

EMC Q3 2007 Financial Results

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Vice President, Global Investor Relations

October 25, 2007

Forward-Looking Statements and GAAP Reconciliation

This release contains “forward-looking statements” as defined under the Federal Securities Laws. Actual results could differ materially from those projected in the forward-looking statements as a result of certain risk factors, including but not limited to: (i) adverse changes in general economic or market conditions; (ii) delays or reductions in information technology spending; (iii) our ability to protect our proprietary technology; (iv) risks associated with managing the growth of our business, including risks associated with acquisitions and investments and the challenges and costs of integration, restructuring and achieving anticipated synergies; (v) fluctuations in VMware, Inc.’s operating results and risks associated with trading of VMware stock; (vi) competitive factors, including but not limited to pricing pressures and new product introductions; (vii) the relative and varying rates of product price and component cost declines and the volume and mixture of product and services revenues; (viii) component and product quality and availability; (ix) the transition to new products, the uncertainty of customer acceptance of new product offerings and rapid technological and market change; (x) insufficient, excess or obsolete inventory; (xi) war or acts of terrorism; (xii) the ability to attract and retain highly qualified employees; (xiii) fluctuating currency exchange rates; and (xiv) other one-time events and other important factors disclosed previously and from time to time in EMC’s filings with the U.S. Securities and Exchange Commission. EMC disclaims any obligation to update any such forward-looking statements after the date of this release.

This presentation contains non-GAAP financial measures. A reconciliation to GAAP is included within this presentation or in the Current Report on Form 8-K furnished by EMC on October 25, 2007 which can be found at www.EMC.com.

CFO Commentary

David Goulden

Executive Vice President & CFO

Q3 07 Consolidated Results

		Q3 07	Y/Y Growth
Revenue	\$	3.3B	17%
GAAP EPS	\$	0.23	77%
Non-GAAP EPS*	\$	0.17	31%
Free Cash Flow	\$	475M	124%

* Excludes gain, primarily from the sale of VMware stock to Cisco.

Consolidated Revenue Growth

	Y/Y Q3 07	YTD 2007
Systems	9%	11%
Software	25%	27%
Services	25%	21%

Global Consolidated Revenue Growth

	Y/Y Q3 07	YTD 2007
North America	15%	17%
Europe, Middle East, Africa	23%	20%
Asia-Pacific/Japan	18%	26%
Latin America	6%	6%

Business Segments: Revenue and Growth

	Q3 07	Y/Y Growth	YTD Growth
Information Storage	\$2.6B	8%	9%
Content Management and Archiving	\$189M	27%	11%
RSA Information Security	\$133M	22%*	23%*
VMware Virtual Infrastructure	\$354M	88%	90%

**On a comparable basis*

VMware GAAP Results

Standalone

Revenue.....	\$ 358M
Net income.....	\$ 65M

Within EMC

Revenue.....	\$ 354M
Net income.....	\$ 58M
Net income per share*	\$ 0.026

*Includes \$0.007 from an atypically high level of VMware software capitalization and a beneficial catch-up in VMware's 3Q tax rate

Q3 07 Reconciliation

Consolidated GAAP to Information Infrastructure Non-GAAP

	Revenue (\$M)	Gross Margin	Operating Expense	Operating Margin	Net income per share
EMC Consolidated GAAP	3,299.8	55.2%	41.4%	13.8%	\$ 0.23
<i>Net gain on investments, including gain on sale of VMware stock</i>					\$ (0.05)
EMC Consolidated non-GAAP*	3,299.8	55.2%	41.4%	13.8%	\$ 0.17

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<i>VMware GAAP standalone</i>	<i>357.8</i>	<i>83.6%</i>	<i>65.2%</i>	<i>18.4%</i>	<i>\$ 0.03</i>
<i>less: Adjustments and minority interest eliminations</i>	<i>(3.5)</i>				<i>\$ (0.003)</i>
VMware within EMC	354.3	83.4%	65.9%	17.6%	\$ 0.026

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EMC Information Infrastructure**	2,945.5	51.8%	38.5%	13.3%	\$ 0.15

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**Represents EMC consolidated non-GAAP less VMware within EMC

Note: Numbers may not foot due to rounding.
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Q3 07 Reconciliation

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EMC Information Infrastructure**	2,945.5	51.8%	38.5%	13.3%	\$ 0.15
<i>Stock-based compensation</i>		0.4%	(1.9%)	2.3%	\$ 0.02
<i>Intangible amortization</i>		0.8%	(0.7%)	1.5%	\$ 0.01
EMC Information Infrastructure non-GAAP***	2,945.5	53.1%	35.9%	17.1%	\$ 0.18

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**Represents EMC consolidated non-GAAP less VMware within EMC

***Excludes net gains on investments, including gain on sale of VMware stock, stock-based compensation expense and intangible amortization.

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Q3 07 EMC Information Infrastructure Non-GAAP Results

	YTD06	1Q07	2Q07	3Q07	YTD07	Y/Y change
Revenues	\$ 7.46B	\$ 2.72B	\$ 2.83B	\$ 2.95B	\$ 8.49B	14%
<i>Q/Q change</i>			4.0%	4.2%		
Gross margin	52.0%	51.2%	52.7%	53.1%	52.4%	+40 bp
<i>Q/Q change</i>			+150 bp	+40 bp		
Operating expenses	35.9%	35.8%	36.4%	35.9%	36.1%	+20 bp
<i>Q/Q change</i>			+60 bp	-50 bp		
Operating margin	16.1%	15.5%	16.3%	17.1%	16.3%	+20 bp
<i>Q/Q change</i>			+80 bp	+80 bp		
EPS	\$0.45	\$0.16	\$0.18	\$0.18	\$0.53	
<i>Y/Y change</i>						18%

Exclude net gains on investments, including gain on sale of VMware stock, stock-based compensation expense and intangible amortization.

Q3 07 Operating Cash Flow

- Cash from Operating Activities: \$718M, up 57% Y/Y
 - Inventory turns: 6.6x v. 5.9x Y/Y
 - DSO's: 54 days, up 5 days Q/Q

- EMC Information Infrastructure Cash from Operating Activities:
 - Q3 07: \$529M, up 51% Y/Y
 - YTD 07: \$1.6B, up 35% Y/Y

Q3 07 Free Cash Flow

- Consolidated free cash flow: \$475M, up 124% Y/Y
 - Cap Ex: \$177M
 - Software capitalization: \$65M

- EMC Information Infrastructure free cash flow:
 - Q3 07: \$357M, up 123% Y/Y
 - YTD 07: \$1.1B, up 80% Y/Y

*Free cash flow = Operating cash flow – (PP&E + Capitalized Software)

Q3 07 Cash

- Acquisitions: \$352M Q3 07
- Stock repurchase:
 - Q3 07: spent \$224M to repurchase 12M shares
 - YTD 2007: spent \$1.1B to repurchase 73M shares
- Cash and investments: \$7.5B
- Increasing Jan 07 share repurchase commitment from \$1B to \$2B

Q3 07 Shares outstanding

- Average diluted share count: 2.177B, up over 2.5%
 - above \$16.08, accounting treatment results in diluted shares rising as quarterly average share price rises
- Example of potential accounting result at \$22:
 - accounting treatment results in ~60mm share increase or 3% of shares outstanding
 - would reduce EPS by ~\$0.01 per quarter

2007 Expectations

		Growth
Revenues	>\$12.7B	14%
GAAP EPS	>\$0.64	19%

CEO Commentary

Joe Tucci

Chairman, President & CEO



Q&A

Q3 07
Financial Results
Supplemental Information

Impact of Convertible Bond on Diluted Share Count

- (a) Conversion premium: \$16.08
- (b) Current share price
- (c) Shares implied by offering: ~214M shares
 $\$3.45\text{B} / \$16.08 = \sim 214\text{M shares}$

To calculate accounting dilution:

$$[c \times (b - a)] / b$$

EXAMPLE:

If stock price is \$22:

$$[214\text{M} \times (\$22 - \$16.08)] / \$22 = 57.585\text{M shares}$$