

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2013</div> <div style="text-align: center; font-weight: bold;">This Form is Open to Public Inspection</div>
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Part I	Annual Report Identification Information
For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information—enter all requested information	
1a Name of plan <u>HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN</u>	1b Three-digit plan number (PN) ▶ <u>003</u>	1c Effective date of plan <u>07/01/2004</u>
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>HITACHI AMERICA, LTD.</u> <u>50 PROSPECT AVENUE</u> <u>TARRYTOWN, NY 10591</u>	2b Employer Identification Number (EIN) <u>13-1896069</u>	
	2c Sponsor's telephone number <u>914-333-2237</u>	
	2d Business code (see instructions) <u>339900</u>	

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2014	MARTHA LASKO SEAMAN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☐ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address HGST BENEFITS COMMITTEE 50 PROSPECT AVENUE TARRYTOWN, NY 10591		3b Administrator's EIN 80-0857844
		3c Administrator's telephone number 914-332-5800
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name		4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5	1530
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants	6a	0
b Retired or separated participants receiving benefits	6b	218
c Other retired or separated participants entitled to future benefits.....	6c	1195
d Subtotal. Add lines 6a , 6b , and 6c	6d	1413
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	6e	16
f Total. Add lines 6d and 6e	6f	1429
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1C 1I 3F 3H		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection
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For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>HITACHI AMERICA, LTD.</u>	D Employer Identification Number (EIN) <u>13-1896069</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month _____ Day _____ Year _____	
2 Assets:	
a Market value	2a <u>121184065</u>
b Actuarial value	2b <u>121340976</u>
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment.....	3a <u>194</u> <u>18164878</u>
b For terminated vested participants.....	3b <u>1336</u> <u>88091163</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>0</u>
(2) Vested benefits	3c(2) <u>0</u>
(3) Total active.....	3c(3) <u>0</u>
d Total.....	3d <u>1530</u> <u>106256041</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b
5 Effective interest rate	5 <u>6.22 %</u>
6 Target normal cost	6 <u>1000000</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		<u>09/24/2014</u>
	Signature of actuary	Date
<u>BRIAN BORING</u>		<u>14-07738</u>
	Type or print name of actuary	Most recent enrollment number
<u>HEWITT ASSOCIATES LLC</u>		<u>949-725-4500</u>
	Firm name	Telephone number (including area code)
<u>100 BAYVIEW CIRCLE</u> <u>NEWPORT BEACH, CA 92660-2935</u>		
	Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2013
v. 130118

Part II Beginning of Year Carryover and Prefunding Balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	37070649
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	2598215
9 Amount remaining (line 7 minus line 8)	0	34472434
10 Interest on line 9 using prior year's actual return of <u>11.33</u> %		3905727
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
b Interest on (a) using prior year's effective interest rate of <u>6.94</u> % except as otherwise provided (see instructions)		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	2042018
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	36336143

Part III Funding Percentages		
14 Funding target attainment percentage	14	80.00 %
15 Adjusted funding target attainment percentage	15	114.19 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	96.11 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ►			18(b)	0	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No	
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No	
c If line 20a is "Yes," see instructions and complete the following table as applicable:		

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.94%	2nd segment: 6.15%	3rd segment: 6.76 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	1000000	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	21251208	4673568	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	5673568	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	5673568	5673568
36 Additional cash requirement (line 34 minus line 35).....	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2013
		This Form is Open to Public Inspection.

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan <u>HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN</u>	B Three-digit plan number (PN) <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>HITACHI AMERICA, LTD.</u>	D Employer Identification Number (EIN) <u>13-1896069</u>

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
ARTIO GLOBAL MGT LLC

26-1421409

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
DODGE AND COX

94-1441976

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
LEGG MASON INVESTOR SERVICES 100 INTERNATIONAL DRIVE
BALTIMORE, MD 21202-1099

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
PIMCO TRUST COMPANY

33-0629048

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

THE VANGUARD GROUP, INC.

23-1945930

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

AMERICAN FUND SERVICE COMPANY

P.O BOX 2280
NORFOLK, VA 23501-2280

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

HEWITT ASSOCIATES LLC

36-2235791

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 15 17 50	NONE	362722	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

CANTERBURY CONSULTING

33-0307982

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 50	NONE	126819	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

FIRST STATE TRUST COMPANY

13-3124172

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21 50	NONE	64292	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

MAYER HOFFMAN MCCANN, P.C.

43-1947695

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	NONE	46000	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

PINNACLE ASSOCIATES LTD

13-3220717

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 50 51 68	NONE	33306	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

DENVER INVESTMENT ADVISORS LTD

84-1284659

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 50 51 68	NONE	31691	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

BRYAN CAVE LLP

1290 AVENUE OF THE AMERICAS
NEW YORK, NY 10104-3300

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29 50	NONE	18790	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2013 This Form is Open to Public Inspection
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For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</u>		
A Name of plan <u>HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>HITACHI AMERICA, LTD.</u>	D Employer Identification Number (EIN) <u>13-1896069</u>	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash		1a	
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....		1b(1)	
(2) Participant contributions		1b(2)	
(3) Other.....		1b(3)	145987138292
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....		1c(1)	86578253381957
(2) U.S. Government securities		1c(2)	
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred		1c(3)(A)	
(B) All other		1c(3)(B)	
(4) Corporate stocks (other than employer securities):			
(A) Preferred		1c(4)(A)	
(B) Common.....		1c(4)(B)	56735947102477
(5) Partnership/joint venture interests		1c(5)	
(6) Real estate (other than employer real property).....		1c(6)	
(7) Loans (other than to participants)		1c(7)	
(8) Participant loans.....		1c(8)	
(9) Value of interest in common/collective trusts		1c(9)	
(10) Value of interest in pooled separate accounts		1c(10)	
(11) Value of interest in master trust investment accounts		1c(11)	
(12) Value of interest in 103-12 investment entities.....		1c(12)	
(13) Value of interest in registered investment companies (e.g., mutual funds).....		1c(13)	106721977109959401
(14) Value of funds held in insurance company general account (unallocated contracts).....		1c(14)	
(15) Other		1c(15)	

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	121199383	120582127

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	1125642	106687
i Acquisition indebtedness	1i		
j Other liabilities	1j	15318	47364
k Total liabilities (add all amounts in lines 1g through 1j)	1k	1140960	154051

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	120058423	120428076
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	961	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		961
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	98475	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	2691061	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		2789536
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	21132371	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	20714996	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		417375
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	1613605	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		1613605

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		5638921
c Other income.....	2c		38939
d Total income. Add all income amounts in column (b) and enter total.....	2d		10499337

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	9385163	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		9385163
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)	445804	
(2) Contract administrator fees.....	2i(2)	46000	
(3) Investment advisory and management fees.....	2i(3)	191816	
(4) Other.....	2i(4)	60901	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		744521
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		10129684

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		369653
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **MAYER HOFFMAN MCCANN P.C.**

(2) EIN: **43-1947695**

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
4d		X	
e Was this plan covered by a fidelity bond?	X		500000
4e	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	X		
4j	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
 If "Yes," enter the amount of any plan assets that reverted to the employer this year. ☐ Yes ☒ No Amount:

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection.
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For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan <u>HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>HITACHI AMERICA, LTD.</u>	D Employer Identification Number (EIN) <u>13-1896069</u>

Part I	Distributions
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All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>13-3124172</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>100</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....	6a		
b Enter the amount contributed by the employer to the plan for this plan year.....	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?.....	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☒ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: 36% Investment-Grade Debt: 54% High-Yield Debt: 3% Real Estate: _____% Other: 7%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☒ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

**HITACHI GLOBAL STORAGE
TECHNOLOGIES, INC. PENSION PLAN**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES**

Years Ended December 31, 2013 and 2012

HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN

Years Ended December 31, 2013 and 2012

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator of

Hitachi Global Storage Technologies, Inc. Pension Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Hitachi Global Storage Technologies, Inc. Pension Plan (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2013, and the related statement of changes in net assets available for benefits for the year ended December 31, 2013, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these 2013 financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion on the 2013 financial statements.

Basis for Disclaimer of Opinion in the 2013 Financial Statements

As permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by First State Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the 2013 financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 2013, that the information provided to the plan administrator by the trustee is complete and accurate.



Disclaimer of Opinion on the 2013 Financial Statements

Because of the significance of the matter described in the Basis for Disclaimer of Opinion on the 2013 Financial Statements paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion on the 2013 financial statements. Accordingly, we do not express an opinion on the 2013 financial statements.

Other Matters - Report on Supplementary Information and Report on 2012 Financial Statements

The supplemental schedules, schedule of assets (held at end of year) as of December 31, 2013 and schedule of reportable transactions for the year ended December 31, 2013, are required by the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the 2013 financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion on the 2013 Financial Statements paragraph, we do not express an opinion on these supplemental schedules.

We have audited the accompanying financial statements of Hitachi Global Storage Technologies, Inc. Pension Plan, which comprise the statement of net assets available for benefits as of December 31, 2012 and the statement of changes in net assets available for benefits for the year then ended, and in our report dated October 10, 2013, we expressed our opinion that such financial statements present fairly, in all material respects, the financial status of the Plan as of December 31, 2012, and the changes in financial status for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Report on Form and Content in Compliance With DOL Rules and Regulations for the 2013 Financial Statements

The form and content of the information included in the 2013 financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Mayer Hoffman McCann P.C.

Plymouth Meeting, Pennsylvania
October 14, 2014

HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
<u>ASSETS</u>		
Investments at fair value		
Money market funds	\$ 3,381,957	\$ 8,657,825
Common stocks	7,102,477	5,673,594
Mutual funds	<u>109,959,401</u>	<u>106,721,977</u>
	120,443,835	121,053,396
 Accrued income	 <u>138,292</u>	 <u>145,987</u>
 TOTAL ASSETS	 <u>120,582,127</u>	 <u>121,199,383</u>
<u>LIABILITIES</u>		
Accrued administrative expenses	106,687	1,125,642
Due to brokers for securities purchased but not yet received	<u>47,364</u>	<u>15,318</u>
 TOTAL LIABILITIES	 <u>154,051</u>	 <u>1,140,960</u>
 NET ASSETS AVAILABLE FOR BENEFITS	 <u><u>\$ 120,428,076</u></u>	 <u><u>\$ 120,058,423</u></u>

See Notes to Financial Statements

HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
ADDITIONS		
Investment income		
Net appreciation in fair value of investments	\$ 7,669,901	\$ 9,322,623
Dividends and interest	<u>2,829,435</u>	<u>3,927,519</u>
TOTAL ADDITIONS	<u>10,499,336</u>	<u>13,250,142</u>
DEDUCTIONS		
Benefits paid to participants	9,385,163	32,269,104
Administrative expenses	<u>744,520</u>	<u>1,490,458</u>
TOTAL DEDUCTIONS	<u>10,129,683</u>	<u>33,759,562</u>
NET INCREASE (DECREASE)	369,653	(20,509,420)
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of Year	<u>120,058,423</u>	<u>140,567,843</u>
End of Year	<u>\$ 120,428,076</u>	<u>\$ 120,058,423</u>

See Notes to Financial Statements

HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

(1) The plan and its significant accounting policies

General - The following description of the Hitachi Global Storage Technologies, Inc. Pension Plan (the "Plan") provides only general information. Participants should refer to the Plan Document for a more complete description of the Plan's provisions.

Effective July 1, 2004, Hitachi Global Storage Technologies, Inc. (the "Company", "Hitachi GST", or "plan sponsor") ceased participation in the Hitachi America, Ltd. Cash Balance Plan (the "HAL Plan") and established the Plan as a noncontributory defined benefit plan to provide benefits to eligible employees. In addition, the Company approved transfer of assets and liabilities relating to Company participants existing under the HAL Plan into the Plan in 2004. The Plan is currently designed to be qualified under the applicable requirements of the Internal Revenue Code (the "Code"), as amended, and the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

Frozen benefits under the plan - The Plan was amended to freeze the accrued benefit for all participants effective February 28, 2011 (effective date). Participants will retain the benefits they have accumulated through the effective date but will not have additional benefits after the effective date. Service under the Plan will continue to accrue for purposes of determining eligibility to receive early retirement benefits.

Acquisition of the plan sponsor - In accordance with the Stock Purchase Agreement (the "Agreement") dated March 7, 2011, Western Digital Ireland, Ltd. ("WD") acquired the equity of Hitachi GST from Hitachi, Ltd. Effective as of the closing date of the Agreement, sponsorship of the Plan transferred from Hitachi GST to Hitachi America Ltd. ("HAL"). Effective March 8, 2012, Plan administration transferred from the Pension Committee (comprised of employees of Hitachi GST) to the HGST Benefits Committee ("Committee") (comprised of employees of Hitachi, Ltd. and HAL). The period, up to and including March 8, 2012, is referred herein as the "Preacquisition Period" and the period, from and after March 8, 2012, is referred herein as the "Postacquisition Period."

Effective as of the closing date of the Agreement, service under the Plan will continue to accrue for purposes of determining eligibility to receive early retirement benefits; benefits will be nonforfeitable.

Administration - Aon Hewitt processes and maintains the records of participant data. First State Trust Company ("FSTC") acts as the custodian and trustee. Substantially all expenses incurred for administering the Plan are paid by the Plan, unless paid by the Company.

Pension benefits - Employees of the Company with one hour of service with the Company, on or before June 30, 2004, shall be eligible to participate in the Plan. However, there are some restrictions and special rules for employees transferring to/from participation in the Plan and preservation of accrued benefit.

Employees with 5 or more years of service are entitled to annual pension benefits beginning at normal retirement age (65), based upon years of service and benefit credit rates.

The Plan permits early retirement with reduced benefits, to participants with 5 to 15 years of service who are at ages ranging from 55 years to 64 years.

HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

(1) The plan and its significant accounting policies (continued)

For married participants who do not elect otherwise, retirement income will be paid on the basis of a joint and surviving annuity, as stipulated by ERISA and the Plan, and will be the amount determined under the benefit formula stated in the Plan multiplied by the appropriate factor. If a participant is unmarried, retirement income will be the amount determined under the Plan's benefit formula in the form of a single life annuity.

The Plan provides for lump sum distributions to be paid to employees whose vested benefit is less than \$1,000 at the time of their termination.

Death and disability benefits - If a married participant dies, the participant's spouse may qualify for monthly benefits that are equal to 50% of the normal retirement benefits accumulated as of the date of death, as provided for in the Plan. Benefits are payable to the surviving spouse for life beginning on the participant's earliest retirement date in the form of a single life annuity.

There also may be death benefits payable to nonspouse beneficiaries in the form of a lump sum. Eligible participants who become totally and permanently disabled receive monthly disability benefits that are equal to the normal retirement benefits they have accumulated at the time they become disabled.

Investments - Investments of the Plan are held by FSTC and invested based solely upon instructions received from the HGST Benefits Committee effective March 8, 2012, and the Pension Committee prior to March 8, 2012.

Vesting - Following the Plan freeze, eligible participants became fully vested in their benefits under the Plan. Prior to the Plan freeze, the Plan provided that benefits vest to participants based on years of service as follows: less than 3 years of credited service, 0%; 3 or more years of credited service, 100% for eligible participants who left or retired from the Company on or after January 1, 2008.

Basis of accounting - The financial statements of the Plan are prepared on the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Income tax status - The Plan has obtained its latest determination letter dated July 19, 2012, in which the Internal Revenue Service ("IRS") stated that the Plan, as then designed, was in compliance with the applicable requirements of the Code. The Company believes that the Plan is currently designed and being operated in accordance with, and qualifies under, the applicable requirements of the Code and related state statutes, and that the trust, which forms part of the Plan, is exempt from federal income and state franchise taxes.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain tax position that would not meet the more likely than not standard and be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2013, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2010.

HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

(1) The plan and its significant accounting policies (continued)

Use of estimates - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Risks and uncertainties - The Committee has selected various investments from investment funds sponsored by FSTC. Investment securities are exposed to various risks, such as interest rate, market fluctuations and credit risks. Due to the risk associated with certain investment securities, it is at least reasonably possible that changes in market values, interest rates or other factors in the near term would materially affect the amounts reported in the statements of net assets available for benefits and the statements of changes in net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Investment valuation and income recognition - Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (see Note 6 Fair Value Measurements).

Subsequent events - The Plan has evaluated subsequent events through October 14, 2014, the date the financial statements were available to be issued.

(2) Related-party transactions

Certain Plan investments are managed by FSTC. Any purchases and sales of these investments are performed in the open market at fair value. As described in Note 1, the Plan also pays FSTC custodian and trustee fees. The Plan also paid certain expenses related to Plan operations and administration to various service providers. Such transactions, while considered party-in-interest transactions under ERISA regulations, are permitted under the provisions of the Plan and are specifically exempt from the prohibition of party-in-interest transactions under ERISA.

(3) Actuarial present value of accumulated plan benefits

Accumulated plan benefits represent the estimated future period payments, including lump sum distributions, under the Plan's provisions that are attributable to services rendered by employees through the valuation date. Accumulated plan benefits include benefits expected to be paid to: a) retired or terminated employees or their beneficiaries, b) beneficiaries of employees who have died, and c) present employees or their beneficiaries. Benefits under the Plan are based on years of service and benefit credit rates. The accumulated plan benefits for active employees are based on years of service and benefit credit rates on the date at which the benefit information is presented (valuation date).

HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

(3) Actuarial present value of accumulated plan benefits (continued)

Benefits payable under all circumstances (retirement, death, disability, and termination of employment) are included, to the extent they are deemed attributable, to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by the Plan's actuary, Aon Hewitt, and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements, such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuations as of January 1, 2013 and 2012 (beginning of the Plan years under audit) are as follows:

Interest rate:	2013: 4.16%
	2012: 4.48%
Rate of return:	2013: 7.25%
	2012: 8.00% but limited to 6.57%
Mortality assumption:	2013: Fully Generational (Scale AA) Mortality Table for Annuitants and Nonannuitants per §1.430(h)(3)-1(d); lump sum payments per 2013 417(e)(3) Mortality Table
	2012: Fully Generational (Scale AA) Mortality Table for Annuitants and Nonannuitants per §1.430(h)(3)-1(d); lump sum payments per 2012 417(e)(3) Mortality Table
Interest rate assumption for lump sum payments:	2013: October 2011 417(e) segment rates of 2.09%, 4.56%, and 5.50%
	2012: October 2010 417(e) segment rates of 1.56%, 4.73%, and 6.22%
Retirement age for 2013 and 2012:	65

The actuarial present value of accumulated plan benefits as of January 1, 2013 and 2012 is as follows:

	2013	2012
Vested benefits:		
Retired	\$ 22,676,004	\$ 10,944,127
Other vested benefits	108,414,546	131,854,194
	131,090,550	142,798,321
Nonvested benefits	223,843	3,218,975
Total actuarial present value of accumulated plan benefits	<u>\$ 131,314,393</u>	<u>\$ 146,017,296</u>

HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

(3) Actuarial present value of accumulated plan benefits (continued)

The change in the actuarial present value of accumulated plan benefits from January 1, 2012 to January 1, 2013, is as follows:

Actuarial present value of accumulated plan benefits, January 1, 2012	\$ 146,017,296
Increase (decrease) during the year attributable to:	
Interest accumulation	5,826,666
Benefit payments	(32,269,104)
Assumption changes	1,925,267
Other changes	9,814,268
Net change	(14,702,903)
Actuarial present value of accumulated plan benefits, January 1, 2013	\$ 131,314,393

The change in the actuarial present value of accumulated plan benefits from January 1, 2011 to January 1, 2012 is as follows:

Actuarial present value of accumulated plan benefits, January 1, 2011	\$ 106,857,140
Increase (decrease) during the year attributable to:	
Interest accumulation	5,496,161
Benefit payments	(7,184,776)
Plan amendments	25,888,895
Assumption changes	13,760,592
Other changes	1,199,284
Net change	39,160,156
Actuarial present value of accumulated plan benefits, January 1, 2012	\$ 146,017,296

The other changes component represents the normal operation of the pension plan. It consists primarily of the increase due to ongoing benefit accruals (if any) and those items of Plan experience that are not associated with Plan asset performance.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

(4) Funding policy

It is the policy of the Company to fund pension costs as accrued. Annual contributions are determined by the Plan's actuary in amounts sufficient to fund the Plan in accordance with ERISA funding requirements. Company contributions met the minimum amounts as well as the specified timing requirements required by ERISA for the Plan years 2013 and 2012.

HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

(5) Investments

The following table summarizes the fair value of investments and investment funds that represent 5% or more of the Plan's net assets as of December 31, 2013 and 2012.

	2013	2012
Northern Inst. Diversified Assets	*	\$ 8,657,825
Dodge & Cox Intl Stock Fund	\$ 11,083,449	\$ 9,595,820
PIMCO Total Return Fund	\$ 34,545,324	\$ 35,194,293
Western Asset Core Bd Port-I Fund	\$ 33,750,269	\$ 34,410,701
Vanguard 500 Index Fund	\$ 20,707,331	\$ 18,470,392
American EuroPacific Growth Fund	\$ 9,873,028	\$ 9,050,771

* Not applicable, investment amount is below five percent.

The Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value for the years ended December 31, 2013 and 2012 as follows:

	2013	2012
Common stocks	\$ 2,030,980	\$ 1,469,802
Mutual funds	5,638,921	7,852,821
	<u>\$ 7,669,901</u>	<u>\$ 9,322,623</u>

Dividends and interest amounted to \$2,829,435 and \$3,927,519 for the years ended December 31, 2013 and 2012, respectively.

(6) Fair value measurements

Financial Accounting Standards Board Accounting Standards Codification 820, "*Fair Value Measurements and Disclosures*," establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

(6) Fair value measurements (continued)

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following, is a description of the valuation methodologies used for investments measured at fair value.

- Money market funds are valued initially at cost and thereafter adjusted for amortization of any discount or premium.
- Common stocks are valued at the closing price reported on the active market on which the individual securities are traded.
- Mutual funds are valued at the net asset value of shares held by the Plan at year-end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2013 and 2012:

Investments at Fair Value as of December 31, 2013				
	Level 1	Level 2	Level 3	Total
Money market funds	\$ -	\$ 3,381,957	\$ -	\$ 3,381,957
Common stocks				
Domestic	6,081,630	-	-	6,081,630
Foreign	824,392	-	-	824,392
Real Estate Investment Trust	196,455	-	-	196,455
Mutual funds				
Domestic equities	20,707,331	-	-	20,707,331
International equities	20,956,477	-	-	20,956,477
Fixed income	-	68,295,593	-	68,295,593
Total investments, at fair value	<u>\$ 48,766,285</u>	<u>\$ 71,677,550</u>	<u>\$ -</u>	<u>\$ 120,443,835</u>

HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

(6) Fair value measurements (continued)

	Investments at Fair Value as of December 31, 2012			
	Level 1	Level 2	Level 3	Total
Money market funds	\$ 8,657,825	\$ -	\$ -	\$ 8,657,825
Common stocks				
Domestic	4,853,229	-	-	4,853,229
Foreign	574,045	-	-	574,045
Real Estate Investment Trust:	-	-	246,320	246,320
Mutual funds				
Domestic equities	18,470,392	-	-	18,470,392
International equities	18,646,591	-	-	18,646,591
Fixed income	-	69,604,994	-	69,604,994
Total investments, at fair value	\$ 51,202,082	\$ 69,604,994	\$ 246,320	\$ 121,053,396

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the years ended December 31, 2013 and 2012.

	2013	2012
	Real Estate Investment Trusts	Real Estate Investment Trusts
Balance, beginning of year	\$ 246,320	\$ -
Transfer into Level 3	-	402,756
Transfers into Level 1	(196,456)	-
Realized gains	4,698	18,314
Unrealized gains relating to assets still held at the reporting date	12,226	22,370
Purchases	67,144	223,567
Sales	(133,932)	(420,687)
	<u>\$ -</u>	<u>\$ 246,320</u>
The amount of total gains for the period included in changes in assets attributable to the change in unrealized gains relating to assets still held at the reporting date	<u>\$ 12,226</u>	<u>\$ 22,370</u>

Gains and losses (realized and unrealized) included in changes in net assets for the period above are reported in net appreciation in fair value of investments in the statement of changes in net assets available for benefits.

HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

(7) Information prepared and certified by the trustee

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, First State Trust Company, the trustee of the Plan has certified that the following data included in the accompanying financial statements and supplemental schedules are complete and accurate with respect to investments as of December 31, 2013 and for the year then ended:

- Investments at fair value
- Net appreciation in fair value of investments
- Dividends and interest
- Schedule of assets (held at end of year)
- Schedule of reportable transactions

The Plan's independent public accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedules.

(8) Plan termination or modification

The Company intends to continue the Plan indefinitely for the benefit of its employees; however, it has the right under the Plan to discontinue its contributions at any time and to terminate or modify the Plan. In the event the Plan terminates, the net assets of the Plan will be allocated as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- To retired employees receiving benefits and participants having reached the normal retirement date as of the beginning of the 3-year period ending on the termination date based on the provisions of the Plan in effect 5 years prior to the termination date
- To provide all other income guaranteed by Title IV of ERISA
- To provide all other nonforfeitable benefits under the Plan
- To provide all other benefits under the Plan

Certain benefits under the Plan are insured by the Pension Benefit Guarantee Corporation (PBGC). Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's benefits. However, the PBGC does not guarantee all types of benefits under the Plan and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of termination. There is a statutory ceiling, which is adjusted periodically, on the amount of a participant's monthly benefit that the PBGC guarantees. Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the plan sponsor and the level of benefits guaranteed by PBGC.

SUPPLEMENTAL SCHEDULES

HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2013

EIN: 13-1896069

Plan Number: 003

(a)	(b)	(c)	(d)	(e)
		Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current value
Identity of issue, borrower, lessor, or similar party				
* Northern Inst. Diversified Assets		Money market fund	\$ 3,381,957	\$ 3,381,957
American EuroPacific Growth Fund		Mutual fund	7,839,997	9,873,028
Dodge & Cox Intl Stock Fund		Mutual fund	7,715,205	11,083,449
PIMCO Total Return Fund		Mutual fund	35,590,109	34,545,324
Vanguard 500 Index Fund		Mutual fund	15,045,928	20,707,331
Western Asset Core Bd Port-I Fund		Mutual fund	33,234,336	33,750,269
ABM Industries Inc		Common stock	13,953	14,294
Actuant Corp CI A New		Common stock	38,015	46,532
AMC Networks Inc		Common stock	11,256	26,358
American Equity Invst Life HI		Common stock	14,185	35,744
Array Biopharma Inc		Common stock	21,244	17,033
Arris Group Inc		Common stock	29,331	68,151
Aspen Insurance		Common stock	37,593	55,354
Atmel Corp		Common stock	67,375	89,261
Avnet Inc		Common stock	32,135	57,342
Bank of Ozarks		Common stock	20,561	54,892
Barnes Group Inc		Common stock	51,209	54,017
Brandywine Rlty New		Common stock	35,891	46,145
Brinks Co		Common stock	54,705	68,963
Bristow Group Inc		Common stock	30,476	47,663
Brown Shoe Inc NEW		Common stock	44,058	72,320
C E C Entertainment Inc		Common stock	30,978	37,195
Cablevision Sys Corp CI A		Common stock	37,356	47,515
Cae Inc		Common stock	34,490	57,330
Cameco Corp		Common stock	61,255	58,156
Caseys General Stores Inc		Common stock	22,332	31,613
Cash America Intl Inc		Common stock	71,775	69,017
Cato Corp NEW		Common stock	28,527	37,206
Chesapeake Lodging Trust		Common stock	29,344	30,348
Cincinnati Bell Inc		Common stock	32,869	38,804
Cognex Corp		Common stock	15,352	49,634
Community Bank Systems Inc		Common stock	17,688	34,720
Compass Minerals International Inc		Common stock	64,359	68,523
Comstock Res Inc		Common stock	40,225	43,164
Con-Way Inc		Common stock	32,719	29,783
Cubalmart		Common stock	24,573	34,430
Cubic Corp		Common stock	35,000	39,864
Cummins Inc		Common stock	33,867	105,728
Curtiss Wright Corp		Common stock	34,561	56,940
Cypress Semiconductor Corp		Common stock	32,561	28,655

HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2013

EIN: 13-1896069

Plan Number: 003

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current value	
Cyrusone Inc	Common stock	17,794	20,097	
Discovery Communications Cl C	Common stock	28,280	134,176	
Dupont Fabros Technology Inc Reit	Common stock	48,487	48,506	
El Paso Elec Co	Common stock	37,453	41,079	
Endocyte Inc	Common stock	16,636	13,884	
Endurance Specialty Hldgs Ltshs	Common stock	60,069	88,005	
Energy XXI Bermuda	Common stock	57,670	56,285	
Fairway Group Holdings Corp	Common stock	39,961	41,768	
Finish Line Inc Cl A	Common stock	30,070	60,143	
Foster Wheeler Ag	Common stock	59,642	87,453	
Fulton Finl Corp Pa	Common stock	28,560	39,190	
FXCM Inc - A	Common stock	62,510	62,618	
G & K Services Inc - CL A	Common stock	33,304	32,982	
Gannett Inc	Common stock	49,076	103,530	
Government Properties Income Reit	Common stock	39,162	37,027	
Greenhill & Co	Common stock	67,870	77,640	
Gulfmark Offshore Inc Cl A	Common stock	33,919	43,360	
Hancock Hldg	Common stock	62,182	70,792	
Harmonic Lightwaves Inc	Common stock	29,289	30,996	
Helmerich & Payne Inc	Common stock	32,267	75,672	
Hexcel Corp	Common stock	25,606	67,035	
Iac Interactivecorp	Common stock	12,374	37,758	
Iberiabank Corp	Common stock	52,359	63,479	
Immunogen Inc	Common stock	9,259	16,137	
Innophos Holding (Netherlands)	Common stock	41,707	50,836	
Intersil Corporation	Common stock	29,014	32,188	
Interxion Holding (Netherlands)	Common stock	10,709	21,249	
Isis Pharmaceuticals	Common stock	24,455	83,664	
J2 Global Inc	Common stock	29,464	36,007	
Janus Capital Group Inc	Common stock	18,432	29,688	
JDS Uniphase Corp	Common stock	19,477	19,478	
Kansas City Southn Inds Inc	Common stock	16,610	86,681	
Lam Research Corp	Common stock	51,487	110,588	
Las Vegas Sands	Common stock	20,083	149,853	
Lazard Ltd Class A	Common stock	24,239	31,724	
Level 3 Communications Inc.	Common stock	20,781	44,448	
Liberty Media Corp	Common stock	25,037	65,831	
Lsi Corp	Common stock	33,787	75,038	
Madison Square Garden Inc	Common stock	31,626	43,876	
Maximus Inc Com	Common stock	27,269	74,669	

HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2013

EIN: 13-1896069

Plan Number: 003

(a)	(b)	(c)	(d)	(e)
		Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current value
Identity of issue, borrower, lessor, or similar party				
McDermott Intl Inc F		Common stock	28,117	21,984
Meadwestvaco Corp		Common stock	8,749	14,772
Medicines Co		Common stock	12,766	19,310
Montpelier Re Holdings		Common stock	41,523	48,015
Mosaic Co/The		Common stock	53,667	54,361
Myriad Genetics Inc		Common stock	24,820	29,372
Nice Systems Ltdspons Adr		Common stock	58,572	65,536
Nii Holdings Inc - CI B		Common stock	32,399	6,050
Orient-Express Hotels Ltd		Common stock	51,229	77,061
Owens & Minor Inc (New)		Common stock	30,559	43,031
Pall Corp		Common stock	34,106	89,618
Pier 1 Imports Inc		Common stock	33,070	36,236
Plantronics Inc New		Common stock	38,718	52,024
Portland General Electric Co		Common stock	46,074	59,192
Precision Castparts Corp		Common stock	48,938	134,650
Primerica Inc		Common stock	40,716	53,638
Questcor Pharmaceuticals Inc		Common stock	64,731	93,654
Raymond James Financial Inc		Common stock	17,836	44,362
Regeneron Pharmaceuticals Inc		Common stock	10,799	165,144
Rf Micro Devices Inc		Common stock	37,853	41,022
Robert Half Intl Inc		Common stock	23,200	33,592
Rowan Companies PLC		Common stock	33,807	42,432
Royal Caribbean Cruises Ltd		Common stock	61,469	113,808
Rti International Metals Inc		Common stock	28,316	34,210
Schweitzer-Mauduit Intl Inc		Common stock	63,736	96,764
Seachange Intl Inc		Common stock	22,905	36,480
Seattle Genetics Inc		Common stock	16,054	63,824
Sensient Technologies Corp		Common stock	26,691	35,420
Sinclair Broadcast Group Inc CI A		Common stock	18,033	100,044
Sotheby S (Delaware)		Common stock	41,307	63,840
Stage Stores Inc		Common stock	40,396	47,617
Stancorp Financial Group Inc		Common stock	21,674	51,344
Standard Mtr Prods Inc		Common stock	32,264	37,168
Starz - Liberty Capital		Common stock	8,197	10,234
Stillwater Mng CO		Common stock	40,286	44,424
Telephone and Data Systems		Common stock	19,285	20,624
Texas Roadhouse Inc-Class A		Common stock	34,921	50,596
Thor Industries Inc		Common stock	55,422	61,305
Tidewater Inc		Common stock	57,347	69,346
Toro Co		Common stock	15,500	35,616

HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2013

EIN: 13-1896069

Plan Number: 003

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current value
	Trimble Nav Ltd	Common stock	44,893	104,100
	Triquint Semiconductor Inc	Common stock	19,231	35,028
	Trustmark Corp	Common stock	29,308	35,429
	Tw Telecom Inc	Common stock	31,062	59,417
	Unifi Inc	Common stock	16,494	34,077
	United States Cellular Corp	Common stock	21,245	20,910
	UNS Energy Corp	Common stock	37,282	58,055
	Valspar Corp	Common stock	31,475	81,984
	Vishay Intertechnology Inc	Common stock	22,383	31,161
	Vivus Inc	Common stock	32,441	21,792
	Waddell & Reed Financial Inc Class A	Common stock	16,343	61,864
	Watts Water Technologies Inc	Common stock	33,993	36,503
	Webster Finl Corp Waterbury Conn	Common stock	31,091	41,781
	West Pharmaceutical Service Inc	Common stock	52,211	117,744
	Westamerica Bancorporation	Common stock	48,826	57,872
	Western Refining Inc	Common stock	63,156	86,516
	Wintrust Finl Corp	Common stock	45,736	62,400
			<u>\$ 107,300,548</u>	<u>\$ 120,443,835</u>

* Party-in-interest as defined by ERISA

HITACHI GLOBAL STORAGE TECHNOLOGIES, INC. PENSION PLAN

SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

Year Ended December 31, 2013

EIN: 13-1896069

Plan Number: 003

(a)

(b)

(c)

(d)

(e)

(f)

(g)

(h)

(i)

Identity of
party involved

Description
of asset

Purchase
price

Selling
price

Lease
rental

Expense
incurred
with
transaction

Cost of
asset

Current value
of asset on
transaction
date

Net gain
or (loss)

Category (iii) - A series of Transactions (Aggregate) in Excess of 5% of Plan Assets

First State Trust Company

Northern Instl Diversified Assets

\$ 13,272,869

\$ -

N/A

\$ -

\$ 13,272,869

\$ 13,272,869

\$ -

First State Trust Company

Northern Instl Diversified Assets

\$ -

\$ 18,548,737

N/A

\$ -

\$ 18,548,737

\$ 18,548,737

\$ -

There were no category (i), (ii) or (iv) reportable transactions during the year ended December 31, 2013.

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2013 This Form is Open to Public Inspection
--	--	---

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

► **Round off amounts to nearest dollar.**
► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan Hitachi Global Storage Technologies, Inc. Pension Plan	B Three-digit plan number (PN) ► 003
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Hitachi America, Ltd.	D Employer Identification Number (EIN) 13-1896069

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B **F** Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2013</u>	
2 Assets:	
a Market value	2a 121,184,065
b Actuarial value	2b 121,340,976
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment.....	3a 194
b For terminated vested participants.....	3b 1,336
c For active participants:	
(1) Non-vested benefits	3c(1) 0
(2) Vested benefits	3c(2) 0
(3) Total active.....	3c(3) 0
d Total.....	3d 1,530
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b
5 Effective interest rate	5 6.22 %
6 Target normal cost	6 1,000,000

Statement by Enrolled Actuary
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	Brian Boring 	09/24/2014
	Signature of actuary	Date
Brian Boring	Type or print name of actuary	14-07738
Hewitt Associates LLC	Firm name	Most recent enrollment number
100 Bayview Circle		(949) 725-4500
Newport Beach	CA 92660-2935	Telephone number (including area code)
	Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF. **Schedule SB (Form 5500) 2013 v. 130118**

Part II		Beginning of Year Carryover and Prefunding Balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	37,070,649
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	2,598,215
9	Amount remaining (line 7 minus line 8)	0	34,472,434
10	Interest on line 9 using prior year's actual return of <u>11.33</u> %		3,905,727
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b Interest on (a) using prior year's effective interest rate of <u>6.94</u> % except as otherwise provided (see instructions)		
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	2,042,018
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	36,336,143

Part III		Funding Percentages	
14	Funding target attainment percentage	14	80.00 %
15	Adjusted funding target attainment percentage	15	114.19 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	96.11 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV		Contributions and Liquidity Shortfalls			
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ►			18(b)	0	18(c)
				0	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.94 %	2nd segment: 6.15 %	3rd segment: 6.76 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	1,000,000	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	21,251,208	4,673,568	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ..	34	5,673,568	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	5,673,568	5,673,568
36 Additional cash requirement (line 34 minus line 35).....	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Schedule SB, Part V—Statement of Actuarial Assumptions/Methods

Interest Rates for Minimum Funding Purposes	Based on segment rates with a four-month lookback (as of September 2012), each adjusted as needed to fall within the 25-year average interest rate corridor under MAP-21.
1st Segment Rate	4.94%.
2nd Segment Rate	6.15%.
3rd Segment Rate	6.76%.
Interest Rates for Maximum Tax Purposes	Based on segment rates with a four-month lookback (as of September 2012), without regard to the MAP-21 interest rate corridor.
1st Segment Rate	1.75%.
2nd Segment Rate	4.62%.
3rd Segment Rate	5.72%.
Cash Balance Interest Crediting Rate	4.00%.
Cash Balance Annuity Conversion Rate	Same as funding interest rates above.
Optional Payment Form Election Percentage	90% of Cash Balance participants and 60% of FAP participants are assumed to elect the lump sum payment option upon retirement. 10% of Cash Balance participants and 40% of FAP participants are assumed to elect a life annuity.
Optional Payment Form Conversion Interest Rate	Same as funding interest rates above for lump sums.
Optional Payment Form Conversion Mortality	Current IRC section 417(e) table for lump sums.
Mortality Rates Healthy and Disabled	Generational mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(d).
Withdrawal Rates	13% at all ages up to age 65 and 0% at age 65 and above.
Disability Rates	None.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Retirement (Actives¹)

Sample rates varying by age as follows:

Age	Rate for each Age
55	20%
56–59	15%
60–61	20%
62–64	25%
65	100%

Retirement (Inactives)

Percentages by age as follows:

Age	Percentage
55	25%
60	25%
62	15%
65	35%

Decrement Timing

Middle of year decrements (except that retirement is assumed to occur at the beginning of the year for ages where the assumed retirement rate is 100%)

Surviving Spouse Benefit

It is assumed that 100% of males and 100% of females have an eligible spouse, and that males are two years older than their spouses.

Benefit Limits

Projected benefits are limited by the current IRC section 415 maximum benefit of \$210,000.

¹ Active participants who remain actively employed by HGST (a Western Digital company).

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Valuation of Plan Assets

Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value.

A characteristic of this method is that the expected distribution of the value of plan assets is skewed toward understatement relative to the corresponding market values for expected long-term rates of return in excess of the third segment rate under IRC section 430(h)(2)(C)(iii).

Expected Return on Assets

2011 Plan Year

8.00% limited to 6.57%.

2012 Plan Year

7.25% limited to 7.52%.

Trust Expenses Included in Target Normal Cost

\$1,000,000.

Actuarial Method

Standard unit credit cost method.

Valuation Date

January 1, 2013.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Schedule SB, Part V—Summary of Plan Provisions

Cash Balance Formula

Effective Date

Effective July 1, 2004. Amended and restated on September 1, 2009 reflecting amendments effective through February 28, 2011 (Fifth Amendment).

The Plan was amended to transfer sponsorship from Hitachi GST to Hitachi America, Ltd. effective March 8, 2012 when Hitachi GST was acquired by Western Digital, however service with Western Digital will count towards entitlement to enhanced Early Retirement benefits.

Eligibility for Participation

Regular full-time or part-time employee of Hitachi GST with one hour of service on or before June 30, 2004 is a Cash Balance participant if either of following criteria are met:

- A participant in the Prior Plan as of June 30, 2004 and did not elect the FAP formula.
- Hired before July 1, 2004. Employee becomes a participant on the first day of the month after attainment of age 21 with one year of service.

Employees who do not have an hour of service on or before June 30, 2004 do not become participants.

Eligibility for Benefits

Normal Retirement

Age 65.

Early Retirement

Not applicable.

Termination

Three years of vesting service.

Death (Preretirement)

Death of an active participant, or death of a terminated vested participant prior to annuity starting date.

Disability

Six months of total and permanent disability.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Cash Balance Formula (continued)

Amount of Benefits

Normal Retirement	Actuarial equivalent of Cash Balance Account as of annuity starting date.
Early Retirement	Actuarial equivalent of Cash Balance Account as of annuity starting date.
Termination	Actuarial equivalent of Cash Balance Account as of annuity starting date.
Death (preretirement)	Actuarial equivalent of Cash Balance Account as of annuity starting date.
Disability	Actuarial equivalent of Cash Balance Account as of annuity starting date. Participant receives Vesting Service and Credited Service, and any pay is pensionable for up to nine months of company paid long-term disability. Up to three additional months of Vesting Service credited for insurance company paid long-term disability.

Cash Balance Account

Initial Account Balance	<p><i>Former Hitachi Employees:</i> January 1, 2003 balance equal to the actuarial equivalent of the benefit the participant was entitled to receive as of December 31, 2002 under the Prior Plan.</p> <p><i>Former IBM Employees:</i> January 1, 2003 balance equal to the actuarial equivalent of the non-vested benefit under the IBM Personal Pension Plan as of December 31, 2002. January 1, 2003 balance equal to zero for participants with a vested IBM benefit.</p>
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Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Cash Balance Formula (continued)

Contribution Credits

Amounts credited to each participant's Cash Balance Account at the end of each calendar month at a rate of 5% of the employee's monthly compensation.

Additional Contribution Credits for former IBM Transition

Employees: Additional pay credits are credited at the end of each calendar month until the earliest of the following occur:

- June 30, 2009;
- 30 years and one month of service (including IBM service);
- Termination from service with Hitachi GST;
- Total and permanent disability; and
- Death.

The amount of the Additional Contribution Credits is a percentage of eligible Compensation based on age and Credited Service with IBM on June 30, 1999.

**If Age Plus Credited Service
(calculated in years and completed
months) with IBM Equaled:**

**Monthly
Transition Credit Is:**

65 or more	4%
60 but less than 65	3%
55 but less than 60	2%
50 but less than 55	1%
40 but less than 50	
(With at least one year of IBM credited service)	1%

No Contribution Credits will be provided after February 28, 2011.

Interest Credits

Amounts credited to a participant's Cash Balance Account at the end of each calendar month equal to the amount in the Cash Balance Account at the beginning of the month multiplied by the Interest Credit Rate for the plan year (but no less than 3%) divided by 12.

Cash Balance Account

The sum of a participant's Initial Account Balance, Contribution Credits and Interest Credits.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Final Average Pay Formula

Effective Date

Effective July 1, 2004. Amended and restated on September 1, 2009 reflecting amendments effective through February 28, 2011 (Fifth Amendment).

Eligibility for Participation

Regular full-time or part-time employee of Hitachi GST with one hour of service on or before June 30, 2004 is a Final Average Pay participant if the follow criteria are met:

- A participant in the Prior Plan as of June 30, 2004;
- A former IBM employee participating under the Pension Credit Formula of the IBM Personal Pension Plan;
- Transferred to Hitachi GST as of January 1, 2003; and
- Elected the Final Average Pay Formula.

Accrued benefits under the Final Average Pay Formula frozen as of February 28, 2011. The frozen accrued benefit will be actuarially increased at the rate of 5% interest from March 1, 2011 to date of termination.

Eligibility for Benefits

Normal Retirement

Age 65.

Early Retirement

Termination of employment after attaining:

- 30 years of Credited Service; or
- Age 55 with 15 or more years of Credited Service; or
- Age 62 with 5 or more years of Credited Service.

Termination

Three years of Vesting Service.

Death (Preretirement)

Death of an active participant with spouse or domestic partner, or death of a terminated vested participant prior to annuity start date with spouse or domestic partner.

Disability

Six months of total and permanent disability.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Final Average Pay Formula (continued)

Amount of Benefits

Normal Retirement

Monthly Benefit equal to the greater of (1), (2), (3) and (4).

(1) *Final Average Pay Benefit (FAP Benefit)*: The sum of (a) and (b) divided by (c) offset by (d) and divided by 12.

- a. Total number of base points (up to 425) divided by 100 and multiplied by Final Average Pay (FAP).
- b. Total excess points (up to 75) divided by 100 and multiplied by FAP that exceeds Social Security Covered Compensation.
- c. *Applicable Factor*: The factor based on the participant's age at termination. 10.918 for termination at age 65.
- d. *Offset*: The immediate annuity that a participant is entitled from the IBM Personal Pension Plan as of December 31, 2002, multiplied by a factor (Exhibit III of the plan document) based on the participant's age at December 31, 2002 and the participant's age at termination, which is age 65 for the normal retirement benefit.

Points: Base Points are earned by all participants. Excess points are earned by all participants, but are only applied to amounts of final average pay above Social Security Covered Compensation. The maximum number of base points is 425 and the maximum number of excess points is 75.

The following chart shows the number of base and excess points credited at each age for each year of Credited Service:

Age During the Year	Base Points Earned Each Year	Excess Points Earned Each Year
Less than 30	7	0
30 to 34	9	1
35 to 39	12	2
40 to 44	15	2
45 and older	16	3

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Final Average Pay Formula (continued)

Normal Retirement (continued)

- (2) *Minimum FAP Benefit*: The FAP Benefit will never be less than the FAP Benefit calculated as if the participant had terminated employment and immediately started benefits at the end of each year until actual termination.
- (3) *Core Benefit Minimum*: The benefit calculated prior to offset shall never be less than the Core Benefit.
- (4) *Cash Balance Minimum*: A participant's benefit shall never be less than the Actuarial Equivalent of the Cash Balance Account, calculated as if the participant had elected that formula.

Early Retirement

Same as the normal retirement benefit except for the following.

FAP Benefit: The Benefit Conversion Factor replaces the Applicable Factor in the FAP Benefit calculation. The factors, based on age at termination, used for early retirement are in Exhibit I of the plan document. The factors are shown below.

Age	Factor ¹	Age	Factor ¹
45–50	13.648	56	11.867
51	13.315	57	11.615
52	12.998	58	11.373
53	12.695	59	11.141
54	12.407	60–64	10.918
55	12.131		

If the participant terminates and does not commence benefits immediately, the net FAP Benefit is actuarially increased to the date benefits commence, based on 7% interest and the 71GAM Mortality Table for males, with a three-year setback.

Core Benefit: If termination occurs prior to the attainment of age 60 or before the completion of 30 years of Credited Service, the benefit is reduced by 1/12th of 2% for each month the annuity starting date precedes the date the participant would have attained age 60 or would have completed 30 years of Credited Service.

¹ Factor is interpolated between whole ages.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Final Average Pay Formula (continued)

Termination Same as normal retirement benefit except for the following.

FAP Benefit: The Benefit Conversion Factor replaces the Applicable Factor in the FAP Benefit calculation. The factors, based on age at termination, used for termination benefits are in Exhibit II in the plan document. Following are the factors at selected ages.

Age	Factor ¹	Age	Factor ¹
25	21.252	50	16.660
30	20.735	55	14.999
35	20.063	60	12.950
40	19.225	64	11.321
45	18.216		

If the participant terminates and does not commence their benefits immediately, the net FAP Benefit is actuarially increased to the date benefits commence, based on 7% interest and the 71GAM Mortality Table for males, with a three-year setback.

Core Benefit: If termination occurs after the participant completed 15 years of Credited Service, the benefit is reduced by 1/12th of 3% for each month prior to age 65. Otherwise, the benefit is reduced actuarially based on 8% interest and the UP-1984 Mortality Table, with a three-year setback.

Death 50% of the benefit the participant would have received if he or she had terminated employment on the date of death and started the benefit as a 50% Joint and Survivor Annuity.

Disability Benefit calculated under the normal, early, or termination provisions, whichever is applicable at the date of termination from service. Participant receives Vesting Service and Credited Service, and any pay is pensionable for up to nine months of company paid long-term disability. Up to three additional months of Vesting Service are credited for insurance company paid long-term disability.

¹ Factor is interpolated between whole ages.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Definitions

Hitachi GST

Hitachi Global Storage Technologies, Inc.

Prior Plan

Hitachi America Ltd. Cash Balance Plan

Actuarial Equivalent

The single life annuity actuarial equivalence of the Cash Balance Account is based on the Cash Balance Account at the date of determination and the Applicable Interest Rate, Applicable Mortality Table, and the participant's age at the date of determination.

Applicable Interest Rate

The average annual rate of interest prescribed under Code section 417(e)(3) for the second month preceding the month for which the rate is to be used.

For cash balance account interest credits, the annual 30-year Treasury rate in effect for the second month preceding the month interest is credited.

Applicable Mortality Table

The mortality table prescribed under Code Section 417(e)(3).

Social Security Covered Compensation

The average of the taxable wage bases in effect for each calendar year during the 35-year period ending with the last day of the calendar year in which the employee attains Social Security normal retirement age. **Frozen as of February 28, 2011.**

Final Average Pay

The annual average of Compensation for the last five consecutive calendar years in which final Credited Service is earned. **Frozen as of February 28, 2011.**

Compensation

Regular salary (including shift differential), overtime, regular periodic bonuses paid pursuant to customary Hitachi GST practices, commissions, incentive pay, short-term disability benefits, sick and holiday pay, remuneration for cashed-out vacation days and pre-tax deferrals or contributions, but excluding reimbursements or other expense allowances, long-term incentive pay, fringe benefits, moving expenses, severance pay and other welfare benefits or deferred compensation.

Compensation after February 28, 2011 is not considered.

Plan Year

January 1 to December 31

Contributions

Contributions are made by the company. Employee contributions are neither required nor permitted.

Maximum Benefits

Under the Pension Plan maximum payable under Section 415(b) as amended by the Tax Reform Act of 1986. For the 2013 plan year, the maximum annual limit is \$205,000.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Definitions (continued)

Credited Service

Beginning July 1, 2004, Credited Service is calculated based on elapsed time. From January 1, 2003 through July 1, 2004, Credited Service is calculated based on hours equivalency. Certain minimums apply to both periods. Prior to January 1, 2003, Credited Service is included as earned under the IBM Personal Pension Plan. Frozen as of February 28, 2011.

Vesting Service

Beginning July 1, 2004, Vesting Service is calculated based on elapsed time. From January 1, 2003 through July 1, 2004, Vesting Service is calculated based on hours equivalency. Certain minimums apply to both periods. Prior to January 1, 2003, Vesting Service is included as earned with the Prior Plan and IBM Personal Pension Plan.

Normal Form of Annuity

Life annuity for unmarried participants. Actuarially reduced 50% Joint and Survivor annuity for married participants.

Other Optional Forms of Payments

10-year Certain and Life, 75% Joint and Survivor, 100% Joint and Survivor, or Lump Sum.

Changes in Plan Provisions Since the January 1, 2012 Valuation

The January 1, 2013 valuation does not reflect any plan changes.

Changes in Plan Provisions Since the January 1, 2011 Valuation

The January 1, 2012 valuation reflects the plan amendment freezing the benefit accruals of the plan as of February 28, 2011.

Changes in Plan Provisions Since the January 1, 2010 Valuation

The January 1, 2011 valuation does not reflect any plan changes.

Changes in Plan Provisions Since the January 1, 2009 Valuation

The January 1, 2010 valuation does not reflect any plan changes.

Changes in Plan Provisions Since the January 1, 2008 Valuation

The January 1, 2009 valuation reflects the following plan changes:

- The IRC §415 defined benefit plan maximum annual benefit was increased to \$195,000 from \$185,000.
- The IRS §401(a)(17) recognizable pay limit increased to \$245,000 from \$230,000.

Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule SB will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule SB.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Schedule SB, line 24—Change in Actuarial Assumptions

The funding valuation reflects the following non-prescribed assumption changes:

- A change in the cash balance interest crediting rate from 4.50% to 4.00%.
- A change in the optional payment form election percentage from 95% of Cash Balance participants and 50% of FAP participants elect a lump sum and 5% of Cash Balance participants and 50% of FAP participants elect a life annuity to 90% of Cash Balance participants and 60% of FAP participants elect a lump sum and 10% of Cash Balance participants and 40% of FAP participants elect a life annuity to better reflect anticipated experience.
- A change in the retirement age for terminated vested participants, who are not currently employed by Western Digital, from rates of 50% at age 60, 15% at age 62, and 35% at age 65 to rates of 25% at age 55, 25% at age 60, 15% at age 62, and 35% at age 65 to better reflect anticipated experience
- A change in the retirement age for participants who are currently employed by Western Digital (“active participants”) to better reflect anticipated experience
- A change in the withdrawal rates to better reflect anticipated experience.

These changes were made to better reflect the anticipated plan experience. These changes did not results in a decrease in the funding short fall of the plan in excess of \$50,000,000 or both 5% of the funding target of the plan and \$5,000,000, as such approval of the commissioner is not required.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Schedule SB, line 32—Schedule of Amortization Bases

Type of Base	Present Value of Installment	Date Established	Years Remaining	Amortization Installment
Shortfall	\$ 3,873,337	January 1, 2009	3	\$ 1,353,844
Shortfall	\$ 3,490,962	January 1, 2010	4	\$ 936,841
Shortfall	\$ 5,367,379	January 1, 2011	5	\$ 1,179,411
Shortfall	\$ (9,907,663)	January 1, 2012	6	\$ (1,871,881)
Shortfall	\$ 18,427,193	January 1, 2013	7	\$ 3,075,353

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Schedule SB, Part V—Statement of Actuarial Assumptions/Methods

Interest Rates for Minimum Funding Purposes	Based on segment rates with a four-month lookback (as of September 2012), each adjusted as needed to fall within the 25-year average interest rate corridor under MAP-21.
1st Segment Rate	4.94%.
2nd Segment Rate	6.15%.
3rd Segment Rate	6.76%.
Interest Rates for Maximum Tax Purposes	Based on segment rates with a four-month lookback (as of September 2012), without regard to the MAP-21 interest rate corridor.
1st Segment Rate	1.75%.
2nd Segment Rate	4.62%.
3rd Segment Rate	5.72%.
Cash Balance Interest Crediting Rate	4.00%.
Cash Balance Annuity Conversion Rate	Same as funding interest rates above.
Optional Payment Form Election Percentage	90% of Cash Balance participants and 60% of FAP participants are assumed to elect the lump sum payment option upon retirement. 10% of Cash Balance participants and 40% of FAP participants are assumed to elect a life annuity.
Optional Payment Form Conversion Interest Rate	Same as funding interest rates above for lump sums.
Optional Payment Form Conversion Mortality	Current IRC section 417(e) table for lump sums.
Mortality Rates Healthy and Disabled	Generational mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(d).
Withdrawal Rates	13% at all ages up to age 65 and 0% at age 65 and above.
Disability Rates	None.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Retirement (Actives¹)

Sample rates varying by age as follows:

Age	Rate for each Age
55	20%
56–59	15%
60–61	20%
62–64	25%
65	100%

Retirement (Inactives)

Percentages by age as follows:

Age	Percentage
55	25%
60	25%
62	15%
65	35%

Decrement Timing

Middle of year decrements (except that retirement is assumed to occur at the beginning of the year for ages where the assumed retirement rate is 100%)

Surviving Spouse Benefit

It is assumed that 100% of males and 100% of females have an eligible spouse, and that males are two years older than their spouses.

Benefit Limits

Projected benefits are limited by the current IRC section 415 maximum benefit of \$210,000.

¹ Active participants who remain actively employed by HGST (a Western Digital company).

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Valuation of Plan Assets

Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value.

A characteristic of this method is that the expected distribution of the value of plan assets is skewed toward understatement relative to the corresponding market values for expected long-term rates of return in excess of the third segment rate under IRC section 430(h)(2)(C)(iii).

Expected Return on Assets

2011 Plan Year

8.00% limited to 6.57%.

2012 Plan Year

7.25% limited to 7.52%.

Trust Expenses Included in Target Normal Cost

\$1,000,000.

Actuarial Method

Standard unit credit cost method.

Valuation Date

January 1, 2013.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Schedule SB, Part V—Summary of Plan Provisions

Cash Balance Formula

Effective Date

Effective July 1, 2004. Amended and restated on September 1, 2009 reflecting amendments effective through February 28, 2011 (Fifth Amendment).

The Plan was amended to transfer sponsorship from Hitachi GST to Hitachi America, Ltd. effective March 8, 2012 when Hitachi GST was acquired by Western Digital, however service with Western Digital will count towards entitlement to enhanced Early Retirement benefits.

Eligibility for Participation

Regular full-time or part-time employee of Hitachi GST with one hour of service on or before June 30, 2004 is a Cash Balance participant if either of following criteria are met:

- A participant in the Prior Plan as of June 30, 2004 and did not elect the FAP formula.
- Hired before July 1, 2004. Employee becomes a participant on the first day of the month after attainment of age 21 with one year of service.

Employees who do not have an hour of service on or before June 30, 2004 do not become participants.

Eligibility for Benefits

Normal Retirement

Age 65.

Early Retirement

Not applicable.

Termination

Three years of vesting service.

Death (Preretirement)

Death of an active participant, or death of a terminated vested participant prior to annuity starting date.

Disability

Six months of total and permanent disability.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Cash Balance Formula (continued)

Amount of Benefits

Normal Retirement	Actuarial equivalent of Cash Balance Account as of annuity starting date.
Early Retirement	Actuarial equivalent of Cash Balance Account as of annuity starting date.
Termination	Actuarial equivalent of Cash Balance Account as of annuity starting date.
Death (preretirement)	Actuarial equivalent of Cash Balance Account as of annuity starting date.
Disability	Actuarial equivalent of Cash Balance Account as of annuity starting date. Participant receives Vesting Service and Credited Service, and any pay is pensionable for up to nine months of company paid long-term disability. Up to three additional months of Vesting Service credited for insurance company paid long-term disability.

Cash Balance Account

Initial Account Balance	<p><i>Former Hitachi Employees:</i> January 1, 2003 balance equal to the actuarial equivalent of the benefit the participant was entitled to receive as of December 31, 2002 under the Prior Plan.</p> <p><i>Former IBM Employees:</i> January 1, 2003 balance equal to the actuarial equivalent of the non-vested benefit under the IBM Personal Pension Plan as of December 31, 2002. January 1, 2003 balance equal to zero for participants with a vested IBM benefit.</p>
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Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Cash Balance Formula (continued)

Contribution Credits

Amounts credited to each participant's Cash Balance Account at the end of each calendar month at a rate of 5% of the employee's monthly compensation.

Additional Contribution Credits for former IBM Transition

Employees: Additional pay credits are credited at the end of each calendar month until the earliest of the following occur:

- June 30, 2009;
- 30 years and one month of service (including IBM service);
- Termination from service with Hitachi GST;
- Total and permanent disability; and
- Death.

The amount of the Additional Contribution Credits is a percentage of eligible Compensation based on age and Credited Service with IBM on June 30, 1999.

**If Age Plus Credited Service
(calculated in years and completed
months) with IBM Equaled:**

**Monthly
Transition Credit Is:**

65 or more	4%
60 but less than 65	3%
55 but less than 60	2%
50 but less than 55	1%
40 but less than 50	
(With at least one year of IBM credited service)	1%

No Contribution Credits will be provided after February 28, 2011.

Interest Credits

Amounts credited to a participant's Cash Balance Account at the end of each calendar month equal to the amount in the Cash Balance Account at the beginning of the month multiplied by the Interest Credit Rate for the plan year (but no less than 3%) divided by 12.

Cash Balance Account

The sum of a participant's Initial Account Balance, Contribution Credits and Interest Credits.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Final Average Pay Formula

Effective Date

Effective July 1, 2004. Amended and restated on September 1, 2009 reflecting amendments effective through February 28, 2011 (Fifth Amendment).

Eligibility for Participation

Regular full-time or part-time employee of Hitachi GST with one hour of service on or before June 30, 2004 is a Final Average Pay participant if the follow criteria are met:

- A participant in the Prior Plan as of June 30, 2004;
- A former IBM employee participating under the Pension Credit Formula of the IBM Personal Pension Plan;
- Transferred to Hitachi GST as of January 1, 2003; and
- Elected the Final Average Pay Formula.

Accrued benefits under the Final Average Pay Formula frozen as of February 28, 2011. The frozen accrued benefit will be actuarially increased at the rate of 5% interest from March 1, 2011 to date of termination.

Eligibility for Benefits

Normal Retirement

Age 65.

Early Retirement

Termination of employment after attaining:

- 30 years of Credited Service; or
- Age 55 with 15 or more years of Credited Service; or
- Age 62 with 5 or more years of Credited Service.

Termination

Three years of Vesting Service.

Death (Preretirement)

Death of an active participant with spouse or domestic partner, or death of a terminated vested participant prior to annuity start date with spouse or domestic partner.

Disability

Six months of total and permanent disability.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Final Average Pay Formula (continued)

Amount of Benefits

Normal Retirement

Monthly Benefit equal to the greater of (1), (2), (3) and (4).

(1) *Final Average Pay Benefit (FAP Benefit)*: The sum of (a) and (b) divided by (c) offset by (d) and divided by 12.

- a. Total number of base points (up to 425) divided by 100 and multiplied by Final Average Pay (FAP).
- b. Total excess points (up to 75) divided by 100 and multiplied by FAP that exceeds Social Security Covered Compensation.
- c. *Applicable Factor*: The factor based on the participant's age at termination. 10.918 for termination at age 65.
- d. *Offset*: The immediate annuity that a participant is entitled from the IBM Personal Pension Plan as of December 31, 2002, multiplied by a factor (Exhibit III of the plan document) based on the participant's age at December 31, 2002 and the participant's age at termination, which is age 65 for the normal retirement benefit.

Points: Base Points are earned by all participants. Excess points are earned by all participants, but are only applied to amounts of final average pay above Social Security Covered Compensation. The maximum number of base points is 425 and the maximum number of excess points is 75.

The following chart shows the number of base and excess points credited at each age for each year of Credited Service:

Age During the Year	Base Points Earned Each Year	Excess Points Earned Each Year
Less than 30	7	0
30 to 34	9	1
35 to 39	12	2
40 to 44	15	2
45 and older	16	3

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Final Average Pay Formula (continued)

Normal Retirement (continued)

- (2) *Minimum FAP Benefit*: The FAP Benefit will never be less than the FAP Benefit calculated as if the participant had terminated employment and immediately started benefits at the end of each year until actual termination.
- (3) *Core Benefit Minimum*: The benefit calculated prior to offset shall never be less than the Core Benefit.
- (4) *Cash Balance Minimum*: A participant's benefit shall never be less than the Actuarial Equivalent of the Cash Balance Account, calculated as if the participant had elected that formula.

Early Retirement

Same as the normal retirement benefit except for the following.

FAP Benefit: The Benefit Conversion Factor replaces the Applicable Factor in the FAP Benefit calculation. The factors, based on age at termination, used for early retirement are in Exhibit I of the plan document. The factors are shown below.

Age	Factor ¹	Age	Factor ¹
45–50	13.648	56	11.867
51	13.315	57	11.615
52	12.998	58	11.373
53	12.695	59	11.141
54	12.407	60–64	10.918
55	12.131		

If the participant terminates and does not commence benefits immediately, the net FAP Benefit is actuarially increased to the date benefits commence, based on 7% interest and the 71GAM Mortality Table for males, with a three-year setback.

Core Benefit: If termination occurs prior to the attainment of age 60 or before the completion of 30 years of Credited Service, the benefit is reduced by 1/12th of 2% for each month the annuity starting date precedes the date the participant would have attained age 60 or would have completed 30 years of Credited Service.

¹ Factor is interpolated between whole ages.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Final Average Pay Formula (continued)

Termination Same as normal retirement benefit except for the following.

FAP Benefit: The Benefit Conversion Factor replaces the Applicable Factor in the FAP Benefit calculation. The factors, based on age at termination, used for termination benefits are in Exhibit II in the plan document. Following are the factors at selected ages.

Age	Factor ¹	Age	Factor ¹
25	21.252	50	16.660
30	20.735	55	14.999
35	20.063	60	12.950
40	19.225	64	11.321
45	18.216		

If the participant terminates and does not commence their benefits immediately, the net FAP Benefit is actuarially increased to the date benefits commence, based on 7% interest and the 71GAM Mortality Table for males, with a three-year setback.

Core Benefit: If termination occurs after the participant completed 15 years of Credited Service, the benefit is reduced by 1/12th of 3% for each month prior to age 65. Otherwise, the benefit is reduced actuarially based on 8% interest and the UP-1984 Mortality Table, with a three-year setback.

Death 50% of the benefit the participant would have received if he or she had terminated employment on the date of death and started the benefit as a 50% Joint and Survivor Annuity.

Disability Benefit calculated under the normal, early, or termination provisions, whichever is applicable at the date of termination from service. Participant receives Vesting Service and Credited Service, and any pay is pensionable for up to nine months of company paid long-term disability. Up to three additional months of Vesting Service are credited for insurance company paid long-term disability.

¹ Factor is interpolated between whole ages.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Definitions

Hitachi GST

Hitachi Global Storage Technologies, Inc.

Prior Plan

Hitachi America Ltd. Cash Balance Plan

Actuarial Equivalent

The single life annuity actuarial equivalence of the Cash Balance Account is based on the Cash Balance Account at the date of determination and the Applicable Interest Rate, Applicable Mortality Table, and the participant's age at the date of determination.

Applicable Interest Rate

The average annual rate of interest prescribed under Code section 417(e)(3) for the second month preceding the month for which the rate is to be used.

For cash balance account interest credits, the annual 30-year Treasury rate in effect for the second month preceding the month interest is credited.

Applicable Mortality Table

The mortality table prescribed under Code Section 417(e)(3).

Social Security Covered Compensation

The average of the taxable wage bases in effect for each calendar year during the 35-year period ending with the last day of the calendar year in which the employee attains Social Security normal retirement age. **Frozen as of February 28, 2011.**

Final Average Pay

The annual average of Compensation for the last five consecutive calendar years in which final Credited Service is earned. **Frozen as of February 28, 2011.**

Compensation

Regular salary (including shift differential), overtime, regular periodic bonuses paid pursuant to customary Hitachi GST practices, commissions, incentive pay, short-term disability benefits, sick and holiday pay, remuneration for cashed-out vacation days and pre-tax deferrals or contributions, but excluding reimbursements or other expense allowances, long-term incentive pay, fringe benefits, moving expenses, severance pay and other welfare benefits or deferred compensation.

Compensation after February 28, 2011 is not considered.

Plan Year

January 1 to December 31

Contributions

Contributions are made by the company. Employee contributions are neither required nor permitted.

Maximum Benefits

Under the Pension Plan maximum payable under Section 415(b) as amended by the Tax Reform Act of 1986. For the 2013 plan year, the maximum annual limit is \$205,000.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Definitions (continued)

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Vesting Service

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Other Optional Forms of Payments

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Changes in Plan Provisions Since the January 1, 2012 Valuation

The January 1, 2013 valuation does not reflect any plan changes.

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Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

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Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Schedule SB, line 24—Change in Actuarial Assumptions

The funding valuation reflects the following non-prescribed assumption changes:

- A change in the cash balance interest crediting rate from 4.50% to 4.00%.
- A change in the optional payment form election percentage from 95% of Cash Balance participants and 50% of FAP participants elect a lump sum and 5% of Cash Balance participants and 50% of FAP participants elect a life annuity to 90% of Cash Balance participants and 60% of FAP participants elect a lump sum and 10% of Cash Balance participants and 40% of FAP participants elect a life annuity to better reflect anticipated experience.
- A change in the retirement age for terminated vested participants, who are not currently employed by Western Digital, from rates of 50% at age 60, 15% at age 62, and 35% at age 65 to rates of 25% at age 55, 25% at age 60, 15% at age 62, and 35% at age 65 to better reflect anticipated experience
- A change in the retirement age for participants who are currently employed by Western Digital (“active participants”) to better reflect anticipated experience
- A change in the withdrawal rates to better reflect anticipated experience.

These changes were made to better reflect the anticipated plan experience. These changes did not results in a decrease in the funding short fall of the plan in excess of \$50,000,000 or both 5% of the funding target of the plan and \$5,000,000, as such approval of the commissioner is not required.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Hitachi Global Storage Technologies, Inc. Pension Plan
EIN: 13-1896069 PN: 003

Schedule SB, line 32—Schedule of Amortization Bases

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Shortfall	\$ 18,427,193	January 1, 2013	7	\$ 3,075,353

Plan Name	Hitachi Global Storage Technologies, Inc. Pension Plan
Plan Sponsor EIN	13-1896069
ERISA Plan No.	003
Plan Year End	31-Dec-13

The required attachment noted below is included within the Accountant's Opinion attachment to the Form 5500 Schedule H, Part III, which consists of the entire Audit report issued by the Plan's Independent Qualified Public Accountant (IQPA).

Form/Schedule	Line Item	Description
5500 Schedule H	Line 4i	Schedule of Assets (Held at End of Year)

Plan Name	Hitachi Global Storage Technologies, Inc. Pension Plan
Plan Sponsor EIN	13-1896069
ERISA Plan No.	003
Plan Year End	31-Dec-13

The required attachment noted below is included within the Accountant's Opinion attachment to the Form 5500 Schedule H, Part III, which consists of the entire Audit report issued by the Plan's Independent Qualified Public Accountant (IQPA).

Form/Schedule	Line Item	Description
5500 Schedule H	Line 4j	Schedule of Reportable Transactions