

Dear shareholders, customers, partners and friends,

Fiscal year 2026 (FY26) was a defining year for Dell Technologies. We navigated a dynamic environment with disciplined execution and emerged with record results, including 27% non-GAAP EPS growth that far exceeded the 15%+ target we established last October. This is a testament to the strength of our team, our strategy and the trust our customers place in us. Our updated long-term financial framework reflects our confidence in Dell's ability to generate value through the artificial intelligence (AI) opportunity that is transforming our company.



AI continues to evolve at an exponential pace and so do we. The speed and scale of our innovation is extraordinary. Last year, we were in the top 10 companies for patents granted<sup>1</sup> for the first time, with leading patent growth of 38% year-over-year, staying ahead of the competition and generating value for our customers.

AI is fueled by data, accelerated computing, lightning-fast storage and networks, and powerful PCs at the edge, all areas where we have deep expertise delivering integrated, end-to-end solutions to enterprise customers globally. As unprecedented demand constrains supply and drives up input costs, our world-class supply chain ensures our customers can maintain access to the infrastructure they need.

We will continue to execute our strategy and operating model, which we've developed and fine-tuned over the last 40 years, expanding our leadership positions and momentum in AI. We're well positioned for the opportunities ahead and have the right team in place to continue driving innovation and value.

### **FY26 Financial Performance**

- Record full-year revenue of \$113.5B, up 19%
- Record full-year operating income of \$8.1B, up 31%, and record non-GAAP operating income<sup>2</sup> of \$10.0B, up 17%
- Record full-year diluted EPS of \$8.68, up 36%, and record non-GAAP diluted EPS<sup>2</sup> of \$10.30, up 27%
- Record full-year cash flow from operations of \$11.2B
- Returned \$7.5B to shareholders through share repurchases and dividends

<sup>1</sup> Harrity Patent Analytics, 2026 Patent 300® List, <https://harrityllp.com/patent300/>.

<sup>2</sup> See Non-GAAP Financial Measures beginning on page 41 of the Annual Report on Form 10-K for the year ended January 30, 2026 for a reconciliation of these metrics, which are not calculated in accordance with generally accepted accounting principles in the United States of America ("GAAP"), to the most comparable GAAP measures.

## **Infrastructure Solutions Group**

Technology trends and workloads continue to favor our strategy. ISG delivered record revenue and record profitability, driven by accelerating AI momentum and the strength of Dell IP Storage. Data center modernization is a broad tailwind for ISG, spanning AI deployments, traditional server consolidation, and increased adoption of Dell IP Storage as customers move toward open, disaggregated architectures.

Our AI offerings are resonating with customers globally. We're helping the largest at-scale neoclouds achieve the best performance per watt and performance per dollar and enabling enterprises to unlock the value of their data to achieve competitive advantages—driving higher levels of efficiency and productivity across the board.

- Record revenue of \$60.8B, up 40%
- AI server revenue of \$24.7B, up from \$9.3B in FY25
- Record operating income of \$7.1B, up 27%

## **Client Solutions Group**

As AI workloads and agents continue to mature, the PC will become more essential, not less. Edge computing amplifies that opportunity further, and we are ready with one of the industry's broadest lineups of AI-enabled PCs from the XPS to the GB300, that put the power of the most advanced AI models at your fingertips wherever you are sitting.

In FY26, CSG returned to growth, and as our most capital-efficient business, was a meaningful contributor to our record cash flow performance. We are broadening our portfolio to reach more of the market, while targeting strategic accounts to grow our installed base and position ourselves for future refresh cycles.

- Revenue of \$51.0B, up 5%
- Operating income of \$2.8B, down 5%

## **Capital Return**

We're confident in our ability to create meaningful long-term value for shareholders. We remain committed to our target of returning 80% or more of adjusted free cash flow to shareholders over the long term and to target at least 10% annual dividend growth through fiscal year 2030.

- Returned over \$18B to shareholders through \$13.6B of share repurchases and \$4.8B of dividends since initiating our capital allocation framework — 84% of adjusted free cash flow over the last four years, above our long-term framework target

- Raised our annual dividend by 20%, from \$2.10 to \$2.52 per share, reflecting continued confidence in our business model and cash generation
- Increased share repurchase authorization by \$10B
- Reached a 1.4x core leverage ratio exiting the fiscal year

### **Looking Ahead**

The opportunity in front of us continues to grow. We remain extremely well positioned to capture that growth across every segment of our business and to extend AI from the largest at-scale neoclouds, into enterprise workloads, and out to the edge with the PC.

Together with our customers, partners and shareholders, we are developing and deploying technologies that are changing our world and driving human progress farther and faster than any of us could have ever imagined a few short years ago. The age of AI is just beginning, and our future has never been brighter.

Thank you for your continued partnership, feedback and support.

Michael S. Dell  
Chairman of the Board and Chief Executive Officer