



Dell Technologies Announces Closing of \$4.5 Billion of First Lien Notes and Refinancing Transactions

March 21, 2019

Intends to pay down \$4.8 billion in debt in fiscal year 2020

ROUND ROCK, Texas, March 21, 2019 /PRNewswire/ -- Dell Technologies Inc. (NYSE:DELL) (the "Company" or "Dell Technologies") announced the completion yesterday of a private offering of \$4.5 billion aggregate principal amount of First Lien Notes. The offering was [announced](#) on March 6, 2019, along with separate financing transactions for the Company's Term Loan A-6 facility and incremental margin loans under its existing margin loan facility, which the Company also has completed. The proceeds from these transactions were used to pay down the \$3.75 billion First Lien Notes maturing in June 2019, the \$2.0 billion Term Loan A-5 bridge loan issued to partially fund the previously completed Class V transaction, with the remaining proceeds to be used to pay down debt under the Company's senior secured credit facilities.



The Company expects these refinancing transactions to have no material impact on the total amount of outstanding debt. These transactions will enable the Company to use free cash flow generation and cash on the balance sheet to repay longer-dated debt and smooth out maturity dates over time. The Company remains committed to paying down \$4.8 billion in debt in fiscal year 2020.

In conjunction with these transactions, the Company incurred mostly one-time costs and higher interest expense, which will reduce the Company's previously reported GAAP and non-GAAP fiscal year 2020 diluted EPS guidance by \$0.13 - \$0.15¹, or approximately a two percent reduction.

About Dell Technologies

[Dell Technologies](#) (NYSE:DELL) is a unique family of businesses that helps organizations and individuals build their digital future and transform how they work and live. The company provides customers with the industry's broadest and most innovative technology and services portfolio spanning from edge to core to cloud. The Dell Technologies family includes [Dell](#), [Dell EMC](#), [Pivotal](#), [RSA](#), [Secureworks](#), [Virtustream](#) and [VMware](#).

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- 1 On a non-GAAP basis, fiscal year 2020 diluted earnings per share guidance includes a \$0.00 - \$0.01 adjustment primarily related to the incremental dilution of the Company's non-GAAP diluted share count. Fiscal year 2020 GAAP diluted share count is expected to be between 718M and 722M and non-GAAP diluted share count is expected to be between 750M and 755M.

Special Note on Forward-Looking Statements:

Statements in this press release that relate to future results and events are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934 and Section 27A of the Securities Act of 1933 and are based on Dell Technologies' current expectations. In some cases, you can identify these statements by such forward-looking words as "anticipate," "believe," "confidence," "could," "estimate," "expect," "guidance," "intend," "may," "objective," "outlook," "plan," "project," "possible," "potential," "should," "will" and "would," or similar words or expressions that refer to future events or outcomes. Dell Technologies' forward-looking statements in this press release include its updated expectations regarding GAAP and non-GAAP diluted earnings per share for fiscal year 2020.

Dell Technologies' results or events in future periods could differ materially from those expressed or implied by these forward-looking statements because of risks, uncertainties, and other factors that include, but are not limited to, the following: competitive pressures; Dell Technologies' reliance on third-party suppliers for products and components, including reliance on single-source or limited-source suppliers; Dell Technologies' ability to achieve favorable pricing from its vendors; adverse global economic conditions and instability in financial markets; Dell Technologies' execution of its growth, business and acquisition strategies; the success of Dell Technologies' cost efficiency measures; Dell Technologies' ability to manage solutions and products and services transitions in an effective manner; Dell Technologies' ability to deliver high-quality products and services; Dell Technologies' foreign operations and ability to generate substantial non-U.S. net revenue; Dell Technologies' product, customer, and geographic sales mix, and seasonal sales trends; the performance of Dell Technologies' sales channel partners; access to the capital markets by Dell Technologies or its customers; weak economic conditions and additional regulation; counterparty default risks; the loss by Dell Technologies of any services contracts with its customers, including government contracts, and its ability to perform such contracts at its estimated costs; Dell Technologies' ability to develop and protect its proprietary intellectual property or obtain licenses to intellectual property developed by others on commercially reasonable and competitive terms; infrastructure disruptions, cyberattacks, or other data security breaches; Dell Technologies' ability to hedge effectively its exposure to fluctuations in foreign currency exchange rates and interest rates; expiration of tax holidays or favorable tax rate structures, or unfavorable outcomes in tax audits and other tax compliance matters; impairment of portfolio investments; unfavorable results of legal proceedings; increased costs and additional regulations and requirements as a result of Dell Technologies' operation as a public company; Dell Technologies' ability to develop and maintain effective internal control over financial reporting; compliance requirements of changing environmental and safety laws; the effect of armed hostilities, terrorism, natural disasters, and public health issues; Dell Technologies' substantial level of indebtedness; the impact of the financial performance of VMware; and the market volatility of Dell Technologies' pension plan assets.

This list of risks, uncertainties, and other factors is not complete. Dell Technologies discusses some of these matters more fully, as well as certain risk factors that could affect Dell Technologies' business, financial condition, results of operations, and prospects, in its reports filed with the SEC, including Dell Technologies' Annual Report on Form 10-K for the fiscal year ended February 2, 2018, quarterly reports on Form 10-Q, and current reports on

Form 8-K. These filings are available for review through the SEC's website at www.sec.gov. Any or all forward-looking statements Dell Technologies makes may turn out to be wrong and can be affected by inaccurate assumptions Dell Technologies might make or by known or unknown risks, uncertainties and other factors, including those identified in this press release. Accordingly, you should not place undue reliance on the forward-looking statements made in this press release, which speak only as of its date. Dell Technologies does not undertake to update, and expressly disclaims any duty to update, its forward-looking statements, whether as a result of circumstances or events that arise after the date they are made, new information, or otherwise.

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Investor Relations: Investor_Relations@Dell.com; Media Relations: Media.Relations@Dell.com