# **DELL INC.**Condensed Consolidated Statement of Income and Related Financial Highlights (in millions, except per share data) (unaudited)

Net revenue		Three M		Ionths Ended			% Growth Rates			
Coast of revenue				Aı		No		Sequential	Yr. to Yr.	
Cost of revenue		_				_			4	
Selling_general and administrative		. \$		\$		\$		, ,		
Selling, general and administrative   1.671   1.840   1.900   (9%)   (12%)   Research, development and engineering   167   188   159   (1%)   5%   Total operating expenses.   1.838   2.009   2.059   (8%)   (11%)   Operating income   1.015   819   829   2.4%   22%   Investment and other income, net   (6)   18   107   (132%)   (105%)   Income before income taxes   1.009   837   936   21%   8%   Income beta provision   2282   221   170   28%   66%   Net income   2.001   2.002   2.003				_						
Research, development and engineering	Gloss margin		2,000		2,021		2,000	1 /0	(170)	
Research, development and engineering	Selling, general and administrative		1,671		1,840		1,900	(9%)	(12%)	
Total operating expenses. 1.838 2.008 2.059 (8%) (11%) Operating income me. 1.015 819 829 2.4% 22% Investment and other income, net (6) 18 107 (132%) (105% Income before income taxes 1.009 837 936 21% 8% Income tax provision 282 221 170 28% 68% Net income tax provision 5.282 221 170 28% 68% Net income come taxes 5.037 5 616 5 766 18% (5%) Earnings per common share: Basic \$0.37 \$ 0.31 \$ 0.34 19% 9% Diluted \$0.37 \$ 0.31 \$ 0.34 19% 9% Weighted average shares outstanding: Basic 1.953 1.991 2.236 (2%) (13%) Diluted 1.957 1.999 2.266 (2%) (14%) Percentage of Total Net Revenue: Gross margin. 1.15% 1.0% 1.0% Coperating expenses. 12.1% 1.2% 13.2% Operating expenses 12.1%	0.0							, ,		
Investment and other income, net (6) 18 107 (132%) (105%)			1,838		2,008			, ,	(11%)	
Investment and other income, net   (6)								0.404		
Income before income taxes   1,009			**							
Income tax provision								. ,	. ,	
Net income   S 727   S 616   S 766   18% (5%)										
Earnings per common share:	•	_		\$		\$				
Basic		_				_			()	
Diluted   So.37   So.31   So.34   19%   9%	Earnings per common share:									
Weighted average shares outstanding:	Basic	\$	0.37	\$	0.31	\$	0.34	19%	9%	
Basic	Diluted	. \$	0.37	\$	0.31	\$	0.34	19%	9%	
Basic	1A/a:abtad ayana a abana aytataadia ay									
Diluted   1,957   1,999   2,266   (2%)   (14%)			1,953		1,991		2.236	(2%)	(13%)	
Selling, general and administrative								, ,	. ,	
Selling, general and administrative								, ,	, ,	
Selling, general and administrative			40.00/		47.00/		40.50/			
Total research and development.										
12.1%   12.2%   13.2	0.0									
Operating income	·									
Income before income taxes   6.7%   5.1%   6.0%   Net income										
Net income	, ,									
Next Revenue by Product Category   Section   Product Category										
Net Revenue by Product Category:         \$ 4,083         \$ 4,928         \$ 4,754         (17%)         (14%)           Mobility.         4,849         4,871         4,729         (0%)         3%           Software and Peripherals         2,566         2,790         2,533         (7%)         2%           Services         1,573         1,702         1,651         (8%)         (5%)           Services         1,449         1,462         1,355         (1%)         7%           Storage.         622         681         624         (9%)         (0%)           Desktop PCs.         27%         30%         30%         30%           Storage.         27%         30%         30%         30%           Mobility.         32%         30%         30%         30%           Storage and Peripherals         17%         17%         16%         5           Servies and Networking         10%         9%         9%         5           Servies and Networking         10%         9%         9%         5           Servies and Networking         10%         9%         9%         5           Storage.         4%         4%         4%         4										
Desktop PCs	income tax rate		20.076		20.476		10.2 /6			
Mobility.       4,849       4,871       4,729       (0%)       3%         Software and Peripherals       2,586       2,790       2,533       (7%)       2%         Servers and Networking       1,573       1,702       1,651       (8%)       (5%)         Services       1,449       1,462       1,355       (1%)       7%         Storage.       622       681       624       (9%)       (0%)         Percentage of Total Net Revenue:         Desktop PCs.       27%       30%       30%         Mobility.       32%       30%       30%         Software and Peripherals       17%       17%       16%         Services and Networking       10%       10%       11%         Services and Networking       4%       4%       4%         Morrison and Networking       10%       10%       11%         Servers and Networking       8       10%       3       3         Servers and Server and Networking       8 </td <td>Net Revenue by Product Category:</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	Net Revenue by Product Category:									
Software and Peripherals         2,586         2,790         2,533         (7%)         2%           Servers and Networking         1,573         1,702         1,651         (8%)         (5%)           Storage         622         681         624         (9%)         (0%)           Percentage of Total Net Revenue:           Desktop PCs         27%         30%         30%           Mobility         32%         30%         30%           Software and Peripherals         17%         16%           Servers and Networking         10%         9%         9%           Services         10%         9%         9%           Services         10%         9%         9%           Storage         4%         4%         4%           Mericas Commercial         7         229         8,096         7,834         (11%)         (8%)           Storage         4%         4%         4%         4%         4%         4%         4%         4%         (5%)           Mericas Commercial         \$ 7,229         \$,8,096         \$,7,834         (11%)         (8%)         (5%)           Asia Pacific - Japan Commercial         1,818         2,054 <td>Desktop PCs</td> <td>\$</td> <td>4,083</td> <td>\$</td> <td>4,928</td> <td>\$</td> <td>4,754</td> <td>(17%)</td> <td>(14%)</td>	Desktop PCs	\$	4,083	\$	4,928	\$	4,754	(17%)	(14%)	
Servers and Networking	Mobility		4,849		4,871		4,729	(0%)	3%	
Services	•							, ,		
Storage   Stor	-							, ,		
Percentage of Total Net Revenue:   Desktop PCs.										
Desktop PCs.         27%         30%         30%           Mobility.         32%         30%         30%           Software and Peripherals         17%         17%         16%           Servers and Networking         10%         10%         11%           Services         10%         9%         9%           Storage.         4%         4%         4%           Net Revenue by Geographic Region:           Americas Commercial.         \$ 7,229         \$ 8,096         \$ 7,834         (11%)         (8%)           EMEA Commercial.         3,272         3,503         3,448         (7%)         (5%)           Asia Pacific - Japan Commercial.         1,818         2,054         1,790         (11%)         2%           Global Consumer.         2,843         2,781         2,574         2%         10%           Consolidated net revenue.         \$ 15,162         \$ 16,434         \$ 15,646         (8%)         (3%)           Percentage of Total Net Revenue:         48%         49%         50%         EMEA Commercial.         21%         21%         22%         Asia Pacific - Japan Commercial.         12%         21%         22%         Asia Pacific - Japan Commercial.         12% <t< td=""><td>Storage</td><td></td><td>622</td><td></td><td>681</td><td></td><td>624</td><td>(9%)</td><td>(0%)</td></t<>	Storage		622		681		624	(9%)	(0%)	
Desktop PCs.         27%         30%         30%           Mobility.         32%         30%         30%           Software and Peripherals         17%         17%         16%           Servers and Networking         10%         10%         11%           Services         10%         9%         9%           Storage.         4%         4%         4%           Net Revenue by Geographic Region:           Americas Commercial.         \$ 7,229         \$ 8,096         \$ 7,834         (11%)         (8%)           EMEA Commercial.         3,272         3,503         3,448         (7%)         (5%)           Asia Pacific - Japan Commercial.         1,818         2,054         1,790         (11%)         2%           Global Consumer.         2,843         2,781         2,574         2%         10%           Consolidated net revenue.         \$ 15,162         \$ 16,434         \$ 15,646         (8%)         (3%)           Percentage of Total Net Revenue:         48%         49%         50%         EMEA Commercial.         21%         21%         22%         Asia Pacific - Japan Commercial.         12%         21%         22%         Asia Pacific - Japan Commercial.         12% <t< td=""><td>Percentage of Total Net Revenue:</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>	Percentage of Total Net Revenue:									
Software and Peripherals       17%       17%       16%         Servers and Networking       10%       10%       11%         Services       10%       9%       9%         Storage       4%       4%       4%         Net Revenue by Geographic Region:         Americas Commercial       \$ 7,229       \$ 8,096       \$ 7,834       (11%)       (8%)         EMEA Commercial       3,272       3,503       3,448       (7%)       (5%)         Asia Pacific - Japan Commercial       1,818       2,054       1,790       (11%)       2%         Global Consumer       2,843       2,781       2,574       2%       10%         Consolidated net revenue       \$ 15,162       \$ 16,434       \$ 15,646       (8%)       (3%)         Percentage of Total Net Revenue:         Americas Commercial       48%       49%       50%         EMEA Commercial       21%       21%       22%         Asia Pacific - Japan Commercial       12%       13%       11%         Global Consumer       19%       17%       17%         EMEA Commercial       \$ 763       \$ 700       \$ 663         EMEA Commercial       116       72       <			27%		30%		30%			
Services and Networking	Mobility		32%		30%		30%			
Services	Software and Peripherals		17%		17%		16%			
Storage	Servers and Networking		10%		10%		11%			
Net Revenue by Geographic Region:   Strategies   Strate	-		10%		9%		9%			
Americas Commercial         \$ 7,229         \$ 8,096         \$ 7,834         (11%)         (8%)           EMEA Commercial         3,272         3,503         3,448         (7%)         (5%)           Asia Pacific - Japan Commercial         1,818         2,054         1,790         (11%)         2%           Global Consumer         2,843         2,781         2,574         2%         10%           Consolidated net revenue         \$ 15,162         \$ 16,434         \$ 15,646         (8%)         (3%)           Percentage of Total Net Revenue:           Americas Commercial         48%         49%         50%           EMEA Commercial         21%         21%         22%           Asia Pacific - Japan Commercial         12%         13%         11%           Global Consumer         19%         17%         17%           Consolidated Operating Income           Americas Commercial         116         72         211           Asia Pacific - Japan Commercial         123         157         76           Global Consumer         112         (5)         (24)           Consolidated segment operating income         1,114         924         926           Stock-based com	Storage		4%		4%		4%			
Americas Commercial         \$ 7,229         \$ 8,096         \$ 7,834         (11%)         (8%)           EMEA Commercial         3,272         3,503         3,448         (7%)         (5%)           Asia Pacific - Japan Commercial         1,818         2,054         1,790         (11%)         2%           Global Consumer         2,843         2,781         2,574         2%         10%           Consolidated net revenue         \$ 15,162         \$ 16,434         \$ 15,646         (8%)         (3%)           Percentage of Total Net Revenue:           Americas Commercial         48%         49%         50%           EMEA Commercial         21%         21%         22%           Asia Pacific - Japan Commercial         12%         13%         11%           Global Consumer         19%         17%         17%           Consolidated Operating Income           Americas Commercial         116         72         211           Asia Pacific - Japan Commercial         123         157         76           Global Consumer         112         (5)         (24)           Consolidated segment operating income         1,114         924         926           Stock-based com	Net Revenue by Geographic Region:									
EMEA Commercial.       3,272       3,503       3,448       (7%)       (5%)         Asia Pacific - Japan Commercial.       1,818       2,054       1,790       (11%)       2%         Global Consumer.       2,843       2,781       2,574       2%       10%         Consolidated net revenue.       \$ 15,162       \$ 16,434       \$ 15,646       (8%)       (3%)         Percentage of Total Net Revenue:         Americas Commercial.       48%       49%       50%         EMEA Commercial.       21%       21%       22%         Asia Pacific - Japan Commercial.       12%       13%       11%         Global Consumer.       19%       17%       17%         Consolidated Operating Income         Americas Commercial.       \$ 763       \$ 700       \$ 663         EMEA Commercial.       116       72       211         Asia Pacific - Japan Commercial.       123       157       76         Global Consumer.       112       (5)       (24)         Consolidated segment operating income       1,114       924       926         Stock-based compensation expense       (73)       (78)       (97)         Amortization of intangible assets <t< td=""><td></td><td>\$</td><td>7 229</td><td>\$</td><td>8 096</td><td>\$</td><td>7 834</td><td>(11%)</td><td>(8%)</td></t<>		\$	7 229	\$	8 096	\$	7 834	(11%)	(8%)	
Asia Pacific - Japan Commercial				Ψ		Ψ		, ,		
Consolidated net revenue					-,			, ,	. ,	
Consolidated net revenue.         \$ 15,162         \$ 16,434         \$ 15,646         (8%)         (3%)           Percentage of Total Net Revenue:           Americas Commercial.         48%         49%         50%           EMEA Commercial.         21%         21%         22%           Asia Pacific - Japan Commercial.         12%         13%         11%           Global Consumer.         19%         17%         17%           EMEA Commercial.         \$ 763         \$ 700         \$ 663           EMEA Commercial.         116         72         211           Asia Pacific - Japan Commercial.         123         157         76           Global Consumer.         112         (5)         (24)           Consolidated segment operating income         1,114         924         926           Stock-based compensation expense         (73)         (78)         (97)           Amortization of intangible assets         (26)         (27)	•									
Americas Commercial       48%       49%       50%         EMEA Commercial       21%       21%       22%         Asia Pacific - Japan Commercial       12%       13%       11%         Global Consumer       19%       17%       17%         Consolidated Operating Income         Americas Commercial       \$ 763       \$ 700       \$ 663         EMEA Commercial       116       72       211         Asia Pacific - Japan Commercial       123       157       76         Global Consumer       112       (5)       (24)         Consolidated segment operating income       1,114       924       926         Stock-based compensation expense       (73)       (78)       (97)         Amortization of intangible assets       (26)       (27)		. \$		\$		\$				
Americas Commercial.       48%       49%       50%         EMEA Commercial.       21%       21%       22%         Asia Pacific - Japan Commercial.       12%       13%       11%         Global Consumer.       19%       17%       17%         Consolidated Operating Income         Americas Commercial.       \$ 763       \$ 700       \$ 663         EMEA Commercial.       116       72       211         Asia Pacific - Japan Commercial.       123       157       76         Global Consumer.       112       (5)       (24)         Consolidated segment operating income       1,114       924       926         Stock-based compensation expense       (73)       (78)       (97)         Amortization of intangible assets       (26)       (27)										
EMEA Commercial.       21%       22%         Asia Pacific - Japan Commercial.       12%       13%       11%         Global Consumer.       19%       17%       17%         Consolidated Operating Income         Americas Commercial.       \$ 763       \$ 700       \$ 663         EMEA Commercial.       116       72       211         Asia Pacific - Japan Commercial.       123       157       76         Global Consumer.       112       (5)       (24)         Consolidated segment operating income       1,114       924       926         Stock-based compensation expense       (73)       (78)       (97)         Amortization of intangible assets       (26)       (27)			400/		4007		F00/			
Asia Pacific - Japan Commercial										
Consolidated Operating Income         19%         17%         17%           Americas Commercial.         \$ 763         \$ 700         \$ 663           EMEA Commercial.         116         72         211           Asia Pacific - Japan Commercial.         123         157         76           Global Consumer.         112         (5)         (24)           Consolidated segment operating income         1,114         924         926           Stock-based compensation expense         (73)         (78)         (97)           Amortization of intangible assets         (26)         (27)										
Consolidated Operating Income           Americas Commercial.         \$ 763         \$ 700         \$ 663           EMEA Commercial.         116         72         211           Asia Pacific - Japan Commercial.         123         157         76           Global Consumer.         112         (5)         (24)           Consolidated segment operating income         1,114         924         926           Stock-based compensation expense         (73)         (78)         (97)           Amortization of intangible assets         (26)         (27)										
Americas Commercial         \$ 763         \$ 700         \$ 663           EMEA Commercial         116         72         211           Asia Pacific - Japan Commercial         123         157         76           Global Consumer         112         (5)         (24)           Consolidated segment operating income         1,114         924         926           Stock-based compensation expense         (73)         (78)         (97)           Amortization of intangible assets         (26)         (27)										
Americas Commercial       \$ 763       \$ 700       \$ 663         EMEA Commercial       116       72       211         Asia Pacific - Japan Commercial       123       157       76         Global Consumer       112       (5)       (24)         Consolidated segment operating income       1,114       924       926         Stock-based compensation expense       (73)       (78)       (97)         Amortization of intangible assets       (26)       (27)	Consolidated Operating Income									
EMEA Commercial.       116       72       211         Asia Pacific - Japan Commercial.       123       157       76         Global Consumer.       112       (5)       (24)         Consolidated segment operating income.       1,114       924       926         Stock-based compensation expense       (73)       (78)       (97)         Amortization of intangible assets.       (26)       (27)		2	763	2	700	\$	663			
Asia Pacific - Japan Commercial.     123     157     76       Global Consumer.     112     (5)     (24)       Consolidated segment operating income.     1,114     924     926       Stock-based compensation expense.     (73)     (78)     (97)       Amortization of intangible assets.     (26)     (27)				Ψ		Ψ				
Global Consumer.         112         (5)         (24)           Consolidated segment operating income.         1,114         924         926           Stock-based compensation expense.         (73)         (78)         (97)           Amortization of intangible assets.         (26)         (27)										
Consolidated segment operating income         1,114         924         926           Stock-based compensation expense         (73)         (78)         (97)           Amortization of intangible assets         (26)         (27)	•									
Stock-based compensation expense         (73)         (78)         (97)           Amortization of intangible assets         (26)         (27)				_						
Amortization of intangible assets										
							(91)			
	Consolidated operating income		1,015	_	819	\$	829			

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

#### DELL INC.

### Condensed Consolidated Statement of Operations and Related Financial Highlights (in millions, except per share data) (unaudited)

	_	Nine Mon	ths E	nded	% Growth		
	Oct	October 31,		rember 2,	Rates		
		2008		2007	Yr. to Yr.		
et revenue	\$	47,673	\$	45,144	6%		
ost of revenue	•	39,028	-	36,467	7%		
Gross margin		8,645		8,677	(0%)		
elling, general and administrative		5,423		5,557	(2%)		
esearch and Development:							
Research, development and engineering		487		456	7%		
In-process research and development		2		450	N/A		
Total research and development  Total operating expenses		5,912		456 6,013	7% (2%)		
				,			
Operating incomevestment and other income, net		2,733		2,664	3% (51%)		
come before income taxes		2,870		2,945	, ,		
come tax provision		743		677	(3%) 10%		
Net income	\$	2,127	\$	2,268	(6%)		
100 110		2, . 2 .		2,200	(070)		
ırnings per common share:  Basic	\$	1.07	\$	1.01	6%		
Diluted		1.06	\$	1.00	6%		
	7		<u> </u>		0,0		
eighted average shares outstanding:  Basic		1,993		2,236	(11%)		
Diluted		1,998		2,262	(12%)		
Percentage of Total Net Revenue:							
Gross margin		18.1%		19.2%			
Selling, general and administrative		11.4%		12.3%			
Total research and development		1.0%		1.0%			
Operating expenses		12.4%		13.3%			
Operating income		5.7%		5.9%			
Income before income taxes		6.0%		6.5%			
Net income		4.5%		5.0%			
Income tax rate		25.9%		23.0%			
Net Bernard for Bradest Category							
Net Revenue by Product Category:  Desktop PCs	\$	13,712	\$	14,713	(7%)		
Mobility		14,624	•	12,610	16%		
Software and Peripherals		8,116		7,254	12%		
Servers and Networking		4,928		4,862	1%		
Services		4,359		3,919	11%		
Storage		1,934		1,786	8%		
Percentage of Total Net Revenue:							
Desktop PCs		29%		32%			
Mobility		31%		28%			
Coftware and Darinhards		17%		16%			
Software and Peripherals		10%		11%			
		10 /0		9%			
Servers and Networking		9%					
Servers and Networking				4%			
Servers and Networking Services Storage.		9%					
Software and Peripherals Servers and Networking Services Storage  Net Revenue by Geographic Region: Americas Commercial.	\$	9% 4% 22,623	\$	4% 22,765	(1%)		
Servers and Networking		9% 4%	\$	4%	(1%) 7%		
Servers and Networking Services Storage  Net Revenue by Geographic Region: Americas Commercial.		9% 4% 22,623	\$	4% 22,765			
Servers and Networking Services Storage.  Net Revenue by Geographic Region: Americas Commercial. EMEA Commercial. Asia Pacific - Japan Commercial.		9% 4% 22,623 10,581	\$	22,765 9,927 5,262 7,190	7%		
Servers and Networking Services Storage.  Net Revenue by Geographic Region: Americas Commercial. EMEA Commercial. Asia Pacific - Japan Commercial.		9% 4% 22,623 10,581 5,896	\$	4% 22,765 9,927 5,262	7% 12%		
Servers and Networking Services Storage.  Net Revenue by Geographic Region: Americas Commercial.  EMEA Commercial. Asia Pacific - Japan Commercial. Global Consumer. Consolidated net revenue.		9% 4% 22,623 10,581 5,896 8,573		22,765 9,927 5,262 7,190	7% 12%		
Servers and Networking Services Storage.  Net Revenue by Geographic Region: Americas Commercial.  EMEA Commercial. Asia Pacific - Japan Commercial. Global Consumer. Consolidated net revenue.  Percentage of Total Net Revenue: Americas Commercial.	\$	9% 4% 22,623 10,581 5,896 8,573 47,673		22,765 9,927 5,262 7,190 45,144	7% 12%		
Servers and Networking Services Storage.  Net Revenue by Geographic Region: Americas Commercial.  EMEA Commercial. Asia Pacific - Japan Commercial. Global Consumer. Consolidated net revenue.  Percentage of Total Net Revenue: Americas Commercial.  EMEA Commercial.	. \$	9% 4% 22,623 10,581 5,896 8,573 47,673		22,765 9,927 5,262 7,190 45,144	7% 12%		
Servers and Networking Services Storage.  Net Revenue by Geographic Region: Americas Commercial. EMEA Commercial. Asia Pacific - Japan Commercial. Global Consumer. Consolidated net revenue.  Percentage of Total Net Revenue: Americas Commercial. EMEA Commercial. EMEA Commercial. Asia Pacific - Japan Commercial.	. \$	9% 4% 22,623 10,581 5,896 8,573 47,673 48% 22% 12%		4%  22,765 9,927 5,262 7,190 45,144  50% 22% 12%	7% 12%		
Servers and Networking Services Storage.  Net Revenue by Geographic Region: Americas Commercial. EMEA Commercial. Asia Pacific - Japan Commercial. Global Consumer. Consolidated net revenue.  Percentage of Total Net Revenue: Americas Commercial. EMEA Commercial. EMEA Commercial. Asia Pacific - Japan Commercial.	. \$	9% 4% 22,623 10,581 5,896 8,573 47,673		22,765 9,927 5,262 7,190 45,144	7% 12%		
Servers and Networking Services Storage.  Net Revenue by Geographic Region: Americas Commercial. EMEA Commercial. Asia Pacific - Japan Commercial. Global Consumer. Consolidated net revenue.  Percentage of Total Net Revenue: Americas Commercial. EMEA Commercial. EMEA Commercial. Global Consumer. Global Consumer.	. \$	9% 4% 22,623 10,581 5,896 8,573 47,673 48% 22% 12%		4%  22,765 9,927 5,262 7,190 45,144  50% 22% 12%	7% 12%		
Servers and Networking Services Storage.  Net Revenue by Geographic Region: Americas Commercial.  EMEA Commercial. Asia Pacific - Japan Commercial. Global Consumer. Consolidated net revenue.  Percentage of Total Net Revenue: Americas Commercial.  EMEA Commercial. Asia Pacific - Japan Commercial. Global Consumer.  Consolidated Operating Income	. \$	9% 4% 22,623 10,581 5,896 8,573 47,673 48% 22% 12%		4%  22,765 9,927 5,262 7,190 45,144  50% 22% 12%	7% 12%		
Servers and Networking Services Storage.  Net Revenue by Geographic Region: Americas Commercial.  EMEA Commercial.  Global Consumer.  Consolidated net revenue.  Percentage of Total Net Revenue: Americas Commercial.  EMEA Commercial.  EMEA Commercial.  EMEA Commercial.  Global Consumer.  Consolidated net revenue.	\$	9% 4% 22,623 10,581 5,896 8,573 47,673 48% 22% 12% 18%	\$	4%  22,765 9,927 5,262 7,190  45,144  50% 22% 12% 16%	7% 12%		
Servers and Networking Services Storage.  Net Revenue by Geographic Region: Americas Commercial.  EMEA Commercial. Asia Pacific - Japan Commercial. Global Consumer. Consolidated net revenue.  Percentage of Total Net Revenue: Americas Commercial. EMEA Commercial. Global Consumer.  Consolidated net revenue.	\$	9% 4% 22,623 10,581 5,896 8,573 47,673 48% 22% 12% 18%	\$	22,765 9,927 5,262 7,190 45,144 50% 22% 12% 16%	7% 12%		
Servers and Networking Services Storage.  Net Revenue by Geographic Region: Americas Commercial.  EMEA Commercial. Asia Pacific - Japan Commercial. Global Consumer. Consolidated net revenue.  Percentage of Total Net Revenue: Americas Commercial. BMEA Commercial. Global Consumer.  Consolidated net revenue.  Consolidated net revenue.  Asia Pacific - Japan Commercial. Global Consumer.  Consolidated Operating Income Americas Commercial. EMEA Commercial. EMEA Commercial. EMEA Commercial. Asia Pacific - Japan Commercial. Asia Pacific - Japan Commercial.	\$	9% 4% 22,623 10,581 5,896 8,573 47,673 48% 22% 18%	\$	4% 22,765 9,927 5,262 7,190 45,144  50% 12% 16%  2,064 695 304	7% 12%		
Servers and Networking Services Storage.  Net Revenue by Geographic Region: Americas Commercial.  EMEA Commercial.  Global Consumer.  Percentage of Total Net Revenue: Americas Commercial.  EMEA Commercial.  EMEA Commercial.  EMEA Commercial.  EMEA Commercial.  Consolidated net revenue.  Percentage of Total Net Revenue: Americas Commercial.  EMEA Commercial.  Consolidated Operating Income Americas Commercial.  EMEA Commercial.  EMEA Commercial.  Selfe A Commercial.  EMEA Commercial.  Global Consumer.	\$	9% 4% 22,623 10,581 5,896 8,573 47,673 48% 22% 12% 18% 2,051 409 411 142	\$	22,765 9,927 5,262 7,190 45,144 50% 22% 12% 16%	7% 12%		
Servers and Networking Services Storage.  Net Revenue by Geographic Region: Americas Commercial. EMEA Commercial. Asia Pacific - Japan Commercial. Global Consumer. Consolidated net revenue.  Percentage of Total Net Revenue: Americas Commercial. EMEA Commercial. Saia Pacific - Japan Commercial. Global Consumer.  Consolidated Operating Income Americas Commercial. EMEA Commercial. Global Consumer.	\$	9% 4% 22,623 10,581 5,896 8,573 47,673 48% 22% 12% 18% 2,051 409 411 142 3,013	\$	22,765 9,927 5,262 7,190 45,144 50% 22% 12% 16% 2,064 695 304 (1) 3,062	7% 12%		
Serviers and Networking Services Storage.  Net Revenue by Geographic Region: Americas Commercial. EMEA Commercial. Asia Pacific - Japan Commercial. Global Consumer. Consolidated net revenue.  Percentage of Total Net Revenue: Americas Commercial. EMEA Commercial. Global Consumer.  Consolidated net revenue.  Percentage of Total Net Revenue: Americas Commercial. Global Consumer.  Consolidated Operating Income Americas Commercial. EMEA Commercial. Global Consumer.  Consolidated Operating Income Americas Commercial. Global Consumer.  Consolidated Segment operating income. Stock-based compensation expense	\$	9% 4% 22,623 10,581 5,896 8,573 47,673 48% 22% 18% 2,051 409 411 142 3,013 (201)	\$	22,765 9,927 5,262 7,190 45,144 50% 22% 12% 16%	7% 12%		
Servers and Networking Services Storage.  Net Revenue by Geographic Region: Americas Commercial. EMEA Commercial. Global Consumer. Consolidated net revenue.  Percentage of Total Net Revenue: Americas Commercial. EMEA Commercial. EMEA Commercial. Global Consumer.  Consolidated net revenue.  Percentage of Total Net Revenue: Americas Commercial. Global Consumer.  Consolidated Operating Income Americas Commercial. EMEA Commercial. EMEA Commercial. Global Consumer.  Consolidated Operating Income Americas Commercial. Global Consumer. Consolidated Segment operating income	\$	9% 4% 22,623 10,581 5,896 8,573 47,673 48% 22% 12% 18% 2,051 409 411 142 3,013	\$	22,765 9,927 5,262 7,190 45,144 50% 22% 12% 16% 2,064 695 304 (1) 3,062	7% 12%		

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

#### **DELL INC.**

## Condensed Consolidated Statement of Financial Position and Related Financial Highlights (in millions, except for "Ratios" and "Other information") (unaudited)

	October 31, 2008		August 1, 2008		November 2, 2007 <sup>(2)</sup>		
Assets:							
Current assets:							
Cash and cash equivalents	\$	7,910	\$	8,623	\$	12,236	
Short-term investments		662		410		369	
Accounts receivable, net		5,532		6,451		6,156	
Financing receivables, net		1,526		1,629		1,560	
Inventories, net		1,109		1,104		1,102	
Other		4,795		3,559		2,925	
Total current assets		21,534		21,776		24,348	
Property, plant and equipment, net		2.458		2.588		2.631	
Investments		374		501		1,980	
Long-term financing receivables, net		435		348		389	
Goodwill		1,743		1,753		204	
Purchased intangible assets, net		750		781		69	
Other non-current assets		523		660		759	
Total assets	\$	27,817	\$	28,407	\$	30,380	
	_	21,011	_	20,		00,000	
<u>Liabilities and Equity:</u>							
Current liabilities:							
Short-term debt	\$	266	\$	129	\$	266	
Accounts payable		9,475		11,215		11,411	
Accrued and other		4,108		4,271		4,268	
Short-term deferred service revenue		2,572		2,572		2,386	
Total current liabilities		16,421		18,187		18,331	
Long-term debt		1,851		1,840		392	
Long-term deferred service revenue		3,001		3,117		2,635	
Other non-current liabilities		2,385		2,357		2,077	
Total liabilities		23,658		25,501		23,435	
Redeemable common stock		-		83		101	
Stockholders' equity		4,159		2,823		6,844	
Total liabilities and equity	\$	27,817	\$	28,407	\$	30,380	
Ratios:		_				_	
Days of sales outstanding (1)		36		38		38	
Days supply in inventory		8		7		8	
Days in accounts payable		69		74		81	
Cash conversion cycle		(25)		(29)		(35)	
Cash conversion cycle		(23)		(29)		(33)	
Other Information:							
Regular headcount (approximate)		77,700		79,300		81,900	
Temporary headcount		3,100		3,700		7,200	
Total headcount		80,800		83,000		89,100	
Average total revenue/unit (approximate)	\$	1,440	\$	1,420	\$	1,520	

Note: Ratios are calculated based on underlying data in thousands.

<sup>&</sup>lt;sup>(1)</sup> Days of sales outstanding ("DSO") is based on the ending net trade receivables and most recent quarterly revenue for each period. DSO includes the effect of product costs related to customer shipments not yet recognized as revenue that are classified in the other current assets. At October 31, 2008, August 1, 2008, and November 2, 2007, DSO and days of customer shipments not yet recognized were 33 and 3 days, 35 and 3 days and 35 and 3, respectively.

<sup>(2)</sup> Prior period amounts have been revised to reflect a reclassification between short-term and long-term deferred service revenue.

#### DELL INC.

### Condensed Consolidated Statements of Cashflows

(in millions, unaudited)

	Т	hree Moi	nths	ths Ended		Nine Mon	ths Ended	
	October 31, 2008		November 2, 2007		October 31, 2008		November 2, 2007	
Cash flows from operating activities:								
Net income	\$	727	\$	766	\$	2,127	\$	2,268
Adjustments to reconcile net income to net cash provided by								
operating activities:								
Depreciation and amortization		194		153		575		424
Stock-based compensation		73		97		201		291
Effects of exchange rate changes on monetary assets and								
liabilities denominated in foreign currencies		(3)		9		(113)		40
Deferred income taxes		228		(25)		209		(86)
Other		52		48		137		64
Changes in operating assets and liabilities, net of effects from acquisitions:								
Accounts receivable		230		(748)		(162)		(1,313)
Financing receivables		(47)		(66)		(28)		(184)
Inventories		(12)		(126)		65		(437)
Other assets		(175)		(370)		(648)		(278)
Accounts payable		(1,664)		785		(1,992)		899
Deferred service revenue		19		350		424		790
Accrued and other liabilities		292		125		370		274
Change in cash from operating activities		(86)		998		1,165		2,752
Cash flows from investing activities:								
Investments:								
Purchases		(362)		(323)		(1,150)		(2,088)
Maturities and sales		282		618		2,034		2,745
Capital expenditures.		(137)		(172)		(401)		(636)
Proceeds from sale of facility and land	•	-		-		44		-
Acquisition of business, net of cash received		_		(87)		(165)		(106)
Change in cash from investing activities	_	(217)		36		362		(85)
		, ,						` ,
Cash flows from financing activities:								
Repurchase of common stock		(415)		(1)		(2,866)		(1)
Issuance of common stock under employee plans		11		-		79		21
Issuance (payment) of commercial paper, net		153		(60)		253		(100)
Proceeds from issuance of debt		-		13		1,519		38
Repayments of debt		(14)		(16)		(237)		(45)
Other		-		(6)		-		1
Change in cash from financing activities		(265)		(70)		(1,252)		(86)
Effect of exchange rate changes on cash and cash equivalents		(145)		68		(129)		109
Change in cash and cash equivalents		(713)		1,032		146		2,690
Cash and cash equivalents at beginning of period		8,623		11,204		7,764		9,546
Cash and cash equivalents at end of period	\$	7,910	\$	12,236	\$	7,910	\$	12,236
·	=						•	$-\dot{-}$