

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

	Three Months Ended			Six Months Ended		
	August 1, 2025	August 2, 2024	Change	August 1, 2025	August 2, 2024	Change
<i>Net revenue:</i>						
Products	\$ 23,935	\$ 18,954	26%	\$ 41,534	\$ 35,081	18%
Services	5,841	6,072	(4)%	11,620	12,189	(5)%
Total net revenue	29,776	25,026	19%	53,154	47,270	12%
<i>Cost of net revenue:</i>						
Products	21,044	16,029	31%	36,160	29,750	22%
Services	3,285	3,636	(10)%	6,610	7,308	(10)%
Total cost of net revenue	24,329	19,665	24%	42,770	37,058	15%
Gross margin	5,447	5,361	2%	10,384	10,212	2%
<i>Operating expenses:</i>						
Selling, general, and administrative	2,889	3,189	(9)%	5,853	6,312	(7)%
Research and development	785	780	1%	1,593	1,543	3%
Total operating expenses	3,674	3,969	(7)%	7,446	7,855	(5)%
Operating income	1,773	1,392	27%	2,938	2,357	25%
Interest and other, net	(333)	(353)	6%	(415)	(726)	43%
Income before income taxes	1,440	1,039	39%	2,523	1,631	55%
Income tax expense (benefit)	276	157	76%	394	(243)	262%
Net income	1,164	882	32%	2,129	1,874	14%
Less: Net loss attributable to non-controlling interests	—	(5)	100%	—	(10)	100%
Net income attributable to Dell Technologies Inc.	\$ 1,164	\$ 887	31%	\$ 2,129	\$ 1,884	13%
<i>Percentage of Total Net Revenue:</i>						
Gross margin	18.3 %	21.4 %		19.5 %	21.6 %	
Selling, general, and administrative	9.7 %	12.7 %		11.0 %	13.3 %	
Research and development	2.6 %	3.1 %		3.0 %	3.3 %	
Operating expenses	12.3 %	15.8 %		14.0 %	16.6 %	
Operating income	6.0 %	5.6 %		5.5 %	5.0 %	
Income before income taxes	4.8 %	4.2 %		4.7 %	3.5 %	
Net income	3.9 %	3.5 %		4.0 %	4.0 %	
Income tax rate	19.2 %	15.1 %		15.6 %	(14.9)%	

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

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

	<u>August 1, 2025</u>	<u>January 31, 2025</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 8,145	\$ 3,633
Accounts receivable, net of allowance of \$83 and \$63	15,023	10,298
Short-term financing receivables, net of allowance of \$80 and \$78	5,952	5,304
Inventories	7,211	6,716
Other current assets	9,181	9,610
Current assets held for sale	—	668
Total current assets	<u>45,512</u>	<u>36,229</u>
Property, plant, and equipment, net	6,458	6,336
Long-term investments	1,596	1,496
Long-term financing receivables, net of allowance of \$71 and \$75	6,071	5,927
Goodwill	19,336	19,120
Intangible assets, net	4,748	4,988
Other non-current assets	5,455	5,650
Total assets	<u>\$ 89,176</u>	<u>\$ 79,746</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term debt	\$ 7,154	\$ 5,204
Accounts payable	27,463	20,832
Accrued and other	6,486	6,597
Short-term deferred revenue	13,759	13,673
Current liabilities held for sale	—	221
Total current liabilities	<u>54,862</u>	<u>46,527</u>
Long-term debt	21,535	19,363
Long-term deferred revenue	12,422	12,292
Other non-current liabilities	3,123	2,951
Total liabilities	<u>91,942</u>	<u>81,133</u>
Stockholders' equity (deficit):		
Common stock and capital in excess of \$0.01 par value	9,132	9,119
Treasury stock at cost	(11,419)	(8,502)
Retained earnings (accumulated deficit)	231	(1,160)
Accumulated other comprehensive loss	(710)	(939)
Total Dell Technologies Inc. stockholders' equity (deficit)	<u>(2,766)</u>	<u>(1,482)</u>
Non-controlling interests	—	95
Total stockholders' equity (deficit)	<u>(2,766)</u>	<u>(1,387)</u>
Total liabilities and stockholders' equity	<u>\$ 89,176</u>	<u>\$ 79,746</u>

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

	Three Months Ended		Six Months Ended	
	August 1, 2025	August 2, 2024	August 1, 2025	August 2, 2024
Cash flows from operating activities:				
Net income	\$ 1,164	\$ 882	\$ 2,129	\$ 1,874
Adjustments to reconcile net income to net cash provided by operating activities:	1,379	458	3,210	509
Change in cash from operating activities	2,543	1,340	5,339	2,383
Cash flows from investing activities:				
Purchases of investments	(28)	(25)	(125)	(64)
Maturities and sales of investments	28	97	59	216
Capital expenditures and capitalized software development costs	(675)	(682)	(1,243)	(1,278)
Divestitures of businesses and assets, net	—	—	533	—
Other	20	53	33	113
Change in cash from investing activities	(655)	(557)	(743)	(1,013)
Cash flows from financing activities:				
Proceeds from the issuance of common stock	1	1	1	1
Repurchases of common stock	(940)	(725)	(2,920)	(1,425)
Repurchases of common stock for employee tax withholdings	(5)	(14)	(357)	(535)
Payments of dividends and dividend equivalents	(366)	(316)	(762)	(652)
Proceeds from debt	962	1,941	7,270	4,933
Repayments of debt	(1,114)	(2,917)	(3,424)	(6,394)
Debt-related costs and other, net	(3)	(2)	(36)	(37)
Change in cash from financing activities	(1,465)	(2,032)	(228)	(4,109)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	15	(42)	104	(97)
Change in cash, cash equivalents, and restricted cash	438	(1,291)	4,472	(2,836)
Cash, cash equivalents, and restricted cash at beginning of the period	7,853	5,962	3,819	7,507
Cash, cash equivalents, and restricted cash at end of the period	\$ 8,291	\$ 4,671	\$ 8,291	\$ 4,671

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

	Three Months Ended			Six Months Ended		
	August 1, 2025	August 2, 2024	Change	August 1, 2025	August 2, 2024	Change
<u>Infrastructure Solutions Group (ISG):</u>						
Net revenue:						
Servers and networking	\$ 12,944	\$ 7,672	69%	\$ 19,265	\$ 13,138	47%
Storage	3,856	3,974	(3)%	7,852	7,735	2%
Total ISG net revenue	\$ 16,800	\$ 11,646	44%	\$ 27,117	\$ 20,873	30%
Operating income:						
ISG operating income	\$ 1,470	\$ 1,284	14%	\$ 2,468	\$ 2,020	22%
<i>% of ISG net revenue</i>	8.8 %	11.0 %		9.1 %	9.7 %	
<i>% of total reportable segment operating income</i>	65 %	61 %		63 %	56 %	
<u>Client Solutions Group (CSG):</u>						
Net revenue:						
Commercial	\$ 10,781	\$ 10,556	2%	\$ 21,827	\$ 20,710	5%
Consumer	1,722	1,858	(7)%	3,185	3,671	(13)%
Total CSG net revenue	\$ 12,503	\$ 12,414	1%	\$ 25,012	\$ 24,381	3%
Operating income:						
CSG operating income	\$ 803	\$ 817	(2)%	\$ 1,456	\$ 1,594	(9)%
<i>% of CSG net revenue</i>	6.4 %	6.6 %		5.8 %	6.5 %	
<i>% of total reportable segment operating income</i>	35 %	39 %		37 %	44 %	

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

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

	Three Months Ended		Six Months Ended	
	August 1, 2025	August 2, 2024	August 1, 2025	August 2, 2024
<i><u>Reconciliation to consolidated net revenue:</u></i>				
Reportable segment net revenue	\$ 29,303	\$ 24,060	\$ 52,129	\$ 45,254
Corporate and other (a)	473	966	1,025	2,016
Total consolidated net revenue	<u>\$ 29,776</u>	<u>\$ 25,026</u>	<u>\$ 53,154</u>	<u>\$ 47,270</u>
<i><u>Reconciliation to consolidated operating income:</u></i>				
Reportable segment operating income (b)	\$ 2,273	\$ 2,101	\$ 3,924	\$ 3,614
Corporate and other (a)	11	(17)	26	(11)
Amortization of intangibles (c)	(125)	(168)	(251)	(336)
Stock-based compensation expense (d)	(179)	(191)	(369)	(401)
Other corporate expenses (e)	(207)	(333)	(392)	(509)
Total consolidated operating income (f)	<u>\$ 1,773</u>	<u>\$ 1,392</u>	<u>\$ 2,938</u>	<u>\$ 2,357</u>

- (a) Corporate and other consists of results of divested businesses or non-reportable segments whose offerings are no longer actively sold, including (i) VMware Resale, (ii) Secureworks, and (iii) Virtustream, and do not meet the requirements for a reportable segment, either individually or collectively. Additionally, Corporate and other includes other items that are managed at the corporate level and are not allocated to reportable segments.
- (b) Depreciation expense directly attributable to each reportable segment is included in the operating results of each segment. However, the Chief Operating Decision Maker does not evaluate depreciation expense by operating segment, and therefore such expense is not separately presented.
- (c) Amortization of intangibles includes non-cash purchase accounting adjustments that are primarily related to the EMC merger transaction in 3QFY17.
- (d) Stock-based compensation expense consists of equity awards granted based on the estimated fair value of those awards at grant date.
- (e) Other corporate expenses includes severance expenses, payroll taxes associated with stock-based compensation, incentive charges related to equity investments, facility action costs, transaction-related expenses, and impairment charges.
- (f) Income and expenses within Interest and other, net, is not allocated to the reportable segments. Therefore, the company only reports reportable segment operating income.

SUPPLEMENTAL SELECTED NON-GAAP FINANCIAL MEASURES

These tables present information about the company's non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income, non-GAAP net income, non-GAAP earnings per share attributable to Dell Technologies Inc. - diluted, free cash flow and adjusted free cash flow, all of 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 certain of these non-GAAP financial measures, the limitations associated with these measures, the items excluded from these measures, and the company's 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 the company's periodic reports filed with the SEC. Dell Technologies encourages investors to review the non-GAAP discussion in these reports in conjunction with the presentation of non-GAAP financial measures.

DELL TECHNOLOGIES INC.
Selected Financial Measures
(in millions, except per share amounts and percentages; unaudited)

	Three Months Ended			Six Months Ended		
	August 1, 2025	August 2, 2024	Change	August 1, 2025	August 2, 2024	Change
Net revenue	\$ 29,776	\$ 25,026	19%	\$ 53,154	\$ 47,270	12%
Non-GAAP gross margin	\$ 5,572	\$ 5,514	1%	\$ 10,629	\$ 10,506	1%
<i>% of net revenue</i>	<i>18.7 %</i>	<i>22.0 %</i>		<i>20.0 %</i>	<i>22.2 %</i>	
Non-GAAP operating expenses	\$ 3,288	\$ 3,430	(4)%	\$ 6,679	\$ 6,903	(3)%
<i>% of net revenue</i>	<i>11.0 %</i>	<i>13.7 %</i>		<i>12.6 %</i>	<i>14.6 %</i>	
Non-GAAP operating income	\$ 2,284	\$ 2,084	10%	\$ 3,950	\$ 3,603	10%
<i>% of net revenue</i>	<i>7.7 %</i>	<i>8.3 %</i>		<i>7.4 %</i>	<i>7.6 %</i>	
Non-GAAP net income	\$ 1,591	\$ 1,412	13%	\$ 2,677	\$ 2,371	13%
<i>% of net revenue</i>	<i>5.3 %</i>	<i>5.6 %</i>		<i>5.0 %</i>	<i>5.0 %</i>	
Non-GAAP earnings per share — diluted	\$ 2.32	\$ 1.95	19%	\$ 3.86	\$ 3.27	18%

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

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

	Three Months Ended			Six Months Ended		
	August 1, 2025	August 2, 2024	Change	August 1, 2025	August 2, 2024	Change
Gross margin	\$ 5,447	\$ 5,361	2%	\$ 10,384	\$ 10,212	2%
Non-GAAP adjustments:						
Amortization of intangibles	39	59		80	119	
Stock-based compensation expense	37	38		76	76	
Other corporate expenses	49	56		89	99	
Non-GAAP gross margin	\$ 5,572	\$ 5,514	1%	\$ 10,629	\$ 10,506	1%
Operating expenses	\$ 3,674	\$ 3,969	(7)%	\$ 7,446	\$ 7,855	(5)%
Non-GAAP adjustments:						
Amortization of intangibles	(86)	(109)		(171)	(217)	
Stock-based compensation expense	(142)	(153)		(293)	(325)	
Other corporate expenses	(158)	(277)		(303)	(410)	
Non-GAAP operating expenses	\$ 3,288	\$ 3,430	(4)%	\$ 6,679	\$ 6,903	(3)%
Operating income	\$ 1,773	\$ 1,392	27%	\$ 2,938	\$ 2,357	25%
Non-GAAP adjustments:						
Amortization of intangibles	125	168		251	336	
Stock-based compensation expense	179	191		369	401	
Other corporate expenses	207	333		392	509	
Non-GAAP operating income	\$ 2,284	\$ 2,084	10%	\$ 3,950	\$ 3,603	10%
Net income	\$ 1,164	\$ 882	32%	\$ 2,129	\$ 1,874	14%
Non-GAAP adjustments:						
Amortization of intangibles	125	168		251	336	
Stock-based compensation expense	179	191		369	401	
Other corporate expenses	200	329		142	499	
Fair value adjustments on equity investments	(4)	(5)		(21)	25	
Aggregate adjustment for income taxes (a)	(73)	(153)		(193)	(764)	
Non-GAAP net income	\$ 1,591	\$ 1,412	13%	\$ 2,677	\$ 2,371	13%

(a) The company's non-GAAP income tax is calculated using a fixed estimated annual tax rate.

DELL TECHNOLOGIES INC.
Reconciliation of Selected Non-GAAP Financial Measures
(unaudited; continued)

	Three Months Ended			Six Months Ended		
	August 1, 2025	August 2, 2024	Change	August 1, 2025	August 2, 2024	Change
Earnings per share attributable to Dell Technologies Inc. — diluted	\$ 1.70	\$ 1.23	38 %	\$ 3.07	\$ 2.60	18 %
Non-GAAP adjustments:						
Amortization of intangibles	0.19	0.23		0.36	0.46	
Stock-based compensation expense	0.26	0.26		0.53	0.55	
Other corporate expenses	0.29	0.46		0.21	0.69	
Fair value adjustments on equity investments	(0.01)	(0.01)		(0.03)	0.04	
Aggregate adjustment for income taxes (a)	(0.11)	(0.21)		(0.28)	(1.05)	
Total non-GAAP adjustments attributable to non-controlling interests	—	(0.01)		—	(0.02)	
Non-GAAP earnings per share attributable to Dell Technologies Inc. — diluted	\$ 2.32	\$ 1.95	19 %	\$ 3.86	\$ 3.27	18 %

(a) The company's non-GAAP income tax is calculated using a fixed estimated annual tax rate.

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

	Three Months Ended			Six Months Ended		
	August 1, 2025	August 2, 2024	Change	August 1, 2025	August 2, 2024	Change
Cash flow from operations	\$ 2,543	\$ 1,340	90 %	\$ 5,339	\$ 2,383	124 %
Non-GAAP adjustments:						
Capital expenditures and capitalized software development costs, net (a)	(675)	(636)		(1,243)	(1,222)	
Free cash flow	<u>\$ 1,868</u>	<u>\$ 704</u>	165 %	<u>\$ 4,096</u>	<u>\$ 1,161</u>	253 %
Free cash flow	\$ 1,868	\$ 704	165 %	\$ 4,096	\$ 1,161	253 %
Non-GAAP adjustments:						
Financing receivables (b)	592	487		569	652	
Equipment under operating leases (c)	58	93		85	94	
Adjusted free cash flow	<u>\$ 2,518</u>	<u>\$ 1,284</u>	96 %	<u>\$ 4,750</u>	<u>\$ 1,907</u>	149 %

- (a) Capital expenditures and capitalized software development costs, net includes proceeds from sales of facilities, land, and other assets.
- (b) Financing receivables represent the operating cash flow impact from the change in financing receivables.
- (c) Equipment under operating leases represents the net impact of capital expenditures and depreciation expense for leases and contractually embedded leases identified within flexible consumption arrangements.

DELL TECHNOLOGIES INC.
Reconciliation of Non-GAAP Financial Measures in Summary Guidance
(unaudited)

	<u>Three Months Ending</u> <u>October 31, 2025</u>	<u>Fiscal Year Ending</u> <u>January 30, 2026</u>
Earnings per share attributable to Dell Technologies Inc. — diluted	\$ 2.07	\$ 7.98
Non-GAAP adjustments:		
Amortization of intangibles (a)	0.18	0.72
Stock-based compensation	0.26	1.05
Other corporate expenses (b)	—	0.22
Fair value adjustments on equity investments (c)	—	(0.03)
Aggregate adjustment for income taxes (d)	(0.06)	(0.39)
Non-GAAP earnings per share attributable to Dell Technologies Inc. — diluted	<u>\$ 2.45</u>	<u>\$ 9.55</u>

- (a) Amortization of intangibles represents an estimate for acquisitions completed as of August 1, 2025 and does not include estimates for potential acquisitions, if any, during fiscal 2026.
- (b) 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. Additionally, amount shown includes transaction-related gains on sales of businesses that have been completed as of August 1, 2025 and does not include estimates for potential transactions, if any, during fiscal 2026. No estimate is included for severance expense as such expense cannot be reasonably estimated at this time.
- (c) 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.
- (d) The fiscal 2026 aggregate adjustment to reconcile from GAAP to Non-GAAP income tax expense is approximately \$0.3 billion. 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. The company's non-GAAP income tax is calculated using a fixed estimated annual tax rate.