

Western Digital Corp. (WDC)

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

Western Digital Corp. WDC; business equipment	
Grade	C A B C D E middle fifth of 497 graded peers percentile 44.6; sampling error 2.2 points; lower is stronger
Rank	222 of 497
Profitability	C percentile 52.6
Solvency	B percentile 32.6
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 active; fortress balance sheet not computable: distress
Inputs computable	11 of 14
Graded from	filings received through Aug 14, 2026 56 days before the rescan; latest periodic filing 10-K received Aug 14, 2026
Last close	\$393.28 2026-10-08; market equity \$141.8B
Price used in grade	None



C, the tortoise

middle fifth of its sector; letters are fifths of the 497 graded peers

Share price, twelve months to the rescan

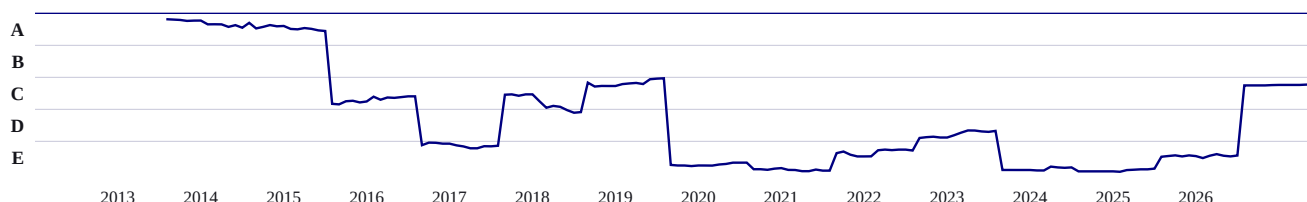
split-adjusted close; the letter is fixed at the rescan that set it



Rescans on file: D/E from Dec 21, 2022, D from Feb 21, 2023, E from Sep 21, 2023, C from Aug 21, 2026

Letter at every rescan

Jan 21, 2012 to Oct 9, 2026; sector percentile, 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; equal-weighted sleeves

Input	Percentile, 0 to 100	Value	Peer median	Percentile	Peers	Period end
Profitability, sleeve percentile 52.6						
Gross profitability		45.5%	28.5%	19.6	558	2026-07-03
Return on invested capital		52.2%	10.9%	7.4	136	2026-07-03
Accruals ratio		39.4%	(7.4%)	98.1	621	2026-07-03
Gross margin stability, five years		9.2 pts	2.4 pts	85.3	429	2026-07-03
Solvency, sleeve percentile 32.6						
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	2.18	14.2	566	2026-07-03
Net debt to EBITDA		(0.11x)	1.11x	15.1	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	2.02x	68.7	666	2026-07-03
Growth and financing, sleeve percentile 54.4						
Revenue growth, three-year compound		27.4%	6.4%	11.9	538	2026-07-03
Free cash flow growth, three-year compound		not computable	17.2%			current FCF must be positive and base FCF must exceed \$100,000
Reinvestment rate		23.6%	14.3%	47.1	226	2026-07-03
Asset growth, three years		(17.3%)	5.0%	90.0	563	2026-07-03
Net share issuance, one year		3.9%	0.5%	68.5	407	2026-08-07

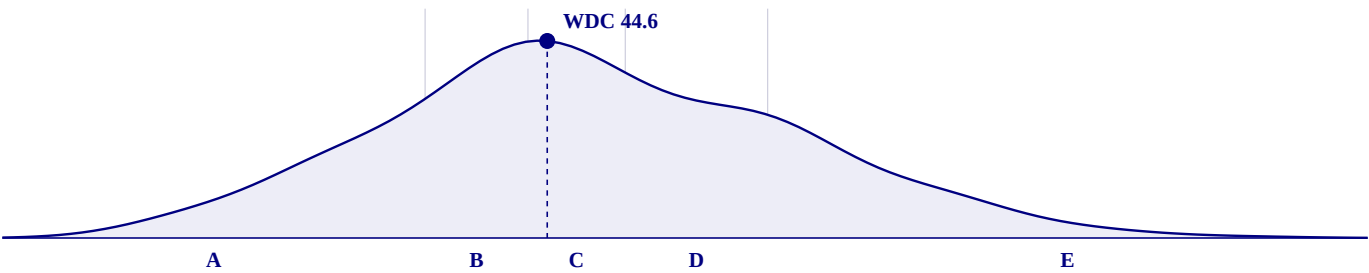
Warnings

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
217	Navitas Semiconductor Corp. (NVT)	43.5	C	
218	Playtika Holding Corp. (PLTK)	43.8	C	
219	Asana, Inc. (ASAN)	44.0	C	
220	Seagate Technology Holdings plc (STX)	44.2	C	
221	OneSpan Inc. (OSPN)	44.4	C	
222	Western Digital Corp. (WDC) <	44.6	C	fortress balance sheet
223	PDF Solutions Inc. (PDFS)	44.8	C	
224	Qorvo, Inc. (QRVO)	45.0	C	
225	Varex Imaging Corp. (VREX)	45.2	C	
226	Snowflake Inc. (SNOW)	45.4	C	
227	Ondas Inc. (ONDS)	45.6	C	dilution, fortress balance sheet

What the price implies

at the 2026-10-08 close; none 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	(47.3%)	(30.0%)	29
EBIT to enterprise value	3.2%	1.5%	67
Free cash flow yield	2.5%	2.7%	48
Book value to price	0.06	0.23	18
Sales to price	0.09	0.30	19
Composite equity issuance, five years	(23.3%)	3.9%	9
Relative strength against the sector, log excess return	1.04	(0.26)	98

Diagnostics

not in 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	56 (10-K received Aug 14, 2026)
Median daily dollar volume, 63 sessions	\$3.2B

Sources

each row links to the 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	0001628280-26-057139
2	assets	us-gaap:Assets	\$13.9B	2026-07-03	2026-08-14	10-K	0001628280-26-057139
3	operating income	us-gaap:OperatingIncomeLoss	\$4.5B	2026-07-03	2026-08-14	10-K	0001628280-26-057139
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraord	\$5.9B	2026-07-03	2026-08-14	10-K	0001628280-26-057139
5	income tax	us-gaap:IncomeTaxExpenseBenefit	\$481.0M	2026-07-03	2026-08-14	10-K	0001628280-26-057139

6	total debt	us-gaap:LongTermDebt	\$1.1B	2026-07-03	2026-08-14	10-K	0001628280-26-057139
7	book equity	us-gaap:StockholdersEquity	\$8.9B	2026-07-03	2026-08-14	10-K	0001628280-26-057139
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$1.6B	2026-07-03	2026-08-14	10-K	0001628280-26-057139
9	total debt	us-gaap:LongTermDebt	\$4.7B	2025-06-27	2026-08-14	10-K	0001628280-26-057139
10	book equity	us-gaap:StockholdersEquity	\$5.3B	2025-06-27	2026-08-14	10-K	0001628280-26-057139
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$2.1B	2025-06-27	2026-08-14	10-K	0001628280-26-057139
12	net income	us-gaap:NetIncomeLoss	\$9.4B	2026-07-03	2026-08-14	10-K	0001628280-26-057139
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$3.9B	2026-07-03	2026-08-14	10-K	0001628280-26-057139
14	assets	us-gaap:Assets	\$14.0B	2025-06-27	2026-08-14	10-K	0001628280-26-057139
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$12.9B	2026-07-03	2026-08-14	10-K	0001628280-26-057139
16	gross profit	us-gaap:GrossProfit	\$3.7B	2025-06-27	2026-08-14	10-K	0001628280-26-057139
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$9.5B	2025-06-27	2026-08-14	10-K	0001628280-26-057139
18	gross profit	us-gaap:GrossProfit	\$1.8B	2024-06-28	2026-08-14	10-K	0001628280-26-057139
19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$6.3B	2024-06-28	2026-08-14	10-K	0001628280-26-057139
20	gross profit	us-gaap:GrossProfit	\$1.4B	2023-06-30	2025-08-14	10-K	0000106040-25-000038
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$6.3B	2023-06-30	2025-08-14	10-K	0000106040-25-000038
22	gross profit	us-gaap:GrossProfit	\$5.9B	2022-07-01	2024-08-20	10-K	0000106040-24-000031
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$18.8B	2022-07-01	2024-08-20	10-K	0000106040-24-000031
24	current assets	us-gaap:AssetsCurrent	\$5.6B	2026-07-03	2026-08-14	10-K	0001628280-26-057139
25	current liabilities	us-gaap:LiabilitiesCurrent	\$4.2B	2026-07-03	2026-08-14	10-K	0001628280-26-057139
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	\$10.0B	2026-07-03	2026-08-14	10-K	0001628280-26-057139
27	liabilities	us-gaap:Liabilities	\$5.0B	2026-07-03	2026-08-14	10-K	0001628280-26-057139
28	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	\$375.0M	2026-07-03	2026-08-14	10-K	0001628280-26-057139
29	operating income	us-gaap:OperatingIncomeLoss	-\$548.0M	2023-06-30	2025-08-14	10-K	0000106040-25-000038
30	interest expense	us-gaap:InterestExpense	\$312.0M	2023-06-30	2024-08-20	10-K	0000106040-24-000031
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$418.0M	2026-07-03	2026-08-14	10-K	0001628280-26-057139
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$1.7B	2025-06-27	2026-08-14	10-K	0001628280-26-057139
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$412.0M	2025-06-27	2026-08-14	10-K	0001628280-26-057139
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$294.0M	2024-06-28	2026-08-14	10-K	0001628280-26-057139
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$487.0M	2024-06-28	2026-08-14	10-K	0001628280-26-057139
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$408.0M	2023-06-30	2025-08-14	10-K	0000106040-25-000038
37	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$821.0M	2023-06-30	2025-08-14	10-K	0000106040-25-000038
38	current assets	us-gaap:AssetsCurrent	\$5.9B	2025-06-27	2026-08-14	10-K	0001628280-26-057139
39	current liabilities	us-gaap:LiabilitiesCurrent	\$5.4B	2025-06-27	2026-08-14	10-K	0001628280-26-057139
40	assets	us-gaap:Assets	\$24.2B	2024-06-28	2025-08-14	10-K	0000106040-25-000038
41	assets	us-gaap:Assets	\$24.5B	2023-06-30	2024-08-20	10-K	0000106040-24-000031
42	shares outstanding	dei:EntityCommonStockSharesOutstanding	360,540,944	2026-08-07	2026-08-14	10-K	0001628280-26-057139
43	shares outstanding	dei:EntityCommonStockSharesOutstanding	346,922,126	2025-07-23	2025-08-14	10-K	0000106040-25-000038