

**DELL TECHNOLOGIES INC.**  
**Condensed Consolidated Statements of Income and Related Financial Highlights**  
(in millions, except percentages; unaudited)

	<b>Three Months Ended</b>		<b>Change</b>
	<b>May 2, 2025</b>	<b>May 3, 2024</b>	
<i>Net revenue:</i>			
Products	\$ 17,599	\$ 16,127	9%
Services	5,779	6,117	(6)%
Total net revenue	<u>23,378</u>	<u>22,244</u>	5%
<i>Cost of net revenue:</i>			
Products	15,116	13,721	10%
Services	3,325	3,672	(9)%
Total cost of net revenue	<u>18,441</u>	<u>17,393</u>	6%
Gross margin	<u>4,937</u>	<u>4,851</u>	2%
<i>Operating expenses:</i>			
Selling, general, and administrative	2,964	3,123	(5)%
Research and development	808	763	6%
Total operating expenses	<u>3,772</u>	<u>3,886</u>	(3)%
Operating income	1,165	965	21%
Interest and other, net	(82)	(373)	78%
Income before income taxes	1,083	592	83%
Income tax expense	118	(400)	130%
Net income	<u>965</u>	<u>992</u>	(3)%
Less: Net loss attributable to non-controlling interests	—	(5)	100%
Net income attributable to Dell Technologies Inc.	<u>\$ 965</u>	<u>\$ 997</u>	(3)%
<i>Percentage of Total Net Revenue:</i>			
Gross margin	21.1 %	21.8 %	
Selling, general, and administrative	12.6 %	14.1 %	
Research and development	3.5 %	3.4 %	
Operating expenses	16.1 %	17.5 %	
Operating income	5.0 %	4.3 %	
Income before income taxes	4.6 %	2.7 %	
Net income	4.1 %	4.5 %	
Income tax rate	10.9 %	(67.6)%	

Amounts are based on underlying data and may not visually foot due to rounding.

**DELL TECHNOLOGIES INC.**  
**Condensed Consolidated Statements of Financial Position**  
(in millions; unaudited)

	May 2, 2025	January 31, 2025
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 7,700	\$ 3,633
Accounts receivable, net of allowance of \$82 and \$63	9,785	10,298
Short-term financing receivables, net of allowance of \$74 and \$78	5,381	5,304
Inventories	7,415	6,716
Other current assets	12,644	9,610
Current assets held for sale	—	668
Total current assets	42,925	36,229
Property, plant, and equipment, net	6,383	6,336
Long-term investments	1,591	1,496
Long-term financing receivables, net of allowance of \$70 and \$75	6,042	5,927
Goodwill	19,315	19,120
Intangible assets, net	4,868	4,988
Other non-current assets	5,745	5,650
Total assets	\$ 86,869	\$ 79,746
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Short-term debt	\$ 4,845	\$ 5,204
Accounts payable	25,349	20,832
Accrued and other	6,321	6,597
Short-term deferred revenue	13,907	13,673
Current liabilities held for sale	—	221
Total current liabilities	50,422	46,527
Long-term debt	23,936	19,363
Long-term deferred revenue	12,413	12,292
Other non-current liabilities	3,122	2,951
Total liabilities	89,893	81,133
Stockholders' equity (deficit):		
Common stock and capital in excess of \$0.01 par value	8,957	9,119
Treasury stock at cost	(10,488)	(8,502)
Accumulated deficit	(567)	(1,160)
Accumulated other comprehensive loss	(926)	(939)
Total Dell Technologies Inc. stockholders' equity (deficit)	(3,024)	(1,482)
Non-controlling interests	—	95
Total stockholders' equity (deficit)	(3,024)	(1,387)
Total liabilities and stockholders' equity	\$ 86,869	\$ 79,746

**DELL TECHNOLOGIES INC.**  
**Condensed Consolidated Statements of Cash Flows**  
(in millions; unaudited)

	<b>Three Months Ended</b>	
	<b>May 2, 2025</b>	<b>May 3, 2024</b>
<b>Cash flows from operating activities:</b>		
Net income	\$ 965	\$ 992
Adjustments to reconcile net income to net cash provided by operating activities:	1,831	51
Change in cash from operating activities	2,796	1,043
<b>Cash flows from investing activities:</b>		
Purchases of investments	(97)	(39)
Maturities and sales of investments	31	119
Capital expenditures and capitalized software development costs	(568)	(596)
Divestitures of businesses and assets, net	533	—
Other	13	60
Change in cash from investing activities	(88)	(456)
<b>Cash flows from financing activities:</b>		
Repurchases of common stock	(1,980)	(700)
Repurchases of common stock for employee tax withholdings	(352)	(521)
Payments of dividends and dividend equivalents	(396)	(336)
Proceeds from debt	6,308	2,992
Repayments of debt	(2,310)	(3,477)
Debt-related costs and other, net	(33)	(35)
Change in cash from financing activities	1,237	(2,077)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	89	(55)
Change in cash, cash equivalents, and restricted cash	4,034	(1,545)
Cash, cash equivalents, and restricted cash at beginning of the period	3,819	7,507
Cash, cash equivalents, and restricted cash at end of the period	\$ 7,853	\$ 5,962

**DELL TECHNOLOGIES INC.**  
**Segment Information**  
(in millions, except percentages; unaudited; continued on next page)

	<b>Three Months Ended</b>		<b>Change</b>
	<b>May 2, 2025</b>	<b>May 3, 2024</b>	
<b><i>Infrastructure Solutions Group (ISG):</i></b>			
Net revenue:			
Servers and networking	\$ 6,321	\$ 5,466	16%
Storage	3,996	3,761	6%
Total ISG net revenue	<u>\$ 10,317</u>	<u>\$ 9,227</u>	12%
Operating Income:			
ISG operating income	<u>\$ 998</u>	<u>\$ 736</u>	36%
<i>% of ISG net revenue</i>	<i>9.7 %</i>	<i>8.0 %</i>	
<i>% of total reportable segment operating income</i>	<i>60 %</i>	<i>49 %</i>	
<b><i>Client Solutions Group (CSG):</i></b>			
Net revenue:			
Commercial	\$ 11,046	\$ 10,154	9%
Consumer	1,463	1,813	(19)%
Total CSG net revenue	<u>\$ 12,509</u>	<u>\$ 11,967</u>	5%
Operating Income:			
CSG operating income	<u>\$ 653</u>	<u>\$ 777</u>	(16)%
<i>% of CSG net revenue</i>	<i>5.2 %</i>	<i>6.5 %</i>	
<i>% of total reportable segment operating income</i>	<i>40 %</i>	<i>51 %</i>	

Amounts are based on underlying data and may not visually foot due to rounding.

**DELL TECHNOLOGIES INC.**  
**Segment Information**  
(in millions; unaudited; continued)

	Three Months Ended	
	May 2, 2025	May 3, 2024
<i>Reconciliation to consolidated net revenue:</i>		
Reportable segment net revenue	\$ 22,826	\$ 21,194
Corporate and other (a)	552	1,050
Total consolidated net revenue	\$ 23,378	\$ 22,244
<i>Reconciliation to consolidated operating income:</i>		
Reportable segment operating income (b)	\$ 1,651	\$ 1,513
Corporate and other (a)	15	6
Amortization of intangibles (c)	(126)	(168)
Stock-based compensation expense (d)	(190)	(210)
Other corporate expenses (e)	(185)	(176)
Total consolidated operating income (f)	\$ 1,165	\$ 965

- (a) Corporate and other consists of results of divested businesses or non-reportable segments whose offerings are no longer actively sold, including (i) VMware Resale, (ii) Secureworks, and (iii) Virtustream, and do not meet the requirements for a reportable segment, either individually or collectively. Additionally, Corporate and other includes other items that are managed at the corporate level and are not allocated to reportable segments.
- (b) Depreciation expense directly attributable to each reportable segment is included in the operating results of each segment. However, the Chief Operating Decision Maker does not evaluate depreciation expense by operating segment, and therefore such expense is not separately presented.
- (c) Amortization of intangibles includes non-cash purchase accounting adjustments that are primarily related to the EMC merger transaction.
- (d) Stock-based compensation expense consists of equity awards granted based on the estimated fair value of those awards at grant date.
- (e) Other corporate expenses includes severance expenses, payroll taxes associated with stock-based compensation, incentive charges related to equity investments, facility action costs, transaction-related expenses, and impairment charges.
- (f) Income and expenses within Interest and other, net, is not allocated to the reportable segments. Therefore, the Company only reports reportable segment operating income.

## **SUPPLEMENTAL SELECTED NON-GAAP FINANCIAL MEASURES**

These tables present information about the company's non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income, non-GAAP net income, non-GAAP earnings per share attributable to Dell Technologies Inc. - diluted, free cash flow and adjusted free cash flow, all of which are non-GAAP financial measures provided as a supplement to the results provided in accordance with generally accepted accounting principles in the United States of America ("GAAP"). A detailed discussion of Dell Technologies' reasons for including certain of these non-GAAP financial measures, the limitations associated with these measures, the items excluded from these measures, and the company's reason for excluding those items are presented in "Management's Discussion and Analysis of Financial Condition and Results of Operations — Non-GAAP Financial Measures" in the company's periodic reports filed with the SEC. Dell Technologies encourages investors to review the non-GAAP discussion in these reports in conjunction with the presentation of non-GAAP financial measures.

**DELL TECHNOLOGIES INC.**  
**Selected Financial Measures**  
(in millions, except per share amounts and percentages; unaudited)

	<b>Three Months Ended</b>		<b>Change</b>
	<b>May 2, 2025</b>	<b>May 3, 2024</b>	
Net revenue	\$ 23,378	\$ 22,244	5%
Non-GAAP gross margin	\$ 5,057	\$ 4,992	1%
<i>% of net revenue</i>	<i>21.6 %</i>	<i>22.4 %</i>	
Non-GAAP operating expenses	\$ 3,391	\$ 3,473	(2)%
<i>% of net revenue</i>	<i>14.5 %</i>	<i>15.6 %</i>	
Non-GAAP operating income	\$ 1,666	\$ 1,519	10%
<i>% of net revenue</i>	<i>7.1 %</i>	<i>6.8 %</i>	
Non-GAAP net income	\$ 1,086	\$ 959	13%
<i>% of net revenue</i>	<i>4.6 %</i>	<i>4.3 %</i>	
Non-GAAP earnings per share — diluted	\$ 1.55	\$ 1.32	17%

Amounts are based on underlying data and may not visually foot due to rounding.

**DELL TECHNOLOGIES INC.**  
**Reconciliation of Selected Non-GAAP Financial Measures**  
(in millions, except percentages; unaudited; continued on next page)

	<b>Three Months Ended</b>		<b>Change</b>
	<b>May 2, 2025</b>	<b>May 3, 2024</b>	
Gross margin	\$ 4,937	\$ 4,851	2%
Non-GAAP adjustments:			
Amortization of intangibles	41	60	
Stock-based compensation expense	39	38	
Other corporate expenses	40	43	
Non-GAAP gross margin	<u>\$ 5,057</u>	<u>\$ 4,992</u>	1%
Operating expenses	\$ 3,772	\$ 3,886	(3)%
Non-GAAP adjustments:			
Amortization of intangibles	(85)	(108)	
Stock-based compensation expense	(151)	(172)	
Other corporate expenses	(145)	(133)	
Non-GAAP operating expenses	<u>\$ 3,391</u>	<u>\$ 3,473</u>	(2)%
Operating income	\$ 1,165	\$ 965	21%
Non-GAAP adjustments:			
Amortization of intangibles	126	168	
Stock-based compensation expense	190	210	
Other corporate expenses	185	176	
Non-GAAP operating income	<u>\$ 1,666</u>	<u>\$ 1,519</u>	10%
Net income	\$ 965	\$ 992	(3)%
Non-GAAP adjustments:			
Amortization of intangibles	126	168	
Stock-based compensation expense	190	210	
Other corporate (income) expenses	(58)	170	
Fair value adjustments on equity investments	(17)	30	
Aggregate adjustment for income taxes (a)	(120)	(611)	
Non-GAAP net income	<u>\$ 1,086</u>	<u>\$ 959</u>	13%

(a) The company's non-GAAP income tax is calculated using a fixed estimated annual tax rate.

**DELL TECHNOLOGIES INC.**  
**Reconciliation of Selected Non-GAAP Financial Measures**  
**(unaudited; continued)**

	<b>Three Months Ended</b>		<b>Change</b>
	<b>May 2, 2025</b>	<b>May 3, 2024</b>	
Earnings per share attributable to Dell Technologies Inc. — diluted	\$ 1.37	\$ 1.37	— %
Non-GAAP adjustments:			
Amortization of intangibles	0.18	0.23	
Stock-based compensation expense	0.27	0.29	
Other corporate (income) expenses	(0.08)	0.24	
Fair value adjustments on equity investments	(0.02)	0.04	
Aggregate adjustment for income taxes (a)	(0.17)	(0.84)	
Total non-GAAP adjustments attributable to non-controlling interests	—	(0.01)	
Non-GAAP earnings per share attributable to Dell Technologies Inc. — diluted	<u>\$ 1.55</u>	<u>\$ 1.32</u>	17 %

(a) The company's non-GAAP income tax is calculated using a fixed estimated annual tax rate.

**DELL TECHNOLOGIES INC.**  
**Reconciliation of Selected Non-GAAP Financial Measures**  
(in millions, except percentages; unaudited; continued)

	<b>Three Months Ended</b>		<b>Change</b>
	<b>May 2, 2025</b>	<b>May 3, 2024</b>	
Cash flow from operations	\$ 2,796	\$ 1,043	168 %
Non-GAAP adjustments:			
Capital expenditures and capitalized software development costs, net (a)	(568)	(586)	
Free cash flow	<u>\$ 2,228</u>	<u>\$ 457</u>	388 %
Free cash flow	\$ 2,228	\$ 457	388 %
Non-GAAP adjustments:			
Financing receivables (b)	(23)	165	
Equipment under operating leases (c)	27	1	
Adjusted free cash flow	<u>\$ 2,232</u>	<u>\$ 623</u>	258 %

- (a) Capital expenditures and capitalized software development costs, net includes proceeds from sales of facilities, land, and other assets.
- (b) Financing receivables represent the operating cash flow impact from the change in financing receivables.
- (c) Equipment under operating leases represents the net impact of capital expenditures and depreciation expense for leases and contractually embedded leases identified within flexible consumption arrangements.

**DELL TECHNOLOGIES INC.**  
**Reconciliation of Non-GAAP Financial Measures in Summary Guidance**  
**(unaudited)**

	<u>Three Months Ending</u> <u>August 1, 2025</u>	<u>Fiscal Year Ending</u> <u>January 30, 2026</u>
Earnings per share attributable to Dell Technologies Inc. — diluted	\$ 1.85	\$ 7.99
Non-GAAP adjustments:		
Amortization of intangibles (a)	0.18	0.73
Stock-based compensation	0.26	1.07
Other corporate (income) expenses (b)	—	(0.08)
Fair value adjustments on equity investments (c)	—	(0.02)
Aggregate adjustment for income taxes (d)	(0.04)	(0.29)
Non-GAAP earnings per share attributable to Dell Technologies Inc. — diluted	<u>\$ 2.25</u>	<u>\$ 9.40</u>

- (a) Amortization of intangibles represents an estimate for acquisitions completed as of May 2, 2025 and does not include estimates for potential acquisitions, if any, during fiscal 2026.
- (b) Consists primarily of severance expenses, payroll taxes associated with stock-based compensation, facility action costs, transaction-related expenses, impairment charges, and incentive charges related to equity investments. Additionally, this consists of transaction related gains on sales of businesses that have been completed as of May 2, 2025 and does not include estimates for potential transactions, if any, during fiscal 2026. No estimate is included for severance expense as such expense cannot be reasonably estimated at this time.
- (c) No estimates are included for potential fair value adjustments on strategic investments given the potential volatility of either gains or losses on those equity investments.
- (d) The aggregate adjustment for income taxes is the estimated combined income tax effect for the adjustments shown above as well as an adjustment for discrete tax items. The company's non-GAAP income tax is calculated using a fixed estimated annual tax rate.