DELL Technologies

BUSINESS UPDATE

September 26, 2019

NOTICES

Non-GAAP Financial Measures

This presentation includes information about non-GAAP revenue, non-GAAP operating income, non-GAAP net income, and non-GAAP earnings per share attributable to Dell Technologies Inc. – diluted (collectively the "non-GAAP financial measures"), which are not measurements of financial performance prepared in accordance with U.S. generally accepted accounting principles. We have provided a reconciliation of the non-GAAP measures to the most directly comparable GAAP measures in the slides captioned "Supplemental Non-GAAP Measures."

Special Note on Forward Looking Statements

Statements in this material that relate to future results and events are forward-looking statements and are based on Dell Technologies' current expectations. These forward-looking statements include Dell Technologies' current expectations regarding GAAP revenue, non-GAAP revenue, GAAP operating income, non-GAAP operating income, non-GAAP tax rate, non-GAAP share count – diluted, GAAP earnings per share and non-GAAP earnings per share for full fiscal year 2020. In some cases, you can identify these statements by such forward-looking words as "anticipate," "believe," "could," "estimate," "expect," "intend," "confidence," "may," "plan," "potential," "should," "will" and "would," or similar expressions. Actual results and events in future periods may differ materially from those expressed or implied by these forward-looking statements because of a number of risks, uncertainties and other factors, including those discussed in Dell Technologies' periodic reports filed with the Securities and Exchange Commission. Dell Technologies assumes no obligation to update its forward-looking statements.

AGENDA

9:00 – 9:05 AM Opening Remarks
Rob Williams, Senior Vice President, Investor Relations

9:05 – 9:20 AM Purpose & Vision
Michael Dell, Chairman & Chief Executive Officer

9:20 – 9:40 AM Strategy & Value Creation
Dennis Hoffman, Senior Vice President, Corporate Strategy

9:40 – 10:05 AM Operations & Innovation
Jeff Clarke, Vice Chairman

10:05 – 10:25 AM Value Creation & Financial Framework
Tom Sweet, Chief Financial Officer

10:25 – 11:55 AM Q&A
All Participants

11:55 – 12:00 PM Closing Remarks
Tom Sweet, Chief Financial Officer

DELL Technologies

PURPOSE & VISION

Michael Dell, Chairman & Chief Executive Officer

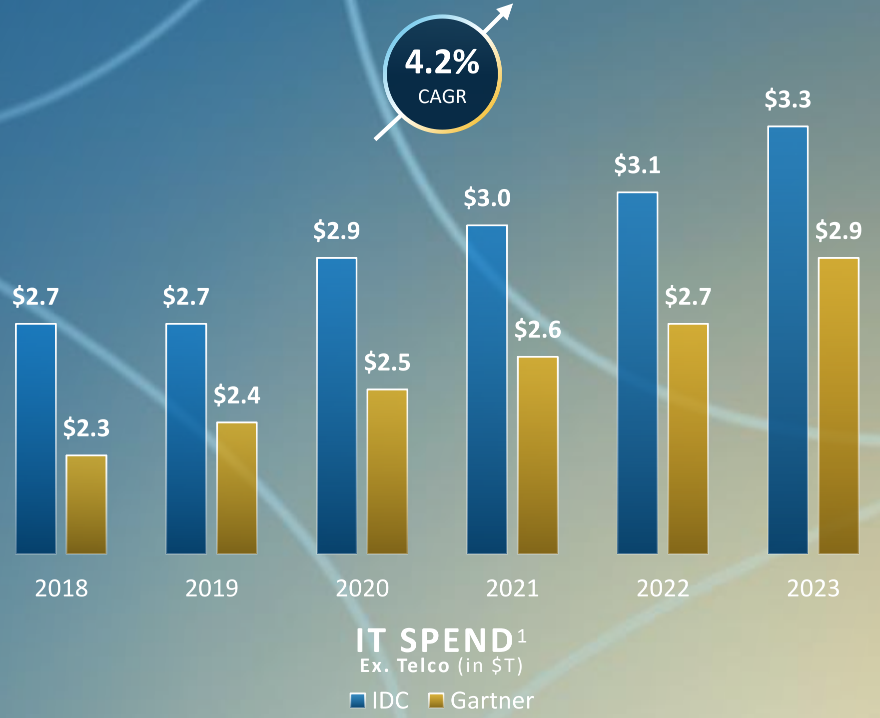
Data Drives Human Progress

Our greatest opportunity lies within putting the most data to work to help the most people

[1] *Market Source: IDC, Data Age 2025 study; sponsored by Seagate (Nov, 2018).*

Modernization Required to Harness Power of Data

Customers are investing in the digital future, but complexity requires simplified, integrated solutions



[1] Results Market Sources, excluding telco: IDC WW Black Book, August 2019, and Gartner Market Databook Q219

DELL Technologies

At the Center of our Customers' Digital Future

Our positioning allows us to be an open simplifier, preserving and moving data across any environment

The Essential Infrastructure Company

Long-term value creation reflects the aligned interests of customers, shareholders, team members and society-at-large

PURPOSE

To create technologies that drive human progress.
This is why we are in business.

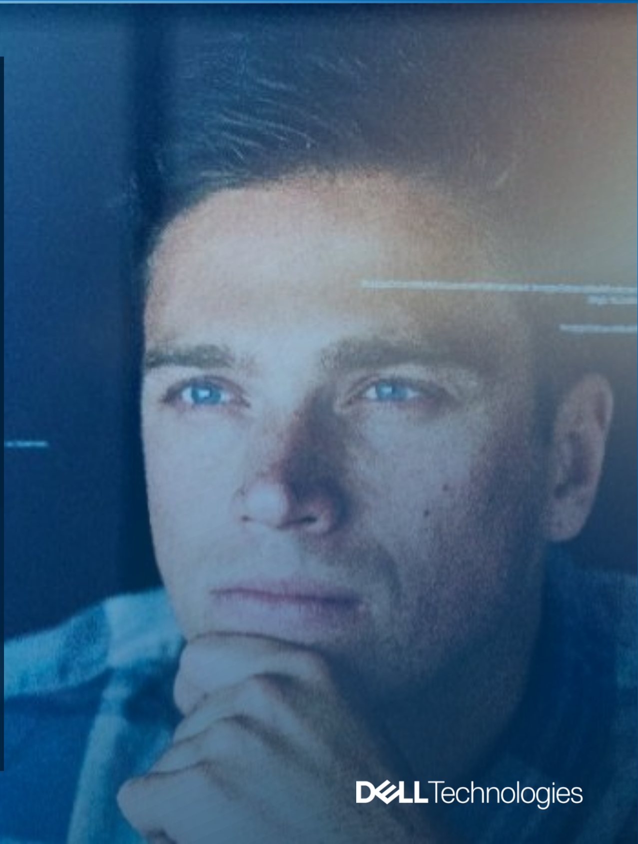
VISION

To become the essential infrastructure company – from the edge to the core to the cloud – not only for today's applications, but for the cloud-native world we're entering.

STRATEGY

Lead our customers' journey to becoming a digital organization through IT, Workforce, Security & Application Transformation, and lead the consolidation of the core infrastructure markets in which we compete.

Customers | **Shareholders** | **Team Members** | **Partners** | **Community**



STRATEGY & VALUE CREATION

Dennis Hoffman, Senior Vice President, Corporate Strategy

STRATEGY & VALUE CREATION

1. We are focused on value creation with significant upside

2. Three IT industry dynamics shaping value creation
    - IT architectural complexity
    - Digital transformation imperative
    - Strategic vendor consolidation

3. Dell Technologies is uniquely positioned to capitalize on these dynamics and create value

Value Creation

Maximizing Dell Technologies' equity value for all aligned shareholders through five distinct levers

CURRENT OPERATIONS

Consolidate core end markets through ongoing share gains

\- - -

Improve margins with scale optimization and product mix shift

SYNERGIES

Tightly integrated software and solutions

\- - -

Cross-sell and go-to-market opportunities

NEW OPPORTUNITIES

R&D investments in emerging areas of technology

\- - -

M&A

\- - -

Partnerships, including public cloud providers and telecommunications

CORPORATE STRUCTURE

Intellectual property realignment

\- - -

Simplification of operations

\- - -

Asset divestitures

CAPITAL STRUCTURE

Reduce core leverage and interest expense

\- - -

Refinancing efforts to smooth out maturity stacks

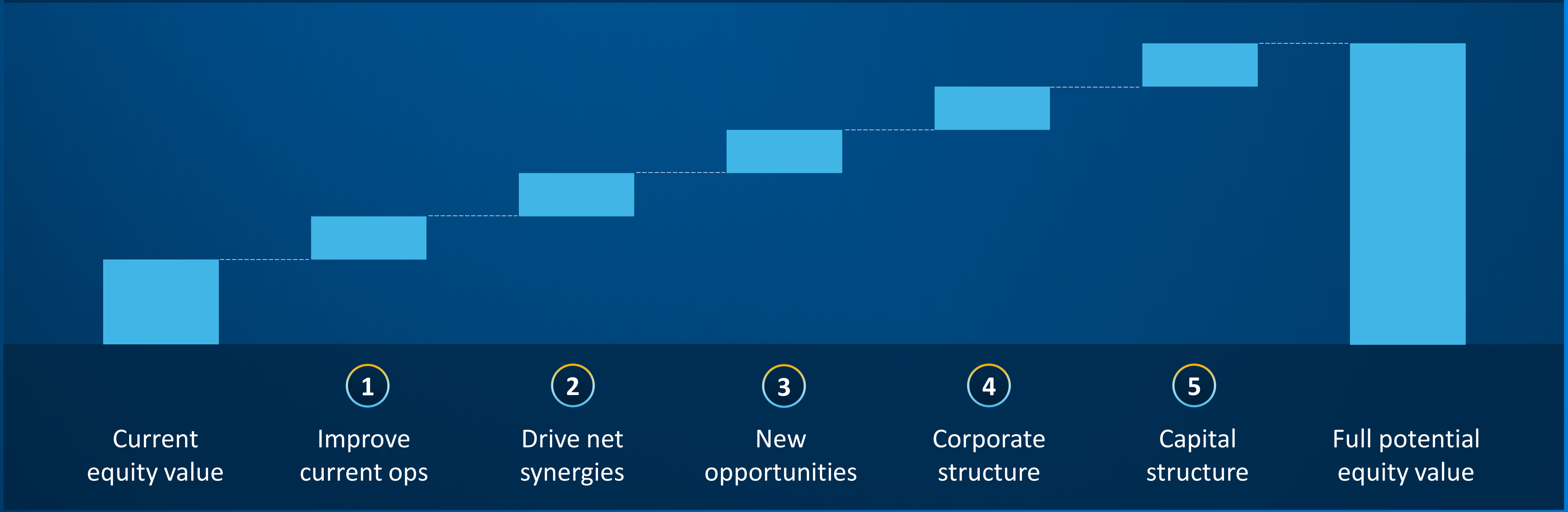
\- - -

Aligned shareholder interests

Incremental Value Creation Opportunity

While current value comes largely from current operations, future value addition is evenly spread

Incremental Value Capture Potential



DELL Technologies

Three Industry Dynamics Shape Value Creation

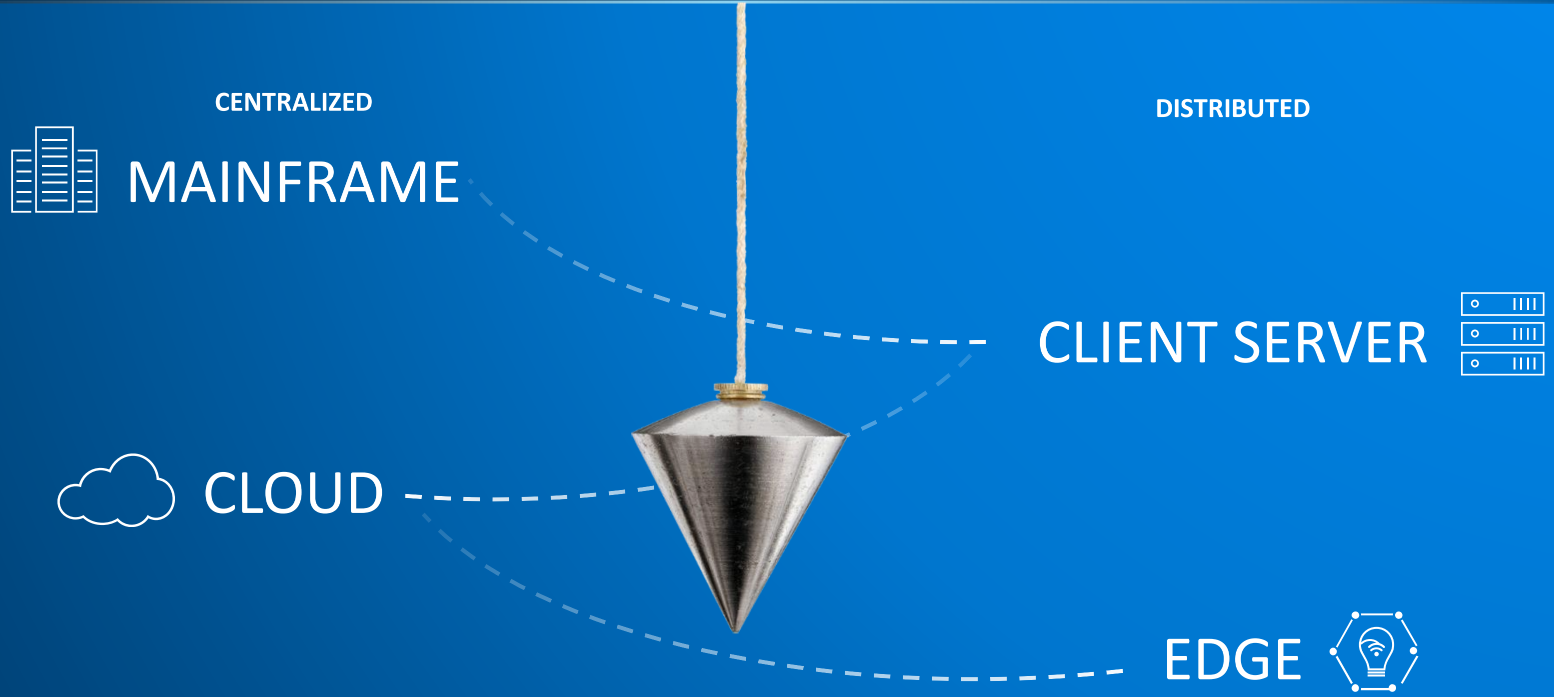
Increasing Architecture Complexity

Digital Transformation Imperative

Strategic Vendor Consolidation

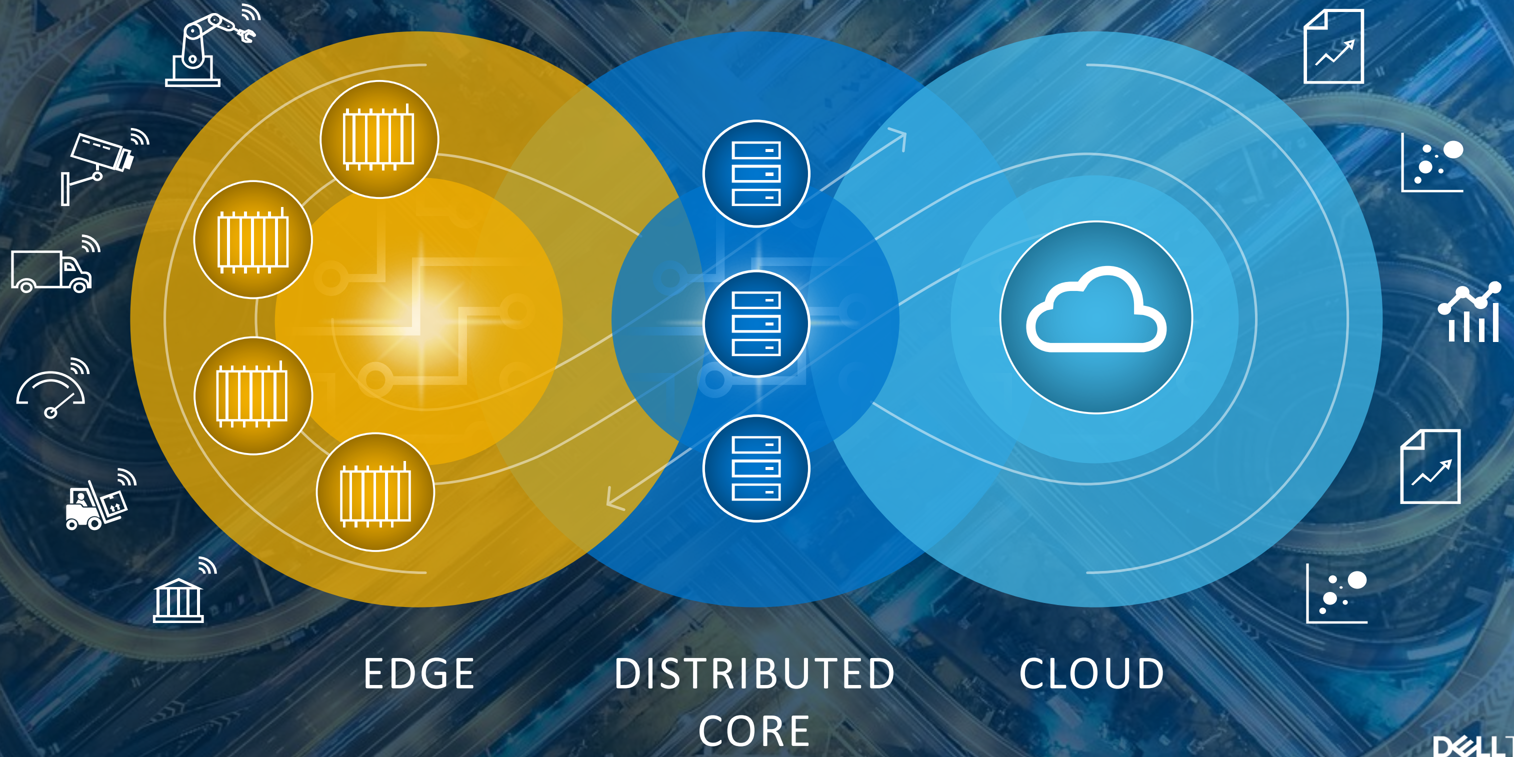
Computing Paradigm Pendulum Continues *and* Accelerates

Successive generations of compute models do not fully replace previous generations



… Creating Distributed, Multi-Tier IT Architectures

Dramatically expanding the landscape of where work(loads) can run and where data can live



Digital Transformation is Imperative and Challenging

IT organizations struggle to manage the pace of change and ramp in complexity

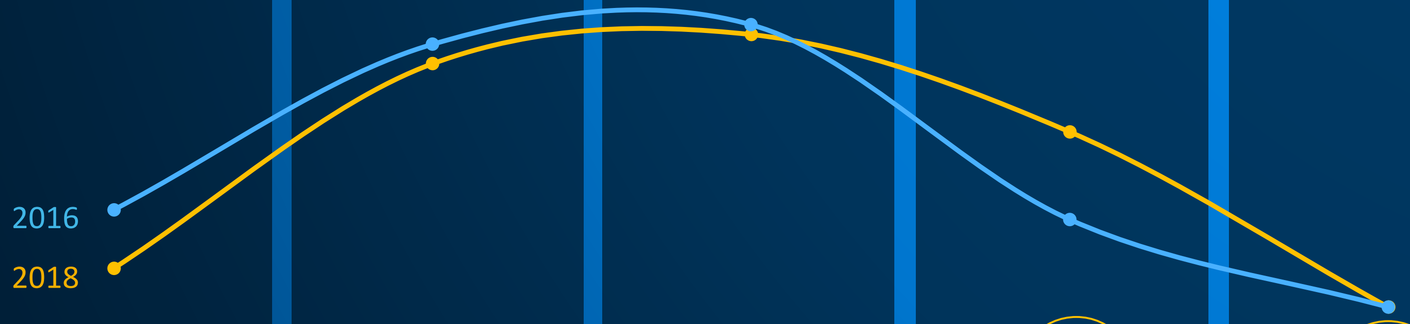
Digital Laggards
Do not have a digital plan; limited initiatives & investments in place

Digital Followers
Very few digital investments; tentatively planning for the future

Digital Evaluators
Gradually embracing digital transformation & planning for the future

Digital Adopters
Have a mature digital plan, investments & innovations in place

Digital Leaders
Digital transformation is ingrained in the DNA of the business

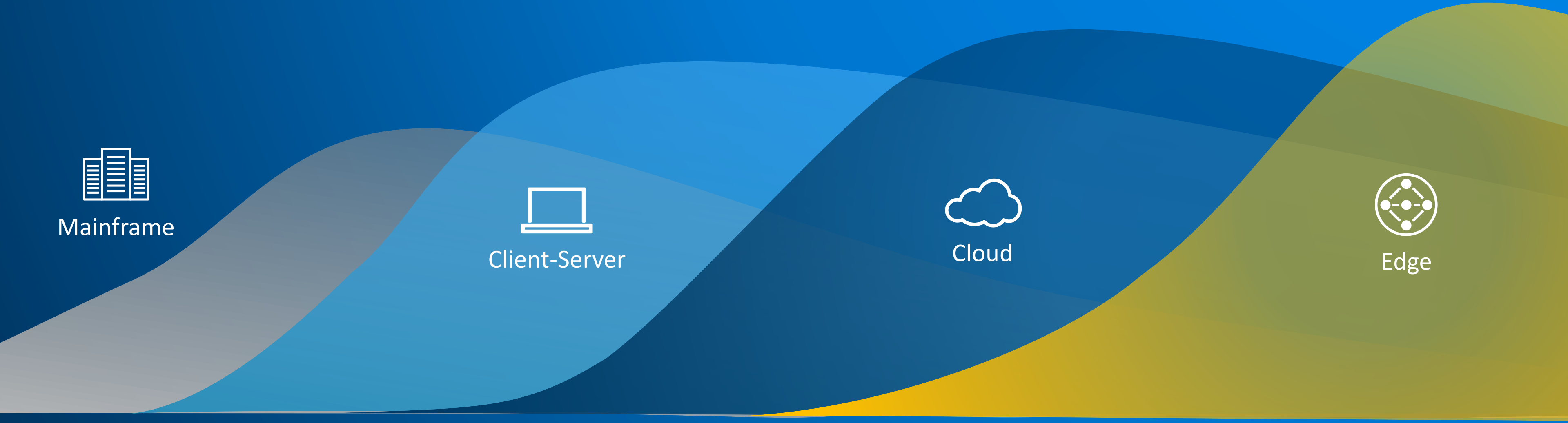


	Digital Laggards	Digital Followers	Digital Evaluators	Digital Adopters	Digital Leaders
2016	15%	32%	34%	14%	5%
2018	9%	30%	33%	23%	5%

Source: Digital Transformation Index; Dell Technologies survey, in collaboration with Intel and Vanson Bourne (2018)

Complexity of IT Operations has Increased Exponentially

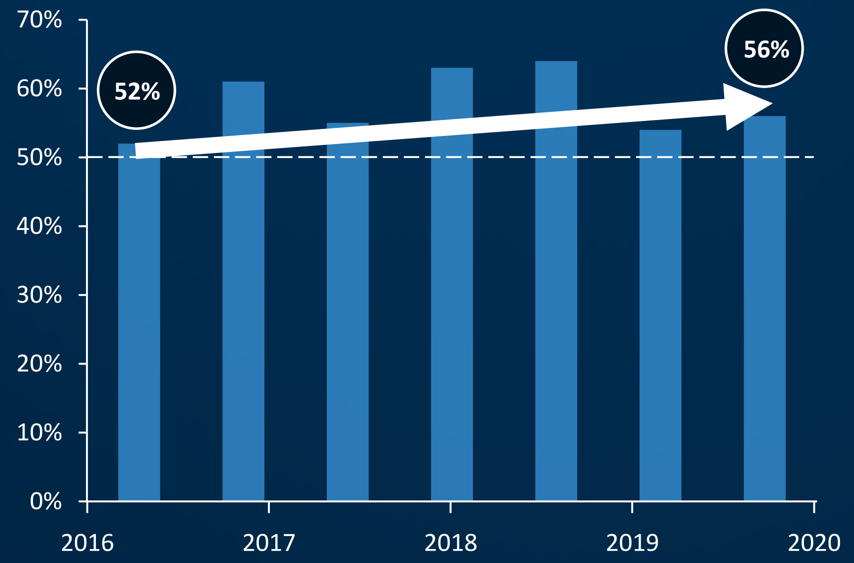
Foundational responsibility of IT is to responsibly place workload and data to enable the business



Vendor Consolidation is Increasingly an Explicit Objective

As a result of added complexity, customers are looking for larger, more outcome-centric IT vendor relationships

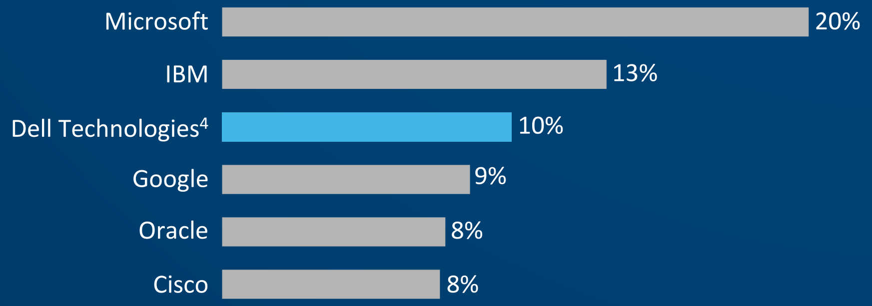
% of CIOs Agreeing They are Consolidating Purchases With Fewer Vendors[1]



Top Reasons for Choosing a Strategic Vendor[2]

1. Capabilities of products or services
2. End-to-end integrated solutions
3. Breadth of portfolio
4. Trusted advice on our overall IT environment
5. Offerings in new or emerging areas (IoT, AI, etc.)
6. Trusted advice to help us digitally transform

Top Strategic Vendor Ranking Market Survey [3]

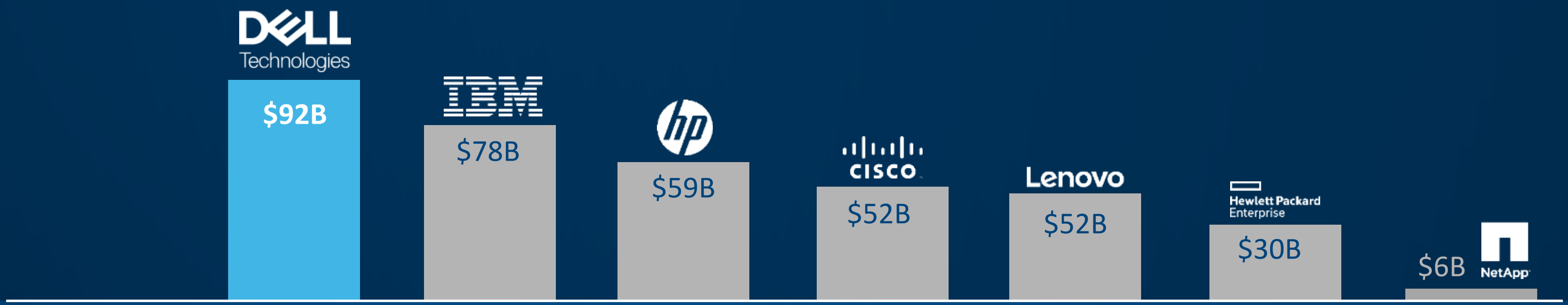


[1] Source: Bernstein IT Hardware June 2019 CIO Survey
[2] Source: Double-blind market survey N=5000 and customer survey N=4500, Dell Technologies 1H FY20
[3] Source: Double-blind market survey N=5000, Dell Technologies 1H FY20. Who do you view as your top strategic vendor?
[4] Note: Dell Technologies 10% includes survey responses selecting Dell/Dell EMC 8% and VMware 2% as their strategic partner

DELL Technologies

Dell Technologies is the Largest and Most Complete Vendor

Uniquely positioned as a trusted strategic vendor



	DELL Technologies	IBM	hp	cisco	Lenovo	Hewlett Packard Enterprise	NetApp
Client / Edge	✓		✓		✓		
Storage	✓	✓			✓	✓	✓
Compute	✓	✓		✓	✓	✓	
Networking	✓	✓		✓	✓	✓	
Virtualization	✓	✓		✓		✓	✓
Cybersecurity	✓	✓	✓	✓			
Cloud Platform	✓	✓		✓		✓	

Source: GAAP Revenue TTM based on FactSet

Industry Dynamics Shape the Value Creation Environment

We created Dell Technologies to leverage and drive these dynamics for maximum value creation

INDUSTRY DYNAMICS	WINNING IMPERATIVES	DELL TECHNOLOGIES POSITION
Increasing maturity of IT product categories driving **Industry Consolidation**	Vendors must have the scope and share to make the **Strategic Vendor Shortlist**	Growing our leading market share positions across IT infrastructure landscape
Digital Transformation pressuring IT operations to increase agility and elevate	Vendors need to be able to help **Deliver an Outcome**, not just sell a point product	Driving transformation-enabling solutions and software platforms
Accelerating swings in computing model increasing **Architectural Complexity**	Vendors must be **Relevant and Capable** from edge to core to cloud	Leveraging well-established global service and support operations to serve edge, core and cloud

OPERATIONS & INNOVATION

Jeff Clarke, Vice Chairman

OPERATIONS & INNOVATION

1. Uniquely advantaged to capitalize on industry trends
2. Operationalized strategy to drive long-term value for customers and shareholders
3. World-class go-to-market, supply chain and services organizations

Dell Technologies is Advantaged

The unique portfolio and expertise to win today and into the future

$20B
R&D invested over past 5 Fiscal Years[1]

25K+
Patents & patent applications

20K
Engineers, data scientists & PhDs
85% writing SW

2K
Petabytes of SSDs shipped in FQ2

Highly diversified solutions provider, with expertise in:

Client & Edge	IT Infrastructure	Software & Multi-Cloud
Commercial Client	External Storage	Software Defined Data Center
Gaming & High-end Consumer	All-flash arrays	Managed Cloud
Flat Panel Monitors	x86 Servers	Cloud-Native App Development
Endpoint Management	Converged & Hyperconverged Infrastructure	Managed Security Services
Mobile Workforce	Networking	Integrated Risk Management
Support & Deployment		

[1] Dell Technologies' cumulative R&D investment includes EMC amounts prior to the merger transaction date on September 7, 2016.

Value Creation

Maximizing Dell Technologies' equity value for all aligned shareholders through five distinct levers

- CURRENT OPERATIONS
- SYNERGIES
- NEW OPPORTUNITIES
- CORPORATE STRUCTURE
- CAPITAL STRUCTURE

Leading in the Core

We are a leader in key markets where we compete — Driving Consolidation & Outperforming the Industry

Q2 2019 Share (unless otherwise notated)

	Mainstream Server[1]	External Storage HW[2]	Client Revenue[3]	Cloud IT Infrastructure[4]	Storage SW[5,6]	Software Defined Storage-CS[7,8]	Hyperconverged Infrastructure[9]
CY19 TAM	$53B	$29B	$197B (260M units)	$67B	$18B	$3B	$9B
Others	72%	70%	82%	82%	83%	69%	68%
Dell Technologies	28%	30%	18%	18%	17%	31%	32%
DT Rank Q2 2019	#1	#1	#1	#1	#1	#1	#1
Market Growth % (2019 – 2023 CAGR)	4.9%	1.5%	-2.1%	9.0%	3.6%	13.1%	16.6%

[1] Rank & share based on IDC WW Quarterly Server Tracker, 2019Q2 Historical Release; Market growth & TAM based on 2019Q2 Forecast Release. Note, Mainstream includes Standard Rack Optimized (non-custom), Towers (plus Large Systems) and Blades. [2] Rank & share based on IDC WW Quarterly Enterprise Storage Systems Tracker, 2019Q2 Historical Release; Market growth & TAM based on 2019Q2 Forecast Release. [3] Client Ranking statistic calculated by Dell Technologies utilizing other PC OEMs' financial public filings; Market growth & TAM based on IDC PCD Tracker, 2019Q2 Forecast Release. [4] Rank & share based on IDC WW Quarterly Cloud IT Infrastructure Tracker, 2019Q1; Market growth & TAM based on 2019Q1 Forecast Release. [5] Rank & share based on IDC WW Storage SW & Cloud Services QView, 2019Q2 for Dell Technologies (13.7% share) + VMware (3.7%). [6] Market growth & TAM based on IDC Semiannual Software Tracker, 2018H2 Forecast Release. [7] Rank & share based on IDC WW Storage SW & Cloud Services QView, 2019Q2 for Dell Technologies (5.9%)+ VMware (25.4%) for Software-Defined Storage Controller Software. [8] Market growth & TAM based on IDC Semiannual Software Tracker, 2018H2 Forecast Release for Software-Defined Storage Controller Software. [9] Rank & share based on IDC WW Quarterly Converged Systems Tracker, 2019Q1 Historical Release; Market growth based on 2019Q1 Forecast Release.

Value Creation

Maximizing Dell Technologies' equity value for all aligned shareholders through five distinct levers

CURRENT OPERATIONS

SYNERGIES

NEW OPPORTUNITIES

CORPORATE STRUCTURE

CAPITAL STRUCTURE

Broad Collaboration Across the Family

Deeply integrating technologies to enable end-to-end solutions for IT architecture of the future

Points of Integration

VxRail and vSAN released together simplifying HCI

Software Defined Datacenter (VCF + Dell EMC compute, storage, networking & management)

Software Defined Networking (VMware NSX + Dell EMC Open Networking)

Dell Technologies Cloud

Consistency in infrastructure & orchestration

Manage workloads across private clouds, public clouds & the edge

Kubernetes for cloud-native app development

Datacenter-as-a-Service

Unified Workspace

Simplified end-user management

PC-as-a-Service

Security from edge to core to cloud

Application management

Support & Deployment

Value Creation

Maximizing Dell Technologies' equity value for all aligned shareholders through five distinct levers

CURRENT OPERATIONS

SYNERGIES

NEW OPPORTUNITIES

CORPORATE STRUCTURE

CAPITAL STRUCTURE

Expanding through New Opportunities

Leveraging the Dell Technologies estate and M&A, investments and partnerships to deliver comprehensive solutions

Examples:

	Cloud	AI / ML	Edge / 5G	Security	Data Management	Networking
M&A – Adding IP	Pivotal Heptio CloudHealth	Bitfusion	Uhana	Carbon Black Veriflow		VeloCloud Avi Networks
Investments – DT Capital	Yugabyte MinIO	Noodle.ai Graphcore	FogHorn	Cylance Zscaler ZingBox	MongoDB JFrog	
Partnerships	AWS, Google, Microsoft, IBM, Oracle	Intel NVIDIA	Orange AT&T	Okta		Vodafone

Supported by World-class Organizations

Global scale and operations to capture growth opportunities ahead of us

Sales	Services	Supply Chain	Financial Services
Largest direct sales force in industry, ~40K strong	34K+ full-time services & support employees	More than $65 Billion in procurement spend per year	Managed Assets of $10.2B
Fast-growing channel program	More than 2,200 service centers	Operate in 180 countries w/ 25+ manufacturing locations	Originations have doubled in 3 years
Expanding cross-sell opportunities across Dell Technologies' portfolio	25+ repair centers globally	900+ parts distribution centers globally	Flexible consumption models
			Financing & leasing arrangements

VALUE CREATION & FINANCIAL FRAMEWORK

Tom Sweet, Chief Financial Officer

VALUE CREATION & FINANCIAL FRAMEWORK

1. Our model is built to deliver consistent results in any environment
2. We are driving value creation through three distinct levers – operational, investments and structural
3. Our financial framework is focused on relative growth, with profitability growing faster than revenue

DELL Technologies

Long-Term Financial Operating Model

Driving consistent performance and strong cash flow over time

Relative Share Growth
Long-Term profitable growth with flexibility to adjust to market conditions

P&L Leverage
Growing operating income faster than revenue

Strong Cash Flow
Generating strong cash flow over time to de-lever

EPS Acceleration

Growing EPS faster than operating income over time driven by higher profitability and reduction in interest expense

DELL Technologies

Value Creation

Maximizing Dell Technologies' equity value for all aligned shareholders through five distinct levers

CURRENT OPERATIONS

SYNERGIES

NEW OPPORTUNITIES

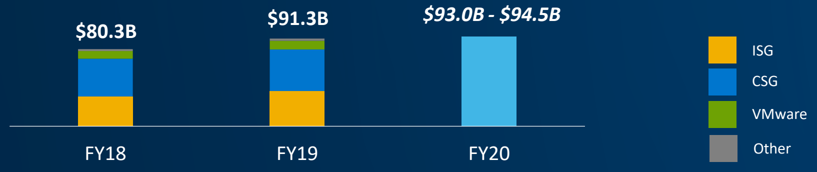
CORPORATE STRUCTURE

CAPITAL STRUCTURE

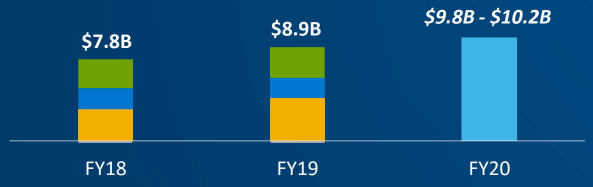
Operational Value Creation

Efficiently running the business to deliver consistent performance and grow revenue, profitability and cash flow

Non-GAAP Revenue[1]



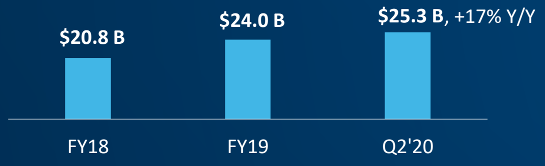
Non-GAAP Operating Income[1]



Broadly diversified solutions portfolio provides stability and cross-sell opportunities

Non-GAAP Net Income[1]

Deferred Revenue



Cash Flow from Operations[2]

$5B of debt reduction drives
~$0.25 benefit/year to diluted EPS

Expanding recurring revenue stream

Strong, steady cash flow from operations over time

[1]*Source: Dell Technologies reports filed with the Securities and Exchange Commission. See supplemental slides in the appendix for reconciliation of GAAP to Non-GAAP measures.*
[2]*Source: Dell Technologies reports filed with the Securities and Exchange Commission.*

Value Creation

Maximizing Dell Technologies' equity value for all aligned shareholders through five distinct levers

CURRENT OPERATIONS

SYNERGIES

NEW OPPORTUNITIES

CORPORATE STRUCTURE

CAPITAL STRUCTURE

DELL Technologies

Investment Value Creation

Investing in R&D and GTM to strengthen core and expand our capabilities; Investing in M&A for future growth

Guiding Principles

- **Disciplined Approach**: Investment decisions based on maximizing ROI
- **Long-Term Focus:** Invest to strengthen long-term business model
- **Adaptability:** Level of investment will vary with opportunity and business needs

Focus Areas

R&D

~$20B over last 5 years[1]

Go-To-Market

Storage specialists, generalists and marketing

~$1B+ run rate

M&A

Over $5.5B since the EMC transaction[2]

Dell Technologies Capital

~$800M portfolio; $300M+ invested since EMC transaction

[1]Includes EMC and Dell spend pre-EMC acquisition.
[2]Includes recently announced, but not yet closed transactions. Includes the VMware acquisition of publicly held Class A shares of Pivotal. Excludes the VMware acquisition of Dell Technologies owned Class B shares of Pivotal.

DELL Technologies

Value Creation

Maximizing Dell Technologies' equity value for all aligned shareholders through five distinct levers

CURRENT OPERATIONS

SYNERGIES

NEW OPPORTUNITIES

CORPORATE STRUCTURE

CAPITAL STRUCTURE

Structural Value Creation

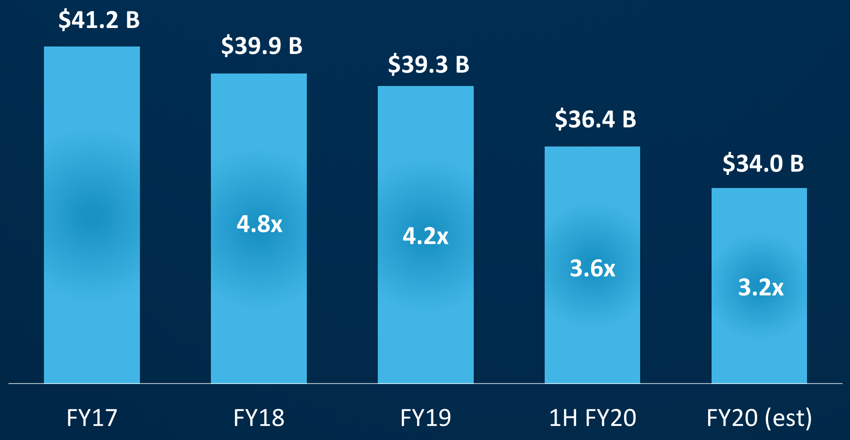
Simplifying capital and operational structures to drive long-term value

- **Significant gross debt paydown** as we continue the path back to investment grade (~$17.5B since EMC transaction)
- **Smoothing debt towers** via refinancing activity
- **Restructuring asset group** – ~$7B divestitures (Services, Software, and ECD)
- **Aligned shareholder interest** across classes with Class V transaction ($20B+ deal)
- **Unifying Kubernetes, containers and cloud-native software assets** under VMware

Structural Value Creation

Rapidly de-levering the balance sheet to return to investment grade metrics by end of FY 2021

Core Debt Trajectory[1,2]



Capital Allocation Focus

- **Investing in the business** to drive long-term sustained free cash flow
- **Rapidly de-levering** using core free cash flow and balance sheet cash
- **Targeting net core debt reduction of at least $4.0B in FY21**[3]
- **Achieving core debt leverage ratio of 2.0x – 3.0x** by the end of FY21

[1] Core debt represents the total amount of our debt, less: (a) unrestricted subsidiary debt, (b) DFS related debt, and (c) other debt.
[2] Core leverage calculated using core debt as numerator and core EBITDA as denominator; core EBITDA calculated using Dell Technologies consolidated Adjusted EBITDA less 19% of VMW EBITDA less DFS estimated EBITDA. DFS estimated EBITDA calculated as a 4% return on assets comprised of financing receivables and DFS operating lease balance. 4% return on assets is derived from a peer benchmark analysis and is an indicative proxy for DFS EBITDA.
[3] Subject to market conditions.

DELL Technologies

Structural Value Creation

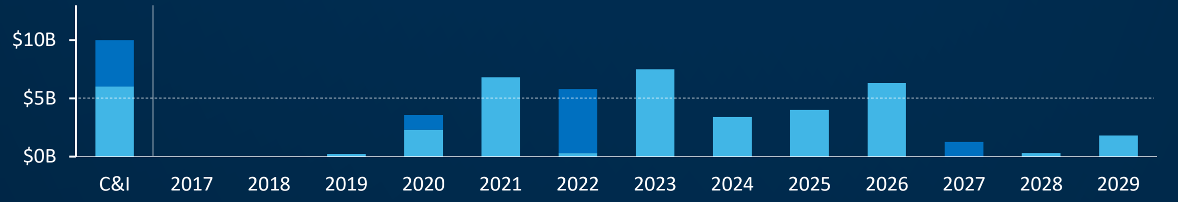
Paying down debt and refinancing maturity towers to get back to investment grade

SEPTEMBER 2016 CASH & MATURITY LADDER[1]

$15.5B C&I

SEPTEMBER 2019 CASH & MATURITY LADDER[1]

$10.0B C&I



- **$17.5B gross debt paydown** since EMC transaction, including $2.9B year to date
- **$12.4B core debt reduction** since the transaction through 2Q
- Continue to opportunistically pay down debt and refinance to smooth maturity profile
- Less than $3.5B core debt maturing on average per year over the next 10 years, less than historical average adjusted free cash flow generation[2]

[1] Principal face value of 2019-2029 calendar year maturities, excluding DFS debt and undrawn revolving credit facilities.
[2] Adjusted free cash flow equals cash flow from operations less capital expenditures adjusted for the impact of DFS on financing receivables (Cash flow from operations) and operating leases (cash flow from investing activities).

Long-Term Non-GAAP Financial Framework

Relative growth with profitability growing faster than revenue

	FY20 NON-GAAP GUIDANCE[1]	LONG-TERM FRAMEWORK	GROWTH DRIVERS
REVENUE	$93.0B – $94.5B	Revenue in line with IT spending ex-telco growth +/- 1%[2]	Core solutions share gains; software, cloud, HCI, and other businesses
OPERATING INCOME	$9.8B – $10.2B	Operating income to grow faster than revenue	Mix shift to storage, software, multi-cloud solutions, operating expense leverage
DILUTED EPS	$6.95 – $7.40	EPS to grow faster than operating income	Leverage from interest expense reduction

[1]See supplemental slides in the appendix for reconciliation of GAAP to Non-GAAP measures.
[2]Growth estimate based on average of IDC and Gartner IT Spending forecasts through 2023 excluding telecommunications.

Q&A

Michael Dell, Dennis Hoffman, Jeff Clarke & Tom Sweet

KEY TAKEAWAYS

1. Strategically positioned to capture key technology trends
2. Investing and innovating in key growth areas
3. Driving tighter collaboration with R&D and go-to-market investments
4. Relative revenue growth with operating income and EPS growing faster than revenue

DELL Technologies

APPENDIX

Debt Summary & Supplemental Non-GAAP Measures

Debt Summary

$ in billions[1, 4]	EMC Close	2Q19	3Q19	4Q19	1Q20	2Q20
Revolver	2.0	-	-	-	-	-
Term Loan A	9.4	5.5	4.2	7.8	6.0	4.6
Term Loan B	5.0	5.0	5.0	4.9	4.9	4.9
Investment Grade Notes	20.0	20.0	20.0	20.0	20.8	20.8
DFS Allocated Debt	(1.0)	(1.6)	(1.1)	(1.6)	(1.3)	(1.4)
Total Core Secured Debt[2]	**35.4**	**28.9**	**28.0**	**31.1**	**30.4**	**28.8**
High Yield Notes	3.3	3.3	3.3	3.3	3.3	3.3
Asset Sale Bridge	2.2	-	-	-	-	-
Legacy Dell Unsecured Notes	2.5	2.0	2.0	2.0	2.0	1.4
Legacy EMC Unsecured Notes	5.5	3.0	3.0	3.0	3.0	3.0
Total Unsecured Core Debt	**13.4**	**8.2**	**8.2**	**8.2**	**8.2**	**7.6**
Total Core Debt[3]	**48.8**	**37.1**	**36.2**	**39.3**	**38.6**	**36.4**
Margin Loan	2.5	2.0	2.0	3.4	4.0	4.0
Mirror Loan	1.5	-	-	-	-	-
Other	-	0.1	0.1	-	-	-
Total Other Debt	**4.0**	**2.1**	**2.1**	**3.4**	**4.0**	**4.0**
DFS Debt	3.5	5.6	5.9	5.9	6.3	6.6
DFS Allocated Debt	1.0	1.6	1.1	1.6	1.3	1.4
Total DFS Related Debt	**4.5**	**7.1**	**7.1**	**7.5**	**7.6**	**8.1**
Total Debt, Excluding Unrestricted Subsidiaries[5]	**57.3**	**46.3**	**45.4**	**50.2**	**50.2**	**48.6**
Total Unrestricted Subsidiary Debt	-	4.0	4.0	4.0	4.0	4.1
Total Debt, Including Unrestricted Subsidiaries[5]	**57.3**	**50.3**	**49.4**	**54.2**	**54.2**	**52.6**

[1] *Amounts are based on underlying data and may not visually foot due to rounding.*
[2] *Core Secured Debt represents secured term loans, investment grade notes, and revolver. It excludes DFS allocated debt based on a 7:1 leverage ratio of DFS financing receivables and fixed assets supporting operating leases.*
[3] *Core Debt represents the total amount of our debt, less: (a) unrestricted subsidiary debt, (b) DFS related debt, and (c) other debt.*
[4] *Principal Face Value.*
[5] *VMware, Pivotal and their respective subsidiaries are considered unrestricted subsidiaries for purposes of the existing debt of Dell Technologies.*

Supplemental Non-GAAP Measures[1]

Revenue

$ in millions	FY18	FY19	FY20 ($B)
Consolidated GAAP revenue	**79,040**	**90,621**	**$92.7 - $94.2**
Impact of purchase accounting[2]	1,269	703	0.3
Non-GAAP revenue	**80,309**	**91,324**	**$93.0 - $94.5**

[1] GAAP results will include substantial non-cash purchase accounting adjustments for the next several years related to the EMC merger transaction.
[2] This amount includes non-cash purchase accounting adjustments primarily related to the EMC merger transaction.

Supplemental Non-GAAP Measures[1]

Operating Income

$ in millions	FY18	FY19	FY20 ($B)
Consolidated GAAP operating income (loss)	**(2,416)**	**(191)**	**$2.9 - $3.3**
Non-GAAP adjustments:			
Impact of purchase accounting and amortization of intangibles	8,526	6,958	4.8
Transaction costs[3]	502	750	0.1
Stock based compensation	835	918	1.2
Other corporate expenses[4]	325	419	0.8
Total adjustments to operating income	**10,188**	**9,045**	**6.9**
Non-GAAP operating income	**7,772**	**8,854**	**$9.8 - $10.2**

[1] GAAP results will include substantial non-cash purchase accounting adjustments for the next several years related to the EMC merger transaction.
[2] This amount includes non-cash purchase accounting adjustments primarily related to the EMC merger transaction.
[3] Consists of acquisition, integration, and divestiture-related costs, as well as the costs incurred in the Class V transaction.
[4] Consists of impairment charges and severance, facility action, and other costs.

DELL Technologies

Supplemental Non-GAAP Measures[1]

Consolidated Net Income

$ in millions	3Q19	4Q19	1Q20	2Q20	FY18	FY19	TTM
Consolidated GAAP net income (loss)	**(895)**	**(287)**	**329**	**4,505**	**(2,926)**	**(2,181)**	**3,652**
Non-GAAP adjustments:							
Impact of purchase accounting and amortization of intangibles[2]	1,739	1,734	1,318	1,162	8,526	6,958	5,953
Transaction costs[3]	167	387	42	47	502	824	643
Stock based compensation	256	247	263	301	835	918	1,067
Other corporate expenses[4]	258	31	23	714	325	419	1,026
Fair value adjustments on equity investments[5]	17	(113)	(62)	(80)	(72)	(342)	(238)
Aggregate adj for income taxes[6]	(345)	(407)	(704)	(4,898)	(2,835)	(1,369)	(6,354)
Total adjustments to net income	**2,092**	**1,879**	**880**	**(2,754)**	**7,281**	**7,408**	**2,097**
Consolidated Non-GAAP net income	**1,197**	**1,592**	**1,209**	**1,751**	**4,355**	**5,227**	**5,749**

[1] GAAP results will include substantial non-cash purchase accounting adjustments for the next several years related to the EMC merger transaction.
[2] This amount includes non-cash purchase accounting adjustments primarily related to the EMC merger transaction.
[3] Consists of acquisition, integration, and divestiture-related costs, as well as the costs incurred in the Class V transaction.
[4] Consists of impairment charges and severance, facility action, and other costs.
[5] Consists of the gain (loss) on strategic investments, which includes the fair value adjustments on equity investments.
[6] Consists of the tax effects of non-GAAP adjustments, as well as an adjustment for discrete tax items.

Supplemental Non-GAAP Measures[1]

FY20 Financial Guidance[2]

$ in billions, except per share amounts	Revenue	Operating Income	Diluted EPS[7]
GAAP guidance	**$92.7 - $94.2**	**$2.9 - $3.3**	**$5.45 - $5.9**
Estimated adjustments for:			
Impact of purchase accounting and amortization of intangibles[3,5]	0.3	4.8	5.92
Stock-based compensation[5]	-	1.2	1.34
Other corporate expenses[4,5]	-	0.9	0.89
Aggregate adjustment for income taxes[6]	-	-	(6.65)
Non-GAAP guidance	**$93.0 - $94.5**	**$9.8 - $10.2**	**$6.95 - $7.40**

[1] GAAP results will include substantial non-cash purchase accounting adjustments for the next several years related to the EMC merger transaction.
[2] The Company's GAAP and non-GAAP financial guidance for the fiscal year ended January 31, 2020 includes the estimated impact of the new leasing standard, incremental financing costs associated with the closing of the Class V transaction and current LIBOR costs, and minority interest deductions of the Company's public subsidiaries.
[3] Impact of purchase accounting and amortization of intangibles represents an estimate for acquisitions completed as of February 1, 2019 and does not include estimates for potential acquisitions, if any, during FY20.
[4] Other corporate expenses primarily includes impairment charges, fair value adjustments on equity investments, severance and facility action costs for 1HFY20, and primarily integration costs for 2HFY20. No estimates for 2HFY20 are included for guidance purposes of potential fair value adjustments on strategic investments given the potential volatility of either gains or losses on those equity investments. Additionally, no estimate for 2HFY20 is included for any potential severance and facility action costs, as they cannot be reasonably estimated at this time.
[5] Reported impacts on diluted earnings (loss) per share are presented before tax impact.
[6] The aggregate adjustment for income taxes is the estimated combined income tax effect for the impact of purchase accounting and amortization of intangibles, stock based compensation, and other corporate expenses, and includes the tax impact of discrete items. The Company's GAAP tax rate includes these items and is subject to variance arising from changes in tax laws and other events and trends that may materially change our estimates. Therefore, the GAAP tax rate is not relevant for guidance purposes. Our GAAP tax rate includes deferred tax benefits of $4.9 billion recorded for the intra-entity asset transfers of intellectual property that were completed during 1HFY20. The Company's non-GAAP tax rate is expected to be 16% plus or minus 100 basis points. For purposes of non-GAAP earnings per share, a non-GAAP tax rate of 16% was assumed.
[7] GAAP and Non-GAAP diluted share count is expected to be between 750M and 755M.