SanDisk Corporation

Share Count Dilution from 1½% Convertible Notes Due 2017 [1]

GAAP

Non-GAAP

	Non GAA					
Quarterly Average Stock Price	Dilutive Shares from Convertible Feature (conversion price \$52.16)	Offsetting Shares from Call Option	Dilutive Shares from Warrants (strike price \$73.0357)	Non-GAAP Diluted Shares =[2]+[3]+[4]	Addback Offsetting Shares from Call Option	GAAP Dilutive Shares =[5]+[6]
Charas (1000)	[2]	[3]	[4]	[5]	[6]	[7]
Shares ('000)						
\$50.00	-	-	-	-	-	-
\$55.00	987	(987)	-	-	987	987
\$60.00	2,502	(2,502)	-	-	2,502	2,502
\$65.00	3,784	(3,784)	-	-	3,784	3,784
\$70.00	4,883	(4,883)	-	-	4,883	4,883
\$75.00	5,835	(5,835)	502	502	5,835	6,337
\$80.00	6,669	(6,669)	1,670	1,670	6,669	8,339
\$85.00	7,404	(7,404)	2,699	2,699	7,404	10,103
\$90.00	8,058	(8,058)	3,613	3,613	8,058	11,671
\$95.00	8,642	(8,642)	4,432	4,432	8,642	13,074
\$100.00	9,169	(9,169)	5,168	5,168	9,169	14,337
\$105.00	9,645	(9,645)	5,835	5,835	9,645	15,480
\$110.00	10,078	(10,078)	6,441	6,441	10,078	16,519
\$115.00	10,473	(10,473)	6,995	6,995	10,473	17,468
\$120.00	10,835	(10,835)	7,503	7,503	10,835	18,338
\$125.00	11,169	(11,169)	7,968	7,968	11,169	19,137
\$130.00	11,476	(11,476)	8,400	8,400	11,476	19,876
\$135.00	11,761	(11,761)	8,798	8,798	11,761	20,559
\$140.00	12,026	(12,026)	9,168	9,168	12,026	21,194
\$145.00	12,272	(12,272)	9,513	9,513	12,272	21,785
\$150.00	12,502	(12,502)	9,835	9,835	12,502	22,337

- [1] The bond conversion and warrant strike prices have been updated through the latest ex-dividend date of August 8, 2013.
- [2] Excludes impact of offsetting shares from Call Option hedge.
- [3] Offsetting shares from Call Option hedge. When exercised, will ultimately offset the dilutive shares from the convertible debt security.
- [4] There are no hedges to offset dilution from the warrants.
- [5] Non-GAAP diluted shares for non-GAAP EPS calculation.
- [6] Eliminate the expected impact of the call option hedge, as this is not recognized in GAAP shares until exercised.
- [7] GAAP diluted shares for GAAP EPS calculation.