SanDisk Corporation Preliminary Condensed Consolidated Statements of Operations (in thousands, except per share amounts, unaudited)

	Three months ended				Nine months ended					
	October 2, 2011		October 2, 2011 October 3, 2010			ober 2, 2011	October 3, 2010			
Revenues:										
Product	\$	1,321,904	\$	1,137,593	\$	3,814,111	\$	3,222,103		
License and royalty		94,128		96,080		271,114		277,301		
Total revenues		1,416,032		1,233,673		4,085,225		3,499,404		
Cost of product revenues		790,465		591,296		2,281,264		1,804,203		
Amortization of acquisition-related intangible assets		13,186		3,132		26,556		9,396		
Total cost of product revenues		803,651		594,428		2,307,820		1,813,599		
Gross profit		612,381		639,245		1,777,405		1,685,805		
Operating expenses:										
Research and development		135,271		111,518		400,145		309,970		
Sales and marketing		48,538		50,390		144,195		150,985		
General and administrative		40,567		44,524		116,020		118,647		
Amortization of acquisition-related intangible assets		1,878		1,089		2,608		1,672		
Total operating expenses		226,254		207,521		662,968		581,274		
Operating income		386,127		431,724		1,114,437		1,104,531		
Other income (expense)		(23,578)		(3,168)		(56,217)		5,794		
Income before income taxes		362,549		428,556		1,058,220		1,110,325		
Provision for income taxes		129,296		106,464		352,453		295,648		
Net income	\$	233,253	\$	322,092	\$	705,767	\$	814,677		
Net income per share:										
Basic	\$	0.97	\$	1.38	\$	2.96	\$	3.52		
Diluted	\$	0.96	\$	1.34	\$	2.90	\$	3.41		
Shares used in computing net income per share:										
Basic		239,836		233,918		238,720		231,631		
Diluted		243,680		240,717		243,782		239,249		

SanDisk Corporation

Reconciliation of Preliminary GAAP to Non-GAAP Operating Results ⁽¹⁾ (in thousands, except per share data, unaudited)

	Three months ended					Nine months ended				
	October 2, 2011		Octo	ber 3, 2010	October 2, 2011		October 3, 2010			
SUMMARY RECONCILIATION OF NET INCOME										
GAAP NET INCOME	\$	233,253	\$	322,092	\$	705,767	\$	814,677		
Share-based compensation (a)	Ψ	15,729	Ψ	20,944	Ψ	44,678	Ψ	52,791		
Amortization of acquisition-related intangible assets (b)		15,064		4,221		29,164		11,068		
Convertible debt interest (c)		42,840		17,983		90,038		46,112		
Income tax adjustments (d)	\$	292,242	\$	(54,387)	\$	(48,780)	\$	(130,953)		
NON-GAAP NET INCOME	2	292,242	2	310,853	\$	820,867	\$	793,695		
GAAP COST OF PRODUCT REVENUES	\$	803,651	\$	594,428	\$	2,307,820	\$	1,813,599		
Share-based compensation (a)	Ψ	(1,284)	Ψ	(1,205)	Ψ	(3,316)	Ψ	(4,972)		
Amortization of acquisition-related intangible assets (b)		(13,186)		(3,132)		(26,556)		(9,396)		
NON-GAAP COST OF PRODUCT REVENUES	\$	789,181	\$	590,091	\$	2,277,948	\$	1,799,231		
GAAP GROSS PROFIT	\$	612,381	\$	639,245	\$	1,777,405	\$	1,685,805		
Share-based compensation (a)		1,284		1,205		3,316		4,972		
Amortization of acquisition-related intangible assets (b)		13,186		3,132		26,556		9,396		
NON-GAAP GROSS PROFIT	\$	626,851	\$	643,582	\$	1,807,277	\$	1,700,173		
GAAP RESEARCH AND DEVELOPMENT EXPENSES	\$	135,271	\$	111,518	\$	400,145	\$	309,970		
Share-based compensation (a)		(8,320)		(6,629)		(23,248)		(19,975)		
NON-GAAP RESEARCH AND DEVELOPMENT EXPENSES	\$	126,951	\$	104,889	\$	376,897	\$	289,995		
GAAP SALES AND MARKETING EXPENSES	\$	48,538	\$	50,390	\$	144,195	\$	150,985		
Share-based compensation (a)		(2,704)		(2,959)		(7,746)		(8,300)		
NON-GAAP SALES AND MARKETING EXPENSES	\$	45,834	\$	47,431	\$	136,449	\$	142,685		
CAAD CENEDAY AND ADMINISTED A TIME EMPENSES	d.	10.565	ф	44.524	ф	116.000	ф	110.647		
GAAP GENERAL AND ADMINISTRATIVE EXPENSES	\$	40,567	\$	44,524	\$	116,020	\$	118,647		
Share-based compensation (a)	ф	(3,421)	ф.	(10,151)	ф.	(10,368)	ф.	(19,544)		
NON-GAAP GENERAL AND ADMINISTRATIVE EXPENSES	\$	37,146	\$	34,373	\$	105,652	\$	99,103		
GAAP TOTAL OPERATING EXPENSES	\$	226,254	\$	207,521	\$	662,968	\$	581,274		
Share-based compensation (a)	Ψ	(14,445)	Ψ	(19,739)	Ψ	(41,362)	Ψ	(47,819)		
Amortization of acquisition-related intangible assets (b)		(1,878)		(1,089)		(2,608)		(1,672)		
NON-GAAP TOTAL OPERATING EXPENSES	\$	209,931	\$	186,693	\$	618,998	\$	531,783		
GAAP OPERATING INCOME	\$	386,127	\$	431,724	\$	1,114,437	\$	1,104,531		
Cost of product revenues adjustments (a) (b)		14,470		4,337		29,872		14,368		
Operating expense adjustments (a) (b)		16,323		20,828		43,970		49,491		
NON-GAAP OPERATING INCOME	\$	416,920	\$	456,889	\$	1,188,279	\$	1,168,390		
GAAP OTHER INCOME (EXPENSE)	\$	(23,578)	\$	(3,168)	\$	(56,217)	\$	5,794		
Convertible debt interest (c)		42,840		17,983		90,038		46,112		
NON-GAAP OTHER INCOME (EXPENSE)	\$	19,262	\$	14,815	\$	33,821	\$	51,906		
CAAD NIET INCOME	\$	222.252	¢	222.002	¢	705 767	\$	914 677		
GAAP NET INCOME	Ф	233,253	\$	322,092	\$	705,767	Ф	814,677		
Cost of product revenues adjustments (a) (b)		14,470		4,337		29,872		14,368		
Operating expense adjustments (a) (b)		16,323		20,828		43,970		49,491		
Convertible debt interest (c)		42,840		17,983		90,038		46,112		
Income tax adjustments (d)	ф.	(14,644)	ф.	(54,387)	ф.	(48,780)	ф.	(130,953)		
NON-GAAP NET INCOME	\$	292,242	\$	310,853	\$	820,867	\$	793,695		
Diluted net income per share:										
GAAP	\$	0.96	\$	1.34	\$	2.90	\$	3.41		
Non-GAAP	\$	1.20	\$	1.30	\$	3.37	\$	3.33		
Shares used in computing diluted net income per share:										
GAAP		243,680		240,717		243,782		239,249		
Non-GAAP		243,947		239,798		243,828		238,302		
		•		•		•		•		

SanDisk Corporation Reconciliation of Preliminary GAAP to Non-GAAP Operating Results (1)

- To supplement our condensed consolidated financial statements presented in accordance with generally accepted accounting principles (GAAP), we use non-GAAP measures of operating results, net income and net income per share, which are adjusted from results based on GAAP to exclude certain expenses, gains and losses. These non-GAAP financial measures are provided to enhance the user's overall understanding of our current financial performance and our prospects for the future. Specifically, we believe the non-GAAP results provide useful information to both management and investors as these non-GAAP results exclude certain expenses, gains and losses that we believe are not indicative of our core operating results and because it is consistent with the financial models and estimates published by many analysts who follow the Company. For example, because the non-GAAP results exclude the expenses we recorded for share-based compensation, the amortization of acquisition-related intangible assets related to acquisitions of Matrix Semiconductor, Inc. in January 2006, MusicGremlin, Inc. in June 2008 and Pliant Technology, Inc. in May 2011, non-cash economic interest expense associated with our convertible debt and tax valuation allowances, we believe the inclusion of non-GAAP financial measures provide consistency in our financial reporting. These non-GAAP results are some of the primary indicators management uses for assessing our performance, allocating resources and planning and forecasting future periods. Further, management uses non-GAAP information that excludes certain non-cash charges, such as amortization of purchased intangible assets, share-based compensation, non-cash economic interest expense associated with our convertible debt and tax valuation allowances, as these non-GAAP charges do not reflect the cash operating results of the business or the ongoing results. These measures should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for, or superior to, GAAP results. These non-GAAP measures may be different than the non-GAAP measures used by other companies.
- (a) Share-based compensation expense.
- (b) Amortization of acquisition-related intangible assets, primarily core technology, developed technology, customer relationships and trademarks related to the acquisitions of Matrix Semiconductor, Inc. (January 2006), MusicGremlin, Inc. (June 2008) and Pliant Technology, Inc. (May 2011).
- (c) Incremental interest expense relating to the non-cash economic interest expense associated with the Company's 1% Sr. Convertible Note due 2013 and 1.5% Sr. Convertible Note due 2017, and the acceleration of non-cash economic interest expense due to the repurchase of a portion of the 1% Sr. Convertible Note due 2013.
- (d) Income taxes associated with certain non-GAAP to GAAP adjustments and valuation allowances on deferred taxes.

SanDisk Corporation Preliminary Condensed Consolidated Balance Sheets (in thousands, unaudited)

	Octo	ober 2, 2011	Jan	January 2, 2011		
ASSETS						
Current assets:						
Cash and cash equivalents	\$	1,074,850	\$	829,149		
Short-term marketable securities		1,478,702		2,018,565		
Accounts receivable from product revenues, net		464,647		367,784		
Inventory		684,628		509,585		
Deferred taxes		131,811		104,582		
Other current assets		138,161		203,027		
Total current assets		3,972,799		4,032,692		
Long-term marketable securities		2,714,663		2,494,972		
Property and equipment, net		297,216		266,721		
Notes receivable and investments in flash ventures with Toshiba		2,116,262		1,733,491		
Deferred taxes		162,083		149,486		
Goodwill		154,899		_		
Intangible assets, net		308,909		37,404		
Other non-current assets		134,064		61,944		
Total assets	\$	9,860,895	\$	8,776,710		
LIABILITIES						
Current liabilities:						
Accounts payable trade	\$	223,241	\$	173,259		
Accounts payable to related parties		258,821		241,744		
Other current accrued liabilities		417,902		284,709		
Deferred income on shipments to distributors and retailers and deferred revenue		242,416		260,395		
Total current liabilities		1,142,380		960,107		
Convertible long-term debt		1,583,158		1,711,032		
Non-current liabilities		419,848		326,176		
Total liabilities		3,145,386		2,997,315		
EQUITY						
Stockholders' equity:						
Common stock		4,849,777		4,709,743		
Retained earnings		1,518,420		812,653		
Accumulated other comprehensive income		350,837		260,228		
Total stockholders' equity		6,719,034		5,782,624		
Non-controlling interests		(3,525)		(3,229)		
Total equity		6,715,509		5,779,395		
Total liabilities and equity	\$	9,860,895	\$	8,776,710		

SanDisk Corporation Preliminary Condensed Consolidated Statements of Cash Flows (in thousands, unaudited)

Cash flows from operating activities Cash flows from operating activities \$ 23.53 \$ 32.2002 \$ 20.50.767 \$ 81.4678 Deference for conceils cell circome to not ceal provided by operating activities. (706.11) \$ 32.500 \$ 32.500 \$ 9.00.767 \$ 58.4678 Deferenciation (706.11) \$ 32.500 \$ 10.909 \$ 63.000 \$ 63.000 Provision for doublind accounts 1.1529 9.094 44.678 \$ 2.300 Rice sea benefit from share-based compensation (10.90) (6.230) (13.500) (19.90) Rice sea benefit from share-based compensation (8.00) (10.10) (2.518) (19.90) Recent sea benefit from share-based compensation (8.00) (10.10) (2.518) (19.90) Recent sea benefit from share-based compensation (8.00) (10.10) (2.10) <td< th=""><th></th><th></th><th colspan="4">Three months ended</th><th colspan="4">Nine months ended</th></td<>			Three months ended				Nine months ended			
Name		Octob	October 2, 2011 October 3, 2			October 2, 2011 (1)		October 3, 2010		
Agricuments to reconcile net mome to net each provided by operating activities 70.618 16.940 77.842 32.970 38.499 102.075 32.970 38.499 102.075 32.970 38.499 102.075 32.970 38.499 102.075 32.970 38.499 102.075 32.970 38.499 102.075 32.970 38.499 102.075 32.970 38.499 102.075 32.970 38.499 102.075 32.970 38.499 102.075 32.970 38.499 102.075 32.970 38.499 102.075 32.970 38.499 102.075 32.970 38.499 102.075 32.970 38.499 32.970 38.499 32.970 38.499 32.970 38.499 32.970 38.499 32.970 38.499 32.970 38.499 32.970 38.499 32.970 38.499 32.970 38.499 32.970 38.499 32.970 39.49	Cash flows from operating activities:									
Deferent laxes	Net income	\$	233,253	\$	322,092	\$	705,767	\$	814,677	
Dependent	Adjustments to reconcile net income to net cash provided by operating activities:									
Amortization	Deferred taxes		(70,618)		(16,940)		(77,842)		(95,849)	
Provision for doubrital accounts	Depreciation		27,322		32,970		84,959		102,075	
Shar-back compensation expense 15,729 20,944 44,678 52,791 15,820 10,900 10,9	Amortization		44,685		24,761		118,035		65,349	
Process from saler-based compensation	Provision for doubtful accounts		1,025		(205)		(1,929)		(2,804)	
Impairments, restructuring and other	Share-based compensation expense		15,729		20,944		44,678		52,791	
Other non-operating 22,088 6,769 6,571 25,088 Changsin in penalting sasts and liabilities: Counties receivable from product revenues (88,570) 5,663 (89,157) (104,272) Inventory (130,779) (33,256) (164,788) 66,974 Oher assets 1,926 (21,988) (69,443) 1,636 Accounts payable turde (16,790) (33,137) 17,077 (18,184) Other liabilities (16,790) (33,137) 17,077 (18,184) Other liabilities (16,938) 57,058 138,453 277,818 Net each provided by operating activities 176,335 379,150 344,220 1,092,495 Proceds from sale of afsort and long-term marketable securities (89,1345) 2,788,994 (2,509,913) 4,231,933 Proceds from sale of afsort and long-term marketable securities (89,1345) 2,788,994 (2,509,913) 4,231,953 Proceds from marketable securities (89,1345) (2,788,994) (2,509,913) 4,231,953 Proceds from sale of asset sort and long-term marketable securities	Excess tax benefit from share-based compensation		(4,009)		(6,232)		(15,820)		(19,960)	
Changes in operating assets and liabilities	Impairments, restructuring and other		(5,673)		(11,349)		(25,118)		(27,587)	
Accounts receivable from product revenues	Other non-operating		22,088		6,769		63,771		25,708	
Content	Changes in operating assets and liabilities:									
Pole assets 19.96 (21.928) (69.443) 1.649 Accounts payable trade 41.825 36.451 38.368 17.359 Accounts payable to related parties (16.790) (33.137) 17.077 (18.184) (16.790) (33.137) 17.077 (18.184) (16.790) (18.184) (16.790) (33.137) (17.077) (18.184) (16.790) (18.184) (16.790) (18.184) (16.790) (18.184) (16.790) (18.184) (16.790) (18.184) (16.790) (18.184) (16.790) (18.184) (16.790) (18.184) (16.790) (18.184) (16.790) (18.184) (16.790) (18.184) (16.790) (18.184) (16.790) (16.7	Accounts receivable from product revenues		(88,570)		5,663		(89,157)		(104,272)	
Accounts payable tande	Inventory		(130,797)		(33,256)		(164,798)		66,974	
Content payable to related parties	Other assets		1,926		(21,928)		(69,443)		1,649	
Total adjustments	Accounts payable trade		41,825		36,431		38,368		17,359	
Total adjustments	Accounts payable to related parties		(16.790)		(33.137)		17.077		(18.184)	
Total adjustments										
Cash flows from investing activities: Purchases of short and long-term marketable securities (891,345) (2,788,994) (2,500,913) (4,231,953) Proceeds from sale of short and long-term marketable securities 804,576 944,838 2,76,356 1,636,549 Proceeds from maturities of short and long-term marketable securities 182,110 148,790 505,920 317,805 Acquisition of property and equipment (52,914) (22,314) (114,267) (59,728) Investment in Flash Ventures (64,983) - (83,316) - Distribution from Flash Vision Ltd. - - - - (38,316) - Distribution from Flash Vision Ltd. - - - (30,9281) - Notes receivable issuance to Flash Ventures (32,519) - (399,281) - Note sreceivable proceeds from Flash Ventures 163,420 59,664 248,516 59,664 Proceeds from sale of assets - - (100,000) (1,982) Acquisition of Pliant Technology, Inc., net of cash acquired - - (317,649) - Net cash provided by (used in) investing activities 183,455 (1,658,016) (484,634) (2,261,756) Cash flows from financing activities - 982,500 - 982,500 Proceeds from sale purchase) of convertible senior notes, net of issuance costs - 982,500 - 982,500 Proceeds from sale (purchase) of convertible senior notes, net of issuance costs - 982,500 1,494 (292,900) Proceeds from sale (purchase) of convertible senior notes, net of issuance costs - 982,500 1,494 (292,900) Proceeds from sale (purchase) of convertible senior notes, net of issuance costs - 982,500 1,494 (292,900) Proceeds from sale (purchase) of convertible senior notes, net of issuance costs - 982,500 1,494 (292,900) Proceeds from sale (purchase) of convertible senior notes, net of issuance costs - 982,500 1,494 (292,900) Proceeds from sale (purchase) of convertible senior notes, net of issuance costs - 982,500 1,494 (292,900) Proceeds from sale (purchase) of convertible senior note	Total adjustments									
Cash flows from investing activities: Purchases of short and long-term marketable securities (891,345) (2,788,994) (2,500,913) (4,231,953) Proceeds from sale of short and long-term marketable securities 804,576 944,838 2,76,356 1,636,549 Proceeds from maturities of short and long-term marketable securities 182,110 148,790 505,920 317,805 Acquisition of property and equipment (52,914) (22,314) (114,267) (59,728) Investment in Flash Ventures (64,983) - (83,316) - Distribution from Flash Vision Ltd. - - - - (38,316) - Distribution from Flash Vision Ltd. - - - (30,9281) - Notes receivable issuance to Flash Ventures (32,519) - (399,281) - Note sreceivable proceeds from Flash Ventures 163,420 59,664 248,516 59,664 Proceeds from sale of assets - - (100,000) (1,982) Acquisition of Pliant Technology, Inc., net of cash acquired - - (317,649) - Net cash provided by (used in) investing activities 183,455 (1,658,016) (484,634) (2,261,756) Cash flows from financing activities - 982,500 - 982,500 Proceeds from sale purchase) of convertible senior notes, net of issuance costs - 982,500 - 982,500 Proceeds from sale (purchase) of convertible senior notes, net of issuance costs - 982,500 1,494 (292,900) Proceeds from sale (purchase) of convertible senior notes, net of issuance costs - 982,500 1,494 (292,900) Proceeds from sale (purchase) of convertible senior notes, net of issuance costs - 982,500 1,494 (292,900) Proceeds from sale (purchase) of convertible senior notes, net of issuance costs - 982,500 1,494 (292,900) Proceeds from sale (purchase) of convertible senior notes, net of issuance costs - 982,500 1,494 (292,900) Proceeds from sale (purchase) of convertible senior notes, net of issuance costs - 982,500 1,494 (292,900) Proceeds from sale (purchase) of convertible senior note	Not each provided by apareting activities		176 225		270 150		844 220		1 002 405	
Purchases of short and long-term marketable securities 891,345 2,788,994 2,500,913 4,231,953 Proceeds from sale of short and long-term marketable securities 804,576 944,838 2,276,356 1,636,549 Proceeds from maturities of short and long-term marketable securities 182,110 148,790 505,920 317,805 Acquisition of property and equipment (52,914) (22,314) (114,267) (59,728) Investment in Flash Ventures (64,983)	Net cash provided by operating activities		1/0,333	-	3/9,130		844,220		1,092,493	
Proceeds from sale of short and long-term marketable securities 804,576 944,838 2,276,356 1,636,549 Proceeds from maturities of short and long-term marketable securities 182,110 148,790 505,920 317,805 Acquisition of property and equipment (52,914) (22,314) (114,267) (59,728) Investment in Flash Ventures (64,983) (83,316) Distribution from Flash Ventures (64,983) (70,000) Distribution from Flash Ventures (32,519) (309,281) Notes receivable issuance to Flash Ventures (32,519) (309,281) Notes receivable proceeds from Flash Ventures (32,519) (309,281) Proceeds from sale of assets (100,000) (1,982) Acquisition of Pliant Technology, Inc., net of cash acquired (317,649) Net cash provided by (used in) investing activities 108,345 (1,658,016) (484,634) (2,261,756) Cash flows from financing activities 982,500 982,500 Proceeds from sale (purchase) of convertible senior notes, net of issuance costs 982,500 982,500 Proceeds from sale (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) Proceeds from sale (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) Proceeds from sale (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) Proceeds from sale (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) Proceeds from sale (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) Proceeds from sale (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) Proceeds from sale (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) Proceeds from sale (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) Proceeds from sale (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) 1,494 (292,90	Cash flows from investing activities:									
Proceeds from maturities of short and long-term marketable securities 182,110 148,790 505,920 317,805 Acquisition of property and equipment (52,914) (22,314) (114,267) (59,728) Investment in Flash Ventures (64,983) — (83,316) — Distribution from Flash Vision Ltd. — — — — 122 Notes receivable proceeds from Flash Ventures 163,420 59,664 248,516 59,664 Proceeds from sale of assets — — — — 17,767 Purchased technology and other assets — — — 17,767 Perchased technology and other assets — — — (317,649) — Acquisition of Pliant Technology, Inc., net of cash acquired — — — (317,649) — — Net cash provided by (used in) investing activities — — — — (317,649) — — 982,500 Cash flows from financing activities — — 982,500 — — 982,500<	Purchases of short and long-term marketable securities		(891,345)		(2,788,994)		(2,500,913)		(4,231,953)	
Acquisition of property and equipment (52,914) (22,314) (114,267) (59,728)	Proceeds from sale of short and long-term marketable securities		804,576		944,838		2,276,356		1,636,549	
Investment in Flash Ventures (64,983)	Proceeds from maturities of short and long-term marketable securities		182,110		148,790		505,920		317,805	
Distribution from Flash Vision Ltd.	Acquisition of property and equipment		(52,914)		(22,314)		(114,267)		(59,728)	
Distribution from FlashVision Ltd.									`	
Notes receivable proceeds from Flash Ventures 163,420 59,664 248,516 59,664 Proceeds from sale of assets — — — — 17,767 Purchased technology and other assets — — — (100,000) (1,982) Acquisition of Pliant Technology, Inc., net of cash acquired — — (317,649) — Net cash provided by (used in) investing activities 108,345 (1,658,016) (484,634) (2,261,756) Cash flows from financing activities — — 982,500 — — 982,500 Cash flows from slate (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) Proceeds from sale (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) Proceeds from employee stock programs (1,158) 188,100 (1,158) 188,100 Repayment of debt financing (211,441) — (211,441) (75,000) Proceeds from employee stock programs 23,185 23,615 81,791 107,971 <t< td=""><td></td><td></td><td>` <u> </u></td><td></td><td>_</td><td></td><td>` –</td><td></td><td>122</td></t<>			` <u> </u>		_		` –		122	
Notes receivable proceeds from Flash Ventures 163,420 59,664 248,516 59,664 Proceeds from sale of assets — — — — 17,767 Purchased technology and other assets — — — (100,000) (1,982) Acquisition of Pliant Technology, Inc., net of cash acquired — — (317,649) — Net cash provided by (used in) investing activities 108,345 (1,658,016) (484,634) (2,261,756) Cash flows from financing activities — — 982,500 — — 982,500 Cash flows from slate (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) Proceeds from sale (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) Proceeds from employee stock programs (1,158) 188,100 (1,158) 188,100 Repayment of debt financing (211,441) — (211,441) (75,000) Proceeds from employee stock programs 23,185 23,615 81,791 107,971 <t< td=""><td>Notes receivable issuance to Flash Ventures</td><td></td><td>(32,519)</td><td></td><td>_</td><td></td><td>(399,281)</td><td></td><td>_</td></t<>	Notes receivable issuance to Flash Ventures		(32,519)		_		(399,281)		_	
Proceeds from sale of assets — — — — 17,767 Purchased technology and other assets — — — (100,000) (1,982) Acquisition of Pliant Technology, Inc., net of cash acquired — — — (317,649) — Net cash provided by (used in) investing activities 108,345 (1,658,016) (484,634) (2,261,756) Cash flows from financing activities Proceeds from issuance of convertible senior notes, net of issuance costs — 982,500 — 982,500 Proceeds from sale (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) Proceeds from sale (purchase) of warrants (1,158) 188,100 (1,158) 188,100 (1,158) 188,100 (1,158) 188,100 (1,158) 188,100 (1,158) 188,100 (1,158) 188,100 (1,158) 188,100 (1,158) 188,100 (1,158) 188,100 (1,158) 188,100 (1,158) 188,100 (21,441) (20,20) (21,441) (21,441) (23,450) (2					59.664				59,664	
Purchased technology and other assets	1		_		_		_			
Acquisition of Pliant Technology, Inc., net of cash acquired — — (317,649) — Net cash provided by (used in) investing activities 108,345 (1,658,016) (484,634) (2,261,756) Cash flows from financing activities: Proceeds from issuance of convertible senior notes, net of issuance costs — 982,500 — 982,500 Proceeds from sale (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) Proceeds from sale (purchase) of warrants (1,158) 188,100 (1,158) 188,100 Repayment of debt financing (211,441) — (211,441) (75,000) Proceeds from employee stock programs 23,185 23,615 81,791 107,971 Excess tax benefit from share-based compensation 4,009 6,232 15,820 19,960 Net cash provided by (used in) financing activities (183,911) 907,547 (113,494) 930,631 Effect of changes in foreign currency exchange rates on cash (773) (304) (391) 3,654 Net increase (decrease) in cash and cash equivalents 99,996			_		_		(100,000)			
Net cash provided by (used in) investing activities 108,345 (1,658,016) (484,634) (2,261,756) Cash flows from financing activities: Proceeds from issuance of convertible senior notes, net of issuance costs — 982,500 — 982,500 Proceeds from sale (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) Proceeds from sale (purchase) of warrants (1,158) 188,100 (1,158) 188,100 Repayment of debt financing (211,441) — (211,441) (75,000) Proceeds from employee stock programs 23,185 23,615 81,791 107,971 Excess tax benefit from share-based compensation 4,009 6,232 15,820 19,960 Net cash provided by (used in) financing activities (183,911) 907,547 (113,494) 930,631 Effect of changes in foreign currency exchange rates on cash (773) (304) (391) 3,654 Net increase (decrease) in cash and cash equivalents 99,996 (371,623) 245,701 (234,976) Cash and cash equivalents at beginning of period 974,854 1,237,011 <td></td> <td></td> <td>_</td> <td></td> <td>_</td> <td></td> <td>. , ,</td> <td></td> <td></td>			_		_		. , ,			
Proceeds from issuance of convertible senior notes, net of issuance costs — 982,500 — 982,500 Proceeds from sale (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) Proceeds from sale (purchase) of warrants (1,158) 188,100 (1,158) 188,100 Repayment of debt financing (211,441) — (211,441) (75,000) Proceeds from employee stock programs 23,185 23,615 81,791 107,971 Excess tax benefit from share-based compensation 4,009 6,232 15,820 19,960 Net cash provided by (used in) financing activities (183,911) 907,547 (113,494) 930,631 Effect of changes in foreign currency exchange rates on cash (773) (304) (391) 3,654 Net increase (decrease) in cash and cash equivalents 99,996 (371,623) 245,701 (234,976) Cash and cash equivalents at beginning of period 974,854 1,237,011 829,149 1,100,364			108,345		(1,658,016)					
Proceeds from issuance of convertible senior notes, net of issuance costs — 982,500 — 982,500 Proceeds from sale (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) Proceeds from sale (purchase) of warrants (1,158) 188,100 (1,158) 188,100 Repayment of debt financing (211,441) — (211,441) (75,000) Proceeds from employee stock programs 23,185 23,615 81,791 107,971 Excess tax benefit from share-based compensation 4,009 6,232 15,820 19,960 Net cash provided by (used in) financing activities (183,911) 907,547 (113,494) 930,631 Effect of changes in foreign currency exchange rates on cash (773) (304) (391) 3,654 Net increase (decrease) in cash and cash equivalents 99,996 (371,623) 245,701 (234,976) Cash and cash equivalents at beginning of period 974,854 1,237,011 829,149 1,100,364	Cash flows from financing activities									
Proceeds from sale (purchase) of convertible bond hedge 1,494 (292,900) 1,494 (292,900) Proceeds from sale (purchase) of warrants (1,158) 188,100 (1,158) 188,100 Repayment of debt financing (211,441) — (211,441) (75,000) Proceeds from employee stock programs 23,185 23,615 81,791 107,971 Excess tax benefit from share-based compensation 4,009 6,232 15,820 19,960 Net cash provided by (used in) financing activities (183,911) 907,547 (113,494) 930,631 Effect of changes in foreign currency exchange rates on cash (773) (304) (391) 3,654 Net increase (decrease) in cash and cash equivalents 99,996 (371,623) 245,701 (234,976) Cash and cash equivalents at beginning of period 974,854 1,237,011 829,149 1,100,364			_		982.500		_		982 500	
Proceeds from sale (purchase) of warrants (1,158) 188,100 (1,158) 188,100 Repayment of debt financing (211,441) — (211,441) (75,000) Proceeds from employee stock programs 23,185 23,615 81,791 107,971 Excess tax benefit from share-based compensation 4,009 6,232 15,820 19,960 Net cash provided by (used in) financing activities (183,911) 907,547 (113,494) 930,631 Effect of changes in foreign currency exchange rates on cash (773) (304) (391) 3,654 Net increase (decrease) in cash and cash equivalents 99,996 (371,623) 245,701 (234,976) Cash and cash equivalents at beginning of period 974,854 1,237,011 829,149 1,100,364			1 494		,		1 494		,	
Repayment of debt financing (211,441) — (211,441) (75,000) Proceeds from employee stock programs 23,185 23,615 81,791 107,971 Excess tax benefit from share-based compensation 4,009 6,232 15,820 19,960 Net cash provided by (used in) financing activities (183,911) 907,547 (113,494) 930,631 Effect of changes in foreign currency exchange rates on cash (773) (304) (391) 3,654 Net increase (decrease) in cash and cash equivalents 99,996 (371,623) 245,701 (234,976) Cash and cash equivalents at beginning of period 974,854 1,237,011 829,149 1,100,364	• /						,			
Proceeds from employee stock programs 23,185 23,615 81,791 107,971 Excess tax benefit from share-based compensation 4,009 6,232 15,820 19,960 Net cash provided by (used in) financing activities (183,911) 907,547 (113,494) 930,631 Effect of changes in foreign currency exchange rates on cash (773) (304) (391) 3,654 Net increase (decrease) in cash and cash equivalents 99,996 (371,623) 245,701 (234,976) Cash and cash equivalents at beginning of period 974,854 1,237,011 829,149 1,100,364	4 ,				-		(, ,			
Excess tax benefit from share-based compensation 4,009 6,232 15,820 19,960 Net cash provided by (used in) financing activities (183,911) 907,547 (113,494) 930,631 Effect of changes in foreign currency exchange rates on cash (773) (304) (391) 3,654 Net increase (decrease) in cash and cash equivalents 99,996 (371,623) 245,701 (234,976) Cash and cash equivalents at beginning of period 974,854 1,237,011 829,149 1,100,364					23 615					
Net cash provided by (used in) financing activities (183,911) 907,547 (113,494) 930,631 Effect of changes in foreign currency exchange rates on cash (773) (304) (391) 3,654 Net increase (decrease) in cash and cash equivalents 99,996 (371,623) 245,701 (234,976) Cash and cash equivalents at beginning of period 974,854 1,237,011 829,149 1,100,364										
Effect of changes in foreign currency exchange rates on cash (773) (304) (391) 3,654 Net increase (decrease) in cash and cash equivalents 99,996 (371,623) 245,701 (234,976) Cash and cash equivalents at beginning of period 974,854 1,237,011 829,149 1,100,364										
Net increase (decrease) in cash and cash equivalents 99,996 (371,623) 245,701 (234,976) Cash and cash equivalents at beginning of period 974,854 1,237,011 829,149 1,100,364	Net cash provided by (used in) financing activities		(183,911)	-	907,547		(113,494)		930,631	
Cash and cash equivalents at beginning of period 974,854 1,237,011 829,149 1,100,364	Effect of changes in foreign currency exchange rates on cash		(773)		(304)		(391)		3,654	
	Net increase (decrease) in cash and cash equivalents		99,996		(371,623)		245,701		(234,976)	
Cash and cash equivalents at end of period \$ 1,074,850 \$ 865,388 \$ 1,074,850 \$ 865,388	Cash and cash equivalents at beginning of period		974,854		1,237,011		829,149		1,100,364	
	Cash and cash equivalents at end of period	\$	1,074,850	\$	865,388	\$	1,074,850	\$	865,388	

⁽¹⁾ Consideration provided to Pliant Technology, Inc. of \$15 million during the first quarter of fiscal year 2011 has been reclassified from 'Purchased technology and other assets' to 'Acquisition of Pliant Technology, Inc., net of cash acquired'.