

**EMC Q4 2009
Financial Results**

Tony Takazawa
Vice President, Global Investor Relations

January 26, 2010

Forward-Looking Statements and GAAP Reconciliation



This presentation 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; (xiv) litigation that we may be involved in; and (xv) 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 presentation.

This presentation contains non-GAAP financial measures which include, but are not limited to, non-GAAP EPS, Free Cash Flow, non-GAAP Gross Margin, non-GAAP Operating Margin, non-GAAP Tax Rate, non-GAAP R&D Expense and Constant Currency. A reconciliation to GAAP is included within this presentation or in the Current Report on Form 8-K furnished by EMC on January 26, 2010 which can be found at www.EMC.com or www.sec.gov.

CFO Commentary

David Goulden
Executive Vice President & CFO

EMC Consolidated Q409

- Revenues of \$4.1B, up 17% Q/Q and up 2% Y/Y
- Non-GAAP EPS of \$0.33, up 43% Q/Q and up 6% Y/Y
- Free Cash Flow of \$793M, up 6% Q/Q and up 2% Y/Y

EMC Information Infrastructure Q409

- Revenues of \$3.5B, up 15% Q/Q and flat Y/Y
- Non-GAAP EPS of \$0.28, up 40% Q/Q and up 12% Y/Y
- Free Cash Flow of \$554M, down 4% Q/Q and down 9% Y/Y

2009 Highlights



- Focused on goals and opportunities
- Stayed engaged with customers through tough economic environment
- Rolled out market-leading products at highest quality level
- Successfully implemented biggest cost transformation program
- Strategically used our cash for investment in R&D and acquisitions
- Improved customer satisfaction and loyalty metrics

2010

IT Spending Growth ~3-5%

EMC Addressable Market Growth ~6-8%

EMC 2010 Consolidated Expectations

Revenue ~\$16B

Non-GAAP EPS ~\$1.12

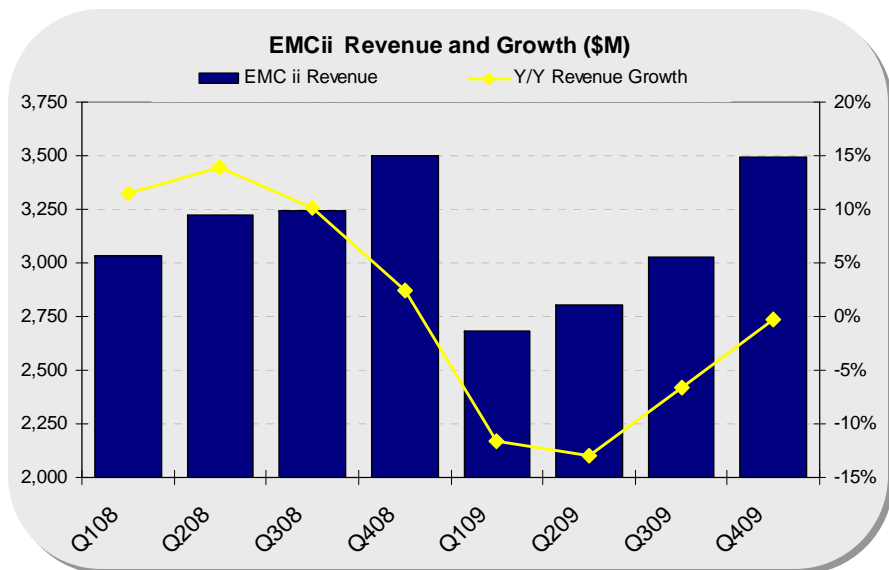
Non-GAAP Operating Margin 20%

EMC Information Infrastructure Results



	Q4 09	Q/Q Growth	Y/Y Growth
Revenue	\$3.5B	15%	flat
Non-GAAP EPS	\$0.28	40%	12%
Free Cash Flow	\$554M	-4%	-9%

	Q/Q Growth	Y/Y Growth
North America	13%	-1%
EMEA	23%	1%
APJ	6%	-3%
Latin America	17%	1%



- EMC II product revenues were ~\$2.4B, up 20% Q/Q
- EMC II service revenues were ~\$1.1B, up 7% Q/Q
- BRIC+13 countries up 14% Q/Q

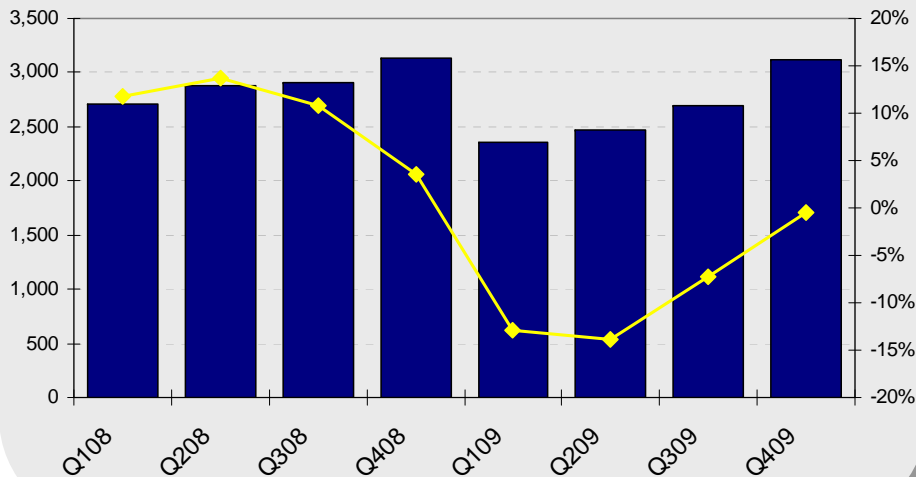
EMC Information Infrastructure: Information Storage Results



	Q4 09	Q/Q Growth	Y/Y Growth
Revenue	\$3.1B	16%	-1%

Information Storage Revenue and Growth (\$M)

■ Storage Revenue ◆ Y/Y Revenue Growth



High-end

- Symmetrix revenues up 13% Q/Q
- FAST driving fast adoption of tiering

Mid-tier

- CLARiiON revenues up 15% Q/Q
- Celerra revenues posted 11th quarter of double-digit Y/Y growth

BRS

- Data Domain and Avamar each grew over 50% Y/Y
- Data Domain ahead of plan

Iomega

- Shipped over 1 exabyte

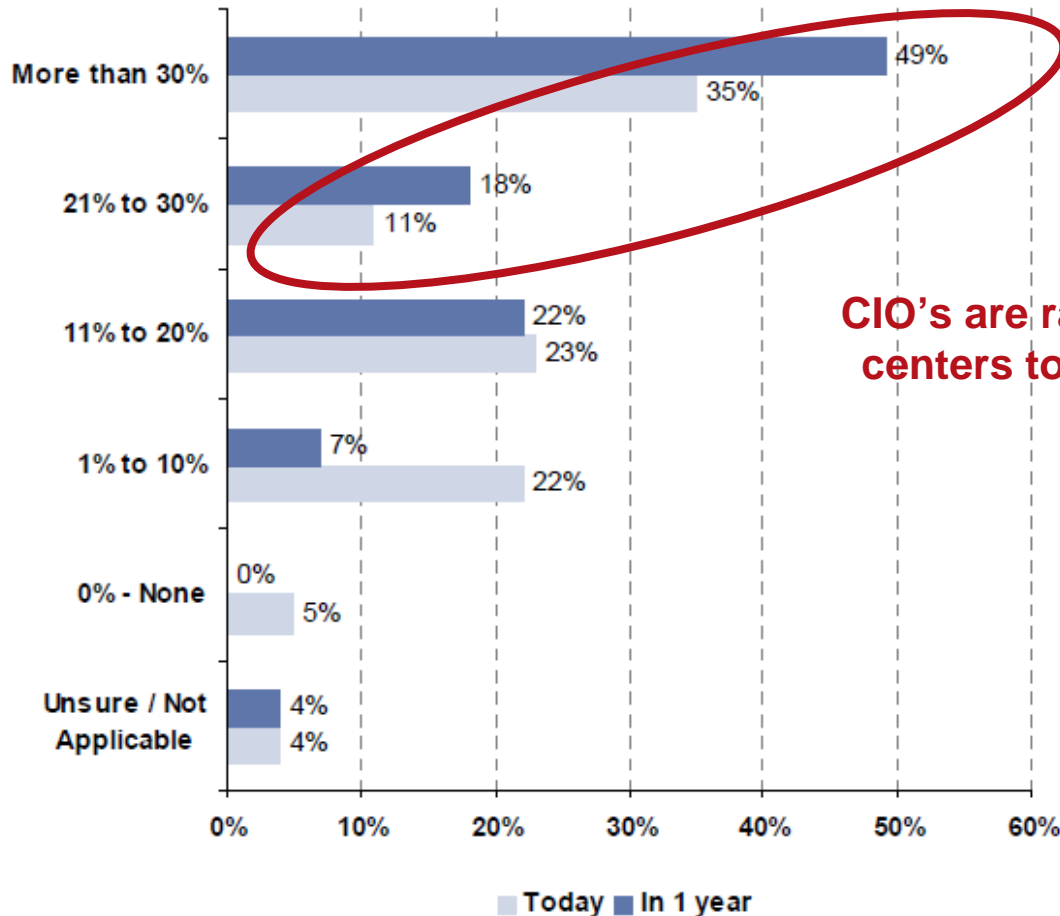
Trends in 2009 and Beyond



- Virtualization of the Data Center

Trends in 2009 and Beyond

Exhibit 4: What percentage of your data center has been transitioned /shifted to support next-gen technologies such as virtualization and converged fabrics? Where do you expect this proportion to be a year from now?



CIO's are rapidly shifting their data centers to next-gen technologies

Trends in 2009 and Beyond



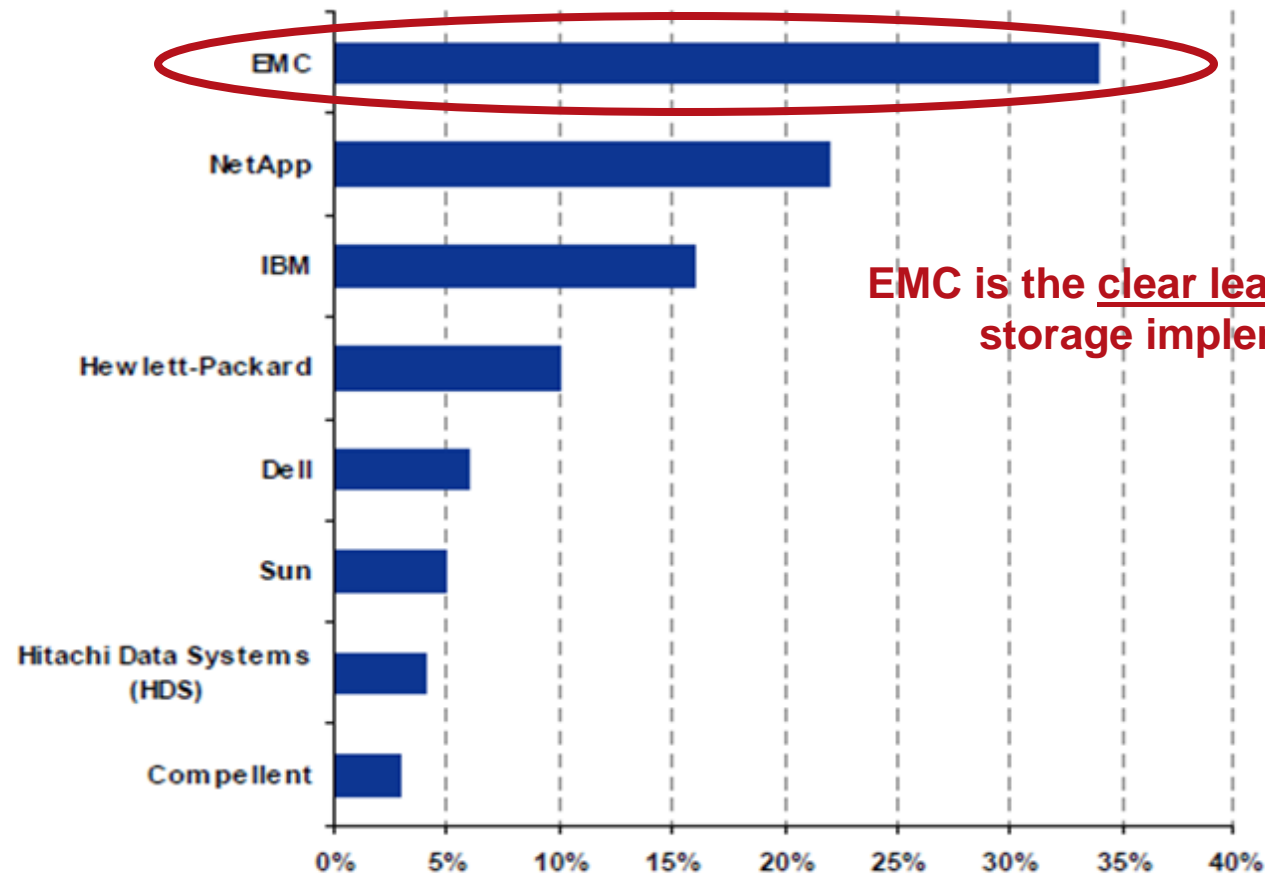
Exhibit 5: Which is your storage vendor of choice in *virtualized SERVER* environment?

	Dec-09	Oct-09	Jun-09	Feb-09	Oct-08
EMC	38%	41%	36%	35%	36%
Dell	18%	7%	21%	16%	21%
IBM	16%	10%	11%	13%	16%
NetApp	12%	11%	13%	13%	9%
Hewlett-Packard	11%	19%	14%	13%	8%
Compellent	4%	4%	2%	1%	1%
Sun Microsystems	1%	5%	0%	2%	2%
Hitachi	0%	3%	0%	3%	9%
3PAR	0%	0%	1%	0%	0%

EMC is the clear storage leader in virtualized storage environments.

Trends in 2009 and Beyond

Exhibit 15: If you have already or plan to implement *STORAGE virtualization* technology over the next 12 months, which vendor will you use?



EMC is the clear leader in virtualized storage implementations.

Trends in 2009 and Beyond



- Virtualization of the Data Center
- Next-Generation Back-up and Recovery Capabilities

Trends in 2009 and Beyond



- Virtualization of the Data Center
- Next-Generation Back-up and Recovery Capabilities
- Unified Storage Approach

EMC Information Infrastructure: RSA, CMA and Services Results



RSA

- Revenues were \$164M, up 7% Q/Q
- Security remains top priority with customers
- Quarterly Y/Y growth in 2009.

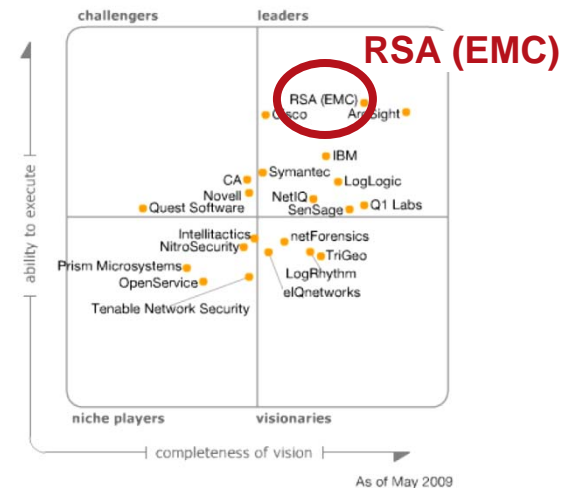
CMA

- Revenues were \$208M, up 17% Q/Q
- Recognized by Gartner and Forrester as leader in ECM space

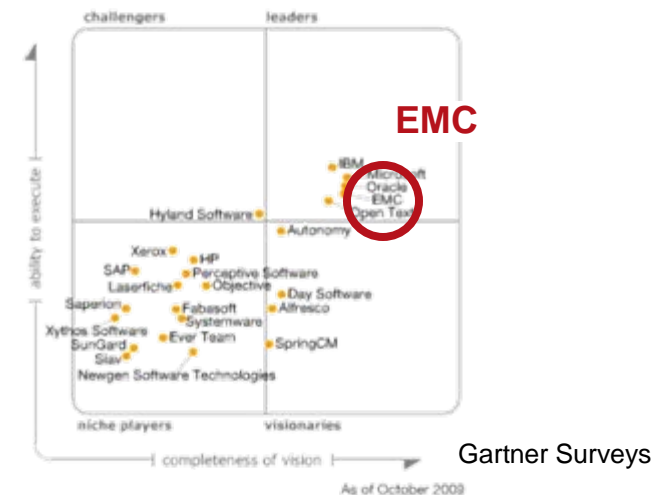
Services

- Revenues grew 7% Q/Q
- Improving demand in EMC Consulting

Security Information and Event Management



Enterprise Content Management

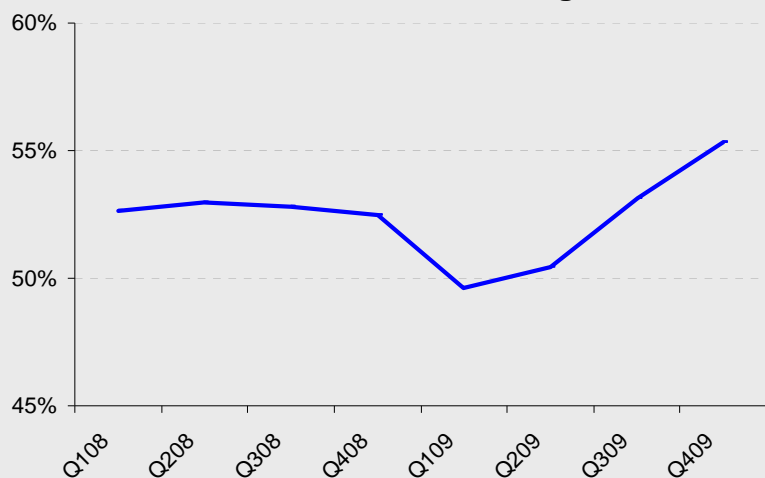


EMC Information Infrastructure: Income Statement Highlights

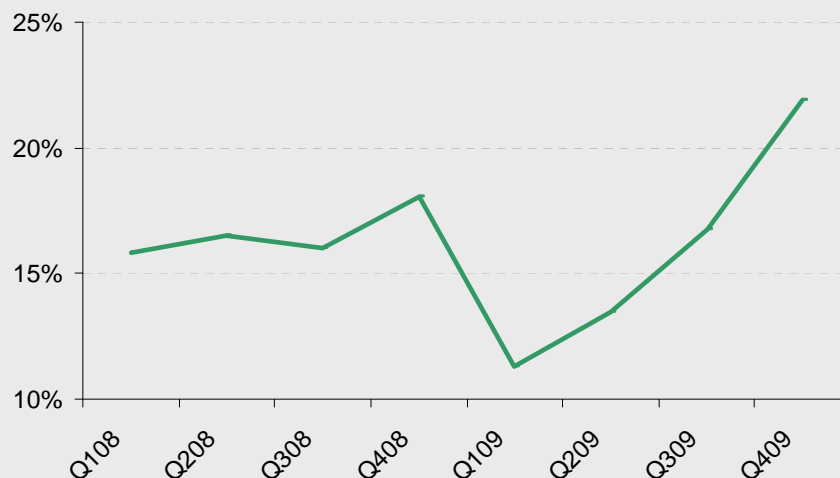


Non-GAAP:	Q4 09	Q/Q Growth	Y/Y Growth	2009	Y/Y Growth
Gross Margins	55.3%	220bps	290bps	52.3%	-40bps
Operating Margins	21.9%	520bps	390bps	16.3%	-30bps

Non-GAAP Gross Margins



Non-GAAP Operating Margins



EMC Consolidated Results



	<u>Q4 09</u>	<u>Q/Q Growth</u>	<u>Y/Y Growth</u>
Revenue	\$4.1B	17%	2%
Non-GAAP EPS	\$0.33	43%	6%
Free Cash Flow	\$793M	6%	2%

	<u>Q4 09</u>
Cash and Investments	\$9.4B
Deferred Revenues	\$3.6B
Inventory turns	7.7
DSO's	47

2010 Expectations

- Share buyback of \$1B
- Expected non-GAAP tax rate ~20%
- Non-operating expense ~\$90M

2010 Objectives



1. Market Share Growth

- Top-line growth of ~14% in 2010

2. Investment in Business:

- \$50M for our cost transformation program
- ~20% increase in non-GAAP R&D

3. Leverage:

- Non-GAAP operating margins 20%
- Non-GAAP EPS up over ~24% for 2010

CEO Commentary

Joe Tucci
Chairman & CEO



Q&A



Appendix

Use of Non-GAAP Financial Measures



This presentation, the accompanying schedules, EMC's earnings press release and the additional content that is available on EMC's website contain non-GAAP financial measures. These non-GAAP financial measures, which are used as measures of EMC's performance or liquidity, should be considered in addition to, not as a substitute for, measures of EMC's financial performance or liquidity prepared in accordance with GAAP. EMC's non-GAAP financial measures may be defined differently from time to time and may be defined differently than similar terms used by other companies, and accordingly, care should be exercised in understanding how EMC defines its non-GAAP financial measures in this release.

Where specified in the accompanying schedules for various periods entitled "Reconciliation of GAAP to Non-GAAP," certain items noted on each such specific schedule (including, where noted, amounts relating to gains on Data Domain and SpringSource common stock, restructuring and acquisition-related charges, special income tax charge, stock-based compensation expense, intangible asset amortization, IPR&D charge, special income tax benefit and restructuring charge) are excluded from the non-GAAP financial measures.

EMC's management uses the non-GAAP financial measures in the accompanying schedules to gain an understanding of EMC's comparative operating performance (when comparing such results with previous periods or forecasts) and future prospects and excludes the above-listed items from its internal financial statements for purposes of its internal budgets and each reporting segment's financial goals. These non-GAAP financial measures are used by EMC's management in their financial and operating decision-making because management believes they reflect EMC's ongoing business in a manner that allows meaningful period-to-period comparisons. EMC's management believes that these non-GAAP financial measures provide useful information to investors and others (a) in understanding and evaluating EMC's current operating performance and future prospects in the same manner as management does, if they so choose, and (b) in comparing in a consistent manner the Company's current financial results with the Company's past financial results.

This presentation also includes disclosures regarding free cash flow which is a non-GAAP financial measure. Free cash flow is defined as net cash provided by operating activities less additions to property, plant and equipment and capitalized software development costs. EMC uses free cash flow, among other measures, to evaluate the ability of its operations to generate cash that is available for purposes other than capital expenditures and capitalized software development costs. Management believes that information regarding free cash flow provides investors with an important perspective on the cash available to make strategic acquisitions and investments, repurchase shares, service debt and fund ongoing operations. As free cash flow is not a measure of liquidity calculated in accordance with GAAP, free cash flow should be considered in addition to, but not as a substitute for, the analysis provided in the statement of cash flows.

This presentation also refers to growth rates at constant currency or adjusting for currency so that business results can be viewed without the impact of fluctuations in foreign currency exchange rates, thereby facilitating period-to-period comparisons of EMC's business performance. To present this information, current period results for entities reporting in currencies other than US dollars are converted into US dollars at the exchange rate applied in each month of the prior year quarter. Constant currency includes the impact of EMC's hedging program.

All of the foregoing non-GAAP financial measures have limitations. Specifically, the non-GAAP financial measures that exclude the items noted above do not include all items of income and expense that affect EMC's operations. Further, these non-GAAP financial measures are not prepared in accordance with GAAP, may not be comparable to non-GAAP financial measures used by other companies and do not reflect any benefit that such items may confer on EMC. Management compensates for these limitations by also considering EMC's financial results as determined in accordance with GAAP.

EMC Consolidated 2010 Outlook GAAP to Non-GAAP Reconciliation



	<u>2010</u>
GAAP EPS	\$0.78
Stock-based compensation	\$0.24
Intangibles amortization	\$.08
Restructuring and acquisition related charges	<u>\$.02</u>
Non-GAAP EPS	<u><u>\$1.12</u></u>

Numbers may not foot due to rounding.

EMC Consolidated 2010 Expectations

GAAP to Non-GAAP Reconciliation



- GAAP research and development (“R&D”) expense and non-GAAP R&D expense are both expected to increase 20% over 2009.
- Excluded from the increase in non-GAAP R&D expense is stock-based compensation expense of \$42 million and intangible asset amortization of \$8 million.

EMC Consolidated 2010 Expectations GAAP to Non-GAAP Reconciliation



	<u>2010</u>
GAAP operating income	13%
Stock-based compensation	5%
Intangibles amortization	2%
Restructuring and acquisition related charges	<u><1%</u>
Non-GAAP operating income	<u><u>20%</u></u>

Numbers may not foot due to rounding.

EMC Consolidated 2010 Expectations GAAP to Non-GAAP Reconciliation



	<u>2010</u>
GAAP tax rate	~17%
Stock-based compensation, Intangibles amortization and restructuring and acquisition related charges	<u>3%</u>
Non-GAAP tax rate	<u><u>~20%</u></u>

Numbers may not foot due to rounding.

Updates to EMC Financial Results



- Please note all financial schedules have been updated to reflect the restatement of certain financial results as filed with the SEC on February 26, 2010.

EMC CORPORATION
Consolidated Income Statements
(in thousands, except per share amounts)
Unaudited

	Three Months Ended		Twelve Months Ended	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
	(As Adjusted)		(As Adjusted)	
Revenues:				
Product sales	\$ 2,653,174	\$ 2,776,794	\$ 8,828,145	\$ 10,071,816
Services	1,446,992	1,239,844	5,197,765	4,804,347
	<u>4,100,166</u>	<u>4,016,638</u>	<u>14,025,910</u>	<u>14,876,163</u>
Cost and expenses:				
Cost of product sales	1,228,252	1,313,468	4,406,187	4,663,667
Cost of services	494,265	477,486	1,874,824	1,990,127
Research and development	424,243	434,521	1,627,509	1,721,330
Selling, general and administrative	1,341,873	1,211,120	4,595,625	4,601,588
In-process research and development	-	6,576	-	85,780
Restructuring and acquisition-related charges	23,903	240,694	107,490	244,735
	<u>587,630</u>	<u>332,773</u>	<u>1,414,275</u>	<u>1,568,936</u>
Operating income				
Non-operating income (expense):				
Investment income	31,137	54,462	140,430	247,049
Interest expense	(46,571)	(44,741)	(182,499)	(176,355)
Other income (expense), net	(14,911)	(18,518)	2,370	(39,405)
Total non-operating income (expense)	<u>(30,345)</u>	<u>(8,797)</u>	<u>(39,699)</u>	<u>31,289</u>
Income before provision for income taxes	557,285	323,976	1,374,576	1,600,225
Income tax provision	<u>156,313</u>	<u>36,336</u>	<u>252,775</u>	<u>280,396</u>
Net income	400,972	287,640	1,121,801	1,319,829
Less: Net income attributable to the non-controlling interest in VMware, Inc.	<u>(10,376)</u>	<u>(17,718)</u>	<u>(33,724)</u>	<u>(44,725)</u>
Net income attributable to EMC Corporation	<u>\$ 390,596</u>	<u>\$ 269,922</u>	<u>\$ 1,088,077</u>	<u>\$ 1,275,104</u>
Net income per weighted average share, basic attributable to EMC Corporation common shareholders	<u>\$ 0.19</u>	<u>\$ 0.13</u>	<u>\$ 0.54</u>	<u>\$ 0.62</u>
Net income per weighted average share, diluted attributable to EMC Corporation common shareholders	<u>\$ 0.19</u>	<u>\$ 0.13</u>	<u>\$ 0.53</u>	<u>\$ 0.61</u>
Weighted average shares, basic	2,041,601	2,012,389	2,022,371	2,048,506
Weighted average shares, diluted	2,103,569	2,028,635	2,055,146	2,079,853

Please note all financial schedules have been updated to reflect the restatement of certain financial results as filed with the SEC on February 26, 2010.

Reconciliation of GAAP to Non-GAAP
For the Three Months Ended December 31, 2009
(in thousands, except per share amounts)
Unaudited

	Revenue	Cost of Revenue	Research and Development	Selling, General and Administrative	Restructuring and Acquisition-Related Charges	Operating Income	Other Expense, net	Income Before Taxes	Income Tax Provision	Net Income	Net Income Attributable to VMware	Net Income Attributable to EMC	Net Income per Weighted Average Share, Basic	Net Income per Weighted Average Share, Diluted
EMC Consolidated GAAP	\$ 4,100,166	\$ 1,722,517	\$ 424,243	\$ 1,341,873	\$ 23,903	\$ 587,630	\$ (30,345)	\$ 557,285	\$ 156,313	\$ 400,972	\$ (10,376)	\$ 390,596	\$ 0.191	\$ 0.185
Provision for litigation	-	-	-	(57,500)	-	57,500	-	57,500	5,156	52,344	-	52,344	\$ 0.026	\$ 0.025
Restructuring and acquisition-related charges	-	-	-	-	(23,903)	23,903	-	23,903	9,130	14,773	(152)	14,621	\$ 0.007	\$ 0.007
Special income tax charge	-	-	-	-	-	-	-	-	(60,718)	60,718	-	60,718	\$ 0.030	\$ 0.029
EMC Consolidated Adjusted (1)	4,100,166	1,722,517	424,243	1,284,373	-	669,033	(30,345)	638,688	109,881	528,807	(10,528)	518,279	\$ 0.254	\$ 0.246
Stock-based compensation expense	-	(30,136)	(67,040)	(84,421)	-	181,597	-	181,597	36,849	144,748	(11,554)	133,194	\$ 0.065	\$ 0.063
Intangible amortization	-	(36,488)	(3,191)	(26,224)	-	65,903	-	65,903	21,443	44,460	(468)	43,992	\$ 0.022	\$ 0.021
EMC Consolidated Non-GAAP (2)	\$ 4,100,166	\$ 1,655,893	\$ 354,012	\$ 1,173,728	\$ -	\$ 916,533	\$ (30,345)	\$ 886,188	\$ 168,173	\$ 718,015	\$ (22,550)	\$ 695,465	\$ 0.341	\$ 0.330
EMC Information Infrastructure GAAP	\$ 3,493,623	\$ 1,614,231	\$ 290,130	\$ 1,051,889	\$ 23,075	\$ 514,298	\$ (24,067)	\$ 490,231	\$ 145,535	\$ 344,696	\$ -	\$ 344,696	\$ 0.169	\$ 0.164
Provision for litigation	-	-	-	(57,500)	-	57,500	-	57,500	5,156	52,344	-	52,344	\$ 0.026	\$ 0.025
Restructuring and acquisition-related charges	-	-	-	-	(23,075)	23,075	-	23,075	9,130	13,945	-	13,945	\$ 0.007	\$ 0.007
Special income tax charge	-	-	-	-	-	-	-	-	(60,718)	60,718	-	60,718	\$ 0.030	\$ 0.029
EMC Information Infrastructure Adjusted (3)	3,493,623	1,614,231	290,130	994,389	-	594,873	(24,067)	570,806	99,103	471,703	-	471,703	\$ 0.231	\$ 0.224
Stock-based compensation expense	-	(20,633)	(29,880)	(58,024)	-	108,537	-	108,537	26,614	81,923	-	81,923	\$ 0.040	\$ 0.039
Intangible amortization	-	(32,960)	(3,124)	(25,710)	-	61,794	-	61,794	19,881	41,913	-	41,913	\$ 0.021	\$ 0.020
EMC Information Infrastructure Non-GAAP (4)	\$ 3,493,623	\$ 1,560,638	\$ 257,126	\$ 910,655	\$ -	\$ 765,204	\$ (24,067)	\$ 741,137	\$ 145,598	\$ 595,539	\$ -	\$ 595,539	\$ 0.292	\$ 0.283
VMware standalone GAAP	\$ 608,201	\$ 107,506	\$ 136,262	\$ 293,276	\$ -	\$ 71,157	\$ (3,920)	\$ 67,237	\$ 10,828	\$ 56,409	\$ -	\$ 56,409	\$ 0.028	\$ 0.027
GAAP adjustments and eliminations	(1,658)	780	(2,149)	(3,292)	828	2,175	(2,358)	(183)	(50)	(133)	(10,376)	(10,509)	\$ (0.005)	\$ (0.006)
VMware within EMC GAAP (5)	606,543	108,286	134,113	289,984	828	73,332	(6,278)	67,054	10,778	56,276	(10,376)	45,900	\$ 0.022	\$ 0.021
Acquisition-related charges	-	-	-	-	(828)	828	-	828	-	828	(152)	676	\$ -	\$ -
VMware within EMC Adjusted (6)	606,543	108,286	134,113	289,984	-	74,160	(6,278)	67,882	10,778	57,104	(10,528)	46,576	\$ 0.023	\$ 0.022
Stock-based compensation expense	-	(9,503)	(37,160)	(26,397)	-	73,060	-	73,060	10,235	62,825	(11,554)	51,271	\$ 0.025	\$ 0.024
Intangible amortization	-	(3,528)	(67)	(514)	-	4,109	-	4,109	1,562	2,547	(468)	2,079	\$ 0.001	\$ 0.001
VMware within EMC Non-GAAP (7)	\$ 606,543	\$ 95,255	\$ 96,886	\$ 263,073	\$ -	\$ 151,329	\$ (6,278)	\$ 145,051	\$ 22,575	\$ 122,476	\$ (22,550)	\$ 99,926	\$ 0.049	\$ 0.047

Wtd. Average Share O/S	<u>2,041,601</u>	<u>2,103,569</u>
Incremental VMware dilution		\$ 1,150
Minority interest percentage		18.4%

Please note all financial schedules have been updated to reflect the restatement of certain financial results as filed with the SEC on February 26, 2010.

Reconciliation of GAAP to Non-GAAP
For the Three Months Ended December 31, 2009
(in thousands, except per share amounts)
Unaudited
(Continued)

The following costs are included in EMC Consolidated Non-GAAP and EMC Information Infrastructure Non-GAAP results

	Revenue	Cost of Revenue	Research and Development	Selling, General and Administrative	Restructuring and Acquisition-Related Charges	Operating Income	Other Expense, net	Income Before Taxes	Income Tax Provision	Net Income	Net Income Attributable to VMware	Net Income Attributable to EMC	Net Income per Weighted Average Share, Basic	Net Income per Weighted Average Share, Diluted
Non-cash interest expense on convertible debt (8)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (27,785)	\$ (27,785)	\$ (9,253)	\$ (18,532)	\$ -	\$ (18,532)	\$ (0.009)	\$ (0.009)
Transition costs (9)	-	167	3,243	15,921	-	(19,331)	-	(19,331)	(5,053)	(14,278)	-	(14,278)	(0.007)	(0.007)
	<u>\$ -</u>	<u>\$ 167</u>	<u>\$ 3,243</u>	<u>\$ 15,921</u>	<u>\$ -</u>	<u>\$ (19,331)</u>	<u>\$ (27,785)</u>	<u>\$ (47,116)</u>	<u>\$ (14,306)</u>	<u>\$ (32,810)</u>	<u>\$ -</u>	<u>\$ (32,810)</u>	<u>\$ (0.016)</u>	<u>\$ (0.016)</u>

- (1) Represents EMC Consolidated GAAP excluding provision for litigation, restructuring and acquisition-related charges and a special income tax charge.
(2) Represents EMC Consolidated Adjusted excluding stock-based compensation expense and intangible amortization.
(3) Represents EMC Information Infrastructure GAAP excluding provision for litigation, restructuring and acquisition-related charges and a special income tax charge.
(4) Represents EMC Information Infrastructure Adjusted excluding stock-based compensation expense and intangible amortization.
(5) Represents VMware within EMC GAAP.
(6) Represents VMware within EMC GAAP excluding acquisition-related charges.
(7) Represents VMware within EMC Adjusted excluding stock-based compensation expense and intangible amortization.
(8) Represents the non-cash interest charge associated with our convertible senior notes due 2011 and 2013 totaling \$3,450 million.
(9) Represents incremental costs incurred to transform our current cost structure to a more streamlined cost structure.

Note: schedule may not add due to rounding

Please note all financial schedules have been updated to reflect the restatement of certain financial results as filed with the SEC on February 26, 2010.

Reconciliation of GAAP to Non-GAAP
For the Three Months Ended December 31, 2008
(in thousands, except per share amounts)
Unaudited

	Revenue	Cost of Revenue	Research and Development	Selling, General and Administrative	IPR&D Charge	Restructuring Charge	Operating Income	Other Income, net	Income Before Taxes	Income Tax Provision	Net Income	Net Income Attributable to VMware	Net Income Attributable to EMC	Net Income per Weighted Average Share, Basic	Net Income per Weighted Average Share, Diluted
EMC Consolidated GAAP	\$ 4,016,638	\$ 1,790,954	\$ 434,521	\$ 1,211,120	\$ 6,576	\$ 240,694	\$ 332,773	\$ (8,797)	\$ 323,976	\$ 36,336	\$ 287,640	\$ (17,718)	\$ 269,922	\$ 0.134	\$ 0.133
Restructuring charge	-	-	-	-	-	(240,694)	240,694	6,877	247,571	48,037	199,534	-	199,534	\$ 0.099	\$ 0.098
IPR&D charge	-	-	-	-	(6,576)	-	6,576	-	6,576	2,229	4,347	(691)	3,656	\$ 0.002	\$ 0.002
EMC Consolidated Adjusted (1)	4,016,638	1,790,954	434,521	1,211,120	-	-	580,043	(1,920)	578,123	86,602	491,521	(18,409)	473,112	\$ 0.235	\$ 0.233
Stock-based compensation expense	-	(21,704)	(47,385)	(74,682)	-	-	143,771	-	143,771	26,895	116,876	(6,837)	110,039	\$ 0.055	\$ 0.054
Intangible amortization	-	(40,397)	(4,305)	(28,260)	-	-	72,962	-	72,962	26,930	46,032	(480)	45,552	\$ 0.023	\$ 0.022
EMC Consolidated Non-GAAP (2)	\$ 4,016,638	\$ 1,728,853	\$ 382,831	\$ 1,108,178	\$ -	\$ -	\$ 796,776	\$ (1,920)	\$ 794,856	\$ 140,427	\$ 654,429	\$ (25,726)	\$ 628,703	\$ 0.312	\$ 0.310

EMC Information Infrastructure GAAP	\$ 3,502,307	\$ 1,719,162	\$ 331,166	\$ 982,832	\$ -	\$ 240,694	\$ 228,453	\$ (5,703)	\$ 222,750	\$ 41,639	\$ 181,111	\$ -	\$ 181,111	\$ 0.090	\$ 0.089
Restructuring charge	-	-	-	-	-	(240,694)	240,694	6,877	247,571	48,037	199,534	-	199,534	\$ 0.099	\$ 0.098
EMC Information Infrastructure Adjusted (3)	3,502,307	1,719,162	331,166	982,832	-	-	469,147	1,174	470,321	89,676	380,645	-	380,645	\$ 0.189	\$ 0.188
Stock-based compensation expense	-	(16,665)	(25,274)	(52,885)	-	-	94,824	-	94,824	20,958	73,866	-	73,866	\$ 0.037	\$ 0.036
Intangible amortization	-	(37,253)	(4,305)	(26,705)	-	-	68,263	-	68,263	25,248	43,015	-	43,015	\$ 0.021	\$ 0.021
EMC Information Infrastructure Non-GAAP (4)	\$ 3,502,307	\$ 1,665,244	\$ 301,587	\$ 903,242	\$ -	\$ -	\$ 632,234	\$ 1,174	\$ 633,408	\$ 135,882	\$ 497,526	\$ -	\$ 497,526	\$ 0.247	\$ 0.245

VMware standalone GAAP	\$ 514,603	\$ 71,950	\$ 110,506	\$ 230,033	\$ -	\$ -	\$ 102,114	\$ (1,490)	\$ 100,624	\$ (10,830)	\$ 111,454	\$ -	\$ 111,454	\$ 0.055	\$ 0.055
GAAP adjustments and eliminations	(272)	(158)	(7,151)	(1,745)	6,576	-	2,206	(1,604)	602	5,527	(4,925)	(17,718)	(22,643)	\$ (0.011)	\$ (0.011)
VMware within EMC GAAP (5)	514,331	71,792	103,355	228,288	6,576	-	104,320	(3,094)	101,226	(5,303)	106,529	(17,718)	88,811	\$ 0.044	\$ 0.044
IPR&D charge	-	-	-	-	(6,576)	-	6,576	-	6,576	2,229	4,347	(691)	3,656	\$ 0.002	\$ 0.002
VMware within EMC Adjusted (6)	514,331	71,792	103,355	228,288	-	-	110,896	(3,094)	107,802	(3,074)	110,876	(18,409)	92,467	\$ 0.046	\$ 0.045
Stock-based compensation expense	-	(5,039)	(22,111)	(21,797)	-	-	48,947	-	48,947	5,937	43,010	(6,837)	36,173	\$ 0.018	\$ 0.018
Intangible amortization	-	(3,144)	-	(1,555)	-	-	4,699	-	4,699	1,682	3,017	(480)	2,537	\$ 0.001	\$ 0.001
VMware within EMC Non-GAAP (7)	\$ 514,331	\$ 63,609	\$ 81,244	\$ 204,936	\$ -	\$ -	\$ 164,542	\$ (3,094)	\$ 161,448	\$ 4,545	\$ 156,903	\$ (25,726)	\$ 131,177	\$ 0.065	\$ 0.065

Wtd. Average Share O/S	2,012,389	2,028,635
Incremental VMware dilution		\$ 268
Minority interest percentage		15.9%

Please note all financial schedules have been updated to reflect the restatement of certain financial results as filed with the SEC on February 26, 2010.

Reconciliation of GAAP to Non-GAAP
For the Three Months Ended December 31, 2008
(in thousands, except per share amounts)
Unaudited
(Continued)

The following costs are included in EMC Consolidated Non-GAAP and EMC Information Infrastructure Non-GAAP results

	<u>Revenue</u>	<u>Cost of Revenue</u>	<u>Research and Development</u>	<u>Selling, General and Administrative</u>	<u>IPR&D Charge</u>	<u>Restructuring Charge</u>	<u>Operating Income</u>	<u>Other Income, net</u>	<u>Income Before Taxes</u>	<u>Income Tax Provision</u>	<u>Net Income</u>	<u>Net Income Attributable to VMware</u>	<u>Net Income Attributable to EMC</u>	<u>Net Income per Weighted Average Share, Basic</u>	<u>Net Income per Weighted Average Share, Diluted</u>
Non-cash interest expense on convertible debt (8)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (26,295)	\$ (26,295)	\$ (8,233)	\$ (18,062)	\$ -	\$ (18,062)	\$ (0.009)	\$ (0.009)

- (1) Represents EMC Consolidated GAAP excluding restructuring charge and IPR&D charge.
- (2) Represents EMC Consolidated Adjusted excluding stock-based compensation expense and intangible amortization.
- (3) Represents EMC Information Infrastructure GAAP excluding restructuring charge.
- (4) Represents EMC Information Infrastructure Adjusted less stock-based compensation expense and intangible amortization.
- (5) Represents VMware within EMC GAAP.
- (6) Represents VMware within EMC GAAP excluding IPR&D charge.
- (7) Represents VMware within EMC Adjusted excluding stock-based compensation expense and intangible amortization.
- (8) Represents the non-cash interest charge associated with our convertible senior notes due 2011 and 2013 totaling \$3,450 million.

Note: schedule may not add due to rounding

Please note all financial schedules have been updated to reflect the restatement of certain financial results as filed with the SEC on February 26, 2010.

Reconciliation of GAAP to Non-GAAP
For the Twelve Months Ended December 31, 2009
(in thousands, except per share amounts)
Unaudited

	Revenue	Cost of Revenue	Research and Development	Selling, General and Administrative	Restructuring and Acquisition-Related Charges	Operating Income	Other Income (Expense), net	Income Before Taxes	Income Tax Provision	Net Income	Net Income Attributable to VMware	Net Income Attributable to EMC	Net Income per Weighted Average Share, Basic	Net Income per Weighted Average Share, Diluted
EMC Consolidated GAAP	\$ 14,025,910	\$ 6,281,011	\$ 1,627,509	\$ 4,595,625	\$ 107,490	\$ 1,414,275	\$ (39,699)	\$ 1,374,576	\$ 252,775	\$ 1,121,801	\$ (33,724)	\$ 1,088,077	\$ 0.538	\$ 0.528
Provision for litigation	-	-	-	(57,500)	-	57,500	-	57,500	5,156	52,344	-	52,344	\$ 0.026	\$ 0.025
Gain on Data Domain and SpringSource common stock	-	-	-	-	-	-	(25,822)	(25,822)	-	(25,822)	1,025	(24,797)	\$ (0.012)	\$ (0.012)
Restructuring and acquisition-related charges	-	(12,485)	-	-	(107,490)	119,975	-	119,975	35,884	84,091	(287)	83,804	\$ 0.041	\$ 0.041
Special income tax charge	-	-	-	-	-	-	-	-	(60,718)	60,718	-	60,718	\$ 0.030	\$ 0.030
EMC Consolidated Adjusted (1)	14,025,910	6,268,526	1,627,509	4,538,125	-	1,591,750	(65,521)	1,526,229	233,097	1,293,132	(32,986)	1,260,146	\$ 0.623	\$ 0.612
Stock-based compensation expense	-	(99,393)	(214,554)	(291,759)	-	605,706	-	605,706	135,130	470,576	(34,731)	435,845	\$ 0.216	\$ 0.212
Intangible amortization	-	(131,754)	(12,883)	(103,151)	-	247,788	-	247,788	83,842	163,946	(1,568)	162,378	\$ 0.080	\$ 0.079
EMC Consolidated Non-GAAP (2)	\$ 14,025,910	\$ 6,037,379	\$ 1,400,072	\$ 4,143,215	\$ -	\$ 2,445,244	\$ (65,521)	\$ 2,379,723	\$ 452,069	\$ 1,927,654	\$ (69,285)	\$ 1,858,369	\$ 0.919	\$ 0.903

EMC Information Infrastructure GAAP	\$ 12,004,948	\$ 5,921,103	\$ 1,136,100	\$ 3,657,916	\$ 105,889	\$ 1,183,940	\$ (36,059)	\$ 1,147,881	\$ 225,799	\$ 922,082	\$ -	\$ 922,082	\$ 0.456	\$ 0.449
Provision for litigation	-	-	-	(57,500)	-	57,500	-	57,500	5,156	52,344	-	52,344	\$ 0.026	\$ 0.025
Gain on Data Domain common stock	-	-	-	-	-	-	(19,963)	(19,963)	-	(19,963)	-	(19,963)	\$ (0.010)	\$ (0.010)
Restructuring and acquisition-related charges	-	(12,485)	-	-	(105,889)	118,374	-	118,374	35,884	82,490	-	82,490	\$ 0.041	\$ 0.040
Special income tax charge	-	-	-	-	-	-	-	-	(60,718)	60,718	-	60,718	\$ 0.030	\$ 0.030
EMC Information Infrastructure Adjusted (3)	12,004,948	5,908,618	1,136,100	3,600,416	-	1,359,814	(56,022)	1,303,792	206,121	1,097,671	-	1,097,671	\$ 0.543	\$ 0.534
Stock-based compensation expense	-	(67,698)	(92,766)	(198,239)	-	358,703	-	358,703	89,055	269,648	-	269,648	\$ 0.133	\$ 0.131
Intangible amortization	-	(119,819)	(12,776)	(101,059)	-	233,654	-	233,654	78,824	154,830	-	154,830	\$ 0.077	\$ 0.075
EMC Information Infrastructure Non-GAAP (4)	\$ 12,004,948	\$ 5,721,101	\$ 1,030,558	\$ 3,301,118	\$ -	\$ 1,952,171	\$ (56,022)	\$ 1,896,149	\$ 374,000	\$ 1,522,149	\$ -	\$ 1,522,149	\$ 0.753	\$ 0.741

VMware standalone GAAP	\$ 2,023,937	\$ 359,728	\$ 496,552	\$ 948,362	\$ -	\$ 219,295	\$ 4,154	\$ 223,449	\$ 26,351	\$ 197,098	\$ -	\$ 197,098	\$ 0.097	\$ 0.096
GAAP adjustments and eliminations	(2,975)	180	(5,143)	(10,653)	1,601	11,040	(7,794)	3,246	625	2,621	(33,724)	(31,103)	\$ (0.015)	\$ (0.016)
VMware within EMC GAAP (5)	2,020,962	359,908	491,409	937,709	1,601	230,335	(3,640)	226,695	26,976	199,719	(33,724)	165,995	\$ 0.082	\$ 0.080
Gain on SpringSource common stock	-	-	-	-	-	-	(5,859)	(5,859)	-	(5,859)	1,025	(4,834)	\$ (0.002)	\$ (0.002)
Acquisition-related charges	-	-	-	-	(1,601)	1,601	-	1,601	-	1,601	(287)	1,314	\$ 0.001	\$ 0.001
VMware within EMC Adjusted (6)	2,020,962	359,908	491,409	937,709	-	231,936	(9,499)	222,437	26,976	195,461	(32,986)	162,475	\$ 0.080	\$ 0.078
Stock-based compensation expense	-	(31,695)	(121,788)	(93,520)	-	247,003	-	247,003	46,075	200,928	(34,731)	166,197	\$ 0.082	\$ 0.081
Intangible amortization	-	(11,935)	(107)	(2,092)	-	14,134	-	14,134	5,018	9,116	(1,568)	7,548	\$ 0.004	\$ 0.004
VMware within EMC Non-GAAP (7)	\$ 2,020,962	\$ 316,278	\$ 369,514	\$ 842,097	\$ -	\$ 493,073	\$ (9,499)	\$ 483,574	\$ 78,069	\$ 405,505	\$ (69,285)	\$ 336,220	\$ 0.166	\$ 0.163

Wtd. Average Share O/S 2,022,371 2,055,146

Incremental VMware dilution \$ 2,252

Please note all financial schedules have been updated to reflect the restatement of certain financial results as filed with the SEC on February 26, 2010.

Reconciliation of GAAP to Non-GAAP
For the Twelve Months Ended December 31, 2009
(in thousands, except per share amounts)
Unaudited
(Continued)

The following costs are included in EMC Consolidated Non-GAAP and EMC Information Infrastructure Non-GAAP results

	Revenue	Cost of Revenue	Research and Development	Selling, General and Administrative	Restructuring and Acquisition-Related Charges	Operating Income	Other Income (Expense), net	Income Before Taxes	Income Tax Provision	Net Income	Net Income Attributable to VMware	Net Income Attributable to EMC	Net Income per Weighted Average Share, Basic	Net Income per Weighted Average Share, Diluted
Non-cash interest expense on convertible debt (8)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (108,347)	\$ (108,347)	\$ (35,025)	\$ (73,322)	\$ -	\$ (73,322)	\$ (0.036)	\$ (0.036)
Transition costs (9)	-	3,194	8,411	43,063	-	(54,668)	-	(54,668)	(15,683)	(38,985)	-	(38,985)	(0.019)	(0.019)
	<u>\$ -</u>	<u>\$ 3,194</u>	<u>\$ 8,411</u>	<u>\$ 43,063</u>	<u>\$ -</u>	<u>\$ (54,668)</u>	<u>\$ (108,347)</u>	<u>\$ (163,015)</u>	<u>\$ (50,708)</u>	<u>\$ (112,307)</u>	<u>\$ -</u>	<u>\$ (112,307)</u>	<u>\$ (0.056)</u>	<u>\$ (0.055)</u>

- (1) Represents EMC Consolidated GAAP excluding provision for litigation, gain on Data Domain and SpringSource common stock, restructuring and acquisition-related charges and a special income tax charge.
(2) Represents EMC Consolidated Adjusted excluding stock-based compensation expense and intangible amortization.
(3) Represents EMC Information Infrastructure GAAP excluding provision for litigation, gain on Data Domain common stock, restructuring and acquisition-related charges and a special income tax charge.
(4) Represents EMC Information Infrastructure Adjusted excluding stock-based compensation expense and intangible amortization.
(5) Represents VMware within EMC GAAP.
(6) Represents VMware within EMC GAAP excluding gain on SpringSource common stock and acquisition-related charges.
(7) Represents VMware within EMC Adjusted excluding stock-based compensation expense and intangible amortization.
(8) Represents the non-cash interest charge associated with our convertible senior notes due 2011 and 2013 totaling \$3,450 million.
(9) Represents incremental costs incurred to transform our current cost structure to a more streamlined cost structure.

Note: schedule may not add due to rounding

Reconciliation of GAAP to Non-GAAP
For the Twelve Months Ended December 31, 2008
(in thousands, except per share amounts)
Unaudited

	Revenue	Cost of Revenue	Research and Development	Selling, General and Administrative	IPR&D Charge	Restructuring Charge	Operating Income	Other Income, net	Income Before Taxes	Income Tax Provision	Net Income	Net Income Attributable to VMware	Net Income Attributable to EMC	Net Income per Weighted Average Share, Basic	Net Income per Weighted Average Share, Diluted
EMC Consolidated GAAP	\$ 14,876,163	\$ 6,653,794	\$ 1,721,330	\$ 4,601,588	\$ 85,780	\$ 244,735	\$ 1,568,936	\$ 31,289	\$ 1,600,225	\$ 280,396	\$ 1,319,829	\$ (44,725)	\$ 1,275,104	\$ 0.622	\$ 0.610
Restructuring charge	-	-	-	-	-	(245,092)	245,092	6,877	251,969	51,027	200,942	-	200,942	\$ 0.098	\$ 0.097
IPR&D charge	-	-	-	-	(85,780)	-	85,780	-	85,780	2,229	83,551	(691)	82,860	\$ 0.040	\$ 0.040
Special income tax benefit	-	-	-	-	-	-	-	-	-	17,803	(17,803)	-	(17,803)	\$ (0.009)	\$ (0.009)
EMC Consolidated Adjusted (1)	14,876,163	6,653,794	1,721,330	4,601,588	-	(357)	1,899,808	38,166	1,937,974	351,455	1,586,519	(45,416)	1,541,103	\$ 0.752	\$ 0.737
Stock-based compensation expense	-	(80,126)	(162,377)	(258,936)	-	-	501,439	-	501,439	108,811	392,628	(21,412)	371,216	\$ 0.181	\$ 0.178
Intangible amortization	-	(158,600)	(12,986)	(108,222)	-	-	279,808	-	279,808	97,233	182,575	(1,704)	180,871	\$ 0.088	\$ 0.087
EMC Consolidated Non-GAAP (2)	\$ 14,876,163	\$ 6,415,068	\$ 1,545,967	\$ 4,234,430	\$ -	\$ (357)	\$ 2,681,055	\$ 38,166	\$ 2,719,221	\$ 557,499	\$ 2,161,722	\$ (68,532)	\$ 2,093,190	\$ 1.022	\$ 1.003

EMC Information Infrastructure GAAP	\$ 12,999,227	\$ 6,350,213	\$ 1,300,715	\$ 3,773,900	\$ 79,204	\$ 244,735	\$ 1,250,460	\$ 26,937	\$ 1,277,397	\$ 245,048	\$ 1,032,349	\$ -	\$ 1,032,349	\$ 0.504	\$ 0.496
Restructuring charge	-	-	-	-	-	(245,092)	245,092	6,877	251,969	51,027	200,942	-	200,942	\$ 0.098	\$ 0.097
IPR&D charge	-	-	-	-	(79,204)	-	79,204	-	79,204	-	79,204	-	79,204	\$ 0.039	\$ 0.038
Special income tax benefit	-	-	-	-	-	-	-	-	-	17,803	(17,803)	-	(17,803)	\$ (0.009)	\$ (0.009)
EMC Information Infrastructure Adjusted (3)	12,999,227	6,350,213	1,300,715	3,773,900	-	(357)	1,574,756	33,814	1,608,570	313,878	1,294,692	-	1,294,692	\$ 0.632	\$ 0.622
Stock-based compensation expense	-	(56,538)	(84,001)	(185,018)	-	-	325,557	-	325,557	73,932	251,625	-	251,625	\$ 0.123	\$ 0.121
Intangible amortization	-	(147,323)	(12,986)	(102,035)	-	-	262,344	-	262,344	90,945	171,399	-	171,399	\$ 0.084	\$ 0.082
EMC Information Infrastructure Non-GAAP (4)	\$ 12,999,227	\$ 6,146,352	\$ 1,203,728	\$ 3,486,847	\$ -	\$ (357)	\$ 2,162,657	\$ 33,814	\$ 2,196,471	\$ 478,755	\$ 1,717,716	\$ -	\$ 1,717,716	\$ 0.839	\$ 0.826

VMware standalone GAAP	\$ 1,881,027	\$ 304,105	\$ 429,204	\$ 835,193	\$ -	\$ -	\$ 312,525	\$ 6,760	\$ 319,285	\$ 29,152	\$ 290,133	\$ -	\$ 290,133	\$ 0.142	\$ 0.139
GAAP adjustments and eliminations	(4,091)	(524)	(8,589)	(7,505)	6,576	-	5,951	(2,408)	3,543	6,196	(2,653)	(44,725)	(47,378)	\$ (0.023)	\$ (0.026)
VMware within EMC GAAP (5)	1,876,936	303,581	420,615	827,688	6,576	-	318,476	4,352	322,828	35,348	287,480	(44,725)	242,755	\$ 0.119	\$ 0.113
IPR&D charge	-	-	-	-	(6,576)	-	6,576	-	6,576	2,229	4,347	(691)	3,656	\$ 0.002	\$ 0.002
VMware within EMC Adjusted (6)	1,876,936	303,581	420,615	827,688	-	-	325,052	4,352	329,404	37,577	291,827	(45,416)	246,411	\$ 0.120	\$ 0.115
Stock-based compensation expense	-	(23,588)	(78,376)	(73,918)	-	-	175,882	-	175,882	34,879	141,003	(21,412)	119,591	\$ 0.058	\$ 0.057
Intangible amortization	-	(11,277)	-	(6,187)	-	-	17,464	-	17,464	6,288	11,176	(1,704)	9,472	\$ 0.005	\$ 0.005
VMware within EMC Non-GAAP (7)	\$ 1,876,936	\$ 268,716	\$ 342,239	\$ 747,583	\$ -	\$ -	\$ 518,398	\$ 4,352	\$ 522,750	\$ 78,744	\$ 444,006	\$ (68,532)	\$ 375,474	\$ 0.183	\$ 0.177

Wtd. Average Share O/S 2,048,506 2,079,853
Incremental VMware dilution \$ 7,428

Please note all financial schedules have been updated to reflect the restatement of certain financial results as filed with the SEC on February 26, 2010.

Reconciliation of GAAP to Non-GAAP
For the Twelve Months Ended December 31, 2008
(in thousands, except per share amounts)
Unaudited
(Continued)

The following costs are included in EMC Consolidated Non-GAAP and EMC Information Infrastructure Non-GAAP results

	Revenue	Cost of Revenue	Research and Development	Selling, General and Administrative	IPR&D Charge	Restructuring Charge	Operating Income	Other Income, net	Income Before Taxes	Income Tax Provision	Net Income	Net Income Attributable to VMware	Net Income Attributable to EMC	Net Income per Weighted Average Share, Basic	Net Income per Weighted Average Share, Diluted
Non-cash interest expense on convertible debt (8)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (102,581)	\$ (102,581)	\$ (32,118)	\$ (70,463)	\$ -	\$ (70,463)	\$ (0.034)	\$ (0.034)

- (1) Represents EMC Consolidated GAAP excluding restructuring charge, IPR&D charge and special income tax benefit.
- (2) Represents EMC Consolidated Adjusted excluding stock-based compensation expense and intangible amortization.
- (3) Represents EMC Information Infrastructure GAAP excluding restructuring charge, IPR&D charge and special income tax benefit.
- (4) Represents EMC Information Infrastructure Adjusted less stock-based compensation expense and intangible amortization.
- (5) Represents VMware within EMC GAAP.
- (6) Represents VMware within EMC GAAP excluding IPR&D charge.
- (7) Represents VMware within EMC Adjusted excluding stock-based compensation expense and intangible amortization.
- (8) Represents the non-cash interest charge associated with our convertible senior notes due 2011 and 2013 totaling \$3,450 million.

Note: schedule may not add due to rounding

Please note all financial schedules have been updated to reflect the restatement of certain financial results as filed with the SEC on February 26, 2010.

EMC CORPORATION
Consolidated Balance Sheets
(in thousands, except per share amounts)
Unaudited

	December 31, 2009	December 31, 2008 (As Adjusted)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 6,302,499	\$ 5,843,685
Short-term investments	392,839	963,292
Accounts and notes receivable, less allowance for doubtful accounts of \$47,414 and \$48,080	2,108,575	2,252,640
Inventories	886,289	842,803
Deferred income taxes	564,174	477,101
Other current assets	283,926	285,508
Total current assets	<u>10,538,302</u>	<u>10,665,029</u>
Long-term investments	2,692,323	2,370,493
Property, plant and equipment, net	2,224,346	2,223,007
Intangible assets, net	1,185,632	795,616
Goodwill	9,210,376	7,046,799
Other assets, net	961,024	773,631
Total assets	<u>\$ 26,812,003</u>	<u>\$ 23,874,575</u>
 LIABILITIES & SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 899,298	\$ 757,405
Accrued expenses	1,944,210	1,901,884
Securities lending payable	-	412,321
Income taxes payable	41,691	136,802
Deferred revenue	2,262,968	2,010,024
Total current liabilities	<u>5,148,167</u>	<u>5,218,436</u>
Income taxes payable	235,976	255,182
Deferred revenue	1,373,798	1,182,360
Deferred income taxes	708,378	389,787
Long-term convertible debt	3,100,290	2,991,943
Other liabilities	184,920	180,917
Total liabilities	<u>10,751,529</u>	<u>10,218,625</u>
 Commitments and contingencies		
Shareholders' equity:		
Preferred stock, par value \$.01; authorized 25,000 shares; none outstanding	-	-
Common stock, par value \$.01; authorized 6,000,000 shares; issued 2,052,441 and 2,012,938 shares	20,524	20,129
Additional paid-in capital	3,875,791	2,817,054
Retained earnings	11,759,289	10,671,212
Accumulated other comprehensive loss, net	(105,722)	(179,952)
Total EMC Corporation's shareholders' equity	<u>15,549,882</u>	<u>13,328,443</u>
Non-controlling interest in VMware, Inc.	510,592	327,507
Total shareholders' equity	<u>16,060,474</u>	<u>13,655,950</u>
Total liabilities and shareholders' equity	<u>\$ 26,812,003</u>	<u>\$ 23,874,575</u>

Please note all financial schedules have been updated to reflect the restatement of certain financial results as filed with the SEC on February 26, 2010.

EMC CORPORATION
Consolidated Statements of Cash Flows
(in thousands)
Unaudited

	Twelve Months Ended	
	December 31, 2009	December 31, 2008 (As Adjusted)
Cash flows from operating activities:		
Cash received from customers	\$ 14,647,691	\$ 15,378,081
Cash paid to suppliers and employees	(11,032,859)	(11,747,031)
Dividends and interest received	109,525	240,031
Interest paid	(73,430)	(73,695)
Income taxes paid	(316,542)	(232,298)
Net cash provided by operating activities	3,334,385	3,565,088
Cash flows from investing activities:		
Additions to property, plant and equipment	(411,579)	(695,899)
Capitalized software development costs	(304,520)	(294,973)
Purchases of short and long-term available for sale securities	(5,409,540)	(3,318,545)
Sales of short and long-term available for sale securities	5,171,449	3,189,547
Maturities of short and long-term available for sale securities	704,653	204,091
Business acquisitions, net of cash acquired	(2,664,141)	(725,521)
Increase in strategic and other related investments	(182,994)	(5,510)
Other	1,184	31,878
Net cash used in investing activities	(3,095,488)	(1,614,932)
Cash flows from financing activities:		
Issuance of EMC's common stock	366,361	241,060
Issuance of VMware's common stock from the exercise of stock options	227,666	190,107
Purchase of VMware's common stock	-	(13,259)
Proceeds from securities lending	-	412,321
Repayments of proceeds from securities lending	(412,321)	-
Repurchase of EMC's common stock	-	(1,489,501)
Excess tax benefits from stock-based compensation	46,082	97,705
Payment of long-term and short-term obligations	(20,835)	(6,151)
Proceeds from long-term and short-term obligations	4,969	33,707
Net cash provided by (used in) financing activities	211,922	(534,011)
Effect of exchange rate changes on cash	7,995	(54,671)
Net increase in cash and cash equivalents	458,814	1,361,474
Cash and cash equivalents at beginning of period	5,843,685	4,482,211
Cash and cash equivalents at end of period	\$ 6,302,499	\$ 5,843,685
Reconciliation of net income to net cash provided by operating activities:		
Net income	\$ 1,121,801	\$ 1,319,829
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,073,135	1,057,511
Non-cash interest expense on convertible debt	108,347	102,581
Non-cash restructuring and other special charges	25,050	139,193
Stock-based compensation expense	600,537	501,439
Provision for doubtful accounts	14,351	34,667
Deferred income taxes, net	27,198	4,629
Excess tax benefits from stock-based compensation	(46,082)	(97,705)
Gain on Data Domain and SpringSource common stock	(25,822)	-
Other	(13,906)	(13,471)
Changes in assets and liabilities, net of acquisitions:		
Accounts and notes receivable	241,069	73,184
Inventories	(158,482)	165,813
Other assets	3,600	(16,178)
Accounts payable	140,376	(148,821)
Accrued expenses	(80,642)	8,688
Income taxes payable	(91,142)	44,821
Deferred revenue	366,361	394,067
Other liabilities	28,636	(5,159)
Net cash provided by operating activities	\$ 3,334,385	\$ 3,565,088

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EMC Corporation
Reconciliation of Cash Flow from Operations to Free Cash Flow
(in thousands)
Unaudited

	Three Months Ended		Twelve Months Ended	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
EMC Consolidated				
Cash flow from Operations	\$ 1,008,657	\$ 1,066,746	\$ 3,334,385	\$ 3,565,088
Capital Expenditures	(133,990)	(205,833)	(411,579)	(695,899)
Capitalized Software	(82,088)	(85,532)	(304,520)	(294,973)
Free Cash Flow	<u>\$ 792,579</u>	<u>\$ 775,381</u>	<u>\$ 2,618,286</u>	<u>\$ 2,574,216</u>
VMware within EMC				
Cash flow from Operations	\$ 278,316	\$ 264,331	\$ 941,126	\$ 735,632
Capital Expenditures	(24,248)	(58,011)	(90,352)	(176,396)
Capitalized Software	(15,087)	(37,005)	(68,611)	(90,900)
Free Cash Flow	<u>\$ 238,981</u>	<u>\$ 169,315</u>	<u>\$ 782,163</u>	<u>\$ 468,336</u>
EMC Information Infrastructure				
Cash flow from Operations	\$ 730,341	\$ 802,415	\$ 2,393,259	\$ 2,829,456
Capital Expenditures	(109,742)	(147,822)	(321,227)	(519,503)
Capitalized Software	(67,001)	(48,527)	(235,909)	(204,073)
Free Cash Flow	<u>\$ 553,598</u>	<u>\$ 606,066</u>	<u>\$ 1,836,123</u>	<u>\$ 2,105,880</u>

Free cash flow for the twelve months ended December 31, 2009 includes intercompany tax payments of \$93.4 million from EMC Information Infrastructure to VMware within EMC.

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EMC Corporation
Reconciliation of GAAP to Non-GAAP Tax Rate
(in thousands)
Unaudited

For the three months ended December 31, 2009

	<u>Income Before Tax</u>	<u>Tax Provision</u>	<u>Tax Rate</u>
EMC Consolidated GAAP	\$ 557,285	\$ 156,313	28%
Stock-based compensation expense	181,597	36,849	20%
Intangible asset amortization	65,903	21,443	33%
Restructuring and acquisition-related charges	23,903	9,130	38%
Provision for litigation	57,500	5,156	9%
Special income tax charge	-	(60,718)	NA
EMC Consolidated Non-GAAP	<u>\$ 886,188</u>	<u>\$ 168,173</u>	19%

For the year ended December 31, 2009

	<u>Income Before Tax</u>	<u>Tax Provision</u>	<u>Tax Rate</u>
EMC Consolidated GAAP	\$ 1,374,576	\$ 252,775	18%
Stock-based compensation expense	605,706	135,130	22%
Intangible asset amortization	247,788	83,842	34%
Gain on Data Domain and SpringSource common stock	(25,822)	-	0%
Restructuring and acquisition-related charges	119,975	35,884	30%
Provision for litigation	57,500	5,156	9%
Special income tax charge	-	(60,718)	NA
EMC Consolidated Non-GAAP	<u>\$ 2,379,723</u>	<u>\$ 452,069</u>	19%

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EMC Corporation
Reconciliation of EMC Information Infrastructure Gross Margin GAAP to Non-GAAP
(in thousands)
Unaudited

	<u>Q1 '08</u>	<u>Q2 '08</u>	<u>Q3 '08</u>	<u>Q4 '08</u>	<u>Q1 '09</u>	<u>Q2 '09</u>	<u>Q3 '09</u>	<u>Q4 '09</u>
EMC Information Infrastructure Gross Margin GAAP	\$ 1,548,285	\$ 1,656,440	\$ 1,661,144	\$ 1,783,145	\$ 1,287,536	\$ 1,369,676	\$ 1,547,240	\$ 1,879,392
Less: Stock-based compensation expense	12,136	12,486	15,251	16,665	14,233	15,224	17,608	20,633
Intangible asset amortization	35,888	36,974	37,208	37,253	27,853	27,778	31,228	32,960
Restructuring-related charges	-	-	-	-	-	-	12,485	-
EMC Information Infrastructure Gross Margin Non-GAAP	<u>\$ 1,596,309</u>	<u>\$ 1,705,900</u>	<u>\$ 1,713,603</u>	<u>\$ 1,837,063</u>	<u>\$ 1,329,622</u>	<u>\$ 1,412,678</u>	<u>\$ 1,608,561</u>	<u>\$ 1,932,985</u>
Revenues	\$ 3,031,889	\$ 3,221,299	\$ 3,243,732	\$ 3,502,307	\$ 2,680,361	\$ 2,802,239	\$ 3,028,725	\$ 3,493,623
% GAAP	51.1%	51.4%	51.2%	50.9%	48.0%	48.9%	51.1%	53.8%
% Non-GAAP	52.7%	53.0%	52.8%	52.5%	49.6%	50.4%	53.1%	55.3%

EMC Corporation
Reconciliation of EMC Information Infrastructure Operating Margin GAAP to Non-GAAP
(in thousands)
Unaudited

	<u>Q1 '08</u>	<u>Q2 '08</u>	<u>Q3 '08</u>	<u>Q4 '08</u>	<u>Q1 '09</u>	<u>Q2 '09</u>	<u>Q3 '09</u>	<u>Q4 '09</u>
EMC Information Infrastructure Operating Margin GAAP	\$ 263,370	\$ 391,523	\$ 367,114	\$ 228,453	\$ 170,216	\$ 220,545	\$ 278,880	\$ 514,298
Less: Restructuring and acquisition-related charges	79,204	-	4,398	240,694	15,572	33,234	46,493	23,075
Provision for litigation	-	-	-	-	-	-	-	57,500
Stock-based compensation expense	74,460	75,424	80,849	94,824	60,949	67,156	122,061	108,537
Intangible asset amortization	62,149	65,038	66,894	68,263	55,879	56,143	59,838	61,794
EMC Information Infrastructure Operating Margin Non-GAAP	<u>\$ 479,183</u>	<u>\$ 531,985</u>	<u>\$ 519,255</u>	<u>\$ 632,234</u>	<u>\$ 302,616</u>	<u>\$ 377,078</u>	<u>\$ 507,272</u>	<u>\$ 765,204</u>
Revenues	\$ 3,031,889	\$ 3,221,299	\$ 3,243,732	\$ 3,502,307	\$ 2,680,361	\$ 2,802,239	\$ 3,028,725	\$ 3,493,623
% GAAP	8.7%	12.2%	11.3%	6.5%	6.4%	7.9%	9.2%	14.7%
% Non-GAAP	15.8%	16.5%	16.0%	18.1%	11.3%	13.5%	16.7%	21.9%

Please note all financial schedules have been updated to reflect the restatement of certain financial results as filed with the SEC on February 26, 2010.

**EMC Corporation
Supplemental
Revenue Analysis
(in thousands)
Unaudited**

Supplemental Revenue Data

	Q1 2008	Q2 2008	Q3 2008	Q4 2008	YTD 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	YTD 2009
Storage:										
Product Revenue	\$ 1,903,639	\$ 2,018,026	\$ 2,056,498	\$ 2,285,366	\$ 8,263,529	\$ 1,572,408	\$ 1,632,309	\$ 1,818,230	\$ 2,175,104	\$ 7,198,051
Services Revenue	808,190	855,221	851,825	853,539	3,368,775	790,932	842,558	880,807	947,061	3,461,358
Total Storage Revenue	\$ 2,711,829	\$ 2,873,247	\$ 2,908,323	\$ 3,138,905	\$ 11,632,304	\$ 2,363,340	\$ 2,474,867	\$ 2,699,037	\$ 3,122,165	\$ 10,659,409
Content Management and Archiving:										
Product Revenue	\$ 61,128	\$ 73,415	\$ 62,576	\$ 81,054	\$ 278,173	\$ 58,710	\$ 60,792	\$ 58,209	\$ 83,125	\$ 260,836
Services Revenue	124,075	130,591	125,493	127,316	507,475	115,605	119,445	118,979	124,724	478,753
Total Content Management and Archiving Revenue	\$ 185,203	\$ 204,006	\$ 188,069	\$ 208,370	\$ 785,648	\$ 174,315	\$ 180,237	\$ 177,188	\$ 207,849	\$ 739,589
Security:										
Product Revenue	\$ 81,683	\$ 89,067	\$ 88,779	\$ 95,534	\$ 355,063	\$ 80,671	\$ 84,080	\$ 84,080	\$ 91,441	\$ 340,272
Services Revenue	53,174	54,979	58,561	59,498	226,212	62,035	63,055	68,420	72,168	265,678
Total Security Revenue	\$ 134,857	\$ 144,046	\$ 147,340	\$ 155,032	\$ 581,275	\$ 142,706	\$ 147,135	\$ 152,500	\$ 163,609	\$ 605,950
EMC Information Infrastructure:										
Product Revenue	\$ 2,046,450	\$ 2,180,508	\$ 2,207,853	\$ 2,461,954	\$ 8,896,765	\$ 1,711,789	\$ 1,777,181	\$ 1,960,519	\$ 2,349,670	\$ 7,799,159
Services Revenue	985,439	1,040,791	1,035,879	1,040,353	4,102,462	968,572	1,025,058	1,068,206	1,143,953	4,205,789
Total EMC Information Infrastructure Revenue	\$ 3,031,889	\$ 3,221,299	\$ 3,243,732	\$ 3,502,307	\$ 12,999,227	\$ 2,680,361	\$ 2,802,239	\$ 3,028,725	\$ 3,493,623	\$ 12,004,948
VMware:										
Product Revenue	\$ 293,980	\$ 281,143	\$ 285,088	\$ 314,840	\$ 1,175,051	\$ 257,331	\$ 228,089	\$ 240,062	\$ 303,504	\$ 1,028,986
Services Revenue	144,190	171,432	186,772	199,491	701,885	213,070	227,024	248,843	303,039	991,976
Total VMware Revenue	\$ 438,170	\$ 452,575	\$ 471,860	\$ 514,331	\$ 1,876,936	\$ 470,401	\$ 455,113	\$ 488,905	\$ 606,543	\$ 2,020,962
Consolidated Revenues										
Product Revenue	\$ 2,340,430	\$ 2,461,651	\$ 2,492,941	\$ 2,776,794	\$ 10,071,816	\$ 1,969,120	\$ 2,005,270	\$ 2,200,581	\$ 2,653,174	\$ 8,828,145
Services Revenue	1,129,629	1,212,223	1,222,651	1,239,844	4,804,347	1,181,642	1,252,082	1,317,049	1,446,992	5,197,765
Total Consolidated Revenues	\$ 3,470,059	\$ 3,673,874	\$ 3,715,592	\$ 4,016,638	\$ 14,876,163	\$ 3,150,762	\$ 3,257,352	\$ 3,517,630	\$ 4,100,166	\$ 14,025,910
Percentage impact to EMC revenue growth rate due to changes in exchange rates from the prior year	2.3%	2.7%	1.2%	(2.3)%	0.8%	(3.5)%	(3.7)%	(1.3)%	2.5%	(1.4)%

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EMC Corporation
Constant Currency Revenue Analysis
(in thousands)
Unaudited

<u>Consolidated Revenue</u>	<u>Q4-09 vs. Q4-08</u>
Revenue growth - GAAP	2.1%
Impact of constant currency	<u>-2.5%</u>
Revenue growth on a constant currency basis	<u><u>-0.4%</u></u>

<u>BRIC + 13 Revenue</u>	<u>Q4-09 vs. Q4-08</u>
Revenue growth - GAAP	5.5%
Impact of constant currency	<u>-4.3%</u>
Revenue growth on a constant currency basis	<u><u>1.2%</u></u>

This presentation refers to growth rates at constant currency or adjusting for currency so that business results can be viewed without the impact of fluctuations in foreign currency exchange rates, thereby facilitating period-to-period comparisons of EMC's business performance. To present this information, current period results for entities reporting in currencies other than US dollars are converted into US dollars at the exchange rate applied in each month of the prior year quarter. Constant currency includes the impacts from EMC's hedging program.

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