

 Dell Technologies

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# 3Q FY25 Performance Review

November 26, 2024

# Disclosures

## NON-GAAP FINANCIAL MEASURES

This presentation includes information about non-GAAP revenue, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income, non-GAAP interest and other, net, non-GAAP income tax, non-GAAP net income, non-GAAP net income attributable to Dell Technologies Inc., non-GAAP earnings per share - basic and non-GAAP earnings per share - diluted, as well as adjusted EBITDA, free cash flow and adjusted free cash flow (collectively the “non-GAAP financial measures”), which are not measurements of financial performance prepared in accordance with U.S. generally accepted accounting principles. We have provided a reconciliation of the non-GAAP financial measures to the most directly comparable GAAP measures in Appendix B and Appendix D.

## SPECIAL NOTE ON FORWARD-LOOKING STATEMENTS

Statements in this presentation that relate to future results and events are forward-looking statements and are based on Dell Technologies’ current expectations. In some cases, you can identify these statements by such forward-looking words as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “confidence,” “may,” “plan,” “potential,” “should,” “will” and “would,” or similar expressions. Actual results and events in future periods may differ materially from those expressed or implied by these forward-looking statements because of a number of risks, uncertainties and other factors, including those discussed in Dell Technologies’ periodic reports filed with the Securities and Exchange Commission. Dell Technologies assumes no obligation to update its forward-looking statements.

## SPIN-OFF OF VMWARE, INC.

On November 1, 2021, Dell Technologies Inc. completed its spin-off of VMware, Inc. In accordance with applicable accounting guidance, the results of VMware, Inc., excluding Dell's resale of VMware, Inc. offerings, have been presented as discontinued operations and therefore excluded from continuing operations for all periods prior to the spin-off. The results of Dell’s resale of VMware, Inc.’s (now known as VMware LLC) standalone offerings are classified within Other Businesses, which does not meet the definition of a reportable segment. The Consolidated Statements of Cash Flows have not been recast to reflect the operating cash flows of VMware, Inc. as discontinued operations. Except as noted, this presentation is consistent with the foregoing accounting guidance.

# Q3 FY25 Overview

## Strong execution, improved ISG profitability and strong cash

- Revenue of \$24.4B, up 10% Y/Y with record Q3 ISG revenue
- ISG operating income improved to 13.3% of revenue, up 230 bps sequentially
- Diluted EPS of \$1.58, up 16% Y/Y, and non-GAAP diluted EPS<sup>1</sup> of \$2.15, up 14% Y/Y

## AI optimized server momentum continued

- Orders demand increased to a record \$3.6B, up 11% Q/Q, with continued growth in enterprise customers
- \$2.9B of shipments, resulting in AI backlog of \$4.5B exiting Q3
- AI optimized server pipeline grew more than 50% sequentially with growth across all customer types
- Continue to gain traction with Enterprise customers, with over 2,000 unique Enterprise customers since launch

## Strong cash generation and capital return

- Generated \$1.6B of cash flow from operations
- Returned \$0.7B of capital to shareholders through \$413M of share repurchases and \$312M in dividends

<sup>1</sup> See supplemental slides in Appendix B for reconciliation of non-GAAP measures to their most directly comparable GAAP measures.

# Q3 Highlights

Strong execution with 10% revenue growth, 14% non-GAAP EPS growth<sup>1,2</sup>, and strong cash flow

\$ in millions, except per share amounts

		3Q25	Y/Y
<b>Dell Technologies</b>	Revenue	24,366	10%
	Operating Income	1,668	12%
	Diluted EPS <sup>1</sup>	\$1.58	16%
	Non-GAAP Operating Income <sup>2</sup>	2,199	12%
	Non-GAAP Diluted EPS <sup>1,2</sup>	\$2.15	14%
<b>Client Solutions Group</b>	CSG Revenue	12,131	-1%
	Operating Income	694	-25%
	Commercial Revenue	10,138	3%
	Consumer Revenue	1,993	-18%
<b>Infrastructure Solutions Group</b>	ISG Revenue	11,368	34%
	Operating Income	1,508	41%
	Servers & Networking Revenue	7,364	58%
	Storage Revenue	4,004	4%

## AI Servers

Q3 demand was strong, with record AI optimized server orders revenue of \$3.6B

## Cash Flow

Cash Flow from Operations of \$1.6B in Q3, and \$5.5B TTM

## Commercial PC

Third consecutive quarter of both Y/Y and Q/Q demand growth

## Traditional Server

Demand improved double digits in Q3, driven by growing units and ASPs with richer configurations

<sup>1</sup> See Appendix B for weighted average shares and EPS calculation.

<sup>2</sup> See Appendix B for reconciliation of non-GAAP measures to their most directly comparable GAAP measures.

# Consolidated GAAP results

We are focused on maximizing long-term value creation for all shareholders

\$ in millions, except per share amounts		3Q24	4Q24	1Q25	2Q25	3Q25	Y/Y	Q/Q
<b>Revenue</b>		<b>22,251</b>	<b>22,318</b>	<b>22,244</b>	<b>25,026</b>	<b>24,366</b>	<b>10%</b>	<b>-3%</b>
<b>Gross Margin</b>		<b>5,148</b>	<b>5,316</b>	<b>4,806</b>	<b>5,311</b>	<b>5,307</b>	<b>3%</b>	<b>0%</b>
<i>Gross Margin as a % of Revenue</i>		<i>23.1%</i>	<i>23.8%</i>	<i>21.6%</i>	<i>21.2%</i>	<i>21.8%</i>		
Selling, general, and administrative		2,970	3,109	3,123	3,189	2,894	-3%	-9%
Research and development		692	716	763	780	745	8%	-4%
<b>Operating Expense</b>		<b>3,662</b>	<b>3,825</b>	<b>3,886</b>	<b>3,969</b>	<b>3,639</b>	<b>-1%</b>	<b>-8%</b>
<i>Operating Expense as a % of Revenue</i>		<i>16.4%</i>	<i>17.1%</i>	<i>17.5%</i>	<i>15.8%</i>	<i>15.0%</i>		
<b>Operating Income</b>		<b>1,486</b>	<b>1,491</b>	<b>920</b>	<b>1,342</b>	<b>1,668</b>	<b>12%</b>	<b>24%</b>
<i>Operating Income as a % of Revenue</i>		<i>6.7%</i>	<i>6.7%</i>	<i>4.1%</i>	<i>5.4%</i>	<i>6.8%</i>		
<b>Interest and Other, Net</b>		<b>(306)</b>	<b>(203)</b>	<b>(373)</b>	<b>(353)</b>	<b>(276)</b>	<b>10%</b>	<b>22%</b>
<b>Income Tax Expense (Benefit)</b>		<b>176</b>	<b>130</b>	<b>(408)</b>	<b>148</b>	<b>265</b>	<b>51%</b>	<b>79%</b>
<i>Effective tax rate %</i>		<i>14.9%</i>	<i>10.1%</i>	<i>-74.6%</i>	<i>15.0%</i>	<i>19.0%</i>		
<b>Net Income</b>		<b>1,004</b>	<b>1,158</b>	<b>955</b>	<b>841</b>	<b>1,127</b>	<b>12%</b>	<b>34%</b>
Less: Net Income attributable to non-controlling interests		(2)	(2)	(5)	(5)	(5)	-150%	0%
<b>Net Income attributable to Dell Technologies Inc.</b>		<b>1,006</b>	<b>1,160</b>	<b>960</b>	<b>846</b>	<b>1,132</b>	<b>13%</b>	<b>34%</b>
<b>Earnings Per Share - basic <sup>1</sup></b>		<b>\$1.39</b>	<b>\$1.63</b>	<b>\$1.36</b>	<b>\$1.19</b>	<b>\$1.61</b>	<b>16%</b>	<b>35%</b>
<b>Earnings Per Share - diluted <sup>1</sup></b>		<b>\$1.36</b>	<b>\$1.59</b>	<b>\$1.32</b>	<b>\$1.17</b>	<b>\$1.58</b>	<b>16%</b>	<b>35%</b>

<sup>1</sup> See Appendix B for weighted average shares and EPS calculation.

# Consolidated non-GAAP results<sup>1</sup>

We delivered strong operating results with a third quarter record in Servers and Networking revenue

\$ in millions, except per share amounts	3Q24	4Q24	1Q25	2Q25	3Q25	Y/Y	Q/Q
<b>Revenue</b>	<b>22,251</b>	<b>22,318</b>	<b>22,244</b>	<b>25,026</b>	<b>24,366</b>	<b>10%</b>	<b>-3%</b>
<b>Gross Margin</b>	<b>5,276</b>	<b>5,468</b>	<b>4,947</b>	<b>5,464</b>	<b>5,437</b>	<b>3%</b>	<b>0%</b>
<i>Gross Margin as a % of Revenue</i>	<i>23.7%</i>	<i>24.5%</i>	<i>22.2%</i>	<i>21.8%</i>	<i>22.3%</i>		
Selling, general, and administrative	2,698	2,709	2,810	2,748	2,599	-4%	-5%
Research and development	614	620	663	682	639	4%	-6%
<b>Operating Expense</b>	<b>3,312</b>	<b>3,329</b>	<b>3,473</b>	<b>3,430</b>	<b>3,238</b>	<b>-2%</b>	<b>-6%</b>
<i>Operating Expense as a % of Revenue</i>	<i>14.9%</i>	<i>14.9%</i>	<i>15.6%</i>	<i>13.7%</i>	<i>13.3%</i>		
<b>Operating Income</b>	<b>1,964</b>	<b>2,139</b>	<b>1,474</b>	<b>2,034</b>	<b>2,199</b>	<b>12%</b>	<b>8%</b>
<i>Operating Income as a % of Revenue</i>	<i>8.8%</i>	<i>9.6%</i>	<i>6.6%</i>	<i>8.1%</i>	<i>9.0%</i>		
<b>Interest and Other, Net</b>	<b>(322)</b>	<b>(294)</b>	<b>(349)</b>	<b>(362)</b>	<b>(321)</b>	<b>0%</b>	<b>11%</b>
<b>Income Tax Expense <sup>2</sup></b>	<b>253</b>	<b>235</b>	<b>202</b>	<b>301</b>	<b>338</b>	<b>34%</b>	<b>12%</b>
<i>Effective tax rate %</i>	<i>15.4%</i>	<i>12.7%</i>	<i>18.0%</i>	<i>18.0%</i>	<i>18.0%</i>		
<b>Net Income</b>	<b>1,389</b>	<b>1,610</b>	<b>923</b>	<b>1,371</b>	<b>1,540</b>	<b>11%</b>	<b>12%</b>
Less: Net Income attributable to non-controlling interests	—	2	1	—	1	NM	NM
<b>Net Income attributable to Dell Technologies Inc.</b>	<b>1,389</b>	<b>1,608</b>	<b>922</b>	<b>1,371</b>	<b>1,539</b>	<b>11%</b>	<b>12%</b>
<b>Earnings Per Share - basic <sup>3</sup></b>	<b>\$1.92</b>	<b>\$2.26</b>	<b>\$1.30</b>	<b>\$1.94</b>	<b>\$2.19</b>	<b>14%</b>	<b>13%</b>
<b>Earnings Per Share - diluted <sup>3</sup></b>	<b>\$1.88</b>	<b>\$2.20</b>	<b>\$1.27</b>	<b>\$1.89</b>	<b>\$2.15</b>	<b>14%</b>	<b>14%</b>

<sup>1</sup> See Appendix B for reconciliation of non-GAAP measures to their most directly comparable GAAP measures.

<sup>2</sup> Beginning in Fiscal 2025, our non-GAAP income tax is calculated using a fixed estimated annual tax rate.

<sup>3</sup> See Appendix B for weighted average shares and EPS calculation.

# Business units trending

CSG and ISG combined revenue grew 13% Y/Y in Q3 as customers continue to invest in their digital futures

		\$ in millions	3Q24	4Q24	1Q25	2Q25	3Q25	Y/Y	Q/Q
<b>Dell Technologies</b>	Revenue		22,251	22,318	22,244	25,026	24,366	10%	-3%
	Operating Income		1,486	1,491	920	1,342	1,668	12%	24%
	Non-GAAP Operating Income <sup>1</sup>		1,964	2,139	1,474	2,034	2,199	12%	8%
<b>CSG + ISG</b>	CSG + ISG Revenue		20,775	21,047	21,194	24,060	23,499	13%	-2%
	CSG + ISG Operating Income		1,994	2,154	1,468	2,051	2,202	10%	7%
<b>Client Solutions Group</b>	CSG Revenue		12,276	11,715	11,967	12,414	12,131	-1%	-2%
	Operating Income		925	726	732	767	694	-25%	-10%
	Commercial Revenue		9,835	9,563	10,154	10,556	10,138	3%	-4%
	Consumer Revenue		2,441	2,152	1,813	1,858	1,993	-18%	7%
<b>Infrastructure Solutions Group</b>	ISG Revenue		8,499	9,332	9,227	11,646	11,368	34%	-2%
	Operating Income		1,069	1,428	736	1,284	1,508	41%	17%
	Servers & Networking Revenue		4,656	4,857	5,466	7,672	7,364	58%	-4%
	Storage Revenue		3,843	4,475	3,761	3,974	4,004	4%	1%
<b>Other Businesses</b>	Other Revenue		1,474	1,269	1,049	966	867	-41%	-10%
	Operating Income (Loss)		(32)	(17)	6	(17)	(3)	91%	82%

<sup>1</sup> See supplemental slides in Appendix B for reconciliation of non-GAAP measures to their most directly comparable GAAP measures.

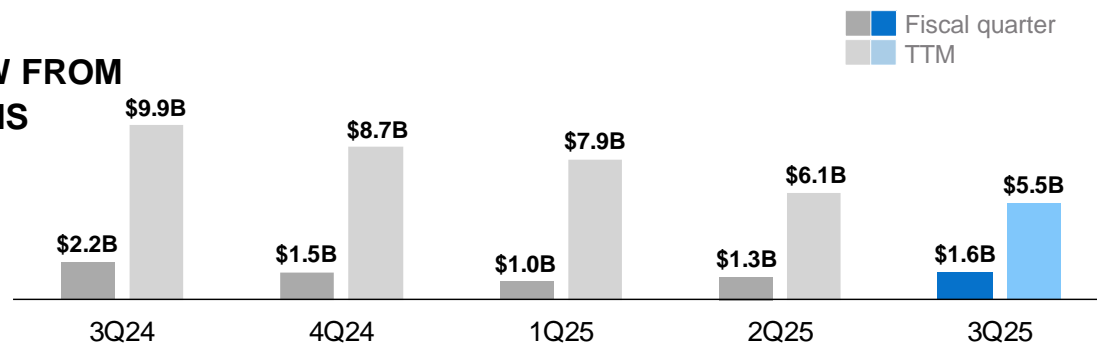
# Cash flow and capital returns

We have returned \$9.8B or ~100% of our adjusted FCF<sup>1</sup> to shareholders over the last eleven quarters

## CASH FLOW FROM OPERATIONS

**\$1.6B**

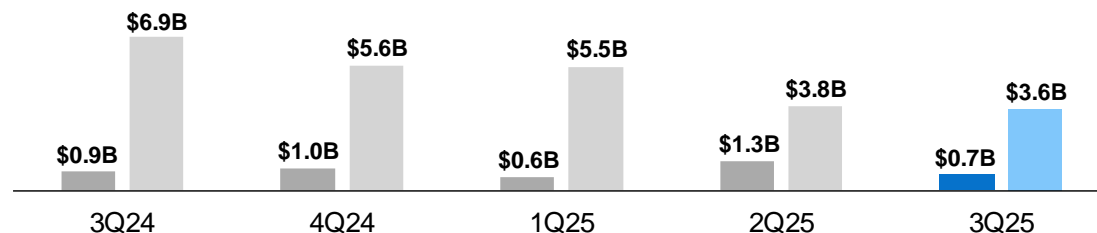
-28% Y/Y



## ADJUSTED FCF<sup>1</sup>

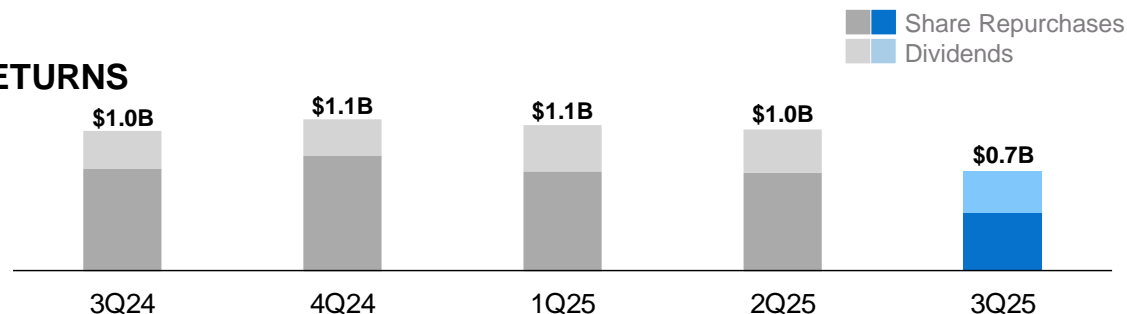
**\$0.7B**

-17% Y/Y



## CAPITAL RETURNS

**\$0.7B**



Repurchased 3.7M shares for \$413M in Q3 and 21.4M shares for ~\$2.7B over the past 12 months

Paid dividends of \$0.445 per share or ~\$312M in Q3

Ended the fiscal quarter with \$6.6B of cash and investments

Our core leverage ratio<sup>2</sup> ended Q3 at 1.4x, below our long-term target

<sup>1</sup> See supplemental slides in Appendix B for reconciliation of adjusted FCF to cash flow from operations.

<sup>2</sup> See footnote 5 on slide 20 for definition of core leverage ratio.



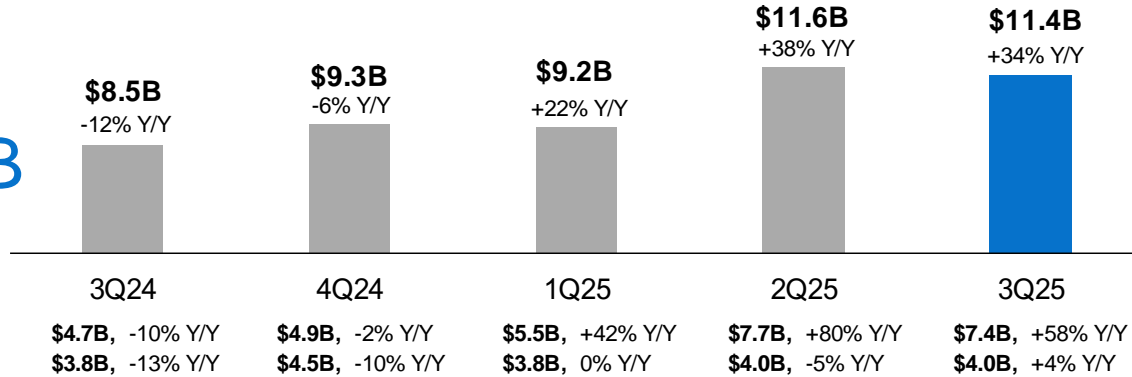
# Infrastructure Solutions Group

Strong momentum with record Q3 revenue, improving profitability, and AI as a significant tailwind

## REVENUE

**\$11.4B**

+34% Y/Y  
-2% Q/Q

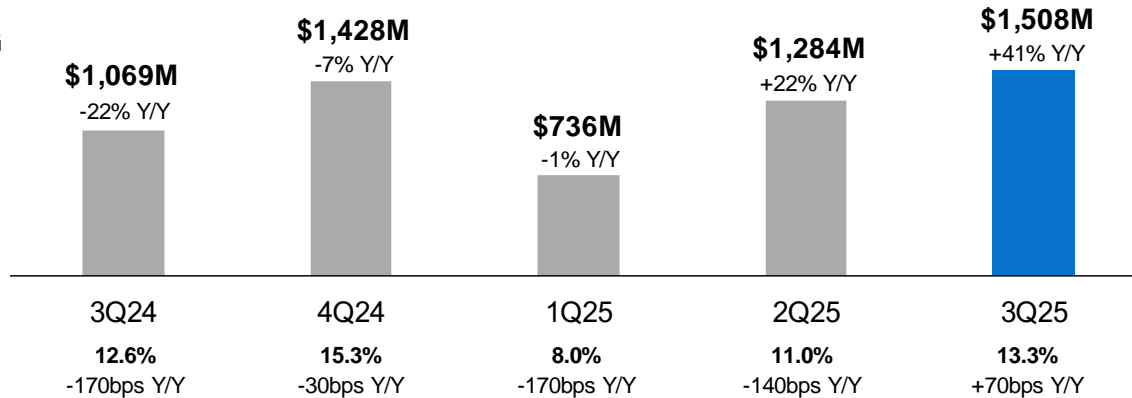


Servers & Networking  
Storage

## OPERATING INCOME

**\$1.5B**

+41% Y/Y  
+17% Q/Q



% of ISG revenue  
Basis points

Operating income rate was up 230 bps sequentially to 13.3%

AI server pipeline grew over 50% sequentially with growth across both Tier 2 CSPs and Enterprise customers

Traditional server demand was up Y/Y for the fourth consecutive quarter

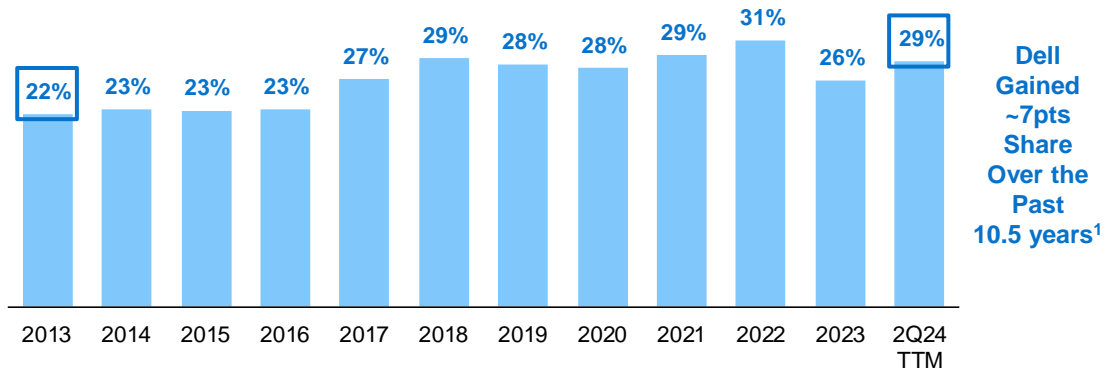
PowerStore and PowerFlex demand both grew double digits in the quarter

# Growing AI TAM paired with #1 positions in servers and storage

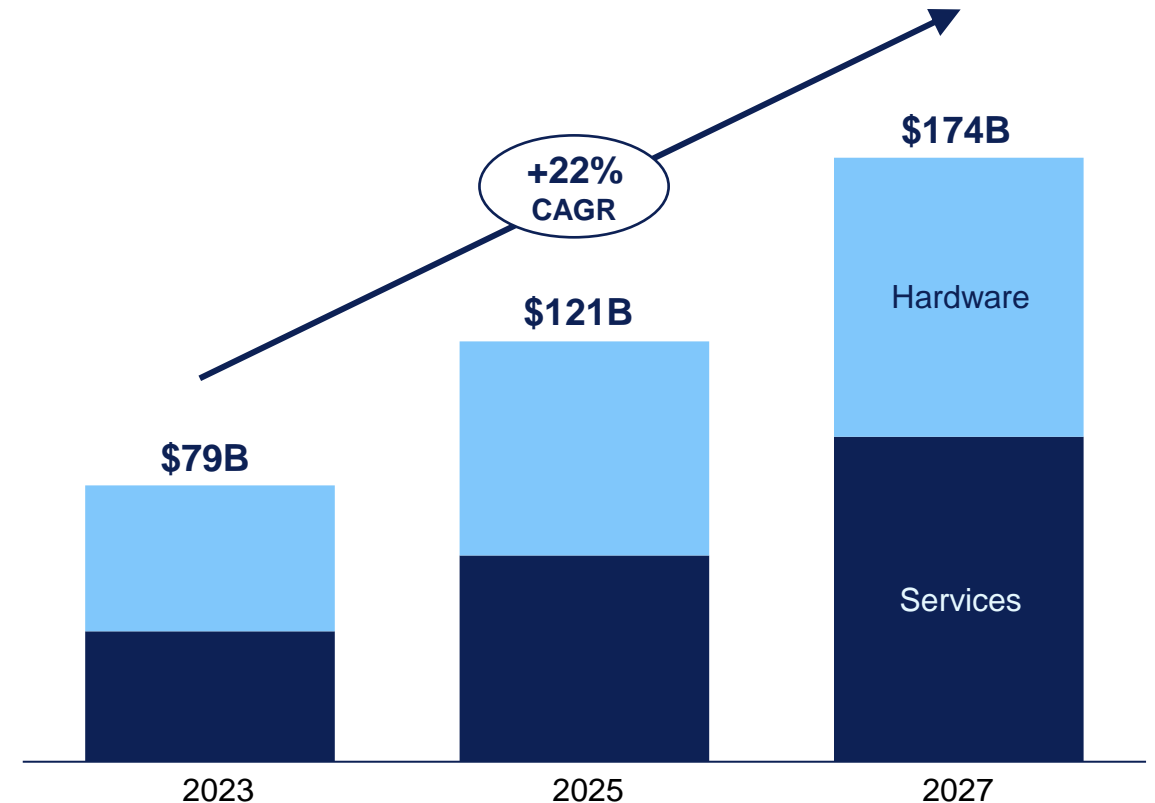
Long-term structural share gains in server, and storage share greater than next two competitors combined

## Mainstream server share<sup>1</sup>

(IDC Mainstream Server Revenue)

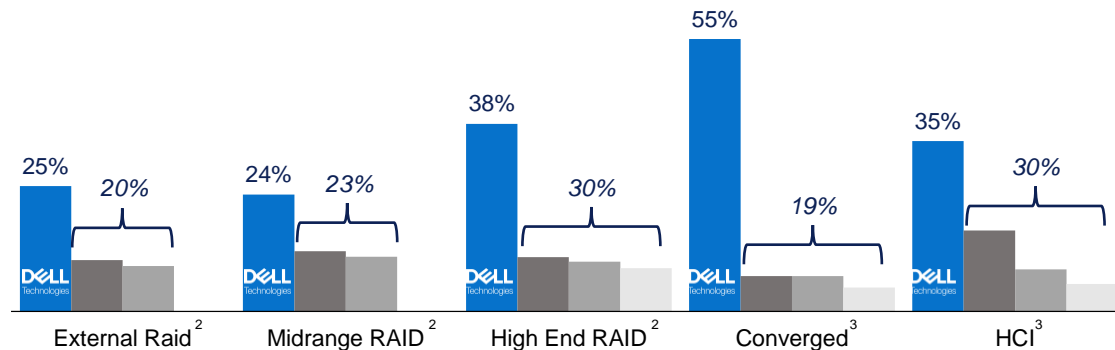


## AI HW & services represent a \$174B opportunity by 2027<sup>4</sup>



## TTM storage share vs nearest competitors

(IDC External RAID Storage Revenue & IDC Converged Revenue)



1) IDC Quarterly Server Tracker, 2024Q2, based on CY13 – 2Q24 TTM revenue. Mainstream Server is based on OEM vendor type and includes: Large System, Standard Rack, Tower, and Blade. 2) IDC Quarterly Enterprise Storage Systems Tracker, 2024Q2, based on 2Q24 TTM revenue. Midrange refers to systems with ASP between \$25k and \$250k and High End refers to systems with ASP > \$250k. 3) IDC Quarterly Converged Systems Tracker 2024Q2, based on 2Q24 TTM revenue. 4) IDC Worldwide AI and Generative AI Spending Guide, V1 2024 (Aug). Hardware includes Servers and Storage only.

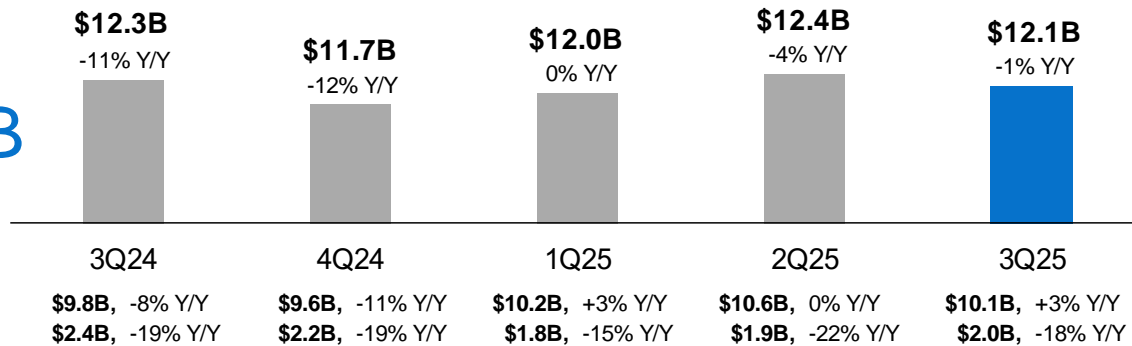
# Client Solutions Group

Third consecutive quarter of sequential demand growth

## REVENUE

**\$12.1B**

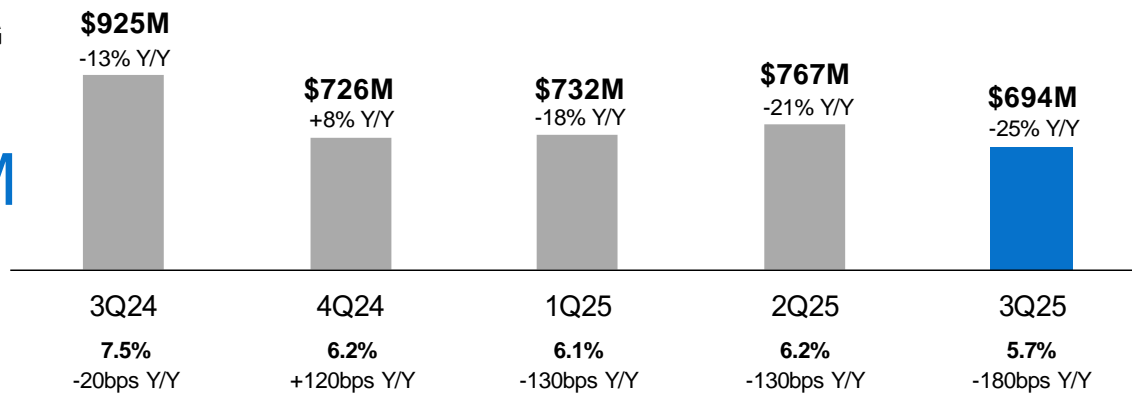
-1% Y/Y  
-2% Q/Q



## OPERATING INCOME

**\$694M**

-25% Y/Y  
-10% Q/Q



Third consecutive quarter of Commercial demand growth both Y/Y and Q/Q

Second consecutive quarter of Y/Y premium commercial PC share gain<sup>1</sup>

Dell Technologies has the number one share position in Commercial AI PC<sup>1</sup>

Profitability in the Commercial space held up well as customers continue to purchase more richly configured devices

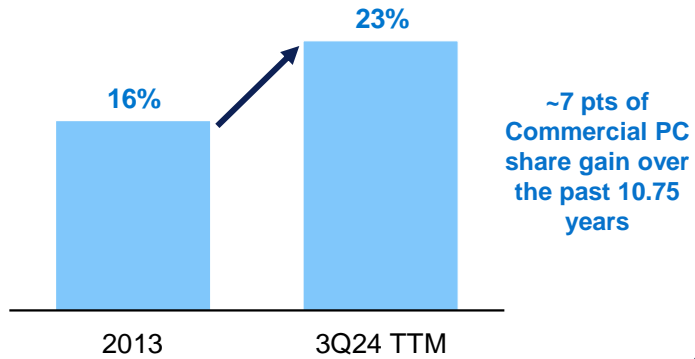
1) Per IDC WW Quarterly PC Device Tracker, CY24Q3. Premium Commercial refers to units with ASP > \$800; Amounts are based on underlying data and may not visually foot due to rounding.

# Not all PCs are created equal

Dell focuses on commercial PCs, workstations, high-end consumer, and gaming

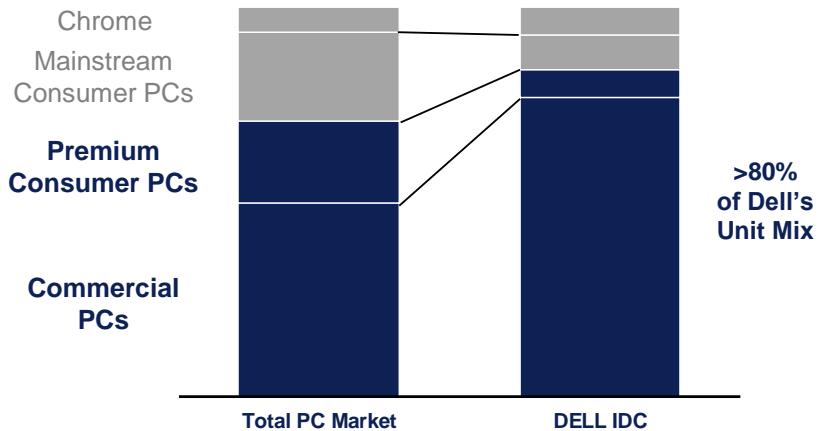
## Dell Commercial PC Unit Share<sup>1</sup>

(IDC Commercial PC Units)



## PC Unit Mix<sup>2</sup>

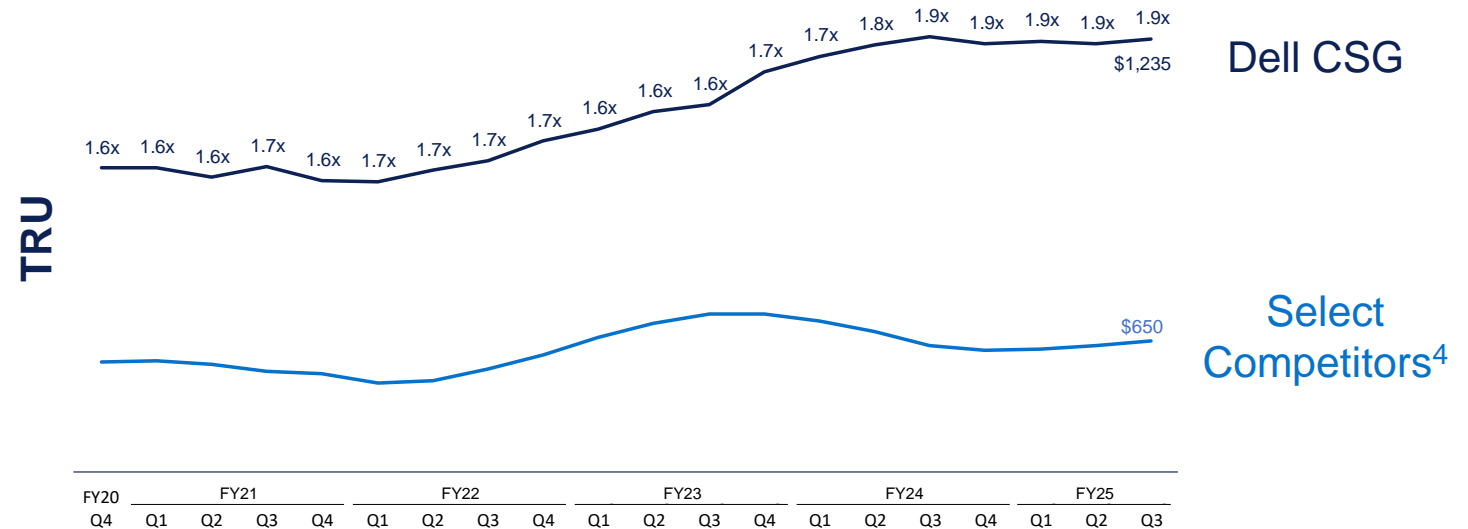
(IDC 2024 Q3 PC Units)



## Our total revenue per unit (TRU) is nearly 2x select competitors



## Our TRUs are growing at a substantial premium to the market



1) Per IDC WW Quarterly PC Device Tracker, CY24Q3

2) Per IDC WW Quarterly PC Device Tracker, CY24Q3, 3Q24 TTM. Premium Consumer includes units with ASP > \$800; Mainstream Consumer includes units with ASP <= \$800.

3) TRU calculated by Dell Technologies by utilizing PC OEMs' financial public filings and IDC WW Quarterly PC Device Tracker, as of Q3 FY25.

4) Select competitors refers to HP Inc. and Lenovo Ltd.

# Guidance

## Q4 FY25<sup>1</sup>

- Revenue expected to be in the range of \$24 and \$25 billion with a midpoint of \$24.5 billion and 10% growth
  - Expect the combination of ISG and CSG to grow 13% at the midpoint
  - Expect ISG to be up in the mid twenties driven by AI and traditional servers
  - Expect CSG to be up low-single digits
- Non-GAAP Opex expected to decline mid-single digits
- Opinc rate expected to improve sequentially with continued improvement in ISG
- Diluted share count expected to be approximately 715 to 719 million shares
- Non-GAAP diluted EPS expected to be \$2.50 plus or minus \$0.10, up 14% at the midpoint

## FY26

- Expect multiple tailwinds that support growth next year
  - More robust AI demand with a strong five quarter pipeline going into next year
  - An aged install base in both PCs and traditional servers, prime for refresh
- Expect ISG growth driven by AI servers, followed by traditional servers, then storage
- Expect CSG to grow, as enterprise companies refresh a large and aging install base
- Expect to continue to balance growth and profitability managing price within the competitive landscape and input cost environment


<sup>1</sup> See supplemental slides in Appendix D for reconciliation of forward-looking non-GAAP measures to their most directly comparable GAAP measures.

# Innovation



# Dell AI solutions portfolio ... broad, modular and open ecosystem

Dell offers an AI portfolio from desktop to data center to cloud, a growing ecosystem of partners and consulting services

<b>Broadest AI Solutions Portfolio<sup>1</sup></b>	<b>Compute</b> <ul style="list-style-type: none"> <li>• <b>Ten AI Optimized Servers:</b> (NEW!) XE9712, XE9685L, XE7745, XE7740, XE9680L, XE9680, XE9640, XE8640, R750XA, R760XA</li> <li>• <b>Customer choice of Silicon Innovation:</b> NVIDIA, AMD, Intel</li> <li>• <b>Air &amp; Direct Liquid Cooled</b></li> <li>• Most dense, energy efficient compute system &amp; rack scale architecture</li> </ul>	<b>Networking</b> <ul style="list-style-type: none"> <li>• <b>Diversity of AI Optimized Networking Solutions:</b> Ethernet, InfiniBand</li> <li>• Partnered with <b>NVIDIA</b> for Ethernet &amp; InfiniBand based NICs, switches and DPUs: Spectrum 4, Quantum x800, CX7, BlueField-3, and Spectrum X</li> <li>• Partnered with <b>Broadcom</b> for integrated networking fabric for Ethernet based portfolio: Tomahawk 5, Thor 2, and SONiC</li> </ul>
	<b>Storage</b> <ul style="list-style-type: none"> <li>• <b>PowerScale</b> is built to maximize speed between GPU &amp; AI data platform and is the first storage certified for <b>Nvidia DGX SuperPod</b> with ethernet</li> <li>• Updated <b>F710</b> with 61TB QLC SSDs (614TB per RU) with planned support on <b>F910</b> in December (732TB per RU)</li> <li>• Support for 200GbE today with IB support planned in December</li> <li>• New 9.9 software increases streaming write performance by 163% and streaming read performance by over 2x versus the previous generation</li> </ul>	<b>PC<sup>2</sup></b> <ul style="list-style-type: none"> <li>• World's #1 Commercial AI PC provider with broadest range of <b>AI PCs</b> <ul style="list-style-type: none"> <li>– Intel Core Ultra with built-in NPU (Copilot+ capable)</li> <li>– Qualcomm Snapdragon X with Microsoft Copilot+, which <b>supports 8B+ parameter models</b> including Llama 3.</li> </ul> </li> <li>• World's #1 workstation brand enabling customers to jumpstart AI model development and training</li> </ul>
	<b>Broad Ecosystem</b> <ul style="list-style-type: none"> <li>• 40+ turnkey validated designs tested and optimized for AI use cases ... leveraging a broad ecosystem</li> </ul> 	<b>Fast time-to-value</b> <ul style="list-style-type: none"> <li>• Accelerate AI initiatives with consulting and deployment services</li> <li>• Full stack deployment automation &amp; NVIDIA NIMs integration, resulting in an 86% reduction in Time to First Inference</li> </ul>
	<b>Leading AI Performance</b> <ul style="list-style-type: none"> <li>• Rack-scale solutions that deliver leading AI density, throughput, and energy efficiency using Air cooled &amp; Direct Liquid cooled platforms</li> </ul>	<b>Best in class TCO<sup>3</sup></b> <ul style="list-style-type: none"> <li>• 75% more cost effective inferencing than public cloud<sup>4</sup></li> </ul>




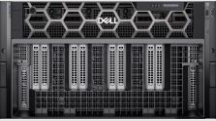




<sup>1</sup> Based on Dell analysis, March 2024. Dell Technologies offers hardware solutions engineered to support AI workloads from PCs to servers for high-performance computing, data storage, cloud native software-defined infrastructure, networking switches, data protection, HCI and services. <sup>2</sup> Leading positions based on IDC WW Quarterly PC Device Tracker, CY24Q3. Includes workstations. <sup>3</sup> Total cost of ownership. <sup>4</sup> ESG research commissioned by Dell, "Maximizing AI ROI: Inferencing On-premises With Dell Technologies Can Be 75% More Cost-effective Than Public Cloud," April, 2024

# Broad AI optimized server portfolio & distinct solution advantages

Acceleration-optimized, purpose-built for Artificial Intelligence, Generative AI, and High-Performance Computing

## AI Optimized Compute Solutions

Blue = NEW!

XE9712		<ul style="list-style-type: none"><li>• 72 GPU, full rack solution</li><li>• NVLink Arch, Direct liquid cooled</li></ul>
XE9680L & XE9685L		<ul style="list-style-type: none"><li>• 8 GPU, 4U configuration</li><li>• Direct liquid cooled</li></ul>
XE7740 & XE7745		<ul style="list-style-type: none"><li>• 8 double or 16 single width GPU</li><li>• 4U, Air cooled</li></ul>
XE9680		<ul style="list-style-type: none"><li>• 8 GPU, 6U configuration</li><li>• Air cooled<sup>1</sup></li></ul>
XE9640		<ul style="list-style-type: none"><li>• 4 GPU, 2U configuration</li><li>• Direct liquid cooled</li></ul>
XE8640		<ul style="list-style-type: none"><li>• 4 GPU, 4U configuration</li><li>• Air cooled</li></ul>
R760XA		<ul style="list-style-type: none"><li>• 2-4 GPU, 2U configuration</li><li>• Air cooled</li></ul>
R750XA		<ul style="list-style-type: none"><li>• 2-4 GPU, 2U configuration</li><li>• Air cooled</li></ul>

<sup>1</sup> XE9680 is air cooled with option for a Rear Door Heat Exchanger

## Competitive Advantages

### Modular design and customization at scale

- Silicon diversity in dense footprints: NVIDIA, AMD, Intel
- Diversity of AI fabrics: InfiniBand, Ethernet, Spectrum-X
- Engineering expertise that facilitates customer solutions
- Continuing our decades-long leadership in liquid cooled systems

### Solutions that leverage our core business model

- Deployment & Support Services in 170+ countries
- Dell Financial Services
- Dell Consulting Services

### Intelligent Automation

- CloudIQ & iDRAC software for AIOps, system management and firmware auto updates & thermal management
- Telemetry Streaming

### Broadest AI Ecosystem

- Dell AI Factory
- Dell Validated Designs with NVIDIA, Hugging Face, Meta, Intel, AMD, PyTorch, RedHat, Databricks & Snowflake



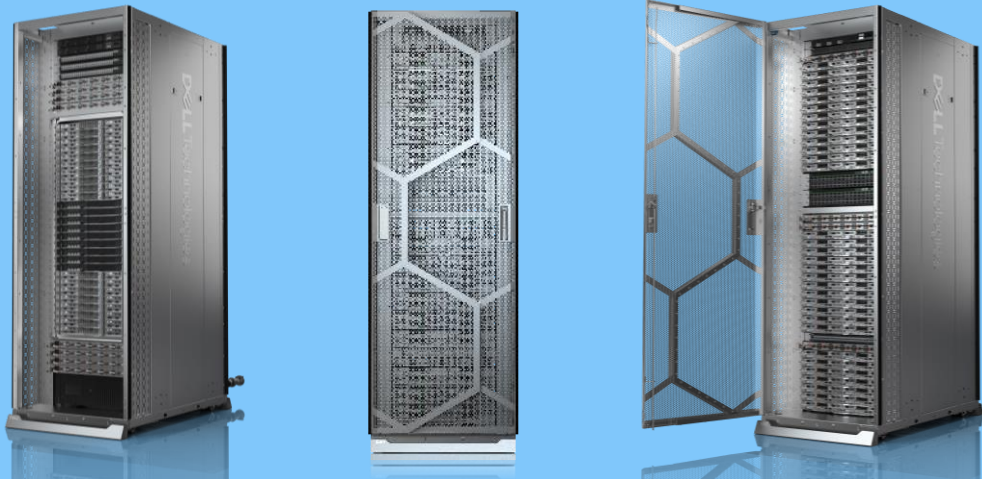
# Dell Integrated Rack Scalable Systems

The most diverse portfolio for large-scale AI deployment

- ✓ Choice of rack style
- ✓ Choice of thermal management
- ✓ Choice of processor
- ✓ Choice of AI fabric

## OCP Standards-based 21" Rack (IR7000 series)

LIQUID COOLED



**XE9712**

NVIDIA GB200 NVL72  
Dense Acceleration

**TBA**

NVIDIA GB200 NVL4  
Dense Acceleration

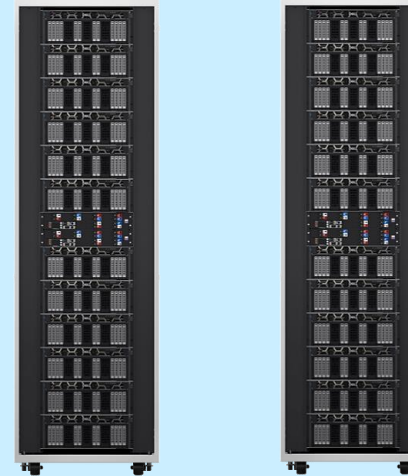
**M7725**

AMD Processor  
Dense Compute

## Traditional 19" Rack (IR5000 series)

LIQUID COOLED

Integrated Rack Scale



**XE9680L**

Intel Processor  
Up to 96 GPUs

**XE9685L**

AMD Processor  
Up to 96 GPUs

AIR COOLED

Optional



**XE7740**

Intel Processor  
Up to 160 SW GPUs  
or 80 DW GPUs

**XE7745**

AMD Processor  
Up to 160 SW GPUs  
or 80 DW GPUs

**XE9680**

Intel processor  
Up to 64 GPUs

← Delivered by expanded rack scale integration services for Integrated Rack Scalable Systems →

Datacenter Assessment + Custom Rack Integration (L11) + One-call Support for Entire Rack

**DELL**Technologies

# Shaping our customers' digital future

Customers turn to Dell Technologies as a trusted, strategic partner

## CoreWeave

It was recently announced that Dell Technologies is shipping the industry's first enterprise ready NVIDIA GB200 NVL72 server racks to AI hyperscaler CoreWeave. These provide the foundation for Dell AI Factory with NVIDIA and mark a groundbreaking step in advancing high-performance computing for CoreWeave with fully-integrated, liquid-cooled PowerEdge XE9712 racks. Dell's advanced hardware combined with CoreWeave's leading Cloud Services Platform are setting new standards in AI innovation.

## Technicolor Group

Technicolor Group, a Global Media & Entertainment organization with over 100 years of rich history working on colour, sound, and VFX postproduction, is using all flash PowerScale F710 to increase production performance for some of the biggest feature films around the world. More than 1,000 artists and users now have the ability to work on a feature simultaneously on a single cluster.

## Sesterce

Sesterce announced the launch of a state-of-the-art high performance computing cluster in Paris. The cluster, leveraging the Dell PowerEdge XE9680 servers equipped with NVIDIA H200 Tensor Core GPUs, is among the first of its kind in Europe. It aims to ensure that AI-driven solutions are accessible and scalable and position France as a leading player in the field of AI.

## Kohl's

Kohl's recently announced a new centralized, private cloud-based system to manage technology infrastructure across its 1,100+ stores nationwide. Developed in collaboration with Dell Technologies, Kohl's new model streamlines store-level technology operations. The system will be fully integrated into all stores in time for the holiday shopping season, enhancing the experience for both customers and store associates.

## Moyo

Moyo, a leading digital business consultancy based in South Africa, has partnered with Dell Technologies to introduce an autonomous drone that uses AI to detect potato leaf disease and help improve crop yield and quality. This innovative solution, developed using the Dell AI Factory with NVIDIA and Dell Precision AI-ready workstations, supports more sustainable agriculture in South Africa.

## Musashino Red Cross

Musashino Red Cross Hospital in Japan revamped the virtualization infrastructure that underpins its healthcare operations with Dell Technologies solutions to improve patient care. The upgraded platform, powered by Dell PowerEdge servers, delivers enhanced performance, more than double the capacity and faster response times.

# Investment Thesis



# Proven track record of performance

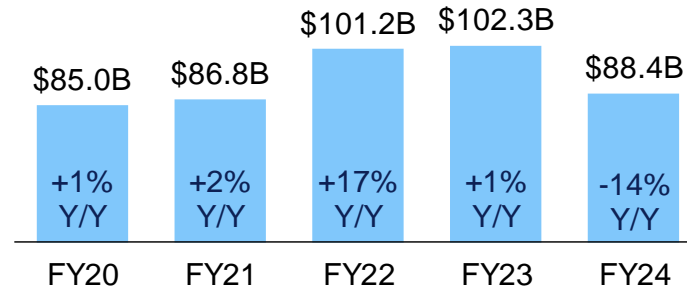
Consistent, profitable growth with strong cash flow over time and a commitment to capital returns

## Long-term Performance

- **We continue to structurally gain share in our core markets<sup>3</sup>**
  - ~6 pts of mainstream server revenue share over last ten years
  - ~1.5 pts of midrange RAID storage revenue share since EMC acquisition
  - ~6 pts of commercial PC unit share gain over last ten years
- **Diluted EPS has grown at a 12% CAGR over the last 4 fiscal years**
- **We have delivered \$24.1B of adjusted FCF over the last 5 fiscal years**
- **We have returned ~100% of adj. FCF to shareholders since initiating our capital return framework in 1Q23**

## Revenue<sup>1,2</sup>

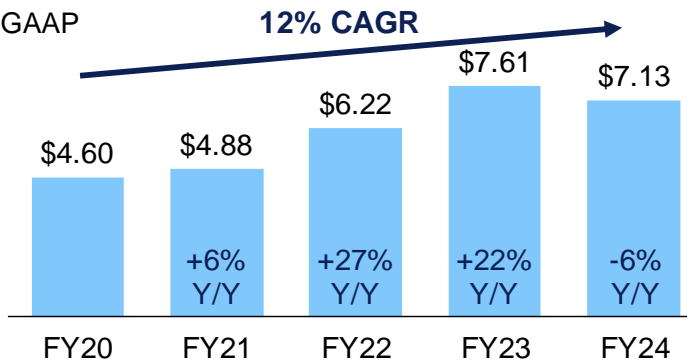
Non-GAAP



**Expect revenue to grow at a 3-4% CAGR over time**

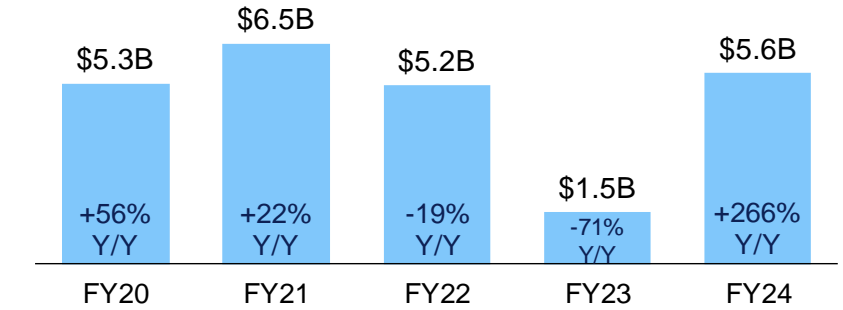
## Diluted EPS<sup>1,2</sup>

Non-GAAP



**EPS growing faster than revenue**

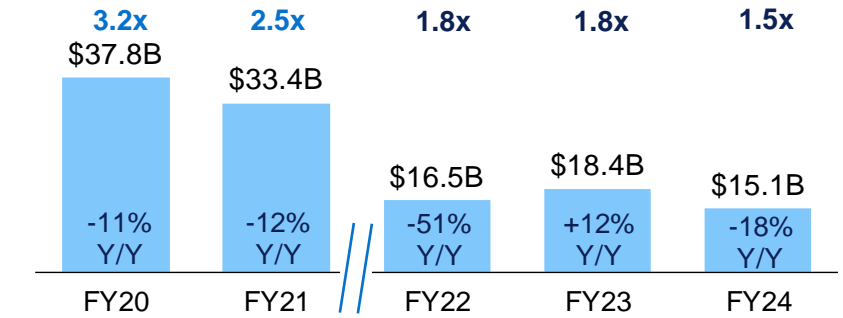
## Adjusted Free Cash Flow<sup>1</sup>



**~\$4.8B Avg. annual adj. FCF FY20-FY24**

## Core Debt and Other<sup>4</sup>

Historical Core Leverage<sup>5</sup>



**Maintained 1.5x core leverage target**

1) See supplemental slides in Appendix B for reconciliation of non-GAAP measures to their most directly comparable GAAP measures. 2) Revenue and non-GAAP diluted earnings per share are presented on a continuing operations basis. 3) Per IDC WW Quarterly Server Tracker 2QCY24, data between 2QCY14 – 2QCY24 TTM. Per IDC WW Quarterly Enterprise Storage Systems Tracker 2QCY24, data between 4QCY17 – 2QCY24 TTM. Midrange refers to systems with ASP between \$25k and \$250k. Per IDC PC Units Q3CY24, data between Q3CY14 – Q3CY24. 4) Core debt + margin loan, mirror note, and other debt, excluding public subsidiary debt and DFS related debt. 5) FY20-FY21 core leverage ratio is presented on a historical basis and calculated as Core debt / ((TTM Dell Tech adj. EBITDA excluding VMW) + (81% of TTM VMW EBITDA) - (TTM DFS adj. EBITDA)). FY22 is recast to be presented on a continuing operations basis and is calculated as Core debt / ((TTM adj. EBITDA) - (TTM DFS adj. EBITDA)). DFS adj. EBITDA calculated as a 4% return on assets comprised of financing receivables and DFS operating lease balance. 4% return on assets is derived from a peer benchmark analysis and is an indicative proxy for DFS EBITDA.

# Del Technologies Storage key leadership positions

We have #1 positions in all key storage categories

**#1** External RAID Enterprise Storage

Dell maintained the #1 position with 23.9% share

Per IDC WW Quarterly Enterprise Storage Systems Tracker CY24Q2

**#1** High End RAID Storage

Dell maintained the #1 position with 35.5% share

Per IDC WW Quarterly Enterprise Storage Systems Tracker CY24Q2

**#1** Mid Range RAID Storage

Dell maintained the #1 position with 21.1% share

Per IDC WW Quarterly Enterprise Storage Systems Tracker CY24Q2

**#1** Storage Software

Dell maintained the #1 position with 8.7% share

Per IDC WW Storage Software and Cloud Services Tracker CY24Q2

**#1** Converged Systems

Dell maintained the #1 position with 64.1% share

Per IDC WW Quarterly Converged Systems Tracker CY24Q2

**#1** Hyperconverged Systems

Dell maintained the #1 position with 34.0% share

Per IDC WW Quarterly Converged Systems Tracker CY24Q2

**#1** Purpose-Built Backup Appliance

Dell maintained the #1 position with 32.5% share

Per IDC WW Quarterly Purpose-Built Backup Appliance Tracker CY24Q2

**#1** All Flash Array RAID

Dell maintained the #1 position with 21.2% share

Per IDC WW Quarterly Enterprise Storage Systems Tracker CY24Q2

# Del Technologies Server & PC key leadership positions

We have #1 positions in servers and the most profitable segments of the PC market

#1 x86 Server

Dell is the leader with 11.8% unit share and 14.6% revenue share

Per IDC WW Quarterly Server Tracker CY24Q2

#1 Client Business

Leading Client Business by revenue

Client PC & upsell revenue statistic calculated by Dell Technologies primarily by utilizing other PC OEMs' financial public filings, as of Q3 FY25

#1 Commercial AI PC

Dell is the leader with 31.0% share

Per IDC WW Quarterly PC Device Tracker, CY24Q3. Includes workstations

#1 North America Commercial PC

Dell maintained the #1 position with 32.9% share

Per IDC WW Quarterly PC Device Tracker, CY24Q3. Includes workstations

#1 Mainstream Server

Dell is the leader with 24.0% unit share and 31.7% revenue share

Per IDC WW Quarterly Server Tracker CY24Q2

#1 PC Monitors

Dell maintained the #1 position with 16.8% share

Per IDC WW Quarterly Monitor Tracker CY24Q3

#1 North America Desktop

Dell maintained the #1 position with 32.2% share

Per IDC WW Quarterly PC Device Tracker, CY24Q3. Includes workstations

#1 PC Workstations

Dell maintained the #1 position with 43.3% share

Per IDC WW Quarterly Workstation Tracker CY24Q3

# Dell Technologies investment thesis

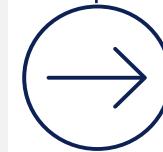
Leading market positions and a unique operating model generate consistent growth and significant value creation

## STRATEGY

- We are **leveraging our strengths** to extend our leadership positions and capture new growth opportunities

## UNIQUE OPERATING MODEL

- **Leading end-to-end solutions portfolio**, with #1 positions across Client, Peripherals, Server, and Storage<sup>1</sup>
- **Largest Go-To-Market engine** with a direct sales force and robust channel program that provides us with great insights and the ability to build deep customer relationships
- **Industry's leading Supply Chain** that runs at global scale, yet nimble and agile to respond to macro and market fluctuations with built in resilience
- **Unmatched Global Services footprint** with team members and service centers supporting customers around the world



## Attractive long-term financial model

- **3 - 4%** Revenue growth
- 8%+** Diluted EPS growth<sup>2</sup>
- 100%+** NI to adj. FCF Conversion<sup>2</sup>
- 80%+** Target return of adj. FCF to shareholders<sup>2</sup>
- 10%+** Dividend growth rate FY24-FY28<sup>3</sup>

1) See slide 25 for the list of #1 positions and relevant sources. 2) Long-term financial guidance is provided on a non-GAAP basis. A reconciliation to the corresponding GAAP financial measure is not available without unreasonable effort because of uncertainty regarding, and potential variability of, many of the costs and expenses included in GAAP results. Refer to the discussion of non-GAAP financial measures at the beginning of the presentation for more information. 3) Subject to ongoing board evaluation and approval.

# Committed to long-term value creation

Our strategy, operating model and track record of execution have us well positioned

## Attractive long-term financial framework

**3 - 4%**

Revenue growth

**8%+**

Diluted EPS growth<sup>1</sup>

**100%+**

NI to adj. FCF Conversion<sup>1</sup>

**80%+**

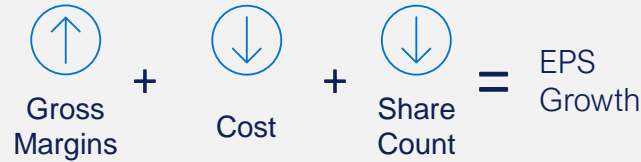
Target return of adj. FCF to shareholders<sup>1</sup>

**10%+**

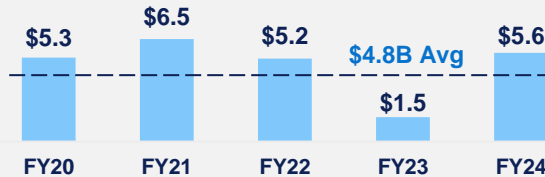
Dividend growth rate FY24-FY28<sup>5</sup>

CSG 2-3% CAGR  
ISG 6-8% CAGR  
**DELL TECH 3-4% CAGR**

Operational



Adjusted Free Cash Flow (\$B)<sup>2</sup>



- Leading end-to-end solutions and broadest portfolio in the industry
- Demonstrated structural share gains
- Opportunities to capture new growth

- Increased mix towards profitable segments ... ISG, Commercial PC, Peripherals
- Demonstrated cost discipline

- Growth & operational excellence driving cash generation ... \$4.8B avg. over last five years
- Averaged over 100% NI to adj. FCF conversion over the past five years<sup>3</sup>

Capital Return

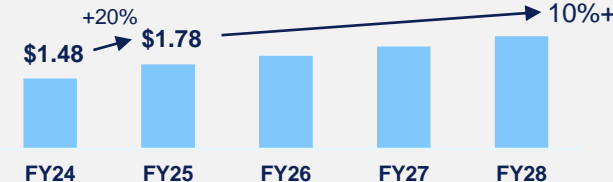
**80%+**

- Commitment to return over 80% of adjusted FCF to shareholders
- Return via share repurchases and dividends

Remaining FCF

- Committed to IG rating and maintaining 1.5x core leverage<sup>4</sup> target
- Targeted M&A that accelerates our strategy

Targeted Dividend Payout



- Target to grow the dividend at 10% or better annually through FY28<sup>5</sup>
- Raised our annual dividend ~20% to \$1.78 per share for FY25

1) Long-term financial guidance is provided on a non-GAAP basis. The Company cannot reasonably forecast certain items that are included in GAAP results. Refer to the discussion of non-GAAP financial measures at the beginning of the presentation for more information. 2) See supplemental slides in Appendix B for reconciliation of non-GAAP measures to their most directly comparable GAAP measures. Adjusted free cash flow represents historical adjusted free cash flow excluding VMware where applicable. 3) FY20-FY24. 4) See footnote 5 on slide 20 for definition of core leverage ratio. 5) Subject to ongoing board evaluation and approval.



# Dell Technologies strategy

Leverage our strengths to extend our leadership and capture new growth

## Leading end-to-end solutions<sup>1</sup>

# #1

Client Business  
Workstations  
PC Monitors  
Server

External Storage  
Storage Software  
PBBA  
HCI



Unique operating model

## Industry's largest GTM engine

Extensive direct salesforce

Broad global technology ecosystem of partners

Modern online and consumption experiences

## Industry-leading supply chain

Automated and AI-driven

Resilient, agile, sustainable & global scale

Global distribution & logistics centers

## Unmatched global services

AI-driven support and experiences

Global footprint of direct services & support

Service centers around the world

Innovation

Culture

Customer-centricity

1) Client PC & upsell revenue statistic calculated by Dell Technologies primarily by utilizing other PC OEMs' financial public filings, as of Q3 FY25; Workstations (Units) - IDC WW Quarterly Workstation Tracker CY24Q3 using data for 3Q24; PC Monitors (Units) - IDC WW Quarterly Monitor Tracker CY24Q3 using data for 3Q24; Server (Units) - IDC WW Quarterly Server Tracker CY24Q2 using data for 2Q24; External Storage (Revenue) - IDC WW Quarterly Enterprise Storage Systems Tracker CY24Q2 using data for 2Q24; Storage Software - IDC WW Storage Software and Cloud Services Tracker CY24Q2 using data for 2Q24 and includes archiving software, data replication and protection software, software-defined storage controller software, and storage infrastructure and device management software; PBBA - IDC WW Purpose-Built Backup Appliance (PBBA) (Revenue) CY24Q2 using data for 2Q24; Hyperconverged Systems (HCI) (Revenue) - IDC WW Quarterly Converged Systems Tracker CY24Q2 using data for 2Q24.

# Sustainability highlights<sup>1</sup>

From our latest ESG reporting<sup>2</sup> and external recognition

Enabling growth by advancing sustainability and cultivating inclusion



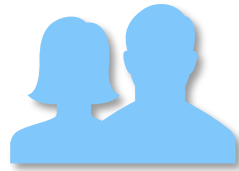
## Environmental

~**96% sustainable materials** used in our packaging

~**41% reduction** in Scopes 1 & 2 market-based **greenhouse gas emissions** since FY20

~**62%** of electricity from **renewable sources** across Dell facilities

**Net-Zero** goal across Scopes 1, 2, & 3 by 2050



## Social

**396M+ people** have benefited from our **digital inclusion programs, partnerships and innovation**

By 2030, our goal is that **50%** of our global workforce and **40%** of our global people leaders will be **those who identify as women**

By 2030, our goal is that **25%** of our U.S. workforce and **15%** of our U.S. people leaders will be **those who identify as Black/African American or Hispanic/Latino**



## Governance

**Ellen Kullman** elected by our independent directors as **Lead Independent Director**<sup>3</sup>

All Dell board **committee members** are **independent directors**

**Formal ESG governance** established with cross-functional executive leadership

**Robust shareholder engagement** program driving ongoing **governance enhancements**

Gartner



Power of the Profession™ Supply Chain Awards 2024

We're honored to be among this year's winners.

Gartner does not endorse any vendor, product or service depicted in its research publications. Learn more: <https://bit.ly/3u6ZyH2>



# Appendix A

 Debt and DFS summary

# Debt summary

\$ in billions <sup>1,2</sup>	3Q24	4Q24	1Q25	2Q25	3Q25
Revolver	-	-	-	-	-
Senior Notes	16.1	15.6	15.6	14.6	15.1
Legacy Notes	1.0	1.0	1.0	1.0	1.0
DFS Allocated Debt	(1.3)	(1.6)	(2.1)	(2.5)	(2.3)
<b>Total Core Debt <sup>3</sup></b>	<b>15.8</b>	<b>14.9</b>	<b>14.5</b>	<b>13.0</b>	<b>13.8</b>
<b>Other</b>	<b>0.2</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
DFS Debt	9.6	9.5	9.0	9.1	9.2
DFS Allocated Debt	1.3	1.6	2.1	2.5	2.3
<b>Total DFS Related Debt</b>	<b>10.9</b>	<b>11.1</b>	<b>11.1</b>	<b>11.6</b>	<b>11.4</b>
<b>Total Debt, principal amount</b>	<b>26.9</b>	<b>26.2</b>	<b>25.7</b>	<b>24.7</b>	<b>25.3</b>

<sup>1</sup> Amounts are based on underlying data and may not visually foot due to rounding.

<sup>2</sup> Principal Face Value

<sup>3</sup> Core debt represents the total principal amount of our debt, less DFS related debt and other debt.

# DFS summary

\$ in billions <sup>1</sup>	3Q24	4Q24	1Q25	2Q25	3Q25
<b>Originations</b> <sup>2</sup>	<b>1.8</b>	<b>2.5</b>	<b>1.9</b>	<b>2.4</b>	<b>1.6</b>
Y/Y	(23)%	(19)%	1%	5%	(11)%
Trailing twelve months	9.0	8.4	8.5	8.5	8.3
Y/Y	(4)%	(13)%	(11)%	(11)%	(8)%
<b>Financing Receivables</b> <sup>3</sup>	<b>10.3</b>	<b>10.5</b>	<b>10.6</b>	<b>11.1</b>	<b>10.9</b>
<b>Operating Leases</b> <sup>4</sup>	<b>2.1</b>	<b>2.2</b>	<b>2.1</b>	<b>2.2</b>	<b>2.2</b>
<b>Total Managed Assets</b> <sup>5</sup>	<b>13.9</b>	<b>14.4</b>	<b>14.2</b>	<b>14.8</b>	<b>14.7</b>
Y/Y	1%	(2)%	(1)%	1%	6%

<sup>1</sup> Amounts are based on underlying data and may not visually foot due to rounding.

<sup>2</sup> Originations represent the amounts of financing provided by DFS to customers for equipment and related software and services, including third-party originations.

<sup>3</sup> Amounts represent financing receivables included on the Dell Technologies Consolidated Statements of Financial Position.

<sup>4</sup> Amounts represent net carrying value of equipment for DFS operating leases.

<sup>5</sup> Total managed assets consists of financing receivables, syndicated receivables DFS still services, operating leases, and committed contract value for flex on demand.

# Appendix B

 Supplemental non-GAAP measures

# Supplemental non-GAAP measures

## Gross margin

\$ in millions	3Q24	4Q24	1Q25	2Q25	3Q25
<b>GAAP gross margin</b>	<b>5,148</b>	<b>5,316</b>	<b>4,806</b>	<b>5,311</b>	<b>5,307</b>
Amortization of intangibles	84	84	60	59	60
Stock-based compensation	37	37	38	38	39
Other corporate expenses <sup>1</sup>	7	31	43	56	31
<b>Total adjustments to gross margin</b>	<b>128</b>	<b>152</b>	<b>141</b>	<b>153</b>	<b>130</b>
<b>Non-GAAP gross margin</b>	<b>5,276</b>	<b>5,468</b>	<b>4,947</b>	<b>5,464</b>	<b>5,437</b>
<i>Non-GAAP GM % of revenue</i>	<i>23.7%</i>	<i>24.5%</i>	<i>22.2%</i>	<i>21.8%</i>	<i>22.3%</i>

<sup>1</sup> Consists of severance, facilities action, impairment, and other costs.

# Supplemental non-GAAP measures

Selling, general, and administrative; research and development; and operating expense

\$ in millions	3Q24	4Q24	1Q25	2Q25	3Q25
<b>GAAP selling, general, and administrative</b>	<b>2,970</b>	<b>3,109</b>	<b>3,123</b>	<b>3,189</b>	<b>2,894</b>
Amortization of intangibles <sup>1</sup>	(123)	(126)	(108)	(109)	(108)
Stock-based compensation	(114)	(108)	(112)	(103)	(105)
Other corporate expenses <sup>2</sup>	(35)	(166)	(93)	(229)	(82)
<b>Non-GAAP selling, general, and administrative</b>	<b>2,698</b>	<b>2,709</b>	<b>2,810</b>	<b>2,748</b>	<b>2,599</b>
<b>GAAP research and development</b>	<b>692</b>	<b>716</b>	<b>763</b>	<b>780</b>	<b>745</b>
Stock-based compensation	(76)	(58)	(60)	(50)	(54)
Other corporate expenses <sup>2</sup>	(2)	(38)	(40)	(48)	(52)
<b>Non-GAAP research and development</b>	<b>614</b>	<b>620</b>	<b>663</b>	<b>682</b>	<b>639</b>
<b>GAAP operating expenses</b>	<b>3,662</b>	<b>3,825</b>	<b>3,886</b>	<b>3,969</b>	<b>3,639</b>
Amortization of intangibles <sup>1</sup>	(123)	(126)	(108)	(109)	(108)
Stock-based compensation	(190)	(166)	(172)	(153)	(159)
Other corporate expenses <sup>2</sup>	(37)	(204)	(133)	(277)	(134)
<b>Total adjustments to operating expenses</b>	<b>(350)</b>	<b>(496)</b>	<b>(413)</b>	<b>(539)</b>	<b>(401)</b>
<b>Non-GAAP operating expenses</b>	<b>3,312</b>	<b>3,329</b>	<b>3,473</b>	<b>3,430</b>	<b>3,238</b>
<i>Non-GAAP OpEx % of revenue</i>	14.9%	14.9%	15.6%	13.7%	13.3%

<sup>1</sup> This amount includes non-cash purchase accounting adjustments primarily related to the EMC merger transaction in 3Q17.

<sup>2</sup> 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.



# Supplemental non-GAAP measures

## Operating income

\$ in millions	3Q24	4Q24	1Q25	2Q25	3Q25
<b>GAAP operating income</b>	<b>1,486</b>	<b>1,491</b>	<b>920</b>	<b>1,342</b>	<b>1,668</b>
<b>Non-GAAP adjustments:</b>					
Amortization of intangibles <sup>1</sup>	207	210	168	168	168
Stock-based compensation	227	203	210	191	198
Other corporate expenses <sup>2</sup>	44	235	176	333	165
<b>Total adjustments to operating income</b>	<b>478</b>	<b>648</b>	<b>554</b>	<b>692</b>	<b>531</b>
<b>Non-GAAP operating income</b>	<b>1,964</b>	<b>2,139</b>	<b>1,474</b>	<b>2,034</b>	<b>2,199</b>
<i>Non-GAAP OpInc % of revenue</i>	<i>8.8%</i>	<i>9.6%</i>	<i>6.6%</i>	<i>8.1%</i>	<i>9.0%</i>

<sup>1</sup> This amount includes non-cash purchase accounting adjustments primarily related to the EMC merger transaction in 3Q17.

<sup>2</sup> 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. Includes \$328 million of severance expense during 2Q25.

# Supplemental non-GAAP measures

## Interest and other

\$ in millions	3Q24	4Q24	1Q25	2Q25	3Q25
<b>GAAP interest and other, net:</b>					
Investment income, primarily interest	88	92	54	38	35
Gain (loss) on investments, net	8	83	(30)	5	46
Interest expense	(371)	(373)	(343)	(387)	(321)
Foreign exchange	(30)	(72)	(38)	(13)	(29)
Other	(1)	67	(16)	4	(7)
<b>GAAP interest and other, net</b>	<b>(306)</b>	<b>(203)</b>	<b>(373)</b>	<b>(353)</b>	<b>(276)</b>
<b>Adjustments:</b>					
Non-GAAP adjustments <sup>1</sup>	(16)	(91)	24	(9)	(45)
<b>Non-GAAP interest and other, net</b>	<b>(322)</b>	<b>(294)</b>	<b>(349)</b>	<b>(362)</b>	<b>(321)</b>
<i>Interest and other as a % of revenue</i>	<i>-1.4%</i>	<i>-1.3%</i>	<i>-1.5%</i>	<i>-1.4%</i>	<i>-1.3%</i>

<sup>1</sup> Primarily consists of the (gain) loss on strategic investments, which includes recurring fair value adjustments on equity investments.

# Supplemental non-GAAP measures

## Net income

\$ in millions	3Q24	4Q24	1Q25	2Q25	3Q25
<b>GAAP net income</b>	<b>1,004</b>	<b>1,158</b>	<b>955</b>	<b>841</b>	<b>1,127</b>
<b>Non-GAAP adjustments:</b>					
Amortization of intangibles <sup>1</sup>	207	210	168	168	168
Stock-based compensation	227	203	210	191	198
Other corporate expenses <sup>2</sup>	36	227	170	329	166
Fair value adjustments on equity investments <sup>3</sup>	(8)	(83)	30	(5)	(46)
Aggregate adjustment for income taxes <sup>4</sup>	(77)	(105)	(610)	(153)	(73)
<b>Total adjustments</b>	<b>385</b>	<b>452</b>	<b>(32)</b>	<b>530</b>	<b>413</b>
<b>Non-GAAP net income</b>	<b>1,389</b>	<b>1,610</b>	<b>923</b>	<b>1,371</b>	<b>1,540</b>
<i>NI % of revenue</i>	6.2%	7.2%	4.1%	5.5%	6.3%

<sup>1</sup> This amount includes non-cash purchase accounting adjustments primarily related to the EMC merger transaction in 3Q17.

<sup>2</sup> 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. Includes \$328 million of severance expense during 2Q25.

<sup>3</sup> Consists of the (gain) loss on strategic investments, which includes recurring and nonrecurring fair value adjustments on equity and other investments.

<sup>4</sup> Consists of the tax effects of non-GAAP adjustments, as well as an adjustment for discrete tax items. Beginning in Fiscal 2025, our non-GAAP income tax is calculated using a fixed estimated annual tax rate.

# Supplemental non-GAAP measures

## Net income attributable to Dell Technologies Inc.

\$ in millions	3Q24	4Q24	1Q25	2Q25	3Q25
<b>GAAP net income attributable to Dell Technologies Inc.</b>	<b>1,006</b>	<b>1,160</b>	<b>960</b>	<b>846</b>	<b>1,132</b>
Amortization of intangibles <sup>1</sup>	207	210	168	168	168
Stock-based compensation	227	203	210	191	198
Other corporate expenses <sup>2</sup>	36	227	170	329	166
Fair value adjustments on equity investments <sup>3</sup>	(8)	(83)	30	(5)	(46)
Aggregate adjustment for income taxes <sup>4</sup>	(77)	(105)	(610)	(153)	(73)
Total non-GAAP adjustments attributable to non-controlling interests	(2)	(4)	(6)	(5)	(6)
<b>Total adjustments</b>	<b>383</b>	<b>448</b>	<b>(38)</b>	<b>525</b>	<b>407</b>
<b>Non-GAAP net income attributable to Dell Technologies Inc.</b>	<b>1,389</b>	<b>1,608</b>	<b>922</b>	<b>1,371</b>	<b>1,539</b>

<sup>1</sup> This amount includes non-cash purchase accounting adjustments primarily related to the EMC merger transaction in 3Q17.

<sup>2</sup> 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. Includes \$328 million of severance expense during 2Q25.

<sup>3</sup> Consists of the (gain) loss on strategic investments, which includes recurring and nonrecurring fair value adjustments on equity and other investments.

<sup>4</sup> Consists of the tax effects of non-GAAP adjustments, as well as an adjustment for discrete tax items. Beginning in Fiscal 2025, our non-GAAP income tax is calculated using a fixed estimated annual tax rate.

# Supplemental non-GAAP measures

## Earnings per share - basic and diluted

\$ in millions, except per share amounts

	3Q24	4Q24	1Q25	2Q25	3Q25
<b>GAAP net income attributable to Dell Technologies Inc.</b>	<b>1,006</b>	<b>1,160</b>	<b>960</b>	<b>846</b>	<b>1,132</b>
Weighted-average shares outstanding - basic	722	710	708	708	703
<b>GAAP EPS attributable to Dell Technologies Inc. - basic</b>	<b>\$1.39</b>	<b>\$1.63</b>	<b>\$1.36</b>	<b>\$1.19</b>	<b>\$1.61</b>
<b>GAAP net income attributable to Dell Technologies Inc. - diluted</b>	<b>1,006</b>	<b>1,160</b>	<b>960</b>	<b>846</b>	<b>1,132</b>
Weighted-average shares outstanding - diluted	740	731	727	724	717
<b>GAAP EPS attributable to Dell Technologies Inc. - diluted</b>	<b>\$1.36</b>	<b>\$1.59</b>	<b>\$1.32</b>	<b>\$1.17</b>	<b>\$1.58</b>
<b>Non-GAAP net income attributable to Dell Technologies Inc.</b>	<b>1,389</b>	<b>1,608</b>	<b>922</b>	<b>1,371</b>	<b>1,539</b>
Weighted-average shares outstanding - basic	722	710	708	708	703
<b>Non-GAAP EPS attributable to Dell Technologies Inc. - basic</b>	<b>\$1.92</b>	<b>\$2.26</b>	<b>\$1.30</b>	<b>\$1.94</b>	<b>\$2.19</b>
<b>Non-GAAP net income attributable to Dell Technologies Inc. - diluted</b>	<b>1,389</b>	<b>1,608</b>	<b>922</b>	<b>1,371</b>	<b>1,539</b>
Weighted-average shares outstanding - diluted	740	731	727	724	717
<b>Non-GAAP EPS attributable to Dell Technologies Inc. - diluted</b>	<b>\$1.88</b>	<b>\$2.20</b>	<b>\$1.27</b>	<b>\$1.89</b>	<b>\$2.15</b>

# Supplemental non-GAAP measures

## Adjusted EBITDA

\$ in millions	3Q24	4Q24	1Q25	2Q25	3Q25
<b>GAAP net income</b>	<b>1,004</b>	<b>1,158</b>	<b>955</b>	<b>841</b>	<b>1,127</b>
<b>Adjustments:</b>					
Interest and other, net	306	203	373	353	276
Income tax provision (benefit)	176	130	(408)	148	265
Depreciation and amortization	822	841	800	784	765
<b>EBITDA</b>	<b>2,308</b>	<b>2,332</b>	<b>1,720</b>	<b>2,126</b>	<b>2,433</b>
<b>Adjustments:</b>					
Stock-based compensation	227	203	210	191	198
Other corporate expenses <sup>1</sup>	44	235	176	333	165
<b>Adjusted EBITDA</b>	<b>2,579</b>	<b>2,770</b>	<b>2,106</b>	<b>2,650</b>	<b>2,796</b>
<i>Adj EBITDA % of revenue</i>	<i>11.6%</i>	<i>12.4%</i>	<i>9.5%</i>	<i>10.6%</i>	<i>11.5%</i>

<sup>1</sup> 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.

# Supplemental non-GAAP measures

## Adjusted free cash flow

\$ in millions	3Q24	4Q24	1Q25	2Q25	3Q25
<b>Cash flow from operations</b>	<b>2,152</b>	<b>1,533</b>	<b>1,043</b>	<b>1,340</b>	<b>1,553</b>
<b>Adjustments:</b>					
Capital expenditures and capitalized software development costs, net <sup>1</sup>	(704)	(727)	(586)	(636)	(639)
<hr/>					
<b>Free cash flow</b>	<b>1,448</b>	<b>806</b>	<b>457</b>	<b>704</b>	<b>914</b>
<hr/>					
<b>Adjustments:</b>					
Financing receivables <sup>2</sup>	(575)	136	165	487	(233)
Equipment under operating leases <sup>3</sup>	(13)	68	1	93	35
<hr/>					
<b>Adjusted free cash flow</b>	<b>860</b>	<b>1,010</b>	<b>623</b>	<b>1,284</b>	<b>716</b>

<sup>1</sup> Capital expenditures and capitalized software development costs is net of proceeds from sales of facilities, land, and other assets.

<sup>2</sup> Financing receivables represent the operating cash flow impact from the change in DFS financing receivables.

<sup>3</sup> Equipment under operating leases represents the net change of capital expenditures and depreciation expense for DFS leases and contractually embedded leases identified within flexible consumption arrangements.

# Supplemental non-GAAP measures

## Adjusted free cash flow

\$ in millions <sup>1</sup>	FY20	FY21	FY22	FY23	FY24
<b>Cash flow from operations</b>	<b>9,291</b>	<b>11,407</b>	<b>10,307</b>	<b>3,565</b>	<b>8,676</b>
<b>Adjustments:</b>					
Capital expenditures and capitalized software development costs, net <sup>2</sup>	(2,553)	(2,062)	(2,755)	(2,993)	(2,753)
<b>Free cash flow</b>	<b>6,738</b>	<b>9,345</b>	<b>7,552</b>	<b>572</b>	<b>5,923</b>
<b>Adjustments:</b>					
Financing receivables <sup>3</sup>	1,329	728	241	461	(309)
Equipment under operating leases <sup>4</sup>	819	474	394	500	(7)
<b>Adjusted free cash flow</b>	<b>8,886</b>	<b>10,547</b>	<b>8,187</b>	<b>1,533</b>	<b>5,607</b>
<b>VMware cash flow from operations</b>	<b>3,872</b>	<b>4,409</b>	<b>3,220</b>	<b>-</b>	<b>-</b>
<b>Adjustments:</b>					
VMware capital expenditures	(279)	(329)	(263)	-	-
<b>VMware free cash flow</b>	<b>3,593</b>	<b>4,080</b>	<b>2,957</b>	<b>-</b>	<b>-</b>
<b>Adjusted free cash flow excluding VMware</b>	<b>5,293</b>	<b>6,467</b>	<b>5,230</b>	<b>1,533</b>	<b>5,607</b>

<sup>1</sup> Amounts are based on underlying data and may not visually foot due to rounding.

<sup>2</sup> Capital expenditures and capitalized software development costs is net of proceeds from sales of facilities, land, and other assets.

<sup>3</sup> Financing receivables represent the operating cash flow impact from the change in DFS financing receivables.

<sup>4</sup> Equipment under operating leases represents the net change of capital expenditures and depreciation expense for DFS leases and contractually embedded leases identified within flexible consumption arrangements.



# Supplemental FY20 - FY24 non-GAAP Measures

\$ in millions, except per share amounts

	FY20	FY21	FY22	FY23	FY24
<b>Revenue</b>	<b>84,815</b>	<b>86,670</b>	<b>101,197</b>	<b>102,301</b>	<b>88,425</b>
Impact of purchase accounting <sup>1</sup>	229	106	32	-	-
<b>Non-GAAP revenue</b>	<b>85,044</b>	<b>86,776</b>	<b>101,229</b>	<b>102,301</b>	<b>88,425</b>
<b>Net income from continuing operations attributable to Dell Technologies Inc.</b>	<b>525</b>	<b>2,249</b>	<b>4,948</b>	<b>2,442</b>	<b>3,211</b>
Amortization of intangibles <sup>1</sup>	3,245	2,277	1,708	1,014	833
Stock-based compensation	245	487	808	931	878
Other corporate expenses <sup>2</sup>	960	(64)	(1,806)	1,796	793
Fair value adjustment on equity investments <sup>3</sup>	(159)	(427)	(572)	206	(47)
Aggregate adjustment for income taxes <sup>4</sup>	(1,361)	(772)	(156)	(642)	(407)
Total non-GAAP adjustments attributable to non-controlling interest	(4)	(6)	(7)	(13)	(13)
<b>Total adjustments to Net income attributable to Dell Technologies Inc.</b>	<b>2,926</b>	<b>1,495</b>	<b>(25)</b>	<b>3,292</b>	<b>2,037</b>
<b>Non-GAAP net income attributable to Dell Technologies Inc.</b>	<b>3,451</b>	<b>3,744</b>	<b>4,923</b>	<b>5,734</b>	<b>5,248</b>
<b>Net income attributable to Dell Technologies Inc.</b>	<b>525</b>	<b>2,249</b>	<b>4,948</b>	<b>2,442</b>	<b>3,211</b>
Weighted-average shares outstanding - basic	724	744	762	734	720
<b>Earnings per share attributable to Dell Technologies Inc. - basic</b>	<b>\$0.73</b>	<b>\$3.02</b>	<b>\$6.49</b>	<b>\$3.33</b>	<b>\$4.46</b>
Weighted-average shares outstanding - diluted	751	767	791	753	736
<b>Earnings per share attributable to Dell Technologies Inc. - diluted</b>	<b>\$0.70</b>	<b>\$2.93</b>	<b>\$6.26</b>	<b>\$3.24</b>	<b>\$4.36</b>
<b>Non-GAAP net income attributable to Dell Technologies Inc.</b>	<b>3,451</b>	<b>3,744</b>	<b>4,923</b>	<b>5,734</b>	<b>5,248</b>
Weighted-average shares outstanding - basic	724	744	762	734	720
<b>Non-GAAP earnings per share attributable to Dell Technologies Inc. - basic</b>	<b>\$4.77</b>	<b>\$5.03</b>	<b>\$6.46</b>	<b>\$7.81</b>	<b>\$7.29</b>
Weighted-average shares outstanding - diluted	751	767	791	753	736
<b>Non-GAAP earnings per share attributable to Dell Technologies Inc. - diluted</b>	<b>\$4.60</b>	<b>\$4.88</b>	<b>\$6.22</b>	<b>\$7.61</b>	<b>\$7.13</b>

<sup>1</sup> This amount includes non-cash purchase accounting adjustments primarily related to the EMC merger transaction in FY17.

<sup>2</sup> 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.

<sup>3</sup> Consists of the (gain) loss on strategic investments, which includes recurring and nonrecurring fair value adjustments on equity and other investments.

<sup>4</sup> Consists of the tax effects of non-GAAP adjustments, as well as an adjustment for discrete tax items.

# Appendix C

 Supplemental Financial Statements

# Balance Sheet

## Assets

\$ in millions	3Q24	4Q24	1Q25	2Q25	3Q25
<b>Current assets:</b>					
Cash and cash equivalents	8,298	7,366	5,830	4,550	5,225
Accounts receivable, net	9,720	9,343	8,563	11,391	11,189
Due from related parties, net	386	—	—	—	—
Short-term financing receivables, net	4,540	4,643	4,660	4,968	5,001
Inventories, net	3,381	3,622	4,782	5,953	6,652
Other current assets	10,662	10,973	10,792	10,681	9,306
Current assets held for sale	—	—	—	—	662
<b>Total current assets</b>	<b>36,987</b>	<b>35,947</b>	<b>34,627</b>	<b>37,543</b>	<b>38,035</b>
Property, plant, and equipment, net	6,222	6,432	6,237	6,300	6,327
Long-term investments	1,294	1,316	1,293	1,302	1,312
Long-term financing receivables, net	5,773	5,877	5,941	6,124	5,849
Goodwill	19,616	19,700	19,640	19,654	19,243
Intangible assets, net	5,907	5,701	5,538	5,374	5,147
Due from related parties, net	239	—	—	—	—
Other non-current assets	7,226	7,116	6,914	6,390	6,038
<b>Total assets</b>	<b>83,264</b>	<b>82,089</b>	<b>80,190</b>	<b>82,687</b>	<b>81,951</b>

# Balance Sheet

## Liabilities and equity

\$ in millions	3Q24	4Q24	1Q25	2Q25	3Q25
<b>Current liabilities:</b>					
Short-term debt	6,498	6,982	6,098	6,711	5,612
Accounts payable	19,478	19,389	20,586	24,095	23,400
Due to related parties, net	1,246	—	—	—	—
Accrued and other	6,449	6,805	6,016	6,374	6,490
Short-term deferred revenue	15,206	15,318	15,034	14,853	13,787
Current liabilities held for sale	—	—	—	—	211
<b>Total current liabilities</b>	<b>48,877</b>	<b>48,494</b>	<b>47,734</b>	<b>52,033</b>	<b>49,500</b>
Long-term debt	20,119	19,012	19,382	17,811	19,410
Long-term deferred revenue	13,847	13,827	13,116	12,859	12,424
Other non-current liabilities	2,991	3,065	2,681	2,781	2,807
<b>Total liabilities</b>	<b>85,834</b>	<b>84,398</b>	<b>82,913</b>	<b>85,484</b>	<b>84,141</b>
Total Dell Technologies Inc. stockholders' equity (deficit)	(2,664)	(2,404)	(2,822)	(2,894)	(2,285)
Non-controlling interest	94	95	99	97	95
<b>Total stockholders' equity (deficit)</b>	<b>(2,570)</b>	<b>(2,309)</b>	<b>(2,723)</b>	<b>(2,797)</b>	<b>(2,190)</b>
<b>Total liabilities and stockholders' equity</b>	<b>83,264</b>	<b>82,089</b>	<b>80,190</b>	<b>82,687</b>	<b>81,951</b>

# Appendix D

 Guidance

# Supplemental non-GAAP Measures

## Financial guidance<sup>1</sup>

\$ in billions, except per share amounts	4Q25	FY25
	Diluted EPS	Diluted EPS
<b>GAAP guidance</b>	<b>\$1.91 - \$2.11</b>	<b>\$5.97 - \$6.17</b>
<b>Estimated adjustments for:</b>		
Amortization of intangibles <sup>2</sup>	0.23	0.92
Stock-based compensation	0.27	1.10
Other corporate expenses <sup>3</sup>	0.02	0.94
Fair value adjustments on equity investments <sup>4</sup>	—	(0.03)
Aggregate adjustment for income taxes <sup>5</sup>	(0.03)	(1.19)
<b>Non-GAAP guidance</b>	<b>\$2.40 - \$2.60</b>	<b>\$7.71 - \$7.91</b>

<sup>1</sup> Amounts are subject to change with no obligation to reconcile these estimates. Amounts may not visually foot due to underlying data.

<sup>2</sup> Amortization of intangibles represents an estimate for acquisitions completed as of November 1, 2024 and does not include estimates for potential acquisitions, if any, during FY25.

<sup>3</sup> 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. No estimate is included for severance expense as it cannot be reasonably estimated at this time.

<sup>4</sup> 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.

<sup>5</sup> 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. Beginning in Fiscal 2025, our non-GAAP income tax is calculated using a fixed estimated annual tax rate.



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