

**SanDisk Corporation**  
**Share Count Dilution**  
**from 1.5% Convertible Notes due 2017**  
**and 0.5% Convertible Notes due 2020 [1]**

Quarterly Average Stock Price	Non-GAAP			GAAP		
	Dilutive Shares from Convertible Feature	Offsetting Shares from Call Option	Dilutive Shares from Warrants	Non-GAAP Diluted Shares =[2]+[3]+[4]	Addback Offsetting Shares from Call Option	GAAP Dilutive Shares =[5]+[6]
	[2]	[3]	[4]	[5]	[6]	[7]
	<i>Shares ('000)</i>					
\$50.00	-	-	-	-	-	-
\$55.00	1,163	(1,163)	-	-	1,163	1,163
\$60.00	2,678	(2,678)	-	-	2,678	2,678
\$65.00	3,960	(3,960)	-	-	3,960	3,960
\$70.00	5,059	(5,059)	-	-	5,059	5,059
\$75.00	6,011	(6,011)	678	678	6,011	6,689
\$80.00	6,845	(6,845)	1,845	1,845	6,845	8,690
\$85.00	7,580	(7,580)	2,874	2,874	7,580	10,454
\$90.00	8,234	(8,234)	3,789	3,789	8,234	12,023
\$95.00	9,299	(9,299)	4,608	4,608	9,299	13,907
\$100.00	10,616	(10,616)	5,345	5,345	10,616	15,961
\$105.00	11,806	(11,806)	6,011	6,011	11,806	17,817
\$110.00	12,888	(12,888)	6,617	6,617	12,888	19,505
\$115.00	13,876	(13,876)	7,171	7,171	13,876	21,047
\$120.00	14,782	(14,782)	7,678	7,678	14,782	22,460
\$125.00	15,616	(15,616)	8,415	8,415	15,616	24,031
\$130.00	16,384	(16,384)	9,461	9,461	16,384	25,845
\$135.00	17,096	(17,096)	10,430	10,430	17,096	27,526
\$140.00	17,758	(17,758)	11,330	11,330	17,758	29,088
\$145.00	18,374	(18,374)	12,167	12,167	18,374	30,541
\$150.00	18,949	(18,949)	12,949	12,949	18,949	31,898
\$155.00	19,486	(19,486)	13,680	13,680	19,486	33,166
\$160.00	19,991	(19,991)	14,365	14,365	19,991	34,356
\$165.00	20,464	(20,464)	15,009	15,009	20,464	35,473
\$170.00	20,909	(20,909)	15,615	15,615	20,909	36,524
\$175.00	21,330	(21,330)	16,187	16,187	21,330	37,517
\$180.00	21,726	(21,726)	16,726	16,726	21,726	38,452

[1] The bond conversion and warrant strike prices related to the 1.5% Notes due 2017 have been updated through the latest ex-dividend date of May 1, 2014. The bond conversion and warrant strike prices for the 0.5% Notes due 2020 are not adjusted unless the quarterly dividend exceeds \$0.225 per share.

The conversion price of the convertible notes and the strike price of the related warrants are as follows:

- ▶ 1.5% Convertible Notes due 2017
  - Conversion price of Note = \$51.69.
  - Strike price of related warrants = \$72.3712.
- ▶ 0.5% Convertible Notes due 2020
  - Conversion price of Note = \$92.19.
  - Strike price of related warrants = \$122.9220.

[2] Excludes impact of offsetting shares from Call Option hedges.

[3] Offsetting shares from Call Option hedges. When exercised, will ultimately offset the dilutive shares from the convertible debt securities.

[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 hedges, as this is not recognized in GAAP shares until exercised.

[7] GAAP diluted shares for GAAP EPS calculation.