

DELL INC.

Condensed Consolidated Statement of Financial Position

(In millions)

(unaudited)

	Prior Quarter Results					Prior Annual Results (As Restated)			
	Q4-FY09	Q1-FY10	Q2-FY10	Q3-FY10	Q4-FY10	FY07 ¹	FY08	FY09	FY10
Assets:									
Cash & cash equivalents	\$ 8,352	\$ 9,691	\$ 11,699	\$ 12,795	\$ 10,635	\$ 9,546	\$ 7,764	\$ 8,352	\$ 10,635
Short-term investments	740	434	299	331	373	752	208	740	373
Accounts receivable, net	4,731	4,278	5,403	5,279	5,837	4,622	5,961	4,731	5,837
Financing receivables, net	1,712	1,775	2,252	2,318	2,706	1,530	1,732	1,712	2,706
Inventories, net	867	842	839	952	1,051	660	1,180	867	1,051
Other	3,749	2,890	3,348	3,196	3,643	2,829	3,035	3,749	3,643
Total current assets	20,151	19,910	23,840	24,871	24,245	19,939	19,880	20,151	24,245
PP&E, net	2,277	2,181	2,117	1,978	2,181	2,409	2,668	2,277	2,181
Investments	454	568	746	828	781	2,147	1,560	454	781
Long-term financing receivable, net	500	445	263	311	332	323	407	500	332
Other non-current assets	3,118	3,085	3,092	3,037	6,113	817	3,046	3,118	6,113
Total assets:	26,500	26,189	30,058	31,025	33,652	25,635	27,561	26,500	33,652
Liabilities & Stockholders Equity:									
Short-term borrowings	113	101	49	351	663	188	225	113	663
Accounts payable	8,309	7,844	9,698	9,947	11,373	10,430	11,492	8,309	11,373
Accrued and other	3,736	3,464	3,709	3,637	3,884	5,141	4,323	3,736	3,884
Short-term deferred services revenue	2,701	2,732	2,831	2,926	3,040	2,032	2,486	2,701	3,040
Total current liabilities	14,859	14,141	16,287	16,861	18,960	17,791	18,526	14,859	18,960
Long-term debt	1,898	2,396	3,394	3,442	3,417	569	362	1,898	3,417
Other non-current liabilities	2,472	2,468	2,701	2,643	2,605	647	2,070	2,472	2,605
Long-term deferred services revenue	3,000	2,954	3,051	3,054	3,029	2,189	2,774	3,000	3,029
Total liabilities:	22,229	21,959	25,433	26,000	28,011	21,196	23,732	22,229	28,011
Redeemable common stock and capital in excess of par	-	-	-	-	-	111	94	-	-
Stockholder's equity:	4,271	4,230	4,625	5,025	5,641	4,328	3,735	4,271	5,641
Total liabilities & equity:	26,500	26,189	30,058	31,025	33,652	25,635	27,561	26,500	33,652

¹ Dell restated its financial statements relating to fiscal 2003, 2004, 2005 and 2006 (including the interim periods within those years) and the first quarter of fiscal 2007. Dell's restated financial information is in its Annual Report on Form 10-K for the fiscal year ended February 2, 2007 available via the Internet at www.sec.gov or www.dell.com/investor.

² Prior period amounts have been revised to reflect a reclassification between deferred services revenue and accrued and other liabilities for FY09 and FY10.

DELL INC.

Condensed Consolidated Statement of Cash Flows

(in millions)
(unaudited)

	Prior Quarter Results					Prior Annual Results (As Restated)		
	Q4-FY09	Q1-FY10	Q2-FY10	Q3-FY10	Q4-FY10	FY08	FY09	FY10
Cash flows from operating activities:								
Net income:	\$ 351	\$ 290	\$ 472	\$ 337	\$ 334	\$ 2,947	\$ 2,478	\$ 1,433
Adjustments to reconcile net income to net cash provided by operating activities:								
Depreciation and amortization	196	201	201	191	259	607	769	852
Stock-based compensation	217	67	79	65	101	329	418	312
In-process research and development charges	-	-	-	-	-	83	2	-
Effects of exchange rate changes on monetary assets and liabilities denominated in foreign currencies:								
Deferred income taxes	(2)	-	26	32	1	30	(115)	59
Provision for doubtful accts - including financing receivables	(123)	10	(101)	58	39	(308)	86	6
Other	111	105	105	80	139	187	310	429
Other	15	18	1	56	27	30	32	102
Changes in assets and liabilities, net of effects from acquisitions:								
Accounts receivable	721	380	(973)	137	(204)	(1,086)	480	(660)
Financing receivables	(274)	(27)	(352)	(177)	(529)	(394)	(302)	(1,085)
Inventories	244	24	5	(112)	(100)	(498)	309	(183)
Other assets	542	547	(571)	117	(318)	(121)	(106)	(225)
Accounts payable	(1,125)	(483)	1,801	233	1,282	837	(3,117)	2,833
Deferred service revenue	187	(25)	69	(10)	101	1,032	663	135
Accrued and other liabilities	(331)	(346)	314	(206)	136	274	(13)	(102)
Change in cash from operating activities:	729	761	1,076	801	1,268	3,949	1,894	3,906
Cash flows from investing activities:								
Investments:								
Purchases	(434)	(428)	(348)	(406)	(201)	(2,394)	(1,584)	(1,383)
Maturities and sales	299	642	340	325	231	3,679	2,333	1,538
Capital expenditures	(39)	(80)	(99)	(70)	(118)	(831)	(440)	(367)
Proceeds from sale of facility and land	-	-	16	-	-	-	44	16
Acquisition of business, net of cash and cash equivalents acquired	(11)	(3)	-	-	(3,610)	(2,217)	(176)	(3,613)
Change in cash from investing activities:	(185)	131	(91)	(151)	(3,698)	(1,763)	177	(3,809)
Cash flows from financing activities:								
Repurchase of common stock	(1)	-	-	-	-	(4,004)	(2,867)	-
Issuance of common stock under employee plans	-	-	-	-	2	136	79	2
Issuance of commercial paper (maturity of 90 days or less), net	(153)	-	(100)	143	33	(100)	100	76
Proceeds from debt	-	497	994	257	310	66	1,519	2,058
Repayments of debt	-	(12)	-	(50)	(60)	(165)	(237)	(122)
Other	-	-	-	-	(2)	(53)	-	(2)
Change in cash from financing activities:	(154)	485	894	350	283	(4,120)	(1,406)	2,012
Effect of exchange rate changes on cash and cash equivalents	52	(38)	129	96	(13)	152	(77)	174
Change in cash and cash equivalents:	442	1,339	2,008	1,096	(2,160)	(1,782)	588	2,283
Cash and cash equivalents at beginning of period:	7,910	8,352	9,691	11,699	12,795	9,546	7,764	8,352
Cash and cash equivalents at end of period:	8,352	9,691	11,699	12,795	10,635	7,764	8,352	10,635

¹ Prior period amounts have been revised to reflect a reclassification between deferred services revenue and accrued and other liabilities for FY09 and FY10.

DELL INC.
Selected Financial Data & Ratios

(In millions, except per share data and ratios)
(Unaudited)

	Prior 5 Quarter Results					FY06 ^{1,2} FY07 ³ FY08 ³ FY09 FY10				
	Q4-FY09	Q1-FY10	Q2-FY10	Q3-FY10	Q4-FY10					
Liquidity:										
Current ratio	1.36	1.41	1.46	1.48	1.28	1.10	1.12	1.10	1.36	1.28
Quick ratio	1.30	1.35	1.41	1.42	1.22	1.06	1.08	1.03	1.30	1.22
Cash conversion cycle^d	(25)	(28)	(35)	(36)	(36)	(43)	(42)	(36)	(25)	(36)
Days supply in inventory	7	7	7	8	8	5	5	8	7	8
Days of sales outstanding ^a	35	34	42	40	38	29	31	36	35	38
Days in accounts payable	67	69	84	84	82	77	78	80	67	82
Cash flow (millions):										
Cash flow from operations	\$ 729	\$ 761	\$ 1,076	\$ 801	\$ 1,268	\$4,751	\$3,969	\$3,949	\$1,894	\$3,906
Net free cash flows ^b	\$ 964	\$ 708	\$ 1,329	\$ 908	\$ 1,679	\$4,284	\$3,236	\$3,512	\$1,756	\$4,624
Cash and investments	\$9,546	\$10,693	\$12,744	\$13,954	\$11,789	\$11,756	\$12,445	\$9,532	\$9,546	\$11,789
Shares repurchased (millions)	-	-	-	-	-	204	118	179	133	-
Profitability:										
Return on total capital^c	17%	15%	21%	16%	14%	64%	50%	38%	33%	17%
Gross margin	17.2%	17.6%	18.7%	17.3%	16.6%	17.7%	16.6%	19.1%	17.9%	17.5%
Opex as percentage of revenue	13.8%	14.2%	13.5%	12.8%	13.2%	9.8%	11.2%	13.5%	12.7%	13.4%
Operating margin	3.4%	3.4%	5.2%	4.5%	3.4%	7.9%	5.4%	5.6%	5.2%	4.1%
Income tax rate	22.6%	29.6%	25.0%	34.5%	28.7%	21.8%	22.8%	23.0%	25.4%	29.2%
Net profit margin	2.6%	2.3%	3.7%	2.6%	2.2%	6.5%	4.5%	4.8%	4.1%	2.7%
WAS -- Diluted	1,948	1,952	1,960	1,966	1,971	2,449	2,271	2,247	1,986	1,962
EPS (diluted)	\$ 0.18	\$ 0.15	\$ 0.24	\$ 0.17	\$ 0.17	\$1.47	\$1.14	\$1.31	\$1.25	\$0.73
Growth:										
Units Y/Y	-12%	-17%	-14%	-5%	16%	19%	2%	5%	7%	-6%
Revenue Y/Y:	-16%	-23%	-22%	-15%	11%	14%	3%	6%	0%	-13%
Global Large Enterprise		-31%	-32%	-23%	8%					
Global Public		-11%	-16%	-7%	16%					
Global Small and Medium Business		-30%	-29%	-19%	10%					
Global Consumer		-16%	-9%	-10%	11%					
% of Total Revenue by Business Unit:										
Global Large Enterprise	29%	27%	26%	26%	28%				30%	27%
Global Public	24%	26%	30%	29%	26%				25%	27%
Global Small and Medium Business	23%	24%	22%	23%	22%				24%	23%
Global Consumer	24%	23%	22%	22%	24%				21%	23%
% of Total Revenue by Product:										
Desktop PCs	26%	26%	26%	23%	23%	39%	34%	32%	29%	25%
Mobility	30%	32%	30%	32%	31%	25%	27%	28%	30%	31%
Servers and Networking	11%	10%	11%	12%	12%	10%	10%	11%	11%	11%
Storage	5%	4%	4%	4%	4%	3%	4%	4%	4%	4%
Services	9%	10%	10%	10%	13%	8%	9%	9%	9%	11%
Software & Peripherals	19%	18%	19%	19%	17%	15%	16%	16%	17%	18%
EPS Y/Y (diluted)	-42%	-61%	-23%	-54%	-6%	25%	-23%	15%	-5%	-42%
FY10 CAGR^{1,2,4}						1-YR	2-YR	5-YR		
Revenue						-13%	-7%	1%		
Gross Margin						-15%	-11%	1%		
Operating Expenses						-9%	-7%	8%		
Operating Income						-32%	-21%	-12%		
Net Income						-42%	-30%	-14%		
EPS (Diluted)						-42%	-25%	-9%		

- Profitability and growth metrics include the impact of \$85 million (\$0.03 per share) income tax benefit related to a revised estimate of taxes on the repatriation of earnings under the American Jobs Creation Act of 2004.
- Fiscal Year 2006 includes charges aggregating \$421 million (\$338 million other product charges and \$83 million in selling, general and administrative expenses) related to the cost of servicing or replacing certain OptiPlex™ systems that include a vendor part that failed to perform to Dell's specifications, workforce realignment, product rationalizations, excess facilities, and a write-off of goodwill recognized in the third quarter. The related tax effects of these items was \$85 million.
- Results for fiscal year ended February 2, 2007 (including the interim periods within that year) and the fiscal year 2008 quarters include stock-based compensation expense due to the implementation of Statement of Financial Accounting Standards No. 123 (revised 2004), Share-Based Payment, ("SFAS 123(R)"). Dell implemented SFAS 123(R) using the modified prospective method effective February 4, 2006.
- Dell restated its financial statements relating to fiscal 2003, 2004, 2005 and 2006 (including the interim periods within those years) and the first quarter of fiscal 2007. Dell's restated financial information is in its Annual Report on Form 10-K for the fiscal year ended February 2, 2007 available via the Internet at www.sec.gov or www.dell.com/investor.

^a DSO includes the effect of product costs related to in-transit customer shipments that are classified in other current assets.

^b Free cash flows: Cash flows from operations less capital expenditures less tax benefit from employee stock plans plus on balance-sheet funding

^c Return on total capital is an annualized calculation of pre-tax earnings and interest expense over the quarter's average of long-term liabilities and stockholders' equity.

^d Results for fiscal year end are based on the 4th quarter of the same year and not for the full fiscal year.

Note: Percentage growth rates and ratios are calculated based on underlying data in thousands and rounded per share data.

DELL INC.

*Reconciliation of Non-GAAP Financial Measures
(in millions, except per share data and percentages)
(unaudited)*

	Prior Quarter Results					Prior Annual Results	
	Q4-FY09	Q1-FY10	Q2-FY10	Q3-FY10	Q4-FY10	FY09	FY10
GAAP gross margin	\$ 2,312	\$ 2,168	\$ 2,391	\$ 2,233	\$ 2,469	\$ 10,957	\$ 9,261
Non-GAAP adjustments:							
Amortization of intangibles	15	26	27	27	71	59	151
Severance and facility actions	103	65	14	102	55	146	236
Acquisition-related	-	-	-	-	1	-	1
Stock option accelerated vesting charges	16	-	-	-	-	16	-
Non-GAAP gross margin	2,446	2,259	2,432	2,362	2,596	11,178	9,649
GAAP operating expenses	1,855	1,754	1,720	1,656	1,959	7,767	7,089
Non-GAAP adjustments:							
Amortization of intangibles	(11)	(13)	(13)	(13)	(15)	(46)	(54)
Severance and facility actions	(31)	(120)	(73)	(21)	(31)	(136)	(245)
Acquisition-related	-	-	-	-	(115)	-	(115)
Stock option accelerated vesting charges	(88)	-	-	-	-	(88)	-
Non-GAAP operating expenses	1,725	1,621	1,634	1,622	1,798	7,497	6,675
GAAP operating income	457	414	671	577	510	3,190	2,172
Non-GAAP adjustments:							
Amortization of intangibles	26	39	40	40	86	105	205
Severance and facility actions	134	185	87	123	86	282	481
Acquisition-related	-	-	-	-	116	-	116
Stock option accelerated vesting charges	104	-	-	-	-	104	-
Non-GAAP operating income	721	638	798	740	798	3,681	2,974
GAAP net income	351	290	472	337	334	2,478	1,433
GAAP earnings per common share - diluted	\$ 0.18	\$ 0.15	\$ 0.24	\$ 0.17	\$ 0.17	\$ 1.25	\$ 0.73
Non-GAAP adjustments:							
Amortization of intangibles	26	39	40	40	86	105	205
Severance and facility actions	134	185	87	123	86	282	481
Acquisition-related	-	-	-	-	116	-	116
Stock option accelerated vesting charges	104	-	-	-	-	104	-
Aggregate adjustment for income taxes	(61)	(28)	(24)	(51)	(78)	(117)	(181)
Non-GAAP adjustments per common share - diluted	\$ 0.11	\$ 0.10	\$ 0.05	\$ 0.06	\$ 0.11	\$ 0.19	\$ 0.32
Non-GAAP net income	554	486	575	449	544	2,852	2,054
Non-GAAP earnings per common share - diluted	\$ 0.29	\$ 0.25	\$ 0.29	\$ 0.23	\$ 0.28	\$ 1.44	\$ 1.05
GAAP Diluted WAS	1,948	1,952	1,960	1,966	1,971	1,986	1,962

Percentage of Total Net Revenue:

GAAP gross margin	17.2%	17.6%	18.7%	17.3%	16.6%	17.9%	17.5%
Non-GAAP adjustment	1.0%	0.7%	0.4%	1.0%	0.8%	0.4%	0.7%
Non-GAAP gross margin	18.2%	18.3%	19.1%	18.3%	17.4%	18.3%	18.2%
GAAP operating expenses	13.8%	14.2%	13.5%	12.8%	13.2%	12.7%	13.4%
Non-GAAP adjustment	-1.0%	-1.1%	-0.7%	-0.2%	-1.1%	-0.4%	-0.8%
Non-GAAP operating expenses	12.8%	13.1%	12.8%	12.6%	12.1%	12.3%	12.6%
GAAP operating income	3.4%	3.4%	5.2%	4.5%	3.4%	5.2%	4.1%
Non-GAAP adjustment	2.0%	1.8%	1.1%	1.2%	2.0%	0.8%	1.5%
Non-GAAP operating income	5.4%	5.2%	6.3%	5.7%	5.4%	6.0%	5.6%

DELL INC.

Condensed Consolidated Statement of Operations
(In millions)
(unaudited)

	Prior Quarter Results					Prior Annual Results (As Restated)			
	Q4-FY09	Q1-FY10	Q2-FY10	Q3-FY10	Q4-FY10	FY07 ^{1,2}	FY08	FY09	FY10
Income Statement:									
Net revenue	\$ 13,428	\$ 12,342	\$ 12,764	\$ 12,896	\$ 14,900	\$ 57,420	\$ 61,133	\$ 61,101	\$ 52,902
Sequential Growth	-11%	-8%	3%	1%	16%				
Y/Y Growth	-16%	-23%	-22%	-15%	11%	3%	6%	0%	-13%
Cost of revenue	11,116	10,174	10,373	10,663	12,431	47,904	49,462	50,144	43,641
Gross margin	2,312	2,168	2,391	2,233	2,469	9,516	11,671	10,957	9,261
SG&A	1,679	1,613	1,571	1,501	1,780	5,948	7,538	7,102	6,465
R&D	176	141	149	155	179	498	693	665	624
Total operating expenses	1,855	1,754	1,720	1,656	1,959	6,446	8,231	7,767	7,089
Operating income	457	414	671	577	510	3,070	3,440	3,190	2,172
Investment and other income, net	(3)	(2)	(42)	(63)	(41)	275	387	134	(148)
Income before taxes	454	412	629	514	469	3,345	3,827	3,324	2,024
Income tax provision	103	122	157	177	135	762	880	846	591
Net income	351	290	472	337	334	2,583	2,947	2,478	1,433
Sequential Growth	-52%	-17%	63%	-29%	-1%				
Y/Y Growth	-48%	-63%	-23%	-54%	-5%	-28%	14%	-16%	-42%
EPS:									
Basic	\$ 0.18	\$ 0.15	\$ 0.24	\$ 0.17	\$ 0.17	\$ 1.15	\$ 1.33	\$ 1.25	\$ 0.73
Diluted	\$ 0.18	\$ 0.15	\$ 0.24	\$ 0.17	\$ 0.17	\$ 1.14	\$ 1.31	\$ 1.25	\$ 0.73
Weighted Average Shares Outstanding:									
Basic	1,944	1,949	1,955	1,956	1,957	2,255	2,223	1,980	1,954
Diluted	1,948	1,952	1,960	1,966	1,971	2,271	2,247	1,986	1,962
Percentage of Net Revenue:									
Gross margin	17.2%	17.6%	18.7%	17.3%	16.6%	16.6%	19.1%	17.9%	17.5%
Selling, general and administrative	12.5%	13.1%	12.3%	11.6%	12.0%	10.3%	12.4%	11.6%	12.2%
Research, development and engineering	1.3%	1.1%	1.2%	1.2%	1.2%	0.9%	1.1%	1.1%	1.2%
Total operating expenses	13.8%	14.2%	13.5%	12.8%	13.2%	11.2%	13.5%	12.7%	13.4%
Operating income	3.4%	3.4%	5.2%	4.5%	3.4%	5.4%	5.6%	5.2%	4.1%
Income before income taxes	3.4%	3.3%	4.9%	4.0%	3.2%	5.8%	6.3%	5.4%	3.8%
Net income	2.6%	2.3%	3.7%	2.6%	2.2%	4.5%	4.8%	4.1%	2.7%
Income tax rate	22.6%	29.6%	25.0%	34.5%	28.7%	22.8%	23.0%	25.4%	29.2%
Revenues by Business Unit:									
	13,428	12,342	12,764	12,896	14,900	57,420	61,133	61,101	52,902
Global Large Enterprise	3,889	3,400	3,285	3,403	4,197			18,011	14,285
Global Public	3,287	3,171	3,798	3,695	3,820			15,338	14,484
Global Small and Medium Business	3,043	2,967	2,820	2,956	3,336			14,892	12,079
Global Consumer	3,209	2,804	2,861	2,842	3,547			12,860	12,054
Operating income by Business Unit ²:									
	834	714	890	818	905			3,995	3,327
Global Large Enterprise	259	192	172	174	281			1,158	819
Global Public	289	293	383	352	333			1,258	1,361
Global Small and Medium Business	239	230	246	282	282			1,273	1,040
Global Consumer	47	(1)	89	10	9			306	107
Revenues by product:									
	13,428	12,342	12,764	12,896	14,900	57,420	61,133	61,101	52,902
Desktop PCs	3,538	3,163	3,319	3,020	3,445			17,364	12,947
Mobility	3,999	3,875	3,891	4,191	4,653			18,604	16,610
Servers and Networking	1,431	1,286	1,403	1,539	1,804			6,512	6,032
Storage	703	534	551	508	599			2,666	2,192
Services	1,270	1,238	1,218	1,244	1,922			5,352	5,622
Software & Peripherals	2,487	2,246	2,382	2,394	2,477			10,603	9,499

¹ Results for fiscal year ended February 2, 2007 (including the interim periods within that year) and the fiscal year 2008 quarters include stock-based compensation expense due to the implementation of Statement of Financial Accounting Standards No. 123 (revised 2004), Share-Based Payment, ("SFAS 123(R)"). Dell implemented SFAS 123(R) using the modified prospective method effective February 4, 2006.

² Dell restated its financial statements relating to fiscal 2003, 2004, 2005 and 2006 (including the interim periods within those years) and the first quarter of fiscal 2007. Dell's restated financial information is in its Annual Report on Form 10-K for the fiscal year ended February 2, 2007 available via the Internet at www.sec.gov or www.dell.com/investor.

Note: Percentage growth rates and ratios are calculated based on underlying data in thousands.

DELL INC.

Historical PC Share*

IDC Worldwide Quarterly PC Tracker

	Current Rank	Current Year Dell Share				Historical Annual Share							
		Q1 2009	Q2 2009	Q3 2009	Q4 2009	2009	2008	2007	2006	2005	2004	2003	2002
WW Client PCs	3	14%	14%	14%	12%	13%	16%	16%	18%	19%	19%	18%	16%
USA	2	26%	24%	26%	22%	24%	29%	29%	33%	36%	35%	32%	29%
EMEA	3	10%	11%	9%	9%	10%	11%	12%	13%	13%	12%	11%	10%
Asia Pacific	3	8%	8%	9%	9%	9%	9%	7%	7%	7%	6%	6%	5%
Japan	4	16%	17%	15%	9%	12%	17%	17%	17%	15%	14%	12%	9%
Desktop PC	2	15%	15%	15%	13%	14%	16%	15%	17%	18%	18%	17%	15%
Portable PC	3	13%	13%	12%	12%	12%	15%	15%	18%	19%	18%	17%	16%
Consumer	3	9%	9%	9%	9%	9%	9%	8%	11%	12%	13%	12%	10%
Large Enterprise ²	1	32%	31%	31%	31%	31%	34%	34%	35%	34%	32%	31%	29%
Public	3	20%	21%	20%	16%	19%	21%	20%	19%	20%	20%	19%	18%
SMB ¹	2	13%	12%	12%	13%	13%	14%	14%	15%	16%	15%	13%	12%

*PC's include Desktops and Notebooks, data as of February 2009

¹SMB includes companies with less than 500 employees

²Large Enterprise includes companies more than 500 employees