Western Digital 4Q blows past Street; shares soar

The Associated Press

Hard-drive maker Western Digital Corp. said Wednesday that its net income jumped nearly five-fold in the quarter through June, beating analyst expectations, as it reaped the benefits of its $3.9 billion acquisition of Hitachi Global Storage Technologies.

The results trounced expectations and Western Digital's shares soared more than 18 percent in after-hours trading.

Net income in the three months to June 29 came to $745 million, or $2.87 per share, compared to $158 million, or 67 cents per share, a year earlier.

Western Digital completed its acquisition of the Hitachi unit in March.

Excluding costs related to restructuring and other items, adjusted earnings came to $3.35 per share, blowing past the $2.47 expected by analysts polled by FactSet.

Revenue nearly doubled to $4.75 billion from $2.40 billion. That also beat the $4.25 billion expected by analysts.

CEO John Coyne said fourth-quarter demand was in line with company forecasts, while the company's WD and HGST subsidiaries performed ahead of plan.

The company bounced back from floods in Thailand that disrupted its operations late last year. For the full fiscal year, net income more than doubled to $1.61 billion, or $6.58 per share, from $726 million, or $3.09 per share, a year earlier. Revenue rose 31 percent to $12.48 billion.

Western Digital's shares rose $5.94 to $38.41 in extended trading following the release of the earnings report.

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