Western Digital Corp.

WDC

Nasdaq; business equipment; SIC 3572, Computer Storage Devices; CIK 0000106040

C

middle fifth of 497 graded peers in business equipment

rank 228 of 497; percentile 45.8; sampling error 2.2 points; lower is stronger

A B C D E

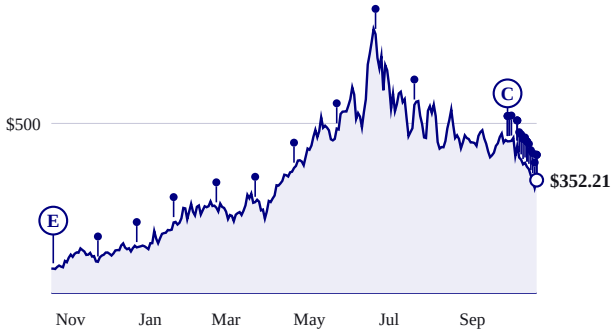
C, the tortoise



Scoreboard

Profitability	C	percentile 53.0
Solvency	B	percentile 33.2
Growth and financing	C	percentile 54.4
Reliability	0.94 AUC	filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year	Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets	total assets $13.9B
Standard universe	inside	revenue above $1M and assets above $10M
Warnings	none triggered; fortress balance sheet	not computable: distress
Inputs computable	11 of 14	
Graded from	filings received through Aug 14, 2026	67 days before the rescan; latest periodic filing 10-K received Aug 14, 2026
Last close	$352.39	2026-10-19; market equity $127.1B; no price enters the letter

Share price, twelve months to the rescan



Split-adjusted close. Each lollipop is a rescan and carries the letter held then.

Letter at every rescan, 2012 to 2026



Sector percentile at each rescan, stronger toward the top; facts filed by each date only.

Business, in the company's words

opening of Item 1 of the 10-K received Aug 14, 2026

Western Digital was founded in 1970 and is a Standard & Poor's 500 ("S&P 500") company headquartered in San Jose, California. We are a leading developer, manufacturer, and provider of data storage devices and solutions based on hard disk drive ("HDD") technology. HDDs are critical components in the worldwide data infrastructure market, powering the AI-driven digital economy. HDDs provide reliable, cost-effective, high-capacity storage needs for a wide range of applications, ranging from cloud data centers, enterprise storage systems, edge computing, and smart video to client and consumer devices.

The fourteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 53.0						
Gross profitability	45.5%	28.6%		20.0	557	2026-07-03
Return on invested capital	52.2%	11.0%		8.2	135	2026-07-03
Accruals ratio	39.4%	(7.4%)		98.2	620	2026-07-03

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Gross margin stability, five years	9.2 pts	2.3 pts	85.4	427	2026-07-03
Solvency, sleeve percentile 33.2					
Twelve-month failure probability	not computable	0.05%			
latest liabilities, cash plus short-term investments, book equity, and shares are required					
Altman Z double-prime	7.03	2.16	14.4	564	2026-07-03
Net debt to EBITDA	(0.11x)	1.11x	16.4	147	2026-07-03
Interest coverage	not computable	3.77x			
latest aligned inputs end 2023-06-30; latest annual assets end 2026-07-03					
Current ratio	1.33x	2.01x	68.6	664	2026-07-03
Growth and financing, sleeve percentile 54.4					
Revenue growth, three-year compound	27.4%	6.4%	12.3	537	2026-07-03
Free cash flow growth, three-year compound	not computable	17.7%			
current FCF must be positive and base FCF must exceed $100,000					
Reinvestment rate	23.6%	13.5%	46.9	225	2026-07-03
Asset growth, three years	(17.3%)	5.0%	90.2	562	2026-07-03
Net share issuance, one year	3.9%	0.5%	68.2	410	2026-08-07

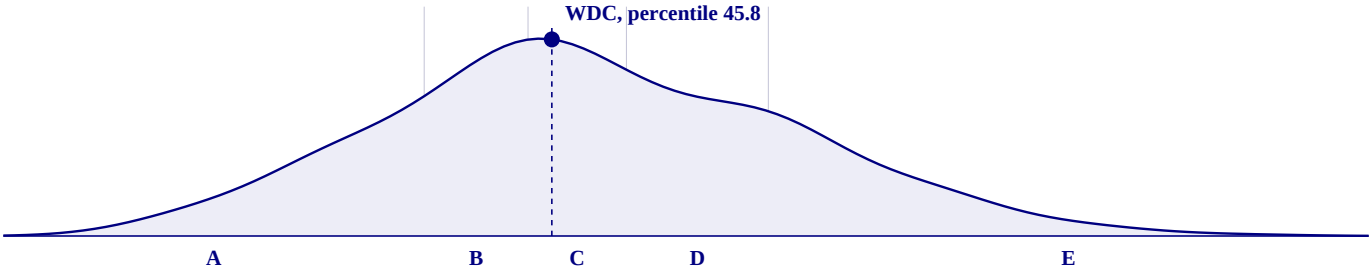
Warnings

1 of 7 checks triggered; none of them enters the letter

Check	Measured
Fortress balance sheet	cash minus debt is 527,000,000 USD; Altman Z is not used

Among 497 peers

business equipment; letters are fifths of this list



Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.

Rank	Company	Percentile	Letter	Warnings
223	Varex Imaging Corp. (VREX)	44.8	C	
224	Ondas Inc. (ONDS)	45.0	C	dilution, fortress balance sheet
225	PDF Solutions Inc. (PDFS)	45.2	C	
226	Snowflake Inc. (SNOW)	45.4	C	
227	LGL Group Inc. (LGL)	45.6	C	fortress balance sheet
228	Western Digital Corp. (WDC)	45.8	C	fortress balance sheet
229	Illumina, Inc. (ILMN)	46.0	C	
230	Jabil Inc. (JBL)	46.2	C	
231	Kulicke & Soffa Industries Inc. (KLIC)	46.4	C	
232	nCino, Inc. (NCNO)	46.6	C	
233	CSP Inc. (CSPI)	46.8	C	

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What the price implies

at the 2026-10-19 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	275.7%	2.2%	98
Distance from 52-week high	(52.8%)	(31.8%)	27
EBIT to enterprise value	3.5%	1.5%	67
Free cash flow yield	2.8%	2.8%	50
Book value to price	0.07	0.25	17
Sales to price	0.10	0.33	19
Composite equity issuance, five years	(23.3%)	4.2%	9
Relative strength against the sector, log excess return	1.04	(0.26)	98

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 7 of 9, period end 2026-07-03	
Return on assets above zero	pass
Operating cash flow above zero	pass
Return on assets improved	pass
Operating cash flow exceeds net income	fail
Long-term leverage fell	pass
Current ratio improved	pass
No new shares issued	fail
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$1.6B
Operating cash flow, four quarters	$3.9B
Months of runway	not finite
Days since last periodic filing	67 (10-K received Aug 14, 2026)
Median daily dollar volume, 63 sessions	$3.2B

Sources

every fact behind the inputs; each row links to its filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	gross profit	us-gaap:GrossProfit	$6.3B	2026-07-03	2026-08-14	10-K	26-057139
2	assets	us-gaap:Assets	$13.9B	2026-07-03	2026-08-14	10-K	26-057139
3	operating income	us-gaap:OperatingIncomeLoss	$4.5B	2026-07-03	2026-08-14	10-K	26-057139
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$9.9B	2026-07-03	2026-08-14	10-K	26-057139
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$481.0M	2026-07-03	2026-08-14	10-K	26-057139
6	total debt	us-gaap:LongTermDebt	$1.1B	2026-07-03	2026-08-14	10-K	26-057139
7	book equity	us-gaap:StockholdersEquity	$8.9B	2026-07-03	2026-08-14	10-K	26-057139
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$1.6B	2026-07-03	2026-08-14	10-K	26-057139
9	total debt	us-gaap:LongTermDebt	$4.7B	2025-06-27	2026-08-14	10-K	26-057139
10	book equity	us-gaap:StockholdersEquity	$5.3B	2025-06-27	2026-08-14	10-K	26-057139
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$2.1B	2025-06-27	2026-08-14	10-K	26-057139
12	net income	us-gaap:NetIncomeLoss	$9.4B	2026-07-03	2026-08-14	10-K	26-057139
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$3.9B	2026-07-03	2026-08-14	10-K	26-057139
14	assets	us-gaap:Assets	$14.0B	2025-06-27	2026-08-14	10-K	26-057139
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$12.9B	2026-07-03	2026-08-14	10-K	26-057139
16	gross profit	us-gaap:GrossProfit	$3.7B	2025-06-27	2026-08-14	10-K	26-057139
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$9.5B	2025-06-27	2026-08-14	10-K	26-057139
18	gross profit	us-gaap:GrossProfit	$1.8B	2024-06-28	2026-08-14	10-K	26-057139

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19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$6.3B	2024-06-28	2026-08-14	10-K	26-057139
20	gross profit	us-gaap:GrossProfit	$1.4B	2023-06-30	2025-08-14	10-K	25-000038
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$6.3B	2023-06-30	2025-08-14	10-K	25-000038
22	gross profit	us-gaap:GrossProfit	$5.9B	2022-07-01	2024-08-20	10-K	24-000031
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$18.8B	2022-07-01	2024-08-20	10-K	24-000031
24	current assets	us-gaap:AssetsCurrent	$5.6B	2026-07-03	2026-08-14	10-K	26-057139
25	current liabilities	us-gaap:LiabilitiesCurrent	$4.2B	2026-07-03	2026-08-14	10-K	26-057139
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	$10.0B	2026-07-03	2026-08-14	10-K	26-057139
27	liabilities	us-gaap:Liabilities	$5.0B	2026-07-03	2026-08-14	10-K	26-057139
28	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$375.0M	2026-07-03	2026-08-14	10-K	26-057139
29	operating income	us-gaap:OperatingIncomeLoss	-$548.0M	2023-06-30	2025-08-14	10-K	25-000038
30	interest expense	us-gaap:InterestExpense	$312.0M	2023-06-30	2024-08-20	10-K	24-000031
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$418.0M	2026-07-03	2026-08-14	10-K	26-057139
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$1.7B	2025-06-27	2026-08-14	10-K	26-057139
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$412.0M	2025-06-27	2026-08-14	10-K	26-057139
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$294.0M	2024-06-28	2026-08-14	10-K	26-057139
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$487.0M	2024-06-28	2026-08-14	10-K	26-057139
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$408.0M	2023-06-30	2025-08-14	10-K	25-000038
37	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$821.0M	2023-06-30	2025-08-14	10-K	25-000038
38	current assets	us-gaap:AssetsCurrent	$5.9B	2025-06-27	2026-08-14	10-K	26-057139
39	current liabilities	us-gaap:LiabilitiesCurrent	$5.4B	2025-06-27	2026-08-14	10-K	26-057139
40	assets	us-gaap:Assets	$24.2B	2024-06-28	2025-08-14	10-K	25-000038
41	assets	us-gaap:Assets	$24.5B	2023-06-30	2024-08-20	10-K	24-000031
42	shares outstanding	dei:EntityCommonStockSharesOutstanding	360,540,944	2026-08-07	2026-08-14	10-K	26-057139
43	shares outstanding	dei:EntityCommonStockSharesOutstanding	346,922,126	2025-07-23	2025-08-14	10-K	25-000038

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