

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

| | Three Months Ended | | | Nine Months Ended | | |
|--|-----------------------------|-----------------------------|---------------|-----------------------------|-----------------------------|---------------|
| | October 29, 2021 | October 30, 2020 | Change | October 29, 2021 | October 30, 2020 | Change |
| <i>Net revenue:</i> | | | | | | |
| Products | \$ 21,540 | \$ 17,352 | 24% | \$ 58,968 | \$ 50,127 | 18% |
| Services | 6,854 | 6,130 | 12% | 20,035 | 17,985 | 11% |
| Total net revenue | <u>28,394</u> | <u>23,482</u> | 21% | <u>79,003</u> | <u>68,112</u> | 16% |
| <i>Cost of net revenue:</i> | | | | | | |
| Products | 17,552 | 13,789 | 27% | 47,137 | 39,923 | 18% |
| Services | 2,783 | 2,432 | 14% | 8,164 | 6,919 | 18% |
| Total cost of net revenue | <u>20,335</u> | <u>16,221</u> | 25% | <u>55,301</u> | <u>46,842</u> | 18% |
| Gross margin | 8,059 | 7,261 | 11% | 23,702 | 21,270 | 11% |
| <i>Operating expenses:</i> | | | | | | |
| Selling, general, and administrative | 5,293 | 4,772 | 11% | 15,398 | 14,419 | 7% |
| Research and development | 1,417 | 1,360 | 4% | 4,208 | 3,884 | 8% |
| Total operating expenses | <u>6,710</u> | <u>6,132</u> | 9% | <u>19,606</u> | <u>18,303</u> | 7% |
| Operating income | 1,349 | 1,129 | 19% | 4,096 | 2,967 | 38% |
| Interest and other, net | 3,436 | 273 | NM | 2,689 | (929) | 389% |
| Income before income taxes | 4,785 | 1,402 | 241% | 6,785 | 2,038 | 233% |
| Income tax expense (benefit) | 897 | 521 | 72% | 1,079 | (124) | 970% |
| Net income | 3,888 | 881 | 341% | 5,706 | 2,162 | 164% |
| Less: Net income attributable to non-controlling interests | 45 | 49 | (8)% | 145 | 139 | 4% |
| Net income attributable to Dell Technologies Inc. | <u>\$ 3,843</u> | <u>\$ 832</u> | 362% | <u>\$ 5,561</u> | <u>\$ 2,023</u> | 175% |
| <i>Percentage of Total Net Revenue:</i> | | | | | | |
| Gross margin | 28 % | 31 % | | 30 % | 31 % | |
| Selling, general, and administrative | 19 % | 20 % | | 19 % | 21 % | |
| Research and development | 5 % | 6 % | | 5 % | 6 % | |
| Operating expenses | 24 % | 26 % | | 25 % | 27 % | |
| Operating income | 5 % | 5 % | | 5 % | 4 % | |
| Income before income taxes | 17 % | 6 % | | 9 % | 3 % | |
| Net income | 14 % | 4 % | | 7 % | 3 % | |
| Income tax rate | 18.7 % | 37.2 % | | 15.9 % | -6.1 % | |

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

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

| | October 29, 2021 | January 29, 2021 |
|---|-------------------------|-------------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 22,406 | \$ 14,201 |
| Accounts receivable, net | 14,177 | 12,788 |
| Short-term financing receivables, net | 4,970 | 5,155 |
| Inventories, net | 5,442 | 3,402 |
| Other current assets | 10,184 | 8,021 |
| Total current assets | 57,179 | 43,567 |
| Property, plant, and equipment, net | 6,925 | 6,431 |
| Long-term investments | 1,827 | 1,624 |
| Long-term financing receivables, net | 5,270 | 5,339 |
| Goodwill | 40,701 | 40,829 |
| Intangible assets, net | 12,319 | 14,429 |
| Other non-current assets | 11,456 | 11,196 |
| Total assets | \$ 135,677 | \$ 123,415 |
| LIABILITIES, REDEEMABLE SHARES, AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Short-term debt | \$ 16,280 | \$ 6,362 |
| Accounts payable | 26,772 | 21,696 |
| Accrued and other | 10,081 | 9,549 |
| Short-term deferred revenue | 16,569 | 16,525 |
| Total current liabilities | 69,702 | 54,132 |
| Long-term debt | 31,699 | 41,622 |
| Long-term deferred revenue | 14,885 | 14,276 |
| Other non-current liabilities | 5,197 | 5,360 |
| Total liabilities | 121,483 | 115,390 |
| Redeemable shares | — | 472 |
| Stockholders' equity: | | |
| Total Dell Technologies Inc. stockholders' equity | 8,954 | 2,479 |
| Non-controlling interests | 5,240 | 5,074 |
| Total stockholders' equity | 14,194 | 7,553 |
| Total liabilities, redeemable shares, and stockholders' equity | \$ 135,677 | \$ 123,415 |

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

| | Three Months Ended | | Nine Months Ended | |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | October 29, 2021 | October 30, 2020 | October 29, 2021 | October 30, 2020 |
| Cash flows from operating activities: | | | | |
| Net income | \$ 3,888 | \$ 881 | \$ 5,706 | \$ 2,162 |
| Adjustments to reconcile net income to net cash provided by (used in) operating activities | (637) | 2,113 | 1,508 | 3,368 |
| Change in cash from operating activities | <u>3,251</u> | <u>2,994</u> | <u>7,214</u> | <u>5,530</u> |
| Cash flows from investing activities: | | | | |
| Purchases of investments | (50) | (122) | (320) | (296) |
| Maturities and sales of investments | 119 | 27 | 454 | 98 |
| Capital expenditures and capitalized software development costs | (799) | (480) | (2,056) | (1,584) |
| Acquisition of businesses and assets, net | — | (71) | (16) | (405) |
| Divestitures of businesses and assets, net | 3,957 | 2,067 | 3,957 | 2,187 |
| Other | 14 | 14 | 34 | 26 |
| Change in cash from investing activities | <u>3,241</u> | <u>1,435</u> | <u>2,053</u> | <u>26</u> |
| Cash flows from financing activities: | | | | |
| Proceeds from the issuance of common stock | 140 | 168 | 326 | 389 |
| Repurchases of parent common stock (a) | (18) | — | (35) | (240) |
| Repurchases of subsidiary common stock (a) | (196) | (299) | (1,174) | (890) |
| Proceeds from debt | 9,102 | 2,925 | 13,037 | 14,772 |
| Repayments of debt | (4,646) | (7,024) | (13,069) | (17,244) |
| Other | (99) | (80) | (113) | (270) |
| Change in cash from financing activities | <u>4,283</u> | <u>(4,310)</u> | <u>(1,028)</u> | <u>(3,483)</u> |
| Effect of exchange rate changes on cash, cash equivalents, and restricted cash | (33) | (15) | (54) | (67) |
| Change in cash, cash equivalents, and restricted cash | <u>10,742</u> | <u>104</u> | <u>8,185</u> | <u>2,006</u> |
| Cash, cash equivalents, and restricted cash at beginning of the period | <u>12,627</u> | <u>12,053</u> | <u>15,184</u> | <u>10,151</u> |
| Cash, cash equivalents, and restricted cash at end of the period | <u>\$ 23,369</u> | <u>\$ 12,157</u> | <u>\$ 23,369</u> | <u>\$ 12,157</u> |

(a) Common stock repurchases are inclusive of employee tax withholding on stock-based compensation.

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

| | Three Months Ended | | | Nine Months Ended | | |
|---|---------------------|---------------------|--------|---------------------|---------------------|--------|
| | October 29, 2021 | October 30, 2020 | Change | October 29, 2021 | October 30, 2020 | Change |
| <i>Infrastructure Solutions Group (ISG):</i> | | | | | | |
| Net Revenue: | | | | | | |
| Servers and networking | \$ 4,533 | \$ 4,164 | 9% | \$ 13,104 | \$ 12,118 | 8% |
| Storage | 3,895 | 3,860 | 1% | 11,667 | 11,682 | —% |
| Total ISG net revenue | \$ 8,428 | \$ 8,024 | 5% | \$ 24,771 | \$ 23,800 | 4% |
| Operating Income: | | | | | | |
| ISG operating income | \$ 892 | \$ 882 | 1% | \$ 2,650 | \$ 2,587 | 2% |
| <i>% of ISG net revenue</i> | 11 % | 11 % | | 11 % | 11 % | |
| <i>% of total reportable segment operating income</i> | 31 % | 32 % | | 32 % | 35 % | |
| <i>Client Solutions Group (CSG):</i> | | | | | | |
| Net Revenue: | | | | | | |
| Commercial | \$ 12,292 | \$ 8,783 | 40% | \$ 32,668 | \$ 25,456 | 28% |
| Consumer | 4,254 | 3,503 | 21% | 11,446 | 9,137 | 25% |
| Total CSG net revenue | \$ 16,546 | \$ 12,286 | 35% | \$ 44,114 | \$ 34,593 | 28% |
| Operating Income: | | | | | | |
| CSG operating income | \$ 1,147 | \$ 1,002 | 14% | \$ 3,232 | \$ 2,309 | 40% |
| <i>% of CSG net revenue</i> | 7 % | 8 % | | 7 % | 7 % | |
| <i>% of total reportable segment operating income</i> | 40 % | 37 % | | 38 % | 31 % | |
| <i>VMware:</i> | | | | | | |
| Net Revenue: | | | | | | |
| Total VMware net revenue | \$ 3,178 | \$ 2,893 | 10% | \$ 9,317 | \$ 8,556 | 9% |
| Operating Income: | | | | | | |
| VMware operating income | \$ 837 | \$ 837 | —% | \$ 2,527 | \$ 2,504 | 1% |
| <i>% of VMware net revenue</i> | 26 % | 29 % | | 27 % | 29 % | |
| <i>% of total reportable segment operating income</i> | 29 % | 31 % | | 30 % | 34 % | |

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

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

| | Three Months Ended | | Nine Months Ended | |
|---|---------------------|---------------------|---------------------|---------------------|
| | October 29, 2021 | October 30, 2020 | October 29, 2021 | October 30, 2020 |
| <i>Reconciliation to consolidated net revenue:</i> | | | | |
| Reportable segment net revenue | \$ 28,152 | \$ 23,203 | \$ 78,202 | \$ 66,949 |
| Other businesses (a) | 251 | 314 | 829 | 1,288 |
| Unallocated transactions (b) | 2 | 4 | 6 | 4 |
| Impact of purchase accounting (c) | (11) | (39) | (34) | (129) |
| Total consolidated net revenue | \$ 28,394 | \$ 23,482 | \$ 79,003 | \$ 68,112 |
| <i>Reconciliation to consolidated operating income:</i> | | | | |
| Reportable segment operating income | \$ 2,876 | \$ 2,721 | \$ 8,409 | \$ 7,400 |
| Other businesses (a) | (9) | 3 | (17) | 105 |
| Unallocated transactions (b) | 1 | 1 | 1 | (1) |
| Impact of purchase accounting (c) | (17) | (49) | (62) | (165) |
| Amortization of intangibles | (694) | (845) | (2,114) | (2,547) |
| Transaction-related expenses (d) | (311) | (52) | (422) | (211) |
| Stock-based compensation expense (e) | (472) | (436) | (1,406) | (1,219) |
| Other corporate expenses (f) | (25) | (214) | (293) | (395) |
| Total consolidated operating income | \$ 1,349 | \$ 1,129 | \$ 4,096 | \$ 2,967 |

- (a) Secureworks and Virtustream constitute Other businesses and do not meet the requirements for a reportable segment, either individually or collectively. The results of Other businesses are not material to the Company's overall results. On September 1, 2020, the Company completed the sale of RSA Security. On October 1, 2021, the Company completed the sale of Boomi. Prior to the divestitures, the results of Boomi and RSA Security were included within Other businesses.
- (b) Unallocated transactions includes other corporate items that are not allocated to Dell Technologies' reportable segments.
- (c) Impact of purchase accounting includes non-cash purchase accounting adjustments that are primarily related to the EMC merger transaction.
- (d) Transaction-related expenses includes acquisition, integration, and divestiture related costs.
- (e) Stock-based compensation expense consists of equity awards granted based on the estimated fair value of those awards at grant date.
- (f) Other corporate expenses includes impairment charges, severance, facilities action, and other costs.

SUPPLEMENTAL SELECTED NON-GAAP FINANCIAL MEASURES

These tables present information about the Company's non-GAAP net revenue, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income, non-GAAP net income, non-GAAP net income attributable to non-controlling interests, non-GAAP net income attributable to Dell Technologies Inc. - basic, non-GAAP net income attributable to Dell Technologies Inc. - diluted, non-GAAP earnings per share attributable to Dell Technologies Inc. - basic, non-GAAP earnings per share attributable to Dell Technologies Inc. - diluted, EBITDA, and adjusted EBITDA, 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 these non-GAAP financial measures, the limitations associated with these measures, the items excluded from these measures, and our 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 our 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 Non-GAAP Financial Measures
(in millions, except per share amounts and percentages; unaudited)

| | Three Months Ended | | | Nine Months Ended | | |
|---------------------------------------|---------------------|---------------------|--------|---------------------|---------------------|--------|
| | October 29, 2021 | October 30, 2020 | Change | October 29, 2021 | October 30, 2020 | Change |
| Non-GAAP net revenue | \$ 28,405 | \$ 23,521 | 21% | \$ 79,037 | \$ 68,241 | 16% |
| Non-GAAP gross margin | \$ 8,410 | \$ 7,771 | 8% | \$ 24,770 | \$ 22,722 | 9% |
| <i>% of non-GAAP net revenue</i> | <i>30 %</i> | <i>33 %</i> | | <i>31 %</i> | <i>33 %</i> | |
| Non-GAAP operating expenses | \$ 5,542 | \$ 5,046 | 10% | \$ 16,377 | \$ 15,218 | 8% |
| <i>% of non-GAAP net revenue</i> | <i>20 %</i> | <i>21 %</i> | | <i>21 %</i> | <i>22 %</i> | |
| Non-GAAP operating income | \$ 2,868 | \$ 2,725 | 5% | \$ 8,393 | \$ 7,504 | 12% |
| <i>% of non-GAAP net revenue</i> | <i>10 %</i> | <i>12 %</i> | | <i>11 %</i> | <i>11 %</i> | |
| Non-GAAP net income | \$ 2,015 | \$ 1,711 | 18% | \$ 5,745 | \$ 4,475 | 28% |
| <i>% of non-GAAP net revenue</i> | <i>7 %</i> | <i>7 %</i> | | <i>7 %</i> | <i>7 %</i> | |
| Adjusted EBITDA | \$ 3,410 | \$ 3,231 | 6% | \$ 9,976 | \$ 8,938 | 12% |
| <i>% of non-GAAP net revenue</i> | <i>12 %</i> | <i>14 %</i> | | <i>13 %</i> | <i>13 %</i> | |
| Non-GAAP earnings per share - diluted | \$ 2.37 | \$ 2.03 | 17% | \$ 6.75 | \$ 5.28 | 28% |

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)

| | Three Months Ended | | | Nine Months Ended | | |
|----------------------------------|---------------------|---------------------|--------|---------------------|---------------------|--------|
| | October 29, 2021 | October 30, 2020 | Change | October 29, 2021 | October 30, 2020 | Change |
| Net revenue | \$ 28,394 | \$ 23,482 | 21% | \$ 79,003 | \$ 68,112 | 16% |
| Non-GAAP adjustments: | | | | | | |
| Impact of purchase accounting | 11 | 39 | | 34 | 129 | |
| Non-GAAP net revenue | <u>\$ 28,405</u> | <u>\$ 23,521</u> | 21% | <u>\$ 79,037</u> | <u>\$ 68,241</u> | 16% |
| Gross margin | \$ 8,059 | \$ 7,261 | 11% | \$ 23,702 | \$ 21,270 | 11% |
| Non-GAAP adjustments: | | | | | | |
| Amortization of intangibles | 275 | 375 | | 826 | 1,122 | |
| Impact of purchase accounting | 12 | 40 | | 37 | 134 | |
| Transaction-related expenses | — | — | | — | — | |
| Stock-based compensation expense | 62 | 51 | | 183 | 141 | |
| Other corporate expenses | 2 | 44 | | 22 | 55 | |
| Non-GAAP gross margin | <u>\$ 8,410</u> | <u>\$ 7,771</u> | 8% | <u>\$ 24,770</u> | <u>\$ 22,722</u> | 9% |
| Operating expenses | \$ 6,710 | \$ 6,132 | 9% | \$ 19,606 | \$ 18,303 | 7% |
| Non-GAAP adjustments: | | | | | | |
| Amortization of intangibles | (419) | (470) | | (1,288) | (1,425) | |
| Impact of purchase accounting | (5) | (9) | | (25) | (31) | |
| Transaction-related expenses | (311) | (52) | | (422) | (211) | |
| Stock-based compensation expense | (410) | (385) | | (1,223) | (1,078) | |
| Other corporate expenses | (23) | (170) | | (271) | (340) | |
| Non-GAAP operating expenses | <u>\$ 5,542</u> | <u>\$ 5,046</u> | 10% | <u>\$ 16,377</u> | <u>\$ 15,218</u> | 8% |
| Operating income | \$ 1,349 | \$ 1,129 | 19% | \$ 4,096 | \$ 2,967 | 38% |
| Non-GAAP adjustments: | | | | | | |
| Amortization of intangibles | 694 | 845 | | 2,114 | 2,547 | |
| Impact of purchase accounting | 17 | 49 | | 62 | 165 | |
| Transaction-related expenses | 311 | 52 | | 422 | 211 | |
| Stock-based compensation expense | 472 | 436 | | 1,406 | 1,219 | |
| Other corporate expenses | 25 | 214 | | 293 | 395 | |
| Non-GAAP operating income | <u>\$ 2,868</u> | <u>\$ 2,725</u> | 5% | <u>\$ 8,393</u> | <u>\$ 7,504</u> | 12% |

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

| | Three Months Ended | | | Nine Months Ended | | |
|--|---------------------|---------------------|--------|---------------------|---------------------|--------|
| | October 29, 2021 | October 30, 2020 | Change | October 29, 2021 | October 30, 2020 | Change |
| Net income | \$ 3,888 | \$ 881 | 341% | \$ 5,706 | \$ 2,162 | 164% |
| Non-GAAP adjustments: | | | | | | |
| Amortization of intangibles | 694 | 845 | | 2,114 | 2,547 | |
| Impact of purchase accounting | 17 | 49 | | 62 | 165 | |
| Transaction-related expenses | (3,607) | (286) | | (3,508) | (247) | |
| Stock-based compensation expense | 472 | 436 | | 1,406 | 1,219 | |
| Other corporate expenses | 25 | 106 | | 293 | 287 | |
| Fair value adjustments on equity investments | (27) | (489) | | (352) | (591) | |
| Aggregate adjustment for income taxes | 553 | 169 | | 24 | (1,067) | |
| Non-GAAP net income | \$ 2,015 | \$ 1,711 | 18% | \$ 5,745 | \$ 4,475 | 28% |
| Net income | \$ 3,888 | \$ 881 | 341% | \$ 5,706 | \$ 2,162 | 164% |
| Adjustments: | | | | | | |
| Interest and other, net | (3,436) | (273) | | (2,689) | 929 | |
| Income tax expense (benefit) | 897 | 521 | | 1,079 | (124) | |
| Depreciation and amortization | 1,242 | 1,361 | | 3,721 | 4,017 | |
| EBITDA | \$ 2,591 | \$ 2,490 | 4% | \$ 7,817 | \$ 6,984 | 12% |
| EBITDA | \$ 2,591 | \$ 2,490 | 4% | \$ 7,817 | \$ 6,984 | 12% |
| Adjustments: | | | | | | |
| Stock-based compensation expense | 472 | 436 | | 1,406 | 1,219 | |
| Impact of purchase accounting | 11 | 39 | | 38 | 129 | |
| Transaction-related expenses | 311 | 52 | | 422 | 211 | |
| Other corporate expenses | 25 | 214 | | 293 | 395 | |
| Adjusted EBITDA | \$ 3,410 | \$ 3,231 | 6% | \$ 9,976 | \$ 8,938 | 12% |

DELL TECHNOLOGIES INC.
Reconciliation of Selected Non-GAAP Financial Measures
For the Three Months Ended October 29, 2021
(in millions, except per share amounts; unaudited)

| | GAAP | Amortization of intangibles | Impact of purchase accounting | Transaction- related expenses | Stock-based compensation expense | Other corporate expenses | Fair value adjustments on equity investments | Aggregate adjustment for income taxes | Non- GAAP |
|---|------------------------|--|--|--|---|---|---|--|------------------------|
| Net income | \$ 3,888 | 694 | 17 | (3,607) | 472 | 25 | (27) | 553 | \$ 2,015 |
| Less: Net income attributable to non-controlling interests (a) | 45 | 54 | 1 | 15 | 52 | — | (2) | (22) | 143 |
| Net income attributable to Dell Technologies Inc. - basic | <u>3,843</u> | <u>640</u> | <u>16</u> | <u>(3,622)</u> | <u>420</u> | <u>25</u> | <u>(25)</u> | <u>575</u> | <u>1,872</u> |
| Incremental dilution from VMware, Inc. attributable to Dell Technologies Inc. (b) | <u>(2)</u> | | | | | | | | <u>(3)</u> |
| Net income attributable to Dell Technologies Inc. - diluted | <u><u>\$ 3,841</u></u> | | | | | | | | <u><u>\$ 1,869</u></u> |
| Earnings per share - basic | \$ 5.02 | | | | | | | | \$ 2.44 |
| Earnings per share - diluted | \$ 4.87 | | | | | | | | \$ 2.37 |
| Weighted-average shares outstanding - basic | 766 | | | | | | | | 766 |
| Weighted-average shares outstanding - diluted | 788 | | | | | | | | 788 |

- (a) Net income attributable to non-controlling interests is calculated by multiplying the minority interest percentage of VMware, Inc. and SecureWorks Corp. by their respective non-GAAP net income adjustments for the period presented.
- (b) Incremental dilution from VMware, Inc. attributable to Dell Technologies Inc. represents the impact of VMware, Inc.'s dilutive securities on the diluted earnings per share of Dell Technologies Inc. and is calculated by multiplying the difference between VMware, Inc.'s basic and diluted earnings per share by the number of shares of VMware, Inc. common stock held by Dell Technologies Inc.

DELL TECHNOLOGIES INC.
Reconciliation of Selected Non-GAAP Financial Measures
For the Nine Months Ended October 29, 2021
(in millions, except per share amounts; unaudited)

| | GAAP | Amortization of intangibles | Impact of purchase accounting | Transaction- related expenses | Stock-based compensation expense | Other corporate expenses | Fair value adjustments on equity investments | Aggregate adjustment for income taxes | Non- GAAP |
|---|-----------------|--|--|--|---|---|---|--|----------------------|
| Net income | \$ 5,706 | 2,114 | 62 | (3,508) | 1,406 | 293 | (352) | 24 | \$ 5,745 |
| Less: Net income attributable to non-controlling interests (a) | 145 | 162 | 3 | 24 | 162 | — | 5 | (67) | 434 |
| Net income attributable to Dell Technologies Inc. - basic | 5,561 | 1,952 | 59 | (3,532) | 1,244 | 293 | (357) | 91 | 5,311 |
| Incremental dilution from VMware, Inc. attributable to Dell Technologies Inc. (b) | (7) | | | | | | | | (12) |
| Net income attributable to Dell Technologies Inc. - diluted | <u>\$ 5,554</u> | | | | | | | | <u>\$ 5,299</u> |
| Earnings per share - basic | \$ 7.30 | | | | | | | | \$ 6.97 |
| Earnings per share - diluted | \$ 7.08 | | | | | | | | \$ 6.75 |
| Weighted-average shares outstanding - basic | 762 | | | | | | | | 762 |
| Weighted-average shares outstanding - diluted | 785 | | | | | | | | 785 |

- (a) Net income attributable to non-controlling interests is calculated by multiplying the minority interest percentage of VMware, Inc. and SecureWorks Corp. by their respective non-GAAP net income adjustments for the period presented.
- (b) Incremental dilution from VMware, Inc. attributable to Dell Technologies Inc. represents the impact of VMware, Inc.'s dilutive securities on the diluted earnings per share of Dell Technologies Inc. and is calculated by multiplying the difference between VMware, Inc.'s basic and diluted earnings per share by the number of shares of VMware, Inc. common stock held by Dell Technologies Inc.

DELL TECHNOLOGIES INC.
Reconciliation of Selected Non-GAAP Financial Measures
For the Three Months Ended October 30, 2020
(in millions, except per share amounts; unaudited)

| | <u>GAAP</u> | <u>Amortization of intangibles</u> | <u>Impact of purchase accounting</u> | <u>Transaction- related expenses</u> | <u>Stock-based compensation expense</u> | <u>Other corporate expenses</u> | <u>Fair value adjustments on equity investments</u> | <u>Aggregate adjustment for income taxes</u> | <u>Non- GAAP</u> |
|---|---------------|--|--|--|---|---|---|--|----------------------|
| Net income | \$ 881 | 845 | 49 | (286) | 436 | 106 | (489) | 169 | \$ 1,711 |
| Less: Net income attributable to non-controlling interests (a) | 49 | 63 | 3 | 5 | 61 | 9 | (34) | (13) | 143 |
| Net income attributable to Dell Technologies Inc. - basic | <u>832</u> | <u>782</u> | <u>46</u> | <u>(291)</u> | <u>375</u> | <u>97</u> | <u>(455)</u> | <u>182</u> | <u>1,568</u> |
| Incremental dilution from VMware, Inc. attributable to Dell Technologies Inc. (b) | <u>(3)</u> | | | | | | | | <u>(4)</u> |
| Net income attributable to Dell Technologies Inc. - diluted | <u>\$ 829</u> | | | | | | | | <u>\$ 1,564</u> |
| Earnings per share - basic | \$ 1.11 | | | | | | | | \$ 2.10 |
| Earnings per share - diluted | \$ 1.08 | | | | | | | | \$ 2.03 |
| Weighted-average shares outstanding - basic | 747 | | | | | | | | 747 |
| Weighted-average shares outstanding - diluted | 771 | | | | | | | | 771 |

- (a) Net income attributable to non-controlling interests is calculated by multiplying the minority interest percentage of VMware, Inc. and SecureWorks Corp. by their respective non-GAAP net income adjustments for the period presented.
- (b) Incremental dilution from VMware, Inc. attributable to Dell Technologies Inc. represents the impact of VMware, Inc.'s dilutive securities on the diluted earnings per share of Dell Technologies Inc. and is calculated by multiplying the difference between VMware, Inc.'s basic and diluted earnings per share by the number of shares of VMware, Inc. common stock held by Dell Technologies Inc.

DELL TECHNOLOGIES INC.
Reconciliation of Selected Non-GAAP Financial Measures
For the Nine Months Ended October 30, 2020
(in millions, except per share amounts; unaudited)

| | <u>GAAP</u> | <u>Amortization of intangibles</u> | <u>Impact of purchase accounting</u> | <u>Transaction- related expenses</u> | <u>Stock-based compensation expense</u> | <u>Other corporate expenses</u> | <u>Fair value adjustments on equity investments</u> | <u>Aggregate adjustment for income taxes</u> | <u>Non- GAAP</u> |
|---|-----------------|--|--|--|---|---|---|--|----------------------|
| Net income | \$ 2,162 | 2,547 | 165 | (247) | 1,219 | 287 | (591) | (1,067) | \$ 4,475 |
| Less: Net income attributable to non-controlling interests (a) | 139 | 187 | 10 | 20 | 172 | 9 | (35) | (77) | 425 |
| Net income attributable to Dell Technologies Inc. - basic | 2,023 | \$ 2,360 | \$ 155 | \$ (267) | \$ 1,047 | \$ 278 | \$ (556) | \$ (990) | 4,050 |
| Incremental dilution from VMware, Inc. attributable to Dell Technologies Inc. (b) | (8) | | | | | | | | (13) |
| Net income attributable to Dell Technologies Inc. - diluted | <u>\$ 2,015</u> | | | | | | | | <u>\$ 4,037</u> |
| Earnings per share - basic | \$ 2.73 | | | | | | | | \$ 5.46 |
| Earnings per share - diluted | \$ 2.64 | | | | | | | | \$ 5.28 |
| Weighted-average shares outstanding - basic | 742 | | | | | | | | 742 |
| Weighted-average shares outstanding - diluted | 764 | | | | | | | | 764 |

- (a) Net income attributable to non-controlling interests is calculated by multiplying the minority interest percentage of VMware, Inc. and SecureWorks Corp. by their respective non-GAAP net income adjustments for the period presented.
- (b) Incremental dilution from VMware, Inc. attributable to Dell Technologies Inc. represents the impact of VMware, Inc.'s dilutive securities on the diluted earnings per share of Dell Technologies Inc. and is calculated by multiplying the difference between VMware, Inc.'s basic and diluted earnings per share by the number of shares of VMware, Inc. common stock held by Dell Technologies Inc.