



**Part II** Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ [See attachment](#)

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18 Can any resulting loss be recognized? ▶ [See attachment](#)

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ [See attachment](#)

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Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**  
Signature ▶ Tom Vallone Date ▶ 1.15.2019

Print your name ▶ **Tom Vallone** Title ▶ **Sr. Vice President, Taxes**

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<b>Raffi Baroutjian</b>		<u>1.14.2019</u>		<b>P01383238</b>
	Firm's name ▶ <b>Deloitte Tax LLP</b>	Firm's EIN ▶ <b>86-1065772</b>		Phone no. <b>212-492-4000</b>	
	Firm's address ▶ <b>30 Rockefeller Plaza, New York, NY 10112</b>				

**Dell Technologies Inc.**  
**EIN: 80-0890963**  
**Attachment to Form 997—Part II**

**Line 14**

On December 28, 2018, Dell Technologies Inc. (“**Dell Technologies**”) completed the Class V transaction pursuant to the terms of the Agreement and Plan of Merger, dated as of July 1, 2018 (the “**Merger Agreement**”), by and among Dell Technologies and Teton Merger Sub Inc., a wholly owned subsidiary of Dell Technologies (“**Merger Sub**”), as amended by Amendment No. 1 to the Agreement and Plan of Merger, dated as of November 14, 2018, between Dell Technologies and Merger Sub (the “**Merger Agreement Amendment**” and, together with the Merger Agreement, the “**Amended Merger Agreement**”).

Pursuant to the Amended Merger Agreement, each share of Class V common stock of Dell Technologies (“**Class V Common Stock**”) was cancelled and converted into the right to receive the following:

- (1) 1.8066 shares of Class C common stock of Dell Technologies (“**Class C Common Stock**”) in the case of a share of Class V Common Stock for which a valid share election was made (such election, a “**Share Election**” and such share, a “**Share Electing Share**”), or
- (2) \$120 in cash, without interest, in the case of a share of Class V Common Stock for which a valid cash election was made, subject to a cap of \$14 billion on the aggregate cash consideration, (a “**Cash Election**” and each such share, a “**Cash Electing Share**”). Because the aggregate Cash Election amount exceeded the maximum aggregate cash consideration in the transaction, 64.14% of each holder’s Cash Electing Shares were converted into the right to receive the cash consideration and the remaining portion of each holder’s Cash Electing Shares were converted into the right to receive the share consideration (*i.e.*, unless otherwise specifically designated by such holder, each Cash Electing Share received \$76.97 in cash and 0.6479 shares of Class C Common Stock). Any share of Class V Common Stock for which a valid election was not made was treated as a Share Electing Share.

**Line 15**

The merger of Merger Sub with and into Dell Technologies, with Dell Technologies continuing as the surviving corporation, effected an exchange of shares of Class V Common Stock for shares of Class C Common Stock that is intended to constitute a recapitalization under section 368(a)(1)(E) of the Internal Revenue Code (“**Code**”). This treatment is based on the Class V Common Stock being treated as common stock of Dell Technologies.

*Share Election*

A former holder of Class V Common Stock that exchanged all of its shares of Class V Common Stock *solely* for Class C Common Stock (other than cash received in lieu of a fractional share) should not recognize gain or loss. Such holder’s tax basis in each share of Class C Common Stock received is equal to the tax basis of the share (or allocable portion thereof) of Class V Common Stock surrendered. If blocks of Class V Common Stock were acquired at different times or for different prices the tax basis in Class V Common Stock, unless otherwise specifically designated by such holder, should be allocated to the Class C Common Stock (or allocable portions thereof) received (including any fractional Class C Common Stock) in a manner that reflects, to the greatest extent possible, blocks of Class V Common Stock that were

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acquired on the same date and at the same price. To the extent this is not possible, the basis of the Class V Common Stock must be allocated to the Class C Common Stock (including any fractional Class C Common Stock) in a manner that minimizes the disparity in the holding periods of the Class V Common Stock, whose basis is allocated to any particular share of Class C Common Stock. This may result in some shares of Class C Common Stock having split basis and holding period segments.

Cash Election

A former holder of Class V Common Stock that exchanged all of its shares of Class V Common Stock for shares of Class C Common Stock and cash (excluding any cash received in lieu of a fractional share of Class C Common Stock) should recognize gain (but not loss) with respect to each share of Class V Common Stock exchanged all or in part for cash in an amount equal to the lesser of (1) \$76.97 and (2) the holder's gain realized on the exchange of such share of Class V Common Stock. The holder's gain realized is the excess, if any, of the sum of \$76.97 and the fair market value of the 0.6479 shares of Class C Common Stock received (including any fractional share of Class C Common Stock) over the holder's tax basis in the share of Class V Common Stock surrendered in exchange therefor. See Line 16 for additional information.

Such holder's tax basis in the Class C Common Stock received (including fractional shares for which cash is received) is equal to the tax basis of the share of Class V Common Stock surrendered therefor, decreased by the amount of cash received (*i.e.*, \$76.97, but excluding cash received in lieu of a fractional shares of Class C Common Stock), and increased by the amount of gain recognized, if any (excluding any gain resulting from the sale of any fractional share of Class C Common Stock).

If blocks of Class V Common Stock were acquired at different times or for different prices the tax basis in Class V Common Stock, unless otherwise specifically designated by such holder, should be allocated to the Class C Common Stock (or allocable portions thereof) received (including any fractional Class C Common Stock) in a manner that reflects, to the greatest extent possible, blocks of Class V Common Stock that were acquired on the same date and at the same price. To the extent this is not possible, the basis of the Class V Common Stock must be allocated to the Class C Common Stock (including any fractional Class C Common Stock) in a manner that minimizes the disparity in the holding periods of the Class V Common Stock, whose basis is allocated to any particular share of Class C Common Stock. This may result in some shares of Class C Common Stock having split basis and holding period segments.

Mixed Consideration Election

For any former holder of Class V Common Stock that elected to receive a combination of share consideration and cash consideration (a "**Mixed Consideration Election**"), each of the shares designated in the Mixed Consideration Election was treated as a Cash Electing Share and each of the holder's remaining shares of Class V Common Stock was treated as a Share Electing Share. Such holder must calculate the amount of gain, if any, and the resulting tax basis adjustments separately for each share of Class V Common Stock surrendered pursuant to the designations made of the holder's applicable election form. Accordingly, the treatment of each Cash Electing Share is described in the "Cash Election" section above. The treatment of each Share Electing Share is described in the "Share Election" section above.

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*Fractional Shares*

No fractional shares of Class C Common Stock were issued. Instead, any fractional share of Class C Common Stock which a Class V stockholder would otherwise be entitled to receive was aggregated with all other fractional shares and sold by the exchange agent. Each such Class V stockholder received an amount in cash, without interest, representing such Class V stockholder's proportionate interest in the net proceeds from such sale on its behalf. Such holder is treated as having received the fractional share of Class C Common Stock and a portion of the holder's tax basis in the shares of Class V Common Stock surrendered is allocated to the fractional share in the manner described in the sections above.

*Additional Information*

Further discussion of the material U.S. federal income tax consequences of Merger can be found under the heading "Material U.S. Federal Income Tax Consequences to U.S. Holders of Class V Common Stock" in the definitive proxy statement/prospectus filed with the Securities and Exchange Commission on October 19, 2018 and the information provided herein remains subject to such discussion in all respects.

**Line 16**

Under applicable federal income tax rules, one reasonable approach to determine the fair market value of each share of Class C Common Stock received in Class V transaction is the average of the highest and lowest quoted selling prices (\$46.50 and \$44.77, respectively) of one full share of Class C Common Stock on December 28, 2018, or \$45.64. Under this approach, the value of 0.6479 shares of Class C Common Stock is \$29.57

Shareholders should consult their own tax advisors regarding their specific tax treatment of the Class V transaction (including but not limited to the computation of gain and tax basis).

**Line 17**

Sections 368(a)(1)(E), 354(a) (for Share Electing Shares), 356(a) (for Cash Electing Shares), 358(a), 358(b), and 1001 (for fractional shares)

**Line 18**

No loss may be recognized in the Class V transaction except for loss, if any, recognized by a holder that received cash in lieu of a fractional share of Class C Common Stock.

**Line 19**

The stock basis adjustments are taken into account in the tax year of the shareholder during which the Class V transaction occurred (*e.g.*, 2018 for calendar year taxpayers).

**Disclaimer:** The information contained in Form 8937 and this attachment does not constitute tax advice. Holders are urged to consult their own tax advisors regarding the U.S. tax consequences of the transaction described herein and the impact to tax basis resulting from such transaction.