

2009 ANNUAL MEETING OF STOCKHOLDERS



July 17, 2009

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Robert Williams

Director, Investor Relations

July 17, 2009

SAFE HARBOR

Statements in this presentation that relate to future results and events (including statements about our future financial and operating performance) are forward-looking statements based on Dell's current expectations. 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: weakening global economic conditions and instability in financial markets; our ability to reestablish a cost advantage over our competitors; our ability to generate substantial non-U.S. net revenue; our ability to accurately predict product, customer and geographic sales mix and seasonal sales trends; information technology and manufacturing infrastructure failures and breaches in data security; our ability to effectively manage periodic product transitions; disruptions in component or product availability; our reliance on vendors for quality product components, including reliance on several single-source or limited-source suppliers; our ability to access the capital markets; risks relating to our internal controls; unfavorable results of legal proceedings; our acquisition of other companies; our ability to properly manage the distribution of our products and services; the success of our cost-cutting measures; effective hedging of our exposure to fluctuations in foreign currency exchange rates and interest rates; counterparty default risks; obtaining licenses to intellectual property developed by others on commercially reasonable and competitive terms; our ability to attract, retain and motivate key personnel; loss of government contracts; expiration of tax holidays or favorable tax rate structures; changing environmental laws; and the effect of armed hostilities, terrorism, natural disasters and public health issues. For a discussion of those and other factors affecting our business and prospects, see Dell's periodic filings with the Securities and Exchange Commission. We assume no obligation to update forward-looking statements.



STRATEGY



Michael Dell

Chairman and CEO

July 17, 2009

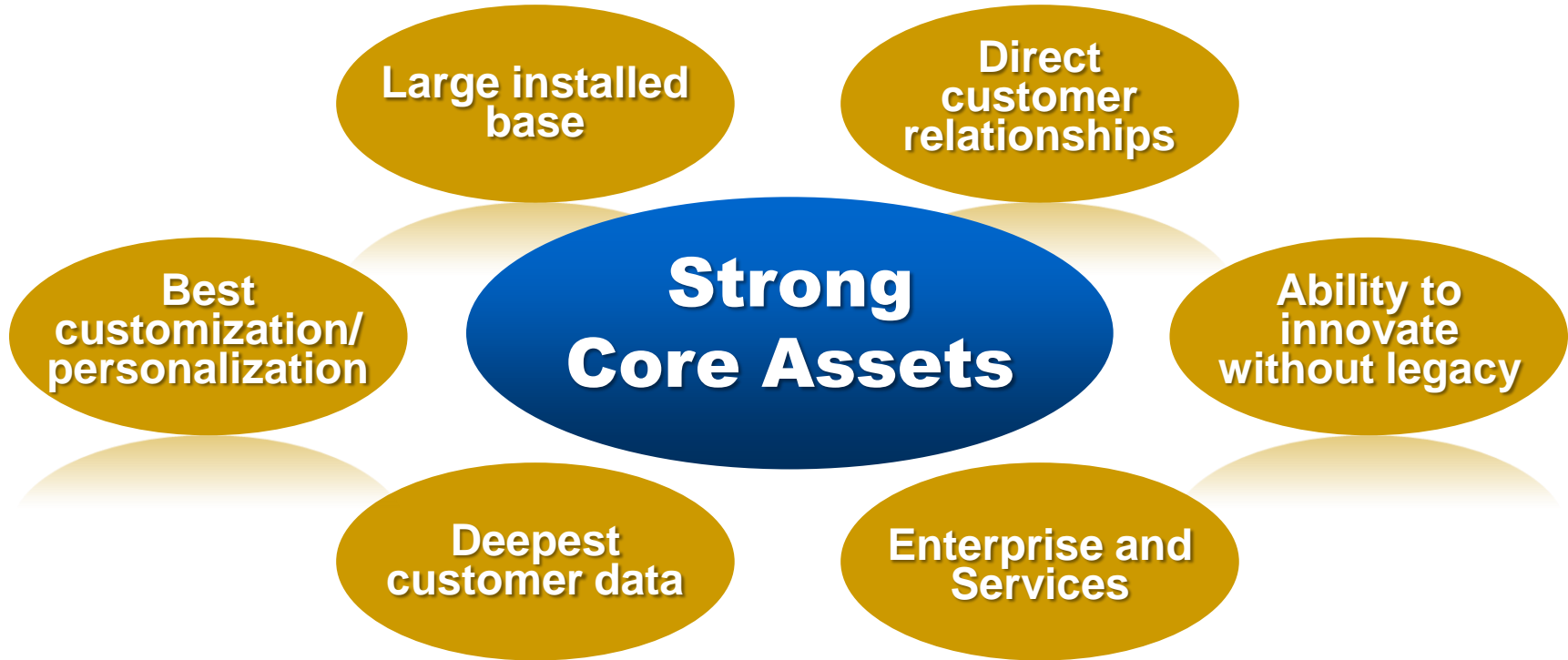
KEY MESSAGES

- Dell has a strong set of core assets
- We are driving consistent & disciplined operating agenda
 - focused on balancing liquidity, profitability, and growth
 - while delivering > \$4 billion in cost reductions
- We will improve our core business in each of our four business units
- We will expand and extend our capabilities in the enterprise to deliver customer focused solutions



OUR STRATEGY: DELL ADVANTAGE

PROVIDE DISRUPTIVELY GREAT VALUE TO CUSTOMERS



DELL STRATEGY

DELIVER OPERATING INCOME & CASH FLOW GROWTH

- Provide disruptively great value to customers

Organic, Partner & Inorganic Priorities

Improve
Core Business

Expand
Data Center & Services

Extend
Broader Reach Across
Customer Solutions

➔ Shift portfolio to higher-margin offerings & recurring revenue streams



4 CUSTOMER-ALIGNED BUSINESS UNITS

DIFFERENT CUSTOMERS, DIFFERENT ANSWERS



LARGE ENTERPRISE

Industry = \$284B;
Dell \$18B



PUBLIC

Industry = \$335B;
Dell \$15B



SMB

Industry = \$418B;
Dell \$15B



CONSUMER

Industry = \$170B;
Dell \$13B

What's different

- Global
- Customer focus
- Best practices
- Greater customer accountability

Operating Agenda and Strategy

- Deliver tailored solutions & customer experience
- Improve cost position
- Grow revenue, increase operating income & drive cash flow



FINANCIAL & OPERATIONAL REVIEW



Brian Gladden

Senior Vice President and CFO

July 17, 2009

FY10 OPERATING AGENDA

NAVIGATING THE DOWNTURN

1

Profitability

Prioritize profitability vs. growth while preserving margins

2

Liquidity

Protect strong balance sheet and flexibility, suspend buyback, and improve working capital focus

3

\$4B COGS & Opex

Eliminate \$3B in product costs and reduce overhead by \$1B

4

Products & Services

Recapture leadership through improved product design and next generation enterprise solutions

5

Emerging Countries

Increase growth in tomorrow's biggest countries

6

Growth

Invest in organic and inorganic growth that shifts portfolio to higher margin offerings

1 PROFITABILITY

FOCUSED ON ELEMENTS OF BUSINESS WE CAN CONTROL

Consolidated P&L

\$ in Billions – except EPS

| | FY08 | FY09 | 1Q'09 | 4Q'09 | 1Q'10 |
|---------------------------|--------|--------|--------|--------|--------|
| Revenues | 61.1 | 61.1 | 16.1 | 13.4 | 12.3 |
| Gross Margin | 11.8 | 11.0 | 3.0 | 2.3 | 2.2 |
| <i>GM % of revenue</i> | 19.1% | 17.9% | 18.4% | 17.2% | 17.6% |
| Operating Expenses | 8.2 | 7.8 | 2.1 | 1.9 | 1.8 |
| <i>Opex % of revenue</i> | 13.5% | 12.7% | 12.9% | 13.8% | 14.2% |
| Operating Income | 3.4 | 3.2 | 0.9 | 0.5 | 0.4 |
| <i>OpInc % of revenue</i> | 5.6% | 5.2% | 5.5% | 3.4% | 3.4% |
| Net Income | 2.9 | 2.5 | 0.8 | 0.4 | 0.3 |
| <i>NI % of revenue</i> | 4.7% | 4.1% | 4.9% | 2.6% | 2.3% |
| Diluted EPS | \$1.31 | \$1.21 | \$0.38 | \$0.18 | \$0.15 |

Dynamics – FY09

- Grew units 11.1% vs. 9.5% for industry
- Optimized COGS and reduced Opex ahead of downturn

Dynamics – 1Q'10

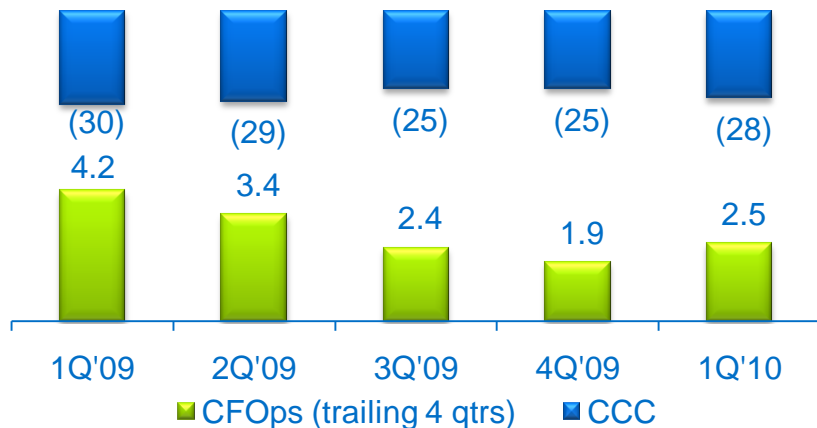
- Fully implemented alignment of global business units
- Delivered stable profitability and improved our liquidity
- Expanded our portfolio with new 11G servers



LIQUIDITY

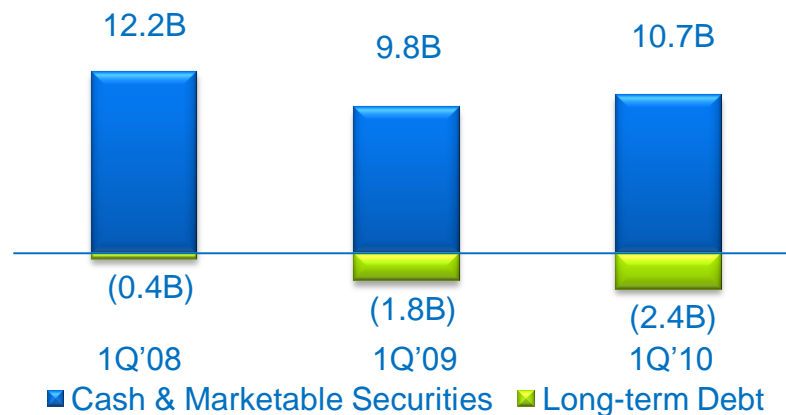
STRONG BALANCE SHEET & FLEXIBILITY

CFOps & Cash Conversion Cycle



- Negative CCC still advantaged and fuels cash flow
- Isolating other B/S components, revenue growth combined with negative working capital grows CFOps

Capital Allocation



- Debt – Focused on US liquidity... Raised \$1.0B in cash in 2Q'10
- Share repurchases – Current plan has no share repurchases in FY10



3

\$4B COST TARGET

BY THE END OF FY11 WE COMMITTED TO...

GET
COGS DOWN
BY
> \$3 BILLION

REDUCE
OPEX
BY
> \$1 BILLION



PRODUCTS & SERVICES

ENTERPRISE & MOBILITY STRENGTH

Servers

Dell 11G Blades



\$6.5B server business

- #1 US (36%) & #2 WW (26%) server share
- 11G blade, rack and tower servers

Storage

Dell EqualLogic



\$2.7B storage business

- #1 in iSCSI (36%), #3 WW (12%) storage share
- Diversified portfolio with Dell/EMC, PowerVault & EqualLogic

Enhanced Services

INFRASTRUCTURE
CONSULTING

INFRASTRUCTURE
SERVICES

SUPPORT SERVICES

PRECONFIGURED
SOLUTIONS

\$5.4B services business

- Differentiated, modular model delivering reduced labor costs
- Acquired and integrated five companies in cloud & remote infrastructure management

Mobility

Adamo



\$18.6B mobility business

- Dell ranked No.1 for Notebook Customer Satisfaction by Technology Business Research for three consecutive quarters



5

EMERGING COUNTRIES

DRIVING GROWTH WHERE UNDER-PENETRATED

Dell Share (consolidated share)



Source: Share Data from IDC Q109



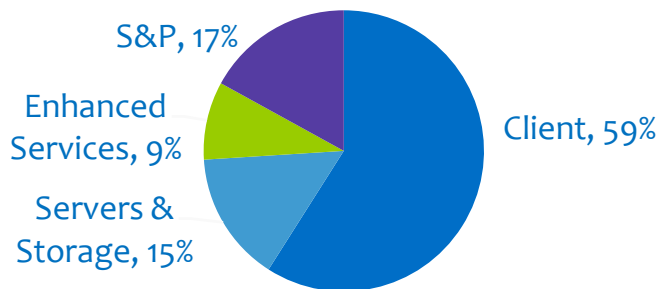
GROWTH

SHIFT PORTFOLIO TO HIGHER MARGIN OFFERINGS

FY09 Base Business (\$ billions)

| | Revenue | OpInc | OpInc % |
|------|---------|-------|---------|
| LE | \$18.0 | \$1.2 | 6.4% |
| Pub | \$15.3 | \$1.3 | 8.2% |
| SMB | \$14.9 | \$1.3 | 8.5% |
| Cons | \$12.9 | \$0.3 | 2.4% |

Product Mix



Organic / Inorganic Growth

Strategic Priorities



Business Evaluation



LONG-TERM VALUE CREATION

DELIVER OPERATING INCOME & CASH FLOW GROWTH

Strategic Priorities

- 1) **Optimize cost structure during down-turn**
 - poised for margin improvement in recovery
- 2) **Improve core business**
 - deepening relationships in new customer BU's
- 3) **Expand data center & services**
 - investing in higher margin solution-based offerings
- 4) **Extend reach across customer solutions**
 - evaluating strategic alternatives

** Results are dependent on broad global economic improvement accompanied by higher worldwide IT spending, including sustained double-digit growth in demand for computer systems*

Long-term Value Creation Framework*



Market + Mix + Strategic Alternatives



COGS + Opex + Strategic Alternatives



WC + CCC + Net Income



VOTING RESULTS



Robert Williams

Director, Investor Relations

Q & A



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