

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 7, 1996

QUANTUM CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of incorporation)

0-12390
(Commission File No.)

94-2665054
(IRS Employer Identification No.)

500 McCarthy Boulevard
Milpitas, CA 95035
(Address of principal executive offices and zip code)

(408) 894-4000
(Registrant's telephone number, including area code)

ITEM 5. OTHER EVENTS

The information which is set forth in the Registrant's News Release dated May 7, 1996 is incorporated herein by reference.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

99.3 Text of Press Release dated May 7, 1996.

SIGNATURES

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

QUANTUM CORPORATION

Date: May 8, 1996

By: /s/ Joseph T. Rodgers

Joseph T. Rodgers

INDEX TO EXHIBITS

Exhibit	Description	Sequentially Numbered Page
99.3	Text of Press Release dated May 7, 1996	5

EXHIBIT 99.3

FOR RELEASE: May 7, 1996, 2:15 PM, PDT

Contact: Catherine Hartsog,
Communications
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Finance
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QUANTUM ANNOUNCES RESULTS FOR FOURTH FISCAL 1996 QUARTER

Sales for 1996 Fiscal Year of \$4.4 Billion

MILPITAS, Calif., May 7, 1996 -- Quantum Corporation (NMS: QNTM), today announced record sales of \$1.2 billion for its fourth fiscal 1996 quarter, ended March 31, 1996. Net income was \$21 million or 35 cents per share fully diluted, before a non-recurring charge of \$209 million, pre-tax, associated with a restructuring of the company's high-capacity business announced in January. This restructuring includes closing manufacturing facilities in Milpitas, Calif. and Penang, Malaysia; and transitioning manufacturing of the company's high-capacity hard disk drives to Matsushita-Kotobuki Electronics Industries, Ltd. (MKE), Quantum's long-time manufacturing partner for desktop drives. Including this one-time charge, the company had a net loss of \$123 million or \$2.28 per share fully diluted.

For the 1996 fiscal year, Quantum's net income excluding unusual charges was \$77 million or \$1.32 per share fully diluted on sales of \$4.4 billion. Including unusual charges related to the resizing of the company's high-capacity business and the new manufacturing model, the net loss was \$90 million or \$1.74 per share for the year.

"The strength of customer demand for Quantum's desktop drives and our DLT(TM) tape drives during the quarter was very impressive," said Michael A. Brown, Quantum's chief executive officer. "We shipped over 5.7 million desktop drives, again leading the industry in that market. We believe we currently have both a time-to-volume lead in our desktop product line and the strongest customer base in the industry."

Quantum's five largest OEM customers accounted for 43 percent of the company's sales in the fourth quarter. Compaq was the company's largest customer at 13% of sales; IBM represented 10% of Quantum's sales for the quarter.

During the fourth quarter, Quantum announced and began shipping its Bigfoot(TM) products, 1.2- and 2.5-gigabyte drives in the 5.25-inch form factor. "Our Bigfoot drives are the highest value solution for the capacity-hungry consumer personal computer marketplace," said Brown. "We are pleased with the customer acceptance of these products and are shipping or qualifying the Bigfoot products at 7 of the 10 largest personal computer OEMs."

Quantum's DLT tape drive business accounted for nearly ten percent of its sales for the quarter. "We continue to be pleased with our success in growing our DLT tapes business and the emergence of DLT tape as an industry standard," said Brown. "Based on our fourth quarter sales, Quantum is now the second largest tape drive supplier in the world."

"The high-end market continues to be an exciting opportunity," said Brown. "We are confident that expanding our relationship with MKE to our high-end business is the right model for Quantum, and although we face significant challenges during the transition, the benefits of this strategy should be apparent this fiscal year. If we are successful in delivering the quality, consistency and ramp capability in our high-capacity disk drives we believe we can achieve through our partnership with MKE, we will have the opportunity to offer a significant, competitive advantage in the high-end marketplace."

Founded in 1980, Quantum Corporation designs and manufactures storage products for today's digitized world. Widely recognized as the industry's quality leader, Quantum sells a broad range of storage products to OEM and distribution customers worldwide. The company's sales for the fiscal year ending March 1996 were \$4.4 billion. Quantum's World Wide Web home page address is <http://www.quantum.com>.

This release contains forward-looking statements based on current expectations. Actual results could differ materially as a result of several factors including those related to the change in the high-end manufacturing strategy. See the risk factors as outlined in Quantum's fiscal year 1995 10K and 10Q for the quarter ended December 31, 1995.

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Bigfoot and DLT are the trademarks of Quantum Corporation

QUANTUM CORPORATION
CONSOLIDATED BALANCE SHEETS
(In thousands)

	March 31, 1996	March 31, 1995	
	-----	-----	
Assets			
Current Assets:			
Cash and investments	\$ 164,752	\$ 187,753	
Accounts receivable, net of allowance for doubtful accounts of \$10,497 and \$11,963	711,107	497,887	
Inventories	459,538	324,650	
Deferred income taxes	109,625	44,054	
Other current assets	81,472	35,580	
	-----	-----	
Total current assets	1,526,494	1,089,924	
Property and equipment, net	364,111	280,099	
Purchased intangibles, net	66,313	95,818	
Other assets	18,437	15,187	
	-----	-----	
	\$1,975,355	\$1,481,028	
	=====	=====	
Liabilities and Shareholders' Equity			
Current Liabilities:			
Accounts payable	\$ 498,829	\$ 355,117	
Accrued warranty	62,289	57,001	
Other accrued liabilities	152,734	181,923	
Accrued restructuring costs	103,165	--	
Short term debt	4,125	50,000	
	-----	-----	
Total current liabilities	821,142	644,041	
Deferred income taxes	11,232	--	
Subordinated debt	374,283	212,500	
Long term debt	223,875	115,000	
Shareholders' equity	544,823	509,487	
	-----	-----	
	\$1,975,355	\$1,481,028	
	=====	=====	

QUANTUM CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands except per share amounts)

	THREE MONTHS ENDED March 31, 1996	THREE MONTHS ENDED March 31, 1995	TWELVE MONTHS ENDED March 31, 1996	TWELVE MONTHS ENDED March 31, 1995
Sales	\$ 1,232,491	\$ 983,809	\$ 4,422,726	\$ 3,367,984
Cost of sales	1,070,943	834,158	3,880,309	2,804,271
	-----	-----	-----	-----
Gross profit	161,548	149,651	542,417	563,713
	-----	-----	-----	-----
Expenses:				
Research and development	65,177	58,124	239,116	169,282
Sales and marketing	36,697	34,069	142,413	108,290
General and administrative	19,781	16,232	65,145	52,134
Restructuring and non-recurring charges	209,122	--	209,122	--
Purchased research and development and in merger costs	--	--	--	72,945
	-----	-----	-----	-----
Total operating expenses	330,777	108,425	655,796	402,651
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Income (loss) from operations	(169,229)	41,226	(113,379)	161,062
Interest expense, net	12,716	8,288	27,959	15,757
	-----	-----	-----	-----
Income (loss) before income taxes	(181,945)	32,938	(141,338)	145,305
Income tax provision (benefit)	(59,003)	9,881	(50,882)	63,714
	-----	-----	-----	-----
Net income (loss)	\$ (122,942)	\$ 23,057	\$ (90,456)	\$ 81,591
	=====	=====	=====	=====

Net income (loss) per share:					
Primary	\$	(2.28)	\$	0.48	\$ (1.74) \$ 1.72
Fully diluted	\$	(2.28)	\$	0.42	\$ (1.74) \$ 1.52
Weighted average common and common equivalent shares:					
Primary		53,971		47,736	51,841 47,319
Fully diluted		53,971		59,485	51,841 59,038

</TABLE>

QUANTUM CORPORATION

PRO-FORMA CONSOLIDATED STATEMENTS OF OPERATIONS BEFORE NON-RECURRING CHARGES
FOR ANALYTICAL PURPOSES ONLY

(In thousands except per share amounts)

	Three Months Ended		Twelve Months Ended	
	March 31,		March 31,	
	1996 (A)		1996 (B)	
	(Unaudited)		(Unaudited)	
	-----		-----	
Sales	\$	1,232,491	\$	4,422,726
Cost of sales		1,070,943		3,844,359
		-----		-----
Gross profit		161,548		578,367
		-----		-----
Expenses:				
Research and development		65,177		238,426
Sales and marketing		36,697		141,163
General and administrative		19,781		65,035
		-----		-----
Total operating expenses		121,655		444,624
		-----		-----
Income from operations		39,893		133,743
Interest expense, net		12,716		27,959
		-----		-----
Income before income taxes		27,177		105,784
Income tax provision		5,765		28,562
		-----		-----
Net income	\$	21,412	\$	77,222
		=====		=====
Net income per share:				
Fully diluted	\$	0.35	\$	1.32
Weighted average common and common equivalent shares:				
Fully diluted		68,562		64,283

NOTES:

- (A) Excludes \$209 million restructuring charge incurred in the quarter ended March 31, 1996.
- (B) Excludes \$38 million resizing expenses incurred in the quarter ended December 31, 1995 and \$209 million restructuring charge incurred in the quarter ended March 31, 1996.