

DELL INC.
Condensed Consolidated Statement of Cash Flows

(in millions)
(unaudited)

	Prior Quarter Results					Prior Annual Results		
	Q3-FY11	Q4-FY11	Q1-FY12	Q2-FY12	Q3-FY12	FY09	FY10 ¹	FY11
Cash flows from operating activities:								
Net income:	\$ 822	\$ 927	\$ 945	\$ 890	\$ 893	\$ 2,478	\$ 1,433	\$ 2,635
Adjustments to reconcile net income to net cash provided by operating activities:								
Depreciation and amortization	234	225	216	230	241	769	852	970
Stock-based compensation	69	107	99	82	80	418	312	332
Effects of exchange rate changes on monetary assets and liabilities denominated in foreign currencies	(14)	(27)	-	(9)	(10)	(115)	59	(4)
Deferred income taxes	20	(10)	(63)	7	(35)	86	(52)	(45)
Provision for doubtful accounts - including financing receivables	82	83	47	70	50	310	429	382
Other	-	22	(5)	5	46	34	102	26
Changes in assets and liabilities, net of effects from acquisitions:								
Accounts receivable	308	(119)	471	(566)	(95)	480	(660)	(707)
Financing receivables	(46)	(250)	21	(100)	(83)	(302)	(1,085)	(709)
Inventories	77	(7)	38	(69)	(15)	309	(183)	(248)
Other assets	707	(227)	110	97	16	(106)	(225)	516
Accounts payable	(1,306)	24	(925)	1,186	(492)	(3,117)	2,833	(151)
Deferred services revenue	137	149	191	212	137	663	135	551
Accrued and other liabilities	(177)	586	(680)	339	118	(13)	(44)	421
Change in cash from operating activities:	913	1,483	465	2,374	851	1,894	3,906	3,969
Cash flows from investing activities:								
Investments:								
Purchases	(123)	(174)	(240)	(541)	(1,638)	(1,584)	(1,383)	(1,360)
Maturities and sales	346	174	222	210	424	2,333	1,538	1,358
Capital expenditures	(93)	(160)	(137)	(159)	(214)	(440)	(367)	(444)
Proceeds from sale of facility and land	-	-	12	-	-	44	16	18
Purchase of financing receivables	(430)	-	-	-	-	-	-	(430)
Collections on purchased financing receivables	20	49	67	68	69	-	-	69
Acquisition of business, net of cash received	(24)	(130)	(1,473)	(428)	(663)	(176)	(3,613)	(376)
Change in cash from investing activities:	(304)	(241)	(1,549)	(850)	(2,022)	177	(3,809)	(1,165)
Cash flows from financing activities:								
Repurchase of common stock	(200)	(200)	(450)	(1,130)	(600)	(2,867)	-	(800)
Issuance of common stock under employee plans	2	1	10	19	5	79	2	12
Issuance (repayment) of commercial paper (maturity of 90 days or less), net	(900)	-	-	-	-	100	76	(176)
Proceeds from debt	1,945	515	1,930	503	884	1,519	2,058	3,069
Repayments of debt	(296)	(515)	(323)	(370)	(362)	(237)	(122)	(1,630)
Other	-	-	3	(1)	1	-	(2)	2
Change in cash from financing activities:	551	(199)	1,170	(979)	(72)	(1,406)	2,012	477
Effect of exchange rate changes on cash and cash equivalents	35	(19)	62	17	(87)	(77)	174	(3)
Change in cash and cash equivalents:	1,195	1,024	148	562	(1,330)	588	2,283	3,278
Cash and cash equivalents at beginning of period:	11,694	12,889	13,913	14,061	14,623	7,764	8,352	10,635
Cash and cash equivalents at end of period:	12,889	13,913	14,061	14,623	13,293	8,352	10,635	13,913

1. Prior period amounts have been reclassified to conform to the current year presentation.