Condensed Consolidated Statements of Income (Loss) and Related Financial Highlights (in millions, except per share amounts and percentages; unaudited)

	Three Months Ended									
	Febru	uary 2, 2018		ruary 3, 2017	Change	Februar		ear Ended February	3, 2017	Change
Net revenue:				, .,			, -,		-,	
Products	\$	16,798	\$	15,196	11 %	\$	58,801	\$	48,706	21 %
Services		5,137		4,878	5 %		19,859		12,936	54 %
Total net revenue		21,935		20,074	9 %		78,660		61,642	28 %
Cost of net revenue:										
Products		14,009		13,313	5 %		50,215		42,169	19 %
Services		2,146		2,230	(4)%		8,391		6,514	29 %
Total cost of net revenue		16,155		15,543	4 %		58,606		48,683	20 %
Gross margin		5,780		4,531	28 %		20,054		12,959	55 %
Operating expenses:										
Selling, general, and administrative		5,014		4,928	2 %		19,003		13,575	40 %
Research and development		1,087		1,271	(14)%		4,384		2,636	66 %
Total operating expenses		6,101		6,199	(2)%		23,387		16,211	44 %
Operating loss		(321)		(1,668)	81 %		(3,333)		(3,252)	(2)%
Operating toss		(321)		(1,008)	01 /0		(3,333)		(3,232)	(2)/0
Interest and other, net		(555)		(742)	25 %		(2,355)		(2,104)	(12)%
Loss from continuing operations before income taxes		(876)		(2,410)	64 %		(5,688)		(5,356)	(6)%
Income tax benefit		(323)		(996)	68 %		(1,833)		(1,619)	(13)%
Net loss from continuing operations		(553)		(1,414)	61 %		(3,855)		(3,737)	(3)%
Income from discontinued operations, net of income taxes				1,144	(100)%				2,019	(100)%
Net loss		(553)		(270)	(105)%		(3,855)		(1,718)	(124)%
Less: Net loss attributable to non-controlling interests		(42)		(34)	(24)%		(127)		(46)	(176)%
Net loss attributable to Dell Technologies Inc.	\$	(511)	\$	(236)	(117)%	\$	(3,728)	\$	(1,672)	(123)%
Earnings (loss) per share attributable to Dell Technologies Inc basic:										
Continuing operations - Class V Common Stock - basic	\$	(1.12)	\$	0.64		\$	1.41	\$	1.44	
Continuing operations - DHI Group - basic	\$	(0.51)	\$	(2.68)		\$	(7.08)	\$	(8.52)	
Discontinued operations - DHI Group - basic	\$	_	\$	2.02		\$	_	\$	4.30	
Earnings (loss) per share attributable to Dell Technologies Inc diluted:										
Continuing operations - Class V Common Stock - diluted	\$	(1.12)	\$	0.64		\$	1.39	\$	1.43	
Continuing operations - DHI Group - diluted	\$	(0.51)	\$	(2.68)		\$	(7.08)	\$	(8.52)	
Discontinued operations - DHI Group - diluted	\$	_	\$	2.02		\$	_	\$	4.30	
Weighted-average shares outstanding:										
Basic - Class V Common Stock		199		215			203		217	
Diluted - Class V Common Stock		199		215			203		217	
Basic - DHI Group		568		566			567		470	
Diluted - DHI Group		568		566			567		470	
Percentage of Total Net Revenue:										
Gross margin		26 %		23 %			25 %		21 %	
Selling, general, and administrative		23 %		25 %			24 %		22 %	
Research and development		5 %		6 %			6 %		4 %	
Operating expenses		28 %		31 %			30 %		26 %	
Operating loss		(1)%		(8)%			(4)%		(5)%	
Loss from continuing operations before income taxes		(4)%		(12)%			(7)%		(9)%	
Net loss from continuing operations		(3)%		(7)%			(5)%		(6)%	
Income tax rate		37 %		41 %			32 %		30 %	

Consolidated Statements of Financial Position (in millions; unaudited)

	Februar	ry 2, 2018	Febru	ary 3, 2017
ASSETS				
Current assets:				
Cash and cash equivalents	\$	13,942	\$	9,474
Short-term investments		2,187		1,975
Accounts receivable, net		11,177		9,420
Short-term financing receivables, net		3,919		3,222
Inventories, net		2,678		2,538
Other current assets		5,054		4,144
Total current assets		38,957		30,773
Property, plant, and equipment, net		5,390		5,653
Long-term investments		4,163		3,802
Long-term financing receivables, net		3,724		2,651
Goodwill		39,920		38,910
Intangible assets, net		28,265		35,053
Other non-current assets		1,862		1,364
Total assets	\$	122,281	\$	118,206
LIABILITIES, REDEEMABLE SHARES, AND STO Current liabilities:	OCKHOLD	ERS' EQUI'	ГҮ	
Short-term debt	\$	7,873	\$	6,329
Accounts payable		18,334		14,422
Accrued and other		7,661		7,119
Short-term deferred revenue		12,024		10,265
Total current liabilities		45,892		38,135
Long-term debt		43,998		43,061
Long-term deferred revenue		10,223		8,431
Other non-current liabilities		6,797		9,339
Total liabilities		106,910		98,966
Redeemable shares		384		231
Stockholders' equity:				
Total Dell Technologies Inc. stockholders' equity		9,326		13,243
Non-controlling interests		5,661		5,766
Total stockholders' equity		14,987		19,009
Total liabilities, redeemable shares, and stockholders' equity	\$	122,281	\$	118,206

Condensed Consolidated Statements of Cash Flows

(in millions; unaudited)

Net loss		Th	ree Mo	nths Ended	Fiscal Year Ended			
S		February 2,	2018	February 3, 2017	February 2, 2018	February 3, 2017		
Adjustments to reconcile net loss to net eash provided by operating activities 3,131 740 6,810 2,200	Cash flows from operating activities:							
Change in cash from operating activities 3,131 740 6,810 2,306 Cash flows from investing activities: Investments: Investments: Purchases (4,389) (778 Maturities and sales 885 612 3,878 1,172 Capital cyendritures (310) (382) (1,212) (699 Procecds from sale of facilities, land, and other assets — — — — 2 Capitalized software development costs (88) (122) (369) (200 Collections on purchased financing receivables 5 4 30 33 Acquisition of businesses, net (435) (15) (658) (37,623 Divestitures of businesses, net — 6,873 — 6,873 Asset acquisitions, net (1) — (96) — Asset dispositions, net (6) — (59) — Asset dispositions, net (6) — (50) — Change in cash from investing activities	Net loss	\$	(553)	\$ (270)	\$ (3,855)	\$ (1,718)		
Cash flows from investing activities: Investments:	Adjustments to reconcile net loss to net cash provided by operating activities		3,684	1,010	10,665	4,027		
Purchases 1935 19	Change in cash from operating activities		3,131	740	6,810	2,309		
Purchases (935) (267) (4,389) (778) Maturities and sales 885 612 3,878 1,173 Capital expenditures (310) (282) (1,212) (698) Proceeds from sale of facilities, land, and other assets — — — — 2 Capitalized software development costs (88) (122) (369) (200 Collections on purchased financing receivables 5 4 30 33 Acquisition of businesses, net (435) (15) (658) (37,625) Divestitures of businesses, net (1) — (87) — 6.873 Asset acquisitions, net (1) — (96) — (69) — 469 — Other (6) — (6) — (6) — (6) — (44 (44) (42) (48) (42) (48) (42) (48) (42) (48) (42) (48) (42) (48) (45) (49) </td <td>Cash flows from investing activities:</td> <td></td> <td></td> <td></td> <td></td> <td></td>	Cash flows from investing activities:							
Maturities and sales 885 612 3,878 1,172 Capital expenditures (310) (282) (1,212) (696 Proceeds from sale of facilities, land, and other assets —	Investments:							
Capital expenditures (310) (282) (1,212) (698) Proceeds from sale of facilities, land, and other assets — — — 2 2 Capitalized software development costs (88) (122) (369) (207) Collections on purchased financing receivables 5 4 30 33 Acquisition of businesses, net (435) (15) (658) (37,628) Divestitures of businesses, net (10) — (867) — 6,873 — 6,873 — 6,873 — 6,873 — 6,873 — 6,873 — 6,873 — 6,873 — 6,873 — 6,873 — 6,873 — 6,873 — — 6,873 — 6,873 — 6,873 — 6,873 — 6,873 — 6,873 — 6,873 — 6,873 — 6,873 — 6,873 — 6,873 — 6,872 4,822 6,872 6	Purchases		(935)	(267)	(4,389)	(778)		
Proceeds from sale of facilities, land, and other assets — — — 2 Capitalized software development costs (88) (122) (369) (207) Collections on purchased financing receivables 5 4 30 33 Acquisition of businesses, net (435) (15) (658) (37,625) Divestitures of businesses, net — 6,873 — 6,873 Asset acquisitions, net (10) — (96) — Asset dispositions, net (6) — (6) — (59) — Other (6) — (6) — (6) (48 Change in eash from investing activities — — — (6) (48 Change in from financing activities — — — — — (44 Share repurchases for tax withholdings on vesting of equity awards (86) (65) (385) (92 Proceeds from the issuance of DHI Group Common Stock — — — (6) (10 <	Maturities and sales		885	612	3,878	1,173		
Capitalized software development costs (88) (122) (369) (207) Collections on purchased financing receivables 5 4 30 33 Acquisition of businesses, net (435) (15) (658) (37,32) Divestitures of businesses, net - 6,873 - 6,873 Asset acquisitions, net (1) - (96) - Asset dispositions, net (6) - (59) - Asset dispositions, net (6) - (6) - Change in eash from investing activities (891) 6,803 (2,881) (31,256) Cash flows from financing activities 8(891) 6,803 (2,881) (31,256) Cash flows from financing activities - - - (44 Share repurchases for fuse withholdings on vesting of equity awards (86) (65) (385) (93 Proceeds from the issuance of common stock of subsidiaries 21 63 131 166 Repurchases of Light Group Common Stock (1) (569)	Capital expenditures		(310)	(282)	(1,212)	(699)		
Collections on purchased financing receivables 5 4 30 32 Acquisition of businesses, net (435) (15) (658) (37,628) Divestitures of businesses, net — 6,873 — 6,873 Asset adjustitions, net (11) — (96) — Asset dispositions, net (6) — (59) — Other (6) — (6) (48 (31,250) Cash flows from financing activities (891) 6,803 (2,831) (31,250) Cash flows from financing activities — — — — — (44 Share repurchases for tax withholdings on vesting of equity awards (86) (65) (385) (92 Proceeds from the issuance of DHI Group Common Stock — 18 —	Proceeds from sale of facilities, land, and other assets		_	_	_	24		
Acquisition of businesses, net (435) (15) (658) (37,628) Divestitures of businesses, net — 6,873 — 6,873 Asset acquisitions, net (11) — (96) — Asset dispositions, net (6) — (59) — Other (6) — (6) (48) (48) Change in eash from investing activities (891) 6,803 (2,811) (31,250) Cash flows from financing activities 8(891) 6,803 (2,811) (31,250) Cash flows from financing activities — — — — (44 Share repurchases for tax withholdings on vesting of equity awards (86) (65) (385) (93 Proceeds from the issuance of DHI Group Common Stock — 18 — — 4,422 Proceeds from the issuance of DHI Group Common Stock — 18 — 4,422 Repurchases of DHI Group Common Stock — — — (6) (10 Repurchases of Class V Common Stock	Capitalized software development costs		(88)	(122)	(369)	(207)		
Divestitures of businesses, net — 6,873 — 6,873 Asset acquisitions, net (1) — (96) — Asset dispositions, net (6) — (59) — Other (6) — (6) - (6) - (6) - (6) - (6) (48 Change in cash from investing activities (891) 6,803 (2,881) (31,25) Cash flows from financing activities — — — (44 Share repurchases for fux withholdings on vesting of equity awards (86) (65) (385) (93 Proceeds from the issuance of DHI Group Common Stock — 18 — 4,422 Proceeds from the issuance of common stock of subsidiaries 21 63 131 16 Repurchases of DHI Group Common Stock — — — (6) (11 Repurchases of Class V Common Stock (11 (569) (723) (700 Repurchases of Class V Common Stock (16) (16) (16)	Collections on purchased financing receivables		5	4	30	35		
Asset acquisitions, net (1) — (96) —— Asset dispositions, net (6) — (59) — Other (6) — (6) — (6) — (48 Change in eash from investing activities (891) 6,803 (2,881) (31,256 Cash flows from financing activities: Payment of dissenting shares obligation — — — — — (446 Share repurchases for tax withholdings on vesting of equity awards (86) (65) (385) (93 Proceeds from the issuance of DHI Group Common Stock — 18 — 4,422 Proceeds from the issuance of common stock of subsidiaries 21 63 131 166 Repurchases of Class V Common Stock — — (6) (10 Repurchases of Class V Common Stock — — (6) (10 Repurchases of common stock of subsidiaries (169) — (724) (611) Payments for debt issuance costs (4) (4) (48) (853 Proceeds from debt (1,140) (7,322) (12,321) (16,966) Change in cash from financing activities (132) (6,966) 364 31,821 Effect of exchange rate changes on cash and cash equivalents 128 (7) 175 26 Change in cash and cash equivalents at beginning of period, including amounts held for sale	Acquisition of businesses, net		(435)	(15)	(658)	(37,629)		
Asset dispositions, net (6) — (59) — Other (6) — (6) (48) Change in cash from investing activities (891) 6,803 (2,881) (31,25) Cash flows from financing activities Share repurchases of the dissenting shares obligation — — — — (444 Share repurchases for tax withholdings on vesting of equity awards (86) (65) (385) (93 Proceeds from the issuance of DHI Group Common Stock — — — — — 4,422 Proceeds from the issuance of common stock of subsidiaries 21 63 131 16 Repurchases of DHI Group Common Stock — — — (6) (11 Repurchases of Class V Common Stock (11) (569) (723) (770) Repurchases of Class V Common Stock of subsidiaries (169) — (724) (611 Payments for debt issuance costs (4) (4) (4) (4) (4) (4) (4) (55 Repayments of debt </td <td>Divestitures of businesses, net</td> <td></td> <td>_</td> <td>6,873</td> <td>_</td> <td>6,873</td>	Divestitures of businesses, net		_	6,873	_	6,873		
Other 66 — (6) (48) Change in cash from investing activities (891) 6.803 (2.881) (31.25) Cash flows from financing activities	Asset acquisitions, net		(1)	_	(96)	_		
Change in cash from investing activities (891) 6,803 (2,881) (31,250) Cash flows from financing activities: Payment of dissenting shares obligation — — — — — — — — (444 Share repurchases for tax withholdings on vesting of equity awards (86) (65) (385) (93 Proceeds from the issuance of DHI Group Common Stock — 18 — 4,422 Proceeds from the issuance of common stock of subsidiaries 21 63 131 166 Repurchases of DHI Group Common Stock — — — (6) (10 Repurchases of Class V Common Stock (1) (569) (723) (70) Repurchases of common stock of subsidiaries (169) — (724) (611 Proceeds from debt 1,247 907 14,439 46,892 Proceeds from debt (1,140) (7,322) (12,321) (16,960 Other — 6 1 16 Change in cash from financing activities (132) (6,966) 364 31,821 Change in cash and cash e	Asset dispositions, net		(6)	_	(59)	_		
Cash flows from financing activities: — 4,422 — — 4,422 — — 4,422 — — — 4,422 — — — 4,422 — — — — — 4,422 —	Other		(6)	_	(6)	(48)		
Payment of dissenting shares obligation — — — — (440) Share repurchases for tax withholdings on vesting of equity awards (86) (65) (385) (93) Proceeds from the issuance of DHI Group Common Stock — 18 — 4,422 Proceeds from the issuance of common stock of subsidiaries 21 63 131 166 Repurchases of DHI Group Common Stock — — — (6) (10 Repurchases of Class V Common Stock (11) (569) (723) (701 Repurchases of Class V Common Stock of subsidiaries (169) — (724) (611 Payments for debt issuance costs (4) (4) (48) (855) Proceeds from debt 1,247 907 14,439 46,893 Repayments of debt (1,140) (7,322) (12,321) (16,960) Other — 6 1 16 Change in cash from financing activities 128 (7) 175 24 Change in cash and cash equivalents 2,236 </td <td>Change in cash from investing activities</td> <td></td> <td>(891)</td> <td>6,803</td> <td>(2,881)</td> <td>(31,256)</td>	Change in cash from investing activities		(891)	6,803	(2,881)	(31,256)		
Share repurchases for tax withholdings on vesting of equity awards (86) (65) (385) (93) Proceeds from the issuance of DHI Group Common Stock — 18 — 4,422 Proceeds from the issuance of common stock of subsidiaries 21 63 131 164 Repurchases of DHI Group Common Stock — — — (6) (10 Repurchases of Class V Common Stock (1) (569) (723) (701 Repurchases of common stock of subsidiaries (169) — (724) (611 Payments for debt issuance costs (4) (4) (48) (852 Proceeds from debt 1,247 907 14,439 46,893 Repayments of debt (1,140) (7,322) (12,321) (16,960) Other — 6 1 16 Change in cash from financing activities (132) (6,966) 364 31,821 Effect of exchange rate changes on cash and cash equivalents 2,236 570 4,468 2,898 Cash and cash equivalents at beginning of period, including amounts held for sale 11,706 8,904 9,474 6	Cash flows from financing activities:							
Proceeds from the issuance of DHI Group Common Stock — 18 — 4,422 Proceeds from the issuance of common stock of subsidiaries 21 63 131 164 Repurchases of DHI Group Common Stock — — — (6) (10 Repurchases of Class V Common Stock (1) (569) (723) (701 Repurchases of common stock of subsidiaries (169) — (724) (611 Payments for debt issuance costs (4) (4) (4) (48) (855 Proceeds from debt 1,247 907 14,439 46,893 Repayments of debt (1,140) (7,322) (12,321) (16,966) Other — 6 1 16 Change in cash from financing activities (132) (6,966) 364 31,821 Effect of exchange rate changes on cash and cash equivalents 2,236 570 4,468 2,898 Cash and cash equivalents at beginning of period, including amounts held for sale 11,706 8,904 9,474 6,576	Payment of dissenting shares obligation		_	_	_	(446)		
Proceeds from the issuance of common stock of subsidiaries 21 63 131 166 Repurchases of DHI Group Common Stock — — — (6) (10 Repurchases of Class V Common Stock (11) (569) (723) (700 Repurchases of common stock of subsidiaries (169) — (724) (611 Payments for debt issuance costs (4) (4) (48) (853 Proceeds from debt 1,247 907 14,439 46,893 Repayments of debt (1,140) (7,322) (12,321) (16,966) Other — 6 1 16 Change in cash from financing activities (132) (6,966) 364 31,821 Effect of exchange rate changes on cash and cash equivalents 128 (7) 175 24 Change in cash and cash equivalents 2,236 570 4,468 2,898 Cash and cash equivalents at beginning of period, including amounts held for sale 11,706 8,904 9,474 6,576	Share repurchases for tax withholdings on vesting of equity awards		(86)	(65)	(385)	(93)		
Repurchases of DHI Group Common Stock — — — (6) (10) Repurchases of Class V Common Stock (1) (569) (723) (701) Repurchases of common stock of subsidiaries (169) — (724) (611) Payments for debt issuance costs (4) (4) (48) (852) Proceeds from debt 1,247 907 14,439 46,893 Repayments of debt (1,140) (7,322) (12,321) (16,966) Other — 6 1 16 Change in cash from financing activities (132) (6,966) 364 31,821 Effect of exchange rate changes on cash and cash equivalents 128 (7) 175 24 Change in cash and cash equivalents 2,236 570 4,468 2,898 Cash and cash equivalents at beginning of period, including amounts held for sale 11,706 8,904 9,474 6,576	Proceeds from the issuance of DHI Group Common Stock		_	18	_	4,422		
Repurchases of Class V Common Stock (1) (569) (723) (701) Repurchases of common stock of subsidiaries (169) — (724) (611) Payments for debt issuance costs (4) (4) (48) (853) Proceeds from debt 1,247 907 14,439 46,893 Repayments of debt (1,140) (7,322) (12,321) (16,960) Other — 6 1 16 Change in cash from financing activities (132) (6,966) 364 31,821 Effect of exchange rate changes on cash and cash equivalents 128 (7) 175 24 Change in cash and cash equivalents 2,236 570 4,468 2,898 Cash and cash equivalents at beginning of period, including amounts held for sale 11,706 8,904 9,474 6,576	Proceeds from the issuance of common stock of subsidiaries		21	63	131	164		
Repurchases of common stock of subsidiaries (169) — (724) (611) Payments for debt issuance costs (4) (4) (48) (853) Proceeds from debt 1,247 907 14,439 46,893 Repayments of debt (1,140) (7,322) (12,321) (16,960) Other — 6 1 16 Change in cash from financing activities (132) (6,966) 364 31,821 Effect of exchange rate changes on cash and cash equivalents 128 (7) 175 24 Change in cash and cash equivalents 2,236 570 4,468 2,898 Cash and cash equivalents at beginning of period, including amounts held for sale 11,706 8,904 9,474 6,576	Repurchases of DHI Group Common Stock		_	_	(6)	(10)		
Payments for debt issuance costs (4) (4) (48) (852) Proceeds from debt 1,247 907 14,439 46,893 Repayments of debt (1,140) (7,322) (12,321) (16,966) Other — 6 1 16 Change in cash from financing activities (132) (6,966) 364 31,821 Effect of exchange rate changes on cash and cash equivalents 128 (7) 175 24 Change in cash and cash equivalents 2,236 570 4,468 2,898 Cash and cash equivalents at beginning of period, including amounts held for sale 11,706 8,904 9,474 6,576	Repurchases of Class V Common Stock		(1)	(569)	(723)	(701)		
Proceeds from debt 1,247 907 14,439 46,893 Repayments of debt (1,140) (7,322) (12,321) (16,966) Other — 6 1 16 Change in cash from financing activities (132) (6,966) 364 31,821 Effect of exchange rate changes on cash and cash equivalents 128 (7) 175 24 Change in cash and cash equivalents 2,236 570 4,468 2,898 Cash and cash equivalents at beginning of period, including amounts held for sale 11,706 8,904 9,474 6,576	Repurchases of common stock of subsidiaries		(169)	_	(724)	(611)		
Repayments of debt Other (1,140) (7,322) (12,321) (16,966) Other — 6 1 16 Change in cash from financing activities (132) (6,966) 364 31,821 Effect of exchange rate changes on cash and cash equivalents 128 (7) 175 24 Change in cash and cash equivalents 2,236 570 4,468 2,898 Cash and cash equivalents at beginning of period, including amounts held for sale 11,706 8,904 9,474 6,576	Payments for debt issuance costs		(4)	(4)	(48)	(853)		
Other — 6 1 16 Change in cash from financing activities (132) (6,966) 364 31,821 Effect of exchange rate changes on cash and cash equivalents 128 (7) 175 24 Change in cash and cash equivalents 2,236 570 4,468 2,898 Cash and cash equivalents at beginning of period, including amounts held for sale 11,706 8,904 9,474 6,576	Proceeds from debt		1,247	907	14,439	46,893		
Change in cash from financing activities (132) (6,966) 364 31,821 Effect of exchange rate changes on cash and cash equivalents 128 (7) 175 24 Change in cash and cash equivalents 2,236 570 4,468 2,898 Cash and cash equivalents at beginning of period, including amounts held for sale 11,706 8,904 9,474 6,576	Repayments of debt		(1,140)	(7,322)	(12,321)	(16,960)		
Effect of exchange rate changes on cash and cash equivalents 128 (7) 175 24 Change in cash and cash equivalents 2,236 570 4,468 2,898 Cash and cash equivalents at beginning of period, including amounts held for sale 11,706 8,904 9,474 6,576	Other		_	6	1	16		
Change in cash and cash equivalents 2,236 570 4,468 2,898 Cash and cash equivalents at beginning of period, including amounts held for sale 11,706 8,904 9,474 6,576	Change in cash from financing activities		(132)	(6,966)	364	31,821		
Cash and cash equivalents at beginning of period, including amounts held for sale 11,706 8,904 9,474 6,576	Effect of exchange rate changes on cash and cash equivalents		128	(7)	175	24		
	Change in cash and cash equivalents		2,236	570	4,468	2,898		
Cash and cash equivalents at end of the period \$ 13.942 \$ 9.474 \$ 13.942 \$ 9.474	Cash and cash equivalents at beginning of period, including amounts held for sale		11,706	8,904	9,474	6,576		
	Cash and cash equivalents at end of the period	\$	13,942	\$ 9,474	\$ 13,942	\$ 9,474		

Segment Information

(in millions, except percentages; unaudited)

	Febr	Three Mon	February 3, 2017		Change	Febru	ary 2, 2018	ear Ended February 3, 2017		Change
Client Solutions Group (CSG):				,					,	
Net Revenue:										
Commercial	\$	7,294	\$	6,663	9 %	\$	27,747	\$	26,006	7 %
Consumer		3,295		3,113	6 %		11,708		10,748	9 %
Total CSG net revenue	\$	10,589	\$	9,776	8 %	\$	39,455	\$	36,754	7 %
Operating Income:			-							
CSG operating income	\$	581	\$	342	70 %	\$	2,193	\$	1,845	19 %
% of CSG net revenue		5 %		3 %			6 %		5 %	
% of total segment operating income		27 %		18 %			32 %		34 %	
Infrastructure Solutions Group (ISG):										
Net Revenue:										
Servers and networking	\$	4,576	\$	3,612	27 %	\$	15,398	\$	12,834	20 %
Storage		4,236		4,783	(11)%		15,254		8,942	71 %
Total ISG net revenue	\$	8,812	\$	8,395	5 %	\$	30,652	\$	21,776	41 %
Operating Income:										
ISG operating income	\$	748	\$	1,004	(25)%	\$	2,179	\$	2,393	(9)%
% of ISG net revenue		8 %		12 %			7 %		11 %	
% of total segment operating income		35 %		53 %			32 %		45 %	
VMware:										
Net Revenue:										
Total VMware net revenue	\$	2,329	\$	1,936	20 %	\$	7,925	\$	3,225	146 %
Operating Income:										
VMware operating income	\$	834	\$	565	48 %	\$	2,520	\$	1,113	126 %
% of VMware net revenue		36 %		29 %	10 70		32 %		35 %	120 /0
% of total segment operating income		38 %		30 %			36 %		21 %	
Reconciliation to consolidated net revenue:										
Reportable segment net revenue	\$	21,730	\$	20,107		\$	78,032	\$	61,755	
Other businesses (a)	Ψ	492	Ψ	480		Ψ	1,901	Ψ	1,026	
Unallocated transactions (b)		(3)		(6)			(4)		41	
Impact of purchase accounting (c)		(284)		(507)			(1,269)		(1,180)	
Total net revenue	\$	21,935	\$	20,074		\$	78,660	\$	61,642	
Reconciliation to consolidated operating income (loss):										
Reportable segment operating income	\$	2,163	\$	1,911		\$	6,892	\$	5,351	
Other businesses (a)	Ψ	(31)	Ψ	(3)		Ψ	(21)	Ψ	(39)	
Unallocated transactions (b)		(12)		(65)			(16)		(199)	
Impact of purchase accounting (c)		(351)		(1,240)			(1,546)		(2,294)	
Amortization of intangibles		(1,730)		(1,535)			(6,980)		(3,681)	
Transaction-related expenses (d)		(87)		(1,555)			(502)		(1,488)	
Other corporate expenses (e)		(273)		(577)			(1,160)		(902)	
Total operating loss	\$	(321)	\$	(1,668)		\$	(3,333)	\$	(3,252)	
Total operating 1055	Ψ	(321)	Ψ	(1,000)		Ψ	(3,333)	Ψ	(3,232)	

⁽a) Other businesses consist of RSA Information Security, SecureWorks, Pivotal, and Boomi, and do not constitute a reportable segment, either individually or collectively, as the results of the businesses are not material to the Company's overall results and the businesses do not meet the criteria for reportable segments.

⁽b) Unallocated transactions includes long-term incentives, certain short-term incentive compensation expenses, and 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) Other corporate expenses includes severance and facility action costs as well as stock-based compensation expense.

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 from continuing operations, 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 conjunction with the presentation of non-GAAP financial measures.

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

		Three Months Ended										
	Febru	February 2, 2018		February 2, 2018		, 2018 February 3, 2017		February 2, 2018		February 3, 2017		Change
Non-GAAP net revenue	\$	22,219	\$	20,581	8 %	\$	79,929	\$	62,822	27 %		
Non-GAAP gross margin	\$	7,022	\$	6,595	6 %	\$	25,185	\$	16,819	50 %		
% of non-GAAP net revenue		32 %		32 %			32 %		27 %			
Non-GAAP operating expenses	\$	4,902	\$	4,752	3 %	\$	18,330	\$	11,706	57 %		
% of non-GAAP net revenue		22 %		23 %			23 %		19 %			
Non-GAAP operating income	\$	2,120	\$	1,843	15 %	\$	6,855	\$	5,113	34 %		
% of non-GAAP net revenue		10 %		9 %			9 %		8 %			
Non-GAAP net income from continuing operations	\$	1,097	\$	1,091	1 %	\$	3,660	\$	2,687	36 %		
% of non-GAAP net revenue		5 %		5 %			5 %		4 %			
Adjusted EBITDA	\$	2,466	\$	2,184	13 %	\$	8,217	\$	5,941	38 %		
% of non-GAAP net revenue		11 %		11 %			10 %		9 %			

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

			d							
	Febru	Three Mor		ary 3, 2017	Change	Febru	ary 2, 2018		ary 3, 2017	Change
W.	•	21.025		20.074	0.0/		70.660	Φ.	61.642	20.0/
Net revenue	\$	21,935	\$	20,074	9 %	\$	78,660	\$	61,642	28 %
Non-GAAP adjustments:		204		507			1.260		1 100	
Impact of purchase accounting	\$	284 22,219	•	507	8 %	•	1,269 79,929	Ф.	1,180	27.0/
Non-GAAP net revenue	3	22,219	\$	20,581	8 %	\$	19,929	\$	62,822	27 %
Gross margin	\$	5,780	\$	4,531	28 %	\$	20,054	\$	12,959	55 %
Non-GAAP adjustments:										
Amortization of intangibles		910		847			3,694		1,653	
Impact of purchase accounting		292		1,110			1,312		2,007	
Transaction-related expenses		2		18			24		43	
Other corporate expenses		38		89			101		157	
Non-GAAP gross margin	\$	7,022	\$	6,595	6 %	\$	25,185	\$	16,819	50 %
Operating expenses	\$	6,101	\$	6,199	(2)%	\$	23,387	\$	16,211	44 %
Non-GAAP adjustments:	*	*,	*	*,	(-)	*		*	,	
Amortization of intangibles		(820)		(688)			(3,286)		(2,028)	
Impact of purchase accounting		(59)		(130)			(234)		(287)	
Transaction-related expenses		(85)		(141)			(478)		(1,445)	
Other corporate expenses		(235)		(488)			(1,059)		(745)	
Non-GAAP operating expenses	\$	4,902	\$	4,752	3 %	\$	18,330	\$	11,706	57 %
Troil Graff operating expenses	Ψ	1,702	Ψ	1,732	5 70	Ψ	10,550	Ψ	11,700	57 70
Operating loss	\$	(321)	\$	(1,668)	81 %	\$	(3,333)	\$	(3,252)	(2)%
Non-GAAP adjustments:										
Amortization of intangibles		1,730		1,535			6,980		3,681	
Impact of purchase accounting		351		1,240			1,546		2,294	
Transaction-related expenses		87		159			502		1,488	
Other corporate expenses		273		577			1,160		902	
Non-GAAP operating income	\$	2,120	\$	1,843	15 %	\$	6,855	\$	5,113	34 %
Net loss from continuing operations	\$	(553)	\$	(1,414)	61 %	\$	(3,855)	\$	(3,737)	(3)%
Non-GAAP adjustments:										
Amortization of intangibles		1,730		1,535			6,980		3,681	
Impact of purchase accounting		351		1,240			1,546		2,294	
Transaction-related expenses		87		159			502		1,485	
Other corporate expenses		273		577			1,160		902	
Aggregate adjustment for income taxes		(791)		(1,006)			(2,673)		(1,938)	
Non-GAAP net income from continuing operations	\$	1,097	\$	1,091	1 %	\$	3,660	\$	2,687	36 %
Net loss from continuing operations	\$	(553)	\$	(1,414)	61 %	\$	(3,855)	\$	(3,737)	(3)%
Adjustments:		()		() ,			(-,)		(-,,	(-)
Interest and other, net		555		742			2,355		2,104	
Income tax benefit		(323)		(996)			(1,833)		(1,619)	
Depreciation and amortization		2,143		2,041			8,634		4,840	
EBITDA	\$		\$	373	388 %	\$	5,301	\$	1,588	234 %
EBITDA	\$	1,822	\$	373	388 %	\$	5,301	\$	1,588	234 %
Adjustments:	Ψ	1,022	Ψ	575	200 /0	Ψ	5,501	Ψ	1,500	23170
Stock-based compensation expense		205		215			835		392	
Impact of purchase accounting		284		1,075			1,274		1,926	
Transaction-related expenses		87		159			502		1,525	
Other corporate expenses		68		362			305		510	
Adjusted EBITDA	\$	2,466	\$	2,184	13 %	\$		\$	5,941	38 %
	Ÿ	2,100		2,101	15 /0		0,21/		2,7 11	55 70