

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ [See Attached Statement.](#)

18 Can any resulting loss be recognized? ▶ [See Attached Statement.](#)

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ [See Attached Statement.](#)

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here Signature ▶  Date ▶ 9/19/2016

Print your name ▶ Tom Vallone

Title ▶ Sr. Vice President, Taxes

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|-------------------------------|--|---|------------------|---|------------------|
| Paid Preparer Use Only | Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN |
| | <u>Raffi Baroutjian</u> |  | <u>9-19-2016</u> | | <u>P01383238</u> |
| | Firm's name ▶ <u>Deloitte Tax LLP</u> | Firm's EIN ▶ <u>86-1065772</u> | | Phone no. <u>212-492-4000</u> | |
| | Firm's address ▶ <u>30 Rockefeller Plaza, New York, NY 10112</u> | | | | |

Dell Technologies Inc.
EIN: 80-0890963
Attachment to Form 9937—Part II

Line 14

On September 7, 2016 (the “Closing Date”), Dell Technologies Inc. (f/k/a Denali Holding Inc.), a Delaware corporation (“Dell”) and EMC Corporation, a Massachusetts corporation (“EMC”) completed the business combination pursuant to the Agreement and Plan of Merger, dated as of October 12, 2015 (as amended, the “Merger Agreement”) resulting in EMC becoming a wholly owned subsidiary of Dell (the “Merger”). In the Merger, each share of EMC common stock (“EMC Share”) was converted into the right to receive total consideration valued at \$29.31, consisting of (1) \$24.05 in cash, without interest, and (2) 0.11146 shares of Class V Common Stock of Dell (ticker symbol “DVMT”) (“Class V Common Stock”) with a value of \$5.26 (*see* Line 16 for the calculation of value of one full share of Class V Common Stock), plus cash in lieu of any fractional shares of Class V Common Stock due to such EMC shareholder.

An EMC shareholder of record who would otherwise receive a fractional share of Class V Common Stock instead received the cash value of such share based on a share price of \$74.18 (the average closing price of a share of VMware Class A Common Stock over the ten (10) trading day period prior to (but excluding) the Closing Date). EMC shareholders who held their EMC Shares through a broker should consult their broker for the amount of cash received in lieu of a fractional share of Class V Common Stock.

Line 15

The Merger, taken together with related transactions, should generally be treated as an exchange by EMC shareholders of EMC Shares for a combination of Class V Common Stock and cash in a transaction described in Section 351 of the Internal Revenue Code, as amended (“Code”), except to the extent treated as a redemption (described below). The Class V Common Stock and the portion of the cash consideration in the Merger provided by Dell should be part of the exchange described in Section 351 (the “Section 351 Exchange”). The portion of the cash consideration in the Merger provided by EMC, however, should be treated as proceeds received in a redemption of an EMC Share by EMC (the “Redemption”) and not as part of the Section 351 Exchange.

Section 351 Exchange and Fractional Shares

Dell has determined that approximately 86.77 percent of each EMC Share should be treated as exchanged in the Merger for \$20.17 of cash and 0.11146 shares of Class V Common Stock as part of the Section 351 Exchange with Dell (*see* Line 16 for value of one full share of Class V Common Stock).

The aggregate tax basis of the Class V Common Stock received in the Section 351 Exchange (including fractional shares settled in cash) by an EMC shareholder generally should be the same as the aggregate tax basis in 86.77 percent of the EMC Shares, (a) decreased by the aggregate cash received in the Section 351 Exchange (approximately \$20.17 of cash for each EMC Share)

(excluding cash received instead of fractional shares or in the Redemption), and (b) increased by the amount of gain, if any, recognized in the Section 351 Exchange (excluding any gain or loss recognized with respect to fractional shares or in the Redemption). For this purpose, the gain (but not loss) recognized is equal to the lesser of (1) the excess, if any, of (a) the sum of the amount of cash and the fair market value of the Class V Common Stock (see Line 16 below) received in the Section 351 Exchange for EMC Shares over (b) the tax basis in EMC Shares surrendered in such Section 351 Exchange; and (2) the amount of cash received in such Section 351 Exchange. If an EMC shareholder acquired different blocks of EMC Shares at different times or at different prices, any gain or loss should be determined separately with respect to each block of EMC Shares.

The tax basis in each share of Class V Common Stock received in the Section 351 Exchange should reflect a blended, pro rata portion of the aggregate tax basis determined under the rules described above.

Subject to the discussion under the heading “Material U.S. Federal Income Tax Consequences of the Merger to U.S. Holders—U.S. Federal Income Tax Consequences of the Merger to U.S. Holders of EMC Common Stock—Cash in Lieu of Fractional Shares” in the definitive joint proxy statement/prospectus filed with the Securities and Exchange Commission on June 6, 2016, an EMC shareholder of record who received cash instead of a fractional share of Class V Common Stock should generally be treated as having received the fractional share of Class V Common Stock in the Section 351 Exchange and then as having sold such fractional share of Class V Common Stock (*see* discussion above for an EMC shareholder’s tax basis in each fractional share of Class V Common Stock to be used to determine gain or loss). As a result, such holder should generally recognize gain or loss equal to the difference between the amount of cash received for such fractional share of Class V Common Stock and the tax basis allocated to such fractional share of Class V Common Stock. EMC shareholders who held their EMC Shares through a broker should consult their broker for the amount of cash received in lieu of a fractional share of Class V Common Stock. For purposes of this Form 8937, it is assumed the cash received in lieu of a fractional share of Class V Common Stock arises from a sale of such fractional share.

Redemption

The remaining 13.23 percent of each EMC Share should be treated as redeemed by EMC in the Merger for \$3.88 of cash (*i.e.*, the Redemption). An EMC shareholder who received cash in the Redemption should generally recognize capital gain or loss equal to the difference between the amount of cash received in the Redemption and such EMC shareholder’s tax basis in the 13.23 percent of each EMC Share treated as redeemed in the Merger. For purposes of this Form 8937, it is assumed the Redemption results in a sale of the redeemed EMC Shares.

Additional Information

Further discussion of the material U.S. federal income tax consequences of Merger can be found under the heading “Material U.S. Federal Income Tax Consequences of the Merger to U.S. Holders” in the definitive joint proxy statement/prospectus filed with the Securities and

Exchange Commission on June 6, 2016 and the information provided herein remains subject to such discussion in all respects.

Line 16

Under applicable federal income tax rules, one reasonable approach to determine the fair market value of each share of Class V Common Stock received in the Merger is the average of the highest and lowest quoted selling prices (\$49.38 and \$45.02, respectively) of one full share of Class V Common Stock on the Closing Date, or \$47.20. Under this approach, the value of 0.11146 of a share of Class V Common Stock is \$5.26.

Shareholders should consult their own tax advisors regarding their specific tax treatment of the Merger (including but not limited to the computation of gain and tax basis).

Line 17

351(a), 351(b), 358(a), 358(b), 302(a), 302(b), and 1001

Line 18

No loss may be recognized on the receipt of Class V Common Stock and cash as part of the Section 351 Exchange except for loss, if any, recognized by an EMC shareholder who received cash in lieu of a fractional share of Class V Common Stock.

Loss, if any, may be recognized by an EMC shareholder on the portion of each EMC Share treated as redeemed for cash by EMC in the Redemption.

Line 19

The stock basis adjustments are taken into account in the tax year of the shareholder during which the Merger occurred (*e.g.*, 2016 for calendar year taxpayers).