SEAGATE TECHNOLOGY
Form 424B4
December 13, 2004
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Filed Pursuant to Rule 424(b)(4)

Registration Statement No. 333-117517

Prospectus Supplement to the Prospectus dated September 20, 2004.

30,000,000 Shares

Common Shares

The common shares of Seagate Technology are being offered by Goldman, Sachs & Co. in connection with a forward sale agreement between New SAC and Goldman Sachs Financial Markets, L.P. The total number of shares included in this offering is 30,000,000 shares, which is the maximum number of shares deliverable by New SAC pursuant to the forward sale agreement.

Seagate Technology s common shares are listed on the New York Stock Exchange under the symbol STX . The last reported sale price of Seagate Technology s common shares on December 9, 2004 was $16.94 per share.

See Risk Factors on page 6 of the accompanying prospectus to read about factors you should consider before buying the common shares.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

	Per Share	Total

Initial price to public	$	16.75		$ 502,500,000
Underwriting discount[(1)(2)]	$	0.13	$	3,900,000
(3)				

(1) In addition, Goldman, Sachs & Co. may receive from purchasers of the shares normal brokerage commissions in amounts agreed with such purchasers.

(2) Goldman, Sachs & Co. expects to receive the common shares offered and sold pursuant to this prospectus supplement at a purchase price of $16.62 per share.

(3) Seagate Technology will not receive any proceeds from this offering. All proceeds of this offering will be paid by Goldman, Sachs & Co. to Goldman Sachs Financial Markets, L.P. For a description of the payment by Goldman Sachs Financial Markets, L.P. to New SAC, see Description of Forward Sale Agreement in this prospectus supplement.

The shares may be offered by Goldman, Sachs & Co. from time to time to purchasers directly or through agents, or through brokers in brokerage transactions on the New York Stock Exchange, or to dealers in negotiated transactions, or in a combination of such methods of sale, at a fixed price or prices, which may be changed, or at market prices prevailing at the time of the sale, at prices related to such prevailing market prices or at negotiated prices. See Underwriting .

Goldman, Sachs & Co. expects to deliver the shares against payment in New York, New York on December 14, 2004.

Goldman, Sachs & Co.

Prospectus Supplement dated December 9, 2004.

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SELLING SHAREHOLDER

After the delivery of common shares by New SAC pursuant to the forward sale contract New SAC has entered into with Goldman Sachs Financial Markets, L.P., an affiliate of Goldman, Sachs & Co., it is expected that affiliates of Silver Lake Partners, Texas Pacific Group, August Capital, J.P. Morgan Partners, LLC and investment partnerships affiliated with Goldman, Sachs & Co. will indirectly own 14.3%, 9.9%, 5.1%, 3.0% and 1.0%, respectively, of our outstanding common shares through their ownership of New SAC (based on the number of our common shares outstanding as of December 3, 2004). In addition, after the delivery of common shares by New SAC pursuant to the forward sale contract New SAC has entered into with Goldman Sachs Financial Markets, L.P., it is expected that certain members of our management will indirectly own, in the aggregate, 7.2% of our outstanding common shares through their ownership of New SAC (based on the number of our common shares outstanding as of December 3, 2004). The sponsor group s and management s ownership of New SAC is the subject of a shareholders agreement and other arrangements that result in the sponsors acting as a group with respect to all matters submitted to our shareholders.

New SAC will remain the beneficial owner of our common shares covered by the forward sale agreement unless and until New SAC delivers the common shares in accordance with the terms of the forward sale agreement.

The following table sets forth information as of December 3, 2004, about the common shares beneficially owned by New SAC that may be offered using this prospectus supplement.

	Prior to the Offering		Number of Common Shares to be Delivered under the Forward Sale Agreement	After the Offering and Delivery of Common Shares Pursuant to the Forward Sale Agreement[2]	
Name of Selling Shareholder	Number of Common Shares Beneficially Owned	Percentage of Common Shares Outstanding		Number of Common Shares Beneficially Owned	Percentage of Common Shares Outstanding
New SAC c/o M&C Corporate Services Limited P.O. Box 309GT Ugland House South Church Street George Town, Grand Cayman Cayman Islands	239,500,000[1]	51.3%	30,000,000	209,500,000	44.9%

(1) Messrs. Austin, Bonderman, Coulter, Davidson, Hutchins, Luczo, Marquardt and Watkins, in their capacities as directors of New SAC, may be deemed to have shared voting or dispositive power over the 239,500,000 common shares held by New SAC. Each of them, however, disclaims this beneficial ownership.

(2) Assumes the delivery by New SAC of 30,000,000 common shares upon settlement of the forward sale agreement between New SAC and Goldman Sachs Financial Markets, L.P.

New SAC will beneficially own 239,500,000, or 51.3%, of our outstanding common shares after this offering but prior to any delivery of common shares by New SAC in settlement of the forward sale agreement.

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UNDERWRITING

New SAC has entered into a forward sale agreement, dated as of the date of this prospectus supplement, with Goldman Sachs Financial Markets, L.P., as purchaser, relating to an aggregate of 30,000,000 common shares. In connection with the forward sale agreement, New SAC and Seagate Technology have entered into a registration agreement with Goldman, Sachs & Co., an affiliate of Goldman Sachs Financial Markets, L.P. Subject to certain conditions, Goldman, Sachs & Co. has agreed to sell 30,000,000 common shares pursuant to this prospectus supplement.

The common shares offered by this prospectus supplement may be borrowed by Goldman, Sachs & Co. from stock lenders. Goldman Sachs Financial Markets, L.P. will use any shares received from New SAC under the forward sale agreement to settle or close out open borrowings created to hedge its exposure under the forward sale agreement.

Shares sold by Goldman, Sachs & Co. to the public will initially be offered at the initial price to public set forth on the cover of this prospectus supplement. If all the shares are not sold at the initial price to public, Goldman, Sachs & Co. may change the offering price and the other selling terms.

In connection with the offering, Goldman, Sachs & Co. may purchase and sell common shares in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by Goldman, Sachs & Co. of a greater number of shares than the maximum number of shares that Goldman, Sachs & Co. may purchase from Goldman Sachs Financial Markets, L.P. Goldman, Sachs & Co. must close out any short position by purchasing shares in the open market. A short position is more likely to be created if Goldman, Sachs & Co. is concerned that there may be downward pressure on the price of the common shares in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of common shares made by Goldman, Sachs & Co. in the open market prior to the completion of the offering.

Purchases to cover a short position and stabilizing transactions may have the effect of preventing or retarding a decline in the market price of the common shares, and may stabilize, maintain or otherwise affect the market price of the common shares. As a result, the price of the common shares may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued at any time. These transactions may be effected on the New York Stock Exchange, in the over-the-counter market or otherwise.

The shares included in this offering equal the maximum number of shares deliverable by New SAC under the forward sale agreement.

Goldman Sachs Financial Markets, L.P. anticipates that it may engage in purchases and sales of common shares (or other instruments with a value related to the value of the common shares) to hedge its exposure under the forward sale agreement. Any of these activities may maintain or otherwise affect the market price of Seagate Technology s common shares. As a result, the price of Seagate Technology s common shares may be higher or lower than the price that otherwise might exist in the open market. If commenced, these activities may be discontinued at any time. Any profits or losses from these on-going purchases and sales of common shares (or other instruments with a value related to the value of the common shares) will be solely for the account of Goldman Sachs Financial Markets, L.P. and neither New SAC nor the purchasers in the offering will have any interest in these transactions.

New SAC has agreed that, without the prior written consent of Goldman, Sachs & Co., it will not, during the period ending 30 days after the date of this prospectus supplement:

offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or

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dispose of, directly or indirectly, any of Seagate Technology s common shares, New SAC s ordinary shares or any securities convertible into or exercisable or exchangeable for Seagate Technology s common shares or New SAC s ordinary shares; or

enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Seagate Technology s common shares or New SAC s ordinary shares;

whether any such transaction described above is to be settled by delivery of Seagate Technology s common shares, New SAC s ordinary shares or such other securities, in cash or otherwise.

The restrictions described in the immediately preceding paragraphs do not apply to:

the sale of common shares by New SAC to Goldman Sachs Financial Markets, L.P. under the forward sale contract;

the issuance by New SAC of ordinary shares upon the exercise of an option or warrant or the conversion of a security outstanding on the date of this prospectus supplement of which the underwriter has been advised in writing; or

the issuance by New SAC of ordinary shares pursuant to certain share option and restricted share plans.

Goldman, Sachs & Co. has represented, warranted and agreed that: (i) it has not offered or sold and, prior to the expiry of a period of six months from the closing date, will not offer or sell any shares to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995; (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (FSMA)) received by it in connection with the issue or sale of any shares in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares in, from or otherwise involving the United Kingdom.

The shares may not be offered or sold, transferred or delivered, as part of their initial distribution or at any time thereafter, directly or indirectly, to any individual or legal entity in the Netherlands other than to individuals or legal entities who or which trade or invest in securities in the conduct of their profession or trade, which includes banks, securities intermediaries, insurance companies, pension funds, other institutional investors and commercial enterprises which, as an ancillary activity, regularly trade or invest in securities.

The common shares may not be offered or sold by means of any document other than to persons whose ordinary business is to buy or sell shares or debentures, whether as principal or agent, or in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong, and no advertisement, invitation or document relating to the common shares may be issued, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to common shares which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

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This prospectus supplement has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus supplement and any other document or material in connection with the offer or sale, or invitation or subscription or purchase, of the common shares may not be circulated or distributed, nor may the common shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than under circumstances in which such offer, sale or invitation does not constitute an offer or sale, or invitation for subscription or purchase, of the common shares to the public in Singapore.

The securities have not been and will not be registered under the Securities and Exchange Law of Japan (the Securities and Exchange Law) and Goldman, Sachs & Co. has agreed that it will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Seagate Technology and New SAC have agreed to indemnify Goldman, Sachs & Co. against certain liabilities, including liabilities under the Securities Act of 1933.

Seagate Technology has agreed to pay all expenses of New SAC in the offering, excluding underwriting discounts and commissions, which are approximately $150,000.

This offering is being conducted in accordance with Rule 2710(c)(8) of the Conduct Rules of the National Association of Securities Dealers, Inc.

Goldman, Sachs & Co. and its affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for Seagate Technology, New SAC and their affiliates, for which they received or will receive customary fees and expenses. In particular: Goldman, Sachs & Co. served as a financial advisor to Silver Lake Partners and the rest of the sponsor group in the November 2000 transactions; affiliates of Goldman, Sachs & Co. were initial purchasers in the private placement of an aggregate principal amount of $210 million of 12 ½% senior subordinated notes due 2007 issued by Seagate Technology s subsidiary, Seagate Technology International, as part of the financing of the November 2000 transactions; affiliates of Goldman, Sachs & Co. were lenders under the senior secured credit facilities entered into by Seagate Technology s subsidiaries, Seagate Technology HDD Holdings and Seagate Technology (US) Holdings, Inc., as part of the financing of the November 2000 transactions; Goldman, Sachs & Co. were underwriters in the registered offering of 30,000,000 of Seagate Technology s common shares in September 2004; and investment partnerships affiliated with Goldman, Sachs & Co. are members of Seagate Technology s sponsor group and indirectly own 1.0% of Seagate Technology s outstanding common shares through their ownership of New SAC.

DESCRIPTION OF FORWARD SALE AGREEMENT

Under the forward sale agreement, New SAC has agreed to deliver to Goldman Sachs Financial Markets, L.P. 30,000,000 common shares. In exchange, Goldman Sachs Financial Markets, L.P. has agreed to pay New SAC an aggregate of $499,006,931.02 on January 3, 2005. New SAC has agreed to indemnify Goldman Sachs Financial Markets, L.P. against certain liabilities, including liabilities under the Securities Act of 1933.

To secure New SAC s delivery obligations to Goldman Sachs Financial Markets, L.P., New SAC has pledged 30,000,000 common shares to Goldman Sachs Financial Markets, L.P. New SAC has the right, subject to certain conditions, to substitute other collateral for the pledged shares.

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LEGAL MATTERS

The validity of the common shares to be offered by this prospectus supplement have been passed upon by Maples and Calder, Cayman Islands. Some legal matters as to U.S. law in connection with this offering will be passed upon for us by Simpson Thacher & Bartlett LLP, Palo Alto, California. Investment vehicles comprised of selected partners of Simpson Thacher & Bartlett LLP, members of their families, related persons and others own an interest representing less than 1% of the capital commitments of one of our sponsors, Silver Lake Partners. Goldman, Sachs & Co. has been represented by Wilson Sonsini Goodrich & Rosati, Professional Corporation, Palo Alto, California. Investment partnerships comprised of members of and persons associated with Wilson Sonsini Goodrich & Rosati own an interest representing less than 1% of the capital commitments of Silver Lake Partners. In addition, Wilson Sonsini Goodrich & Rosati from time to time represents us, and formerly represented Seagate Delaware, in legal matters unrelated to this offering.

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PROSPECTUS

60,000,000 Shares

COMMON SHARES

Our controlling shareholder, the selling shareholder, is offering 60,000,000 of our common shares. We will not receive any of the proceeds from the sale of our common shares in this offering.

Our controlling shareholder, the selling shareholder, may not sell (other than pursuant to an exemption from registration) our common shares covered by this prospectus until the registration statement, of which this prospectus forms a part, filed with the Securities and Exchange Commission is effective.

Our common shares are listed on the New York Stock Exchange under the trading symbol STX. On September 20, 2004 the last reported sale price of our common shares on the New York Stock Exchange was $14.03 per share.

Investing in our common shares involves risk. See Risk Factors beginning on page 6 of this prospectus.

Neither the Securities Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

September 20, 2004

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ADDITIONAL INFORMATION

We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the Exchange Act), and therefore file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (the SEC). Such reports, proxy statements and other information filed by us may be inspected and copied at the Public Reference Section of the SEC at 450 Fifth Street, N.W., Judiciary Plaza, Washington, D.C. 20549-1004. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. Our SEC filings are available to the public over the Internet at the SEC s website at the SEC s website at http://www.sec.gov.

INCORPORATION BY REFERENCE

We incorporate by reference into this prospectus some of the information that we file with the SEC, which means that we can disclose important information to you by referring you to those filings. Any information contained in future SEC filings that are incorporated by reference into this prospectus will automatically update this prospectus, and any information include directly in this prospectus updates and supersedes the information contained in past SEC filings incorporated by reference into this prospectus. The information incorporated by reference, as updated, is an important part of this prospectus. We incorporate by reference the following documents:

- our annual report on Form 10-K/A filed on September 3, 2004 for the fiscal year ended July 2, 2004;
- our current report on Form 8-K filed on July 28, 2004;
- the description of our common shares in our registration statement on Form 8-A filed on December 6, 2002; and
- all documents that we file with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and prior to the completion of the resale of the common shares by the selling shareholder pursuant to this prospectus; provided, however, that we are not incorporating any information furnished under either Item 9 or Item 12 (or their successor provisions, Item 7.01 and Item 2.02 respectively) of any current report on Form 8-K.

Any statement contained in a document incorporated or deemed to be incorporated by reference into this prospectus shall be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any other subsequently filed document that is or is deemed to be incorporated by reference into this prospectus modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

We will provide without charge to each person to whom a copy of this prospectus has been delivered, upon the written or oral request of such person, a copy of any and all of the documents that have been or may be incorporated by reference in this prospectus, other than exhibits to such documents, unless such exhibits are specifically incorporated by reference into such document. In addition, we make available free of charge all documents we file with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act.

You may request a copy of these filings, at no cost, by writing or telephoning us at the following address:

Seagate Technology

920 Disc Drive

P.O. Box 66360

Scotts Valley, California 95067

Attn: Investor Relations

(831) 439-5337

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You should rely only on the information incorporated by reference or provided in this prospectus or a prospectus supplement or amendment. We have not authorized anyone else to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should assume that the information appearing in this prospectus or a prospectus supplement or amendment or any documents incorporated by reference therein is accurate only as of the date on the front cover of the applicable document. Our business, financial condition, results of operations and prospects may have changed since that date.

FORWARD-LOOKING STATEMENTS

Some of the statements contained in this prospectus, including the documents incorporated herein by reference, are forward-looking statements, including but not limited to those specifically identified as such, that involve risks and uncertainties. The statements contained herein that are not purely historical are forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act) and Section 21E of the Exchange Act, including statements regarding our expectations, beliefs, intentions or strategies regarding the future. All forward-looking statements included in this prospectus are based on information available to us on the date hereof, and we assume no obligation to update any such forward-looking statements. These forward-looking statements include statements about our revenue, revenue mix, gross margin, operating expense levels, financial outlook, commitments under existing leases, research and development initiatives, sales and marketing initiatives, competition and stock repurchases. In some cases, forward-looking statements are identified by words such as believe, anticipate, expect, intend, plan, will, may, the negative of these terms or comparable terminology. For such statements, we claim the prot of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

Although we undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law, you are advised to consult any additional disclosures we make in our quarterly reports on Form 10-Q, annual report on Form 10-K and current reports on Form 8-K filed with the SEC. See Additional Information. We provide a cautionary discussion of selected risks and uncertainties regarding an investment in our common shares under Risk Factors on page 6 of this prospectus. However, other factors besides those listed there could also adversely affect us.

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ENFORCEMENT OF CIVIL LIABILITIES

We are incorporated as an exempted company with limited liability under the laws of the Cayman Islands. A substantial portion of our assets are located outside of the United States. As a result, it may be difficult for persons purchasing the common shares to enforce judgments against us or judgments obtained in U.S. courts predicated upon the civil liability provisions of the federal securities laws of the Untied States or any state of the United States.

We have been advised by our Cayman Islands counsel, Maples and Calder, that although there is no statutory enforcement in the Cayman Islands of judgments obtained in the United States, the courts of the Cayman Islands will based on the principle that a judgment by a competent foreign court imposes upon the judgment debtor an obligation to pay the sum for which judgment has been given recognize and enforce a foreign judgment of a court of competent jurisdiction if such judgment is final, for a liquidated sum, not in respect of taxes or a fine or penalty, is not inconsistent with a Cayman Islands judgment in respect of the same matters, and was not obtained in a manner, and is not a kind, the enforcement of which is contrary to public policy of the Cayman Islands. There is doubt, however, as to whether the Grand Court of the Cayman Islands will: (i) recognize or enforce judgments of U.S. courts predicated upon the civil liability provisions of the securities laws of the United States or any state of the United States, or (ii) in original actions brought in the Cayman Islands, impose liabilities predicated upon the civil liability provisions of the securities laws of the United States or any state of the United States, on the grounds that such provisions are penal in nature.

The Grand Court of the Cayman Islands may stay proceedings if concurrent proceedings are being brought elsewhere.

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PROSPECTUS SUMMARY

The following summary may not contain all the information that may be important to you. You should read the entire prospectus, as well as the information incorporated by reference in this prospectus, before making an investment decision. You should carefully consider, among other things, the matters discussed in Risk Factors. Unless the context indicates otherwise, as used in this prospectus, the terms we, us and our refer to Seagate Technology, an exempted company incorporated with limited liability under the laws of the Cayman Islands, and its subsidiaries, and the term common shares refers to our common shares. For ease of reference, throughout this prospectus, we use the term Seagate Delaware to refer to Seagate Technology, Inc., a Delaware corporation, and, unless it is otherwise evident from the context, its subsidiaries before the November 2000 transactions. We use the term predecessor to refer to the rigid disc drive business and storage area network business of Seagate Delaware before the November 2000 transactions. We use the term November 2000 transactions to refer to the series of transactions consummated in November 2000 pursuant to which we acquired the rigid disc drive business of Seagate Delaware.

Seagate Technology Overview

We are a leader in the design, manufacturing and marketing of rigid disc drives. Rigid disc drives, which are commonly referred to as disc drives, are used as the primary medium for storing electronic information in systems ranging from desktop and notebook computers and consumer electronic devices to data centers delivering information over corporate networks and the Internet. We produce a broad range of rigid disc drive products that make us a leader in both enterprise storage applications, where our products are primarily used in enterprise servers, mainframes and workstations, and personal storage applications, where our products are used in PCs, notebook computers and consumer electronic devices.

We sell our rigid disc drives primarily to major original equipment manufacturers, or OEMs, with whom we have longstanding relationships. These customers include Dell, EMC, Hewlett-Packard, IBM and Sun Microsystems. We also have key relationships with major distributors, who sell our rigid disc drive products to small OEMs, dealers, system integrators and retailers throughout most of the world, and we are currently expanding our direct sales to retailers.

In June 2004, we announced 12 new rigid disc drive products, which will be introduced in the current fiscal year, including:

- our first 1-inch form factor rigid disc drive, which will be primarily used in hand held consumer electronics devices such as MP3 players and digital cameras;
- our first 2.5-inch form factor rigid disc drive designed for enterprise storage applications;
- larger capacity 3.5-inch form factor rigid disc drives to address the market for larger capacity personal video recorders and home media storage devices and near line enterprise applications;
- additional capacity models of our 2.5-inch form factor Momentus notebook rigid disc drive, which will more completely address our customers notebook disc drive requirements; and
- new versions of our current Barracuda and Cheetah desktop and enterprise rigid disc drives.

Many of these new products will address disc drive applications for which we currently have no product offerings.

In the quarter ended July 2, 2004, we undertook significant restructuring activities to reduce the costs of our operations in light of our declining revenue, gross margins and earnings over the past several quarters resulting

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from recent significant price erosion and market share variability, particularly with respect to our enterprise drive products. We continue to look at opportunities for further cost reductions which may result in additional restructuring activities and restructuring charges in the future.

As announced on April 29, 2004, on July 3, 2004 Bill Watkins transitioned into the role of Chief Executive Officer and President. Steve Luczo, our previous CEO, continues to serve as the Chairman of our board of directors and continues to be responsible for our strategic direction, including assessing macro trends in technology and the opportunities they present.

Seagate, Seagate Technology, Barracuda, Cheetah and Momentus among others, are our registered trademarks. We have a registration pendi for our Savvio trademark. This prospectus also includes trademarks of other persons.

The address of our principal executive offices is Seagate Technology c/o M&C Corporate Services Limited, P.O. Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands, and the telephone number at that address is (345) 949-8066. Our worldwide web site address is www.seagate.com. However, the information in, or that can be accessed through, our web site is not part of this prospectus.

RISK FACTORS

An investment in the common shares offered by this prospectus involves a high degree of risk. You should consider carefully the following risk factors in addition to the remainder of this prospectus, including the information incorporated by reference, before making an investment decision. Some statements in this prospectus (including some of the following risk factors) are forward-looking statements. Please refer to the section entitled Forward-Looking Statements.

Risks Related to Our Business

Competition Our industry is highly competitive and our products have experienced significant price erosion and market share variability.

Even during periods when demand is stable, the rigid disc drive industry is intensely competitive and vendors typically experience substantial price erosion over the life of a product. Our competitors have historically offered existing products at lower prices as part of a strategy to gain or retain market share and customers, and we expect these practices to continue. We may need to reduce our prices to retain our market share, which could adversely affect our results of operations. Based on our recent experience in the industry with respect to new product introductions, we believe that the rate of increase in areal density, or the storage capacity per square inch on a disc, is slowing from its previous levels. This trend may contribute to increased average price erosion. To the extent that historical price erosion patterns continue, product life cycles may lengthen, our competitors may have more time to enter the market for a particular product and we may be unable to offset these factors with new product introductions at higher average prices. A second trend that may contribute to increased average price erosion is the growth of sales to distributors that serve producers of non-branded products in the personal storage sector. These customers generally have limited product qualification programs, which increases the number of competing products available to satisfy their demand. As a result, purchasing decisions for these customers are based largely on price and terms. Any increase in our average price erosion would have an adverse effect on our result of operations.

Moreover, a significant portion of our success historically has been a result of increasing our market share at the expense of our competitors. However, in the first fiscal quarter of 2004, our market share for our enterprise products was negatively affected by our customers diversifying their sources of supply as the slowing areal density curve has resulted in longer product cycles and more time for our competitors to enter the market for particular products. Additionally, in the third fiscal quarter of 2004, our market share for notebook drive products was negatively affected by an oversupply condition in our customers supply chain. Any significant further decline in our market share would adversely affect our results of operations.

Principal Competitors We compete with both captive manufacturers, who do not depend solely on sales of rigid disc drives to maintain their profitability, and independent manufacturers, whose primary focus is producing technologically advanced rigid disc drives.

We have experienced and expect to continue to experience intense competition from a number of domestic and foreign companies, including other independent rigid disc drive manufacturers and large captive manufacturers such as:

Captive	Independent

Fujitsu Limited	Maxtor Corporation
Hitachi Global Storage Technologies	Western Digital Corporation
Samsung Electronics Incorporated	
Toshiba Corporation	

The term independent in this context refers to manufacturers that primarily produce rigid disc drives as a stand-alone product, and the term captive refers to rigid disc drive manufacturers who themselves or through

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affiliated entities produce complete computer or other systems that contain rigid disc drives or other information storage products. Captive manufacturers are formidable competitors because they have the ability to determine pricing for complete systems without regard to the margins on individual components. Because components other than rigid disc drives generally contribute a greater portion of the operating margin on a complete computer system than do rigid disc drives, captive manufacturers do not necessarily need to realize a profit on the rigid disc drives included in a computer system and, as a result, may be willing to sell rigid disc drives to third parties at very low margins. Many captive manufacturers are also formidable competitors because they have more substantial resources than we do. In addition, Hitachi Global Storage Technologies (together with affiliated entities) and Samsung Electronics Incorporated also sell other products to our customers, including critical components like flash memory, application-specific integrated circuits, or ASICs, and flat panel displays, and may be willing to sell their disc drives at a lower margin to advance their overall business strategy. This may improve their ability to compete with us. To the extent we are not successful competing with captive or independent rigid disc drive manufacturers, our results of operations will be adversely affected.

In addition, in response to customer demand for high-quality, high-volume and low-cost rigid disc drives, manufacturers of rigid disc drives have had to develop large, in some cases global, production facilities with highly developed technological capabilities and internal controls. The development of large production facilities and industry consolidation can contribute to the intensification of competition. We also face indirect competition from present and potential customers who evaluate from time to time whether to manufacture their own rigid disc drives or other information storage products.

Volatility of Quarterly Results Our quarterly operating results fluctuate significantly from period to period, and this may cause our stock price to decline.

In the past, our quarterly revenue and operating results fluctuated significantly from period to period. We expect this fluctuation to continue for a variety of reasons, including:

- changes in the demand for the computer systems, storage subsystems and consumer electronics that contain our rigid disc drives, due to seasonality and other factors;
- changes in purchases from period to period by our primary customers, particularly as our competitors are able to introduce and produce in volume comparable product technology;
- competitive pressures resulting in lower selling prices;
- delays or problems in the introduction of our new products due to inability to achieve high production yields, delays in customer qualification or initial product quality issues;
- shifting trends in customer demand which, when combined with overproduction of particular products, particularly at times like now where the industry is served by multiple suppliers, results in supply/demand imbalances;
- the impact of restructuring activities that the company may engage in;
- adverse changes in the level of economic activity in the United States and other major regions in which we do business;

our high proportion of fixed costs, including research and development expenses;

announcements of new products, services or technological innovations by us or our competitors; and

increased costs or adverse changes in availability of supplies.

As a result, we believe that quarter-to-quarter comparisons of our revenue and operating results may not be meaningful, and that these comparisons may not be an accurate indicator of our future performance. Our operating results in one or more future quarters may fail to meet the expectations of investment research analysts or investors, which could cause an immediate and significant decline in the trading price of our common shares.

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New Product Offerings Market acceptance of new product introductions cannot be accurately predicted, and our results of operations will suffer if there is less demand for our new products than is anticipated.

We are continually developing new products in the hope that we will be able to introduce technologically advanced rigid disc drives into the marketplace ahead of our competitors.

We recently announced 12 new rigid disc drive products which will be introduced in the current fiscal year, many of which will address rigid disc drive applications for which we currently have no product offerings. Some of these new products introduce new form factors, such as our first 1-inch form factor rigid disc drive and our first 2.5-inch form factor rigid disc drive for enterprise applications. Some of these new products also introduce higher levels of areal density than our existing products. We believe that our near-term financial results, including our ability to achieve the results included in publicly announced forecasts will depend heavily on the successful introduction and customer acceptance of these new products.

The success of our new product introductions is dependent on a number of factors, including market acceptance, our ability to manage the risks associated with product transitions, the effective management of inventory levels in line with anticipated product demand, and the risk that our new products will have quality problems or other defects in the early stages of introduction that were not anticipated in the design of those products. Accordingly, we cannot accurately determine the ultimate effect that our new products will have on our sales or results of operations.

In addition, the success of our new product introductions is dependent upon our ability to qualify as a primary source of supply with our OEM customers. In order for our products to be considered by our customers for qualification, we must be among the leaders in time-to-market with those new products. Once a product is accepted for qualification testing, any failure or delay in the qualification process or a requirement that we requalify can result in our losing sales to that customer until new products are introduced. The limited number of high-volume OEMs magnifies the effect of missing a product qualification opportunity. These risks are further magnified because we expect competitive pressures to result in declining sales and declining gross margins on our current generation products. We cannot assure you that we will be among the leaders in time-to-market with new products or that we will be able to successfully qualify new products with our customers in the future.

Smaller Form Factor Rigid Disc Drives If we do not continue to successfully market smaller form factor rigid disc drives, our business may suffer.

Increases in sales of notebook computers and in areal density are resulting in a shift to smaller form factor rigid disc drives for an expanding number of applications, including personal computers, enterprise storage applications and consumer electronic devices. Many of these applications have typically used rigid disc drives with a 3.5-inch form factor, which we currently manufacture. Notebook computers typically use 2.5-inch form factor rigid disc drives. We initiated volume shipments of our Momentus notebook disc drive to a number of OEMs in the second fiscal quarter of 2004. These shipments materially contributed to our results of operations in the second fiscal quarter. However, our recently introduced products only address a limited portion of the existing notebook market and in our third fiscal quarter of 2004, ended April 2, 2004, an oversupply of notebook disc drives in the supply chain led to a significant reduction in our shipments of Momentus which adversely impacted our results of operations. We recently announced our first 1-inch form factor rigid disc drive, additional capacity models of our Momentus notebook disc drive and a 2.5-inch form factor disc drive for enterprise storage applications. These products are scheduled for introduction during fiscal year 2005. If we do not successfully introduce these products or if we do not suitably adapt our technology and product offerings to successfully develop and introduce additional smaller form factor rigid disc drives, customers may decrease the amounts of our products that they purchase which would adversely affect our results of operations.

Importance of Reducing Operating Costs If we do not reduce our operating expenses, we will not be able to compete effectively in our industry.

Our strategy involves, to a substantial degree, increasing revenue while at the same time reducing operating expenses. In this regard, we have engaged in ongoing, company-wide manufacturing efficiency activities intended to increase productivity and reduce costs. These activities have included closures and transfers of facilities, significant personnel reductions and efforts to increase automation. For example, in our fourth fiscal quarter of 2004, we undertook significant restructuring activities to reduce the costs of our operations and we continue to look at opportunities for further cost reductions, which may result in additional restructuring activities in the future. We cannot assure you that our efforts will result in the increased profitability, cost savings or other benefits that we expect. Moreover, the reduction of personnel and closure of facilities may adversely affect our ability to manufacture our products in required volumes to meet customer demand and may result in other disruptions that affect our products and customer service. In addition, the transfer of manufacturing capacity of a product to a different facility frequently requires qualification of the new facility by some of our OEM customers. We cannot assure you that these activities and transfers will be implemented on a cost-effective basis without delays or disruption in our production and without adversely affecting our customer relationships and results of operations.

Industry Demand Changes in demand for computer systems and storage subsystems has caused and may cause in the future a decline in demand for our products.

Our rigid disc drives are components in computers, computer systems and storage subsystems and consumer electronic devices. The demand for these products has been volatile. In a weak economy, consumer spending tends to decline and retail demand for PCs and consumer electronic devices tends to decrease, as does enterprise demand for computer systems and storage subsystems. During economic slowdowns such as the one that began in 2001, demand for rigid disc drives, particularly in the enterprise sector was adversely impacted as a result of the weakened economy and because enterprises shifted their focus from making new equipment purchases to more efficiently using their existing information technology infrastructure through, among other things, adopting new storage architectures. Unexpected slowdowns in demand for computer systems and storage subsystems generally cause sharp declines in demand for rigid disc drive products.

Additional causes of declines in demand for our products in the past have included announcements or introductions of major operating system or semiconductor improvements or changes in consumer preferences, such as the shift from desktop to notebook computers. We believe these announcements and introductions have from time to time caused consumers to defer their purchases and made inventory obsolete. Whenever an oversupply of rigid disc drives causes participants in our industry to have higher than anticipated inventory levels, we experience even more intense price competition from other rigid disc drive manufacturers than usual.

Seasonality Because we experience seasonality in the sales of our products, our results of operations will generally be adversely impacted during our fourth fiscal quarter.

Because sales of computer systems, storage subsystems and consumer electronics tend to be seasonal, we expect to continue to experience seasonality in our business as we respond to variations in our customers demand for rigid disc drives. In particular, we anticipate that sales of our products will continue to be lower during our fourth fiscal quarter than the rest of the year. In the desktop computer, notebook computer and consumer electronics sectors of our business, this seasonality is partially attributable to our customers increased sales of PCs and consumer electronics during the winter holiday season. In the enterprise sector of our business, our sales are seasonal because of the capital budgeting and purchasing cycles of our end users. Because our working capital needs peak during periods in which we are increasing production in anticipation of orders that have not yet been received, our operating results will fluctuate seasonally even if the forecasted demand for our products proves accurate. Furthermore, it is difficult for us to evaluate the degree to which this seasonality may affect our business in future periods because our overall growth may have reduced the impact of this seasonality in recent periods. In addition, the pattern of seasonal changes in demand may change. For instance, we believe

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demand for our products used in consumer electronics may be peaking in our first fiscal quarter, which is earlier than in the past.

Difficulty in Predicting Quarterly Demand If we fail to predict demand accurately for our products in any quarter, we may not be able to recapture the cost of our investments.

The rigid disc drive industry operates on quarterly purchasing cycles, with much of the order flow in any given quarter coming at the end of that quarter. Our manufacturing process requires us to make significant product-specific investments in inventory in each quarter for that quarter s production. Because we typically receive the bulk of our orders late in a quarter after we have made our investments, there is a risk that our orders will not be sufficient to allow us to recapture the costs of our investment before the products resulting from that investment have become obsolete. We cannot assure you that we will be able to accurately predict demand in the future.

Other factors that may negatively impact our ability to recapture the cost of investments in any given quarter include:

- our inability to reduce our fixed costs to match sales in any quarter because of our vertical manufacturing strategy, which means that we make more capital investments than we would if we were not vertically integrated;
- the timing of orders from and shipment of products to key customers;
- unanticipated fluctuations in unit volume purchases from our customers, particularly our distributor customers who recently have accounted for an increasingly larger portion of our total sales;
- our product mix and the related margins of the various products;
- accelerated reduction in the price of our rigid disc drives due to technological advances and/or an oversupply of rigid disc drives in the market, a condition that is exacerbated when the industry is served by multiple suppliers and shifting trends in demand which can create supply demand imbalances;
- manufacturing delays or interruptions, particularly at our major manufacturing facilities in China, Malaysia, Singapore and Thailand;
- variations in the cost of components for our products;
- limited access to components that we obtain from a single or a limited number of suppliers;
- the impact of changes in foreign currency exchange rates on the cost of producing our products and the effective price of our products to foreign consumers; and
- operational issues arising out of the increasingly automated nature of our manufacturing processes.

Dependence on Distributors We are dependent on sales to distributors, which may increase price erosion and the volatility of our sales.

A substantial portion of our sales has been to distributors of desktop disc drive products. Product qualification programs in this distribution channel are limited, which increases the number of competing products that are available to satisfy demand, particularly in times of lengthening product cycles. As a result, purchasing decisions in this channel are based largely on price, terms and product availability. Sales volumes through this channel are also less predictable and subject to greater volatility than sales to our OEM customers. Recently, a number of disc drive manufacturers independently launched initiatives to improve the stability of the distribution channel, particularly with respect to the purchasing behavior of these distributors while other disc drive manufacturers have not. These actions have further increased the uncertainty as to demand within this market segment. To the extent that distributors reduce their purchases of our products or prices decline significantly in the distribution channel, our results of operations would be adversely affected.

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Longer Product Life Cycles   Lengthening of product life cycles can make planning product transitions difficult and may reduce the favorable impact of new product transitions.

In contrast to historical trends, based on our recent experience in the industry with respect to new product introductions, we believe that the current rate of increase in areal density is slowing from the rate of the last several years. We believe that this slowdown in the rate of increase in areal density will continue until a significant advance in technology for the electronic storage of data, such as perpendicular recording technology, becomes commercially available.

When the rate of increase in areal density slows, it may contribute to increased average price erosion to the extent historical price erosion patterns continue, a limitation in our ability to introduce new products at higher prices and lengthened product life cycles which permits competitors more time to enter the market for a particular type of disc drive. In addition, the lengthening of product life cycles can make planning product transitions more difficult. To the extent that we prematurely discontinue a product, or do not timely introduce new products, our operating results may be adversely affected.

Because the rate of growth in areal density is slowing, the favorable impact of new product introductions on our results of operations may be minimized. Historically, the introduction of new products generally has had a favorable impact on our results of operations both because the new products are introduced at higher prices than existing competitive offerings and because advances in areal density technology have enabled lower manufacturing costs through a reduction in components such as read/write heads and rigid discs. However, in contrast to when the rate of growth in areal density is increasing, a slowing growth rate in areal density can limit the cost benefits of new products because it is technologically more difficult to reduce the number of read/write heads and rigid discs in a particular drive. In addition, given the environment of intense price competition, in the absence of significant capacity or reliability increases, it is difficult to obtain higher prices for new products.

Industry Consolidation   Consolidation among captive manufacturers may serve to increase their resources and improve their access to customers, thereby making them more formidable competitors.

Consolidation among captive manufacturers may provide them with competitive advantages over independent manufacturers, including us. For example, in December 2002, IBM merged its disc drive business with the disc drive business of Hitachi through the formation of Hitachi Global Storage Technologies, a separate company. Hitachi is the controlling shareholder of Hitachi Global Storage Technologies and is expected to assume full ownership at the end of 2005. As a part of this transaction, each of IBM and Hitachi agreed to multi-year supply commitments with the new company. Because IBM is one of our most significant customers and Hitachi is one of our most significant competitors, there is a significant risk that IBM will decrease the number of rigid disc drives purchased from us and increase the number purchased from the new company. Moreover, economies of scale and the combination of the two companies   technological capabilities, particularly in the enterprise sector of our industry, could make the new company a more formidable competitor than IBM or Hitachi operating alone.

Importance of Time-to-Market   Our operating results may depend on our being among the first-to-market and achieving sufficient production volume with our new products.

To achieve consistent success with our OEM customers, it is important that we be an early provider of new types of rigid disc drives featuring leading, high-quality technology. Historically, our operating results have substantially depended upon our ability to be among the first-to-market with new product offerings. However, during a period of slowing areal density growth, such as we are in now, the importance of time-to-market may be less critical. Our market share and operating results in the future may be adversely affected, particularly if the areal density curve resumes its historical rate of growth, if we fail to:

consistently maintain our time-to-market performance with our new products;

produce these products in sufficient volume;

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- qualify these products with key customers on a timely basis by meeting our customers performance and quality specifications; or

- achieve acceptable manufacturing yields and costs with these products.

If delivery of our products is delayed, our OEM customers may use our competitors products to meet their production requirements. If the delay of our products causes delivery of those OEMs computer systems into which our products are integrated to be delayed, consumers and businesses may purchase comparable products from the OEMs competitors.

Moreover, we face the related risk that consumers and businesses may wait to make their purchases if they want to buy a new product that has been shipped or announced but not yet released. If this were to occur, we may be unable to sell our existing inventory of products that may have become less efficient and cost effective compared to new products. As a result, even if we are among the first-to-market with a given product, subsequent introductions or announcements by our competitors of new products could cause us to lose revenue and not achieve a positive return on our investment in existing products and inventory.

New Product Development and Technological Change If we do not develop products in time to keep pace with technological changes, our operating results will be adversely affected.

Our customers have demanded new generations of rigid disc drive products as advances in computer hardware and software have created the need for improved storage products with features such as increased storage capacity, improved performance and reliability of smaller form factors. We, and our competitors have developed improved products, and we will need to continue to do so in the future. For fiscal years 2004, 2003 and 2002, we had product development expenses of $666 million, $670 million and $698 million, respectively. We cannot assure you that we will be able to successfully complete the design or introduction of new products in a timely manner, that we will be able to manufacture new products in sufficient volumes with acceptable manufacturing yields, that we will be able to successfully market these new products or that these products will perform to specifications on a long-term basis. In addition, the impact of slowing areal density growth may adversely impact our ability to be successful.

When we develop new products with higher capacity and more advanced technology, our operating results may decline because the increased difficulty and complexity associated with producing these products increases the likelihood of reliability, quality or operability problems. If our products suffer increases in failures, are of low quality or are not reliable, customers may reduce their purchases of our products and our manufacturing rework and scrap costs and service and warranty costs may increase. In addition, a decline in the reliability of our products may make us less competitive as compared with other rigid disc drive manufacturers.

Impact of Technological Change Increases in the areal density of disc drives may outpace customers demand for storage capacity.

The rate of increase in areal density, or storage capacity per square inch on a disc, may be greater than the increase in our customers demand for aggregate storage capacity. As a result, our customers storage capacity needs may be satisfied with fewer rigid disc drives. These factors could decrease our sales, especially when combined with continued price erosion, which could adversely affect our results of operations.