

**SanDisk Corporation**  
**Reconciliation of Preliminary GAAP Condensed Consolidated Cash Flows from Operations**  
**to Free Cash Flows**

*(in thousands, unaudited)*

	<u>January 3, 2010</u>	<u>January 2, 2011</u>	<u>January 1, 2012</u>	<u>December 30, 2012</u>	<u>December 29, 2013</u>
Net cash provided by operating activities	\$ 487,854	\$ 1,451,892	\$ 1,053,772	\$ 529,854	\$ 1,863,672
Acquisition of property and equipment, net	(59,733)	(108,142)	(192,876)	(487,973)	(213,415)
Investment in Flash Ventures	—	—	(83,316)	(50,439)	(12,342)
Distribution from FlashVision Ltd.	12,713	122	—	—	—
Notes receivable issuances to Flash Ventures	(377,923)	(59,880)	(399,281)	(142,316)	(37,099)
Notes receivable proceeds from Flash Ventures	<u>387,278</u>	<u>59,664</u>	<u>416,388</u>	<u>511,289</u>	<u>124,765</u>
Free cash Flow	<u>\$ 450,189</u>	<u>\$ 1,343,656</u>	<u>\$ 794,687</u>	<u>\$ 360,415</u>	<u>\$ 1,725,581</u>

	<u>Three months ended</u>		<u>Six months ended</u>	
	<u>June 29, 2014</u>	<u>June 30, 2013</u>	<u>June 29, 2014</u>	<u>June 30, 2013</u>
Net cash provided by operating activities	\$ 240,860	\$ 390,793	\$ 622,939	\$ 864,444
Acquisition of property and equipment, net	(44,149)	(71,497)	(78,666)	(119,849)
Investment in Flash Ventures	(24,296)	—	(24,296)	—
Notes receivable issuances to Flash Ventures	(63,607)	—	(87,959)	—
Notes receivable proceeds from Flash Ventures	<u>87,952</u>	<u>19,802</u>	<u>112,304</u>	<u>73,388</u>
Free cash Flow	<u>\$ 196,760</u>	<u>\$ 339,098</u>	<u>\$ 544,322</u>	<u>\$ 817,983</u>