digital in the Merger, was fair, from a financial point of view, to Western Digital.

The full text of BofA Merrill Lynch's written opinion to Western Digital's board of directors, which describes, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken, is attached as Annex B to this document and is incorporated by reference herein in its entirety. The following summary of BofA Merrill Lynch's opinion is qualified in its entirety by reference to the full text of the opinion. BofA Merrill Lynch delivered its opinion to Western Digital's board of directors for the benefit and use of Western Digital's board of directors (in its capacity as such) in connection with and for purposes of its evaluation of the consideration to be paid by Western Digital in the Merger from a financial point of view. BofA Merrill Lynch's opinion does not address any other aspect of the Merger and no opinion or view was expressed as to the relative merits of the Merger in comparison to other strategies or transactions that might be available to Western Digital or in which Western Digital might engage or as to the underlying business decision of Western Digital to proceed with or effect the Merger. BofA Merrill Lynch's opinion does not address any other aspect of the Merger and does not constitute a recommendation to any stockholder as to how to vote or act in connection with the proposed Merger or any related matter.

In connection with rendering its opinion, BofA Merrill Lynch:

- (i) reviewed certain publicly available business and financial information relating to SanDisk and Western Digital;
- (ii) reviewed certain internal financial and operating information with respect to the business, operations and prospects of SanDisk furnished to or discussed with BofA Merrill Lynch by the management of SanDisk, including certain financial forecasts relating to SanDisk prepared by the management of SanDisk (the SanDisk Management Forecasts);

- (iii) reviewed an alternative version of the SanDisk Management Forecasts incorporating certain adjustments thereto made by the management of Western Digital (the Adjusted SanDisk Management Forecasts), and discussed with the management of Western Digital its assessments as to the relative likelihood of achieving the future financial results reflected in the SanDisk Management Forecasts and the Adjusted SanDisk Management Forecasts;

- (iv) reviewed certain internal financial and operating information with respect to the business, operations and prospects of Western Digital furnished to or discussed with BofA Merrill Lynch by the management of Western Digital, including certain financial forecasts relating to Western Digital prepared by the management of Western Digital (the Western Digital Management Forecasts);

Table of Contents

- (v) reviewed certain estimates as to the amount and timing of cost savings and impact on revenue anticipated by the management of Western Digital to result from the Merger (the Western Digital Approved Synergies);
- (vi) discussed the past and current business, operations, financial condition and prospects of SanDisk with members of senior management of SanDisk and Western Digital, and discussed the past and current business, operations, financial condition and prospects of Western Digital with members of senior management of Western Digital;
- (vii) reviewed the potential pro forma financial impact of the Merger on the future financial performance of Western Digital, including the potential effect on Western Digital's estimated earnings per share;
- (viii) reviewed the trading histories for SanDisk common stock and Western Digital common stock and a comparison of such trading histories with each other and with the trading histories of other companies BofA Merrill Lynch deemed relevant;
- (ix) compared certain financial and stock market information of SanDisk and Western Digital with similar information of other companies BofA Merrill Lynch deemed relevant;
- (x) compared certain financial terms of the Merger to financial terms, to the extent publicly available, of other transactions BofA Merrill Lynch deemed relevant;
- (xi) reviewed the relative financial contributions of SanDisk and Western Digital to the future financial performance of the combined company on a pro forma basis;
- (xii) reviewed a draft, dated October 20, 2015, of the Merger Agreement (the Draft Agreement); and
- (xiii) performed such other analyses and studies and considered such other information and factors as BofA Merrill Lynch deemed appropriate.

In arriving at its opinion, BofA Merrill Lynch assumed and relied upon, without independent verification, the accuracy and completeness of the financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with it and relied upon the assurances of the managements of SanDisk and Western Digital that they were not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect. With respect to the SanDisk Management Forecasts, BofA Merrill Lynch was advised by SanDisk, and assumed, that they were reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of SanDisk as to the future financial performance of SanDisk. With respect to the Western Digital Management Forecasts, the Adjusted SanDisk Management Forecasts and the Western Digital Approved Synergies, BofA Merrill Lynch was advised by Western Digital, and assumed, at the direction of Western Digital, that they were reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of Western Digital as to the future

financial performance of SanDisk and Western Digital and other matters covered thereby. BofA Merrill Lynch relied, at the direction of Western Digital, on the Adjusted SanDisk Management Forecasts based on the assessments of the management of Western Digital as to the relative likelihood of achieving the future financial results reflected in the SanDisk Management Forecasts and the Adjusted SanDisk Management Forecasts. BofA Merrill Lynch also relied, at the direction of Western Digital, on the assessments of the management of Western Digital as to Western Digital's ability to achieve the Western Digital Approved Synergies and was advised by Western Digital, and assumed, that such Western Digital Approved Synergies would be realized in the amounts and at the times projected thereby. BofA Merrill Lynch did not make and/or was not provided with any independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of SanDisk or Western Digital, nor did it make any physical inspection of the properties or assets of SanDisk or Western Digital. BofA Merrill Lynch did not evaluate the solvency or fair value of SanDisk or Western Digital under any state, federal or other laws relating to bankruptcy, insolvency or similar matters. BofA Merrill Lynch assumed, at the direction of Western Digital, that the Merger would be consummated in accordance with its terms, without waiver, modification or amendment of any material term, condition or agreement and that, in the course of obtaining the necessary governmental, regulatory and other approvals, consents, releases and waivers for the Merger, no delay, limitation, restriction or condition, including any

Table of Contents

divestiture requirements or amendments or modifications, would be imposed that would have an adverse effect on SanDisk, Western Digital or the contemplated benefits of the Merger. In addition, BofA Merrill Lynch assumed, at the direction of Western Digital, that the final executed Merger Agreement would not differ in any material respect from the Draft Agreement.

BofA Merrill Lynch expressed no view or opinion as to any terms or other aspects of the Merger (other than the Merger Consideration to the extent expressly specified in its opinion), including, without limitation, the form or structure of the Merger or any terms, aspects or implications of the Unis Investment. BofA Merrill Lynch's opinion was limited to the fairness, from a financial point of view, of the consideration to be paid by Western Digital in the Merger and no opinion or view was expressed with respect to any consideration received in connection with the Merger by the holders of any other class of securities, creditors or other constituencies of any party. In addition, no opinion or view was expressed with respect to the fairness (financial or otherwise) of the amount, nature or any other aspect of any compensation to any of the officers, directors or employees of any party to the Merger, or class of such persons, relative to the Merger Consideration. Furthermore, no opinion or view was expressed as to the relative merits of the Merger in comparison to other strategies or transactions that might be available to Western Digital or in which Western Digital might engage or as to the underlying business decision of Western Digital to proceed with or effect the Merger. BofA Merrill Lynch did not express any opinion as to what the value of Western Digital common stock actually would be when issued or the prices at which SanDisk common stock or Western Digital common stock would trade at any time, including following announcement or consummation of the Merger. In addition, BofA Merrill Lynch expressed no opinion or recommendation as to how any stockholder should vote or act in connection with the Merger or any related matter. Except as described above, Western Digital imposed no other limitations on the investigations made or procedures followed by BofA Merrill Lynch in rendering its opinion.

BofA Merrill Lynch's opinion was necessarily based on financial, economic, monetary, market and other conditions and circumstances as in effect on, and the information made available to BofA Merrill Lynch as of, the date of its opinion. In addition, BofA Merrill Lynch expressed no opinion or view as to any potential effects of the volatility of the credit, financial and stock markets on SanDisk, Western Digital or the Merger. It should be understood that subsequent developments may affect its opinion, and BofA Merrill Lynch does not have any obligation to update, revise or reaffirm its opinion. The issuance of BofA Merrill Lynch's opinion was approved by BofA Merrill Lynch's Americas Fairness Opinion Review Committee.

The following represents a brief summary of the material financial analyses presented by BofA Merrill Lynch to Western Digital's board of directors in connection with its opinion. **The financial analyses summarized below include information presented in tabular format. In order to fully understand the financial analyses performed by BofA Merrill Lynch, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses performed by BofA Merrill Lynch. Considering the data set forth in the tables below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the financial analyses performed by BofA Merrill Lynch.**

SanDisk Financial Analyses.

Selected Publicly Traded Companies Analysis. BofA Merrill Lynch reviewed publicly available financial and stock market information for SanDisk and the following eight publicly traded companies in the solid-state memory industry, HDD storage industry and semiconductor industry.

Solid-State Memory

Micron Technology, Inc.

SK Hynix Inc.

109

Table of Contents**HDD Storage**

Seagate Technology PLC

Western Digital Corporation

Semiconductor

Avago Technologies Ltd.

PMC-Sierra Inc.

Intel Corporation

Marvell Technology Group Ltd.

BofA Merrill Lynch reviewed, among other things, enterprise values of the selected publicly traded companies, calculated as equity values based on closing stock prices on October 19, 2015, plus debt, plus non-controlling interest, less cash, as a multiple of calendar year 2016 estimated revenues. BofA Merrill Lynch also reviewed enterprise values of the selected publicly traded companies, calculated as equity values based on closing stock prices on October 19, 2015, plus debt, plus non-controlling interest, less cash, as a multiple of calendar year 2016 estimated earnings before interest, taxes, depreciations and amortization, commonly referred to as EBITDA. BofA Merrill Lynch then applied calendar year 2016 revenue multiples of 1.80x to 2.65x and EBITDA multiples of 6.5x to 10.0x derived from the selected publicly traded companies to SanDisk's calendar year 2016 estimated revenue and EBITDA respectively. Estimated financial data of the selected publicly traded companies were based on publicly available research analysts estimates, and estimated financial data of SanDisk were based on the Adjusted SanDisk Management Forecasts. This analysis indicated the following approximate implied per share equity value reference ranges for SanDisk, as compared to the Merger Consideration:

<u>Implied Per Share Equity Value Reference Ranges for SanDisk*</u>		<u>Merger Consideration</u>
2016E Revenue	2016E EBITDA	
\$58.35 - \$79.30	\$53.35 - \$74.35	\$86.50

* See the last paragraph of this sub-section for certain revisions.

No company used in this analysis is identical or directly comparable to SanDisk. Accordingly, an evaluation of the results of this analysis is not entirely mathematical. Rather, this analysis involves complex considerations and judgments concerning differences in financial and operating characteristics and other factors that could affect the public trading or other values of the companies to which SanDisk was compared.

Discounted Future Equity Value Analysis. BofA Merrill Lynch performed a discounted future equity value analysis of SanDisk using EBITDA multiples to calculate the present value of the future price of SanDisk's common stock. BofA Merrill Lynch reviewed the estimated enterprise value for calendar year 2017, calculated as a multiple of SanDisk's NTM EBITDA by applying a selected range of NTM EBITDA multiples of 6.5x to 10.0x, adjusted to equity value based on projected cash and debt balances, and then discounted to present value as of September 30, 2015 using discount rates ranging from 9.50% to 12.50% based on an estimate of SanDisk's cost of equity. This analysis indicated the following approximate implied per share equity value reference ranges for SanDisk as compared to the Merger Consideration:

Implied Per Share Equity Value Reference Range for SanDisk*	Per Share Merger Consideration
\$62.25 - \$88.10	\$ 86.50

* See the last paragraph of this sub-section for certain revisions.

Table of Contents

Selected Precedent Transactions Analysis. BofA Merrill Lynch reviewed, to the extent publicly available, financial information relating to the following thirteen selected transactions involving companies in the semiconductor industry.

Announcement Date	Acquiror	Target
10/05/2015	Skyworks	PMC-Sierra Inc.
09/20/2015	Dialog Semiconductor PLC	Atmel Corporation
06/01/2015	Intel Corporation	Altera Corporation
05/28/2015	Avago Technologies Ltd.	Broadcom Corporation
03/02/2015	NXP Semiconductors	Freescale Semiconductor, Inc.
12/01/2014	Cypress Semiconductor Corporation	Spansion Inc.
10/15/2014	Qualcomm Inc.	CSR plc
08/20/2014	Infineon Technologies Corporation	International Rectifier Corporation
06/16/2014	SanDisk Corporation	Fusion-io, Inc.
06/09/2014	Analog Devices Inc.	Hittite Microwave Corporation
02/24/2014	RF Micro Devices (now known as Qorvo, Inc. post-merger)	TriQuint Semiconductor
12/16/2013	Avago Technologies Ltd.	LSI Corporation
04/04/2011	Texas Instruments Inc.	National Semiconductor Corporation

BofA Merrill Lynch reviewed transaction values, calculated as the enterprise value implied for the target company based on the consideration payable in the selected transactions, as a multiple of the target company's last twelve months, or LTM, EBITDA, and as a multiple of the target company's one-year forward, or NTM, EBITDA. BofA Merrill Lynch then applied a selected range of LTM EBITDA multiples of 13.0x to 18.0x derived from the selected transactions to SanDisk's LTM EBITDA as of September 30, 2015, and applied a selected range of NTM EBITDA multiples of 10.0x to 17.0x derived from the selected transactions to SanDisk's NTM EBITDA as of September 30, 2015. Financial data of the selected transactions were based on publicly available information at the time of announcement of the relevant transaction. Estimated financial data of SanDisk were based on the Adjusted SanDisk Management Forecasts. This analysis indicated the following approximate implied per share equity value reference ranges for SanDisk, as compared to the Merger Consideration:

<u>Implied Per Share Equity Value Reference Ranges for SanDisk</u>		Merger Consideration
LTM EBITDA	NTM EBITDA	
\$94.05 - \$126.30	\$70.50 - \$111.70	\$86.50

No company, business or transaction used in this analysis is identical or directly comparable to SanDisk or the Merger. Accordingly, an evaluation of the results of this analysis is not entirely mathematical. Rather, this analysis involves complex considerations and judgments concerning differences in financial and operating characteristics and

other factors that could affect the acquisition or other values of the companies, business segments or transactions to which SanDisk and the Merger were compared.

Table of Contents

Discounted Cash Flow Analysis. BofA Merrill Lynch performed a discounted cash flow analysis of SanDisk on a stand-alone basis to calculate the estimated present value of the standalone unlevered, after-tax free cash flows that SanDisk was forecasted to generate during calendar years 2015 (using only the fourth quarter of 2015) through 2025 based on the Adjusted SanDisk Management Forecasts and of the terminal value for SanDisk by applying perpetuity growth rates of 2.5% to 3.5% to SanDisk's calendar year 2025 after-tax free cash flows. BofA Merrill Lynch also performed a discounted cash flow analysis of the Western Digital Approved Synergies to calculate the present value of the after-tax Western Digital Approved Synergies that Western Digital forecasted would be generated during calendar years 2015 (using only the fourth quarter of 2015) through 2025 and of the terminal value of the Western Digital Approved Synergies by applying perpetuity growth rates of 1.0% to 2.0% to the calendar year 2025 after-tax free cash flows. The cash flows and terminal values were discounted to present value as of September 30, 2015 using discount rates ranging from 9.50% to 12.50%, which were based on an estimate of SanDisk's weighted average cost of capital. This analysis indicated the following approximate implied per share equity value reference ranges for SanDisk as compared to the Merger Consideration:

Implied Per Share Equity Value Reference Range for SanDisk*	Implied Per Share Equity Value Reference Range for SanDisk (Including Western Digital Approved Synergies)	Per Share Merger Consideration
(Stand-alone basis)		
\$55.95 - \$87.15	\$ 83.07 - \$129.21	\$ 86.50

* See the last paragraph of this sub-section for certain revisions

Subsequent to the meeting on October 20, 2015 of the Western Digital's board of directors, BofA Merrill Lynch discovered a miscalculation that resulted in a minor adjustment of certain implied per share equity value reference ranges for SanDisk, and notified Western Digital of such adjustment. The adjusted implied per share equity value reference ranges for SanDisk as subsequently notified by BofA Merrill Lynch to Western Digital are set forth below.

Implied Per Share Equity Value Reference Ranges for SanDisk	Before Adjustment	Post Adjustment
Selected Publicly Traded Companies Analysis (2016E Revenue)	\$ 58.35 - \$79.30	\$ 57.15 - \$79.30
Selected Publicly Traded Companies Analysis (2016E EBITDA)	\$ 53.35 - \$74.35	\$ 51.45 - \$74.35
Discounted Future Equity Value Analysis	\$ 65.25 - \$88.10	\$ 61.35 - \$88.50
Discounted Cash Flow Analysis (stand-alone basis)	\$ 55.95 - \$87.15	\$ 54.45 - \$87.15

BofA Merrill Lynch also determined that such adjustment did not affect its financial analysis or its opinion.

Other Factors

In rendering its opinion, BofA Merrill Lynch also reviewed and considered other factors, including:

historical trading prices of SanDisk common stock during the 52-week period ended October 19, 2015, which reflected low and high closing prices for SanDisk common stock during such period of \$44.28 and \$106.64 respectively;

a range of publicly available research analysts' price targets for SanDisk that showed per share equity values of \$40.00 to \$90.00 per share for SanDisk common stock;

a comparison of the historical multiples of enterprise value to next twelve months, or NTM, EBITDA, during the period beginning October 19, 2012 and ending October 19, 2015, and the high, low, and average of these ratios during the one-year, two-year and three-year periods ended October 19, 2015; and

a comparison of the historical multiples of enterprise value to NTM revenue, during the period beginning October 19, 2012 and ending October 19, 2015, and the high, low, and average of these ratios during the one-year, two-year and three-year periods ended October 19, 2015.

Table of Contents***Miscellaneous***

As noted above, the discussion set forth above is a summary of the material financial analyses presented by BofA Merrill Lynch to Western Digital's board of directors in connection with its opinion and is not a comprehensive description of all analyses undertaken by BofA Merrill Lynch in connection with its opinion. The preparation of a financial opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a financial opinion is not readily susceptible to partial analysis or summary description. BofA Merrill Lynch believes that its analyses summarized above must be considered as a whole. BofA Merrill Lynch further believes that selecting portions of its analyses and the factors considered or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying BofA Merrill Lynch's analyses and opinion. The fact that any specific analysis has been referred to in the summary above is not meant to indicate that such analysis was given greater weight than any other analysis referred to in the summary.

In performing its analyses, BofA Merrill Lynch considered industry performance, general business and economic conditions and other matters, many of which are beyond the control of SanDisk and Western Digital. The estimates of the future performance of SanDisk and Western Digital in or underlying BofA Merrill Lynch's analyses are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than those estimates or those suggested by BofA Merrill Lynch's analyses. These analyses were prepared solely as part of BofA Merrill Lynch's analysis of the fairness, from a financial point of view, of the consideration to be paid by Western Digital in the Merger, and were provided to Western Digital's board of directors in connection with the delivery of BofA Merrill Lynch's opinion. The analyses do not purport to be appraisals or to reflect the prices at which a company might actually be sold or the prices at which any securities have traded or may trade at any time in the future. Accordingly, the estimates used in, and the ranges of valuations resulting from, any particular analysis described above are inherently subject to substantial uncertainty and should not be taken to be BofA Merrill Lynch's view of the actual values of SanDisk or Western Digital.

The type and amount of consideration payable in the Merger was determined through negotiations between SanDisk and Western Digital, rather than by any financial advisor, and was approved by Western Digital's board of directors. The decision to enter into the Merger Agreement was solely that of Western Digital's board of directors. As described above, BofA Merrill Lynch's opinion and analyses were only one of many factors considered by Western Digital's board of directors in its evaluation of the proposed Merger and should not be viewed as determinative of the views of Western Digital's board of directors or management with respect to the Merger or the Merger Consideration.

Western Digital has agreed to pay BofA Merrill Lynch for its services in connection with the Merger an aggregate fee of \$25 million, of which \$2 million was payable in connection with its opinion and the balance of which is contingent upon consummation of the Merger. Western Digital also has agreed to reimburse BofA Merrill Lynch for its expenses incurred in connection with BofA Merrill Lynch's engagement and to indemnify BofA Merrill Lynch, any controlling person of BofA Merrill Lynch and each of their respective directors, officers, employees, agents and affiliates against specified liabilities, including liabilities under the federal securities laws. In addition, BofA Merrill Lynch and certain of its affiliates also are participating in the financing for the Merger, including acting (i) as joint lead arranger and joint bookrunning manager for, and as a lender under, Western Digital's proposed senior secured and/or unsecured bridge facilities, (ii) as joint bookrunning manager, joint lead underwriter, joint lead placement agent and/or joint lead initial purchaser for Western Digital's potential offering of senior secured and/or unsecured notes and/or (ii) as joint lead arranger, joint bookrunning manager and administrative agent for, and as a lender under, Western Digital's proposed term loan and revolving credit facilities, for which services BofA Merrill Lynch and its affiliates would receive significant compensation.

Table of Contents

BofA Merrill Lynch and its affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In the ordinary course of their businesses, BofA Merrill Lynch and its affiliates invest on a principal basis or on behalf of customers or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in the equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of SanDisk, Western Digital and certain of their respective affiliates.

BofA Merrill Lynch and its affiliates in the past have provided, currently are providing, and in the future may provide investment banking, commercial banking and other financial services to Western Digital and and/or certain of its affiliates and have received or in the future may receive compensation for the rendering of these services, including (i) having acted or acting as administrative agent, lead arranger, bookrunner for, and/or a lender under, certain loans, letters of credit, leasing and other credit facilities of Western Digital and/or certain of its affiliates, (ii) having acted as joint bookrunner for various equity offerings of Western Digital and/or certain of its affiliates, (iii) having provided or providing certain treasury and trade management services and products to Western Digital and/or certain of its affiliates and (iv) having provided or providing certain derivatives and foreign exchange trading services to Western Digital and/or certain of its affiliates.

In addition, BofA Merrill Lynch and its affiliates in the past have provided, currently are providing, and in the future may provide investment banking, commercial banking and other financial services to SanDisk and/or certain of its affiliates and have received or in the future may receive compensation for the rendering of these services, including (i) having acted or acting as lender under various credit facilities and letters of credit of SanDisk and/or certain of its affiliates, (ii) having provided or providing certain treasury and trade management services and products to SanDisk and/or certain of its affiliates and (iii) having provided or providing certain derivatives, foreign exchange and other trading services to SanDisk and/or certain of its affiliates.

In addition, concurrently with SanDisk's issuance in October 2013 of the 2020 Convertible Notes, SanDisk entered into the 2020 Call Spread Transactions with four counterparties, including BANA, which is an affiliate of BofA Merrill Lynch, each acting as principal for its own account. The 2020 Bond Hedge Transactions consisted of the purchase by SanDisk of call options in respect to the number of shares of SanDisk common stock initially underlying the 2020 Convertible Notes and the 2020 Warrant Transactions entered into concurrently with the 2020 Bond Hedge Transactions consisted of the sale by SanDisk of call options in respect of the same number of shares of SanDisk common stock. For a description of SanDisk's call spread transactions, see the sections entitled *Summary Effect of the Merger on SanDisk's Bond Hedge Transactions and Warrant Transactions*.

If the Merger is consummated, it is expected that all outstanding 2020 Convertible Notes will be converted, which will result in the 2020 Bond Hedge Transactions being exercised in full. Upon exercise of the 2020 Bond Hedge Transactions, the 2020 Hedge Banks (including BANA) will be required to pay to SanDisk the in-the-money value of the 2020 Bond Hedge Transactions, which would be zero because the per share value of the consideration received by SanDisk's common stockholders in the Merger (excluding the temporary increase in the conversion rate described above) is less than the strike price of the 2020 Bond Hedge Transactions. Because the amounts payable by BANA to SanDisk under the 2020 Bond Hedge Transactions will not include the temporary increase in the conversion rate of the 2020 Convertible Notes or the option time value of the 2020 Bond Hedge Transactions, there is likely to be a net contractual benefit to BANA in connection with the exercise of its 2020 Bond Hedge Transactions.

Table of Contents

Since the Merger Agreement was entered into, SanDisk and BANA agreed to modify the terms of BANA's 2020 Warrant Transactions. The agreement provides that the 2020 Warrant Transactions will continue if the Merger does not close and provides for a methodology to determine the termination value of the 2020 Warrant Transactions, with agreed inputs, if the Merger closes.

In materials delivered to Western Digital's board of directors on October 18, 2015 and presented at the October 20, 2015 board meeting, BofA Merrill Lynch estimated the amount of the contractual benefit and the termination payment owed to BANA under the 2020 Call Spread Transactions in the event an acquisition of SanDisk consummated on June 30, 2016 for cash or for consideration 10% or more of which consists of cash assuming various acquisition prices and volatilities of SanDisk's common stock. BofA Merrill Lynch estimated that BANA's net contractual benefit under its 2020 Bond Hedge Transactions would range from approximately \$61 million to approximately \$95 million (assuming Merger Consideration ranging from \$86.00 per share to \$87.00 per share of SanDisk common stock and a volatility of SanDisk common stock ranging from 30% to 45%). There can be no assurance that the assumptions used in estimating the net contractual benefit to BANA upon the exercise of the 2020 Bond Hedge Transactions will match or approximate actual market conditions and, thus, the actual magnitude of any benefit to BANA may be greater or less than such estimates. As described below, BofA Merrill Lynch maintains an enterprise information wall reasonably designed to prevent the unauthorized disclosure of confidential information, such as the Merger, to employees who undertake hedging activities with respect to BANA's 2020 Call Spread Transactions. Any potential gain or loss as a result of such activities was therefore not included in the estimates of the aggregate benefit to BANA as a result of the Merger.

BofA Merrill Lynch also estimated in the materials delivered to Western Digital's board of directors that the amount payable by SanDisk to BANA upon termination of its portion of the 2020 Warrant Transactions would range from approximately \$39 million to approximately \$76 million (assuming Merger Consideration ranging from \$86.00 per share to \$87.00 per share of SanDisk common stock and a volatility of SanDisk common stock ranging from 30% to 45%). As noted above, SanDisk and BANA have since agreed on a methodology to determine the termination value of the 2020 Warrant Transactions, with agreed inputs, if the Merger closes. Using this methodology, we expect that the amount payable to BANA upon the termination of its portion of the 2020 Warrant Transactions to be within, or below, the range of estimates BofA Merrill Lynch provided Western Digital's board of directors. For example, based on specified assumptions including an assumed Merger Consideration value of \$86.50 and an assumed closing date of June 30, 2016, SanDisk would owe BANA an amount below the midpoint of the range previously provided to Western Digital's board of directors.

Under the 2020 Call Spread Transactions to which it is a party, BANA has market exposure to the price of SanDisk's shares. It is standard industry practice, and BANA's ordinary practice, to engage in hedging activities to reduce market exposure to the price of the common stock underlying derivative transactions such as the 2020 Call Spread Transactions. Such hedging includes BANA either purchasing or selling shares of SanDisk shares or related instruments to offset the exposure to SanDisk shares that BANA has under its 2020 Call Spread Transactions. BANA's hedging is intended to substantially reduce BANA's exposure under its 2020 Call Spread Transactions to changes in the price of SanDisk shares. Hedging does not fully offset every risk or change in market conditions. Hedging is designed to offset a range of normal price movements under a range of typical market conditions, based on publicly available information, and thus might not fully offset extraordinary market events or conditions (such as the announcement of a merger transaction) that might have a material effect on the price, volatility or other characteristics of SanDisk shares. BANA's hedging activity is at its own risk and may result in a loss or profit to BANA in an amount that might be less than or greater than the expected contractual benefit or obligation to BANA under the 2020 Call Spread Transactions. BANA's ultimate loss or profit with

Table of Contents

respect to the 2020 Call Spread Transactions after taking into account its hedging activity would depend on many factors, including the original net premium received by BANA for the 2020 Call Spread Transactions, the price at which BANA established its initial hedge position in respect of the 2020 Call Spread Transactions, any deliveries or payments made or received pursuant to BANA's 2020 Call Spread Transactions, the profit and loss realized by BANA in connection with rebalancing its stock hedge positions during the term of the 2020 Call Spread Transactions (such as rebalancing occurring as frequently as intra-day), and the premium or other amounts paid, and payments received, in connection with BANA entering into or maintaining any option position or other derivative transaction used to hedge the 2020 Call Spread Transactions, the volatility of SanDisk shares and the prices at which BANA would close out these hedge positions. The amount of any loss or profit will not be known until all of the 2020 Call Spread Transactions to which BANA is a party are terminated and BANA has completed all of its related hedge unwind activities. In accordance with industry practices, BofA Merrill Lynch maintains an enterprise information wall reasonably designed to prevent the unauthorized disclosure of confidential information by or to employees in its investment banking division to or by employees on the public side of BofA Merrill Lynch, including the employees who undertake these hedging and other market transactions.

Opinion of Western Digital's Financial Advisor, J.P. Morgan Securities LLC

Pursuant to an engagement letter dated October 20, 2015, Western Digital retained J.P. Morgan as its financial advisor in connection with the proposed Merger.

At the meeting of the board of directors of Western Digital on October 20, 2015, J.P. Morgan rendered its oral opinion to the board of directors of Western Digital that, as of such date and based upon and subject to the factors and assumptions set forth in its opinion, the consideration to be paid by Western Digital in the proposed Merger was fair, from a financial point of view, to Western Digital. J.P. Morgan confirmed its October 20, 2015 oral opinion by delivering its written opinion to the board of directors of Western Digital, dated October 20, 2015 that, as of such date, the consideration to be paid by Western Digital in the proposed Merger was fair, from a financial point of view, to Western Digital.

The full text of the written opinion of J.P. Morgan dated October 20, 2015, which sets forth the assumptions made, matters considered and limits on the review undertaken, is attached as Annex C to this joint proxy statement/prospectus and is incorporated herein by reference. The summary of the opinion of J.P. Morgan set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of such opinion. Western Digital's stockholders are urged to read the opinion in its entirety. J.P. Morgan's written opinion was addressed to the board of directors of Western Digital (in its capacity as such) in connection with and for the purposes of its evaluation of the proposed Merger, was directed only to the consideration to be paid in the Merger and did not address any other aspect of the Merger. J.P. Morgan expressed no opinion as to the fairness of the consideration to the holders of any class of securities, creditors or other constituencies of Western Digital or as to the underlying decision by Company to engage in the proposed Merger. The issuance of J.P. Morgan's opinion was approved by a fairness committee of J.P. Morgan. The summary of the opinion of J.P. Morgan set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of such opinion. The opinion does not constitute a recommendation to any stockholder of Western Digital as to how such stockholder should vote with respect to the proposed Merger or any other matter.

In arriving at its opinions, J.P. Morgan, among other things:

reviewed a draft dated October 19, 2015 of the Merger Agreement;

reviewed certain publicly available business and financial information concerning Western Digital and SanDisk and the industries in which they operate;

compared the proposed financial terms of the Merger with the publicly available financial terms of certain transactions involving companies J.P. Morgan deemed relevant and the consideration received for such companies;

Table of Contents

compared the financial and operating performance of Western Digital and SanDisk with publicly available information concerning certain other companies J.P. Morgan deemed relevant and reviewed the current and historical market prices of Western Digital's common stock and SanDisk's common stock and certain publicly traded securities of such other companies;

reviewed certain internal financial analyses and forecasts prepared by the managements of Western Digital and SanDisk relating to their respective businesses and by Western Digital relating to SanDisk's business, as well as the estimated amount and timing of the cost savings and related expenses and other synergies expected to result from the Merger (referred to in this section of this joint proxy statement/prospectus as the "WD Approved Synergies"); and

performed such other financial studies and analyses and considered such other information as J.P. Morgan deemed appropriate for the purposes of this opinion.

In addition, J.P. Morgan held discussions with certain members of the management of Western Digital and SanDisk with respect to certain aspects of the Merger, and the past and current business operations of Western Digital and SanDisk, the financial condition and future prospects and operations of Western Digital and SanDisk, the effects of the Merger on the financial condition and future prospects of Western Digital, and certain other matters J.P. Morgan believed necessary or appropriate to its inquiry.

In giving its opinion, J.P. Morgan relied upon and assumed the accuracy and completeness of all information that was publicly available or was furnished to or discussed with J.P. Morgan by Western Digital and SanDisk or otherwise reviewed by or for J.P. Morgan, and J.P. Morgan did not independently verify (and did not assume responsibility or liability for independently verifying) any such information or its accuracy or completeness. J.P. Morgan did not conduct nor was it provided with any valuation or appraisal of any assets or liabilities, nor did J.P. Morgan evaluate the solvency of SanDisk or Western Digital under any state or federal laws relating to bankruptcy, insolvency or similar matters. In relying on financial analyses and forecasts provided to J.P. Morgan or derived therefrom, including the WD Approved Synergies, J.P. Morgan assumed that they were reasonably prepared based on assumptions reflecting the best currently available estimates and judgments by management as to the expected future results of operations and financial condition of Western Digital and SanDisk to which such analyses or forecasts relate. J.P. Morgan expressed no view as to such analyses or forecasts (including the WD Approved Synergies) or the assumptions on which they were based. J.P. Morgan also assumed that the Merger and the other transactions contemplated by the Merger Agreement will have the tax consequences described in discussions with, and materials furnished to J.P. Morgan by, representatives of Western Digital, and the transactions contemplated by the Merger Agreement will be consummated as described in the Merger Agreement, and that the definitive Merger Agreement would not differ in any material respects from the draft thereof furnished to J.P. Morgan. J.P. Morgan also assumed that the representations and warranties made by Western Digital and SanDisk in the Merger Agreement and the related agreements were and will be true and correct in all respects material to its analysis, and that any adjustment provided in the Merger Agreement to the Base Cash Consideration included in the Base Merger Consideration or the Alternate Cash Consideration included in the Alternate Merger Consideration will not result in any adjustment to such Base Cash Consideration or Alternate Cash Consideration that is material to its analysis. J.P. Morgan is not a legal, regulatory or tax expert and relied on the assessments made by advisors to Western Digital with respect to such issues. J.P. Morgan further assumed that all material governmental, regulatory or other consents and approvals necessary for the consummation of the Merger will be obtained without any adverse effect on SanDisk or Western Digital or on the contemplated benefits of the Merger.

J.P. Morgan's opinion was necessarily based on economic, market and other conditions as in effect on, and the information made available to J.P. Morgan as of, the date of such opinion. J.P. Morgan's opinion noted that subsequent developments may affect J.P. Morgan's opinion and that J.P. Morgan does not have any obligation to update, revise, or reaffirm such opinion. J.P. Morgan's opinion is limited to the fairness, from a financial point of view, of the consideration to be paid by Western Digital in the proposed Merger and J.P. Morgan has expressed no opinion as to the fairness of any consideration to the holders of any class of securities, creditors or other

Table of Contents

constituencies of Western Digital or the underlying decision by Western Digital to engage in the Merger. Furthermore, J.P. Morgan expressed no opinion with respect to the amount or nature of any compensation to any officers, directors, or employees of any party to the proposed Merger, or any class of such persons relative to the consideration to be paid by Western Digital in the proposed Merger or with respect to the fairness of any such compensation. J.P. Morgan expressed no opinion as to the price at which Western Digital's common stock or SanDisk's common stock will trade at any future time. In addition, J.P. Morgan expressed no view or opinion as to the Unis Investment, including as to any effects of the Unis Investment on SanDisk, Western Digital or the contemplated benefits of the Merger.

The terms of the Merger Agreement were determined through arm's length negotiations between Western Digital and SanDisk, and the decision to enter into the Merger Agreement was solely that of Western Digital's board of directors and SanDisk's board of directors. J.P. Morgan's opinion and financial analyses were only one of the many factors considered by Western Digital's board of directors in its evaluation of the proposed Merger and should not be viewed as determinative of the views of Western Digital's board of directors or management with respect to the proposed Merger or the consideration.

In accordance with customary investment banking practice, J.P. Morgan employed generally accepted valuation methods in rendering its opinion. The following is a summary of the material analyses utilized by J.P. Morgan in connection with providing its opinion and does not purport to be a complete description of the analyses or data presented. Some of the summaries of the financial analyses include information presented in tabular format. The tables are not intended to stand alone, and in order to more fully understand the financial analyses used by J.P. Morgan, the tables must be read together with the full text of each summary. Considering the data set forth below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of J.P. Morgan's analyses.

Public Trading Multiples. Using publicly available information, J.P. Morgan compared selected financial data of SanDisk with similar data for selected publicly traded companies engaged in businesses which J.P. Morgan judged to be analogous to SanDisk. The companies selected by J.P. Morgan were:

Semiconductor Peers

Intel Corporation

Avago Technologies Limited

Marvell Technology Group Ltd.

Mellanox Technologies, Ltd.

Memory Peer

Micron Technology, Inc.

These companies were selected, among other reasons, because they are publicly traded companies with operations and businesses that, for purposes of J.P. Morgan's analysis, may be considered similar to those of SanDisk. None of the selected companies is identical to SanDisk, and certain of the selected companies may have characteristics that are materially different from those of SanDisk. The analyses necessarily involve complex considerations and judgments concerning differences in financial and operational characteristics of the companies involved and other factors that could affect the companies differently than they would affect SanDisk.

For each company listed above, and for Western Digital and SanDisk, J.P. Morgan calculated and compared various financial multiples and ratios based on publicly available financial data as of October 19, 2015. Among other calculations, J.P. Morgan calculated for each company, and for Western Digital and SanDisk, the ratio of

Table of Contents

the price of its common stock to the published equity research analyst estimates of earnings per share for the calendar year 2016 (referred to in this section of this joint proxy statement/prospectus as the CY2016 P/E Multiple). The following table represents the results of this analysis:

Company	CY 2016 P/E
Western Digital	10.0x
SanDisk	16.9x
SanDisk (unaffected as of 10/13/2015)	14.5x
Intel	13.0x
Avago	12.4x
Marvell	14.9x
Mellanox	15.4x
Micron	9.3x

Based on the results of this analysis, J.P. Morgan selected a CY2016 P/E Multiple reference range of 12.0x to 15.0x for SanDisk. The multiple reference range was applied to SanDisk's earnings per share estimate for the calendar year 2016 provided by the management of Western Digital to J.P. Morgan to arrive at an estimated range of equity values for SanDisk's common stock of approximately \$48.00 to \$60.25 per share. The values were rounded to the nearest \$0.25.

The range of implied equity values per share of SanDisk common stock resulting from this analysis was compared to (i) the closing price of SanDisk common stock of approximately \$72.00 on October 19, 2015, (ii) the unaffected closing price of SanDisk common stock of \$61.77 on October 13, 2015 (which J.P. Morgan considered to be the last full unaffected trading day, as it was the last full trading day before the publication of press reports regarding a potential transaction between Western Digital and SanDisk), and (iii) the implied per share equity value of the Merger Consideration of \$86.50, calculated as of October 19, 2015.

Discounted Cash Flow Analysis. J.P. Morgan conducted a discounted cash flow analysis for the purpose of determining the fully diluted equity value per share for SanDisk's common stock. A discounted cash flow analysis is a method of evaluating an asset using estimates of the future unlevered free cash flows generated by the asset, and taking into consideration the time value of money with respect to those cash flows by calculating their present value.

Unlevered free cash flows refers to a calculation of the future cash flows generated by an asset without including in such calculation any debt servicing costs. Specifically, unlevered free cash flows represent unlevered net operating profit after tax, adjusted for depreciation, capital expenditures, changes in net working capital, and certain other expenses as applicable. Present value refers to the current value of the cash flows generated by the asset, and is obtained by discounting those cash flows back to the present using an appropriate discount rate and applying a discounting convention that assumes that all cash flows were generated at the midpoint of each period. Terminal value refers to the present value of all future cash flows generated by the asset for periods beyond the projections period.

In performing its discounted cash flow analysis of SanDisk, J.P. Morgan considered the stand-alone value of SanDisk and the value of SanDisk in light of the WD Approved Synergies, as reflected in certain internal financial analyses and forecasts prepared by the management of Western Digital relating to SanDisk's business.

In arriving at the implied fully diluted equity value per share of SanDisk as a stand-alone entity without regard to the WD Approved Synergies, J.P. Morgan calculated the unlevered free cash flows that SanDisk is expected to generate during the 10-year period ending on December 31, 2025 based upon financial projections prepared by Western Digital's management. J.P. Morgan also calculated a range of terminal values of SanDisk at the end of the 10-year

period ending on December 31, 2025 by applying a perpetual growth rate ranging from 2.5% to 3.5% of the unlevered free cash flows of SanDisk during the terminal period of the projections. The unlevered free cash flows and the range of terminal values were then discounted to present values as of December 31, 2015, using a range of discount rates from 11.0% to 13.0%. The discount rate range was based upon J.P. Morgan's analysis of the weighted average cost of capital of SanDisk.

Table of Contents

Based on the foregoing, this analysis indicated a range of implied fully diluted equity values per share of SanDisk common stock of approximately \$59.25 – \$78.75. The values were rounded to the nearest \$0.25.

J.P. Morgan also calculated the implied fully diluted equity value per share of SanDisk with regard to the WD Approved Synergies. In arriving at the implied fully-diluted equity value per share of SanDisk with the WD Approved Synergies from the proposed Merger, J.P. Morgan calculated the unlevered free cash flows that SanDisk, with regard to the WD Approved Synergies, is expected to generate during the 10-year period ending on December 31, 2025 based upon financial projections prepared by Western Digital's management. J.P. Morgan also calculated a range of terminal values for SanDisk, with regard to the WD Approved Synergies, at the end of the 10-year period ending on December 31, 2025 by applying a perpetual growth rate ranging from 2.5% to 3.5% of the unlevered free cash flows produced by SanDisk, with regard to the WD Approved Synergies, during the terminal period of the projections. The unlevered free cash flows and the range of terminal values were then discounted to present value as of December 31, 2015, using a range of discount rates from 11.0% to 13.0%. The discount rate range was based upon J.P. Morgan's analysis of the weighted cost of capital of SanDisk.

Based on the foregoing, this analysis indicated a range of implied fully diluted equity values, including the WD Approved Synergies, per share of SanDisk common stock of approximately \$98.50 – \$130.50. The values were rounded to the nearest \$0.25.

The range of implied equity values per share of SanDisk common stock resulting from this analysis, both on a stand-alone basis and with the WD Approved Synergies, was compared to (i) the closing price of SanDisk common stock of approximately \$72.00 on October 19, 2015, (ii) the unaffected closing price of SanDisk common stock of \$61.77 on October 13, 2015 and (iii) the implied per share equity value of the Merger Consideration of \$86.50, calculated as of October 19, 2015.

Selected Transaction Analysis. Using publicly available information, J.P. Morgan examined selected transactions involving businesses which J.P. Morgan judged to be sufficiently analogous to SanDisk's business or aspects thereof. For each of the selected transactions, J.P. Morgan calculated and analyzed the ratios of the target's implied firm value (referred to in this section of this joint proxy statement/prospectus as "FV"), to the target's estimated EBITDA, adjusted to exclude stock-based compensation, for a forward-looking 12-month period the twelve months immediately following the date the relevant transaction was announced (referred to in this section of this joint proxy statement/prospectus as "NTM Adjusted EBITDA"). The transactions considered and the date each transaction was announced are as follows:

Acquiror	Target	FV/NTM Adjusted EBITDA
Microsemi Corp.	PMC-Sierra Inc.	15.3x
Dialog Semiconductor plc	Atmel Corp.	21.0x
Intel Corp.	Altera Corp.	22.6x
Avago Technologies Ltd.	Broadcom Corp.	12.4x
NXP Semiconductors N.V.	Freescale Semiconductor, Ltd.	13.7x
Qualcomm Inc.	CSR Plc ¹	17.0x
Infineon Technologies AG	International Rectifier Corp.	9.3x
Analog Devices, Inc.	Hittite Microwave Corp.	14.3x
Cobham plc	Aeroflex Holding Corp.	10.7x

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Avago Technologies Ltd.	LSI Corporation	14.0x
Broadcom Corp.	NetLogic Microsystems, Inc.	27.5x
Texas Instruments Inc.	National Semiconductor Corp.	10.7x
Qualcomm Inc.	Atheros Communications Inc.	19.0x

Based on the results of this analysis, J.P. Morgan applied a FV/NTM Adjusted EBITDA multiple range of 10.0x to 17.0x to SanDisk's NTM Adjusted EBITDA estimate provided by the management of Western Digital

Table of Contents

to J.P. Morgan and arrived at an estimated range of equity values for SanDisk's common stock of approximately \$74.75 to \$118.75 per share. The values were rounded to the nearest \$0.25.

The range of implied equity values per share of SanDisk common stock resulting from this analysis was compared to (i) the closing price of SanDisk common stock of approximately \$72.00 on October 19, 2015, (ii) the unaffected closing price of SanDisk common stock of \$61.77 on October 13, 2015 and (iii) the implied per share equity value of the Merger Consideration of \$86.50, calculated as of October 19, 2015.

Miscellaneous. The foregoing summary of certain material financial analyses does not purport to be a complete description of the analyses or data presented by J.P. Morgan. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. J.P. Morgan believes that the foregoing summary and its analyses must be considered as a whole and that selecting portions of the foregoing summary and these analyses, without considering all of its analyses as a whole, could create an incomplete view of the processes underlying the analyses and its opinion. As a result, the ranges of valuations resulting from any particular analysis or combination of analyses described above were merely utilized to create points of reference for analytical purposes and should not be taken to be the view of J.P. Morgan with respect to the actual value of SanDisk. The order of analyses described does not represent the relative importance or weight given to those analyses by J.P. Morgan. In arriving at its opinion, J.P. Morgan did not attribute any particular weight to any analyses or factors considered by it and did not form an opinion as to whether any individual analysis or factor (positive or negative), considered in isolation, supported or failed to support its opinion. Rather, J.P. Morgan considered the totality of the factors and analyses performed in determining its opinion.

Analyses based upon forecasts of future results are inherently uncertain, as they are subject to numerous factors or events beyond the control of the parties and their advisors. Accordingly, forecasts and analyses used or made by J.P. Morgan are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by those analyses. Moreover, J.P. Morgan's analyses are not and do not purport to be appraisals or otherwise reflective of the prices at which businesses actually could be acquired or sold. None of the selected companies reviewed as described in the above summary is identical to SanDisk, and none of the selected transactions reviewed was identical to the Merger. However, the companies selected were chosen because they are publicly traded companies with operations and businesses that, for purposes of J.P. Morgan's analysis, may be considered similar to those of SanDisk. The transactions selected were similarly chosen because their participants, size and other factors, for purposes of J.P. Morgan's analysis, may be considered similar to the Merger. The analyses necessarily involve complex considerations and judgments concerning differences in financial and operational characteristics of the companies involved and other factors that could affect the companies compared to SanDisk and the transactions compared to the Merger.

As a part of its investment banking business, J.P. Morgan and its affiliates are continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, investments for passive and control purposes, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements, and valuations for corporate and other purposes. J.P. Morgan was selected to advise Western Digital with respect to the Merger on the basis of, among other things, such experience and its qualifications and reputation in connection with such matters and its familiarity with Western Digital, SanDisk and the industries in which they operate.

J.P. Morgan received a fee from Western Digital of \$3 million for the delivery of its opinion. In addition, Western Digital has agreed to pay J.P. Morgan \$19 million payable upon the closing of the Merger for services rendered in connection with the Merger. Western Digital has further agreed to reimburse J.P. Morgan for its expenses incurred in connection with its services, including the fees and disbursements of counsel, and will indemnify J.P. Morgan against certain liabilities arising out of J.P. Morgan's engagement. During the two years preceding the date of J.P. Morgan's

opinion, neither J.P. Morgan nor its affiliates had any other material financial advisory or other material commercial or investment banking relationships with SanDisk. J.P. Morgan and its

Table of Contents

affiliates have had commercial or investment banking relationships with Western Digital for which J.P. Morgan and such affiliates received customary compensation. Such services during the two years preceding the date of J.P. Morgan's opinion included acting as lead arranger on two of Western Digital's credit facilities in January 2014. In addition, J.P. Morgan's commercial banking affiliate is an agent bank and a lender under outstanding credit facilities of Western Digital, for which it receives customary compensation or other financial benefits. In addition, at the time of rendering its opinion, J.P. Morgan or its affiliates owned, on a proprietary basis, 0.03% of the outstanding Western Digital common stock and 0.63% of the outstanding SanDisk common stock. Further, J.P. Morgan anticipated that it and its affiliates would arrange and/or provide financing to Western Digital in connection with the Merger for customary compensation. In the ordinary course of their businesses, J.P. Morgan and its affiliates may actively trade the debt and equity securities of Western Digital or SanDisk for their own accounts or for the accounts of customers and, accordingly, they may at any time hold long or short positions in such securities.

Opinion of SanDisk's Financial Advisor, Goldman Sachs

Goldman Sachs rendered its opinion to SanDisk's board of directors that, as of October 21, 2015 and based upon and subject to the factors and assumptions set forth therein, the Merger Consideration to be paid to the holders (other than Western Digital and its affiliates) of shares of SanDisk common stock pursuant to the Merger Agreement was fair from a financial point of view to such holders.

The full text of the written opinion of Goldman Sachs, dated October 21, 2015, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex D. Goldman Sachs provided its opinion for the information and assistance of SanDisk's board of directors in connection with its consideration of the Merger. The Goldman Sachs opinion is not a recommendation as to how any holder of SanDisk common stock should vote with respect to the Merger, or any other matter.

In connection with rendering the opinion described above and performing its related financial analyses, Goldman Sachs reviewed, among other things:

the Merger Agreement;

that stock purchase agreement, dated as of September 29, 2015, by and among Western Digital, Unisplendour Corporation Limited and Unis Union Information System Ltd.;

annual reports to stockholders and Annual Reports on Form 10-K of SanDisk and Western Digital for the five fiscal years ended December 28, 2014 and June 30, 2015, respectively;

certain interim reports to stockholders and Quarterly Reports on Form 10-Q of SanDisk and Western Digital;

certain other communications from SanDisk and Western Digital to their respective stockholders;

certain publicly available research analyst reports for SanDisk and Western Digital; and

certain internal financial analyses and forecasts for SanDisk prepared by its management and for Western Digital prepared by its management, in each case, as approved for Goldman Sachs use by SanDisk, which are referred to as the SanDisk Approved Forecasts, including certain operating synergies projected by the managements of SanDisk and Western Digital to result from the Merger, as approved for Goldman Sachs use by SanDisk, which are referred to as the SanDisk Approved Synergies. In the case of the financial analyses and forecasts prepared by Western Digital, such financial analyses and forecasts were adjusted by SanDisk prior to providing them to Goldman Sachs for its use. For more information regarding financial analyses and forecasts provided to Goldman Sachs, see *SanDisk Unaudited Prospective Financial Information*).

Table of Contents

Goldman Sachs also held discussions with members of the senior managements of SanDisk and Western Digital regarding their assessment of the strategic rationale for, and the potential benefits of, the Merger and the past and current business operations, financial condition, and future prospects of Western Digital and with the members of the senior management of SanDisk regarding their assessment of the past and current business operations, financial condition and future prospects of SanDisk; reviewed the reported price and trading activity for SanDisk common stock and Western Digital common stock; compared certain financial and stock market information for SanDisk and Western Digital with similar information for certain other companies the securities of which are publicly traded; reviewed the financial terms of certain recent business combinations in the semiconductor industry and in other industries; and performed such other studies and analyses, and considered such other factors, as it deemed appropriate.

For purposes of rendering this opinion, Goldman Sachs, with SanDisk's consent, relied upon and assumed the accuracy and completeness of all of the financial, legal, regulatory, tax, accounting and other information provided to, discussed with or reviewed by, it, without assuming any responsibility for independent verification thereof. In that regard, Goldman Sachs assumed with SanDisk's consent that the SanDisk Approved Forecasts, including the SanDisk Approved Synergies, were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of SanDisk. Goldman Sachs did not make an independent evaluation or appraisal of the assets and liabilities (including any contingent, derivative or other off-balance-sheet assets and liabilities) of SanDisk, Western Digital or any of their respective subsidiaries. Goldman Sachs assumed that all governmental, regulatory or other consents and approvals necessary for the consummation of the Merger will be obtained without any adverse effect on SanDisk or Western Digital or on the expected benefits of the Merger in any way meaningful to its analysis. Goldman Sachs has also assumed that the Merger will be consummated on the terms set forth in the Merger Agreement, without the waiver or modification of any term or condition the effect of which would be in any way meaningful to its analysis.

Goldman Sachs' opinion does not address the underlying business decision of SanDisk to engage in the Merger or the relative merits of the Merger as compared to any strategic alternatives that may be available to SanDisk; nor does it address any legal, regulatory, tax or accounting matters. Goldman Sachs' opinion addresses only the fairness from a financial point of view to the holders (other than Western Digital and its affiliates) of SanDisk common stock, as of the date of the opinion, of the Merger Consideration to be paid to the holders (other than Western Digital and its affiliates) of SanDisk common stock pursuant to the Merger Agreement. Goldman Sachs' opinion does not express any view on, and does not address, any other term or aspect of the Merger Agreement or the Merger or any term or aspect of any other agreement or instrument contemplated by the Merger Agreement or entered into or amended in connection with the Merger, including the Unis Investment (as defined in the Merger Agreement), the fairness of the Merger to, or any consideration received in connection therewith by, the holders of any other class of securities, creditors, or other constituencies of SanDisk; nor as to the fairness of the amount or nature of any compensation to be paid or payable to any of the officers, directors or employees of SanDisk, or class of such persons, in connection with the Merger, whether relative to the Merger Consideration to be paid to the holders (other than Western Digital and its affiliates) of SanDisk common stock pursuant to the Merger Agreement or otherwise. Goldman Sachs does not express any opinion as to the prices at which shares of Western Digital common stock will trade at any time or as to the impact of the Merger on the solvency or viability of SanDisk or Western Digital or the ability of SanDisk or Western Digital to pay their respective obligations when they come due. In addition, Goldman Sachs' opinion was necessarily based on economic, monetary market and other conditions, as in effect on, and the information made available to it as of the date of the opinion and Goldman Sachs assumed no responsibility for updating, revising or reaffirming its opinion based on circumstances, developments or events occurring after the date of its opinion. Goldman Sachs' advisory services and the opinion expressed in the opinion are provided for the information and assistance of SanDisk's board of directors in connection with its consideration of the Merger and such opinion does not constitute a recommendation as to how any holder of SanDisk common stock should vote with respect to the Merger or any other matter. Goldman Sachs' opinion was approved by a fairness committee of Goldman Sachs.

Table of Contents

The following is a summary of the material financial analyses delivered by Goldman Sachs to the board of directors of SanDisk in connection with rendering the opinion described above. The following summary, however, does not purport to be a complete description of the financial analyses performed by Goldman Sachs, nor does the order of analyses described represent relative importance or weight given to those analyses by Goldman Sachs. Some of the summaries of the financial analyses include information presented in tabular format. The tables must be read together with the full text of each summary and are alone not a complete description of Goldman Sachs' financial analyses. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before October 19, 2015, the second to last trading day before the public announcement of the Merger, and is not necessarily indicative of current market conditions.

Historical Stock Trading Analysis

Goldman Sachs analyzed the implied value of the consideration to be paid to holders of SanDisk common stock pursuant to the Merger Agreement of \$86.50 in relation to (1) the closing stock price on October 19, 2015 and the associated 30-day prior average closing stock price, 90-day prior average closing stock price, six-month prior average closing stock price and one-year prior average closing stock price and (2) the closing stock price as of the undisturbed date (September 29, 2015, the day prior to public announcement by Western Digital of its investment from Unisplendour) and the associated 30-day prior average closing stock price, 90-day prior average closing stock price, six-month prior average closing stock price and one-year prior average closing stock price. The implied value of the per share consideration for each share of SanDisk common stock represents the sum of \$85.10, the cash portion of the Merger Consideration, plus 0.0176 shares of Western Digital common stock, the stock portion of the Merger Consideration, which based on the five-day volume-weighted average price of \$79.60 as of October 19, 2015 for Western Digital common stock results in an implied value of consideration to SanDisk common stockholders of \$86.50 (which was also the implied value based on such methodology of the Alternate Merger Consideration of \$67.50 in cash and 0.2387 shares of Western Digital common stock).

This analysis indicated that the implied value of the consideration per share to be paid to SanDisk stockholders pursuant to the Merger Agreement represented:

a premium of 20.1% based on the closing stock price on October 19, 2015;

a premium of 46.6% based on the 30-day average closing stock price as of October 19, 2015;

a premium of 51.8% based on the 90-day average closing stock price as of October 19, 2015;

a premium of 42.7% based on the six-month average closing stock price as of October 19, 2015;

a premium of 17.8% based on the one-year average closing stock price as of October 19, 2015;

a premium of 76.2% based on the closing stock price as of September 29, 2015;

a premium of 62.5% based on the 30-day average closing stock price as of September 29, 2015;

a premium of 56.2% based on the 90-day average closing stock price as of September 29, 2015;

a premium of 41.5% based on the six-month average closing stock price as of September 29, 2015; and

a premium of 15.4% based on the one-year average closing stock price as of September 29, 2015.

Illustrative Present Value of Future Share Price Analysis

Goldman Sachs performed an illustrative analysis of the implied present value of the future value per share of SanDisk common stock, which is designed to provide an indication of the present value of a theoretical future value of a company's equity as a function of estimated future earnings and assumed price to future earnings per share multiple for both SanDisk standalone and Western Digital taking into account consummation of the Merger (the latter for the purpose of implying an illustrative range of the per share Merger Consideration based on the Alternate Merger Consideration).

Table of Contents

SanDisk Standalone. Goldman Sachs calculated the implied values per share of SanDisk common stock as of January 1 for each of the calendar years 2016 through 2020, by applying illustrative price to one-year forward earnings multiples of 13.0x to 16.0x to non-GAAP earnings per share estimates for SanDisk for each of the calendar years 2016 through 2020 set forth in the SanDisk Approved Forecasts, and then discounted the sum of (i) these theoretical future values of SanDisk common stock plus (ii) per share dividends forecasted by SanDisk management, to present values as of September 30, 2015, using an illustrative range of discount rates of 14.0% to 17.0%, reflecting an estimate of SanDisk's cost of equity, to derive an illustrative range of implied present values per share of SanDisk common stock of \$55 to \$84.

Pro Forma Combined Company. Goldman Sachs then performed a similar illustrative analysis, using the SanDisk Approved Forecasts and the SanDisk Approved Synergies, of the implied present value of the future value per share of Western Digital, taking into account consummation of the Merger for the purpose of implying an illustrative range of the value of the per share Merger Consideration based on the Alternate Merger Consideration. The analysis added (i) the cash received of \$67.50 per share, undiscounted and (ii) the present value of Western Digital shares of common stock and dividend payments to be received by SanDisk stockholders forecasted by SanDisk management, taking into account the consummation of the Merger (based upon the Alternate Merger Consideration). Goldman Sachs calculated the implied values per share of Western Digital common stock (assuming consummation of the Merger) as of January 1 for each of the calendar years 2016 through 2020, by applying illustrative price to one-year forward earnings multiples of 11.0x to 13.0x to non-GAAP earnings per share estimates (including stock-based compensation) for Western Digital, taking into account consummation of the Merger, for each of the calendar years 2016 through 2020 using the SanDisk Approved Forecasts (which forecasts for the pro forma combined company took into account the SanDisk Approved Synergies). Goldman Sachs then discounted the sum of (i) these theoretical future values of Western Digital common stock plus (ii) forecasted per share dividends to present values as of September 30, 2015, using an illustrative range of discount rates of 13.0% to 15.0%, reflecting an estimate of Western Digital's cost of equity, taking into account consummation of the Merger, to derive an illustrative range of present values per share of Western Digital common stock. The combination of both cash received and the present value of Western Digital common stock and dividends assuming consummation of the Merger implied an illustrative range of values of Merger Consideration (based on the Alternate Merger Consideration) per share of SanDisk common stock of \$83 to \$93.

Illustrative Discounted Cash Flow Analysis

Goldman Sachs performed an illustrative analysis of the implied present value of discounted cash flows for both SanDisk standalone and Western Digital, taking into account consummation of the Merger (the latter for the purpose of implying an illustrative range of the per share Merger Consideration based on the Alternate Merger Consideration).

SanDisk Standalone. Goldman Sachs performed an illustrative discounted cash flow analysis on SanDisk. Using discount rates ranging from 14.0% to 17.0%, reflecting estimates of SanDisk's weighted average cost of capital, Goldman Sachs discounted to present value as of September 30, 2015, (i) estimates of the unlevered free cash flow to be generated by SanDisk during the period from the last quarter of calendar year 2015 through calendar year 2023 reflected in the SanDisk Approved Forecasts, and (ii) a range of illustrative terminal values for SanDisk as of December 31, 2023 calculated by applying perpetuity growth rates ranging from 2.5% to 4.5% to a terminal year estimate of the unlevered free cash flow to be generated by SanDisk as reflected in the SanDisk Approved Forecasts. Goldman Sachs derived ranges of illustrative enterprise values for SanDisk by adding the ranges of present values it derived based on the estimated unlevered free cash flows of SanDisk for the period from the last quarter of calendar year 2015 through calendar year 2023 to the ranges of present values it derived based on the illustrative terminal values for SanDisk as of December 31, 2023. Goldman Sachs added to the range of illustrative enterprise values it derived for SanDisk the amount of net cash (cash, cash equivalents and marketable securities of SanDisk as of September 30, 2015 less the principal value of debt) in each case, as provided by SanDisk management, to derive a

range of illustrative equity values for SanDisk as of September 30,

Table of Contents

2015. Goldman Sachs then divided the range of illustrative equity values it derived by an implied number of fully diluted outstanding shares of SanDisk common stock (calculated on a treasury method basis), based on information provided by SanDisk management, to derive a range of illustrative present values per share of SanDisk common stock ranging from \$43.59 to \$59.85.

Pro Forma Combined Company. Goldman Sachs then performed a similar illustrative discounted cash flow analysis on Western Digital, taking into account the Merger, based on the SanDisk Approved Forecasts and the SanDisk Approved Synergies. The analysis added i) the cash received of \$67.50 per share, undiscounted and ii) the present value per share of unlevered free cash flow to be generated by Western Digital, taking into account the consummation of the Merger (based upon the Alternate Merger Consideration). Using discount rates ranging from 12.0% to 14.0%, reflecting estimates of Western Digital's weighted average cost of capital taking into account consummation of the Merger, Goldman Sachs discounted to present value as of September 30, 2015, (i) estimates of the unlevered free cash flow to be generated by Western Digital during the last quarter of calendar year 2015 through calendar year 2020 reflected in the SanDisk Approved Forecasts (which forecasts for the pro forma combined company took into account the SanDisk Approved Synergies), and (ii) a range of illustrative terminal values for Western Digital as of December 31, 2020 calculated by applying perpetuity growth rates ranging from 1.5% to 3.5% to a terminal year estimate of the unlevered free cash flow to be generated by Western Digital taking into account consummation of the Merger as reflected in the SanDisk Approved Forecasts. Goldman Sachs subtracted from the range of illustrative enterprise values it derived for Western Digital, taking into account consummation of the Merger, an estimate provided by SanDisk management of the amount of net debt taking into account the debt issued and cash utilized to fund the Merger Consideration in combination with the cash and debt of SanDisk and Western Digital as of September 30, 2015 to derive a range of illustrative equity values for Western Digital. Goldman Sachs then divided the range of illustrative equity values it derived by an implied number of fully diluted outstanding shares of Western Digital common stock (calculated on a treasury method basis based on information provided by Western Digital and SanDisk management), taking into account the consummation of the Merger, to derive a range of illustrative present values per Western Digital common stock, which range was multiplied by the exchange ratio and then added to the cash consideration to imply an illustrative range of present values of the Merger Consideration (based on the Alternate Merger Consideration) per share of SanDisk common stock of \$80.41 to \$89.09.

Selected Transactions Analysis

Goldman Sachs analyzed certain information relating to the following selected transactions in the semiconductor industry since April 2011. For each of the selected transactions, Goldman Sachs calculated and compared aggregate equity consideration as a multiple of the then forward fiscal year's net income (excluding stock based compensation expense), and the offer price premium over undisturbed stock price. For purposes of this analysis, forward fiscal year represents (1) the next fiscal year if the target is more than half way through the current fiscal year as of the date of announcement; and (2) the current fiscal year if the target is less than half way through the current fiscal year as of the date of announcement. While none of the companies that participated in the selected transactions are directly comparable to SanDisk, the companies that participated in the selected transactions are companies with operations that, for the purposes of analysis, may be considered similar to certain of SanDisk's results, market size and product profile.

The applicable information from these transactions is summarized as follows:

Announce Date	Acquirer	Target
6/1/2015	Intel Corporation	Altera Corporation

5/27/2015	Avago Technologies Limited	Broadcom Corporation
8/20/2014	Infineon Technologies AG	International Rectifier Corporation
8/14/2014	Hua Capital Management Co., Ltd.	OmniVision Technologies, Inc.
12/16/2013	Avago Technologies Limited	LSI Corporation
4/4/2011	Texas Instruments Corporation	National Semiconductor Corporation

Table of Contents

	Premium over Undisturbed	Forward Fiscal Year Multiple Net Income (Excl. SBC)
High	77.7%	36.2x
Average	44.5%	21.4x
Median	45.8%	18.0x
Low	17.9%	16.6x

Goldman Sachs applied an illustrative range of forward price/earnings ratios of 16x to 20x to SanDisk's calendar year 2016 non-GAAP earnings per share, using the SanDisk Approved Forecasts, and these calculations yielded a range of illustrative implied prices per share of \$68 to \$85.

Goldman Sachs applied an illustrative range of one day premia (based on an undisturbed share price) of 25% to 55% to SanDisk's closing stock price on September 29, 2015 (the day prior to public announcement by Western Digital of its investment from Unisplendour), and these calculations yielded a range of illustrative implied prices per share of \$61 to \$76.

Premia Analysis

Using information obtained from Thomson Reuters, Goldman Sachs reviewed and analyzed the acquisition premia for certain publicly disclosed transactions since 2010 with a transaction value of between \$100 million and \$5 billion in which a majority stake was acquired, excluding any transaction with a premium in excess of 150%, calculated relative to (i) the target's closing share price one day prior to announcement, (ii) one week prior to announcement and (iii) four weeks prior to announcement. Using such data, Goldman Sachs calculated the average and median acquisition premia for these selected transactions as 30.7% and 30.0%, respectively, for the one day premia, 32.1% and 29.6%, respectively, for the one week premia and 35.2% and 31.9%, respectively, for the four week premia. Within this set of publicly disclosed transactions, Goldman Sachs also calculated the average and median acquisition premia for technology transactions, all-cash transactions, and all-stock transactions. For technology transactions, Goldman Sachs calculated the average and median acquisition premia as 35.6% and 33.4%, respectively, for the one day premia, 37.2% and 36.7%, respectively, for the one week premia and 39.9% and 35.9%, respectively, for the four week premia. For all-cash transactions, Goldman Sachs calculated the average and median acquisition premia as 34.7% and 32.4%, respectively, for the one day premia, 36.3% and 33.0%, respectively, for the one week premia and 39.4% and 35.0%, respectively, for the four week premia. For all-stock transactions, Goldman Sachs calculated the average and median acquisition premia as 20.5% and 16.9%, respectively, for the one day premia, 20.5% and 15.4%, respectively, for the one week premia and 23.9% and 16.4%, respectively, for the four week premia.

General

The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary set forth above, without considering the analyses as a whole, could create an incomplete view of the processes underlying Goldman Sachs' opinion. In arriving at its fairness determination, Goldman Sachs considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis considered by it. Rather, Goldman Sachs made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses. No company or transaction used in the above analyses as a comparison is directly comparable to SanDisk or Western Digital or the contemplated transaction.

Goldman Sachs prepared these analyses for purposes of Goldman Sachs' providing its opinion to SanDisk's board of directors as to the fairness from a financial point of view of the Merger Consideration to be paid to the holders (other than Western Digital and its affiliates) of SanDisk common stock pursuant to the Merger Agreement. These analyses

do not purport to be appraisals nor do they necessarily reflect the prices at which

Table of Contents

businesses or securities actually may be sold. Analyses based upon forecasts of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by these analyses. Because these analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of SanDisk, Western Digital, Goldman Sachs or any other person assumes responsibility if future results are materially different from those forecasted.

The Merger Consideration was determined through arm's-length negotiations between SanDisk and Western Digital and was approved by SanDisk's board of directors. Goldman Sachs provided advice to SanDisk during these negotiations. Goldman Sachs did not, however, recommend any specific amount of consideration to SanDisk or SanDisk's board of directors or that any specific amount of consideration constituted the only appropriate consideration for the Merger.

As described above, Goldman Sachs' opinion to SanDisk's board of directors was one of many factors taken into consideration by SanDisk's board of directors in making its determination to approve the Merger Agreement. The foregoing summary does not purport to be a complete description of the analyses performed by Goldman Sachs in connection with the fairness opinion and is qualified in its entirety by reference to the written opinion of Goldman Sachs attached as Annex D.

Goldman Sachs and its affiliates are engaged in advisory, underwriting and financing, principal investing, sales and trading, research, investment management and other financial and non-financial activities and services for various persons and entities. Goldman Sachs and its affiliates and employees, and funds or other entities in which they invest or with which they co-invest, may at any time purchase, sell, hold or vote long or short positions and investments in securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments of SanDisk, Western Digital, any of their respective affiliates and third parties, including Unisplendour, which is the potential investor in Western Digital in connection with the Unis Investment (as defined in the Merger Agreement), or any currency or commodity that may be involved in the transaction contemplated by the Merger Agreement for the accounts of Goldman Sachs and its affiliates and employees and their customers. Goldman Sachs acted as financial advisor to SanDisk in connection with, and participated in certain of the negotiations leading to, the transactions contemplated by the Merger Agreement. Goldman Sachs has provided certain financial advisory and/or underwriting services to SanDisk and/or its affiliates from time to time for which the Investment Banking Division of Goldman Sachs has received, and may receive, compensation, including having acted as (i) lead manager with respect to a public offering of SanDisk's 2020 Convertible Notes in October 2013 and (ii) SanDisk's financial advisor in connection with the acquisition of Fusion-io in July 2014. During the two year period ended October 20, 2015, the Investment Banking Division of Goldman Sachs has received compensation for financial advisory and/or underwriting services provided to SanDisk and/or its affiliates of approximately \$23.4 million. During the two year period ended October 20, 2015, Goldman Sachs has not been engaged by Western Digital or its affiliates to provide financial advisory or underwriting services for which the Investment Banking Division of Goldman Sachs has received compensation. Goldman Sachs may also in the future provide financial advisory and/or underwriting services to SanDisk, Western Digital, Unisplendour and their respective affiliates for which the Investment Banking Division of Goldman Sachs may receive compensation.

Concurrently with the issuance and public offer of SanDisk's 2017 Convertible Notes and 2020 Convertible Notes (with respect to both of which Goldman Sachs served as lead manager of the public offering), SanDisk entered into Call Spread Transactions with Goldman Sachs, acting as principal for its own account, with respect to 50% of the 2017 Call Spread Transactions and 20% of the 2020 Call Spread Transactions, and with other counterparties with respect to the remainder of the Call Spread Transactions. The 2017 Call Spread Transactions consisted of the purchase by SanDisk of call options with respect to all of the \$1,000,000,000 aggregate principal amount of 2017 Convertible Notes (which were convertible into an aggregate of approximately 19.1 million shares of SanDisk common stock as of

the date of issuance of the 2017 Convertible Notes) and having an initial strike price equal to the initial conversion price of the 2017 Convertible Notes of approximately \$52.37, and the sale by SanDisk of warrants with respect to the same number of shares of SanDisk common stock that underlie

Table of Contents

the 2017 Convertible Notes and having an initial strike price of approximately \$73.33. The 2020 Call Spread Transactions consisted of the purchase by SanDisk of call options with respect to all of the \$1,500,000,000 initial aggregate principal amount of the 2020 Convertible Notes (which were convertible into an aggregate of approximately 16.3 million shares of SanDisk common stock as of the date of issuance of the 2020 Convertible Notes) and having an initial strike price equal to the initial conversion price of the 2020 Convertible Notes of approximately \$92.19, and the sale by SanDisk of warrants with respect to the same number of shares of SanDisk common stock that underlie the 2020 Convertible Notes and having an initial strike price of approximately \$122.92. Except for the portion of the 2017 Bond Hedge Transactions relating to approximately \$3 million principal amount of 2017 Convertible Notes that were exercised due to early conversions by convertible note investors, all of the 2017 Bond Hedge Transactions and the 2020 Bond Hedge Transactions remain outstanding. For a more detailed description of the Call Spread Transactions, see *Summary Effect of the Merger on SanDisk's Bond Hedge Transactions and Warrant Transactions*.

As a result of the Call Spread Transactions, Goldman Sachs has exposure to market fluctuations in the price of SanDisk common stock. Goldman Sachs' ordinary practice is to hedge its net market exposure to the price of the common stock underlying private derivative transactions with issuers of such common stock such as the Call Spread Transactions. In connection with the Call Spread Transactions, Goldman Sachs and its affiliates have engaged, and will continue to engage, in hedging and other market transactions (which may include purchasing or selling SanDisk common stock and the entering into or unwinding of various derivative transactions with respect to SanDisk common stock) that are generally intended to substantially neutralize Goldman Sachs' risk exposure as a result of the Call Spread Transactions. At the close of business on December 10, 2015, Goldman Sachs hedge positions in respect of the Call Spread Transactions included approximately 235 million shares of SanDisk common stock, as well as other over-the-counter derivative transactions with third parties referencing SanDisk securities. Goldman Sachs is expected to continue to engage in hedging activities in accordance with applicable law to mitigate its exposure to market fluctuations in the price of SanDisk common stock resulting from the Call Spread Transactions. Such hedging activity has been, and will be, at Goldman Sachs' own risk and may result in a gain or loss to Goldman Sachs that may be greater than or less than the contractual benefit to Goldman Sachs under the Call Spread Transactions. The amount of any such gain or loss will not be known until the Bond Hedge Transactions and Warrant Transactions have been exercised, expired or terminated in accordance with their terms and Goldman Sachs and its affiliates have completed all of their unwind activities. In accordance with industry practice, Goldman Sachs maintains customary institutional information barriers reasonably designed to prevent the unauthorized disclosure of confidential information by personnel in its Investment Banking Division to the personnel in its Securities Division who are undertaking these hedging and other market transactions.

The Bond Hedge Transactions with Goldman Sachs generally require Goldman Sachs to deliver to SanDisk (i) in respect of each 2017 Convertible Note that is surrendered for conversion, 50% of the number of shares of SanDisk common stock that SanDisk is required to deliver under the terms of the Indenture governing the 2017 Convertible Notes (except that the calculation of the number of shares deliverable under the 2017 Bond Hedge Transactions will not incorporate the temporary increase in the conversion rate of the 2017 Convertible Notes in connection with the Merger) based on the current conversion price of approximately \$50.68 per share of SanDisk common stock, with the other counterparty to the 2017 Bond Hedge Transactions required to deliver to SanDisk the other 50% of such shares and (ii) in respect of each 2020 Convertible Note that is surrendered for conversion, 20% of the number of shares of SanDisk common stock that SanDisk is required to deliver under the terms of the Indenture governing the 2020 Convertible Notes (except that the calculation of the number of shares deliverable under the 2020 Bond Hedge Transactions will not incorporate the temporary increase in the conversion rate of the 2020 Convertible Notes in connection with the Merger) based on the current conversion price of approximately \$91.74 per share of SanDisk common stock, with the other counterparties to the 2020 Bond Hedge Transactions required to deliver to SanDisk the other 80% of such shares.

Goldman Sachs purchased warrants with respect to initially approximately 9.5 million shares of SanDisk common stock from SanDisk with an initial strike price of approximately \$73.33 per share as part of the 2017 Call Spread Transaction and warrants with respect to initially approximately 3.3 million shares of SanDisk

Table of Contents

common stock from SanDisk with an initial strike price of approximately \$122.92 as part of the 2020 Call Spread Transaction. These Warrant Transactions are settled on a cashless basis and automatically exercised in approximately equal installments over a series of expiration dates in 2017-2018 and 2021, respectively. Under the terms of the Warrant Transactions, Goldman Sachs would be entitled to receive from SanDisk a cash payment equal to the value of the Warrant Transactions with Goldman Sachs that terminate in connection with the Merger Agreement and the Merger. If not otherwise agreed between SanDisk and Goldman Sachs, the amount payable under the terminated Warrant Transactions with Goldman Sachs will be determined by Goldman Sachs in good faith and a commercially reasonable manner as calculation agent with respect to such transactions. Goldman Sachs and SanDisk have discussed potential amendments to the terms of their Call Spread Transactions (including as to the timing of the termination and the termination valuation of the Warrant Transactions). There can be no assurance that these discussions will continue or, if they do continue, that the parties will reach an agreement to modify the terms of the Warrant Transactions.

If the Merger closes, the holders of the Convertible Notes would be expected to exercise the right to convert their notes in accordance with their terms at a temporarily increased conversion rate shortly following the closing of the Merger (although the holders' actual decisions will depend upon their judgments based on the prevailing market conditions). If the Merger is consummated and the 2017 Convertible Note holders so convert their notes, the 2017 Bond Hedge Transactions would be exercised based on the then-current conversion rate in the 2017 Convertible Notes (without incorporating the temporary increase in the conversion rate of the 2017 Convertible Notes). If the 2020 Convertible Note holders convert their notes in connection with the consummation of the Merger, the 2020 Bond Hedge Transactions would also be exercised. However, because the Merger Consideration is less than the current strike price under the 2020 Bond Hedge Transactions and because such transactions do not incorporate the temporary increase in the conversion rate of the 2020 Convertible Notes, no payment or delivery would be owed by Goldman Sachs in connection with the exercised 2020 Bond Hedge Transactions corresponding to any such conversions. Although it is expected that holders of the 2017 Convertible Notes and 2020 Convertible Notes will convert their notes in connection with the consummation of the Merger, if the holders do not convert their notes or require SanDisk to buy back their notes the corresponding portions of the Bond Hedge Transactions will remain outstanding.

Goldman Sachs estimates that, if the Merger was to be consummated on December 10, 2015, and assuming that the Unis Investment closes prior to such time, the net amount payable by SanDisk to Goldman Sachs under Goldman Sachs' portion of the Call Spread Transactions would be approximately \$15.8 million. Goldman Sachs has advised SanDisk that, assuming the Merger was to be consummated on December 10, 2015, and assuming that the Unis Investment closes prior to such time, and taking into account Goldman Sachs' customary hedging practices in connection with the Call Spread Transactions as described above, Goldman Sachs estimates it would realize a gain net of approximately \$163 million in respect of the Call Spread Transactions as a result of the Merger, however, the amount of any gain or loss will not be known until the Bond Hedge Transactions and Warrant Transactions have been exercised, expired or terminated in accordance with their terms and Goldman Sachs has completed all of its unwind activities. The differences between this estimate and the estimates provided to SanDisk in the Call Spread Presentations (as discussed below) result from a number of factors, including the actual trading price of SanDisk stock and the actual hedge positions of Goldman Sachs, as well as differences in other market conditions, as compared to those assumed for purposes of the Call Spread Presentations.

Unless otherwise agreed by the parties, each of the foregoing amounts will vary depending on a number of factors, including the actual closing date of the Merger, the values of the Bond Hedge Transactions and Warrant Transactions, the actual conversion date(s) for the Convertible Notes, and market conditions (including stock prices, interest rates and volatility) at the time of conversion, termination, or settlement and may be significantly different from the amount described above. As the factors affecting the amount of these payments change, and as Goldman Sachs has hedged its position under the portion of the Call Spread Transactions for which it is a party, the consummation of the Merger could result in payments to or from Goldman Sachs that are greater than, equal to, or less than the amount of the

payments that would have been received or paid by Goldman Sachs upon exercise, expiration or termination of the Call Spread Transactions in the absence of the Merger.

Table of Contents

In connection with the delivery of its fairness opinion and as described in the section entitled *Background of the Merger*, Goldman Sachs provided to SanDisk's management and SanDisk's board of directors information regarding the potential impact of the Merger on the Call Spread Transactions and its theoretical expected hedge position related thereto based on ordinary practice on July 31, 2015 (the *Call Spread Presentation*), updated information on the Call Spread Transactions on October 1, 2015, and updated estimates on October 14, 2015 and October 19, 2015. The Call Spread Presentation and updated estimates included preliminary estimates by Goldman Sachs' Investment Banking Division based on theoretical models (without consulting with personnel in Goldman Sachs' Securities Division who directly manage the Call Spread Transactions and related hedging activity, because of institutional information barriers) on the Call Spread Transactions for certain specified dates and a range of deal premia and volatility assumptions. Using a Black-Scholes based option pricing model that Goldman Sachs uses in the ordinary course of its business with specified assumptions for announcement date, deal consideration and volatility, the Call Spread Presentation generally showed, for the 2017 Call Spread Transactions and the 2020 Call Spread Transactions in the aggregate, that within the assumed ranges of premium levels, volatility levels and deal dates, and based on the related sets of assumptions, Goldman Sachs expected to accrue greater gains at higher premium levels, higher volatility levels, and sooner deal dates.

SanDisk's board of directors selected Goldman Sachs as its financial advisor because it is an internationally recognized investment banking firm that has substantial experience in transactions similar to the Merger. Pursuant to a letter agreement dated August 25, 2015, SanDisk engaged Goldman Sachs to act as its financial advisor in connection with the contemplated transaction. The engagement letter between SanDisk and Goldman Sachs provides for a transaction fee that is estimated, based on the information available as of the date of announcement and assuming that the Unis Investment is closed prior to the Effective Time of the Merger, at approximately \$43.0 million, approximately \$7.1 million of which was paid in connection with the announcement of the transaction, and the remainder of which is contingent upon consummation of the Merger. In addition, SanDisk has agreed to reimburse Goldman Sachs for certain of its expenses, including attorneys' fees and disbursements, and to indemnify Goldman Sachs and related persons against various liabilities, including certain liabilities under the federal securities laws.

Unaudited Prospective Financial Information***Western Digital Unaudited Prospective Financial Information***

Western Digital does not normally publicly disclose long-term projections as to future revenue, earnings or other results due to, among other reasons, the uncertainty, unpredictability and subjectivity of the underlying assumptions and estimates. However, in connection with the evaluation of the Merger, Western Digital provided SanDisk and its financial advisor with certain non-public, unaudited financial forecasts relating to Western Digital that were prepared by management of Western Digital (the *Western Digital Management Projections*). The projections for fiscal years 2015 through 2020 were prepared as part of Western Digital's annual strategic planning process and were provided to SanDisk and its financial advisor. Also, Western Digital provided to its financial advisors certain non-public unaudited financial forecasts relating to SanDisk that were provided by SanDisk and as adjusted by Western Digital for the calendar years 2015 through 2020 (the *Adjusted SanDisk Management Projections*). In addition, Western Digital developed and provided projections relating to the anticipated synergies for the fiscal years 2017 through 2020 that would result from the Merger to its financial advisors (the *Western Digital Management Synergy Projections* and together with the *Western Digital Management Projections* and *Adjusted SanDisk Projections*, and any other materials referring to or derived from such projections, the *Western Digital Unaudited Prospective Financial Information*). A summary of the Western Digital Unaudited Prospective Financial Information is included in the tables below.

The Western Digital Unaudited Prospective Financial Information was not prepared with a view toward public disclosure and Western Digital, SanDisk and their respective advisors do not endorse the Western Digital Unaudited

Prospective Financial Information as a reliable indication of future results, and they do not make any representation to readers of this document concerning the ultimate performance of Western Digital or the combined company compared to the Western Digital Unaudited Prospective Financial Information. Western

Table of Contents

Digital is including the Western Digital Unaudited Prospective Financial Information in this document solely because they were among the financial information made available to Western Digital's advisors, SanDisk and SanDisk's financial advisor in connection with their evaluation of the Merger, and not to influence your decision on how to vote on any proposal. The Western Digital Unaudited Prospective Financial Information was prepared based on estimates and assumptions made by Western Digital's management at the time of its preparation and speak only as of such times, as applicable. Please read carefully, the section entitled *Important Information About the Unaudited Prospective Financial Information* below.

Financial Forecasts Provided by Western Digital Related to Western Digital

The following table presents a summary of the Western Digital Management Projections that Western Digital made available to SanDisk and its financial advisor for purposes of its financial analyses and opinion:

	(\$ in millions)				
	<i>FY2016E</i>	<i>FY2017E</i>	<i>FY2018E</i>	<i>FY2019E</i>	<i>FY2020E</i>
Revenue	\$ 13,811	\$ 14,221	\$ 14,603	\$ 15,223	\$ 15,472
EBITDA (1)	\$ 2,867	\$ 2,971	\$ 3,078	\$ 3,283	\$ 3,429

(1) EBITDA is a non-GAAP measure of estimated earnings before interest, taxes, depreciation and amortization.
Financial Forecasts Provided by Western Digital Related to the Adjusted SanDisk Management Projections

The following table presents a summary of the Adjusted SanDisk Management Projections that Western Digital made available to Western Digital's financial advisors, and that Western Digital's financial advisors used, with Western Digital's approval, for purposes of their respective financial analyses and fairness opinion:

	(\$ in millions)				
	<i>CY2016E</i>	<i>CY2017E</i>	<i>CY2018E</i>	<i>CY2019E</i>	<i>CY2020E</i>
Revenue	\$ 6,161	\$ 7,015	\$ 7,836	\$ 8,605	\$ 10,260
EBITDA (1)	\$ 1,511	\$ 1,731	\$ 1,981	\$ 2,091	\$ 2,559
EBIT (2)	\$ 1,150	\$ 1,323	\$ 1,516	\$ 1,679	\$ 2,107

(1) EBITDA is a non-GAAP measure of estimated earnings before interest, taxes, depreciation and amortization.

(2) EBIT is a non-GAAP measure of estimated earnings before interest and taxes.

Financial Forecasts Provided by Western Digital Related to Anticipated Synergies

The following table presents a summary of the Western Digital Management Synergy Projections that Western Digital made available to Western Digital's financial advisors, and that Western Digital's financial advisors used, with Western Digital's approval, for purposes of their respective financial analyses and fairness opinion:

(\$ in millions)

	<i>FY2017E</i>	<i>FY2018E</i>	<i>FY2019E</i>	<i>FY2020E</i>
Total Impact of Anticipated Synergies on Operating Income	\$ 337	\$ 659	\$ 1,011	\$ 1,072

SanDisk Unaudited Prospective Financial Information

Financial Forecasts Related to SanDisk

SanDisk does not normally publicly disclose long-term projections as to future revenue, earnings or other results due to, among other reasons, the uncertainty, unpredictability and subjectivity of the underlying

Table of Contents

assumptions and estimates. However, in connection with the evaluation of the Merger, SanDisk provided the SanDisk board of directors, Western Digital and their respective advisors with certain non-public, unaudited non-GAAP stand-alone financial forecasts that were prepared by management of SanDisk and which were not prepared with a view to public disclosure. A summary of such unaudited non-GAAP prospective financial information (the SanDisk Management Projections) is included in the tables below. The projections for FY 2015 through FY 2018 were prepared as part of SanDisk's annual strategic planning process in the summer of 2015 and were provided to the SanDisk board of directors in late August 2015, and to Western Digital and its advisors in early September 2015, with subsequent adjustments in October 2015. In addition, projections for FY 2019 through FY 2023 were prepared at the request of Goldman Sachs in the form of extrapolation from FY 2018 (and not as a part of the annual strategic planning process) in order to provide a basis for longer term discounted cash flow analysis, and the projection for these fiscal years (in addition to FY 2016 through FY 2018) were provided to Goldman Sachs and the SanDisk board of directors in late August 2015. SanDisk Management Projections, SanDisk's Adjusted Western Digital Projections (described below) and SanDisk's Combined Western Digital and SanDisk Management Projections (described below) (together, the SanDisk Unaudited Prospective Financial Information) are not a reliable indication of future results, and SanDisk, Western Digital and their respective management teams and advisors do not endorse the projections as such, and they do not make any representation to readers of this document concerning the ultimate performance of SanDisk, Western Digital or the combined company compared to the SanDisk Unaudited Prospective Financial Information. SanDisk is including the SanDisk Unaudited Prospective Financial Information in this document solely because it was among the financial information made available to the SanDisk board of directors, Goldman Sachs, Western Digital and its advisors in connection with their evaluation of the Merger, and not to influence your decision on how to vote on any proposal. The SanDisk Unaudited Prospective Financial Information was prepared based on estimates and assumptions made by management at the respective times of their preparation and speak only as of such times, as applicable. Please read carefully the section entitled *Important Information About the Unaudited Prospective Financial Information* below.

The following table summarizes the SanDisk Management Projections, as used by the SanDisk board of directors for purposes of its consideration of the Merger and approved by SanDisk for Goldman Sachs' use and reliance for purposes of their financial analysis and opinion:

	Fiscal Year (1)								
	Strategic Planning Forecast				Forecast Extrapolation				
	SanDisk FY 2015E	SanDisk FY 2016E	SanDisk FY 2017E	SanDisk FY 2018E	SanDisk FY 2019E	SanDisk FY 2020E	SanDisk FY 2021E	SanDisk FY 2022E	SanDisk FY 2023E
	(\$ In millions, except for percentages)								
Revenue	\$ 5,543	\$ 6,178	\$ 6,752	\$ 7,450	\$ 8,015	\$ 8,673	\$ 9,310	\$ 9,789	\$ 10,176
Non-GAAP Operating Income % (2)	18%	20%	22%	25%	25%	26%	26%	26%	26%
Non-GAAP Net Income (3)	\$ 710	\$ 839	\$ 1,057	\$ 1,345	\$ 1,519	\$ 1,706	\$ 1,808	\$ 1,896	\$ 1,968
Unlevered Free Cash Flow (4)	\$ 178	\$ 735	\$ 584	\$ 954	\$ 961	\$ 1,254	\$ 1,357	\$ 1,425	\$ 1,541

- (1) SanDisk's fiscal year end is on the Sunday nearest December 31.
- (2) Non-GAAP Operating Income is a non-GAAP measure of estimated earnings from operations before interest income, interest expense, other non-operating expense (income) and income taxes, which excludes share-based compensation, amortization of acquisition-related intangible assets and impairment of acquisition-related intangible assets, and is exclusive of any transaction, legal, employee-related or other costs related to the Western Digital acquisition of SanDisk.
- (3) Non-GAAP Net Income is a non-GAAP measure of net income adjusted to exclude share-based compensation, amortization of acquisition-related intangible assets, impairment of acquisition-related intangible assets, convertible debt non-cash economic interest expense and related income tax adjustments.

Table of Contents

Non-GAAP Net Income is also exclusive of any transaction, legal, employee-related or other costs related to the Western Digital acquisition of SanDisk.

- (4) Unlevered Free Cash Flow was calculated by Goldman Sachs from certain prospective financial information using earnings before interest and taxes, adding (a) depreciation and amortization and (b) changes in working capital, and subtracting (a) taxes, (b) capital expenditures and net investments in Flash Ventures and (c) stock based compensation and others, in each case, as provided and approved for Goldman Sachs use by SanDisk management. Net working capital includes accounts receivables, inventories, other current assets, accounts payable, accrued liabilities, and deferred income on shipments to distributors, and certain non-current liabilities. SanDisk unlevered free cash flow is also exclusive of any transaction, legal, employee-related or other costs related to the Western Digital acquisition of SanDisk.

Financial Forecasts Provided by SanDisk Related to Western Digital's Management Projections

In connection with the discussions regarding the proposed Merger, SanDisk adjusted the Western Digital Management Projections (SanDisk's Adjusted Western Digital Projections) for the calendar years 2016 through 2020. SanDisk is including the SanDisk's Adjusted Western Digital Projections in this document solely because they were among the financial information made available to the SanDisk board of directors and Goldman Sachs in connection with their evaluation of the Merger, and not to influence your decision on how to vote on any proposal. Please read carefully the section entitled *Important Information About the Unaudited Prospective Financial Information* below.

The following table summarizes SanDisk's Adjusted Western Digital Projections provided by SanDisk for Goldman Sachs's use and reliance for purposes of their financial analyses and opinion:

	Calendar Years				
	Western Digital CY 2016E	Western Digital CY 2017E	Western Digital CY 2018E	Western Digital CY 2019E	Western Digital CY 2020E
	<i>(In millions, except for percentages)</i>				
Revenue	\$ 13,289	\$ 13,006	\$ 12,697	\$ 12,390	\$ 12,297
Non-GAAP Operating Income % (1)	14%	14%	16%	17%	18%
Non-GAAP Net Income (2)	\$ 1,594	\$ 1,547	\$ 1,615	\$ 1,621	\$ 1,597

- (1) Non-GAAP Operating Income is a non-GAAP measure of estimated earnings from operations before interest income, interest expense, other non-operating expense (income) and income taxes, which excludes amortization of acquisition-related intangible assets, impairment of acquisition-related intangible assets, restructuring and other, and any transaction, legal, employee-related or other costs related to the Western Digital acquisition of SanDisk. Non-GAAP Operating Income includes share-based compensation.
- (2) Non-GAAP Net Income is a non-GAAP measure of net income adjusted to exclude amortization of acquisition-related intangible assets, impairment of acquisition-related intangible assets, restructuring and other, any transaction, legal, employee-related or other costs related to the Western Digital acquisition of SanDisk, and related income tax adjustments. Non-GAAP Net Income includes share-based compensation.

Financial Forecasts Provided by SanDisk Related to Combined Western Digital and SanDisk

In connection with the discussions regarding the proposed Merger, SanDisk developed combined Western Digital and SanDisk Management Projections (SanDisk's Combined Western Digital and SanDisk Management Projections) for the fiscal years 2016 through 2020 based upon SanDisk Management Projections, SanDisk's Adjusted Western Digital

Projections and SanDisk's view of positive and negative synergies. SanDisk is including the SanDisk's Combined Western Digital and SanDisk Management Projections in this document solely because they were among the financial information made available to the SanDisk board of directors and Goldman Sachs in connection with their evaluation of the Merger, and not to influence your decision on how to

Table of Contents

vote on any proposal. Please read carefully the section entitled *Important Information About the Unaudited Prospective Financial Information* below.

The following table summarizes SanDisk's Combined Western Digital and SanDisk Management Projections provided by SanDisk for Goldman Sachs's use and reliance for purposes of their financial analysis and opinion:

	Fiscal Year (1)				
	Combined FY 2016E	Combined FY 2017E	Combined FY 2018E	Combined FY 2019E	Combined FY 2020E
	(\$ In millions, except for percentages)				
Revenue	\$ 19,466	\$ 19,238	\$ 19,295	\$ 19,379	\$ 19,920
Non-GAAP Operating Income % (2)	16%	20%	23%	24%	24%
Unlevered Free Cash Flow (3)	\$ 1,989	\$ 2,389	\$ 3,212	\$ 3,655	\$ 3,724

- (1) Fiscal year end used for the combined company is approximately December 31.
- (2) Non-GAAP Operating Income is a non-GAAP measure of estimated earnings from operations before interest income, interest expense, other non-operating expense (income) and income taxes, which excludes share-based compensation, amortization of acquisition-related intangible assets and impairment of acquisition-related intangible assets, restructuring and other charges.
- (3) Unlevered Free Cash Flow was calculated by Goldman Sachs from certain prospective financial information using earnings before interest and taxes, adding (a) depreciation and amortization and (b) changes in working capital, and subtracting (a) taxes, (b) capital expenditures and net investments in Flash Ventures and (c) stock based compensation and others, in each case, as provided and approved for Goldman Sachs' use by SanDisk management. Net working capital includes accounts receivables, inventories, other current assets, accounts payable, accrued liabilities, and deferred income on shipments to distributors, and certain non-current liabilities.

Important Information About the Unaudited Prospective Financial Information

The inclusion of the SanDisk Unaudited Prospective Financial Information and the Western Digital Unaudited Prospective Financial Information (together the Unaudited Prospective Financial Information) as provided in the above section titled *Unaudited Prospective Financial Information* in this joint proxy statement/prospectus should not be regarded as an indication that any of SanDisk, Western Digital, J.P. Morgan, BofA Merrill Lynch, Goldman Sachs, their advisors or any of their respective affiliates, officers, directors, partners, advisors or other representatives considered, or now considers, those projections to be predictive of actual future results, and does not constitute an admission or representation by SanDisk or Western Digital that this information is material. There can be no assurance that the projected results will be realized or that actual results will not be materially lower or higher than estimated, whether or not the Merger is completed.

While the Unaudited Prospective Financial Information summarized above was prepared in good faith by Western Digital and SanDisk based on information available at the time of preparation, no assurances can be made regarding future events or that the assumptions made in preparing the Unaudited Prospective Financial Information will accurately reflect future conditions. In preparing the Unaudited Prospective Financial Information, Western Digital's management and SanDisk's management made assumptions regarding, among other things, future economic, competitive, regulatory and financial market conditions and future business decisions that may not be realized and that are inherently subject to significant uncertainties and contingencies, including, among others, risks and uncertainties

described or incorporated by reference in the sections entitled *Risk Factors* and *Cautionary Statement Concerning Forward-Looking Statements*, all of which are difficult to predict and many of which are beyond the control of SanDisk and Western Digital and will be beyond the control of the combined company. There can be no assurance that the underlying assumptions or projected results in the Unaudited Prospective Financial Information will be realized, and actual results will likely differ, and may

Table of Contents

differ materially, from those reflected in the Unaudited Prospective Financial Information, whether or not the Merger is completed. As a result, the Unaudited Prospective Financial Information cannot be considered predictive of actual future operating results, and this information should not be relied on as such.

Since the Unaudited Prospective Financial Information covers multiple years, the information by its nature becomes less predictive with each successive year. SanDisk stockholders and Western Digital stockholders are urged to review the SEC filings of SanDisk and Western Digital for a description of risk factors with respect to the businesses of SanDisk and Western Digital, as well as the risks and other factors described or incorporated by reference in the sections entitled *Risk Factors* and *Cautionary Statement Concerning Forward-Looking Statements* of this joint proxy statement/prospectus. The Unaudited Prospective Financial Information was not prepared with a view toward public disclosure, nor were they prepared with a view toward compliance with published guidelines of the SEC, the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information, or GAAP.

The Unaudited Prospective Financial Information include certain non-GAAP financial measures. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with GAAP, and non-GAAP financial measures as used by SanDisk and Western Digital may not be comparable to similarly titled amounts used by other companies. The footnotes to the tables above provide certain supplemental information with respect to the calculation of these non-GAAP financial measures. The independent registered public accounting firms of SanDisk and Western Digital have not audited, reviewed, compiled or performed any procedures with respect to the Unaudited Prospective Financial Information for the purpose of their inclusion herein. Accordingly, the independent registered public accounting firms of SanDisk and Western Digital do not express an opinion or provide any form of assurance with respect thereto for the purpose of this joint proxy statement/prospectus. The reports of the independent registered public accounting firms of SanDisk and Western Digital incorporated by reference in this joint proxy statement/prospectus relate to the historical financial information of SanDisk and Western Digital. They do not extend to the Unaudited Prospective Financial Information and should not be read to do so. The Unaudited Prospective Financial Information does not take into account any circumstances or events occurring after the date they were prepared.

READERS OF THIS DOCUMENT ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THE UNAUDITED PROSPECTIVE FINANCIAL INFORMATION. WESTERN DIGITAL AND SANDISK DO NOT INTEND TO UPDATE OR OTHERWISE REVISE THE UNAUDITED PROSPECTIVE FINANCIAL INFORMATION TO REFLECT CIRCUMSTANCES EXISTING AFTER THE DATE WHEN MADE OR TO REFLECT THE OCCURRENCE OF FUTURE EVENTS, EVEN IN THE EVENT THAT ANY OR ALL OF THE ASSUMPTIONS UNDERLYING THE UNAUDITED PROSPECTIVE FINANCIAL INFORMATION ARE NO LONGER APPROPRIATE, EXCEPT AS MAY BE REQUIRED BY LAW.

Stock Ownership of Directors and Executive Officers of Western Digital and SanDisk***Western Digital***

At the close of business on the record date for the Western Digital special meeting, directors and executive officers of Western Digital beneficially owned and were entitled to vote [] shares of Western Digital common stock, collectively representing approximately []% of the shares of Western Digital common stock outstanding on that date. Further information about ownership of Western Digital common stock by directors and executive officers of Western Digital may be found in Western Digital's definitive proxy statement for its 2015 annual meeting and Western Digital's Annual Report on Form 10-K for the year ended July 3, 2015, which is incorporated by reference in this joint proxy statement/prospectus. See *Where You Can Find More Information* for more information.

SanDisk

At the close of business on the record date for the SanDisk special meeting, directors and executive officers of SanDisk beneficially owned and were entitled to vote [] shares of SanDisk common stock, collectively

Table of Contents

representing approximately []% of the shares of SanDisk common stock outstanding on that date. Further information about ownership of SanDisk common stock by directors and executive officers of SanDisk may be found in SanDisk's definitive proxy statement for its 2015 annual meeting and SanDisk's Annual Report on Form 10-K for the year ended December 28, 2014, which is incorporated by reference in this joint proxy statement/prospectus. See *Where You Can Find More Information* for more information.

Interests of Western Digital Directors and Executive Officers in the Merger

When considering the recommendation of Western Digital's board of directors with respect to the NASDAQ Stock Issuance Proposal, Western Digital stockholders should be aware that some directors and executive officers of Western Digital may have interests in the transactions contemplated by the Merger Agreement that may be different from, or in addition to, their interests as Western Digital stockholders and the interests of Western Digital stockholders generally.

Quantification of Payments and Benefits to Western Digital's Named Executive Officers

This section sets forth the information required by Item 402(t) of Regulation S-K regarding the golden parachute compensation that may be or become payable to each named executive officer of Western Digital and that is based on or otherwise relates to the transactions contemplated by the Merger Agreement. The compensation payable to Western Digital's named executive officers, as described herein, is subject to a non-binding advisory vote of Western Digital stockholders.

Other than an award of performance-based restricted stock units, or PSUs, to Mark Long, Executive Vice President and Chief Strategy Officer of Western Digital, Western Digital's named executive officers are not party to any agreements or understandings concerning compensation that is based on or otherwise relates to the transactions contemplated by the Merger Agreement.

In 2015, Mr. Long was awarded PSUs with performance milestones that relate to his role and areas of responsibility regarding Western Digital's strategy and corporate development. The vesting of Mr. Long's PSUs is based in part upon milestones relating to Western Digital's engagement in certain corporate transactions, including the signing and closing the Merger and Unis Investment and certain other post-closing goals relating to the Merger that have yet to be established. Following the end of each fiscal year from July 4, 2015 through July 2, 2021, Western Digital's compensation committee will determine the number of PSUs, if any, that will be credited to Mr. Long with respect to the milestones, if any, achieved during the respective fiscal year.

Once the number of PSUs to be credited based on performance is determined, the credited PSUs will be subject to service-based vesting and vest in three installments as follows: (i) 40% of the credited PSUs will vest as of the last day of the fiscal year for which Western Digital's compensation committee has determined that the applicable performance milestones have been achieved, (ii) 40% of the credited PSUs will vest on the first anniversary of the first vesting date, and (iii) 20% of the credited PSUs will vest on the second anniversary of the first vesting date. Mr. Long is entitled to receive dividend equivalents with respect to outstanding PSUs, which are subject to the same vesting, forfeiture and termination conditions applicable to the PSUs. As of the date hereof, no determination has been made by Western Digital's compensation committee as to the achievement, crediting or vesting of any portion of Mr. Long's PSUs.

As more fully described below, Mr. Long's PSUs are subject to accelerated vesting in the event of (i) Mr. Long's death, (ii) the termination of Mr. Long's employment under circumstances that give rise to the payment of severance benefits under Western Digital's Executive Severance Plan (generally, a termination of Mr. Long's employment by Western

Digital without cause, as such term is defined in that plan) or Change of Control Severance Plan (generally, a termination of employment by Western Digital without cause or by Mr. Long for good reason within one year after or prior to and in connection with a change in control of Western Digital, as each such term is defined in that plan), and (iii) a change in control event of Western

Table of Contents

Digital (as defined in the Western Digital Amended and Restated 2004 Performance Incentive Plan) where the acquirer does not assume the award or the award does not otherwise remain outstanding. The Merger is not intended to constitute a change in control or change in control event giving rise to accelerated vesting of Mr. Long's PSUs under Western Digital's Change of Control Severance Plan or Amended and Restated 2004 Performance Incentive Plan as described herein. In each case, accelerated vesting is determined as follows, and all other unvested PSUs terminate and are forfeited:

100% of the then outstanding and otherwise unvested PSUs previously credited based on the attainment of a performance milestone will vest as of the date of Mr. Long's termination of employment or death (or a change in control event of Western Digital in which the acquirer does not assume the award and the award does not otherwise remain outstanding); and

as to any then outstanding and otherwise unvested and uncredited PSUs that remain eligible to vest and as to which the achievement of the corresponding milestone has not been determined, a pro rata portion of the target number of such PSUs (or, if fewer than the target number remain outstanding, unvested and uncredited, a pro rata portion of such PSUs that remain outstanding), with proration based on the number of days Mr. Long was employed with Western Digital during the three-year period commencing on the grant date.

Any unvested portion of the PSUs will be forfeited upon (i) a voluntary termination of employment by Mr. Long without "good reason" in connection with a change in control of Western Digital, (ii) a voluntary termination of employment by Mr. Long for any reason outside of a change in control of Western Digital, (iii) termination of Mr. Long's employment by Western Digital for cause or (iv) Mr. Long's disability.

The table below sets forth the estimated value of the PSUs that are eligible to become credited, in part, based upon milestones relating to Western Digital's engagement in the Merger and Unis Investment. The amount set forth in the table below has been calculated based upon an estimate of performance with respect to the Merger and Unis Investment, assuming that the (i) closing date of the Merger and Unis Investment is June 30, 2016 and (ii) the per share price of Western Digital common stock is \$68.23, which is the average closing price per share of Western Digital's common stock over the first five business days following the announcement of the signing of the Merger Agreement.

Some of the assumptions are based on information not currently available and, as a result, the actual amount, if any, to be received by Mr. Long may differ in material respects from the amount set forth below. The information set forth in the table below is provided solely for purposes of, and in accordance with, Item 402(t) of Regulation S-K. As of the date hereof, Mr. Long's PSUs remain uncredited, unvested, and unpaid, no determination has been made as to the achievement of any performance milestones relating to the PSUs, and the amount reflected in the table below represents an amount relating to PSUs that Mr. Long has the potential to earn if approved by Western Digital's compensation committee. If and when the PSUs are credited as described above, Mr. Long is required to continue to provide services to Western Digital in order to vest in the PSUs. The dollar amount set forth below has been rounded to the nearest whole number.

Name	Other/Total
Mark P. Long	\$ 4,887,724(1)

(1) Reflects the value of the 71,636 PSUs that are expected to be credited based upon milestones relating to Western Digital's engagement in the transactions contemplated by the Merger Agreement, assuming that the (i) closing date of the Merger and Unis Investment is June 30, 2016 and (ii) the per share price of Western Digital common stock of \$68.23, which is the average closing price per share of Western Digital's common stock over the first five business days following the announcement of the signing of the Merger Agreement. This value does not reflect any dividend equivalents that may be credited to the PSUs.

Of such (i) 34,071 PSUs are assumed to be credited based on the signing of the Merger, (ii) 15,900 PSUs are assumed to be credited based on the assumed timing of the closing date of the Merger and could change based on

Table of Contents

the actual timing of that closing date, (iii) 3,494 PSUs are assumed to be credited based on the assumed timing of the Unis Closing and could change based on the actual timing of that closing date, and (iv) the remaining 18,171 PSUs would be subject to post-closing goals relating to the Merger that have yet to be established. The actual number of PSUs that will be credited may be more or less than this number, depending on the number of PSUs, if any, that Western Digital's compensation committee determines should be credited to Mr. Long and the timing of the closing of the transactions contemplated by the Merger Agreement, and may be worth more or less than the value disclosed above, depending on Western Digital's per share price at the time of settlement. The credited PSUs will be subject to service-based vesting, which may be accelerated in the event of certain terminations of Mr. Long's employment, or in the event Western Digital undergoes a change in control event and the acquirer does not assume the awards and they do not otherwise remain outstanding, in each case, as discussed in detail above.

The members of Western Digital's board of directors were aware of and considered these interests, among other matters, in evaluating and negotiating the Merger Agreement and the Merger, and in recommending that Western Digital stockholders vote for the NASDAQ Stock Issuance Proposal and the Western Digital Non-Binding Advisory Proposal.

Interests of SanDisk Directors and Executive Officers in the Merger

In considering the recommendation of the SanDisk board of directors with respect to the approval of the Merger Agreement and the Merger, SanDisk stockholders should be aware that SanDisk's directors and executive officers have interests in the Merger that are different from, or in addition to, those of the SanDisk stockholders generally. The SanDisk board of directors was aware of these interests and considered them, among other matters, in approving the Merger and the Merger Agreement and making its recommendation that the SanDisk stockholders approve the Merger Proposal and the SanDisk Non-Binding Advisory Proposal. These interests are described below.

Arrangements with Western Digital

SanDisk directors and executive officers may have interests in the form of continued employment by the Surviving Corporation or, in the case of Sanjay Mehrotra, in the form of service as a director of Western Digital pursuant to Section 6.26 of the Merger Agreement. In addition, see the section entitled *Indemnification of Directors and Officers* below for details regarding indemnification by Western Digital of SanDisk directors and officers. As of the date hereof, none of these individuals has entered into any agreement with Western Digital.

Treatment of Equity and Equity-Based Awards

Certain SanDisk directors and executive officers hold one or more of the following awards: options to purchase shares of SanDisk common stock, which we refer to as SanDisk stock options, and SanDisk restricted stock units, which we refer to as SanDisk RSUs.

The treatment of each SanDisk stock option under the Merger Agreement varies depending on whether such option is vested or unvested and whether the exercise price of such option exceeds the value of the per share Merger Consideration. The treatment of each SanDisk RSU also varies depending on whether such RSU is vested or unvested:

Western Digital will assume each unvested and outstanding SanDisk stock option, each unvested SanDisk RSU and each outstanding vested SanDisk stock option with a per share exercise price that is greater than or equal to the per share Merger Consideration held by directors and executive officers immediately prior to the

Effective Time of the Merger. All such stock options and RSUs will be converted into Western Digital stock options and RSUs, respectively, adjusted to give effect to the

Table of Contents

exchange ratio set forth in the Merger Agreement, and subject to the same vesting schedule (including any acceleration of vesting) as such stock options and RSUs had prior to being converted. Upon exercise or vesting after the Effective Time of the Merger, respectively, such stock options and RSUs will entitle the holder to receive shares of Western Digital common stock; provided, that, if the Unis Investment has closed prior to consummation of the Merger, Western Digital may elect to settle some or all of stock options and RSUs in cash, based on Western Digital's share price on the exercise date or vesting date, respectively; and

each vested SanDisk stock option with an exercise price less than the per share Merger Consideration, and each vested SanDisk RSU will be cancelled at the Effective Time of the Merger in exchange for the per share Merger Consideration, reduced by the applicable exercise price with respect to each SanDisk stock option (with the exercise price first applied against the stock portion of the per share Merger Consideration). Notwithstanding the SanDisk stock option and SanDisk RSU treatment described above, under the terms of their award agreements, SanDisk stock options and SanDisk RSUs held by SanDisk's non-employee directors will vest in full immediately prior to the Effective Time of the Merger.

Table of Contents***SanDisk Stock Options and SanDisk RSUs to be Cancelled in Exchange for Merger Consideration***

The following table sets forth SanDisk stock option and SanDisk RSU information related to the consideration expected to be received by non-employee directors, named executive officers and other executive officers of SanDisk in exchange for cancellation of their outstanding equity awards. The amounts listed below are estimates that assume (i) that closing of the Merger occurred on December 1, 2015, (ii) that the Unis Investment will close prior to the closing of the Merger, resulting in per share Merger Consideration equal to \$85.10 in cash and 0.0176 shares of Western Digital common stock and (iii) that each non-employee director, named executive officer and other executive officer immediately sells all such shares of Western Digital common stock at \$63.93 per share, the closing trading price on December 1, 2015, provided that such consideration will be reduced by the applicable exercise price with respect to SanDisk stock options (with the exercise price first applied against the stock portion of the per share Merger Consideration). In addition, the per share Merger Consideration used to calculate the amounts listed below is not adjusted for any Closing Cash Shortfall. However, the actual per share Merger Consideration, if any, to be received by non-employee directors, named executive officers and other executive officers will depend on the outstanding vested SanDisk stock options and vested SanDisk RSUs held by such individuals as of the actual closing date of the Merger, whether any vested SanDisk stock option has a per share exercise price that is greater than or equal to the per share Merger Consideration, whether the Unis Investment has closed prior to the Effective Time of the Merger, whether there is a Closing Cash Shortfall and the amount of such Closing Cash Shortfall and the relative values of SanDisk and Western Digital common stock at the Effective Time, which may differ from the amounts set forth below.

	Total Value With Respect to Vested Stock Options		Total Value With Respect to Vested RSUs		Total Value With Respect to Vested Stock Options and RSUs
	Shares	Value	Shares	Value	
Non-Employee Directors (i)					
Michael E. Marks	6,250	\$ 131,375	1,927	\$ 166,165	\$ 297,540
Irwin Federman	12,500	\$ 302,000	1,927	\$ 166,165	\$ 468,165
Steven J. Gomo	31,250	\$ 1,134,875	1,927	\$ 166,165	\$ 1,301,040
Eddy W. Hartenstein	18,750	\$ 550,750	1,927	\$ 166,165	\$ 716,915
Dr. Chenming Hu	31,250	\$ 1,134,875	1,927	\$ 166,165	\$ 1,301,040
Catherine P. Lego	37,500	\$ 1,576,813	1,927	\$ 166,165	\$ 1,742,978
D. Scott Mercer	10,958	\$ 251,617	1,927	\$ 166,165	\$ 417,783
Named Executive Officers					
Sanjay Mehrotra	187,031	\$ 4,745,097		\$	\$ 4,745,097
Judy Bruner	75,149	\$ 2,127,765		\$	\$ 2,127,765
Sumit Sadana	37,631	\$ 967,481		\$	\$ 967,481
Mark Brazeal		\$		\$	\$
Shuki Nir	13,783	\$ 160,480		\$	\$ 160,480
Other Executive Officers					
Siva Sivaram	19,312	\$ 414,488		\$	\$ 414,488
Eric S. Whitaker (ii)				\$	\$

- (i) As described above, SanDisk stock options and SanDisk RSUs held by non-employee directors will vest in full immediately prior to the Effective Time of the Merger and will be treated as vested SanDisk stock options and vested SanDisk RSUs, respectively, at the Effective Time of the Merger.
- (ii) Eric S. Whitaker departed SanDisk in September 2014 and, as a result, will not receive any payments or benefits in connection with the Merger that are different from, or in addition to, those of the SanDisk stockholders generally.

Table of Contents***SanDisk Stock Options and SanDisk RSUs to be Assumed and Converted in the Merger***

The following table sets forth information relating to the SanDisk stock options and SanDisk RSUs held by non-employee directors, named executive officer and other executive officers that are not expected to be cancelled and exchanged for per share Merger Consideration at the Effective Time of the Merger and, instead, are expected to be assumed and converted at the Effective Time of the Merger into applicable equity awards of Western Digital. The amounts listed below are estimates based on an assumed closing date of December 1, 2015, and based on equity award holdings of each individual as of such date. However, the actual number of SanDisk stock options and SanDisk RSUs to be assumed and converted into Western Digital awards will depend on the number of outstanding and unvested SanDisk stock option and SanDisk RSUs held by such individuals on the actual Effective Time of the Merger and whether any vested SanDisk stock option has a per share exercise price that is greater than or equal to the per share Merger Consideration.

	Unvested and Underwater Options Subject to Assumption & Conversion	Unvested RSUs Subject to Assumption & Conversion
Non-Employee Directors (i)		<i>(Shares)</i>
Michael E. Marks		
Irwin Federman		
Steven J. Gomo		
Eddy W. Hartenstein		
Dr. Chenming Hu		
Catherine P. Lego		
D. Scott Mercer		
Named Executive Officers		
Sanjay Mehrotra	360,938	153,125
Judy Bruner	94,033	41,000
Sumit Sadana	72,657	37,500
Mark Brazeal	25,000	15,000
Shuki Nir	55,688	23,625
Other Executive Officers		
Siva Sivaram	47,688	28,000
Eric S. Whitaker (ii)		

- (i) As described above, SanDisk stock options and SanDisk RSUs held by SanDisk's non-employee directors will vest in full immediately prior to the Effective Time of the Merger and will be treated as vested SanDisk stock options and vested SanDisk RSUs, respectively, at the Effective Time of the Merger.
- (ii) Eric S. Whitaker departed SanDisk in September 2014 and will not receive any payments or benefits in connection with the Merger that are different from, or in addition to, those of the SanDisk stockholders generally.

Other Arrangements with Executive Officers***Change of Control Agreements***

SanDisk is party to a change of control agreement with each of its current executive officers. The agreements are substantially identical (except as noted below with respect to Mr. Mehrotra) and provide for certain benefits to be paid to the executives in connection with a change of control and/or termination of employment with SanDisk under the circumstances described below.

In the event an executive officer is terminated by SanDisk (or a successor) without Cause (and not on account of the such executive's death or disability) or by the executive for Good Reason (as those terms are

Table of Contents

defined in the change of control agreement) within three months before or eighteen months following a change of control of SanDisk (a Qualifying Termination), the executive will be entitled to severance pay that includes:

a lump sum cash payment equal to one and one-half times (three times for Mr. Mehrotra), the sum of (i) the executive officer's annual base salary as of the change of control or termination of employment, whichever is greater, plus (ii) the executive officer's annual target bonus for the calendar year of termination;

for a period of eighteen months (plus six additional months for Mr. Mehrotra) following the termination date (or, if earlier, until the date the executive officer becomes eligible for coverage under the health plan of a future employer), premiums for eighteen months (twenty-four months for Mr. Mehrotra) continuation of the same or reasonably equivalent health insurance coverage for the executive officer and his or her eligible dependents (if applicable) as the executive officer was receiving immediately prior to the termination;

accelerated vesting of the executive officer's equity awards to the extent outstanding on the termination date and not otherwise vested, with accelerated options to remain exercisable for one year following the termination (subject to the maximum term of the option and to any right that SanDisk may have to terminate options in connection with the change of control); and

if requested, for a period of twelve months following the termination, executive-level outplacement benefits (which shall include at least resume assistance, career evaluation and assessment, individual career counseling, access to one or more on-line employment databases (with research assistance provided) and administrative support).

If, following a change of control, an excise tax imposed by Section 4999 of the Internal Revenue Code (the Code) would apply to any payments or benefits received by an executive officer, then his or her benefits shall be either (i) paid in full or (ii) delivered to a lesser extent such that no portion would be subject to the excise tax, whichever results in the greatest after-tax benefit to the executive officer.

For an estimate of the value of the amounts that would be payable to each of SanDisk named executive officers pursuant to the arrangements listed above, assuming that the closing date of the Merger occurred on December 1, 2015, and each named executive officer's employment terminated on such date, see the section entitled *Golden Parachute Compensation* below.

Golden Parachute Compensation

The following table sets forth the information required by Item 402(t) of Regulation S-K regarding certain compensation that will or may be paid or become payable to each of SanDisk's named executive officers and that is based on or otherwise relates to the Merger. This compensation is referred to as golden parachute compensation.

The amounts listed below are estimates based on multiple assumptions that may or may not actually occur, including the assumptions that the closing date of the Merger occurred on December 1, 2015, that each named executive officer experienced a Qualifying Termination on the closing date of the Merger. The actual amounts, if any, to be received by a named executive officer may differ from the amounts set forth below.

	Cash(i)	Equity(ii)	Perquisites/ Benefits(iii)	Total(iv)
Named Executive Officer				
Sanjay Mehrotra	\$ 7,875,000	\$ 13,960,507	\$ 77,796	\$ 21,913,303
Judy Bruner	\$ 1,953,000	\$ 3,777,597	\$ 64,597	\$ 5,795,194
Sumit Sadana	\$ 1,544,700	\$ 3,338,780	\$ 64,597	\$ 4,948,077
Mark Brazeal	\$ 1,020,000	\$ 1,162,350	\$ 64,259	\$ 2,246,609
Shuki Nir	\$ 1,039,500	\$ 2,169,277	\$ 59,799	\$ 3,268,576

Table of Contents

- (i) *Cash*. Represents a lump sum cash payment by SanDisk equal to one and one-half times (three times for Mr. Mehrotra), the sum of (i) the named executive officer's annual base salary, plus (ii) the named executive officer's annual target bonus for the calendar year of termination. These amounts are double trigger payments (that is, they are payable upon a qualifying termination that occurs within a eighteen months following (or three months prior to a change of control), calculated as follows:

	Base Salary Multiple	Target Bonus Multiple	Value of All Cash Payments
Named Executive Officers			
Sanjay Mehrotra	\$ 3,150,000	\$ 4,725,000	\$ 7,875,000
Judy Bruner	\$ 976,500	\$ 976,500	\$ 1,953,000
Sumit Sadana	\$ 813,000	\$ 731,700	\$ 1,544,700
Mark Brazeal	\$ 600,000	\$ 420,000	\$ 1,020,000
Shuki Nir	\$ 630,000	\$ 409,500	\$ 1,039,500

- (ii) *Equity*. Represents payments in cancellation of SanDisk stock options and SanDisk RSUs for which accelerated vesting would apply based on the assumptions set forth above. Such accelerated vesting is a double-trigger benefit as described above, calculated as follows:

	Value of SanDisk Stock Option Payments (A)	Value of SanDisk RSU Payments (B)	Value of All Equity Payments
Named Executive Officers			
Sanjay Mehrotra	\$ 2,094,851	\$ 11,865,656	\$ 13,960,507
Judy Bruner	\$ 600,507	\$ 3,177,090	\$ 3,777,597
Sumit Sadana	\$ 432,905	\$ 2,905,875	\$ 3,338,780
Mark Brazeal	\$	\$ 1,162,350	\$ 1,162,350
Shuki Nir	\$ 338,576	\$ 1,830,701	\$ 2,169,277

- (A) *SanDisk Stock Options*. Represents payments in cancellation of SanDisk stock options that become vested based on the assumptions described above, calculated at a per share value of \$77.49, which was SanDisk's average closing market price over the first five business days following the first public announcement of the Merger, as required by Item 402(t) of Regulation S-K, reduced by the applicable exercise price, multiplied by the number of SanDisk stock options that would vest on a double trigger basis at the Effective Time of the Merger.

- (B) *SanDisk RSUs*. Represents payments in cancellation of SanDisk RSUs that become vested based on the assumptions described above, calculated at a per share value of \$77.49, which was SanDisk's average closing market price over the first five business days following the first public announcement of the Merger, as required by Item 402(t) of Regulation S-K, multiplied by the number of SanDisk RSUs that

would vest on a double trigger basis at the Effective Time of the Merger.

Table of Contents

- (iii) *Perquisites/Benefits*. Represents the cost of (i) premiums for eighteen months (twenty-four months for Mr. Mehrotra) continuation of the same or reasonably equivalent health insurance coverage for the executive officer and his or her eligible dependents (if applicable) as the named executive officer was receiving immediately prior to the termination and (ii) executive-level outplacement benefits for a period of twelve (12) months following the termination, which benefits are double-trigger benefits as described above, calculated as follows:

	Health Insurance Premiums	Outplacement Benefits	Value of All Perquisites/ Benefits
Named Executive Officers			
Sanjay Mehrotra	\$ 52,796	\$ 25,000	\$ 77,796
Judy Bruner	\$ 39,597	\$ 25,000	\$ 64,597
Sumit Sadana	\$ 39,597	\$ 25,000	\$ 64,597
Mark Brazeal	\$ 39,259	\$ 25,000	\$ 64,259
Shuki Nir	\$ 34,799	\$ 25,000	\$ 59,799

- (iv) *Total*. This amount includes the aggregate dollar value of the sum of all amounts reported in the preceding columns. In the event any payment or benefit received by a named executive officer in connection with the Merger would be subject to excise taxes imposed under Section 4999 of the Code, the amount of such payments or benefits provided would be reduced, but only to the extent such reduction results in a greater after-tax benefit to the named executive officer.

The members of SanDisk's board of directors were aware of and considered these interests, among other matters, in evaluating and negotiating the Merger Agreement and the Merger, and in recommending that SanDisk stockholders vote for the Merger Proposal and the SanDisk Non-Binding Advisory Proposal.

Indemnification of Directors and Officers

Pursuant to the terms of the Merger Agreement, the Surviving Corporation will, and Western Digital will cause the Surviving Corporation to, indemnify and hold harmless, and promptly provide advancement of expenses to, the individuals who at any time prior to the Effective Time were directors or officers of SanDisk or any of its present or former subsidiaries against any costs or expenses (including reasonable attorneys' fees), judgments, fines, losses, claims, damages or liabilities in connection with actions or omissions occurring at or prior to the Effective Time (including the transactions contemplated by the Merger Agreement) to the fullest extent permitted by law and by the bylaws of SanDisk and the Surviving Corporation. After the Effective Time, Western Digital and the Surviving Corporation will fulfill and honor to the maximum extent permitted by applicable law, all rights to exculpation or indemnification for acts or omissions occurring prior to the Effective Time existing as of the Effective Time in favor of directors and officers of SanDisk, its subsidiaries or any of their predecessors in their capacity as officers or directors and the heirs, executors, trustees, fiduciaries and administrators of such officer or director, as provided in SanDisk's or each of its subsidiaries' respective certificate of incorporation and bylaws (or comparable organizational or governing documents) or in any agreement between any such person, on the one hand, and SanDisk or any of its subsidiaries, on the other hand, in effect as of the date of the Merger Agreement.

In addition, prior to the Effective Time, SanDisk will, or, if SanDisk is unable to, Western Digital will cause the Surviving Corporation as of the Effective Time to, obtain and fully pay the premium for the non-cancellable extension of the directors' and officers' liability coverage of SanDisk's existing directors' and officers' insurance policies and

SanDisk's existing fiduciary liability insurance policies, in each case for a claims reporting or discovery period of at least six years from and after the Effective Time with respect to any claim related to any period of time at or prior to the Effective Time from an insurance carrier with the same or better credit rating as SanDisk's current insurance carrier with respect to directors' and officers' liability insurance in an amount and scope at least as favorable as SanDisk's existing policies. If SanDisk or the Surviving Corporation fails to obtain such tail insurance policies as of the Effective Time, the Surviving Corporation will either continue SanDisk's

Table of Contents

current policies or provide comparable policies, in each case, for at least six years in an amount and scope at least as favorable as SanDisk's existing policies, or, if substantially equivalent insurance coverage is unavailable, the best available coverage, except that Western Digital and the Surviving Corporation will not be required to pay an annual premium for the directors' and officers' liability insurance in excess of 300% of the annual premium currently paid by SanDisk for such insurance.

Regulatory Approvals Required for the Merger

The completion of the Merger is subject to compliance with the HSR Act. Under the HSR Act, the Merger may not be completed until the required 30-day HSR waiting period has expired or been terminated. The waiting period under the HSR Act expired at 11:59 p.m. eastern time on January 15, 2016. The completion of the Merger is also subject to compliance with applicable foreign antitrust laws. Notifications are required under the antitrust laws of the People's Republic of China, the European Union, Japan, South Africa, South Korea, Taiwan and Turkey. Clearance was obtained in Japan on January 22, 2016. Clearance was obtained in Singapore on January 19, 2016.

Western Digital and SanDisk have agreed to use their reasonable best efforts, subject to specified limitations, to take, or cause to be taken, all actions necessary, proper or advisable under applicable antitrust laws and regulations, including the HSR Act and other applicable foreign antitrust laws, to complete the Merger as promptly as reasonably practical under the circumstances. See *The Merger Agreement Conditions to Completion of the Merger* for more information.

Under the Merger Agreement, the use of such reasonable best efforts does not require Western Digital to agree to the divestiture of any Assets other than the Assets of SanDisk and its subsidiaries that collectively generated revenues for the year ended December 29, 2013, not in excess of \$250 million in the aggregate. See *The Merger Agreement Efforts to Complete the Merger*; and *The Merger Agreement Conditions to Completion of the Merger* for more information.

If CFIUS determines that the Unis Investment is a covered transaction and the Unis SPA has not been terminated or if CFIUS has requested or required a filing with respect to the Merger, then clearing the CFIUS process is a condition to closing of the Merger. Under the Merger Agreement, Western Digital and SanDisk have agreed to use their reasonable best efforts to clear the CFIUS process and therefore may be required to comply with reasonable conditions, terms, obligations or restrictions in order to clear the CFIUS process. In November 2015, the Unis Parties and Western Digital withdrew from the CFIUS process. The parties refiled the notice with CFIUS in January 2016, and, in February 2016, Western Digital expects to receive a determination from CFIUS regarding whether the Unis Investment is a covered transaction.

Litigation Related to the Merger

Commencing on November 4, 2015, two alleged stockholders of SanDisk filed putative class actions captioned *Michael Cloud v. SanDisk Corp., et al.*, Case Number 1-15-cv-287706, and *Jaromir Koutnak v. Sanjay Mehrotra, et al.*, Case Number 1-15-cv-288079, each in the Superior Court of the State of California, County of Santa Clara (together, the California Actions). The defendants are SanDisk, the members of SanDisk's board of directors, Western Digital, and Merger Sub. The complaints in the California Actions allege that SanDisk's directors breached their fiduciary duties to SanDisk's stockholders in connection with the Merger Agreement and the transaction contemplated thereby. Specifically, the complaints allege, among other things, that the proposed Merger arises out of a flawed process which resulted in an unfair price for SanDisk's shares and a failure to maximize stockholder value. The complaints also allege that the terms of the Merger Agreement will deter other purported interested parties from coming forward with a superior offer. The California Actions further allege that SanDisk, Western Digital, or Merger

Sub aided and abetted the SanDisk directors breaches of fiduciary duties. On January 26, 2016, the plaintiff in the *Cloud* action filed an amended complaint. The amended complaint adds allegations that defendants caused Western Digital to file a registration statement that contains misleading

Table of Contents

statements and omits other information about the proposed transaction. The plaintiffs seek, among other things, an order enjoining defendants from consummating the proposed Merger, rescinding the proposed Merger if it is consummated, awarding damages, and awarding attorneys' fees and costs. The defendants believe the complaints are meritless and intend to defend the actions.

146.1

Table of Contents**Dividend Policy**

The payment of dividends by Western Digital after the Merger is subject to the determination of its board of directors. The Merger Agreement does not permit Western Digital to pay dividends other than in the ordinary course consistent with Western Digital's past practice. Decisions regarding whether or not to pay dividends and the amount of any dividends will be based on the judgment of the Western Digital board of directors, compliance with the DGCL, compliance with the Merger Agreement and with agreements governing Western Digital's indebtedness (including the Facilities (as defined below)), earnings, cash requirements, results of operations, cash flows and financial condition and other factors that the Western Digital board of directors may consider important. While Western Digital anticipates that if the Merger were consummated it would continue to pay dividends, Western Digital can make no assurances that this will be the case in the future.

Financing Relating to the Merger

In connection with the Merger Agreement, Western Digital has entered into the Debt Commitment Letter (as defined below in *The Merger Agreement Financing Matters*) with the lead arrangers and the joint bookrunners identified therein (together, as they may be amended, modified or replaced, the *Initial Lenders*) to provide commitments for (i) a \$3 billion senior secured term loan A facility (the *Term Loan A Facility*), (ii) \$6 billion senior secured term loan B facility (the *Term Loan B Facility*, and together with the Term Loan A Facility, the *Term Loans*), (iii) \$1 billion senior secured bridge facility, convertible into either an extended term loan or senior secured notes (the *Secured Bridge Facility*), (iv) \$4.1 billion senior unsecured bridge facility, convertible into either an extended term loan or senior unsecured notes (the *Unsecured Bridge Facility*), (v) a \$3 billion bridge facility (the *Additional Bridge Facility*, and together with the Secured Bridge Facility and the Unsecured Bridge Facility, the *Bridge Loans*) and (vi) \$1 billion revolving credit facility (the *Revolving Facility*) and, together with the Term Loans and the Bridge Loans, the *Facilities*).

Subject to the terms and conditions of the Debt Commitment Letter, the Initial Lenders have committed to provide the full amount of the Term Facilities, the full amount of the Bridge Loans and the full amount of the Revolving Facility (the *Debt Financing*). The proceeds of the Term Facilities and the Bridge Loans will be used, together with cash on hand of Western Digital and SanDisk and/or other available financing resources, (i) to finance the cash portion of the purchase price payable pursuant to the terms of the Merger Agreement, (ii) to refinance certain existing indebtedness of Western Digital and SanDisk and (iii) to pay certain transaction costs.

The Initial Lenders' commitments under the Debt Commitment Letter include conditions typical for facilities of this kind, as well as the execution and delivery of the definitive financing documentation for the Facilities by Western Digital and certain of its subsidiaries. With respect to the Term Loan B Facility, if the closing date has not occurred prior to the date that is nine months after the original signing date of the Debt Commitment Letter (the *Commitment Date*), the Initial Lenders holding a majority of the commitments in respect of the Term Loans and the Revolving Facility possess the right to require that Western Digital close the Term Loan B Facility into escrow at any time beginning on the Commitment Date and prior to the termination of the Debt Commitment Letter.

Amortization and Maturity. Subject to the terms and conditions of the Debt Commitment Letter, the Term Loan A Facility will amortize in equal quarterly installments in aggregate annual amounts equal to (i) 5% of the original principal amount of the Term Loan A Facility for the second four quarter period after the initial funding under the Facilities (the *Debt Financing Closing Date*), (ii) 7.5% of the original principal amount of the Term Loan A Facility for the succeeding four quarters, (iii) 10% of the original principal amount of the Term Loan A Facility for the succeeding four quarters and (iv) 15% of the original principal amount of the Term Loan A Facility for the succeeding three quarters, with the balance payable on the date that is five years after the Debt Financing Closing Date. The Term

Loan B Facility will amortize in equal quarterly installments in aggregate annual amounts equal to 1% of the original principal amount of the Term Loan B Facility, with the balance payable on the date that is seven years after the Debt Financing Closing Date. The Additional Bridge Facility will

Table of Contents

mature on the date that is forty-five days after the Debt Financing Closing Date. The Secured Bridge Facility will mature on the date that is one year after the Debt Financing Closing Date. The Unsecured Bridge Facility will mature on the date that is one year after the Debt Financing Closing Date. The Bridge Loans do not require any amortization. Upon maturity, if not repaid, the Secured Bridge Facility will convert into secured extended term loans or secured notes and the Unsecured Bridge Facility will convert into unsecured extended term loans or unsecured notes.

Prepayments and Redemptions. Except in certain circumstances, voluntary reductions of the unutilized portion of the Facilities and prepayments of borrowings under the Facilities will be permitted at any time, in minimum principal amounts, without premium or penalty.

Subject to certain exceptions and thresholds, the Term Loans will be required to be prepaid with proceeds relating to (i) excess cash flow, (ii) non-ordinary course asset sales or other dispositions and (iii) the issuance of certain debt obligations. Subject to certain exceptions and thresholds, the Secured Bridge Facility and the Unsecured Bridge Facility will be required to be prepaid with proceeds relating to (i) non-ordinary course asset sales or other dispositions and (ii) the issuance of certain debt obligations or equity.

Subject to the terms and conditions of the Debt Commitment Letter, the Revolving Facility may be borrowed, repaid and reborrowed until a date that is five years after the Debt Financing Closing Date.

Guarantee and Security. The Term Loan A Facility, Term Loan B Facility, Secured Bridge Facility, Additional Bridge Facility and Revolving Facility will be senior secured obligations of Western Digital and certain of its subsidiaries. The Unsecured Bridge Facility will be a senior obligation of Western Digital and certain of its subsidiaries.

Covenants and Events of Default. The Facilities will contain a number of negative covenants (to be applicable to Western Digital and its restricted subsidiaries) that, subject to certain exceptions, include limitations on (among other things):

indebtedness;

liens;

dividends and share repurchases;

negative pledge clauses;

investments and acquisitions;

fundamental changes;

prepayment or redemption of junior indebtedness;

sales of assets (including subsidiary stock); and

transactions with affiliates.

The Term Loan A Facility and Revolving Facility will also contain a total leverage ratio financial covenant and an interest coverage ratio.

Listing of Western Digital Common Stock and Delisting of SanDisk Common Stock

It is a condition to the Merger that the shares of common stock to be issued by Western Digital pursuant to the Merger Agreement be authorized for listing on NASDAQ subject to official notice of issuance. The shares of common stock to be issued by Western Digital pursuant to the Merger Agreement will trade under the symbol `WDC` and will be fully fungible with the Western Digital common stock currently trading under that symbol.

Table of Contents

Shares of SanDisk common stock are currently traded on NASDAQ under the symbol SNDK. If the Merger is completed, SanDisk common stock will be delisted from NASDAQ and will be deregistered under the Exchange Act and SanDisk will no longer file periodic reports with the SEC.

Rights of Appraisal for SanDisk Stockholders

Pursuant to Section 262 of the DGCL, which we refer to as Section 262, holders of shares of SanDisk common stock who do not wish to accept the Merger Consideration may elect to have the fair value of their shares of SanDisk common stock (exclusive of any element of value arising from the accomplishment or expectation of the Merger) judicially determined and paid in cash, together with interest, if any, in lieu of receiving the Merger Consideration. A SanDisk stockholder may exercise these appraisal rights only by complying strictly with Section 262.

The following is a brief summary of the statutory procedures to be followed by holders of SanDisk common stock in order to perfect appraisal rights under the DGCL. This summary is not intended to be complete, and is qualified in its entirety by reference to the full text of Section 262, the text of which is included as Annex E to this joint proxy statement/prospectus.

Any holder of SanDisk common stock seeking to exercise its right to dissent from the Merger and demand appraisal of its shares of SanDisk common stock, or wishing to preserve its right to do so, should review carefully Section 262 and is urged to consult a legal advisor.

All references in Section 262 and in this summary to a stockholder are to the record holder of shares of SanDisk common stock unless otherwise indicated. **A person having a beneficial interest in shares of SanDisk common stock held of record in the name of another person, such as a bank, broker or other nominee, must act promptly to cause the record holder to follow properly the steps summarized below and in a timely manner to perfect appraisal rights.**

Under Section 262, if a proposed Merger is to be submitted for adoption at a meeting of stockholders, as in the case of SanDisk's special meeting, SanDisk must, not less than 20 days prior to the special meeting, notify each of its stockholders entitled to appraisal rights that these appraisal rights are available and include in the notice a copy of Section 262. **This joint proxy statement/prospectus constitutes such notice to the SanDisk stockholders and Section 262 as in effect with respect to the Merger is included as Annex E to this joint proxy statement/prospectus.**

A SanDisk stockholder wishing to exercise the right to demand appraisal under Section 262 must satisfy each of the following conditions. The stockholder must:

deliver a written demand for appraisal of its shares to SanDisk before the taking of the vote with respect to the Merger Agreement at the SanDisk special meeting. This demand will be sufficient if it reasonably informs SanDisk of the stockholder's identity and that the stockholder intends thereby to demand the appraisal of its shares. A proxy or vote against the Merger will not constitute such a demand. The written demand for appraisal must be in addition to and separate from any proxy the stockholder delivers or vote the stockholder casts in person;

not vote in favor of adopting the Merger Agreement (voting against, abstaining from voting or not voting at all will satisfy this requirement). A vote in favor of adopting the Merger Agreement, in person or by proxy, or the return of a signed proxy that does not contain voting instructions will, unless revoked, constitute a waiver of the stockholder's appraisal rights and will nullify any previously filed written demand for appraisal;

continue to hold his, her or its shares of SanDisk common stock from the date of making the demand through the Effective Time of the Merger; and

Table of Contents

file (or SanDisk must file) a petition in the Delaware Court of Chancery, hereinafter referred to as the Court of Chancery, requesting a determination of the fair value of the shares within 120 days after the Effective Time of the Merger. SanDisk is under no obligation to file any petition and has no intention of doing so. All written demands for appraisal should be mailed or delivered to:

SanDisk Corporation
951 SanDisk Drive
Milpitas, California 95035
Attention: Chief Legal Officer

To be effective, a demand for appraisal rights must be executed by or for the stockholder of record who held such shares of SanDisk common stock on the date of making the demand and who continuously holds such shares through the Merger completion date, fully and correctly, as such stockholder's name appears on the stock certificates.

If the shares of SanDisk common stock are owned of record by a person in a fiduciary capacity, such as a trustee, guardian or custodian, the demand should be executed in that capacity. If the shares are owned of record by more than one person as in a joint tenancy or tenancy in common, the demand should be executed by or on behalf of all of the owners. An authorized agent, including an agent for two or more joint owners, may execute a demand for appraisal on behalf of a stockholder; however, the agent must identify the record owner or owners and expressly disclose the fact that, in executing the demand, the agent is acting as agent for such owner or owners. A record holder, such as a bank or broker, who holds shares as nominee for several beneficial owners may exercise appraisal rights with respect to the shares held for one or more beneficial owners while not exercising these rights with respect to the shares held for one or more other beneficial owners. In that case, the written demand should set forth the number of shares as to which appraisal is sought, and where no number of shares is expressly mentioned the demand will be presumed to cover all shares held in the name of the record owner.

Stockholders who hold their shares of SanDisk common stock in brokerage accounts or other nominee forms and who wish to exercise appraisal rights are urged to consult with their brokers to determine appropriate procedures for making a demand for appraisal.

Within 10 days after the date upon which the Merger becomes effective, SanDisk will give written notice of the date that the Merger has become effective to each stockholder who satisfied the requirements of Section 262 and has not voted in favor of adopting the Merger Agreement.

Within 120 days after the date upon which the Merger becomes effective, SanDisk or any stockholder who has complied with Section 262 and who is otherwise entitled to appraisal rights, may file a petition in the Court of Chancery demanding a determination of the value of SanDisk common stock held by all the dissenting stockholders that have properly demanded appraisal. A person who is the beneficial owner of shares of SanDisk common stock held in a voting trust or by a nominee on behalf of such person may, in such person's own name, file the petition described in the previous sentence. Any dissenting stockholder desiring to file a petition is advised to file on a timely basis unless the dissenting stockholder receives notice that another stockholder of SanDisk has already filed a petition. The failure to file a petition timely could nullify any previous written demand for appraisal. SanDisk is under no obligation to file any petition and has no intention of doing so. Stockholders who desire to have their shares appraised should initiate any petitions necessary for the perfection of their appraisal rights within the time periods and in the manner prescribed in Section 262 of the DGCL. Notwithstanding the foregoing, at any time within 60 days after the

date upon which the Merger becomes effective, any stockholder who has not commenced an appraisal proceeding or joined that proceeding as a named

Table of Contents

party shall have the right to withdraw such stockholder's demand for appraisal and to accept the Merger Consideration. Any attempt to withdraw made more than 60 days after the effectiveness of the Merger will require the written approval of SanDisk and no appraisal proceeding before the Court of Chancery as to any stockholder will be dismissed without the approval of the Court of Chancery, which approval may be conditioned upon any terms the Court of Chancery deems just. If SanDisk does not approve a stockholder's request to withdraw a demand for appraisal when the approval is required or if the Court of Chancery does not approve the dismissal of an appraisal proceeding, the stockholder would be entitled to receive only the appraised value determined in any such appraisal proceeding. This value could be higher or lower than, or the same as, the value of the Merger Consideration.

Within 120 days after the date upon which the Merger becomes effective, any stockholder who has complied with Section 262 to that point in time shall be entitled to receive from SanDisk, upon written request, a statement setting forth the aggregate number of shares of SanDisk common stock not voted in favor of adopting the Merger Agreement and with respect to which demands for appraisal have been received and the aggregate number of holders of such shares. A person who is the beneficial owner of shares of SanDisk common stock held in a voting trust or by a nominee on behalf of such person may, in such person's own name, request from the corporation the statement described in the previous sentence. Each written statement shall be mailed within 10 days after the stockholder's written request for such statement is received by SanDisk or within 10 days after expiration of the period for delivery of demands for appraisal under Section 262, whichever is later.

Upon the filing of any such petition by a stockholder, service of a copy thereof shall be made upon SanDisk. If a petition for appraisal is duly filed by a stockholder and a copy thereof is delivered to SanDisk, SanDisk shall within 20 days after such service, file with the office of the Register in Chancery in which the petition was filed a duly verified list containing the names and addresses of all stockholders who have demanded payment for their shares and with whom agreement as to the value of their shares has not been reached by SanDisk. After giving notice to stockholders, the Court of Chancery is empowered to conduct a hearing on the petition to determine those stockholders who have complied with Section 262 and who have become entitled to appraisal rights. The Court of Chancery may require the stockholders who demanded appraisal for their shares and who hold stock represented by certificates to submit their stock certificates to the Register in Chancery for notation thereon of the pendency of the appraisal proceedings, and if any stockholder fails to comply with such direction, the Court of Chancery may dismiss the proceedings as to such stockholder.

After determining which stockholders are entitled to an appraisal, the Court of Chancery will appraise the shares, determining their fair value exclusive of any element of value arising from the accomplishment or expectation of the Merger, together with interest, if any, to be paid upon the amount determined to be the fair value. Unless the Court of Chancery in its discretion determines otherwise for good cause shown, interest from the Effective Time of the Merger through the date of payment of the judgment shall be compounded quarterly and shall accrue at 5% over the Federal Reserve discount rate (including any surcharge) as established from time to time during the period between the Effective Time of the Merger and the date of payment of the judgment. In determining fair value, the Court of Chancery is to take into account all relevant factors, including the rate of interest which SanDisk would have had to pay to borrow money during the pendency of the proceeding. The fair value of their shares as determined under Section 262 of the DGCL could be greater than, the same as, or less than the Merger Consideration.

The Court of Chancery will direct the payment of the fair value of the shares, together with interest, if any, by SanDisk to the stockholders entitled thereto. Payment shall be so made to each such stockholder, in the case of holders of uncertificated stock forthwith, and the case of holders of shares represented by certificates upon the surrender to the corporation of the certificates representing such stock.

The costs of the proceedings may be determined by the Court of Chancery and taxed upon the parties as the Court of Chancery deems equitable in the circumstances. However, costs do not include attorneys' or expert

Table of Contents

witnesses' fees. Upon application of a stockholder, the Court of Chancery may order that all or a portion of the expenses incurred by any stockholder in connection with the appraisal proceeding be charged pro rata against the value of all of the shares entitled to appraisal. These expenses may include, without limitation, reasonable attorneys' fees and the fees and expenses of experts.

Failure to strictly follow the steps required by Section 262 for perfecting appraisal rights may result in the loss of appraisal rights, in which event dissenting SanDisk stockholders will be entitled to receive the Merger Consideration with respect to their dissenting shares. In view of the complexity of the provisions of Section 262, any stockholder considering exercising its appraisal rights under Section 262 is urged to consult its own legal advisor.

Accounting Treatment

The Merger will be accounted for as a business combination using the acquisition method of accounting with Western Digital as the accounting acquiror. The Western Digital's stockholders immediately prior to the Effective Time of the Merger will continue to own the majority of the Western Digital common stock after the consummation of the Merger. For a table illustrating the percentage of Western Digital common stock that will be owned by former SanDisk stockholders following the Merger, please see *Questions and Answers about the Special Meetings and the Merger: What percentage of Western Digital common stock will be owned by former SanDisk stockholders following the Merger?* .

Table of Contents**MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES**

The following is a summary of the material United States federal income tax consequences of the Merger to U.S. holders (as defined below) of SanDisk common stock who hold their stock as a capital asset within the meaning of Section 1221 of the U.S. Internal Revenue Code of 1986, as amended (the Code). The summary is based on the Code, the U.S. Treasury Regulations issued under the Code, and administrative rulings and court decisions in effect as of the date of this joint proxy statement/prospectus, all of which are subject to change at any time, possibly with retroactive effect. Because holders of Western Digital common stock will retain their shares of Western Digital common stock in the Merger, the transaction should have no tax consequences for such stockholders.

For purposes of this discussion, the term U.S. holder means a beneficial owner of SanDisk common stock that is an individual citizen or resident of the United States, a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in the United States, or otherwise subject to U.S. tax on a net income basis in respect of their SanDisk common stock. A non-U.S. holder means a beneficial owner of SanDisk common stock that is not a U.S. holder.

This summary is not a complete description of all the tax consequences of the Merger and, in particular, may not address United States federal income tax considerations applicable to holders of SanDisk common stock who are subject to special treatment under U.S. federal income tax law (including, for example, non-U.S. holders, partnerships (or an entity or arrangement treated as a partnership for U.S. federal income tax purposes) and partners therein, financial institutions, dealers in securities, insurance companies or tax-exempt entities, holders who acquired SanDisk common stock pursuant to the exercise of an employee stock option or right or otherwise as compensation, and holders who hold SanDisk common stock as part of a hedge, straddle or conversion transaction). Also, this summary does not address U.S. federal income tax considerations applicable to holders of options or warrants to purchase SanDisk common stock, or holders of debt instruments convertible into SanDisk common stock. In addition, no information is provided with respect to the tax consequences of the Merger under the U.S. federal estate, gift, Medicare, and alternative minimum tax laws, or any applicable state, local, or foreign tax laws. This summary does not address the tax consequences of any transaction other than the Merger.

WE URGE YOU TO CONSULT YOUR OWN TAX ADVISORS AS TO THE SPECIFIC TAX CONSEQUENCES TO YOU OF THE MERGER, INCLUDING THE APPLICABILITY AND EFFECT OF FEDERAL, STATE, LOCAL, AND FOREIGN INCOME AND OTHER TAX LAWS IN LIGHT OF YOUR PARTICULAR CIRCUMSTANCES.

The receipt of the Merger Consideration by U.S. holders in exchange for shares of SanDisk common stock pursuant to the Merger will be a taxable transaction for U.S. federal income tax purposes. In general, for U.S. federal income tax purposes, a U.S. holder who receives the Merger Consideration in exchange for shares of SanDisk common stock pursuant to the Merger will recognize gain or loss in an amount equal to the difference, if any, between (1) the fair market value of the Western Digital common stock as of the Effective Time of the Merger plus the amount of cash received and (2) the U.S. holder's adjusted tax basis in such shares.

If a U.S. holder's holding period in the shares of SanDisk common stock surrendered in the Merger is greater than one year as of the date of the Merger, the gain or loss will be long-term capital gain or loss. Long-term capital gains of certain non-corporate holders, including individuals, are generally subject to U.S. federal income tax at preferential rates. The deductibility of a capital loss recognized on the exchange is subject to limitations. If a U.S. holder acquired different blocks of SanDisk common stock at different times or different prices, such U.S. holder must determine its adjusted tax basis and holding period separately with respect to each block of SanDisk common stock.

A U.S. holder's aggregate tax basis in Western Digital common stock received in the Merger will equal the fair market value of the stock as of the Effective Time of the Merger. The holding period of the Western Digital common stock received in the Merger will begin on the day after the Merger.

Table of Contents

Information Reporting and Backup Withholding

Payments made in exchange for shares of SanDisk common stock pursuant to the Merger may be subject, under certain circumstances, to information reporting and backup withholding (currently, at a rate of 28%). To avoid backup withholding, a U.S. holder that does not otherwise establish an exemption should complete and return an Internal Revenue Service Form W-9, certifying under penalties of perjury that such U.S. holder is a United States person (within the meaning of the Code), that the taxpayer identification number provided is correct and that such U.S. holder is not subject to backup withholding.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be refunded or credited against a holder's U.S. federal income tax liability, if any, provided that such holder furnishes the required information to the Internal Revenue Service in a timely manner.

Holders of SanDisk common stock should consult their tax advisors as to the specific tax consequences to them of the Merger in light of their particular circumstances, including the applicability and effect of any federal, state, local, foreign and other tax laws.

Table of Contents**THE MERGER AGREEMENT**

The following discussion summarizes certain material provisions of the Merger Agreement, a copy of which is attached as [Annex A](#) to this joint proxy statement/prospectus and is incorporated by reference herein. The rights and obligations of the parties are governed by the express terms and conditions of the Merger Agreement and not by this summary. This summary does not purport to be complete and is qualified in its entirety by reference to the complete text of the Merger Agreement. Western Digital and SanDisk urge you to read carefully this entire joint proxy statement/prospectus, including the annexes and the documents incorporated by reference, before making any decisions regarding the Merger.

*The Merger Agreement has been included to provide you with information regarding its terms, and Western Digital and SanDisk recommend that you read the Merger Agreement carefully and in its entirety. Except for its status as the contractual document that establishes and governs the legal relations among the parties with respect to the Merger, Western Digital and SanDisk do not intend for the Merger Agreement to be a source of factual, business or operational information about the companies. The representations and warranties described below and included in the Merger Agreement were made by the parties to each other as of specific dates. The assertions embodied in those representations and warranties were made solely for purposes of the Merger Agreement and may be subject to important qualifications and limitations agreed to by Western Digital and SanDisk in connection with negotiating the terms of the Merger Agreement, which you should consider as you read the representations and warranties in the Merger Agreement. The representations and warranties are qualified in their entirety by certain information Western Digital and SanDisk filed with the SEC prior to the date of the Merger Agreement, as well as by confidential disclosure schedules that Western Digital and SanDisk delivered to each other in connection with the execution of the Merger Agreement. Moreover, the representations and warranties may be subject to a contractual standard of materiality that may be different from what may be viewed as material to stockholders of Western Digital and SanDisk, and the representations and warranties may have been used for the purpose of allocating risk between Western Digital and SanDisk rather than establishing matters as facts. Accordingly, you should not rely on the representations and warranties in the Merger Agreement as characterizations of the actual state of facts about Western Digital and SanDisk, and you should read the information provided elsewhere in this joint proxy statement/prospectus and in the documents that are incorporated by reference into this joint proxy statement/prospectus for information regarding Western Digital and SanDisk and their respective businesses. See the section entitled *Where You Can Find More Information* beginning on page 222 of this joint proxy statement/prospectus.*

The Merger

On October 21, 2015, Western Digital and SanDisk entered into the Merger Agreement by and among Western Digital, SanDisk and Schrader Acquisition Corporation (*Merger Sub*).

Subject to and upon the terms and the conditions set forth in the Merger Agreement and the applicable provisions of the DGCL, *Merger Sub* will be merged with and into SanDisk, whereupon the separate corporate existence of *Merger Sub* shall cease and SanDisk shall continue its existence under the laws of the State of Delaware as the surviving company and as a direct wholly owned subsidiary of WDT, which is a wholly owned subsidiary of Western Digital (the *Surviving Corporation*). The Merger will have the effects set forth in the Merger Agreement and the applicable provisions of the DGCL. At the Effective Time (as defined below in *Effective Time and Completion of the Merger*) of the Merger, all of the property, rights, privileges, powers and franchises of SanDisk and *Merger Sub* will vest in the *Surviving Corporation*, and all debts, liabilities and duties of SanDisk and *Merger Sub* will become the debts, liabilities and duties of the *Surviving Corporation*. The certificate of incorporation and the bylaws of *Merger Sub*, as in effect immediately prior to the Effective Time, will be the certificate of incorporation and bylaws, respectively, of

the Surviving Corporation, until thereafter amended in accordance with applicable law and as provided in such certificate of incorporation and such bylaws, respectively. The directors of Merger Sub, as of immediately prior to the Effective Time, will be the directors, of the Surviving Corporation, to hold office in accordance with the certificate of incorporation and bylaws until

Table of Contents

their respective successors are duly elected, appointed or qualified, or until their earlier resignation or removal. The officers of SanDisk at the Effective Time, will from and after the Effective Time, be the initial officers of the Surviving Corporation, to hold office in accordance with the certificate of incorporation and bylaws until their respective successors are duly appointed, elected or qualified, or until their earlier resignation or removal.

Effective Time and Completion of the Merger

Unless the Merger Agreement is terminated prior to such time (see *Termination of the Merger Agreement* for more information regarding termination of the Merger Agreement), the closing of the Merger will occur on a date to be mutually agreed to by Western Digital and SanDisk, which will be no later than the third business day following the satisfaction or waiver of all of the conditions set forth in the Merger Agreement (other than conditions that by their terms are to be satisfied at the closing, but subject to the satisfaction or waiver of those conditions); provided that Western Digital will not be required to effect the closing prior to the date that is two business days after the earlier of (i) the date of the closing (the *Unis Closing Date*) of the investment in Western Digital by Unis Guarantor as described in the Report on Form 8-K filed by Western Digital on September 30, 2015 (the *Unis Investment*) and (ii) March 2, 2016. Notwithstanding the satisfaction or waiver of the conditions precedent to each party's obligation to close, if the Marketing Period (as defined below) has not ended at the time of the satisfaction or waiver of all of the conditions set forth in the Merger Agreement (other than those conditions that by their terms are to be satisfied or waived at the closing), the closing will not take place until the earliest to occur of (A) a date during the Marketing Period specified by Western Digital on no less than three business days' written notice to SanDisk and (B) the third business day following the final day of the Marketing Period, but in each case subject to the satisfaction or waiver of the conditions set forth in the Merger Agreement.

For purposes of the Merger Agreement, the *Marketing Period* is defined as the first period of thirty consecutive calendar days, subject to certain terms and excluded dates set forth in the Merger Agreement, commencing (a) after the date on which Western Digital will have received all requested financing information in connection with the Debt Financing (as defined below in *Financing Matters*) and such financing information meets certain requirements set forth in the Merger Agreement and (b) on the earlier of (i) September 19, 2016 (the *Marketing Period Trigger Date*); provided that if the Termination Date (as defined below in the section entitled *Termination of the Merger Agreement*) is extended until January 21, 2017 as set forth in the Merger Agreement, then the Marketing Period Trigger Date will be deemed to be November 18, 2016 and (ii) the date on which the conditions to each party's obligation to effect the Merger and the conditions to the obligations of Western Digital and Merger Sub will have been satisfied and nothing has occurred and no condition or state of facts exists that would cause any of such conditions to fail to be satisfied assuming the closing were to be scheduled for any time during such thirty consecutive calendar day period; provided that the Marketing Period shall end on any earlier date that is the date on which the Debt Financing is consummated.

The Merger will become effective when the certificate of merger relating to the Merger has been duly filed with the Secretary of State of the State of Delaware, or at a later time as Western Digital and SanDisk will agree and specify in the certificate of merger (the *Effective Time*).

Merger Consideration; Cancellation of Shares

At the Effective Time, each common share of SanDisk common stock will be cancelled and extinguished and automatically converted into the right to receive, subject to adjustment as described in the paragraph below, either (i) if the Unis Closing Date has occurred, the Base Merger Consideration, or (ii) if the Unis Closing Date has not occurred or the Unis SPA has been terminated, the Alternate Merger Consideration. If at any time between the date of the Merger Agreement and the Effective Time any change in the number of issued or outstanding shares of SanDisk common stock or Western Digital common stock occurs as a result of a reclassification, recapitalization, stock split

(including reverse stock split), or combination, exchange or readjustment of shares, or any share dividend or share distribution with a record date during such period, the amount of the Merger Consideration as provided for herein will be equitably adjusted to reflect such change.

Table of Contents

In the event that on the closing date, the amount of Available Cash is less than the Target Available Cash, at Western Digital's election, (i) if the Unis Closing Date has occurred, (A) the Base Cash Consideration will be decreased by an amount equal to the excess, if any, as of the closing date, of the Target Available Cash over the Available Cash, divided by the number of shares of SanDisk common stock outstanding as of the closing date (the Per Share Cash Reduction Amount), (B) the Base Stock Consideration will be increased by the number of shares of Western Digital common stock equal to the Per Share Cash Reduction Amount, divided by \$79.5957 (the Per Share Additional Equity Amount), and (C) the Base Exchange Ratio will be adjusted to reflect the revised consideration, and (ii) if the Unis Closing Date has not occurred or the Unis SPA has been terminated, (A) the Alternate Cash Consideration shall be decreased by an amount equal to the Per Share Cash Reduction Amount, (B) the Alternate Stock Consideration shall be increased by the Per Share Additional Equity Amount, and (C) the Alternate Exchange Ratio shall be adjusted to reflect the revised consideration.

Sample allocations of Cash Shortfalls and their impact on cash consideration and exchange ratio are provided in the tables below, assuming Cash Shortfalls of 0%, 10% and 25%, using the number of shares of SanDisk common stock that were outstanding as of January 13, 2016.

The Merger Closes Prior to June 30, 2016

Closing Cash Shortfall	Adjusted Base Cash Consideration		Adjusted Alternate Cash Consideration	
	(Unis Investment Closes Prior to the Merger)	Adjusted Base Exchange Ratio (Unis Investment Closes Prior to the Merger)	(Unis Investment Does Not Close or the Unis SPA is Terminated Prior to the Merger)	Adjusted Alternate Exchange Ratio (Unis Investment Does Not Close or the Unis SPA is Terminated Prior to the Merger)
0%	\$85.10	0.0176	\$67.50	0.2387
10%	\$83.09	0.0429	\$65.49	0.2640
25%	\$80.06	0.0809	\$62.46	0.3020

The Merger Closes On or After June 30, 2016

Closing Cash Shortfall	Adjusted Base Cash Consideration		Adjusted Alternate Cash Consideration	
	(Unis Investment Closes Prior to the Merger)	Adjusted Base Exchange Ratio (Unis Investment Closes Prior to the Merger)	(Unis Investment Does Not Close or the Unis SPA is Terminated Prior to the Merger)	Adjusted Alternate Exchange Ratio (Unis Investment Does Not Close or the Unis SPA is Terminated Prior to the Merger)

			<i>to the Merger)</i>	<i>Prior to the Merger)</i>
0%	\$85.10	0.0176	\$67.50	0.2387
10%	\$83.04	0.0435	\$65.44	0.2646
25%	\$79.95	0.0823	\$62.35	0.3034

As of September 27, 2015, SanDisk had a total of \$3.743 billion in cash and cash equivalents and marketable securities which can be sold and proceeds held as cash or cash equivalents available for use in the United States or that can be repatriated to the United States, without payment of withholding tax or U.S. income taxes. Such Available Cash as of September 27, 2015 is not indicative of the amount of Available Cash SanDisk will have as of the actual closing date of the Merger and SanDisk's actual closing date Available Cash is subject to the risks associated with operating SanDisk's business, which are described in SanDisk's Exchange Act reports, including SanDisk's quarterly report on Form 10-Q for the quarter ended September 27, 2015, which is incorporated by reference in this joint proxy statement/prospectus. See *Where You Can Find More Information*.

All shares of SanDisk common stock that are owned by SanDisk as treasury shares and any shares of SanDisk common stock owned by Western Digital, Merger Sub, SanDisk or any of their subsidiaries will, at the Effective Time, be cancelled and will cease to exist, and no consideration will be delivered in exchange for them. At the Effective Time, each share of SanDisk common stock converted into the right to receive the Merger Consideration will be automatically cancelled and will cease to exist, and each holder of (i) a certificate that immediately prior to the Effective Time represented any such shares of SanDisk common stock or (ii) shares of

Table of Contents

SanDisk common stock held in book entry form will cease to have any rights with respect to such shares other than the right to receive, upon transfer of such book entry shares or delivery of such certificates as set forth in the Merger Agreement, the Merger Consideration, without any interest thereon, for each such share of SanDisk common stock.

Fractional Shares

No fraction of a share of Western Digital common stock will be issued by virtue of the Merger, but in lieu thereof, each holder of SanDisk common stock that would otherwise be entitled to a fraction of a share of Western Digital common stock will, upon surrender of such holder's certificates or book entry shares or in the case of a lost, stolen or destroyed certificate, upon delivery of an affidavit as described below in *Exchange Procedures*, be entitled to receive a cash payment in lieu thereof, which payment will represent such holder's proportionate interest in the net proceeds from the sale by the Exchange Agent (as defined below in *Exchange Procedures*) on behalf of such holders of the fractions of shares of Western Digital common stock that would otherwise be issued (the *Excess Shares*), which sales shall be executed from time to time as appropriate. The sales of Excess Shares by the Exchange Agent will be executed on NASDAQ through one or more brokers nominated by Western Digital with the sale proceeds being remitted to the Exchange Agent as soon as practicable thereafter. Until the net proceeds of such sale have been distributed to the holders of SanDisk common stock entitled to such proceeds, the Exchange Agent will hold such proceeds as part of the Exchange Fund (as defined below in *Exchange Procedures*). Notwithstanding the foregoing, Western Digital may elect at its option, exercised before the Effective Time, in lieu of the issuance and sale of Excess Shares and the making of payments described herein, to pay (and if Western Digital so elects, Western Digital will cause WDT to pay) each former holder of shares of SanDisk common stock an amount in cash equal to the product obtained by multiplying (A) the fractional share interest to which such former holder would otherwise be entitled by (B) the volume weighted average trading price of Western Digital common stock on NASDAQ for the five consecutive trading days ending on the trading day immediately preceding the closing date (the *Western Digital Measurement Price*).

Exchange Procedures

Promptly after the Effective Time, the Surviving Corporation and WDT will deposit, or cause to be deposited (and Western Digital is required, and will cause WDT and the Surviving Corporation to, deposit), with a nationally recognized institution designated by Western Digital and reasonably acceptable to SanDisk (the *Exchange Agent*) for the benefit of the holders of shares of SanDisk common stock, for exchange through the Exchange Agent, (i) if the Unis Closing Date has occurred, (A) cash sufficient to pay the aggregate Base Cash Consideration payable to all holders of SanDisk common stock and (B) certificates (or evidence of shares in book entry form) representing the number of shares of Western Digital common stock sufficient to deliver the aggregate Base Stock Consideration payable to all holders of shares of SanDisk common stock or (ii) if the Unis Closing Date has not occurred or the Unis SPA has been terminated, (A) cash sufficient to pay the aggregate Alternate Cash Consideration payable to all holders of SanDisk common stock and (B) certificates (or evidence of shares in book entry form) representing the number of shares of Western Digital common stock sufficient to deliver the aggregate Alternate Stock Consideration payable to all holders of shares of SanDisk common stock (such cash and certificates, together with any cash in lieu of fractional shares of Western Digital common stock to be paid as set forth in the Merger Agreement and any dividends or distributions with respect thereto, the *Exchange Fund*). The Exchange Agent shall deliver the Merger Consideration to be issued as set forth in the Merger Agreement out of the Exchange Fund.

Promptly after the Effective Time (and in any event within five business days after the Effective Time), the Exchange Agent will mail to each holder of record of certificates of shares of SanDisk common stock or shares of SanDisk common stock held in book entry form immediately prior to the Effective Time a letter of transmittal together with instructions on how to surrender the certificates of shares of SanDisk common stock or transfer the shares of SanDisk

common stock held in book entry form. Once the Exchange Agent receives (i) an agent's message in connection with the transfer of a share of SanDisk common stock held in book entry form or the surrender of a

Table of Contents

certificate of a share of SanDisk common stock and (ii) a properly completed and executed letter of transmittal, the Exchange Agent will cancel the share of SanDisk common stock and will issue the Merger Consideration, subject to applicable withholding taxes and without any interest thereon.

At and after the Effective Time, there will be no transfers on SanDisk's share transfer books of shares of SanDisk common stock that were outstanding immediately prior to the Effective Time. If, after the Effective Time, any certificates formerly representing shares of SanDisk common stock or shares of SanDisk common stock held in book entry form are presented to the Surviving Corporation or the Exchange Agent, they will be cancelled and exchanged for the Merger Consideration. If a certificate representing shares of SanDisk common stock has been lost, stolen or destroyed, the Exchange Agent will issue to such stockholder the Merger Consideration only upon such stockholder making an affidavit regarding the loss, theft or destruction of such certificate.

Whenever a dividend or other distribution is declared or made after the date of the Merger Agreement with respect to any shares of Western Digital common stock with a record date after the Effective Time, such declaration shall include a dividend or other distribution in respect of all such shares of Western Digital common stock issuable pursuant to the Merger Agreement. No dividends or other distributions declared or made after the date of the Merger Agreement with respect to shares of Western Digital common stock with a record date after the Effective Time and no payment in lieu of fractional shares will be paid to the holders of any unsurrendered certificates or book entry shares with respect to any shares of Western Digital common stock represented thereby until the holders of record of such certificates or book entry shares surrender such certificates or book entry shares. Following the surrender of such certificates or book entry shares, the Exchange Agent will deliver to the holders of such certificates or book entry shares, without interest, (A) promptly after such surrender, either the Base Merger Consideration or the Alternate Merger Consideration, as applicable, payable in exchange for such certificates or book entry shares and the amount of any such dividends or other distributions with a record date after the Effective Time and previously paid with respect to such whole share of Western Digital common stock and (B) at the appropriate payment date, the amount of dividends or other distributions with a record date after the Effective Time and a payment date subsequent to such surrender payable with respect to such whole shares of Western Digital common stock.

Any portion of the Exchange Fund deposited with the Exchange Agent that has not been transferred to the former holders of shares of SanDisk common stock for one year after the Effective Time shall be delivered to Western Digital upon its request, and any former holders of shares of SanDisk common stock may thereafter only look to Western Digital for payment of the Merger Consideration, subject to applicable withholding taxes and without any interest thereon.

Treatment of SanDisk Equity Awards***Stock Options***

At the Effective Time, Western Digital will assume each outstanding and unvested SanDisk stock option and each outstanding vested SanDisk stock option with an exercise price equal to or greater than (a) in the event the Base Merger Consideration is payable, the sum of (i) the Base Cash Consideration and (ii) the Stock Consideration Value (as defined below), or (b) in the event the Alternate Merger Consideration is payable, the sum of (i) the Alternate Cash Consideration and (ii) the Stock Consideration Value (an Underwater Option) will be assumed and converted into an option to purchase, on substantially the same terms and conditions as were applicable under such SanDisk stock option, that number of shares of Western Digital common stock (rounded down to the nearest whole share) equal to the product of (i) the number of shares of SanDisk common stock subject to such SanDisk stock option and (ii) the quotient obtained by dividing (A) the volume weighted average trading price of SanDisk common stock on NASDAQ for the five consecutive trading days ending on the trading day immediately preceding the closing date by (B) the

Western Digital Measurement Price (such quotient, the Equity Conversion Ratio), at an exercise price per share (rounded up to the nearest whole cent) equal to the quotient obtained by dividing (1) the exercise price applicable to such SanDisk stock option immediately prior to

Table of Contents

the Effective Time by (2) the Equity Conversion Ratio; provided, that, if the Unis Closing Date occurs, Western Digital may instead determine to settle some or all of such options in cash on the date of exercise, based upon the value of Western Digital common stock at exercise and determined in accordance with the terms of the applicable award, less the exercise price and any required withholdings applicable to such options. For purposes of the Merger Agreement, the *Stock Consideration Value* is defined as the product of (a) the Base Exchange Ratio or the Alternate Exchange Ratio, as applicable and (b) the Western Digital Measurement Price.

At the Effective Time, each outstanding and vested SanDisk stock option (other than any vested SanDisk stock option that is an Underwater Option) will be cancelled and the holder thereof shall be entitled to receive the Merger Consideration, less the exercise price and any required withholdings applicable to such SanDisk stock option (which exercise price and withholding shall first be applied against the stock portion of the consideration, if any, to reduce the number of shares delivered to the holder, and thereafter shall reduce the cash delivered to the holder).

All such assumed equity awards will have substantially the same terms and conditions as were applicable to such SanDisk awards, including with respect to any applicable change in control or other accelerated vesting provisions.

Restricted Stock Units

At the Effective Time, the unvested outstanding SanDisk restricted stock units will be converted into that number of restricted stock units (rounded down to the nearest whole share) of Western Digital common stock (*Converted RSUs*) equal to the product of (A) the number of shares of SanDisk common stock subject to such SanDisk restricted stock units and (B) the Equity Conversion Ratio; provided that, if the Unis Closing Date occurs, Western Digital may instead determine to settle some or all of the *Converted RSUs* in cash on the date of settlement, based upon the value of Western Digital common stock at settlement determined in accordance with the terms of the applicable award, less any required withholdings applicable to the *Converted RSUs*.

At the Effective Time, each outstanding and vested SanDisk restricted stock unit will be cancelled and extinguished, and the holder thereof will be entitled to receive the Merger Consideration, less any required withholdings applicable to such SanDisk restricted stock units (the *Vested Restricted Stock Units Consideration*) (which withholding shall first be applied against the stock portion of the *Vested Restricted Stock Units Consideration*, if any, to reduce the number of shares delivered to the holder, and thereafter shall reduce the cash delivered to the holder).

All such assumed equity awards will have substantially the same terms and conditions as were applicable to such SanDisk awards, including with respect to any applicable change in control or other accelerated vesting provisions.

Representations and Warranties

Western Digital and SanDisk made representations and warranties in the Merger Agreement on behalf of themselves and their respective subsidiaries that are subject, in some cases, to specified exceptions and qualifications contained in the Merger Agreement (including qualifications by concepts of knowledge, materiality and/or dollar thresholds) and are further modified and limited by confidential disclosure schedules delivered by Western Digital and SanDisk to each other. The representations and warranties made by Western Digital are also subject to, and qualified by, certain information included in Western Digital's filings made with the SEC (or incorporated by reference into such documents) from December 31, 2012 until the date of the Merger Agreement, and the representations and warranties made by SanDisk are also subject to and qualified by certain information included in SanDisk's filings made with the SEC (or incorporated by reference into such documents) from December 31, 2012 until the date of the Merger Agreement.

Table of Contents

The representations and warranties made by each of Western Digital and SanDisk relate to the following subject matters, among other things:

corporate organization and similar corporate matters, including the qualification to do business under applicable law, corporate standing and corporate power;

subsidiaries;

capital structure and equity securities;

authority to enter into the Merger Agreement and due execution and delivery of the Merger Agreement and the completion of the transactions contemplated thereby;

required consent and approvals;

the timely filing of SEC reports, the content and preparation of financial statements and absence of certain undisclosed liabilities;

the absence of certain changes and events since July 3, 2015 and December 28, 2014 for Western Digital and SanDisk, respectively;

litigation;

taxes;

intellectual property;

environmental matters;

compliance with laws, including export controls and corrupt practices legislation;

the approval and recommendation by each of Western Digital's and SanDisk's board of directors to their respective stockholders regarding the Merger Agreement and the other transactions contemplated thereby;

required approvals for consummation of the agreement of Merger set forth in the Merger Agreement and the other transactions contemplated thereby, including any applicable stockholder approval;

each of Western Digital's and SanDisk's investigation into the businesses of each of SanDisk and Western Digital, respectively;

anti-takeover statutes and regulations; and

brokers and finders.

The representations and warranties made solely by SanDisk relate to the following subject matters, among other things:

material contracts, including the absence of violation or breach in any material respect of each such contract;

possession of material permits required by applicable laws;

labor and other employment matters;

employee benefit matters;

insurance;

relations with SanDisk's significant suppliers, customers and licensees;

title to real property, absence of liens and leasehold interests, and leases of real property;

SanDisk's outstanding Indentures (as defined below in *SanDisk's Indentures, Bond Hedge Transactions and Warrants*); and

the opinion from its financial advisor.

Table of Contents

The representations and warranties made solely by Western Digital relate to the following subject matters, among other things:

capitalization and absence of prior operations by Merger Sub;

no ownership of SanDisk securities by Western Digital or Merger Sub or their respective affiliates;

solvency; and

availability of financing.

Under the Merger Agreement, Western Digital and SanDisk agreed that except for the representations and warranties expressly contained in the Merger Agreement, each party does not make any other representation or warranty.

Several of the representations, warranties, covenants, closing conditions and termination provisions contained in the Merger Agreement are qualified by the concept of a Western Digital Material Adverse Effect and a SanDisk Material Adverse Effect. For purposes of the Merger Agreement, a Western Digital Material Adverse Effect and a SanDisk Material Adverse Effect for each of Western Digital and SanDisk, respectively, means any effect, event, change, occurrence, condition or development (each, an Effect) that, individually or when taken together with all other Effects, has had or would reasonably be expected to have a material adverse change in, or material adverse effect on, (a) the ability of Western Digital and its subsidiaries (including Merger Sub) or SanDisk and its subsidiaries, respectively, to consummate the transactions contemplated by the Merger Agreement (including any such Effect that prevents, materially delays or materially impedes the ability of Western Digital or its subsidiaries or SanDisk or its subsidiaries, respectively, to consummate the transactions contemplated by the Merger Agreement) or (b) the assets, businesses, liabilities, financial condition or results of operations of Western Digital and its subsidiaries, taken as a whole, or SanDisk and its subsidiaries, taken as a whole, respectively, except for the following (which shall not be deemed a Western Digital Material Adverse Effect or a SanDisk Material Adverse Effect, respectively, unless otherwise indicated):

any Effect to the extent resulting from or arising in connection with (i) the industries, geographies or markets in which Western Digital or SanDisk, respectively, and their respective subsidiaries operate, or (ii) general economic, political or financial or securities market conditions, except, in the case of clauses (i) or (ii) to the extent that such Effect (individually or in the aggregate) disproportionately affects Western Digital and its subsidiaries, taken as a whole, or SanDisk and its subsidiaries, taken as a whole, respectively, relative to other persons or entities engaged in the same industries, geographies, and markets;

any Effect to the extent resulting from or arising in connection with the announcement of the Merger Agreement and the transactions contemplated thereby, including, solely to the extent arising from such announcement, the loss or departure of officers or other employees of Western Digital or any of its subsidiaries or SanDisk or any of its subsidiaries, respectively, or the termination, reduction or negative development in Western Digital's or any of its subsidiaries' or SanDisk's or any of its subsidiaries',

respectively, relationships with any of its customers, suppliers, distributors or other business partners;

any Effect to the extent resulting from or arising in connection with natural disasters, acts of war, terrorism or sabotage, military actions or the escalation thereof, except to the extent that such events (individually or in the aggregate) disproportionately affect Western Digital and its subsidiaries, taken as a whole, or SanDisk and its subsidiaries, taken as a whole, respectively, relative to other persons or entities engaged in the same industries, geographies, or markets;

any Effect to the extent resulting from or arising in connection with changes in GAAP, the interpretation of GAAP, the accounting rules and regulations of the SEC or applicable law, except to the extent that such changes (individually or in the aggregate) disproportionately affect Western Digital and its subsidiaries, taken as a whole, or SanDisk and its subsidiaries, taken as a whole, respectively, relative to other persons or entities engaged in the same industries, geographies, or markets;

Table of Contents

any Effect to the extent resulting from or arising in connection with the taking of any action by Western Digital or its subsidiaries or SanDisk or its subsidiaries, respectively, to the extent the taking of such action is expressly required by the Merger Agreement or the failure by Western Digital or its subsidiaries or SanDisk or its subsidiaries, respectively, to take any action to the extent the taking of such action is expressly prohibited by the Merger Agreement;

any Effect to the extent resulting from or arising in connection with any proceeding brought or threatened by stockholders of Western Digital or stockholders of SanDisk asserting allegations of breach of fiduciary duty relating to the Merger Agreement or violations of applicable securities laws in connection with confidential disclosure schedules or otherwise arising out of or relating to the Merger Agreement and the transactions contemplated thereby;

any Effect to the extent resulting from or arising in connection with any decrease in the market price or trading volume of the Western Digital common stock or the SanDisk common stock, respectively (but the underlying causes of such decrease may be taken into account in determining whether there has been a Western Digital Material Adverse Effect or a SanDisk Material Adverse Effect, respectively); or

any Effect to the extent resulting from or arising in connection with any failure by Western Digital or SanDisk, respectively, to meet any projections, forecasts or revenue or earnings predictions, or any predictions or expectations of Western Digital or SanDisk, respectively, or of any securities analysts (but the underlying causes of such failure may be taken into account in determining whether there has been a Western Digital Material Adverse Effect or a SanDisk Material Adverse Effect, respectively).

Interim Operations of Western Digital and SanDisk

Western Digital Interim Operating Covenants

Western Digital has undertaken covenants in the Merger Agreement relating to the conduct of its business during the period from the date of the Merger Agreement until the Effective Time (or as indicated below the earlier of the Unis Closing Date and the Effective Time) or the earlier termination of the Merger Agreement. Unless SanDisk otherwise consents in writing (not to be unreasonably withheld, conditioned or delayed) or as expressly contemplated or expressly permitted by the Merger Agreement or confidential disclosure schedules, or where a change in applicable law requires the taking of an action otherwise prohibited, Western Digital and each of its subsidiaries will conduct their respective businesses in the ordinary and usual course of business in all material respects consistent with past practice.

Unless SanDisk otherwise consents in writing (not to be unreasonably withheld, conditioned or delayed) or as expressly contemplated or expressly permitted by the Merger Agreement or confidential disclosure schedules, or where a change in applicable law requires the taking of an action otherwise prohibited, Western Digital and each of its subsidiaries will not:

until the Effective Time, amend their respective organizational documents, other than immaterial amendments to the organizational documents of a subsidiary of Western Digital;

until the Effective Time, redeem, purchase or otherwise acquire, or agree to redeem, purchase or otherwise acquire, any outstanding Western Digital common stock (except in respect of (A) any tax withholding or exercise price in connection with equity or equity-based awards granted pursuant to Western Digital's equity compensation plans, and (B) repurchases pursuant to any previously announced stock repurchase programs), or declare, set aside for payment or pay any dividend (other than dividends in the ordinary course and consistent with Western Digital's past practice) or other distribution in respect of any of its capital stock or otherwise make any payments to stockholders of Western Digital in their capacity as such;

until the earlier of the Unis Closing Date and the Effective Time, issue, split, combine, subdivide or reclassify any capital stock of Western Digital (other than the issuance of Western Digital common stock to Unis Investor pursuant to the Unis Investment and issuances pursuant to awards vesting under Western Digital equity plans);

Table of Contents

until the Effective Time, adopt a plan of complete or partial liquidation, dissolution, merger, amalgamation, consolidation, restructuring, file a petition in bankruptcy under any applicable law, recapitalization or other reorganization of any such party, other than the Merger;

until the earlier of the Unis Closing Date and the Effective Time, subject to the parties' requirements to satisfy the requests of any competition authorities, acquire, sell or dispose of, or agree to acquire, sell or dispose of, any entity or any equity interest thereof or therein, tangible assets comprising a business or division thereof, other than (A) acquisitions, sales or dispositions among Western Digital and any of its subsidiaries, (B) acquisitions of or strategic investments in any person or entity or division thereof, or any equity interest therein, (1) as to which the aggregate consideration for all such acquisitions or investments (including the value of any of Western Digital's capital stock or equity awards granted in connection therewith) does not exceed \$500 million and (2) that would not reasonably be expected to (I) materially delay or materially increase the risk of not obtaining any authorization, consent, order, declaration or approval of the Merger under applicable antitrust law or CFIUS or (II) otherwise materially delay, prevent or impede the consummation of the Merger and the other transactions contemplated by the Merger Agreement or (C) sales or dispositions as to which the aggregate consideration for all such sales or dispositions does not exceed \$500 million; or

enter into any contract, commitment or arrangement to do any of the foregoing.

SanDisk Interim Operating Covenants

SanDisk has undertaken covenants in the Merger Agreement relating to the conduct of its business during the period from the date of the Merger Agreement until the Effective Time or the earlier termination of the Merger Agreement. Unless Western Digital otherwise consents in writing (not to be unreasonably withheld, conditioned or delayed) or as expressly required by the Merger Agreement or confidential disclosure schedules, or where a change in applicable law requires the taking of an action otherwise prohibited, SanDisk and each of its subsidiaries will conduct their respective businesses only in the ordinary and usual course of business in all material respects consistent with past practice and use commercially reasonable efforts to preserve intact their business organization, operations and assets and preserve their relationships with customers, suppliers and others having business dealings with them.

Unless Western Digital otherwise consents in writing (not to be unreasonably withheld, conditioned or delayed) or as expressly contemplated or expressly permitted by the Merger Agreement or confidential disclosure schedules, or where a change in applicable law requires the taking of an action otherwise prohibited, SanDisk and each of its subsidiaries will not:

amend their respective organizational documents, other than immaterial amendments to the organizational documents of a subsidiary of SanDisk;

issue, sell, grant, pledge, grant or suffer to exist any lien or dispose of, or authorize or agree to the issuance, sale, grant, pledge, existence of any lien or other disposition of any share capital of any class or any other ownership interest of SanDisk or any of its subsidiaries or any other securities of SanDisk or any of its subsidiaries in respect of, in lieu of, or in substitution for, SanDisk common stock, other ownership interests, securities or rights in any subsidiary of SanDisk, except for:

awards of SanDisk stock options and SanDisk restricted stock units covering up to 250,000 shares of SanDisk common stock for the period commencing on the date of the Merger Agreement and ending on March 31, 2016 and up to 200,000 shares of SanDisk common stock per each fiscal quarter thereafter;

awards of SanDisk stock options and SanDisk restricted stock units granted pursuant to SanDisk's annual focal grant program in February 2016 and awards granted to members of SanDisk's board of directors in the second quarter of fiscal year 2016, in either case under SanDisk's equity plans and in the ordinary course of business consistent with past practice in any event not to exceed 2.75 million shares of SanDisk common stock in the aggregate; or

Table of Contents

shares of SanDisk common stock to be issued or delivered pursuant to (A) SanDisk's equity plans in satisfaction of SanDisk stock options and SanDisk restricted stock units outstanding on the date of the Merger Agreement and on the terms in effect on the date of the Merger Agreement or issued after the date of the Merger Agreement in accordance with the Merger Agreement, (B) the Amended and Restated 2005 Employee Stock Purchase Plan and Amended and Restated 2005 International Employee Stock Purchase Plan pursuant to the terms in effect on the date of the Merger Agreement, (C) conversion of the convertible notes under the Indentures or (D) the warrants exercisable for shares of SanDisk common stock;

redeem, purchase or otherwise acquire, or agree to redeem, purchase or otherwise acquire, any outstanding shares of SanDisk common stock, except in respect of (A) any tax withholding or exercise price in connection with SanDisk's equity plans pursuant to the terms in effect on the date of the Merger Agreement and in the ordinary course of business consistent with past practice and (B) SanDisk's Bond Hedge Transactions;

split, combine, subdivide or reclassify any SanDisk common stock or declare, or set aside for payment or pay any dividend or other distribution in respect of any SanDisk common stock or otherwise make any payments to stockholders of SanDisk in their capacity as such;

adopt a plan of complete or partial liquidation, dissolution, merger, amalgamation, consolidation, restructuring, file a petition in bankruptcy under any applicable law, recapitalization or other reorganization of SanDisk, other than the Merger;

acquire, sell or dispose of, or agree to acquire, sell or dispose of, any entity or any equity interest thereof or therein, tangible assets comprising a business or division thereof, other than:

acquisitions, sales or dispositions among SanDisk and any of its subsidiaries;

acquisitions of or strategic investments in any person or entity or division thereof, or any equity interest therein, as to which the aggregate consideration for all such acquisitions or investments (including the value of any shares of SanDisk common stock or equity awards granted in connection therewith) does not exceed \$100 million and that would not reasonably be expected to cause any material delay in the obtaining of, or materially increase the risk of not obtaining, any authorization, consent, order, declaration or approval of the Merger, in connection with, or in compliance with, applicable antitrust laws or CFIUS, or the expiration or termination of any applicable waiting period thereof or otherwise materially delay, prevent or impede the consummation of the Merger and the other transactions contemplated by the Merger Agreement; or

sales or dispositions as to which the aggregate consideration for all such sales or dispositions does not exceed \$100 million;

enter into any joint ventures or strategic partnerships that are material to any of SanDisk's divisions or business units if such entry would (A) present a material risk of delaying the Merger or make it more difficult to obtain any authorization, consent, order, declaration or approval required to be obtained under the Merger Agreement, the failure of which would be a non-satisfaction of any of the conditions precedent to the consummation of the Merger or (B) require a consent of the other party thereto to consummate the Merger;

sell, assign, transfer, grant an exclusive license under or otherwise dispose of any material intellectual property (including any patents) owned by SanDisk or any of its subsidiaries, or enter into any contract that, immediately following the closing, would result in any party to such contract or any other party obtaining a license, right to use or any other claim or right in respect of any intellectual property of Western Digital or any of its subsidiaries (excluding SanDisk and its current subsidiaries);

subject to certain limitations set forth in confidential disclosure schedules, grant a license or a covenant not to sue under any patents owned or controlled by SanDisk or any of its subsidiaries to any third

Table of Contents

party, except (A) pursuant to contractual obligations to standard setting organizations of which SanDisk or one of its subsidiaries is a member as of the date of the Merger Agreement, or becomes a member in the ordinary course of business, that requires the licensing of such patents; (B) nonexclusive licenses entered into in the ordinary course of business and consistent with past practices (1) ancillary to the use, sale or distribution of any of SanDisk's or its subsidiaries' products or services (including to customers and resellers), or (2) to SanDisk's or its subsidiaries' service providers (including suppliers or contract manufacturers) solely for the benefit of the products, services or operations of SanDisk or its subsidiaries; (C) nonexclusive licenses entered into between any third party and either SD-3C LLC or Secure Content Storage Association, LLC; or (D) to the extent that, as relates to one or more third parties, the foregoing restriction would violate applicable law;

fail to maintain, or allow to lapse, or abandon, including by failure to pay the required fees in any jurisdiction, any registered intellectual property rights owned by and that have been issued to SanDisk or any of its subsidiaries that are enforceable as of the date of the Merger Agreement;

enter into, modify, amend or terminate (or, where such consent is required, consent to the termination of) any material contract outside of the ordinary course of business consistent with past practice, or release or assign any material rights or claims thereunder outside of the ordinary course of business consistent with past practice, which if so entered into, modified, amended, terminated, released or assigned would reasonably be expected to be materially adverse to any business or product line of SanDisk or its subsidiaries, amend, supplement, modify or waive the terms of SanDisk's Indentures except as set forth in the Merger Agreement, or amend, supplement, modify, waive the terms of or terminate (in whole or in part) any SanDisk Bond Hedge Transactions or SanDisk Warrant Transactions except as set forth in the Merger Agreement;

except in the ordinary course of business consistent with past practice: accelerate, terminate, cancel, renew, fail to exercise an expiring renewal option, materially amend, grant a waiver under or otherwise materially modify any material real property lease or any real property lease that would constitute a material real property lease if in effect as of the date of the Merger Agreement or enter into any real property lease that would constitute a material real property lease if in effect as of the date of the Merger Agreement;

except for the expenditures contemplated by and consistent with the capital budget set forth in confidential disclosure schedules, plus in respect of fiscal year 2016 an additional ten percent, make or authorize any capital expenditures;

sell, lease, pledge, abandon, assign or otherwise dispose of, directly or indirectly, any material tangible asset or property of SanDisk or any of its subsidiaries (other than (A) sales of tangible assets with a fair market value of less than \$50 million in the aggregate and (B) sales of SanDisk's products in the ordinary course of business consistent with past practice);

incur any material liens or material indebtedness for borrowed money in addition to that incurred as of the date of the Merger Agreement, or guarantee any such indebtedness or make any material loans or advances,

other than:

to SanDisk or any of its wholly-owned subsidiaries;

performance bonds, letters of credit and similar instruments issued in the ordinary course of business consistent with past practice;

indebtedness for borrowed money that will be paid prior to closing, which does not subject SanDisk to material pre-payment or other penalties, which is incurred in the ordinary course of business consistent with past practice and does not exceed \$100 million; or

in connection with any foreign exchange transactions that are designated or non-designated forward contracts and that are entered into in the ordinary course of business consistent with past practice and not for speculative purposes;

Table of Contents

adopt or implement any stockholder rights plan, poison pill or similar arrangement or plan that is applicable to the Merger;

other than as required by applicable law or any employee benefit plan in effect on the date of the Merger Agreement and subject to certain exceptions set forth in confidential disclosure schedules, (A) increase the compensation, bonus or pension, welfare, severance, fringe or other benefits of, pay any bonus to, grant any new equity or equity-based award to, or make, amend or forgive any material loans to, any employee and any other individual who is a current or former director, officer, employee, leased employee, independent contractor or consultant of SanDisk or any of its subsidiaries, including any such individual hired after the date of the Merger Agreement (a Service Provider), except for (1) increases in the ordinary course of business consistent with past practice for Service Providers below the position of vice president, (2) grants of equity or equity-based awards as set forth in the Merger Agreement and (3) 2016 salary adjustments and payments or grants, as applicable, of annual cash incentive awards for fiscal years 2015 and 2016; provided, that such salary adjustments and payment of annual cash incentive awards with respect to fiscal year 2015 shall comply with the terms set forth in the Merger Agreement, (B) establish, adopt, terminate or materially amend any benefit plan or any other compensation or benefit plan, policy, practice, arrangement or agreement with respect to any Service Provider other than employment and termination agreements with Service Providers outside the U.S. in the ordinary course of business consistent with past practice that do not materially increase benefits or administrative costs in the aggregate to SanDisk, (C) grant or provide any severance or termination payments or benefits to any Service Provider other than payments or benefits to Service Providers outside the U.S. in the ordinary course of business consistent with past practice that do not materially increase benefits or administrative costs in the aggregate to SanDisk, (D) accelerate the vesting, funding or payment of any compensation that is or may become due to any Service Provider, (E) take any action to fund or secure the payment of any amounts under any benefit plan, or (F) hire any Service Provider in the position of vice president or above;

other than as required by applicable law, enter into, modify or terminate any labor or collective bargaining agreement, works council agreement, or any other labor union contract applicable to any employee or, through negotiation or otherwise, make any material commitment or incur any material liability to any labor organization relating to any employee currently employed or who is hired after the date of the Merger Agreement;

change in any material respect any of the assumptions used to calculate funding or contribution obligations under any benefit plan or accounting methods used by SanDisk unless required by GAAP, SEC rules and regulations or applicable law, or with respect to the subsidiaries of SanDisk, the accounting standards applicable to the preparation of the financial statements and accounts of each such subsidiary;

file or amend any tax return except in the ordinary course of business; settle or compromise any material tax liability; make, change or revoke any material tax election except to the extent consistent with past practice or as required by law; consent to any extension or waiver of the limitation period applicable to any material tax claim or assessment; or change any method of tax accounting, except as required by law, in each case with respect to SanDisk or any of its subsidiaries;

settle, or offer or propose to settle any litigation or other action, claim, suit or proceeding involving or against SanDisk or any of its subsidiaries (except as set forth in the Merger Agreement, other than settlements that provide for insignificant ancillary ordinary course non-monetary relief and do not require payment by SanDisk or any of its subsidiaries in excess of \$50 million in the aggregate), or commence any material litigation or other action, claim, suit or proceeding other than (1) in the ordinary course of business consistent with past practice; (2) to preserve, protect or enforce intellectual property, other than any patent, that is material to SanDisk's business; or (3) to enforce SanDisk's or its subsidiaries' patents against a significant licensee of SanDisk, a past licensee of SanDisk or its subsidiaries, or any other third party, but only if such third party has commenced litigation or other action, claim, suit or proceeding against SanDisk or its subsidiaries for infringement of such third party's patents;

Table of Contents

change or alter its cash management procedures or management of working capital, including by accelerating collection of receivables or delaying payment of payables;

transfer or repatriate to the United States cash, cash equivalents or liquid short or long-term investments held outside the United States if any material withholding or U.S. income taxes would be incurred in connection with such repatriation; or

enter into any contract, commitment or arrangement to do any of the foregoing.

No Solicitation by SanDisk; No Change in SanDisk Board Recommendation

No Solicitation by SanDisk

Subject to the exceptions described below, SanDisk has agreed that it will not, and will cause its subsidiaries and their respective officers, directors and employees not to, and will use its reasonable best efforts to cause SanDisk and its subsidiaries' respective other representatives not to, directly or indirectly:

initiate, solicit, seek or knowingly take any action to facilitate or encourage, any inquiry, proposal or offer that constitutes or would reasonably be expected to lead to a SanDisk Acquisition Proposal (as defined below);

participate or engage in any negotiations, inquiries or discussions with any third parties with respect to any SanDisk Acquisition Proposal;

in connection with any actual or potential SanDisk Acquisition Proposal, disclose or furnish any nonpublic information or data to any third party concerning SanDisk's or its subsidiaries' business or properties or afford any third party access to its or its subsidiaries' properties, books or records;

enter into or execute, or propose to enter into or execute, any agreement relating to a SanDisk Acquisition Proposal; or

accept, approve, endorse, recommend or make or authorize any public statement, recommendation, or solicitation in support of, or submit to its stockholders, any SanDisk Acquisition Proposal.

SanDisk is obligated to, and to cause its subsidiaries and their respective officers, directors and employees to, and will use its reasonable best efforts to cause SanDisk's and its subsidiaries' other representatives to, immediately cease and terminate all discussions and negotiations that commenced prior to the date of the Merger Agreement regarding any proposal that constitutes, or could reasonably be expected to lead to, a SanDisk Acquisition Proposal, and must request that all confidential or proprietary information previously furnished to any third parties in connection with such discussions and negotiations be promptly returned or destroyed.

For purposes of the Merger Agreement, a SanDisk Acquisition Proposal is defined as any offer or proposal made by any person, entity or group of persons (other than Western Digital, Merger Sub or any of their controlled affiliates), to acquire (i) beneficial ownership of 15% or more of the issued and outstanding SanDisk common stock pursuant to a merger, amalgamation, consolidation or other business combination, sale of share capital, tender offer, exchange offer or other similar transaction involving SanDisk, or (ii) 15% or more of the assets of SanDisk and its subsidiaries, taken as a whole.

Fiduciary Exception

If SanDisk receives a *bona fide* unsolicited written SanDisk Acquisition Proposal that did not arise from a material breach of the provisions of the non-solicitation covenants of the Merger Agreement and the SanDisk board of directors determines in good faith, after consultation with its financial advisors and outside legal counsel, that such SanDisk Acquisition Proposal constitutes or would reasonably be expected to lead to a SanDisk Superior Proposal (as defined below), then SanDisk may, prior to the affirmative vote of a majority of the outstanding shares of SanDisk common stock to adopt the agreement of Merger:

participate in discussions or negotiations (including, as part thereof, making any counterproposals) with the person or persons making such SanDisk Acquisition Proposal; and

Table of Contents

furnish nonpublic information to the person or persons making such SanDisk Acquisition Proposal, but only after such person enters into a customary confidentiality agreement with SanDisk (a SanDisk Acceptable Confidentiality Agreement) that contains provisions that in the aggregate are no less favorable to SanDisk than the confidentiality agreement between Western Digital and SanDisk (but which may not provide for an exclusive right to negotiate with SanDisk and may not restrict SanDisk from complying with the non-solicitation provisions of the Merger Agreement); provided that SanDisk promptly (and in any event within 24 hours) provides or makes available to Western Digital any information that is provided or made available to any person given such access which was not previously provided or made available to Western Digital.

For purposes of the Merger Agreement, a SanDisk Superior Proposal is defined as, in general terms, a *bona fide* written SanDisk Acquisition Proposal (substituting 50% for 15% in each instance where such terms appears in the definition thereof) that the SanDisk board of directors determines, in good faith after consultation with its financial advisors and outside legal counsel and financial advisors, and after taking into account all of the terms and conditions of such proposal (including any termination or break-up fees and conditions to consummation), and after taking into account all financial, legal, regulatory and other aspects of such proposal (including the existence of financing conditions, the conditionality of any financing commitments and the likelihood and timing of consummation), is reasonably capable of being consummated and, if consummated, would be more favorable to SanDisk and its stockholders (in their capacity as such) from a financial point of view, than the Merger and the transactions contemplated by the Merger Agreement.

SanDisk will as promptly as reasonably practicable (and in any event within 48 hours after receipt) (i) notify Western Digital of the receipt of any SanDisk Acquisition Proposal and (ii) provide Western Digital with a copy of such SanDisk Acquisition Proposal (if written), or a summary of the material terms and conditions of such SanDisk Acquisition Proposal (if oral), including the identity of the person making such proposal. SanDisk will notify Western Digital, in writing, of (A) any determination by the SanDisk board of directors that a SanDisk Acquisition Proposal constitutes or would reasonably be expected to lead to, a SanDisk Superior Proposal or (B) any decision of its board of directors as to whether to participate in discussions or negotiations or furnish non-public information with respect to SanDisk or its subsidiaries to any person or entity in response to a SanDisk Acquisition Proposal, which notice shall be given as promptly as practicable after such determination was reached or decision was made (and in any event no later than 24 hours after such determination was reached or decision was made). SanDisk will keep Western Digital informed as promptly as practicable with respect to any changes to the material terms of a SanDisk Acquisition Proposal submitted to SanDisk (and in any event within 48 hours following any such changes), including by providing a copy of all written proposals relating to any SanDisk Acquisition Proposal.

No Change in SanDisk Board Recommendation

The SanDisk board of directors has determined that the Merger Agreement and the Merger are fair to, advisable and in the best interests of SanDisk and its stockholders, approved and adopted the Merger Agreement, including the Merger and the other transactions contemplated thereby, adopted a resolution having the effect of causing no rights to be issued or exercisable under SanDisk's stockholders rights plan, and causing SanDisk's stockholders' rights plan to have no force or effect, with respect to the Merger and the other transactions contemplated by the Merger Agreement and subject to the other terms and conditions of the Merger Agreement, resolved to recommend that the stockholders of SanDisk approve and adopt the Merger Agreement and the Merger (the SanDisk Board Recommendation).

Subject to the exceptions noted below, the SanDisk board of directors may not:

withdraw, qualify or modify, or propose publicly to withdraw, qualify or modify, in a manner adverse to Western Digital or Merger Sub, the SanDisk Board Recommendation;

approve, adopt, or recommend, or propose publicly to approve, adopt, or recommend, any SanDisk Acquisition Proposal;

Table of Contents

solely if a SanDisk Acquisition Proposal has been publicly announced, fail to issue a press release reaffirming the SanDisk Board Recommendation within 10 business days following a written request to do so by Western Digital;

fail to include the SanDisk Board Recommendation in this joint proxy statement/prospectus (any action described in these first four bullet points is referred to as a SanDisk Change of Recommendation); or

approve or recommend, or publicly propose to approve or recommend, or allow SanDisk to execute or enter into, any letter of intent, agreement in principle, merger agreement, acquisition agreement, option agreement, joint venture agreement, partnership agreement or other similar agreement constituting or relating to any SanDisk Acquisition Proposal, or requiring SanDisk to abandon, terminate or fail to consummate the Merger or any other transaction contemplated by the Merger Agreement, in each case other than a SanDisk Acceptable Confidentiality Agreement.

Fiduciary Exception

Notwithstanding the foregoing, prior to the SanDisk Stockholder Meeting (as defined below in the section entitled *Stockholder Meetings; Proxy Statement/Prospectus*), SanDisk's board of directors may, if SanDisk's board of directors determines in good faith, after consultation with its outside legal counsel, that the failure to take such action would reasonably be expected to be inconsistent with the fiduciary duties of SanDisk's directors under applicable law (i) in the case of a SanDisk Intervening Event (as defined below), make a SanDisk Change of Recommendation or (ii) with respect to a SanDisk Superior Proposal, which SanDisk Superior Proposal did not result from a material breach of the non-solicitation provisions in the Merger Agreement by SanDisk or its representatives, make a SanDisk Change of Recommendation, approve or recommend a SanDisk Superior Proposal, terminate the Merger Agreement in accordance with the terms thereof (including the payment of an approximately \$553.3 million termination fee to Western Digital, as described below), and enter into a definitive written agreement providing for such SanDisk Superior Proposal concurrently with the termination of the Merger Agreement; provided, that:

SanDisk notifies Western Digital in writing at least four business days in advance of taking such action (such period, the SanDisk Notice Period) that SanDisk intends to take such action, which notice must specify the reasons for taking such action and, in the event of a SanDisk Superior Proposal, the material terms and conditions of such proposal (including the identity of the person making the proposal) and concurrently provides a copy of the relevant proposed transaction agreements with the person making such proposal (in the event any of the material terms or conditions of any such proposal are modified during the SanDisk Notice Period, SanDisk must as promptly as possible, and in any event no later than 24 hours after receipt of such modification, notify Western Digital of such modification, at which time a new SanDisk Notice Period will commence), and in the event of a SanDisk Intervening Event, a reasonable description of such SanDisk Intervening Event;

prior to taking such action, SanDisk shall, and shall cause its representatives to, during the SanDisk Notice Period negotiate with Western Digital in good faith (to the extent Western Digital desires to negotiate) to make such adjustments in the terms and conditions of the Merger Agreement in such a manner that would obviate the need for SanDisk to take such action; and

Western Digital shall not have proposed in writing at or prior to the conclusion of the SanDisk Notice Period any modifications or revisions to the terms of the Merger Agreement, which modifications or revisions (if the SanDisk Superior Proposal is evidenced by a definitive agreement that upon SanDisk's acceptance would be binding) shall be evidenced by an offer to amend the Merger Agreement that would, upon SanDisk's acceptance, be binding on the parties, and, if applicable, revisions to the terms of the Debt Commitment Letter (as defined below in the section entitled *Financing Matters*) and definitive agreements with respect to the Debt Commitment Letter, to provide for terms which the board of directors of SanDisk determines in good faith, after consultation with its outside legal counsel and financial advisors, (A) would cause the SanDisk Superior Proposal to no longer constitute a

Table of Contents

SanDisk Superior Proposal, if applicable, or (B) if the proposed SanDisk Change of Recommendation is in response to a SanDisk Intervening Event, that the failure to make a SanDisk Change of Recommendation would not reasonably be expected to be inconsistent with the fiduciary duties of SanDisk's directors under applicable law.

For purposes of the Merger Agreement, a "SanDisk Intervening Event" means any Effect that has not arisen as a result of a breach of the Merger Agreement by SanDisk, that is material to SanDisk and its subsidiaries, taken as a whole, and that was not known or reasonably foreseeable to the SanDisk board of directors on or prior to the date of the Merger Agreement (or, if known, the consequences of which were not reasonably foreseeable to the SanDisk board of directors on or prior to the date of the Merger Agreement), which Effect (or the consequences thereof) becomes known to the SanDisk board of directors before receipt of the SanDisk Stockholder Approval; provided, that in no event shall any Effect arising from or relating to any of the following give rise to a SanDisk Intervening Event:

any SanDisk Acquisition Proposal;

the public announcement of discussions among the parties to the Merger Agreement regarding a potential transaction, the public announcement, execution, delivery or performance of the Merger Agreement, the identity of Western Digital or Merger Sub, or the public announcement, pendency or consummation of the transactions contemplated by the Merger Agreement;

any change in the trading price or trading volume of SanDisk common stock on NASDAQ or any change in SanDisk's credit rating (although any underlying Effects relating to or causing such change may be considered, along with the effects or consequences thereof);

the fact that SanDisk has exceeded, met or failed to meet any projections, forecasts, revenue or earnings predictions or expectations of SanDisk or any securities analysts for any period ending (or for which revenues or earnings are released) on or after the date of the Merger Agreement (although any underlying Effects relating to or causing such excess, meeting or failure may be considered, along with the effects or consequences thereof);

changes in GAAP, other applicable accounting rules or applicable law (including the accounting rules and regulations of the SEC) or, in any such case, changes in the interpretation thereof after the date of the Merger Agreement; or

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