

30th July 2010

RE: Important changes to SanDisk Packaging

Dear Customer,

As a Valued Customer of Peak Development (Peak), I would like to take this opportunity to thank you for your continued support of our company and the products and services that we supply.

SanDisk, The Global Leader in Flash Memory Cards, and a major supply partner of Peak since 1996, has recently announced changes to its supply chain and logistics processes. As part of these changes, SanDisk will be adopting an overall smaller packaging format. The new packaging sizes and major changes are outlined below:

SanDisk Standard Range (Good)

Tear-proof Blister Pack will change from 7x5" to 5x3"

End of partcode will change from E11 to B35

Example of partcode Change: SDSDB-016G-E11 becomes SDSDB-016G-B35

UPC Barcode will stay the same

Jewel Case will be removed

SanDisk Ultra Range (Better)

Tear-proof Blister Pack will change from 7x5" to 4x6"

End of partcode will change from E11 to U46

Example of partcode Change: SDSDH-016G-E11 becomes SDSDH-016G-U46

UPC Barcode will stay the same

Jewel Case will be removed from Mobile Ultra lines only

SanDisk Extreme Range (Best)

Box packaging will change from 7x5" to 4x6"

End of partcode will change from E21 to X46

Example of partcode Change: SDSDX3-016G-E31 becomes SDSDX3-016G-X46

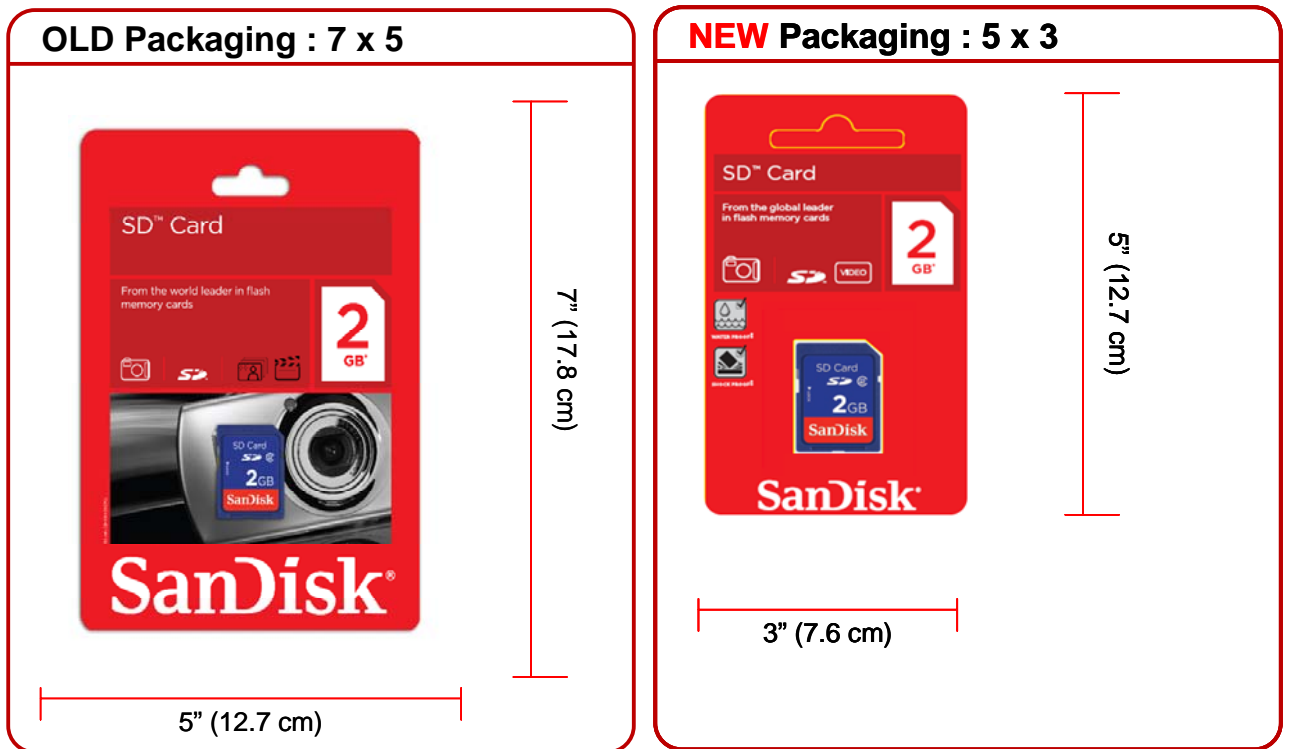
UPC Barcode will stay the same



The introduction of these packaging changes comes following extensive research and a successful market trial. During this trial, it was shown that smaller packaging allowed for more facings and better visibility on the shelf whilst the differentiation in size between the entry level products and the higher performance products enabled better messaging and demonstrated a clear up-sell path.

On the front of the packaging, the SanDisk branding will remain dominant and a new system of proof icons will better communicate the water proof, shock proof and x-ray proof nature of the cards. On the back of the packaging more consumer friendly messaging will be used including a new capacity matrix and a clearly laid out specification and warranty information area.

It is important to stress that with changes taking place to the packaging, the award winning SanDisk product inside will remain completely unchanged.



OLD Packaging : 7 x 5



7" (17.8 cm)

5" (12.7 cm)

NEW Packaging : 6 x 4



6" (15.2 cm)

4" (10.2 cm)

OLD Packaging : 7 x 5



7" (17.8 cm)

5" (12.7 cm)

NEW Packaging : 6 x 4



6" (15.2 cm)

4" (10.2 cm)

PEAK

The first stocks of the new packaging will start to arrive at Peak Development in mid to late August 2010 and will begin filtering through to customers shortly afterwards. In due course, a new pricelist will be issued detailing the partcode transitions in full. The team at Peak appreciate that each of our customers has different requirements and we will work with each of you on a case by case basis to ensure that your individual needs are met with regard to dummy packaging, displays and web assets. If you have any particular concerns about the changes outlined above, please contact your Peak account manager immediately who will be pleased to help.

Yours faithfully

Charlie Warn,
Peak Product Marketing, Memory and Storage.

PS. Whilst the team at Peak is committed to giving you all the latest SanDisk product information, we recognise that the SanDisk Channel Portal is quickly becoming a valuable resource for many of our customers. If you have not already registered, visit www.sandiskchannelportal.com for more information.

