

Seagate Technology plc
Form 10-Q
May 03, 2011
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended April 1, 2011

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from: to

Commission File Number 001-31560

SEAGATE TECHNOLOGY PUBLIC LIMITED COMPANY

(Exact name of registrant as specified in its charter)

Ireland

98-0648577

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(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification Number)

Arthur Cox Building, Earlsfort Terrace

Dublin 2, Ireland

(Address of Principal Executive Offices)

Telephone: (353) (1) 618-0517

(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

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 definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer: x

Accelerated filer: o

Non-accelerated filer: o

Smaller reporting company: o

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No x

As of April 26, 2011, 430,085,128 shares of the registrant's ordinary shares, par value \$0.00001 per share, were issued and outstanding.

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	April 1, 2011	July 2, 2010(a)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,201	\$ 2,263
Short-term investments	279	252
Restricted cash and investments	103	114
Accounts receivable, net	1,394	1,400
Inventories	834	757
Deferred income taxes	107	118
Other current assets	586	514
Total current assets	5,504	5,418
Property, equipment and leasehold improvements, net	2,208	2,263
Deferred income taxes	373	395
Other assets, net	195	171
Total assets	\$ 8,280	\$ 8,247
LIABILITIES AND SHAREHOLDERS EQUITY		
Current liabilities:		
Accounts payable	\$ 1,778	\$ 1,780
Accrued employee compensation	136	263
Accrued warranty	198	189
Accrued expenses	419	422
Accrued income taxes	14	14
Current portion of long-term debt	560	329
Total current liabilities	3,105	2,997
Long-term accrued warranty	163	183
Long-term accrued income taxes	68	59
Other non-current liabilities	105	111
Long-term debt, less current portion	2,352	2,173
Total liabilities	5,793	5,523

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Commitments and contingencies (See Notes 10 and 12)

Shareholders' equity:

Ordinary shares and additional paid-in capital	3,930	3,851
Accumulated other comprehensive income (loss)	(2)	(4)
Retained earnings (accumulated deficit)	(1,441)	(1,123)
Total shareholders' equity	2,487	2,724
Total liabilities and shareholders' equity	\$ 8,280	\$ 8,247

(a) The information in this column was derived from the Company's audited Consolidated Balance Sheet as of July 2, 2010.

See Notes to Condensed Consolidated Financial Statements.

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SEAGATE TECHNOLOGY PLC

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions, except per share data)

(Unaudited)

	For the Three Months Ended		For the Nine Months Ended	
	April 1, 2011	April 2, 2010	April 1, 2011	April 2, 2010
Revenue	\$ 2,695	\$ 3,049	\$ 8,112	\$ 8,738
Cost of revenue	2,179	2,148	6,517	6,261
Product development	224	224	646	658
Marketing and administrative	110	105	317	323
Amortization of intangibles	—	8	2	23
Restructuring and other, net	3	4	14	50
Impairment of long-lived assets	—	—	—	64
Total operating expenses	2,516	2,489	7,496	7,379
Income from operations	179	560	616	1,359
Interest income	2	2	6	4
Interest expense	(59)	(41)	(151)	(127)
Other, net	—	1	(21)	(7)
Other income (expense), net	(57)	(38)	(166)	(130)
Income before income taxes	122	522	450	1,229
Provision for (benefit from) income taxes	29	4	58	(1)
Net income	\$ 93	\$ 518	\$ 392	\$ 1,230
Net income per share:				
Basic	\$ 0.21	\$ 1.05	\$ 0.85	\$ 2.48
Diluted	0.21	1.00	0.83	2.38
Number of shares used in per share calculations:				
Basic	437	493	459	495
Diluted	453	520	475	519

See Notes to Condensed Consolidated Financial Statements.

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SEAGATE TECHNOLOGY PLC

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)

(Unaudited)

	For the Nine Months Ended	
	April 1, 2011	April 2, 2010
OPERATING ACTIVITIES		
Net income	\$ 392	\$ 1,230
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	567	584
Share-based compensation	38	38
Loss on redemption of debt	26	—
Impairment of long-lived assets	—	64
Deferred income taxes	35	10
Other non-cash operating activities, net	(5)	22
Changes in operating assets and liabilities:		
Accounts receivable, net	7	(418)
Inventories	(77)	(98)
Accounts payable	181	242
Accrued employee compensation	(127)	70
Accrued expenses, income taxes and warranty	(10)	(131)
Other assets and liabilities	(80)	(5)
Net cash provided by operating activities	947	1,608
INVESTING ACTIVITIES		
Acquisition of property, equipment and leasehold improvements	(685)	(372)
Purchases of short-term investments	(208)	(278)
Sales of short-term investments	118	75
Maturities of short-term investments	59	101
Change in restricted cash and investments	13	26
Other investing activities, net	—	1
Net cash used in investing activities	(703)	(447)
FINANCING ACTIVITIES		
Proceeds from short-term borrowings	—	15
Repayment of short-term borrowings	—	(365)
Repayments of long-term debt and capital lease obligations	(377)	(385)
Net proceeds from issuance of long-term debt	736	—
Repurchases of ordinary shares	(710)	(251)
Change in restricted cash and investments	2	379
Proceeds from issuance of ordinary shares under employee stock plans	48	81
Other financing activities, net	(5)	—
Net cash used in financing activities	(306)	(526)
Increase (decrease) in cash and cash equivalents	(62)	635
Cash and cash equivalents at the beginning of the period	2,263	1,427
Cash and cash equivalents at the end of the period	\$ 2,201	\$ 2,062

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See Notes to Condensed Consolidated Financial Statements.

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SEAGATE TECHNOLOGY PLC
CONDENSED CONSOLIDATED STATEMENT OF SHAREHOLDERS EQUITY

For the Nine Months Ended April 1, 2011

(In millions)

(Unaudited)

	Number of Ordinary Shares	Par Value of Shares	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings (Accumulated Deficit)	Total
Balance at July 2, 2010	470	\$	\$ 3,851	\$ (4)	\$ (1,123)	\$ 2,724
Comprehensive income (loss), net of tax:						
Change in unrealized gain (loss) on marketable securities, net				(1)		(1)
Change in unrealized gain (loss) on cash flow hedges, net				3		3
Net income					392	392
Comprehensive income						394
Issuance of ordinary shares under employee stock plans	6		48			48
Share repurchase	(50)				(710)	(710)
Adjustment to equity component of convertible debt upon redemption			(7)			(7)
Share-based compensation			38			38
Balance at April 1, 2011	426	\$	\$ 3,930	\$ (2)	\$ (1,441)	\$ 2,487

See Notes to Condensed Consolidated Financial Statements.

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SEAGATE TECHNOLOGY PLC

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

1. Basis of Presentation and Summary of Significant Accounting Policies

Organization and Basis of Presentation and Consolidation

Effective as of July 3, 2010, Seagate Technology public limited company, an Irish public limited company, (Seagate-Ireland , Seagate or the Company) became the successor to Seagate Technology, an exempted company incorporated with limited liability under the laws of the Cayman Islands (Seagate-Cayman). In connection with the reorganization, all issued and outstanding Seagate-Cayman common shares were cancelled and ceased to exist, and Seagate-Ireland issued ordinary shares on a one-for-one basis to the holders of Seagate-Cayman common shares for each Seagate-Cayman common share that was cancelled. For presentation purposes, unless otherwise noted, common shares prior to the reorganization and ordinary shares subsequent to the reorganization are referred to herein as ordinary shares (see Note 8).

The Company designs, manufactures, markets and sells hard disk drives. Hard disk drives, which are commonly referred to as disk drives or hard drives, are used as the primary medium for storing electronic data. The Company produces a broad range of disk drive products addressing enterprise applications, where its products are primarily used in enterprise servers, mainframes and workstations; client compute applications, where its products are used in desktop and notebook computers; and client non-compute applications, where its products are used in a wide variety of devices such as digital video recorders (DVRs), and other consumer electronic devices such as personal data backup systems, portable external storage systems and digital media systems. The Company sells its disk drives primarily to major original equipment manufacturers (OEMs), distributors and retailers. In addition to manufacturing and selling disk drives, the Company provides storage services for small- to medium-sized businesses, including online backup, data protection and recovery solutions.

The Condensed Consolidated Financial Statements include the accounts of the Company and all of its wholly-owned subsidiaries, after elimination of intercompany transactions and balances. The Condensed Consolidated Financial Statements have been prepared by the Company and have not been audited. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States (GAAP) have been condensed or omitted pursuant to such rules and regulations. The Condensed Consolidated Financial Statements reflect, in the opinion of management, all adjustments necessary to summarize fairly the consolidated financial position, results of operations, cash flows and shareholders' equity for the periods presented. Such adjustments are of a normal and recurring nature. The Company's Consolidated Financial Statements for the fiscal year ended July 2, 2010 are included in its Annual Report on Form 10-K as filed with the United States Securities and Exchange Commission (SEC) on August 20, 2010. The Company believes that the disclosures included in the unaudited Condensed Consolidated Financial Statements, when read in conjunction with its Consolidated Financial Statements as of July 2, 2010 and the notes thereto, are adequate to make the information presented not misleading.

The results of operations for the three and nine months ended April 1, 2011, are not necessarily indicative of the results of operations to be expected for any subsequent interim period in the Company's fiscal year ending July 1, 2011. The Company operates and reports financial results on a fiscal year of 52 or 53 weeks ending on the Friday closest to June 30. The three and nine months ended April 1, 2011 and April 2, 2010, consisted of 13 weeks and 39 weeks, respectively. Fiscal year 2011 will be comprised of 52 weeks and will end on July 1, 2011.

Critical Accounting Policies and Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the Company's consolidated financial statements and accompanying notes. Actual results could differ materially from those estimates. The methods, estimates and judgments the Company uses in applying its most critical accounting policies have a significant impact on the results the Company reports in its consolidated financial statements. The SEC has defined the most critical accounting policies as the ones that are most important to the portrayal of a company's financial condition and results of operations, and require a company to make its most difficult and subjective judgments, often as a result of the need to make estimates of matters that are highly uncertain at the time of estimation. Based on this definition, the Company's most critical policies include: establishment of sales program accruals, establishment of warranty accruals, the accounting for income taxes and the accounting for goodwill and other long-lived assets.

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SEAGATE TECHNOLOGY PLC

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

The Company also has other accounting policies and accounting estimates relating to uncollectible customer accounts, valuation of inventory, valuation of share-based payments and restructuring and exit costs. The Company believes that these other accounting policies and accounting estimates either do not generally require it to make estimates and judgments that are as difficult or as subjective, or it is less likely that they would have a material impact on the Company's reported results of operations for a given period.

Since the Company's fiscal year ended July 2, 2010, there have been no significant changes in the Company's critical accounting policies and estimates. Please refer to Note 1 of Financial Statements and Supplementary Data contained in Part II, Item 8 of the Company's Annual Report on Form 10-K for the fiscal year ended July 2, 2010, as filed with the SEC on August 20, 2010, for a discussion of the Company's critical accounting policies and estimates.

Accounting Changes

In October 2009, the FASB issued ASU No. 2009-13, *Revenue Recognition (ASC Topic 605) Multiple-Deliverable Revenue Arrangements*, a consensus of the FASB Emerging Issues Task Force. This guidance modifies the fair value requirements of ASC subtopic 605-25, *Revenue Recognition-Multiple Element Arrangements* by allowing the use of the best estimate of selling price in addition to vendor-specific objective evidence and verifiable objective evidence (now referred to as third-party evidence) for determining the selling price of a deliverable. A vendor is now required to use its best estimate of the selling price when vendor-specific objective evidence or third-party evidence of the selling price cannot be determined. In addition, the residual method of allocating arrangement consideration is no longer permitted. The Company implemented the provisions of this guidance beginning on July 3, 2010 on a prospective basis for all new or materially modified arrangements entered into on or after that date. The adoption of this guidance did not have a material impact on the Company's consolidated financial statements.

In October 2009, the FASB issued ASU No. 2009-14, *Software (ASC Topic 985) Certain Revenue Arrangements That Include Software Elements*, a consensus of the FASB Emerging Issues Task Force. This guidance modifies the scope of ASC subtopic 985-605, *Software-Revenue Recognition* to exclude from its requirements (a) non-software components of tangible products and (b) software components of tangible products that are sold, licensed, or leased with tangible products when the software components and non-software components of the tangible product function together to deliver the tangible product's essential functionality. The Company implemented the provisions of this guidance beginning on July 3, 2010 on a prospective basis for all new or materially modified arrangements entered into on or after that date. The adoption of this guidance did not have a material impact on the Company's consolidated financial statements.

2. Balance Sheet Information

Investments

The Company's short-term investments are primarily comprised of readily marketable debt securities with remaining maturities of more than 90 days at the time of purchase. With the exception of securities held for its non-qualified deferred compensation plan, which are classified as trading securities, the Company classifies its investment portfolio as available-for-sale. The Company recognizes its available-for-sale investments at fair value with unrealized gains and losses included in Accumulated other comprehensive income (loss), which is a component of shareholders' equity. The amortized cost of debt securities is adjusted for amortization of premiums and accretion of discounts to maturity. Such amortization and accretion are included in interest income. Realized gains and losses are included in Other, net. The cost of securities sold is based on the specific identification method.

The Company's available-for-sale securities include investments in auction rate securities. Beginning in fiscal year 2008, the Company's auction rate securities failed to settle at auction and have continued to fail through April 1, 2011. Since the Company continues to earn interest on its auction rate securities at the maximum contractual rate, there have been no payment defaults with respect to such securities, and they are all collateralized, the Company expects to recover the entire amortized cost basis of these auction rate securities. The Company does not intend to sell these securities and has concluded it is not more likely than not that the Company will be required to sell the securities before the recovery of their amortized cost basis. As such, the Company believes the impairments totaling \$2 million are not other-than-temporary and therefore have been recorded in Accumulated other comprehensive income (loss). Given the uncertainty as to when the liquidity issues associated with these securities will improve, these securities were classified as long-term investments in the Company's Condensed Consolidated Balance Sheets.

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SEAGATE TECHNOLOGY PLC

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

As of April 1, 2011, the Company's restricted cash and investments consisted of \$85 million in cash and investments held in trust for payment of its non-qualified deferred compensation plan liabilities and \$18 million in cash and investments held as collateral at banks for various performance obligations. As of July 2, 2010, the Company's restricted cash and investments consisted of \$76 million in cash and investments held in trust for payment of its non-qualified deferred compensation plan liabilities and \$38 million in cash and investments held as collateral at banks for various performance obligations.

Effective January 3, 2011, the Company cancelled its Total Return Swap (TRS), which had been used to manage the equity market risks associated with its Non-qualified Deferred Compensation Plan—the Seagate Deferred Compensation Plan (the "SDCP"). Currently, the Company manages its exposure to equity market risks associated with the deferred compensation liabilities by investing directly in mutual funds that mirror the employees' investment options. The Company classified investments held to satisfy the deferred compensation liabilities as trading securities.

The following table summarizes, by major type, the fair value and amortized cost of the Company's investments as of April 1, 2011:

(Dollars in millions)	Amortized Cost	Unrealized Gain/ (Loss)	Fair Value
Available-for-sale securities:			
Commercial paper	\$ 1,477	\$	\$ 1,477
Money market funds	655		655
U.S. treasuries and agency bonds	131		131
Corporate bonds	47		47
Asset-backed securities	47		47
Certificates of deposit	27		27
Auction rate securities	19	(2)	17
Sovereigns and supranationals	15		15
Municipal bonds	14		14
	2,432	(2)	2,430
Trading securities:			
Mutual funds	79	4	83
Money market funds	2		2
	81	4	85
Total	\$ 2,513	\$ 2	\$ 2,515
Included in Cash and cash equivalents			
		\$	2,116
Included in Short-term investments			
			279
Included in Restricted cash and investments			
			103
Included in Other assets, net			
			17
Total		\$	2,515

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As of April 1, 2011, with the exception of the Company's auction rate securities, the Company had no available-for-sale securities that had been in a continuous unrealized loss position for a period greater than 12 months. The Company determined no available-for-sale securities were other-than-temporarily impaired as of April 1, 2011.

The fair value of the Company's investments in debt securities classified as available-for-sale at April 1, 2011 by remaining contractual maturity was as follows:

(Dollars in millions)	Amortized Cost		Fair Value	
Due in less than 1 year	\$	2,323	\$	2,323
Due in 1 to 3 years		90		90
Thereafter		19		17
Total	\$	2,432	\$	2,430

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SEAGATE TECHNOLOGY PLC

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

The following table summarizes, by major type, the fair value and amortized cost of the Company's investments as of July 2, 2010:

(Dollars in millions)	Amortized Cost	Unrealized Gain/ (Loss)	Fair Value
Available-for-sale securities:			
Commercial paper	\$ 1,231	\$	1,231
Money market funds	833		833
U.S. treasuries and agency bonds	154	1	155
Asset-backed securities	45		45
Corporate bonds	41		41
Certificates of deposit	25		25
Sovereigns and supranationals	20		20
Auction rate securities	19	(2)	17
Municipal bonds	3		3
Total	\$ 2,371	\$ (1)	\$ 2,370
Included in Cash and cash equivalents		\$	2,101
Included in Short-term investments			252
Included in Other assets, net			17
Total			\$ 2,370

As of July 2, 2010, with the exception of the Company's auction rate securities, the Company had no available-for-sale securities that had been in a continuous unrealized loss position for a period greater than 12 months. The Company determined no available-for-sale securities were other-than-temporarily impaired as of July 2, 2010.

Inventories

(Dollars in millions)	April 1, 2011	July 2, 2010
Raw materials and components	\$ 281	\$ 263
Work-in-process	176	145
Finished goods	377	349
	\$ 834	\$ 757

Other Current Assets

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(Dollars in millions)	April 1, 2011		July 2, 2010	
Vendor non-trade receivables	\$	404	\$	351
Other		182		163
	\$	586	\$	514

Other current assets include non-trade receivables from certain manufacturing vendors resulting from the sale of components to these vendors, who use the components to manufacture completed sub-assemblies that they sell back to the Company. The Company does not reflect the sale of these components in Revenue and does not recognize any profits on these sales. The costs of the completed sub-assemblies are included in inventory upon purchase from the vendors.

Property, Equipment and Leasehold Improvements, net

(Dollars in millions)	April 1, 2011		July 2, 2010	
Property, equipment and leasehold improvements	\$	7,267	\$	6,842
Accumulated depreciation and amortization		(5,059)		(4,579)
	\$	2,208	\$	2,263

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SEAGATE TECHNOLOGY PLC

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

3. Restructuring and Exit Costs

The Company's significant restructuring plans are described below. All restructuring charges are reported in Restructuring and other, net on the Condensed Consolidated Statements of Operations, unless otherwise noted.

California Facility Consolidation. During the nine months ended April 1, 2011, the Company recorded restructuring charges of \$3 million related to lease termination costs for the Company's Sunnyvale, California facility as a result of the Company's planned consolidation of its California facilities. The Company made cash payments of \$3 million related to these plans during the six months ended December 31, 2010. This plan was substantially complete by the second quarter of fiscal year 2011.

2010 Plan. From the inception of the Company's restructuring plans announced in fiscal year 2010 as a result of the ongoing focus on cost efficiencies in all areas of its business, the Company has recorded \$4 million related to employee termination costs. The Company made cash payments of \$2 million relating to this plan during the three months ended October 1, 2010. This plan was substantially complete by the first quarter of fiscal year 2011.

AMK Plan. In August 2009, the Company announced that it will close its Ang Mo Kio (AMK) facility in Singapore (the AMK Plan). The Company expects to complete the closure during fiscal year 2011. The hard drive manufacturing operations have been relocated to other existing Seagate facilities and the Company's Asia International Headquarters remains in Singapore. This closure and relocation is part of the Company's ongoing focus on cost efficiencies in all areas of its business and is intended to facilitate leveraging manufacturing investments across fewer sites. The Company does not expect the closure to meaningfully change production capacity. The Company currently estimates total restructuring charges of approximately \$60 million, all in cash, including approximately \$40 million for severance, approximately \$10 million for the relocation of manufacturing equipment, and approximately \$10 million for other plant closure and relocation costs. From the inception of this plan through April 1, 2011 the Company has recorded restructuring charges of approximately \$45 million. During the nine months ended April 1, 2011, the Company recorded an additional \$4 million in restructuring charges for other exit costs for the AMK Plan and another \$2 million related to an adjustment of previously accrued post-employment benefits. The Company made cash payments of \$29 million relating to this plan during the nine months ended April 1, 2011.

Other Restructuring and Exit Costs. Through April 1, 2011, the Company has recorded restructuring charges of approximately \$119 million, net of adjustments, related to the previously announced closures of its Pittsburgh, Pennsylvania and Milpitas, California facilities, and also has recorded certain exit costs aggregating \$270 million related to its acquisition of Maxtor. During the nine months ended April 1, 2011, the Company recorded restructuring charges of \$3 million related to facility lease obligations and \$2 million related to post-employment benefits and made cash payments of \$15 million on these and other smaller restructuring plans. The remaining balance as of April 1, 2011, is primarily associated with the exit of certain facilities or facility lease obligations. Payment of these exit costs are expected to continue through the end of fiscal year 2017.

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SEAGATE TECHNOLOGY PLC

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

During the three months ended April 1, 2011, the Company recorded restructuring charges and adjustments of \$3 million, comprised primarily of charges related to the planned closure of the Company's AMK manufacturing operations in Singapore. The following table summarizes the Company's restructuring activities for the nine months ended April 1, 2011:

(Dollars in millions)	Employee Benefits	Operating Leases	Other Exit Costs	Total
All Restructuring Activities				
Accrual balances at July 2, 2010	\$ 38	\$ 46	\$	\$ 84
Restructuring charges		2	1	3
Cash payments	(5)	(4)	(1)	(10)
Adjustments	1			1
Accrual balances at October 1, 2010	34	44		78
Restructuring charges	1	3	1	5
Cash payments	(6)	(8)	(1)	(15)
Adjustments	1	1		2
Accrual balances at December 31, 2010	30	40		70
Restructuring charges	1		3	4
Cash payments	(17)	(4)	(3)	(24)
Adjustments		(1)		(1)
Accrual balances at April 1, 2011	\$ 14	\$ 35	\$	\$ 49

Of the \$49 million balance in accrued restructuring at April 1, 2011, \$24 million is included in Accrued expenses and \$25 million is included in Other non-current liabilities on the accompanying Condensed Consolidated Balance Sheet.

4. Debt and Convertible Notes*Short-Term Borrowings*

On January 18, 2011, the Company and its subsidiary, Seagate HDD Cayman (the Borrower), entered into a credit agreement which provides for a \$350 million senior secured revolving credit facility. Seagate Technology plc and certain of its material subsidiaries fully and unconditionally guarantee, on a senior secured basis, the revolving credit facility. The revolving credit facility matures in January 2015. There were no borrowings against the revolving credit facility as of April 1, 2011.

Long-Term Debt

\$430 Million Aggregate Principal Amount of 10.00% Senior Secured Second-Priority Notes due May 2014 (the 2014 Notes). On March 31, 2011, Seagate Technology International, an exempt limited liability company organized under the laws of the Cayman Islands and an indirect wholly-owned subsidiary of Seagate Technology plc, redeemed approximately \$14 million aggregate principal amount of its 2014 Notes for cash at 110% of their principal amount, plus accrued and unpaid interest to the redemption date. The Company recorded a loss on the redemption of approximately \$2 million, which is included in Other, net on the Company's Condensed Consolidated Statement of Operations for the three and nine months ended April 1, 2011.

\$750 Million Aggregate Principal Amount of 7.75% Senior Notes due December 2018 (the 2018 Notes). On December 14, 2010, the Company's subsidiary, Seagate HDD Cayman, completed the sale of \$750 million aggregate principal amount of the 2018 Notes in a private placement exempt from the registration requirements of the Securities Act of 1933, as amended. The obligations under the 2018 Notes are fully and unconditionally guaranteed, on a senior unsecured basis, by the Company. The net proceeds from the offering of the 2018 Notes were approximately \$736 million, which the Company intends to use for general corporate purposes, which may include the repayment, redemption and/or repurchase of a portion of its outstanding indebtedness. The 2018 Notes bear interest at the rate of 7.75% per year, payable semi-annually on June 15 and December 15 of each year. The 2018 Notes are redeemable at any time after December 15, 2014 at the option of the Company in whole or in part, on not less than 30, nor more than 60 days notice, at a make-whole premium redemption price. The make-whole redemption price will be equal to the greater of (1) 100% of the principal amount of the notes being redeemed, or (2) the sum of the present values of the remaining scheduled payments of principal and interest on the 2018 Notes being redeemed, discounted at the redemption date on a semi-annual basis at a rate equal to the sum of the applicable Treasury rate plus 50 basis points.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

\$600 Million Aggregate Principal Amount of 6.375% Senior Notes due October 2011 (the 2011 Notes). The 2011 Notes are included in Current portion of long-term debt on the Condensed Consolidated Balance Sheet at April 1, 2011.

\$600 Million Aggregate Principal Amount of 6.875% Senior Notes due May 2020 (the 2020 Notes). The 2020 Notes were issued by the Company's subsidiary, Seagate HDD Cayman, in fiscal year 2010. The obligations under the 2020 Notes were fully and unconditionally guaranteed, on a senior unsecured basis, by Seagate-Cayman through July 2, 2010. On July 3, 2010, Seagate-Cayman entered into a Supplemental Indenture (the Supplemental Indenture) with Seagate HDD Cayman, Seagate-Ireland, and Wells Fargo Bank, National Association, as trustee (the Trustee), whereby Seagate-Ireland agreed to fully and unconditionally guarantee the 2020 Notes and Seagate-Cayman was released from all obligations and covenants thereunder.

\$55 Million Aggregate Principal Amount of 5.75% Subordinated Debentures due March 2012 (the 5.75% Debentures). On July 27, 2010, the Company redeemed the entire outstanding aggregate principal amount of the 5.75% Debentures for cash at 100% of their principal amount, plus accrued and unpaid interest to the redemption date for approximately \$34 million. The Company recorded a loss on the redemption of approximately \$2 million, which is included in Other, net on the Company's Condensed Consolidated Statement of Operations for the nine months ended April 1, 2011.

Convertible Notes

\$326 Million Aggregate Principal Amount of 2.375% Convertible Senior Notes due August 2012 (the 2.375% Notes). On August 19, 2010, the Company redeemed the entire \$326 million outstanding aggregate principal amount of the 2.375% Notes for cash at a redemption price equal to 100.68% of their principal amount, plus accrued and unpaid interest to the redemption date for approximately \$328 million. The Company recorded a loss on the redemption of approximately \$22 million, which is included in Other, net on the Company's Condensed Consolidated Statement of Operations for the nine months ended April 1, 2011.

5. Income Taxes

The Company recorded an income tax provision of \$29 million and \$58 million for the three and nine months ended April 1, 2011, respectively. The income tax provision for the three and nine months ended April 1, 2011 included approximately \$15 million and \$4 million, respectively, of net discrete charges, primarily related to increases in income tax reserves recorded for non-U.S. income tax positions taken in prior fiscal years partially offset by the release of income tax reserves associated with settlements of income tax audits and the expiration of certain statutes of limitations. In addition, the nine month period ended April 1, 2011 included an \$11 million discrete income tax benefit from the loss recognized in the three months ending October 1, 2010 on the redemption of debt which was offset by a corresponding increase in the valuation allowance

for U.S. deferred tax assets.

The Company's provision for income taxes recorded for the three and nine months ended April 1, 2011 differed from the provision for income taxes that would be derived by applying the Irish statutory rate of 25% to income before income taxes primarily due to the net effect of (i) the indefinite reinvestment of the Company's earnings outside of Ireland, (ii) income tax benefits related to tax holiday and tax incentive programs, (iii) income tax expense related to intercompany transactions, (iv) an increase in valuation allowance for U.S. deferred tax assets, and (v) income tax reserves related to non-U.S. tax positions taken in prior fiscal years and the release of income tax reserves from settlements of income tax audits and the expiration of certain statutes of limitations.

During the nine months ended April 1, 2011, the Company's unrecognized income tax benefits excluding interest and penalties increased by \$9 million to \$124 million. The unrecognized income tax benefits that, if recognized, would impact the effective tax rate were \$124 million as of April 1, 2011, subject to certain future valuation allowance reversals. During the 12 months beginning April 2, 2011, the Company expects to reduce its unrecognized income tax benefits by approximately \$9 million as a result of settlements and the expiration of certain statutes of limitations.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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The income tax provision for the three months ended April 2, 2010 included approximately \$11 million of discrete income tax benefits recorded primarily for the reversal of valuation allowance previously recorded for certain non-U.S. deferred tax assets and the release of income tax reserves as a result of the U.S. 9th Circuit Court of Appeals' affirmation of the Tax Court decision in *Xilinx v. Commissioner*. The income tax benefit recognized for the nine months ended April 2, 2010 included approximately \$39 million of discrete income tax benefits primarily for the release of income tax reserves associated with settlements, expiration of certain statutes of limitations, and the U.S. 9th Circuit Court decision, as mentioned above, the reversal of valuation allowance previously recorded for certain non-U.S. deferred tax assets, and U.S. federal income tax legislative changes.

During the nine months ended April 2, 2010, and prior to the Company's reorganization, the Company's publicly traded parent was incorporated in the Cayman Islands and not subject to income tax. The Company's income tax provision and benefit recorded for the three and nine months ended April 2, 2010 differed from the provision for income taxes that would be derived by applying a notional U.S. 35% rate to income before income taxes primarily due to the net effect of (i) income tax benefits related to tax holiday and tax incentive programs, (ii) a decrease in valuation allowance for certain non-U.S. deferred tax assets, (iii) income tax expense related to intercompany transactions, and (iv) the release of certain income tax reserves.

During the nine months ended April 2, 2010, the Company's unrecognized tax benefits excluding interest and penalties decreased by \$4 million to \$114 million.

6. Derivative Financial Instruments

The Company is exposed to foreign currency exchange rate, interest rate, and to a lesser extent, equity price risks relating to its ongoing business operations. The Company enters into foreign currency forward exchange contracts in order to manage the foreign currency exchange rate risk on forecasted expenses denominated in foreign currencies and to mitigate the remeasurement risk of certain foreign currency denominated liabilities. The Company's accounting policies for these instruments are based on whether the instruments are classified as designated or non-designated hedging instruments. The Company records all derivatives on the Condensed Consolidated Balance Sheets at fair value. The effective portions of designated cash flow hedges are recorded in Accumulated other comprehensive income (loss) until the hedged item is recognized in earnings. Derivatives that are not designated as hedging instruments and the ineffective portions of cash flow hedges are adjusted to fair value through earnings. As of April 1, 2011 and July 2, 2010, the Company had net unrealized gains on cash flow hedges of approximately \$6 million and \$3 million, respectively.

The Company dedesignates its cash flow hedges when the forecasted hedged transactions are realized or it is probable the forecasted hedged transactions will not occur in the initially identified time period. At such time, the associated gains and losses deferred in Accumulated other comprehensive income (loss) are reclassified into earnings in the same period that the underlying hedged transaction is included in earnings. Any subsequent changes in the fair value of such derivative instruments are immediately reflected in earnings. As of April 1, 2011, the Company's existing foreign currency forward exchange contracts mature within 12 months. The deferred amount currently recorded in

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Accumulated other comprehensive income (loss) expected to be recognized into earnings over the next 12 months is a net gain of \$7 million.

The following tables show the total notional value of the Company's outstanding foreign currency forward exchange contracts as of April 1, 2011 and July 2, 2010:

As of April 1, 2011

(Dollars in millions)	Contracts Designated as Hedges		Contracts Not Designated as Hedges	
Thai baht	\$	266	\$	258
Singapore dollars		146		19
Czech koruna		11		11
	\$	412	\$	288

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SEAGATE TECHNOLOGY PLC

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

As of July 2, 2010

(Dollars in millions)	Contracts Designated as Hedges		Contracts Not Designated as Hedges	
Thai baht	\$	406	\$	163
Singapore dollars		84		8
Japanese yen		1		
Czech koruna				10
	\$	491	\$	181

The Company is subject to equity market risks due to changes in the fair value of the notional investments selected by its employees as part of its SDCP. Through December 31, 2010, the Company had a TRS in order to manage the equity market risks associated with the SDCP liabilities. Effective January 3, 2011, the Company cancelled the TRS, and currently manages its exposure to equity market risks associated with the SDCP liabilities by investing directly in mutual funds that mirror the employees' investment options.

The following tables show the Company's derivative instruments measured at fair value as reflected in the Condensed Consolidated Balance Sheets as of April 1, 2011 and July 2, 2010:

Fair Values of Derivative Instruments as of April 1, 2011

(Dollars in millions)	Asset Derivatives		Liability Derivatives	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Derivatives designated as hedging instruments:				
Foreign currency forward exchange contracts	Other current assets	\$ 8	Accrued expenses	\$ (2)
Derivatives not designated as hedging instruments:				
Foreign currency forward exchange contracts	Other current assets	8	Accrued expenses	
Total derivatives		\$ 16		\$ (2)

Fair Values of Derivative Instruments as of July 2, 2010

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(Dollars in millions)	Asset Derivatives		Liability Derivatives	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Derivatives designated as hedging instruments:				
Foreign currency forward exchange contracts	Other current assets	\$ 5	Accrued expenses	\$
Derivatives not designated as hedging instruments:				
Foreign currency forward exchange contracts	Other current assets	2	Accrued expenses	
Total return swap	Other current assets		Accrued expenses	(1)
Total derivatives		\$ 7		\$ (1)

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SEAGATE TECHNOLOGY PLC

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

The following tables show the effect of the Company's derivative instruments on Other comprehensive income (OCI) and the Condensed Consolidated Statement of Operations for the three and nine months ended April 1, 2011:

The Effect of Derivative Instruments on the Statement of Operations

for the Three and Nine Months Ended April 1, 2011

(Dollars in millions)

Derivatives Designated as Cash Flow Hedges	Amount of Gain or (Loss) Recognized in OCI on Derivative (Effective Portion)		Location of Gain or (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)	Amount of Gain or (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)		Location of Gain or (Loss) Recognized in Income on Derivative (Ineffective Portion and Amount Excluded from Effectiveness Testing)	Amount of Gain or (Loss) Recognized in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing) (a)	
	For the Three Months	For the Nine Months		For the Three Months	For the Nine Months		For the Three Months	For the Nine Months
Foreign exchange forward contracts	\$ (2)	\$ 35	Cost of revenue	\$ 10	\$ 32	Cost of revenue	\$ (2)	\$ (1)

Derivatives Not Designated as Hedging Instruments	Location of Gain or (Loss) Recognized in Income on Derivative	Amount of Gain or (Loss) Recognized in Income on Derivative	
		For the Three Months	For the Nine Months
Foreign exchange forward contracts	Other, net	\$ (1)	\$ 19
Total return swap	Operating expenses	1	14
		\$	\$ 33

(a) The amount of gain or (loss) recognized in income represents \$0 related to the ineffective portion of the hedging relationships for both the three and nine months ended April 1, 2011. The amounts excluded from the assessment of hedge effectiveness, for the three and nine months ended April 1, 2011, were losses of \$2 million and \$1 million, respectively.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

The following tables show the effect of the Company's derivative instruments on OCI and the Condensed Consolidated Statement of Operations for the three and nine months ended April 2, 2010:

The Effect of Derivative Instruments on the Statement of Operations

for the Three and Nine Months Ended April 2, 2010

(Dollars in millions)

Derivatives Designated as Cash Flow Hedges	Amount of Gain or (Loss) Recognized in OCI on Derivative (Effective Portion)		Location of Gain or (Loss)	Amount of Gain or (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)		Location of Gain or (Loss) Recognized in Income on Derivative (Ineffective Portion and Amount Excluded from Effectiveness Testing)	Amount of Gain or (Loss) Recognized in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing) (a)	
	For the Three Months	For the Nine Months	Reclassified from Accumulated OCI into Income (Effective Portion)	For the Three Months	For the Nine Months	Excluded from Effectiveness Testing)	For the Three Months	For the Nine Months
Foreign exchange forward contracts	\$ 6	\$ 11	Cost of revenue	\$ 2	\$ 6	Cost of revenue	\$	\$ 1

Derivatives Not Designated as Hedging Instruments	Location of Gain or (Loss) Recognized in Income on Derivative	Amount of Gain or (Loss) Recognized in Income on Derivative	
		For the Three Months	For the Nine Months
Foreign exchange forward contracts	Other, net	\$ 8	\$ 12
Total return swap	Operating expenses	4	17
		\$ 12	\$ 29

(a) The amount of gain or (loss) recognized in income represents \$0 related to the ineffective portion of the hedging relationships for both the three and nine months ended April 2, 2010. The amounts excluded from the assessment of hedge effectiveness, for the three and nine months ended April 2, 2010, were \$0 and \$1 million, respectively.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

7. Fair Value

Measurement of Fair Value

Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact and it considers assumptions that market participants would use when pricing the asset or liability.

Fair Value Hierarchy

A fair value hierarchy is based on whether the market participant assumptions used in determining fair value are obtained from independent sources (observable inputs) or reflects the Company's own assumptions of market participant valuation (unobservable inputs). A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets that are unadjusted and accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 Quoted prices for identical assets and liabilities in markets that are inactive; quoted prices for similar assets and liabilities in active markets or financial instruments for which significant inputs are observable, either directly or indirectly; or

Level 3 Prices or valuations that require inputs that are both unobservable and significant to the fair value measurement.

The Company considers an active market to be one in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis, and views an inactive market as one in which there are few transactions for the asset or liability, the prices are not current, or price quotations vary substantially either over time or among market makers. Where appropriate the Company's or the counterparty's non-performance risk is considered in determining the fair values of liabilities and assets, respectively.

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SEAGATE TECHNOLOGY PLC

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

Items Measured at Fair Value on a Recurring Basis

The following table presents the Company's assets and liabilities that are measured at fair value on a recurring basis, excluding accrued interest components, as of April 1, 2011:

(Dollars in millions)	Fair Value Measurements at Reporting Date Using			Total Balance
	Quoted Prices in Active Markets for Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Assets:				
Commercial paper	\$	\$ 1,477	\$	\$ 1,477
Money market funds	639			639
U.S. treasuries and agency bonds		131		131
Corporate bonds		47		47
Asset-backed securities		47		47
Certificates of deposit		25		25
Sovereigns and supranationals		15		15
Municipal bonds		14		14
Total cash equivalents and short-term investments	639	1,756		2,395
Restricted cash and investments:				
Mutual funds	83			83
Money market funds	18			18
Certificates of deposit		2		2
Derivative assets		16		16
Auction rate securities			17	17
Total assets	\$ 740	\$ 1,774	\$ 17	\$ 2,531
Liabilities:				
Derivative liabilities	\$	\$ (2)	\$	\$ (2)
Total liabilities	\$	\$ (2)	\$	\$ (2)

(Dollars in millions)	Fair Value Measurements at Reporting Date Using			Total Balance
	Quoted Prices in Active Markets for Identical Instruments	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	

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(Level 1)

Assets:					
Cash and cash equivalents	\$	639	\$	1,477	\$ 2,116
Short-term investments				279	279
Restricted cash and investments		101		2	103
Other current assets				16	16
Other assets, net					17
Total assets	\$	740	\$	1,774	\$ 2,531
Liabilities:					
Accrued expenses	\$		\$	(2)	\$ (2)
Total liabilities	\$		\$	(2)	\$ (2)

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SEAGATE TECHNOLOGY PLC

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

The following table presents the Company's assets and liabilities that are measured at fair value on a recurring basis, excluding accrued interest components, as of July 2, 2010:

(Dollars in millions)	Fair Value Measurements at Reporting Date Using				Total Balance
	Quoted Prices in Active Markets for Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		
Assets:					
Commercial paper	\$	\$	1,231	\$	\$ 1,231
Money market funds	833				833
U.S. treasuries and agency bonds		155			155
Asset-backed securities		45			45
Corporate bonds		41			41
Certificates of deposit		25			25
Sovereigns and supranationals		20			20
Municipal bonds		3			3
Total cash equivalents and short-term investments	833	1,520			2,353
Restricted cash and investments:					
Money market funds	76				76
Certificates of deposit		5			5
Auction rate securities			17		17
Derivative assets		7			7
Total assets	\$ 909	\$ 1,532	\$ 17	\$	\$ 2,458
Liabilities:					
Derivative liabilities	\$	\$ (1)	\$	\$	(1)
Total liabilities	\$	\$ (1)	\$	\$	(1)

(Dollars in millions)	Fair Value Measurements at Reporting Date Using				Total Balance
	Quoted Prices in Active Markets for Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		
Assets:					
Cash and cash equivalents	\$ 833	\$ 1,268	\$	\$	2,101
Short-term investments		252			252
Restricted cash and investments	76	5			81

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Other current assets			7			7
Other assets, net					17	17
Total assets	\$	909	\$	1,532	\$	2,458
Liabilities:						
Accrued expenses	\$		\$	(1)	\$	(1)
Total liabilities	\$		\$	(1)	\$	(1)

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

Level 1 assets consist of money market funds and mutual funds for which quoted prices are available in an active market.

The Company classifies items in Level 2 if the financial asset or liability is valued using observable inputs. The Company uses observable inputs including quoted prices in active markets for similar assets or liabilities. Level 2 assets include: agency bonds, corporate bonds, commercial paper, municipal bonds, and U.S. Treasuries. These debt investments are priced using observable inputs and valuation models which vary by asset class. The Company uses a pricing service to assist in determining the fair values of all of its cash equivalents and short-term investments. For the cash equivalents and short-term investments in the Company's portfolio, multiple pricing sources are generally available. The pricing service uses inputs from multiple industry standard data providers or other third party sources and various methodologies, such as weighting and models, to determine the appropriate price at the measurement date. The Company corroborates the prices obtained from the pricing service against other independent sources and, as of April 1, 2011, has not found it necessary to make any adjustments to the prices obtained. The Company's derivative financial instruments are also classified within Level 2. The Company's derivative financial instruments consist of foreign currency forward exchange contracts and the TRS. The Company recognizes derivative financial instruments in its consolidated financial statements at fair value. The Company determines the fair value of these instruments by considering the estimated amount it would pay or receive to terminate these agreements at the reporting date.

The Company's Level 3 assets consist of auction rate securities with a par value of approximately \$19 million, all of which are collateralized by student loans guaranteed by the Federal Family Education Loan Program. Beginning in fiscal year 2008, these securities failed to settle at auction and have continued to fail through April 1, 2011. Since there is no active market for these securities, the Company valued them using a discounted cash flow model. The valuation model is based on the income approach and reflects both observable and significant unobservable inputs.

The table below presents a reconciliation of assets measured at fair value on a recurring basis, excluding accrued interest components, using significant unobservable inputs (Level 3) for the nine months ended April 1, 2011:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3) Auction Rate Securities	
(Dollars in millions)		
Balance at July 2, 2010	\$	17
Total net gains (losses) (realized and unrealized):		
Realized gains (losses)(1)		
Unrealized gains (losses)(2)		
Balance at April 1, 2011	\$	17

(1) Realized gains (losses) on auction rate securities are recorded in Other, net on the Condensed Consolidated Statements of Operations.

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(2) Unrealized gains (losses) on auction rate securities are recorded as a separate component of Other comprehensive income (loss) in Accumulated other comprehensive income (loss), which is a component of Shareholders' Equity.

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SEAGATE TECHNOLOGY PLC

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

Other Fair Value Disclosures

The Company's debt is carried at amortized cost. The fair value of the Company's debt is derived from quoted prices in active markets in the following table in order of priority:

(Dollars in millions)	April 1, 2011		July 2, 2010	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Capital Leases	\$ 1	\$ 1	\$ 2	\$ 2
10.0% Senior Secured Second-Priority Notes due May 2014	403	485	413	490
6.375% Senior Notes due October 2011	559	573	559	577
5.75% Subordinated Debentures due March 2012			31	33
2.375% Convertible Senior Notes due August 2012			298	329
6.8% Senior Notes due October 2016	599	622	599	587
7.75% Senior Notes due December 2018	750	783		
6.875% Senior Notes due May 2020	600	603	600	574
	2,912	3,067	2,502	2,592
Less current portion of long-term debt	(560)	(574)	(329)	(362)
Long-term debt, less current portion	\$ 2,352	\$ 2,493	\$ 2,173	\$ 2,230

8. Shareholders' Equity*Share Capital*

On July 3, 2010, the Company consummated its previously announced reorganization pursuant to which Seagate-Ireland became the publicly traded parent of the Seagate corporate family. In connection with the reorganization, all issued and outstanding Seagate-Cayman common shares were cancelled and ceased to exist, and Seagate-Ireland issued ordinary shares on a one-for-one basis to the holders of Seagate-Cayman common shares for each Seagate-Cayman common share that was cancelled. In addition, Seagate-Ireland assumed Seagate-Cayman's equity incentive related plans, sub-plans and agreements, including, but not limited to, the Seagate Technology 2001 Share Option Plan, the Amended Seagate Technology 2004 Share Compensation Plan, the Seagate Technology Employee Stock Purchase Plan, the Maxtor Corporation 2005 Performance Incentive Plan, the Maxtor Corporation Amended and Restated 1996 Stock Option Plan, and the Quantum Corporation Supplemental Stock Option Plan.

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The Company's authorized share capital is \$13,500 and consists of 1,250,000,000 ordinary shares, par value \$0.00001, of which 426,407,528 shares were outstanding as of April 1, 2011, and 100,000,000 preferred shares, par value \$0.00001, of which none were issued or outstanding as of April 1, 2011.

Ordinary shares Holders of ordinary shares are entitled to receive dividends when and as declared by the Company's board of directors (the Board of Directors). Upon any liquidation, dissolution, or winding up of the Company, after required payments are made to holders of preferred shares, any remaining assets of the Company will be distributed ratably to holders of the preferred and ordinary shares. Holders of shares are entitled to one vote per share on all matters upon which the ordinary shares are entitled to vote, including the election of directors.

Preferred shares The Company is authorized to issue up to a total of 100,000,000 preferred shares in one or more series, without shareholder approval. The Board of Directors is authorized to establish from time to time the number of shares to be included in each series, and to fix the rights, preferences and privileges of the shares of each wholly unissued series and any of its qualifications, limitations or restrictions. The Board of Directors can also increase or decrease the number of shares of a series, but not below the number of shares of that series then outstanding, without any further vote or action by the shareholders.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

The Board of Directors may authorize the issuance of preferred shares with voting or conversion rights that could harm the voting power or other rights of the holders of the ordinary shares. The issuance of preferred shares, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring or preventing a change in control of the Company and might harm the market price of its ordinary shares and the voting and other rights of the holders of ordinary shares. As of April 1, 2011, there were no preferred shares outstanding.

Issuance of Ordinary Shares

During the nine months ended April 1, 2011, the Company issued approximately 3.4 million of its ordinary shares from the exercise of stock options, release of restricted units and performance shares and approximately 3 million of its ordinary shares related to employee stock purchases.

Repurchases of Equity Securities

On January 27, 2010, the Company's Board of Directors authorized an Anti-Dilution Share Repurchase Program, which was publicly announced on February 1, 2010. The repurchase program authorizes the Company to repurchase its ordinary shares to offset increases in diluted shares, such as those caused by employee stock plans and convertible debt, used in the determination of diluted net income per share. The timing and number of shares to be repurchased by the Company will be dependent on general business and market conditions, cash flows generated by future operations, the price of its ordinary shares, cash requirements for other investing and financing activities, and maintaining compliance with its debt covenants. Additionally, there is no minimum or maximum number of shares to be repurchased under the program and the authority for the Anti-Dilution Share Repurchase Program will continue until terminated by the Company's Board of Directors.

On November 29, 2010, the Company's Board of Directors authorized repurchases up to an additional \$2 billion of the Company's outstanding ordinary shares.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

The following table sets forth information with respect to repurchases of the Company's shares made during fiscal year 2011:

January 2010 Anti-Dilution Share Repurchase Program

(In millions)	Number of Shares Repurchased	Dollar Value of Shares Repurchased
Cumulative repurchased through July 2, 2010	32.4	\$ 584
July 3, 2010 through October 1, 2010		
October 2, 2010 through December 31, 2010	20.7	305
January 1, 2011 through April 1, 2011		
Cumulative repurchased through April 1, 2011	53.1	\$ 889

November 2010 Share Repurchase Program

(In millions)	Number of Shares Repurchased	Dollar Value of Shares Repurchased
Cumulative repurchased through December 31, 2010		\$
January 1, 2011 through April 1, 2011	29.5	405
Cumulative repurchased through April 1, 2011	29.5	\$ 405

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(Unaudited)

9. Compensation

The Company recorded approximately \$12 million and \$38 million of stock-based compensation during the three and nine months ended April 1, 2011, respectively. The Company recorded approximately \$13 million and \$38 million of stock-based compensation during the three and nine months ended April 2, 2010, respectively.

Seagate Technology plc 2001 Share Option Plan (the "SOP"). A maximum of 100 million ordinary shares are issuable under the SOP. Options granted to employees generally vest as follows: 25% of the options on the first anniversary of the vesting commencement date and the remaining 75% proportionately each month over the next 36 months. Options granted under the SOP were granted at fair market value, with options granted up through September 5, 2004 expiring ten years from the date of grant and options granted subsequent to September 5, 2004 expiring seven years from the date of grant. On February 1, 2011, the SOP expired and as a result the Company will no longer be issuing shares under this plan.

Seagate Technology plc 2004 Share Compensation Plan (the "SCP"). A maximum of 63.5 million ordinary shares are issuable under the SCP, including 10 million authorized for issuance of share awards and restricted units. Share awards and restricted units granted to employees generally vest 25% annually. Options granted to employees generally vest as follows: 25% of the options on the first anniversary of the vesting commencement date and the remaining 75% proportionately each month over the next 36 months. Options granted under the SCP were granted at fair market value. As of April 1, 2011, there were approximately 16 million ordinary shares available for issuance under the SCP.

Seagate Technology plc Stock Purchase Plan (the "ESPP"). There are 40 million ordinary shares authorized to be issued under the ESPP. In no event shall the total number of shares issued under the ESPP exceed 75 million ordinary shares. The ESPP consists of a six-month offering period with a maximum issuance of 1.5 million ordinary shares per offering period. The ESPP permits eligible employees to purchase ordinary shares through payroll deductions generally at 85% of the fair market value of the ordinary shares. As of April 1, 2011 there were approximately 7 million ordinary shares available for issuance under the ESPP.

On September 13, 2010, the Company granted performance-based restricted units to its senior executive officers under the SCP. A single restricted unit represents the right to receive a single ordinary share of the Company. The performance-based restricted units vest after the end of the performance period of three years from the grant date. Vesting is subject to both the continued employment of the participant by the Company and the achievement of certain performance goals established by the Compensation Committee of the Company's Board of Directors. The performance goals are a three-year average return on invested capital (ROIC) goal and a relative total shareholder return (TSR) goal, which is based on the Company's ordinary shares measured against a benchmark TSR of a peer group over the same three-year period. A percentage of the performance-based restricted units may vest only if at least the minimum ROIC goal is met regardless of whether the TSR goal is met. The number of stock units to vest will range from 0% to 200% of the targeted 324,310 units. In evaluating the fair value of the performance-based restricted stock unit, the Company used a Monte Carlo simulation on the grant date, taking the TSR goal into consideration, and determined the fair value to be \$12.13 per unit. Compensation expense related to the performance-based restricted units is only recorded in a period if it is

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probable that the ROIC goal will be met, and it is to be recorded at the expected level of achievement. Compensation expense related to these restricted units for the three and nine months ended April 1, 2011 was not material.

i365, Inc. 2010 Equity Incentive Plan (the i365 Plan). In October 2010, i365, Inc. (i365), a wholly owned subsidiary of the Company, adopted the i365, Inc. 2010 Equity Incentive Plan (the i365 Plan). A maximum of 5 million shares of i365 s common stock are issuable under the i365 Plan. Options granted to employees generally vest as follows: 25% of the options on the first anniversary of the vesting commencement date and the remaining 75% proportionately each month over the next 36 months. Options expire ten years from the date of grant.

During the three months ended April 1, 2011, the Company issued options for the purchase of approximately 4 million i365 common shares with an exercise price of \$0.71. As of April 1, 2011, there were approximately 1 million shares of common stock available for issuance under the i365 Plan. The compensation expense associated with options granted to date under the i365 Plan is not material.

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SEAGATE TECHNOLOGY PLC

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

10. Guarantees

Indemnifications to Officers and Directors

The Company has entered into indemnification agreements with the officers and directors of the Company and its subsidiaries (each, an Indemnitee). The agreements provide indemnification in addition to any of an Indemnitee s indemnification rights under the Company s Articles of Association, applicable law or otherwise, and indemnifies an Indemnitee for certain expenses (including attorneys fees), judgments, fines and settlement amounts actually and reasonably incurred by him or her in any action or proceeding, including any action by or in the right of the Company or any of its subsidiaries, arising out of his or her service as a director, officer, employee or agent of the Company or any of its subsidiaries or of any other entity to which he or she provides services at the Company s request. However, an Indemnitee shall not be indemnified under the indemnification agreement for (i) any fraud or dishonesty in the performance of Indemnitee s duty to the Company or the applicable subsidiary of the Company or (ii) Indemnitee s conscious, intentional or willful failure to act honestly, lawfully and in good faith with a view to the best interests of the Company or the applicable subsidiary of the Company. In addition, the indemnification agreement provides that the Company will advance expenses incurred by an Indemnitee in connection with enforcement of the indemnification agreement or with the investigation, settlement or appeal of any action or proceeding against him or her as to which he or she could be indemnified. The nature of the indemnification obligations prevents the Company from making a reasonable estimate of the maximum potential amount it could be required to pay on behalf of its officers and directors. Historically, the Company has not made any significant indemnification payments under such agreements and no amount has been accrued in the accompanying condensed consolidated financial statements with respect to these indemnification obligations.

Intellectual Property Indemnification Obligations

The Company has entered into agreements with customers and suppliers that include limited intellectual property indemnification obligations that are customary in the industry. These guarantees generally require the Company to compensate the other party for certain damages and costs incurred as a result of third party intellectual property claims arising from these transactions. The nature of the intellectual property indemnification obligations prevents the Company from making a reasonable estimate of the maximum potential amount it could be required to pay to its customers and suppliers. Historically, the Company has not made any significant indemnification payments under such agreements and no amount has been accrued in the accompanying condensed consolidated financial statements with respect to these indemnification obligations.

Product Warranty

The Company estimates probable product warranty costs at the time revenue is recognized. The Company generally warrants its products for a period of one to five years. The Company uses estimated repair or replacement costs and uses statistical modeling to estimate product return

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rates in order to determine its warranty obligation. In addition, estimated settlements for customer compensatory claims relating to product quality issues, if any, are accrued as warranty expense. Changes in the Company's product warranty liability during the three and nine months ended April 1, 2011 and April 2, 2010 were as follows:

(Dollars in millions)	For the Three Months Ended		For the Nine Months Ended	
	April 1, 2011	April 2, 2010	April 1, 2011	April 2, 2010
Balance, beginning of period	\$ 367	\$ 401	\$ 372	\$ 437
Warranties issued	54	56	151	167
Repairs and replacements	(53)	(53)	(152)	(167)
Changes in liability for pre-existing warranties, including expirations	(7)	(10)	(10)	(43)
Balance, end of period	\$ 361	\$ 394	\$ 361	\$ 394

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SEAGATE TECHNOLOGY PLC

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

11. Earnings Per Share

Basic earnings per share is computed by dividing income available to shareholders by the weighted-average number of shares outstanding during the period. Diluted earnings per share is computed by dividing income available to shareholders by the weighted-average number of shares outstanding during the period and the number of additional shares that would have been outstanding if the potentially dilutive securities had been issued. Potentially dilutive securities include outstanding options, shares to be purchased under the ESPP, and unvested restricted stock units. The dilutive effect of potentially dilutive securities is reflected in diluted earnings per share by application of the treasury stock method. Under the treasury stock method, an increase in fair market value of the Company's share price can result in a greater dilutive effect from potentially dilutive securities.

The following table sets forth the computation of basic and diluted net income per share:

(Dollars in millions, except per share data)	For the Three Months Ended		For the Nine Months Ended	
	April 1, 2011	April 2, 2010	April 1, 2011	April 2, 2010
Numerator:				
Net income	\$ 93	\$ 518	\$ 392	\$ 1,230
Adjustment for interest expense on 6.8% Convertible Senior Notes due April 2010		2		4
Net income, as adjusted	\$ 93	\$ 520	\$ 392	\$ 1,234
Number of shares used in per share calculations:				
Weighted-average shares outstanding	437	493	459	495
Weighted-average nonvested shares				
Total shares for purpose of calculating basic net income per share	437	493	459	495
Weighted-average effect of dilutive securities:				
Employee equity award plans	16	23	16	20
6.8% Convertible Senior Notes due April 2010		4		4
Dilutive potential shares:	16	27	16	24
Total shares for purpose of calculating diluted net income per share	453	520	475	519
Net income per share:				
Basic net income per share	\$ 0.21	\$ 1.05	\$ 0.85	\$ 2.48
Diluted net income per share	\$ 0.21	\$ 1.00	\$ 0.83	\$ 2.38

The following potential shares were excluded from the computation of diluted net income (loss) per share, as their effect would have been anti-dilutive:

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(In millions)	For the Three Months Ended		For the Nine Months Ended	
	April 1, 2011	April 2, 2010	April 1, 2011	April 2, 2010
Employee equity award plans	15	10	18	23

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SEAGATE TECHNOLOGY PLC

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

12. Legal, Environmental and Other Contingencies

The Company assesses the probability of an unfavorable outcome of all its material litigation, claims, or assessments to determine whether a liability had been incurred and whether it is probable that one or more future events will occur confirming the fact of the loss. In the event that an unfavorable outcome is determined to be probable and the amount of the loss can be reasonably estimated, the Company establishes an accrual for the litigation, claim or assessment. In addition, in the event an unfavorable outcome is determined to be less than probable, but reasonably possible, the Company will disclose an estimate of the possible loss or range of such loss; however, when a reasonable estimate cannot be made, the Company will provide disclosure to that effect. Litigation is inherently uncertain and may result in adverse rulings or decisions. Additionally, the Company may enter into settlements or be subject to judgments that may, individually or in the aggregate, have a material adverse effect on its results of operations. Accordingly, actual results could differ materially.

Intellectual Property Litigation

Convolve, Inc. (Convolve) and Massachusetts Institute of Technology (MIT) v. Seagate Technology LLC, et al. On July 13, 2000, Convolve and MIT filed suit against Compaq Computer Corporation and the Company in the U.S. District Court for the Southern District of New York, alleging infringement of U.S. Patent Nos. 4,916,635, *Shaping Command Inputs to Minimize Unwanted Dynamics* (the 635 patent) and U.S. Patent No. 5,638,267, *Method and Apparatus for Minimizing Unwanted Dynamics in a Physical System* (the 267 patent), misappropriation of trade secrets, breach of contract, tortious interference with contract and fraud relating to Convolve and MIT's *Input Shaping®* and Convolve's *Quick and Quiet* technology. The plaintiffs claimed their technology is incorporated in Seagate's sound barrier technology, which was publicly announced on June 6, 2000. The complaint seeks injunctive relief, \$800 million in compensatory damages and unspecified punitive damages, including for willful infringement and willful and malicious misappropriation. If willful infringement is found by the jury, the court may assess, in addition to compensatory damages for the infringement, punitive damages in an amount up to three times the amount of such compensatory damages. If willful and malicious misappropriation is found by the jury, the court may assess, in addition to compensatory damages for the misappropriation, punitive damages in an amount up to two times the amount of such compensatory damages.

On November 6, 2001, the U.S. Patent and Trademark Office (USPTO) issued to Convolve US Patent No. 6,314,473, *System for Removing Selected Unwanted Frequencies in Accordance with Altered Settings in a User Interface of a Data Storage Device*, (the 473 patent). Convolve filed an amended complaint on January 16, 2002, alleging defendants infringe this patent. The 635 patent expired on September 12, 2008. The court ruled in 2010 that the 267 patent was out of the case. No trial date has been set in the litigation. The Company believes the claims are without merit, and intends to defend against them vigorously. In view of the uncertainty regarding the amount of damages, if any, that could be awarded Convolve in this matter, the Company does not believe a reasonable estimate of the possible range of loss related to this matter is currently possible.

Siemens, AG v. Seagate Technology (Ireland) On December 2, 2008, Siemens served Seagate Technology (Ireland), an indirect wholly-owned subsidiary of Seagate Technology, with a writ of summons alleging infringement of European Patent (UK) No. 0 674 769 (the EU 769 patent),

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which is the European counterpart to US Patent No. 5,686,838 upon which Siemens had sued Seagate Technology in the United States. The suit was filed in the High Court of Justice in Northern Ireland, Chancery Division. Siemens alleges that giant magnetoresistive (GMR), tunnel magnetoresistive (TMR), and tunnel giant magnetoresistive (TGMR) products designed and manufactured by Seagate Technology (Ireland) infringe the EU 769 patent. Trial on liability issues was completed in June 2010, and the Company awaits the court's decision. The Company believes the claims are without merit. If the court finds liability for patent infringement, a separate trial on damages issues would be held in the future. No such trial has been scheduled at this time. Siemens has not stated the amount of damages it would seek in such a trial. In view of the uncertainty regarding the amount of damages, if any, that could be established at the separate trial and in light of Siemens not having stated an amount of damages it may seek in this matter, the Company does not believe a reasonable estimate of the possible range of loss related to this matter is currently possible.

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SEAGATE TECHNOLOGY PLC

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

Qimonda AG v. LSI Corporation, et al. On December 19, 2008, the US International Trade Commission (ITC) instituted an investigation under section 337 of the Tariff Act of 1930, as amended, at the request of complainant Qimonda AG, naming LSI Corporation and six Seagate Technology entities as respondents. The complaint alleges that LSI Corporation and Seagate import products into the US that infringe seven Qimonda patents relating to the design and manufacture of semiconductor integrated chips. The ITC trial was held in June 2009. On October 14, 2009, the Administrative Law Judge issued an Initial Determination finding the Qimonda patents either invalid, not infringed, or both. Qimonda appealed to the ITC Commission, which ruled on January 29, 2010, that the patents were either invalid, not infringed, or both. On March 31, 2010, Qimonda noticed an appeal of the Commissions ruling to the Court of Appeals for the Federal Circuit. On January 17, 2011, the Federal Circuit affirmed the Commission's ruling in full; accordingly, the Company does not expect this matter will result in a loss.

Collins, et al. v. Seagate Technology, et al. On July 15, 2009, Carl Collins and Farzin Davanloo filed a complaint against Seagate Technology, Seagate Technology LLC, and 19 other hard drive, computer, and retail companies. The complaint alleges that unspecified hard disk drives and components thereof infringe US patent Nos. 5,411,797 (the 797 patent) and 5,478,650 (the 650 patent), both entitled Nanophase Diamond Films. The case is pending in the US District Court for the Eastern District of Texas, Marshall Division. The complaint seeks unspecified damages and an injunction. The Company filed an answer to the complaint on September 8, 2009, denying all material allegations and asserting affirmative defenses. On October 4, 2010, the case against the Seagate entities was dismissed with prejudice pursuant to a confidential settlement agreement; accordingly, the Company does not expect this matter will result in a loss.

Alexander Shukh v. Seagate Technology Former Seagate engineer Alexander Shukh filed a complaint and an amended complaint against Seagate in Minnesota federal court, alleging, among other things, employment discrimination based on his Belarusian national origin and wrongful failure to name him as an inventor on several patents and patent applications. Mr. Shukh's employment was terminated as part of a company-wide reduction in force in fiscal year 2009. He seeks damages in excess of \$75 million. The Company believes the claims are without merit and intends to vigorously defend this case. No trial date has been set in the litigation. In view of the uncertainty regarding the amount of damages, if any, that could be awarded in this matter, the Company does not believe a reasonable estimate of the possible range of loss related to this matter is currently possible.

Siemens GmbH v. Seagate Technology (Germany) On March 26, 2010, Siemens commenced proceedings against Seagate Technology GmbH, the Netherlands branch office of Seagate Technology International, and Seagate Technology LLC in the Dusseldorf District Court in Germany. The complaint alleges infringement of European Patent Number 0 674 769 (the EU 769 Patent), which corresponds to the patent in suit in the U.S. and Northern Ireland Siemens litigations. Siemens seeks a declaration that the EU 769 Patent is infringed by GMR and TMR products, removal of all infringing inventory, damages in an unstated amount, and costs. The Company intends to vigorously oppose this action. The trial on liability issues has not been held. That trial is scheduled to begin September 20, 2011. If, following that trial, the court finds liability for patent infringement, a separate trial on damages issues would be held. No such trial has been scheduled at this time. Siemens has not stated the amount of damages it would seek in such a trial. In view of the uncertainty regarding the amount of damages, if any, that could be established at the separate trial and in light of Siemens not having stated an amount of damages it may seek in this matter, the Company does not believe a reasonable estimate of the possible range of loss related to this matter is currently possible.

Rembrandt Data Storage, LP v. Seagate Technology LLC On November 10, 2010, Rembrandt Data Storage, LP filed suit against Seagate Technology LLC in the U.S. District Court for the Western District of Wisconsin alleging infringement of U.S. Patent No. 5,995,342 C1, Thin

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Film Heads Having Solenoid Coils, and U.S. Patent No. 6,195,232, Low-Noise Toroidal Thin Film Head With Solenoidal Coil. The complaint seeks unspecified compensatory damages, enhanced damages, injunctive relief, and attorneys' fees and costs. The company intends to vigorously defend this case. Trial is scheduled to begin May 14, 2012. Rembrandt has not stated the amount of damages it would seek at trial. In view of the uncertainty regarding the amount of damages, if any, that could be established at trial and in light of Rembrandt not having stated an amount of damages it may seek in this matter, the Company does not believe a reasonable estimate of the possible range of loss related to this matter is currently possible.

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SEAGATE TECHNOLOGY PLC

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

Rambus, Inc. ITC Investigation re Certain Semiconductor Chips and Products Containing the Same - On December 1, 2010, Rambus, Inc. filed a complaint with the International Trade Commission seeking an investigation pursuant to Section 337 of the Tariff Act of 1930, as amended. The complaint names Seagate Technology LLC and numerous other defendants, including LSI, Inc. and ST Microelectronics, Inc., alleging that Seagate products incorporate semiconductor products made by LSI and STMicroelectronics that infringe various patents owned by Rambus. The ITC initiated an investigation on December 29, 2010. Rambus seeks an order to exclude entry of infringing products into the U.S. and a cease and desist order. Seagate is responding to the investigation. The hearing before the Administrative Law Judge is scheduled to begin October 12, 2011. In light of the current status of this matter and the nature of the relief sought, we are unable to estimate the reasonably possible loss or range of loss, or other possible adverse result, if any, that may be incurred with respect to this matter.

Environmental Matters

The Company's operations are subject to U.S. and foreign laws and regulations relating to the protection of the environment, including those governing discharges of pollutants into the air and water, the management and disposal of hazardous substances and wastes and the cleanup of contaminated sites. Some of the Company's operations require environmental permits and controls to prevent and reduce air and water pollution, and these permits are subject to modification, renewal and revocation by issuing authorities.

The Company has established environmental management systems and continually updates its environmental policies and standard operating procedures for its operations worldwide. The Company believes that its operations are in material compliance with applicable environmental laws, regulations and permits. The Company budgets for operating and capital costs on an ongoing basis to comply with environmental laws. If additional or more stringent requirements are imposed on the Company in the future, it could incur additional operating costs and capital expenditures. Some environmental laws, such as the Comprehensive Environmental Response Compensation and Liability Act of 1980 (as amended, the Superfund law) and its state equivalents, can impose liability for the cost of cleanup of contaminated sites upon any of the current or former site owners or operators or upon parties who sent waste to these sites, regardless of whether the owner or operator owned the site at the time of the release of hazardous substances or the lawfulness of the original disposal activity. The Company has been identified as a potentially responsible party at several sites. At each of these sites, the Company has an assigned portion of the financial liability based on the type and amount of hazardous substances disposed of by each party at the site and the number of financially viable parties. The Company has fulfilled its responsibilities at some of these sites and remains involved in only a few at this time.

While the Company's ultimate costs in connection with these sites is difficult to predict with complete accuracy, based on its current estimates of cleanup costs and its expected allocation of these costs, the Company does not expect costs in connection with these sites to be material.

The Company may be subject to various state, federal and international laws and regulations governing the environment, including those restricting the presence of certain substances in electronic products. For example, the European Union (EU) enacted the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment, which prohibits the use of certain substances, including lead, in certain products, including disk drives, put on the market after July 1, 2006. Similar legislation has been or may be enacted in other jurisdictions,

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including in the United States, Canada, Mexico, China and Japan. If the Company or its suppliers fails to comply with the substance restrictions, recycle requirements or other environmental requirements as they are enacted worldwide, it could have a materially adverse effect on the Company's business.

Other Matters

The Company is involved in a number of other judicial and administrative proceedings incidental to its business, and the Company may be involved in various legal proceedings arising in the normal course of its business in the future. Although occasional adverse decisions or settlements may occur, the Company believes that the final disposition of such matters will not have a material adverse effect on its financial position or results of operations.

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SEAGATE TECHNOLOGY PLC

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(Unaudited)

13. Subsequent Events

Dividends

On April 7, 2011, the Board of Directors approved a quarterly cash dividend of \$0.18 per share. The first dividend will be payable on June 1, 2011 to shareholders of record as of the close of business on May 2, 2011.

Pending Transaction with Samsung

On April 19, 2011, the Company and Samsung Electronics Co., Ltd. (Samsung), a company organized under the laws of the Republic of Korea, entered into an Asset Purchase Agreement pursuant to which the Company will acquire certain assets and assume certain liabilities of Samsung relating to the research and development, manufacture and sale of hard disk drives. Under the terms of the agreement, Samsung will receive consideration comprised of \$687.5 million in cash and approximately 45.2 million of the Company's ordinary shares.

The agreement has no financing contingencies, and is subject to customary closing conditions, including review by U.S. and international regulators. The transaction is expected to close by the end of calendar year 2011.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion of the financial condition and results of operations for our fiscal quarters ended April 1, 2011, December 31, 2010 and April 2, 2010 herein referred to as the March 2011 quarter, the December 2010 quarter and the March 2010 quarter, respectively. Unless the context indicates otherwise, as used herein, the terms we, us, Seagate, the Company and our refer to Seagate Technology plc, an Irish public limited company, and its subsidiaries. References to \$ are to United States dollars.

You should read this discussion in conjunction with financial information and related notes included elsewhere in this report. We operate and report financial results on a fiscal year of 52 or 53 weeks ending on the Friday closest to June 30. The March 2011, December 2010, and March 2010 quarters were all 13 weeks. Except as noted, references to any fiscal year mean the twelve-month period ending on the Friday closest to June 30 of that year.

Some of the statements and assumptions included in this Quarterly Report on Form 10-Q are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 or Section 21E of the Securities Exchange Act of 1934, each as amended, including, in particular, statements about our plans, strategies and prospects and estimates of industry growth for the fiscal quarter ending July 1, 2011 (the June 2011 quarter) and beyond. These statements identify prospective information and include words such as expects, plans, anticipates, believes, estimates, predicts, projects and similar expressions. These forward-looking statements are based on information available to us as of the date of this report. Current expectations, forecasts and assumptions involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those anticipated by these forward-looking statements. Such risks, uncertainties and other factors may be beyond our control. In particular, global economic conditions may pose a risk to our operating and financial performance as consumers and businesses may defer purchases in response to uncertain financial conditions. Such risks and uncertainties also include, but are not limited to, the impact of variable demand; the possible impact of natural disasters, such as were recently experienced in Japan, on our sources of supply or on end demand for our products; dependence on Seagate's ability to successfully qualify, manufacture and sell its disk drive products in increasing volumes on a cost-effective basis and with acceptable quality, particularly the new disk drive products with lower cost structures; the risk that our recently announced transaction with Samsung Electronics Co., Ltd. (Samsung) will not be consummated and the risk that we will incur significant costs in connection with the transaction (see Pending Transaction with Samsung below); the impact of competitive product announcements; and our ability to achieve projected cost savings. We also encourage you to read our Annual Report on Form 10-K Form 10-K/A and our Quarterly Reports on Form 10-Q as filed with the U.S. Securities and Exchange Commission (SEC) on August 20, 2010, October 6, 2010, November 3, 2010 and February 3, 2011, respectively, which contain information concerning risk, uncertainties and other factors that could cause results to differ materially from those projected in the forward-looking statements. These forward-looking statements should not be relied upon as representing our views as of any subsequent date and we undertake no obligation to update forward-looking statements to reflect events or circumstances after the date they were made.

Our Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) is provided in addition to the accompanying condensed consolidated financial statements and notes to assist readers in understanding our results of operations, financial condition, and cash flows. Our MD&A is organized as follows:

- *Our Company.* Overview of our business.
- *Overview of the March 2011 quarter.* The March 2011 quarter summary and trends.

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- *Results of Operations.* An analysis of our financial results comparing the March 2011 quarter to the December 2010 quarter and the March 2010 quarter.
- *Liquidity and Capital Resources.* An analysis of changes in our balance sheets and cash flows, and discussion of our financial condition including the credit quality of our investment portfolio and potential sources of liquidity.
- *Critical Accounting Policies.* Accounting policies and estimates that we believe are important to understanding the assumptions and judgments incorporated in our reported financial results.

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Our Company

We are the world's leading provider of hard disk drives based on revenue. We design, manufacture, market and sell hard disk drives. Hard disk drives commonly referred to as disk drives, hard drives or HDDs, are devices that store digitally encoded data on rapidly rotating disks with magnetic surfaces. The performance attributes of disk drives, including their cost effectiveness and high storage capacities have resulted in disk drives being used as the primary medium for storing electronic data.

We produce a broad range of disk drive products addressing enterprise applications, where our products are designed for enterprise servers, mainframes and workstations; client compute applications, where our products are designed for desktop and notebook computers; and client non-compute applications, where our products are designed for a wide variety of end user devices such as digital video recorders (DVRs), personal data backup systems, portable external storage systems and digital media systems. In addition to manufacturing and selling disk drives, we provide data storage services for small- to medium-sized businesses, including online backup, data protection and recovery solutions.

Effective as of July 3, 2010, Seagate Technology public limited company, an Irish public limited company, (Seagate-Ireland) became the successor to Seagate Technology, an exempted company incorporated with limited liability under the laws of the Cayman Islands (Seagate-Cayman). In connection with the reorganization, all issued and outstanding Seagate-Cayman common shares were cancelled and ceased to exist, and Seagate-Ireland issued ordinary shares on a one-for-one basis to the holders of Seagate-Cayman common shares for each Seagate-Cayman common share that was cancelled.

Overview of the March 2011 Quarter

We shipped 48.7 million units, flat from the December 2010 quarter and a decrease of 3% from the March 2010 quarter. Revenue was \$2.7 billion, gross margin as a percentage of revenue was 19%, and net income was \$93 million.

In the March 2011 quarter, we generated operating cash flows of \$195 million. Additionally, we repurchased 29.5 million of our ordinary shares for \$405 million and had capital expenditures of \$125 million.

Demand Trends for Disk Drives

The Total Available Market (TAM) for hard disk drives in the March 2011 quarter was approximately 160 million units, a decrease of 4% from the December 2010 quarter, and relatively flat as compared to the March 2010 quarter. We believe demand for disk drives strengthened towards the end of the March 2011 quarter due to a reaction to possible supply chain disruptions stemming from the earthquake and tsunami in Japan.

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Disk Drives for Enterprise Storage. We believe the TAM for enterprise disk drives for the March 2011 quarter was approximately 14 million units, flat when compared to the December 2010 quarter and an increase of 10% when compared to the March 2010 quarter. We believe that the increase in the TAM from the March 2010 quarter was primarily due to the continuing commercial refresh of information technology equipment in large enterprises.

Disk Drives for Client Compute. We believe that the client compute TAM for the March 2011 quarter was approximately 115 million units, a decrease of 5% and 7% as compared to the December 2010 and March 2010 quarters, respectively. We believe this decline reflects normal seasonal patterns as well as the continued softness in consumer demand.

Disk Drives for Client Non-Compute. We believe the client non-compute TAM in the March 2011 quarter was approximately 31 million units, a decrease of 1% from the December 2010 quarter and an increase of 21% from the March 2010 quarter primarily due to the strength of the retail market in Asia Pacific.

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Seasonality

The disk drive industry traditionally experiences seasonal variability in demand with higher levels of demand in the second half of the calendar year. This seasonality is driven by consumer spending in the back-to-school season from late summer to fall and the traditional holiday shopping season from fall to winter. In addition, corporate demand is typically higher during the second half of the calendar year.

Pending Transaction with Samsung

On April 19, 2011, we entered into an Asset Purchase Agreement with Samsung, a company organized under the laws of the Republic of Korea, pursuant to which we will acquire certain assets and assume certain liabilities of Samsung relating to the research and development, manufacture and sale of hard disk drives. Under the terms of the agreement, Samsung will receive consideration comprised of \$687.5 million in cash and approximately 45.2 million of our ordinary shares. The transaction is expected to close by the end of calendar year 2011.

The agreement has no financing contingencies, and is subject to customary closing conditions, including review by U.S. and international regulators. The agreement contains certain termination rights for Samsung and provides that a specified fee must be paid by us to Samsung in connection with certain termination events. In certain specified circumstances, we must pay Samsung a termination fee of \$72.5 million (generally if the transaction has not been consummated and the requisite regulatory approvals have not been obtained by the Expiration Date of December 31, 2011, which may be extended in certain circumstances to March 31, 2012). If regulatory approvals have been obtained but the transaction has not been consummated by the Expiration Date, then in certain specified circumstances we must pay Samsung a termination fee of \$82.5 million (generally if we are in breach of the agreement and legal remedies are not awarded to Samsung).

Table of Contents**Results of Operations**

We list in the table below the Condensed Consolidated Statements of Operations by dollars and as a percentage of revenue for the periods indicated.

(Dollars in millions)	For the Three Months Ended		For the Nine Months Ended	
	April 1, 2011	April 2, 2010	April 1, 2011	April 2, 2010
Revenue	\$ 2,695	\$ 3,049	\$ 8,112	\$ 8,738
Cost of revenue	2,179	2,148	6,517	6,261
Gross margin	516	901	1,595	2,477
Product development	224	224	646	658
Marketing and administrative	110	105	317	323
Amortization of intangibles		8	2	23
Restructuring and other, net	3	4	14	50
Impairment of long-lived assets				64
Income from operations	179	560	616	1,359
Other income (expense), net	(57)	(38)	(166)	(130)
Income before income taxes	122	522	450	1,229
Provision for (benefit from) income taxes	29	4	58	(1)
Net income	\$ 93	\$ 518	\$ 392	\$ 1,230

(as a percentage of revenue)	For the Three Months Ended		For the Nine Months Ended	
	April 1, 2011	April 2, 2010	April 1, 2011	April 2, 2010
Revenue	100%	100%	100%	100%
Cost of revenue	81	70	80	72
Gross margin	19	30	20	28
Product development	8	7	8	8
Marketing and administrative	4	4	4	4
Amortization of intangibles		1		
Restructuring and other, net				
Impairment of long-lived assets				1
Income from operations	7	18	8	15
Other income (expense), net	(2)	(1)	(2)	(1)
Income before income taxes	5	17	6	14
Provision for (benefit from) income taxes	1		1	
Net income	4%	17%	5%	14%

Table of Contents*Revenue*

The following table summarizes information regarding revenue, volume shipments, average selling prices (ASPs) and revenues by channel and geography:

(In millions, except percentages and ASPs)	For the Three Months Ended			For the Nine Months Ended	
	April 1, 2011	December 31, 2010	April 2, 2010	April 1, 2011	April 2, 2010
Net Revenue	\$ 2,695	\$ 2,719	\$ 3,049	\$ 8,112	\$ 8,738
Unit Shipments:					
Enterprise	7.4	7.1	6.9	21.4	18.9
Client Compute	32.0	31.5	34.9	96.8	103.2
Client Non-Compute	9.3	10.3	8.4	28.6	24.3
Total Units Shipped	48.7	48.9	50.2	146.8	146.4
ASPs (per unit)	\$ 55	\$ 55	\$ 60	\$ 55	\$ 59
Revenues by Channel (%)					
OEMs	67%	68%	72%	69%	70%
Distributors	23%	21%	21%	22%	22%
Retailers	10%	11%	7%	9%	8%
Revenues by Geography (%)					
Americas	29%	29%	26%	29%	26%
EMEA	21%	21%	23%	21%	23%
Asia Pacific	50%	50%	51%	50%	51%

We shipped 48.7 million units, flat from the December 2010 quarter and a decrease of 3% from the March 2010 quarter. Revenue in the March 2011 quarter of \$2.7 billion was relatively flat as compared to the December 2010 quarter and decreased 12% as compared to the March 2010 quarter. Revenue of \$8.1 billion in the first nine months of fiscal year 2011 reflected a 7% decrease from the corresponding year-ago period. Revenue continued to be impacted by the cumulative effect of the competitive pricing environment the industry experienced during the last twelve months.

Cost of Revenue and Gross Margin

(Dollars in millions)	For the Three Months Ended			For the Nine Months Ended	
	April 1, 2011	December 31, 2010	April 2, 2010	April 1, 2011	April 2, 2010
Cost of revenue	\$ 2,179	\$ 2,190	\$ 2,148	\$ 6,517	\$ 6,261
Gross margin	516	529	901	1,595	2,477
Gross margin percentage	19%	19%	30%	20%	28%

Gross margin, as a percentage of revenue, of 19%, for the March 2011 quarter was flat compared to the December 2010 quarter and decreased from 30% in the March 2010 quarter. Similarly, gross margin, as a percentage of revenue for the first nine months of fiscal year 2011 decreased to 20% from 28% in the corresponding year-ago period. Gross margins continued to be impacted by the cumulative effect of the competitive pricing environment the industry experienced during the last twelve months and the absence of any meaningful new product introductions which

generally have a positive effect on margins.

Table of Contents*Operating Expenses*

(Dollars in millions)	For the Three Months Ended			For the Nine Months Ended		
	April 1, 2011	December 31, 2010	April 2, 2010	April 1, 2011	April 2, 2010	
Product development	\$ 224	\$ 213	\$ 224	\$ 646	\$ 658	
Marketing and administrative	110	102	105	316	323	
Amortization of intangibles		1	8	2	23	
Restructuring and other, net	3	7	4	14	50	
Impairment of long-lived assets					64	
Operating expenses	\$ 337	\$ 323	\$ 341	\$ 978	\$ 1,118	

Product Development Expense. Product development expense for the March 2011 quarter increased from the immediately preceding quarter mainly reflecting an increase of \$7 million in variable performance-based compensation expense. Product development expense was flat from the same period in fiscal year 2010, reflecting a \$6 million decrease in variable performance-based compensation expense offset by an increase in headcount related expenses and fewer research grants received.

The decrease in product development expense for the first nine months of fiscal year 2011 reflected the net result of a \$30 million decrease in variable performance-based compensation compared to the same period in fiscal year 2010, partially offset by an increase in spending for new programs and fewer research grants received.

Marketing and Administrative Expense. Marketing and administrative expense for the March 2011 quarter increased \$8 million from the immediately preceding quarter mainly due to increases in variable performance-based compensation and other employee-related costs. Marketing and administrative expense increased from the same period in fiscal year 2010, primarily due to the non-recurrence of \$6 million of insurance reimbursements for legal expenses received in the March 2010 quarter and an increase of \$5 million in headcount related expenses. These increases were partially offset by a decrease of \$5 million in variable performance-based compensation as compared to the March 2010 quarter.

Marketing and administrative expense for the first nine months of fiscal year 2011 reflected the net result of a \$20 million decrease in variable performance-based compensation compared to the same period in fiscal year 2010, partially offset by the non-recurrence of \$13 million of insurance reimbursements for legal expenses received in fiscal year 2010.

Restructuring and Other, Net. During the first nine months of fiscal year 2011, we recorded restructuring and other charges of \$14 million primarily associated with previously announced restructuring activities. During the same period in fiscal year 2010, we recorded restructuring and other charges of \$50 million mainly comprised of charges related to the AMK restructuring plan announced in August 2009.

Impairment of Long-lived Assets. During the first nine months of fiscal year 2010, we committed to a plan to sell certain equipment related to research activities that had ceased. In connection with this plan, we reclassified these assets as held for sale and recorded an impairment charge of approximately \$64 million to adjust the carrying value of these assets to the estimated fair value, less cost to sell.

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Other Income (Expense), net

(Dollars in millions)	For the Three Months Ended			For the Nine Months Ended	
	April 1, 2011	December 31, 2010	April 2, 2010	April 1, 2011	April 2, 2010
Other expense, net	\$ (57)	\$ (31)	\$ (38)	\$ (166)	\$ (130)

Other expense, net for the March 2011 quarter increased from the immediately preceding quarter primarily due to increases of \$13 million in interest expense resulting from higher average debt balances and an \$8 million net unfavorable change related to foreign exchange hedges and remeasurement.

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Other expense, net for the March 2011 quarter increased from the same period in fiscal year 2010 primarily due to an increase of \$19 million in interest expense resulting from higher average debt balances.

Other expense, net for the first nine months of fiscal year 2011 increased from the same period in fiscal year 2010 primarily due to increases of \$26 million in losses related to the redemption of debt, \$23 million in interest expense resulting from higher average debt balances and an \$8 million net unfavorable change related to foreign exchange hedges and remeasurement, partially offset by a \$13 million write-down of an equity investment in the year-ago period.

Income Taxes

(Dollars in millions)	For the Three Months Ended			For the Nine Months Ended	
	April 1, 2011	December 31, 2010	April 2, 2010	April 1, 2011	April 2, 2010
Provision for (benefit from) income taxes	\$ 29	\$ 25	\$ 4	\$ 58	\$ (1)

Our income tax provision recorded for the March 2011 quarter and for the first nine months of fiscal year 2011 included approximately \$15 million and \$4 million, respectively, of net discrete charges, primarily related to increases in income tax reserves recorded for non-U.S. income tax positions taken in prior fiscal years partially offset by the release of income tax reserves associated with settlements of income tax audits and the expiration of certain statutes of limitations. In addition, the nine month period ended April 1, 2011 included an \$11 million of discrete income tax benefit from the loss recognized in the three months ending October 1, 2010 on the redemption of debt which was offset by a corresponding increase in the valuation allowance for U.S. deferred tax assets.

Our income tax provision recorded for the March 2011 quarter and for the first nine months of fiscal year 2011 differed from the provision for income taxes that would be derived by applying the Irish statutory rate of 25% to income before income taxes primarily due to the net effect of (i) the indefinite reinvestment of our earnings outside of Ireland, (ii) income tax benefits related to tax holiday and tax incentive programs, (iii) income tax expense related to intercompany transactions, (iv) an increase in valuation allowance for U.S. deferred tax assets, and (v) income tax reserves related to non-U.S. tax positions taken in prior fiscal years and the release of income tax reserves from settlements of income tax audits and the expiration of certain statutes of limitations.

During the March 2011 quarter, our unrecognized income tax benefits excluding interest and penalties increased by \$9 million to \$124 million. The unrecognized income tax benefits that, if recognized, would impact the effective tax rate were \$124 million as of the end of the March 2011 quarter, subject to certain future valuation allowance reversals. During the 12 months beginning April 2, 2011, we expect to reduce our unrecognized income tax benefits by approximately \$9 million as a result of settlements and the expiration of certain statutes of limitations.

Our income tax provision for the March 2010 quarter included approximately \$11 million of discrete income tax benefits recorded primarily for the reversal of valuation allowance previously recorded for certain non-U.S. deferred tax assets and the release of income tax reserves as a result of the U.S. 9th Circuit Court of Appeals' affirmation of the Tax Court decision in *Xilinx v. Commissioner*. Our income tax benefit recognized for the first nine months of fiscal year 2010 included approximately \$39 million of discrete income tax benefits primarily for the release of income tax reserves associated with settlements, expiration of certain statutes of limitations, and the U.S. 9th Circuit Court decision, as mentioned above, the reversal of valuation allowance previously recorded for certain non-U.S. deferred tax assets, and U.S. federal income tax legislative changes.

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During the first nine months of fiscal year 2010, and prior to our reorganization, our publicly traded parent was incorporated in the Cayman Islands and not subject to income tax. Our income tax provision and benefit recorded for the March 2010 quarter and for the first nine months of fiscal year 2010 differed from the provision (benefit) for income taxes that would be derived by applying a notional U.S. 35% rate to income before income taxes primarily due to the net effect of (i) income tax benefits related to tax holiday and tax incentive programs, (ii) a decrease in valuation allowance for certain non-U.S. deferred tax assets, (iii) income tax expense related to intercompany transactions, and (iv) the release of certain income tax reserves.

During the first nine months of fiscal year 2010, our unrecognized tax benefits excluding interest and penalties decreased by \$4 million to \$114 million.

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Liquidity and Capital Resources

The following sections discuss our principal liquidity requirements, as well as our sources and uses of cash and our liquidity and capital resources. The principal objectives of our investment policy are the preservation of principal and maintenance of liquidity. We attempt to mitigate default risk by investing in high-quality investment grade securities, limiting the time to maturity and by monitoring the counter-parties and underlying obligors closely. We believe our cash equivalents and short-term investments are liquid and accessible. We are not aware of any downgrades, losses or other significant deterioration in the fair value of our cash equivalents or short-term investments and, accordingly, we do not believe the fair value of our short-term investments has significantly changed from the values reported as of April 1, 2011.

Liquidity Sources, Cash Requirements and Commitments

Our primary sources of liquidity as of April 1, 2011, consisted of: (1) approximately \$2.5 billion in cash, cash equivalents, and short-term investments, (2) cash we expect to generate from operations and (3) a \$350 million senior secured revolving credit facility. We also had \$103 million in restricted cash and investments, of which \$85 million was related to our employee deferred compensation liabilities under our non-qualified deferred compensation plan.

On January 18, 2011, Seagate Technology plc, and its subsidiary Seagate HDD entered into a Credit Agreement which provides for a \$350 million senior secured revolving credit facility. Seagate Technology plc and certain of its material subsidiaries fully and unconditionally guarantee, on a senior secured basis, the revolving credit facility. The revolving credit facility matures in January 2015. The revolving credit facility is available for cash borrowings and for the issuance of letters of credit up to a sub-limit of \$75 million. As of April 1, 2011, no borrowings have been drawn under the revolving credit facility, nor has any portion of the line of credit been utilized for letters of credit. The complete line of credit is available for borrowings, subject to compliance with financial covenants and other customary conditions to borrowing.

The credit agreement that governs our revolving credit facility contains certain covenants that we must satisfy in order to remain in compliance with the credit agreement. The agreement also includes three financial covenants: (1) minimum cash, cash equivalents and short-term investments; (2) a fixed charge coverage ratio; and (3) a net leverage ratio. As of April 1, 2011, we are in compliance with all covenants, including the financial ratios that we are required to maintain.

On April 7, 2011, we announced that our Board of Directors approved a quarterly cash dividend of \$0.18 per share. The first dividend will be payable on June 1, 2011 to shareholders of record as of the close of business on May 2, 2011.

Our liquidity requirements are primarily to meet our working capital, research and development and capital expenditure needs, to fund scheduled payments of principal and interest on our indebtedness, and to fund our quarterly dividend. Our ability to fund these requirements will depend on our future cash flows, which are determined by future operating performance, and therefore, subject to prevailing global macroeconomic conditions and financial, business and other factors, some of which are beyond our control.

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We believe that our sources of cash will be sufficient to fund our operations and meet our cash requirements for at least the next 12 months. In connection with the pending transaction with Samsung noted above, we expect to pay cash consideration of \$687.5 million. We currently expect to fund this transaction with cash from operations, however, depending on market conditions and the timing of the deal, coupled with current year capital addition requirements, we may choose to raise additional funds in the debt market. In addition, as of April 1, 2011, we were in compliance with all of the covenants under our debt agreements. Based on our current outlook, we expect to be in compliance with the covenants of our debt agreements over the next 12 months.

On December 14, 2010, Seagate HDD Cayman (Seagate HDD), an exempted limited liability company organized under the laws of the Cayman Islands and an indirect subsidiary of ours, issued \$750 million in aggregate principal amount of 7.75% Senior Notes due December 2018. Seagate Technology plc fully and unconditionally guarantees, on a senior unsecured basis, the 2018 Notes. We intend to use the net proceeds of \$736 million for general corporate purposes, which may include the repayment, redemption and/or repurchase of a portion of our outstanding indebtedness.

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In the first nine months of fiscal year 2011, we redeemed our 2.375% Convertible Senior Notes due August 2012 (the 2.375% Notes) and our 5.75% Subordinated Debentures due March 2012 (the 5.75% Notes). We also elected to use the proceeds received from the most recently completed offering period of our Employee Stock Purchase Plan to redeem, in accordance with the terms of the underlying indenture, \$14 million par value of our 10.0% Senior Secured Second-Priority Notes due May 2014 (the 10% Notes). We expect to continue to evaluate and manage the retirement and replacement of existing debt and associated obligations, through the issuance of new debt securities, exchanging existing debt securities for other debt securities and retiring debt pursuant to privately negotiated transactions, open market purchases or otherwise, among others. In addition, we may selectively pursue strategic alliances, acquisitions and investments, which may require additional capital.

Cash and Cash Equivalents, Short-term Investments, and Restricted Cash and Investments

(Dollars in millions)	April 1, 2011	July 2, 2010	Change
Cash and cash equivalents	\$ 2,201	\$ 2,263	\$ (62)
Short-term investments	279	252	27
Restricted cash and investments	103	114	(11)
Total	\$ 2,583	\$ 2,629	\$ (46)

Our cash and cash equivalents, short-term investments and restricted cash and investments decreased by \$46 million from July 2, 2010 primarily as a result of \$710 million cash paid to repurchase 50.2 million of our ordinary shares, \$685 million cash paid for capital expenditures and \$377 million cash paid for the redemption of long-term debt, partially offset by \$947 million in cash provided by operating activities, \$736 million in net proceeds from the issuance of long-term debt, and \$48 million in cash received from the issuance of ordinary shares under employee stock plans.

Cash Provided by Operating Activities

Cash provided by operating activities for the nine months ended April 1, 2011 was \$947 million and includes the effects of net income adjusted for non-cash items including depreciation, amortization, and share-based compensation, and:

- an increase of \$77 million in inventories;
- an increase of \$181 million in accounts payable; and
- a decrease of \$127 million in accrued employee compensation, mainly related to a decrease in variable performance-based compensation.

Cash Used in Investing Activities

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During the nine months ended April 1, 2011, we used \$703 million for net cash investing activities, which was primarily attributable to payments for property, equipment and leasehold improvements of approximately \$685 million.

Cash Used in Financing Activities

Net cash used in financing activities of \$306 million for the nine months ended April 1, 2011 was attributable to approximately \$710 million to repurchase 50.2 million of our ordinary shares and \$377 million for the redemption of our 2.375% Notes, 5.75% Debentures and a portion of our 10% Notes, partially offset by \$736 million in net proceeds from the issuance of long-term debt and approximately \$48 million in cash received from the issuance of ordinary shares under our employee stock plans.

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Critical Accounting Policies

Our discussion and analysis of financial condition and results of operations are based upon our Condensed Consolidated Financial Statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of such statements requires us to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and the reported amounts of assets and liabilities as of the date of the financial statements. Our estimates are based on historical experience and other assumptions that we consider to be appropriate in the circumstances. However, actual future results may vary from our estimates.

Since our fiscal year ended July 2, 2010, there have been no significant changes in our critical accounting policies and estimates. Please refer to Management's Discussion and Analysis of Financial Condition and Results of Operations contained in Part II, Item 7 of our Annual Report on Form 10-K for the fiscal year ended July 2, 2010, as filed with the SEC on August 20, 2010, for a discussion of our critical accounting policies and estimates. The following is a summary of activity for the first nine months of fiscal year 2011 related to updates in our estimates.

Establishment of Sales Program Accruals. We establish certain distributor and OEM sales programs aimed at increasing customer demand. For the distribution channel, these programs typically involve rebates related to a distributor's level of sales, order size, advertising or point of sale activity and price protection adjustments. For OEM sales, rebates are typically based on an OEM customer's volume of purchases from Seagate or other agreed upon rebate programs. We provide for these obligations at the time that revenue is recorded based on estimated requirements. We estimate these contra-revenue rebates and adjustments based on various factors, including price reductions during the period reported, estimated future price erosion, customer orders, distributor sell-through and inventory levels, program participation, customer claim submittals and sales returns. Our estimates reflect contractual arrangements but also our judgment relating to variables such as customer claim rates and attainment of program goals, and inventory and sell-through levels reported by our distribution customers.

While we believe we have sufficient experience and knowledge of the market and customer buying patterns to reasonably estimate such rebates and adjustments, actual market conditions or customer behavior could differ from our expectations. As a result, actual payments under these programs, which may spread over several months after the related sale, may vary from the amount accrued. Accordingly, revenues and margins in the period in which the adjustment occurs may be affected. For example, if the pricing environment is more competitive than we anticipated, accruals for forward price protection rebates may be inadequate. In periods when pricing is less competitive, accruals for forward price protection rebates may exceed actual payments. In addition, during periods in which our distributors' inventories of our products are at higher than historical levels, our contra-revenue estimates are subject to a greater degree of subjectivity and the potential for actual results to vary is accordingly higher. Currently, our distributors' inventories are within the historical range.

Significant actual variations in any of the factors upon which we base our contra-revenue estimates could have a material effect on our operating results. For fiscal years 2008 and 2009, total sales programs have ranged from 9% to 12% of gross revenues. In fiscal year 2010, sales programs dropped to approximately 6% of gross revenue, reflecting a more stable pricing environment resulting from industry-wide supply constraints during the first half of fiscal year 2010 and a relatively balanced supply and demand environment during the March 2010 quarter. During the first nine months of fiscal year 2011, however, sales programs returned to historical norms and approximated 9% of gross revenue. Adjustments to revenues due to under or over accruals for sales programs related to revenues reported in prior quarterly periods have averaged 0.4% of quarterly gross revenue for fiscal years 2008 through 2010, and were approximately 0.2% of quarterly gross revenue in the first nine months of fiscal year 2011. Any future shifts in the industry supply-demand balance as well as other factors may result in a more competitive pricing environment and may cause sales programs as a percentage of gross revenue to increase from the current or historical levels. If such rebates and incentives trend upwards, revenues and margins will be reduced.

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Establishment of Warranty Accruals. We estimate probable product warranty costs at the time revenue is recognized. We generally warrant our products for a period of one to five years. Our warranty provision considers estimated product failure rates and trends (including the timing of product returns during the warranty periods), estimated repair or replacement costs and estimated costs for customer compensatory claims related to product quality issues, if any. We use a statistical model to help with our estimates and we exercise considerable judgment in determining the underlying estimates. Should actual experience in any future period differ significantly from our estimates, or should the rate of future product technological advancements fail to keep pace with the past, our future results of operations could be materially affected. Our judgment is subject to a greater degree of subjectivity with respect to newly introduced products because of limited experience with those products upon which to base our warranty estimates.

The actual results with regard to warranty expenditures could have an adverse or favorable effect on our results of operations if the actual rate of unit failure, the cost to repair a unit, or the actual cost required to satisfy customer compensatory claims differs from those estimates we used in determining the warranty accrual. Since we typically outsource our warranty repairs, our repair cost is subject to periodic negotiations with vendors and may vary from our estimates. We also exercise judgment in estimating our ability to sell certain repaired disk drives. To the extent such sales fall below our forecast, warranty cost will be adversely impacted.

We review our warranty accrual quarterly for products shipped in prior periods and which are still under warranty. Any changes in the estimates underlying the accrual may result in adjustments that impact the current period gross margins and income. In the first nine months of fiscal year 2011, net favorable changes in estimates of prior warranty accruals approximated 0.1% of revenue. Our total warranty cost was 2.2%, 2.4% and 1.3% of revenue during fiscal years 2008, 2009 and 2010, respectively, while warranty cost related to new shipments (exclusive of the impact of reestimates of pre-existing liabilities) were 2.0%, 2.7% and 1.8%, respectively, for the same periods. Changes in anticipated failure rates of specific products and significant changes in repair or replacement costs have historically been the major reasons for significant changes in prior estimates. In the first nine months of fiscal year 2011, the cost of new warranties issued (exclusive of the impact of any adjustments to prior warranty liabilities) was at the low end of the historical range at approximately 1.9% of revenue, and total warranty cost was 1.7% of revenue, which included a net favorable adjustment to pre-existing liabilities. Any future changes in failure rates of certain products, as well as changes in repair costs or the cost of replacement parts, may result in increased or decreased warranty accruals.

Recent Accounting Pronouncements

See Note 1 of Financial Statements and Supplementary Data contained in Part II, Item 8 of our Annual Report on Form 10-K for the fiscal year ended July 2, 2010, as filed with the SEC on August 20, 2010, for a description of recent accounting pronouncements, including the respective expected dates of adoption and the expected effects on our results of operations and financial condition.

Table of Contents**ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

The information in this section should be read in connection with the information on financial market risk in Part II, Item 7A, Quantitative and Qualitative Disclosures About Market Risk in our Annual Report on Form 10-K for the year ended July 2, 2010 as filed with the SEC on August 20, 2010.

Interest Rate Risk. Our exposure to market risk for changes in interest rates relates primarily to our investment portfolio. At April 1, 2011, with the exception of our auction rate securities, we had no marketable securities that had been in a continuous unrealized loss position for a period greater than 12 months and determined that no investments were other-than-temporarily impaired. We currently do not use derivative financial instruments in our investment portfolio.

We have fixed rate debt obligations. We enter into debt obligations to support general corporate purposes including capital expenditures and working capital needs. We currently do not use interest rate derivatives to hedge interest rate exposure on our outstanding debt.

The table below presents principal amounts and related weighted average interest rates by year of maturity for our investment portfolio and debt obligations as of April 1, 2011. All short-term investments mature in three years or less.

	Fiscal Years Ended							Fair Value at April 1, 2011
(Dollars in millions, except percentages)	2011	2012	2013	2014	2015	Thereafter	Total	
Assets								
Cash equivalents:								
Fixed rate	\$ 2,116	\$	\$	\$	\$	\$	\$ 2,116	\$ 2,116
Average interest rate							0.15%	0.15%
Short-term investments:								
Fixed rate	\$ 56	\$ 151	\$ 55	\$ 14	\$	\$	\$ 276	\$ 279
Average interest rate	2.93%	2.00%	2.70%	1.06%			2.28%	
Long-term investments:								
Variable rate	\$	\$	\$	\$	\$	\$ 19	\$ 19	\$ 17
Average interest rate							9.43%	9.43%
Total investment securities	\$ 2,172	\$ 151	\$ 55	\$ 14	\$	\$ 19	\$ 2,411	\$ 2,412
Average interest rate	0.22%	2.00%	2.70%	1.06%			9.43%	0.46%
Debt								
Fixed rate	\$	\$ 560	\$	\$ 416	\$	\$ 1,950	\$ 2,925	\$ 3,067
Average interest rate	6.38%		10.00%		7.19%		7.43%	

Foreign Currency Exchange Risk. We may enter into foreign currency forward exchange contracts to manage exposure related to certain foreign currency commitments and anticipated foreign currency denominated expenditures. Our policy prohibits us from entering into derivative financial instruments for speculative or trading purposes. During the nine months ended April 1, 2011 and fiscal years 2010 and 2009, we did

not enter into any hedges of net investments in foreign operations.

We also hedge a portion of our foreign currency denominated balance sheet positions with foreign currency forward exchange contracts to reduce the risk that our earnings will be adversely affected by changes in currency exchange rates. The changes in fair value of these hedges are recognized in earnings in the same period as the gains and losses from the remeasurement of the assets and liabilities. These foreign currency forward exchange contracts are not designated as hedging instruments. All of our foreign currency forward exchange contracts mature within 12 months.

We evaluate hedging effectiveness prospectively and retrospectively and record any ineffective portion of the hedging instruments in Other income (expense) on the Condensed Consolidated Statements of Operations. We did not have any net gains (losses) recognized in Other income (expense) for cash flow hedges due to hedge ineffectiveness during the three and nine months ended April 1, 2011 or April 2, 2010, nor did we discontinue any material cash flow hedges for a forecasted transaction in the respective periods.

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The table below provides information as of April 1, 2011 about our foreign currency forward exchange contracts. The table is provided in U.S. dollar equivalent amounts and presents the notional amounts (at the contract exchange rates) and the weighted average contractual foreign currency exchange rates.

(Dollars in millions, except average contract rate)	Notional Amount	Average Contract Rate	Estimated Fair Value (1)
Foreign currency forward exchange contracts:			
Thai baht	\$ 524	30.85	\$ 8
Singapore dollar	165	1.30	6
Czech koruna	11	17.62	
Total	\$ 700		\$ 14

(1) Equivalent to the unrealized net gain (loss) on existing contracts.

Other Market Risks. We have exposure to counterparty credit downgrades in the form of credit risk related to our accounts receivable balances, our foreign currency forward exchange contracts and our fixed income portfolio. We monitor and limit our credit exposure for both our accounts receivable balances and our foreign currency forward exchange contracts by performing ongoing credit evaluations. We also manage the notional amount of contracts entered into with any one counterparty, and we maintain limits on maximum tenor of contracts based on the credit rating of the financial institutions. Additionally, the investment portfolio is diversified and structured to minimize credit risk. As of April 1, 2011, we had counterparty credit exposure of \$14 million comprised of the mark-to-market valuation related to our foreign currency forward exchange contracts in a gain position. Changes in our corporate issuer credit ratings have minimal impact on our financial results, but downgrades may negatively impact our future transaction costs and our ability to execute transactions with various counterparties.

We have exposure to equity market risks due to changes in the fair value of the notional investments selected by our employees as part of our Non-qualified Deferred Compensation Plan the Seagate Deferred Compensation Plan (the SDCP). Through December 31, 2010, we had a Total Return Swap (TRS) in order to manage the equity market risks associated with the SDCP liabilities. Effective January 3, 2011, we cancelled the TRS, and currently manage our exposure to equity market risks associated with the SDCP liabilities by investing directly in mutual funds that mirror the employees' investment options.

As of April 1, 2011, we continued to hold auction rate securities with a par value of approximately \$19 million, all of which are collateralized by student loans guaranteed by the Federal Family Education Loan Program. Beginning in the March 2008 quarter, these securities have continuously failed to settle at auction. As of April 1, 2011, the estimated fair value of these auction rate securities was \$17 million. We believe that the impairments totaling approximately \$2 million are temporary as we do not intend to sell these securities and have concluded it is not more likely than not that we will be required to sell the securities before the recovery of the amortized cost basis. As such, the impairment was recorded in Other comprehensive income (loss) and these securities were classified as long-term investments.

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ITEM 4. CONTROLS AND PROCEDURES

An evaluation was performed under the supervision and with the participation of our management, including our chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this quarterly report. Based on the evaluation, our management, including our chief executive officer and chief financial officer, concluded that our disclosure controls and procedures were effective as of April 1, 2011. During the quarter ended April 1, 2011, there were no changes in our internal control over financial reporting that materially affected, or were reasonably likely to materially affect our internal control over financial reporting.

PART II

OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

For a discussion of legal proceedings, see Part I, Item 1. Financial Statements Note 12, Legal, Environmental and Other Contingencies of this Report on Form 10-Q.

ITEM 1A. RISK FACTORS

Except for the risk factors set forth below, there have been no material changes to the description of the risk factors associated with our business previously disclosed in Part I, Item 1A, Risk Factors in our Annual Report on Form 10-K for the year ended July 2, 2010. In addition to the other information set forth in this report, you should carefully consider the risk factors discussed in our Annual Report on Form 10-K as they could materially affect our business, financial condition and future results.

The risks described herein and in our Annual Report on Form 10-K are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially and adversely affect our business, financial condition or operating results.

We will not be able to complete the Strategic Alignment with Samsung unless we receive the requisite regulatory approvals.

We have recently announced the entry into an asset purchase agreement with Samsung Electronics Co., Ltd. (Samsung), pursuant to which we agreed to acquire certain assets and assume certain liabilities of Samsung relating to the research and development, manufacture and sale of hard disk drives and to enter into certain related agreements in connection therewith, including an intellectual property agreement, a patent cross-license agreement, a disk drive supply agreement, a NAND flash memory supply agreement and a shareholder agreement. The purchase

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price for these assets consists of \$687.5 million in cash and approximately 45.2 million of our ordinary shares. Under the terms of the asset purchase agreement, the transactions contemplated thereby are subject to the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, clearance by the European Commission and the receipt of certain other similar regulatory approvals from the Republic of Korea, Japan, and the People's Republic of China. While we intend to consummate the transactions contemplated by the asset purchase agreement and related agreements as soon as practicable after such regulatory approvals are obtained, there can be no assurance that we will obtain such approvals when expected or at all, which could, among other things, delay or prevent us from completing the transactions contemplated by the asset purchase agreement and related agreements or restrict our ability to realize the expected financial and strategic goals of the transactions contemplated thereby. In certain specified circumstances, we must pay Samsung a termination fee of \$72.5 million (generally if the transaction has not been consummated and the requisite regulatory approvals have not been obtained by the Expiration Date of December 31, 2011, which may be extended in certain circumstances to March 31, 2012). If regulatory approvals have been obtained but the transaction has not been consummated by the Expiration Date, then in certain specified circumstances we must pay Samsung a termination fee of \$82.5 million (generally if we are in breach of the agreement and legal remedies are not awarded to Samsung).

If we do not realize the expected benefits of our Strategic Alignment with Samsung, our business and financial condition may be materially impaired.

We may not achieve the desired benefits from our strategic alignment with Samsung. If we cannot successfully integrate the assets we acquire from Samsung into our operations, we may experience negative consequences to our business, financial condition or results of operations. The integration of the assets that we acquire from Samsung into our business will involve a number of risks, including, but not limited to:

- Diversion of senior management's attention from the management of daily operations to the integration of the acquired assets into our business;
- The potential that we do not successfully integrate the employees that we hire from Samsung's hard disk drive business into our business;
- The potential loss of key customers or suppliers of Samsung's hard disk drive business who do not choose to do business with us;
- The risk of higher than anticipated costs in continuing support and development of acquired products;
- Difficulties and uncertainties in achieving anticipated cost reductions and operational synergies;
- Potential difficulties integrating manufacturing and design processes and controls;
- Potential difficulties integrating and harmonizing financial reporting systems; and

- Potential incompatibility of technology and systems.

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Even if we are able to successfully integrate the assets that we acquire from Samsung into our business, we may not be able to realize the cost savings, synergies and growth that we anticipate from this transaction in the timeframe we currently expect, and the costs of achieving these benefits may be higher than we currently expect, because of a number of risks, including but not limited to:

- The possibility that the transaction may not further our business strategy as we expected;
- Our operating results or financial condition may be adversely impacted by liabilities that we assume in the transaction; and
- The risk of intellectual property disputes with respect to the acquired assets.

As a result of these risks, the transaction may not contribute to our earnings as we expected, we may not achieve expected cost synergies when expected, or at all, and we may not achieve the other anticipated strategic and financial benefits of this transaction.

The issuance of our ordinary shares to Samsung in connection with the asset purchase agreement will dilute the holdings of our existing shareholders.

In connection with the asset purchase agreement with Samsung, we expect to issue approximately 45.2 million shares of our ordinary shares to Samsung, representing approximately 9.6% of our outstanding ordinary shares. We will be issuing these shares from our authorized but unissued share reserves, and this issuance will have the effect of diluting the ownership of our existing shareholders.

We are currently subject to lawsuits involving intellectual property claims which could cause us to incur significant additional costs or prevent us from selling our products, and which could adversely affect our results of operations and financial condition: actions brought in the United States by Convolv, Inc. and the Massachusetts Institute of Technology, and by Rembrandt Data Storage LP, and investigations brought in the International Trade Commission by Qimonda AG and Rambus, Inc.; and actions brought in Northern Ireland and Germany by Siemens AG.

Intellectual property litigation is expensive and time-consuming, regardless of the merits of any claim, and could divert our management's attention from operating our business. In addition, intellectual property lawsuits are subject to inherent uncertainties due to the complexity of the technical issues involved, and we cannot assure you that we will be successful in defending ourselves against intellectual property claims. Patent litigation has increased due to the current uncertainty of the law and the increasing competition and overlap of product functionality in the field. If we were to discover that our products infringe the intellectual property rights of others, we would need to obtain licenses from these parties or substantially reengineer our products in order to avoid infringement. We might not be able to obtain the necessary licenses on acceptable terms, or at all, or be able to reengineer our products successfully. Moreover, if we are sued for patent infringement and lose the suit, we could be required to pay substantial damages and/or be enjoined from using or selling the infringing products or technology. Any of the foregoing could cause us to incur significant costs and prevent us from selling our products, which could adversely affect our results of operations and financial condition. See Part I, Item 1. Financial Statements Note 12, Legal, Environmental and Other Contingencies of this Quarterly Report on

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Form 10-Q for a description of pending intellectual property proceedings.

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As a result of certain restrictions under Irish law, our ability to repurchase shares may be restricted.

Certain restrictions under Irish law limit our ability to repurchase our ordinary shares using the assistance of a third party. As a result, certain methods of repurchasing our ordinary shares that may previously have been available to us prior to our reorganization may not be permissible under Irish law and this may limit our options, and potentially our ability, to repurchase shares. This reduction in flexibility in certain circumstances may negatively impact our share price.

Dependence on Supply of Components, Equipment and Raw Materials If we experience shortages or delays in the receipt of, or cost increases in, critical components, equipment or raw materials necessary to manufacture our products, we may suffer lower operating margins, production delays and other material adverse effects.

The cost, quality and supply of components, certain equipment and raw materials used to manufacture disk drives and key components like recording media and heads are critical to our success. The equipment we use to manufacture our products and components is frequently custom made and comes from a few suppliers and the lead times required to obtain manufacturing equipment can be significant. Particularly important components for disk drives include read/write heads, aluminum or glass substrates for recording media, ASICs, spindle motors, printed circuit boards, and suspension assemblies. We rely on sole suppliers or a limited number of suppliers for some of these components that we do not manufacture, including aluminum and glass substrates, read/write heads, ASICs, spindle motors, printed circuit boards, and suspension assemblies. If our vendors for these components are unable to meet our cost, quality, and supply requirements, we could experience a shortage in supply or an increase in production costs, which would adversely affect our results of operations.

In addition, the recent increases in demand for small form factor mobile products have led to shortages in glass substrates, a component used in smaller form factor disk drives to make the recording media for such drives. If our vendors for glass substrates are unable to meet our demand, or are unable to invest sufficient capital to expand capacity to meet the industry's increasing unit growth in small form factor mobile disk drives, we could experience a shortage in the supply of this critical component, which could limit our ability to meet our customer's demand for smaller form factor disk drives.

Certain precious metals, specifically rare earth elements, are critical in the manufacture of some of our products. We acquire these precious metals from a number of countries, including the People's Republic of China. We cannot predict whether the government of China or any other nation will impose regulations, quotas or embargoes upon the precious metals incorporated into our products that would restrict the worldwide supply of such metals or increase their cost. In the past, we have experienced increased costs and production delays when we were unable to obtain the necessary equipment or sufficient quantities of some components, including precious metals like platinum and ruthenium, and/or have been forced to pay higher prices or make volume purchase commitments or advance deposits for some components, equipment or raw materials that were in short supply in the industry in general. If China or any other major supplier were to restrict the supply available to us or increase the cost of the precious metals used in our products, we could experience a shortage in supply or an increase in production costs, which would adversely affect our results of operations.

Consolidation among component manufacturers may result in some component manufacturers exiting the industry or not making sufficient investments in research to develop new components.

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If there is a shortage of, or delay in supplying us with, critical components, equipment or raw materials, then:

- it is likely that our suppliers would raise their prices and, if we could not pass these price increases to our customers, our operating margin would decline;
- we might have to reengineer some products, which would likely cause production and shipment delays, make the reengineered products more costly and provide us with a lower rate of return on these products;
- we would likely have to allocate the components we receive to certain of our products and ship less of others, which could reduce our revenues and could cause us to lose sales to customers who could purchase more of their required products from manufacturers that either did not experience these shortages or delays or that made different allocations; and
- we might be late in shipping products, causing potential customers to make purchases from our competitors, thus causing our revenue and operating margin to decline.

We cannot assure you that we will be able to obtain critical components in a timely and economic manner.

Restrictions Imposed by Debt Covenants *Restrictions imposed by our senior secured revolving credit facility and the indenture governing our 10% Senior Secured Second-Priority Notes due 2014 may limit our ability to finance future operations or capital needs or engage in other business activities that may be in our interest.*

Our senior secured revolving credit facility and the indenture governing our 10% Senior Secured Second-Priority Notes due 2014 (the "10% Notes") impose, and the terms of any future debt may impose, operating and other restrictions on us. Subject to qualifications and exceptions, our senior secured revolving credit facility and such indenture limit, among other things, our ability to:

- incur additional indebtedness and issue certain preferred shares;
- create liens;
- pay dividends or make distributions in respect of our capital stock;
- redeem or repurchase capital stock or debt;

- make certain investments or other restricted payments;
- sell assets;
- issue or sell capital stock of subsidiaries;
- enter into transactions with affiliates;
- engage to any material extent in business other than our current business; and
- effect a consolidation or merger.

The credit agreement that governs our senior secured revolving credit facility contains certain covenants that we must satisfy in order to remain in compliance with the credit agreement. The agreement also includes three financial covenants: (1) minimum cash, cash equivalents and short-term investments; (2) a fixed charge coverage ratio; and (3) a net leverage ratio. A breach of any of the covenants in our debt agreements, including our inability to comply with the required financial ratios, could result in a default under our senior secured revolving credit facility. If a condition of default occurs, and we are not able to obtain a waiver from the lenders holding a majority of the commitments under our senior secured revolving credit facility, the administrative agent of our senior secured revolving credit facility may, and at the request of lenders holding a majority of the commitments shall, declare all of our outstanding obligations under our senior secured revolving credit facility, together with accrued interest and other fees, to be immediately due and payable, and may terminate the lenders' commitments thereunder, cease making further loans and, if we cannot repay our outstanding obligation, institute foreclosure proceedings against our assets. If our outstanding indebtedness were to be accelerated, we cannot assure you that our assets would be sufficient to repay in full that debt and any potential future indebtedness, which would cause the market price of our ordinary shares to decline significantly. We could also be forced into bankruptcy or liquidation.

In addition, some of the agreements governing our other debt instruments contain cross-default provisions that may be triggered by a default under our senior secured revolving credit facility. In the event that we default under our senior secured revolving credit facility, there could be an event of default under cross-default provisions for the applicable debt instrument. As a result, all outstanding obligations under certain of our debt instruments, may become immediately due and payable. If such acceleration were to occur, we may not have adequate funds to satisfy all of our outstanding obligations, the lenders could exercise their rights, as described above, and we could be forced into bankruptcy or liquidation.

Table of Contents**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS****Recent Sales of Unregistered Equity Securities**

We did not sell any equity securities during the nine month period ended April 1, 2011 that were not registered under the Securities Act of 1933, as amended.

Repurchases of Equity Securities

On January 27, 2010, our Board of Directors authorized an Anti-Dilution Share Repurchase Program, which was publicly announced on February 1, 2010. The repurchase program authorizes us to repurchase our shares to offset increases in diluted shares, such as those caused by employee stock plans and convertible debt, used in the determination of diluted net income per share. The timing and number of shares to be repurchased by us will be dependent on general business and market conditions, cash flows generated by future operations, the price of our shares, cash requirements for other investing and financing activities, and maintaining compliance with our debt covenants. Additionally, there is no minimum or maximum number of shares to be repurchased under the program and the authority for the Anti-Dilution Share Repurchase Program will continue until terminated by our Board of Directors.

On November 29, 2010, our Board of Directors authorized repurchases up to an additional \$2 billion of our outstanding ordinary shares. This new share repurchase authorization continues our commitment to enhancing shareholder value.

The following table sets forth information with respect to repurchases of our shares made during the fiscal quarter ended April 1, 2011:

January 2010 Anti-Dilution Share Repurchase Program

(In millions, except average price paid per share)	Total Number of Shares Repurchased	Average Price Paid per Share	Total Number of Shares Repurchased Under Publicly Announced Plans or Programs	Approximate Dollar Value of Shares Repurchased Under the Plans or Programs
Cumulative repurchased through December 31, 2010	53.1	\$ 16.74	53.1	\$ 889
January 1, 2011 through January 28, 2011				
January 29, 2011 through February 25, 2011				
February 26, 2011 through April 1, 2011				

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Cumulative repurchased through April 1, 2011	53.1	\$	16.74	53.1	\$	889
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November 2010 Share Repurchase Program

(In millions, except average price paid per share)	Total Number of Shares Repurchased	Average Price Paid per Share	Total Number of Shares Repurchased Under Publicly Announced Plans or Programs	Approximate Dollar Value of Shares Repurchased Under the Plans or Programs
Cumulative repurchased through December 31, 2010		\$		\$
January 1, 2011 through January 28, 2011	9.5	13.69	9.5	130
January 29, 2011 through February 25, 2011	18.7	13.80	18.7	258
February 26, 2011 through April 1, 2011	1.3	13.39	1.3	17
Cumulative repurchased through April 1, 2011	29.5	\$ 13.71	29.5	\$ 405

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ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. (REMOVED AND RESERVED)

None.

ITEM 5. OTHER INFORMATION

The 2011 Annual General Meeting of Shareholders of Seagate Technology Public Limited Company (the Company), an Irish company, will be held at The Four Seasons Hotel Dublin, Simonscourt Road, Dublin 4, Ireland on Wednesday, October 26, 2011, at 10:00 a.m. GMT. The date of the Annual General Meeting will be more than 30 days before the anniversary date of the 2010 Annual General Meeting of Shareholders, and therefore in accordance with Rule 14a-5(f) under the Securities Exchange Act of 1934, as amended (the Exchange Act), the Company is informing shareholders of such change.

In accordance with Rule 14a-5(f) under the Exchange Act the Company has determined that proposals to be considered for inclusion in the Company's proxy statement for the 2011 Annual General Meeting pursuant to Rule 14a-8 under the Exchange Act must be received by the Company at the address set forth below no earlier than May 28, 2011 and no later than June 27, 2011, which the Company considers to be a reasonable time before it begins to print and send its proxy materials for the Annual General Meeting. Shareholders should be aware that proposals must comply with the Securities and Exchange Commission regulations and the procedures set forth in our Articles of Association regarding inclusion of shareholder proposals in company-sponsored proxy materials.

In addition, in order for shareholder nominations of directors or other shareholder proposals made outside of Rule 14a-8 under the Exchange Act to be considered timely within the meaning of Rule 14a-4(c) of the Exchange Act, such proposal must be received by the Company at the address set forth below on or before the close of business on by August 3, 2011. In order for either type of proposal to be considered, such notice must also contain certain information specified in the Company's Articles of Association.

The Company considers August 3, 2011 to be a reasonable time before it begins the printing and mailing of its proxy materials for the Annual General Meeting. Accordingly, pursuant to Rule 14a-4(c) under the Exchange Act, the persons named in the proxies solicited on behalf of the Company for use at the Annual General Meeting will have the right to exercise discretionary voting authority with respect to proposals submitted after that date.

Shareholder proposals should be sent by mail to 920 Disc Drive, Scotts Valley, California 95066, Attention: Corporate Secretary.

Table of Contents**ITEM 6. EXHIBITS**

Exhibit No.	Exhibit Description	Form	Incorporated by Reference		Filing Date	Filed Herewith
			File No.	Exhibit		
2.1	Scheme of Arrangement among Seagate Technology (Seagate-Cayman), Seagate Technology plc (Seagate-Ireland) and the Scheme Shareholders (incorporated by reference to Annex A to Seagate Technology s Definitive Proxy Statement on Schedule 14A filed on March 5, 2010)	DEF 14A	001-31560	Annex A	03/05/10	
3.1	Memorandum and Articles of Association of Seagate Technology plc	8-K12B/A	001-31560	3.1	07/09/10	
3.2	Certificate of Incorporation of Seagate Technology plc	10-K	001-31560	3.2	08/20/10	
4.1	Specimen Ordinary Share Certificate	10-K	001-3560	4.1	08/20/10	
4.2	Indenture dated September 20, 2006 among Seagate Technology, Seagate Technology HDD Holdings and U.S. Bank National Association	8-K	001-31560	4.1	09/21/06	
4.3	Forms of Global Note for the Senior Notes due 2011 and Senior Notes due 2016 of Seagate Technology HDD Holdings issued pursuant to the Indenture	8-K	001-31560	4.1	09/21/06	
4.4	Indenture dated as of May 1, 2009, among Seagate Technology International, as Issuer, Seagate Technology, Seagate Technology HDD Holdings, Maxtor Global Ltd., Seagate Technology (Ireland), Seagate Technology Media (Ireland), Seagate International (Johor) Sdn. Bhd., Penang Seagate Industries (M) Sdn. Bhd., Seagate Singapore International Headquarters Pte. Ltd., Seagate Technology (Thailand) Limited, Seagate Technology (US) Holdings, Inc., Maxtor Corporation, i365 Inc. and Seagate Technology LLC, as Guarantors, and Wells Fargo Bank, National Association, as Trustee	8-K	001-31560	4.1	05/05/09	
4.5	Form of 10.0% Senior Secured Second-Priority Note due 2014	8-K	001-31560	4.1	05/05/09	

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4.6	Indenture dated as of May 13, 2010, among Seagate HDD Cayman, as Issuer, Seagate Technology, as Guarantor, and Wells Fargo Bank, National Association, as Trustee	8-K	001-31560	4.1	05/14/10
4.7	Form of 6.875% Senior Note due 2020	8-K	001-31560	4.1	05/14/10

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Exhibit No.	Exhibit Description	Form	Incorporated by Reference		Filing Date	Filed Herewith
			File No.	Exhibit		
4.8	Registration Rights Agreement dated as of May 13, 2010, among Seagate HDD Cayman, Seagate Technology and Morgan Stanley & Co. Incorporated and Banc of America Securities LLC	8-K	001-31560	4.3	05/14/10	
4.9	Indenture dated as of December 14, 2010, among Seagate HDD Cayman, as Issuer, Seagate Technology plc, as Guarantor, and Wells Fargo Bank, National Association, as Trustee	8-K	001-31560	4.1	12/14/10	
4.10	Form of 7.75% Senior Note due 2018	8-K	001-31560	4.1	12/14/10	
4.11	Registration Rights Agreement dated as of December 14, 2010, among Seagate HDD Cayman, Seagate Technology plc and Morgan Stanley & Co. Incorporated and Merrill Lynch, Pierce, Fenner & Smith Incorporated	8-K	001-31560	4.3	12/14/10	
10.1+	Third Amended and Restated Seagate Technology Executive Officer Severance and Change in Control Plan	10-Q	001-31560	10.2	02/01/10	
10.2+	Amended Seagate Technology plc 2001 Share Option Plan	10-K	001-31560	10.2	08/20/10	
10.3+	Seagate Technology plc 2001 Share Option Plan Form of Notice of Stock Option Grant and Option Agreement (includes Compensation Recovery Policy)	10-K	001-31560	10.3	08/20/10	
10.4(a)+	Form of Indemnification Agreement between Seagate Technology Holdings and the director or officer named therein	S-4/A	333-88388	10.17	07/05/02	
10.4(b)+	Form of Revised Indemnification Agreement between Seagate Technology and the director or officer named therein	10-Q	001-31560	10.4(b)	05/06/09	
10.5+	Seagate Technology Executive Officer Performance Bonus Plan	10-Q	001-31560	10.6	10/30/08	
10.6+	Amended Seagate Technology plc 2004 Share Compensation Plan	10-K	001-31560	10.6	08/20/10	
10.7+	Seagate Technology 2004 Stock Compensation Plan Form of Option Agreement (For Outside Directors)	10-Q	001-31560	10.7	11/04/09	

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Exhibit No.	Exhibit Description	Form	Incorporated by Reference		Filing Date	Filed Herewith
			File No.	Exhibit		
10.8+	Seagate Technology 2004 Stock Compensation Plan Form of Option Agreement (For Non-Officer employees)	S-8	333-128654	99.3	09/28/05	
10.9+	Seagate Technology 2004 Stock Compensation Plan Form of Restricted Stock Bonus Agreement	10-K	001-31560	10.11	08/13/08	
10.10+	Seagate Technology 2004 Stock Compensation Plan Notice of Restricted Stock Bonus Grant (For Outside Directors)	10-Q	001-31560	10.10	11/04/09	
10.11+	Seagate Technology 2004 Stock Compensation Plan Form of Restricted Stock Unit Agreement	10-Q	001-31560	10.11	10/30/08	
10.12+	Seagate Technology plc 2004 Share Compensation Plan Form of Restricted Share Unit Agreement (Outside Directors)	10-K	001-31560	10.12	08/20/10	
10.13+	Seagate Technology plc 2004 Share Compensation Plan Form of Notice of Stock Option Grant and Option Agreement (includes Compensation Recovery Policy)	10-K	001-31560	10.13	08/20/10	
10.14+	Seagate Technology plc Employee Stock Purchase Plan	8-K	001-31560	10.5	07/06/10	
10.15+	Summary description of Seagate Technology plc's Compensation Policy for Non-Management Members of the Board of Directors					X
10.16+	Seagate Technology plc 2004 Share Compensation Plan Form of Notice of Performance Share Bonus Grant and Agreement (includes Compensation Recovery Policy)	10-K	001-31560	10.16	08/20/10	
10.17+	Offer Letter, dated as of January 29, 2009, by and between Seagate Technology and Stephen J. Luczo	10-Q	001-31560	10.20	02/10/09	
10.18+	Seagate Technology 2004 Stock Compensation Plan Form of Restricted Stock Bonus Agreement (includes Compensation Recovery Policy)	10-Q	001-31560	10.22	02/10/09	
10.19+	Seagate Technology plc 2004 Share Compensation Plan Form of Restricted Share Unit Agreement (includes	10-Q	001-31560	10.19	11/03/10	

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Exhibit No.	Exhibit Description	Form	Incorporated by Reference		Filing Date	Filed Herewith
			File No.	Exhibit		
10.20+	Seagate Technology plc 2004 Share Compensation Plan Form of Executive Performance Unit Award Agreement	8-K	001-31560	10.1	09/03/10	
10.21+	Second Amendment to Seagate Deferred Compensation Plan					X
10.22+	Restated Seagate Deferred Compensation Plan	10-Q	001-31560	10.27	05/05/10	
10.23+	Seagate Deferred Compensation Sub-Plan	10-Q	001-31560	10.28	05/05/10	
10.24	Second Lien U.S. Security Agreement dated as of May 1, 2009, among Seagate Technology International, Seagate Technology, Seagate Technology (US) Holdings, Inc., Maxtor Corporation, i365 Inc., Seagate Technology LLC and Seagate Technology HDD Holdings, as Grantors, and Wells Fargo Bank, National Association, as Collateral Agent for the Secured Parties (as defined therein)	8-K	001-31560	10.7	05/05/09	
10.25	Second Lien U.S. Pledge Agreement dated as of May 1, 2009, among Seagate Technology, Seagate Technology (US) Holdings, Inc., Maxtor Corporation, i365 Inc., Seagate Technology LLC and Seagate Technology HDD Holdings, as Pledgors, and Wells Fargo Bank, National Association, as Collateral Agent for the Secured Parties (as defined therein)	8-K	001-31560	10.8	05/05/09	
10.26	Second Priority Omnibus Debenture dated May 1, 2009, between Seagate Technology, Seagate Technology HDD Holdings, Seagate Technology International, Seagate Technology (Ireland) and Seagate Technology Media (Ireland), as Chargors, and Wells Fargo Bank, National Association, as Collateral Agent or Chargee	8-K	001-31560	10.9	05/05/09	
10.27	Form of Second Priority Equitable Share Mortgage in respect of shares dated May 1, 2009, between [Seagate entity], as Mortgagor, and Wells Fargo Bank, National Association, as Collateral Agent	8-K	001-31560	10.10	05/05/09	

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Exhibit No.	Exhibit Description	Form	Incorporated by Reference		Filing Date	Filed Herewith
			File No.	Exhibit		
10.28	Intercreditor Agreement dated as of May 1, 2009, among JPMorgan Chase Bank, N.A., as Administrative Agent and First Priority Representative for the First Priority Secured Parties (as defined therein), Wells Fargo Bank, National Association, as Collateral Agent and Second Priority Representative for the Second Priority Secured Parties (as defined therein), Seagate Technology HDD Holdings, as Borrower, Seagate Technology International, as the Second Lien Issuer, and each of the other Loan Parties (as defined therein) party thereto	8-K	001-31560	10.11	05/05/09	
10.29	Second Priority Share Charge, dated September 25, 2009, between Seagate Technology International, as chargor and Wells Fargo Bank, National Association, as collateral agent	8-K	001-31560	10.2	10/01/09	
10.30	Second Priority Debenture, dated September 25, 2009, between Seagate Singapore International Headquarters Pte. Ltd., as chargor and Wells Fargo Bank, National Association, as collateral agent	8-K	001-31560	10.4	10/01/09	
10.31	First Supplemental Indenture, dated as of March 1, 2010, among Seagate Technology International, Seagate HDD Cayman and Wells Fargo Bank, National Association, as trustee, amending and supplementing the Indenture, dated as of May 1, 2009, among Seagate Technology International, as issuer, Seagate Technology and the other guarantors party thereto and Wells Fargo Bank, National Association, as trustee	8-K	001-31560	10.2	03/03/10	
10.32	Second Supplemental Indenture, dated as of March 1, 2010, among Seagate Technology International, Seagate Technology plc and Wells Fargo Bank, National Association, as trustee, amending and supplementing the Indenture, dated as of May 1, 2009, among Seagate Technology International, as issuer, Seagate Technology and the other guarantors party thereto and Wells Fargo Bank, National Association, as trustee	8-K	001-31560	10.3	03/03/10	

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Exhibit No.	Exhibit Description	Form	Incorporated by Reference		Filing Date	Filed Herewith
			File No.	Exhibit		
10.33	Supplement No. 1, dated as of March 1, 2010, to the Second Lien U.S. Security Agreement, dated as of May 1, 2009, among Seagate Technology International, Seagate Technology and the other guarantors from time to time party thereto and Wells Fargo Bank, National Association, as trustee	8-K	001-31560	10.7	03/03/10	
10.34	Supplement No. 1, dated as of March 1, 2010, to the Second Lien U.S. Pledge Agreement, dated as of May 1, 2009, among Seagate Technology and each of the other guarantors from time to time party thereto and Wells Fargo Bank, National Association, as collateral agent	8-K	001-31560	10.11	03/03/10	
10.35	Supplement No. 1, dated as of March 1, 2010, to the Intercreditor Agreement, dated as of May 1, 2009, among JPMorgan Chase Bank, N.A., as administrative agent, Wells Fargo Bank, National Association, as Collateral Agent, Seagate Technology HDD Holdings, Seagate Technology International and each of the other loan parties from time to time party thereto	8-K	001-31560	10.12	03/03/10	
10.36	Supplement No. 2, dated as of March 1, 2010, to the Intercreditor Agreement, dated as of May 1, 2009, among JPMorgan Chase Bank, N.A., as administrative agent, Wells Fargo Bank, National Association, as Collateral Agent, Seagate Technology HDD Holdings, Seagate Technology International and each of the other loan parties from time to time party thereto	8-K	001-31560	10.13	03/03/10	
10.37	Second Priority Mortgage of Shares in Seagate HDD Cayman, dated March 1, 2010, between Seagate Technology HDD Holdings, as mortgagor, and Wells Fargo Bank, National Association, as mortgagee	8-K	001-31560	10.15	03/03/10	
10.38	Second Priority Mortgage of Shares in Seagate Technology International, dated March 1, 2010, between Seagate HDD Cayman, as mortgagor, and Wells Fargo Bank, National Association, as mortgagee	8-K	001-31560	10.17	03/03/10	
10.39		8-K	001-31560	10.19	03/03/10	

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Second Lien Debenture, dated March 1,
2010, between Seagate HDD Cayman, as
chargor, and Wells Fargo Bank, National
Association, as chargee

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Exhibit No.	Exhibit Description	Form	Incorporated by Reference		Filing Date	Filed Herewith
			File No.	Exhibit		
10.40	Second Priority Debenture, dated March 1, 2010, between Seagate Technology plc, as chargor, and Wells Fargo Bank, National Association, as collateral agent	8-K	001-31560	10.21	03/03/10	
10.41	Second Priority Mortgage of Shares in Seagate Technology, dated March 1, 2010, between Seagate Technology plc, as mortgagor, and Wells Fargo Bank, National Association, as mortgagee	8-K	001-31560	10.23	03/03/10	
10.42	First Supplemental Indenture, dated as of March 1, 2010, among Seagate Technology HDD Holdings, Seagate HDD Cayman, Seagate Technology and U.S. Bank National Association, as trustee, amending and supplementing the Indenture, dated as of September 20, 2006, among Seagate Technology HDD Holdings, Seagate Technology and U.S. Bank National Association, as trustee	8-K	001-31560	10.24	03/03/10	
10.43	Third Supplemental Indenture, dated as of March 19, 2010, among Seagate Technology International, as issuer, Seagate Technology and the other guarantors party thereto and Wells Fargo Bank, National Association, as trustee, amending and supplementing the Indenture, dated as of May 1, 2009, among Seagate Technology International, as issuer, Seagate Technology and the other guarantors party thereto and Wells Fargo Bank, National Association, as trustee	8-K	001-31560	10.1	03/22/10	
10.44	Supplemental Indenture, dated as of July 3, 2010, among Seagate HDD Cayman, as issuer, Seagate Technology, as original guarantor, Seagate Technology plc, as successor guarantor, and Wells Fargo Bank, National Association, as trustee, amending and supplementing the Indenture, dated as of May 13, 2010, among Seagate HDD Cayman, as issuer, Seagate Technology, as guarantor, and Wells Fargo Bank, National Association, as trustee	8-K	001-31560	10.1	07/06/10	
10.45	Deed Poll of Assumption by Seagate Technology plc, dated July 2, 2010	8-K	001-31560	10.2	07/06/10	

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Exhibit No.	Exhibit Description	Form	Incorporated by Reference		Filing Date	Filed Herewith
			File No.	Exhibit		
10.46+	Form of Deed of Indemnity between Seagate Technology plc and the director or company secretary named therein	8-K	001-31560	10.1	07/29/10	
10.47	Credit Agreement, dated as of January 18, 2011, among Seagate Technology Public Limited Company, Seagate HDD Cayman, as Borrower, the lending institutions thereto, The Bank of Nova Scotia, as Administrative Agent, Morgan Stanley Senior Funding, Inc., Merrill Lynch Pierce Fenner and Smith Incorporated and BNP Paribas as Syndication Agents and Wells Fargo Bank, National Association, as Documentation Agent	10-Q	001-31560	10.47	02/03/11	
10.48	U.S. Guarantee Agreement, dated as of January 18, 2011, among Seagate Technology Public Limited Company, Seagate HDD Cayman, as Borrower, the Guarantor parties thereto and The Bank of Nova Scotia, as Administrative Agent	10-Q	001-31560	10.48	02/03/11	
10.49	U.S. Security Agreement, dated as of January 18, 2011, among Seagate Technology Public Limited Company, Seagate HDD Cayman, as Borrower, the Guarantor parties thereto and The Bank of Nova Scotia, as Administrative Agent	10-Q	001-31560	10.49	02/03/11	
10.50	U.S. Pledge Agreement, dated as of January 18, 2011, among Seagate Technology Public Limited Company, Seagate HDD Cayman, as Borrower, the Subsidiary Pledgor parties thereto and The Bank of Nova Scotia, as Administrative Agent	10-Q	001-31560	10.50	02/03/11	
10.51	Intercreditor Agreement, dated as of January 18, among The Bank of Nova Scotia, as Administrative Agent for the First Priority Secured Parties, Wells Fargo Bank, National Association, as Collateral Agent for the Second Priority Secured Parties, Seagate HDD Cayman, as Borrower, Seagate Technology International, as Second Lien Issuer, and each of the other Loan Parties thereto	10-Q	001-31560	10.51	02/03/11	

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Exhibit No.	Exhibit Description	Form	Incorporated by Reference		Filing Date	Filed Herewith
			File No.	Exhibit		
10.52	Indemnity, Subrogation and Contribution Agreement, dated as of January 18, among Seagate Technology Public Limited Company, Seagate HDD Cayman, as Borrower, the Subsidiary parties thereto and The Bank of Nova Scotia, as Administrative Agent	10-Q	001-31560	10.52	02/03/11	
14.1	Code of Business Conduct and Ethics	10-K	001-31560	14.1	08/20/10	
31.1	Certification of the Chief Executive Officer pursuant to rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification of the Chief Financial Officer pursuant to rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
32.1	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14(b) and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101.INS	XBRL Instance Document.					X
101.SCH	XBRL Taxonomy Extension Schema Document.					X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.					X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.					X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.					X

+ Management contract or compensatory plan or arrangement.

The certifications attached as Exhibit 32.1 that accompany this Quarterly Report on Form 10-Q, are not deemed filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of Seagate Technology plc under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Form 10-Q, irrespective of any general incorporation language contained in such filing.

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In accordance with Rule 406T of Regulation S-T, the information in these exhibits is furnished and deemed not filed or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of Section 18 of the Exchange Act of 1934, and otherwise is not subject to liability under these sections and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such filing.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SEAGATE TECHNOLOGY PUBLIC LIMITED COMPANY

DATE: May 3, 2011 BY: /s/ STEPHEN J. LUCZO
Stephen J. Luczo
Chairman, President and Chief Executive
Officer
(Principal Executive Officer)

DATE: May 3, 2011 BY: /s/ PATRICK J. O MALLEY
Patrick J. O Malley
Executive Vice President and Chief Financial
Officer
(Principal Financial Officer)