Message

From: Egon Durban [Egon.Durban@SilverLake.com]
Sent: 8/12/2018 10:10:23 PM
To: Elon Musk [erm@tesla.com]; Todd Maron [todd@tesla.com]
CC: Richard Capelouto [rcapelouto@stblaw.com]
Subject: Fwd: Dell Proxy Background Sections
Attachments: Proxy Background Sections.pdf; ATT00001.htm

Privileged

For your quick flip perusal. A summary of the transaction background from the Dell 1.0 (lbo), 2.0 (emc) and 3.0 (in process merger w public entity) proxies.

Just some flavor / context....

Begin forwarded message:
From: "Underwood, Mark" <Mark.Underwood@stblaw.com>
Date: August 11, 2018 at 5:31:21 AM HST
To: "Egon.Durban@SilverLake.com" <Egon.Durban@SilverLake.com>
Cc: "Capelouto, Richard" <rcapelouto@stblaw.com>
Subject: Dell Proxy Background Sections
Egon,

Attached please find a PDF containing the background/timeline sections from the proxy statements for each of the 2013 buyout, the EMC acquisition and the current Class V transaction.

Best,
Mark

Mark Underwood
Simpson Thacher & Bartlett LLP
2475 Hanover Street
Palo Alto, CA 94304

T: +1-650-251-5116
mark.underwood@stblaw.com

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
Case Number: 3:18-cv-04865-EMC
PLTF / DEFT Exhibit No. **181**
Date Admitted:
By:
Angella Meuleman, Deputy Clerk

Exhibit 181

SPECIAL FACTORS

Background of the Merger

As a global information technology company with significant dependence on the personal computer ("PC") market, the Company is subject to fundamental changes that are occurring in this market. Four years ago, the Company adopted a long-term business strategy of transforming its business model to shift its focus from its end-user computing ("EUC") business, which includes PC, mobility and third-party software, to its enterprise solutions and services ("ESS") business, which provides higher-margin enterprise solutions and services to businesses. The Company continues to believe that this transformation to become a more ESS-driven business will deliver higher value and recurring revenue streams and mitigate the effect of the challenges facing the PC market and the Company's EUC business. The Board regularly evaluates the Company's business and operations as well as the Company's competitive position, strategic prospects and direction.

On June 15, 2012, a representative of Southeastern, a stockholder of the Company, which has disclosed that it owns approximately 146.5 million shares of Common Stock, contacted Michael S. Dell, the Company's founder and Chief Executive Officer, to suggest the possibility of a going private transaction involving the Company and to express Southeastern's interest in participating in such a transaction by rolling over a portion of its shares of the Company. The representative of Southeastern also sent Mr. Dell a spreadsheet outlining such a transaction, which did not contemplate the rollover of shares of any existing stockholders of the Company other than Southeastern and Mr. Dell. Mr. Dell responded that he would think about the idea. The representative of Southeastern supplied Mr. Dell with additional information over the next few weeks in response to questions posed by Mr. Dell.

On July 17, 2012, Mr. Dell met a representative of Silver Lake Partners ("Silver Lake") at an industry conference, and the representative of Silver Lake suggested that they arrange a meeting in August to discuss the Company. Mr. Dell and the representative of Silver Lake met on August 10 and 14, 2012. During these meetings, the representative of Silver Lake asked Mr. Dell to consider working with Silver Lake to take the Company private. Mr. Dell said that he would be interested in exploring the idea. On August 11 and 13, 2012, Mr. Dell met with a representative of another private equity firm ("Sponsor A") and asked the representative of Sponsor A whether he thought a going private transaction would make sense for the Company. The representative of Sponsor A responded that he would like to consider the question.

On August 14, 2012, Mr. Dell told Alex J. Mandl, the Company's lead independent director, that Mr. Dell was interested in exploring the possibility of a transaction to take the Company private. Mr. Dell reported to Mr. Mandl the preliminary conversations and meetings he had had with the representatives of each of Southeastern, Silver Lake and Sponsor A. Mr. Dell informed Mr. Mandl that he had made no decision regarding whether to pursue such a transaction and that, if he did pursue such a transaction, he would be willing to consider partnering with any party that offered the best transaction for the Company's other stockholders. Mr. Dell also told Mr. Mandl that he wished to request access to certain confidential Company information to enable him to explore the feasibility of proposing a going private transaction. Mr. Mandl said that he would discuss the matter with the Board.

On August 17, 2012, the Board held a telephonic meeting at which certain members of the Company's management and a representative of Richards, Layton & Finger ("RL&F"), Delaware counsel to the Company, were present. Mr. Mandl informed the Board of his August 14 conversation with Mr. Dell and noted Mr. Dell's request for access to certain confidential Company information. At Mr. Mandl's request, Mr. Dell discussed with the Board his interest in exploring the possibility of proposing a transaction to take the Company private and his discussions with representatives of Southeastern, Silver Lake and Sponsor A. Mr. Dell explained that he did not wish to proceed further with these discussions without the approval of the Board. Following his remarks, Mr. Dell withdrew from the meeting. Lawrence P. Tu, the Company's General Counsel, and the representative of RL&F then reviewed with the members of the Board (i) their fiduciary duties and other legal principles that

would be applicable to the Board's consideration of a potential going private transaction and (ii) certain process considerations, including Mr. Dell's request for access to certain confidential Company information. After discussion, the Board determined that consideration of a potential transaction and various other strategic alternatives then available to the Company would be appropriate given the challenges facing the Company. The Board asked Mr. Mandl, in his capacity as the lead director, to provide a recommendation to the Board with respect to the establishment and composition of a special committee of independent and disinterested directors to facilitate the consideration of a potential transaction, if one were to be proposed, as well as other strategic alternatives.

Following the Board meeting on August 17, 2012, Mr. Mandl informed Mr. Dell that the Board would be prepared to consider the possibility of a potential transaction as well as other strategic alternatives. On August 18, 2012, Mr. Dell contacted the representatives of each of Silver Lake and Sponsor A to inform them that the Board was prepared to consider the possibility of a transaction and that the Company would advise them on the next steps in the process.

On August 20, 2012, the Board held a telephonic meeting, at which Mr. Tu and a representative of RL&F were present. Mr. Dell did not participate in the meeting. At that meeting, on the recommendation of Mr. Mandl, the Board authorized the formation of the Special Committee, consisting of Mr. Mandl, Laura Conigliaro, Janet F. Clark and Kenneth M. Duberstein, each of whom is an independent member of the Board. The Board delegated to the Special Committee full and exclusive authority to (i) consider any proposal to acquire the Company involving Mr. Dell and to consider any alternative proposals from any other parties, (ii) engage independent legal and financial advisors to the Special Committee, (iii) make a recommendation to the Board with respect to any such proposed transaction and (iv) evaluate, review and consider other potential strategic alternatives that may be available to the Company. The Board resolved not to recommend any going private transaction or alternative to such a transaction without the prior favorable recommendation by the Special Committee. The Special Committee subsequently appointed Mr. Mandl as its chairman.

On August 21, 2012, primarily as a result of continued weakness in the EUC business, the Company reported revenue for the second quarter of fiscal year 2013 of $14.5 billion. The Company's revenues for this quarter, which ended on August 3, 2012, were approximately $300 million less than the amount projected by management for the quarter, which projections management had reviewed with the Board in early July, and approximately $800 million less than the amount projected by management for the same period in early June. The Company lowered its fiscal year 2013 earnings per share guidance from $2.13 to $1.70 and attributed the lowered outlook to the uncertain economic environment, competitive dynamics and the decline in demand in the EUC business.

On August 24, 2012, the Special Committee held a telephonic meeting to discuss its mandate and to consider the retention of independent counsel to the Special Committee. Mr. Mandl reported on his interviews of several law firms, including Debevoise & Plimpton LLP ("Debevoise"). A representative of Debevoise participated in a portion of the meeting to discuss various alternatives available to the Special Committee for responding to the possibility of a going private transaction, as well as legal and process issues the Special Committee should consider. The representative of Debevoise was then excused from the meeting. After considering the report of Mr. Mandl, the presentation by Debevoise, the respective prior representations, qualifications, reputation and experience of each firm that had been interviewed, and the absence of material conflicts on the part of Debevoise, the Special Committee selected Debevoise to act as its legal counsel.

Between August 24, 2012 and August 28, 2012, Mr. Mandl held discussions with representatives of J.P. Morgan and Goldman Sachs & Co. ("Goldman Sachs"), each of which is widely viewed as having expertise with respect to the industries in which the Company operates, M&A advisory matters, including transactions with private equity firms, and debt capital markets, to evaluate each firm's suitability to serve as a financial advisor to the Special Committee.

On August 28, 2012, the Special Committee held a telephonic meeting at which representatives of Debevoise and J.P. Morgan were present. At that meeting, representatives of J.P. Morgan made a presentation to the Special Committee regarding J.P. Morgan's qualifications and experience.

On August 29, 2012, the Special Committee held a telephonic meeting, at which representatives of Debevoise were present, to discuss the retention of J.P. Morgan as financial advisor to the Special Committee. Mr. Mandl and a representative of Debevoise reported on conversations they had with representatives of J.P. Morgan following the Special Committee's meeting the previous day, in which they discussed J.P. Morgan's proposed fee arrangements and other terms of engagement. After considering J.P. Morgan's qualifications, reputation and experience, its proposed fee arrangements, J.P. Morgan's agreement not to participate in the financing of any going private transaction involving the Company unless asked to do so by the Special Committee, and J.P. Morgan's relationships with the Company and Mr. Dell, as well as Goldman Sachs' relationships with the Company and Mr. Dell, the Special Committee determined to retain J.P. Morgan as its financial advisor.

On August 30, 2012, the Board held a telephonic meeting, in which Mr. Dell did not participate, at which certain members of the Company's management and representatives of Debevoise, J.P. Morgan and RL&F were present. At that meeting, Mr. Mandl informed the Board that the Special Committee had retained Debevoise as its legal advisor and was in the process of retaining J.P. Morgan as its financial advisor. Representatives of Debevoise reported that they were preparing confidentiality agreements to be entered into with Mr. Dell, Silver Lake and Sponsor A, which would, among other things, (i) prohibit each of Mr. Dell and the sponsors from proposing a transaction involving the Company unless invited to do so by the Special Committee, (ii) prohibit each of Mr. Dell and the sponsors from entering into agreements with any party, including any exclusivity arrangements with any financing sources, regarding a transaction involving the Company without the Special Committee's consent, (iii) require Mr. Dell to work in good faith with other potential sponsors if requested to do so by the Special Committee and to refrain from taking any actions that would prevent him from doing so, (iv) require Mr. Dell to represent that his evaluation of a possible transaction would not interfere with the performance of his duties as Chief Executive Officer of the Company and (v) prohibit Mr. Dell from sharing any confidential information with any other party, including the sponsors. The Board also discussed the need for confidentiality, the risks that leaks could pose to the Company's business and the need for a strategic communications plan to address any potential leaks.

On August 31, 2012, the Special Committee held a telephonic meeting, at which representatives of Debevoise were present, to authorize the finalization of the confidentiality agreements with Mr. Dell, Silver Lake and Sponsor A. The Special Committee then discussed the terms under which it proposed to engage J.P. Morgan as its financial advisor. A representative of Debevoise stated that Debevoise had received a draft engagement letter from J.P. Morgan which generally conformed to the terms previously discussed by the Special Committee. After discussion, the Special Committee approved the Company's entry into the engagement letter, subject to changes approved by Mr. Mandl and confirmation as to the absence of material conflicts of interest on the part of J.P. Morgan.

Between August 29, 2012 and August 31, 2012, Debevoise negotiated a confidentiality agreement with Mr. Dell's counsel, Wachtell, Lipton, Rosen & Katz ("Wachtell Lipton"). The Company and Mr. Dell executed the confidentiality agreement on August 31, 2012 reflecting the terms described above. Between August 31, 2012 and September 4, 2012, Debevoise negotiated a confidentiality agreement with Silver Lake's counsel, Simpson Thacher & Bartlett LLP ("Simpson Thacher"). The Company and an affiliate of Silver Lake executed a confidentiality agreement on September 4, 2012 reflecting the terms described above. During the same period, Debevoise negotiated, and the Company entered into, a confidentiality agreement with Sponsor A reflecting the terms described above. The Company subsequently provided Mr. Dell, Silver Lake and Sponsor A with access to an online data room containing information regarding the Company.

On September 11, 2012, the Company entered into an engagement letter with J.P. Morgan. During September 2012, J.P. Morgan met with members of the Company's management team, commenced a detailed business, tax and financial due diligence review of the Company and reviewed and analyzed the macroeconomic and competitive challenges facing the Company.

On September 13, 2012, the Special Committee held a telephonic meeting, at which Brian Gladden, the Company's Chief Financial Officer, and representatives of Debevoise were present, to receive a presentation

from Mr. Gladden regarding management's projections for the Company's future financial performance. During this presentation, Mr. Gladden discussed management projections for the Company through fiscal year 2016 that had been reviewed with the Board in July 2012 (the "July Plan"), as summarized under "*—Projected Financial Information—July Plan*." Mr. Gladden explained that management had updated the fiscal year 2013 outlook since the July meeting to take into account the lower than expected actual results of fiscal year 2013 to date, which reflected, among other factors, lower customer demand, lower margins for certain products than management had previously estimated, changes in the PC market and competitive dynamics. Mr. Gladden advised the Special Committee that other than modifications necessary to reflect fiscal year 2013 performance, the assumptions underlying the July Plan remained unchanged. Mr. Gladden also noted that the Company had lowered its fiscal year 2013 earnings per share guidance the month following the Board's consideration of the July Plan. Mr Gladden indicated that he was preparing an update to the July Plan to reflect revisions to management's prior estimates for fiscal year 2013 to take into account the results of fiscal year 2013 to date. In light of the Company's operating performance and industry challenges, the Special Committee questioned whether the July Plan represented an accurate outlook for future years given the current state of the Company's business and requested that Mr. Gladden update the July Plan for the other fiscal years covered by the July Plan to reflect management's current views of the expected future financial performance of the Company. In addition, Mr. Gladden was asked to expand the forecasts to include two additional fiscal years in order to provide potential bidders with sufficient information to conduct customary valuation analyses. Following Mr. Gladden's presentation, the Special Committee met in executive session and discussed management's projections. Given the uncertainty regarding the Company's future performance and the difficulty experienced by the Company's management in meeting its estimates over the prior fiscal quarters, the Special Committee decided to continue to explore potential strategic alternatives, including continuing to execute management's long-term plan and remaining as a publicly held company, potential changes to that plan, and adjustments in the management team.

On September 14, 2012, the Special Committee held an in-person meeting, at which representatives of Debevoise and J.P. Morgan were present, to (i) review with Debevoise the fiduciary duties of the members of the Special Committee under Delaware law, (ii) hear J.P. Morgan's preliminary perspectives on the Company, including the Company's financial performance relative to its peers, the likelihood of available financing in the market for a leveraged acquisition of the Company, and certain potential alternatives to such a transaction, and (iii) discuss the process by which the Special Committee should proceed as it evaluates a potential transaction. During the meeting, J.P. Morgan discussed the Company's past operating performance and, specifically, the Company's failure to meet management and consensus analyst quarterly expectations. J.P. Morgan also discussed the background information on the Company that J.P. Morgan had obtained, highlighting items with respect to which it wanted to receive additional information from management, including the Company's cash position and prospects for the Company's Dell Financial Services business ("DFS"). In addition, J.P. Morgan discussed the significant weakness in the PC market and the Company's loss of market share in key emerging markets that had historically been major drivers of the Company's financial growth. J.P. Morgan and the Special Committee also discussed the Company's progress to date in diversifying its business and the ongoing execution risks facing the Company in transitioning the focus of its business from the PC market to the ESS business, including the risk of relying on a declining PC business to fund the growth of an ESS business.

During the meeting, J.P. Morgan also identified other financial sponsors that could potentially be interested in pursuing a sale transaction with the Company, noting its belief that Silver Lake and Sponsor A were the best qualified potential acquirors because each had the capacity to complete a transaction with significant committed equity and each had a successful track record of acquiring companies in the technology industry. J.P. Morgan noted that although the leveraged buyout market was strong, a transaction of the size necessary to acquire the Company had not occurred since 2007. J.P. Morgan also discussed strategic buyers that could potentially be interested in acquiring the Company, and stated its view that there was a low probability of strategic buyer interest in acquiring the Company as a result of the Company's large market capitalization, the Company's significant exposure to the PC market, the recent decline in the Company's operating performance, and the absence of any stated third-party interest in acquiring the Company over the prior two-year period. The Special Committee discussed the potential risk of competitive harm to the Company if strategic buyers conducted due

diligence but a transaction did not occur, and the increased risk of leaks, which could create instability among the Company's employees as well as its customers and vendors. After discussing these matters and the importance of maintaining negotiating leverage as well as the desire to minimize the risk of premature disclosure, and given the preliminary nature of Mr. Dell's expression of interest, the Special Committee determined to refrain from contacting other potential buyers until after its review of any proposals submitted by Silver Lake or Sponsor A, but to continue to evaluate that determination in light of subsequent events. The Special Committee also discussed certain commercial and investment banking fees that J.P. Morgan had received from the Company in the prior two years, and determined that such fees did not cause J.P. Morgan to have conflicts of a type or magnitude that would cause it not to qualify as an independent financial advisor.

On September 17, 2012, the Special Committee held a telephonic meeting, at which Mr. Gladden, Mr. Tu, Thomas W. Sweet, the Company's Vice President, Corporate Finance and Controller, Jeffrey A. Likosar, the Company's Vice President, Operations Finance and Janet B. Wright, the Company's Vice President - Corporate, Securities and Finance Counsel and Assistant Secretary, as well as representatives of Debevoise and J.P. Morgan, were present, to review further with Mr. Gladden management's current views as to the expected future financial performance of the Company. Mr. Gladden discussed changes to the assumptions underlying management's July Plan as a result of the Company's second quarter fiscal year 2013 financial performance and macroeconomic changes affecting the Company's PC business, including projections for decreased revenue relating to the introduction of the Windows 8 operating system, an unexpected slowdown in Windows 7 upgrades, the growth of tablets, which are sold by the Company in limited quantities, and the growth of smartphones, which the Company does not manufacture, as alternatives to the Company's core inventory of desktop and laptop PCs. Mr. Gladden noted that these adverse developments, coupled with generally weakening demand in the global PC market and lower PC margin rates, would be reflected in the updated projections requested by the Special Committee. Mr. Gladden also described sensitivity analyses that could be performed to illustrate the impact of changes in various operating metrics, which he expected to review with J.P. Morgan. After Mr. Gladden and the other members of management withdrew from the meeting, the Special Committee discussed Mr. Gladden's presentation, including the rationale for the updated projections. The Special Committee also discussed the transaction process and authorized J.P. Morgan to contact Silver Lake and Sponsor A to discuss the transaction process and the submission of proposals to acquire the Company.

Later on September 17, 2012, representatives of J.P. Morgan contacted representatives of Silver Lake and Sponsor A to discuss the transaction process, including the due diligence review process and the timing for the submission of proposals to acquire the Company. During the remainder of September and the month of October 2012, representatives of J.P. Morgan had a number of telephonic meetings with representatives of Silver Lake and Sponsor A regarding their respective due diligence reviews of the Company and other process considerations. The representatives of Silver Lake and of Sponsor A also contacted Mr. Dell periodically with respect to the status of their respective reviews.

On September 21, 2012, the Special Committee held a telephonic meeting to which the other independent directors were invited. The purposes of the meeting, at which Donald Carty, William Gray, Gerard Kleisterlee, Klaus Luft, Shantanu Narayen, Ross Perot Jr., Mr. Tu, Mr. Gladden, Mr. Sweet, Mr. Likosar, Ms. Wright, and representatives of Debevoise and J.P. Morgan were present, were to (i) update the invited members of the Board regarding the activities of the Special Committee, (ii) receive a presentation from J.P. Morgan as to its perspectives on the Company and (iii) receive a presentation from Mr. Gladden on his perspective regarding the updated financial projections for the Company (the "September 21 Case") as summarized under *"—Projected Financial Information—September 21 Case."* Mr. Gladden noted that the September 21 Case contemplated stronger performance than was currently expected by the market, as evidenced by consensus analyst estimates. However, Mr. Gladden also noted that the September 21 Case was prepared off-cycle from the Company's routine internal planning processes; that, with the Special Committee's knowledge, it was prepared by senior management (without the participation of Mr. Dell); and that it did not reflect the updated perspectives of the Company's individual business segment leaders, who at the time were not aware of a possible transaction involving the Company, and therefore did not necessarily reflect such business segment leaders' views as to the assumptions and projections reflected in the September 21 Case (which may have been more or

less optimistic than senior management's views). Following Mr. Gladden's presentation, the Special Committee determined that the other independent directors should be invited to the Special Committee's next meeting to continue reviewing the September 21 Case.

On September 23, 2012, the Special Committee held a telephonic meeting to which the other independent directors were invited. The purpose of the meeting, at which Ross Perot Jr., Mr. Tu, Mr. Gladden, Mr. Sweet, Mr. Likosar, Ms. Wright, and representatives of Debevoise and J.P. Morgan were present, was to continue to review the September 21 Case. At that meeting, J.P. Morgan discussed its review of the September 21 Case, expressing the view that it appeared optimistic in light of the Company's recent operating underperformance, industry forecasts provided by independent third parties and consensus analyst estimates. J.P. Morgan observed that the September 21 Case assumed more favorable revenue growth rates for the PC market than those predicted by a number of analyst estimates. J.P. Morgan and the Special Committee discussed the September 21 Case, including that it appeared to be optimistic. J.P. Morgan noted that the Company is covered by at least 33 research analysts. Mr. Gladden stated that the September 21 Case generally assumed growth rates similar to those used in the preparation of the July Plan (with the exception of lower growth rates for the EUC and software and peripherals businesses), although from a lower base given the Company's actual year-to-date performance. After discussion, the Special Committee directed Mr. Gladden to review the September 21 Case with Mr. Dell. The Special Committee also discussed whether to provide the September 21 Case to Silver Lake and Sponsor A. The Special Committee determined to provide the September 21 Case to Silver Lake and Sponsor A because it was appropriate to provide senior management's most recent forecast of the business and evaluation of its prospects to parties interested in acquiring the Company. The initial September 21 Case, including certain of the refinements made to it based on, among other matters, senior management's expectations as to the Company's working capital needs as described under *"—Projected Financial Information"* beginning on page 94, was subsequently made available to Silver Lake and Sponsor A in the online data room.

On October 2, 2012, the Special Committee held a telephonic meeting at which representatives of Debevoise and J.P. Morgan were present. J.P. Morgan updated the Special Committee on the status of the due diligence reviews being conducted by Silver Lake and Sponsor A, on recent market developments, including recent declines in the Company's stock price, and on developments in the debt financing markets. The Special Committee also discussed the role that Goldman Sachs, the Company's financial advisor, was playing in supporting the Company's management (other than Mr. Dell) and determined that the Special Committee should receive a presentation from Goldman Sachs regarding its views on strategic alternatives available to the Company.

On October 4, 2012, Sponsor A attended a due diligence session with Mr. Dell, Mr. Gladden, Mr. Sweet and Mr. Likosar, at which representatives of J.P. Morgan and Debevoise were also present. Subsequently, Sponsor A had a number of follow-up due diligence calls and meetings with members of the Company's management, at which representatives of J.P. Morgan were also present.

On October 9, 2012, the Special Committee held an in-person meeting, at which representatives of Debevoise and J.P. Morgan were present, to receive a presentation from J.P. Morgan regarding the Company and strategic alternatives available to it. At that meeting, J.P. Morgan discussed, among other matters, (i) the Company's share price performance and investor sentiment regarding the Company, noting the Company's underperformance relative to its peers, (ii) key challenges facing the Company, including industry analyst forecasts anticipating that the PC market would remain flat due to cannibalization of PC usage resulting from increasing adoption of tablets and smartphones and other factors creating market uncertainty with respect to its EUC business, (iii) the Company's decision to emphasize preserving margins in its EUC business over seeking growth and market share in emerging markets, and the illustrative impact on the Company of changes in margins and revenues in its EUC business and (iv) J.P. Morgan's preliminary analysis, in each case using certain of the types of valuation metrics described under "*—Opinion of J.P. Morgan Securities LLC*," regarding the Company's stand-alone value potential and other strategic alternatives to potentially enhance stockholder value, including a leveraged recapitalization and/or an increase in dividends, a separation of the Company's EUC business, transformative acquisitions and a sale to a strategic buyer. J.P. Morgan also updated the Special Committee regarding Silver

Lake's and Sponsor A's respective consideration of a possible acquisition of the Company, including the status of discussions, an analysis of the feasibility of a leveraged buyout of the Company and the key value drivers for such a transaction, an illustration of possible returns that an acquiror in a leveraged buyout might obtain, an illustrative financing structure, and the expected content of proposals from the sponsors.

On October 10, 2012, the Special Committee held an in-person meeting, at which representatives of Goldman Sachs and representatives of Debevoise were present, to receive a presentation from Goldman Sachs regarding the Company and strategic alternatives available to it. At that meeting, Goldman Sachs discussed, among other matters, (i) the market's perception of the Company, (ii) its views as to the performance of the Company's share price and trading multiple relative to the Company's peers, including, among other factors, the uncertain outlook for the PC market generally and the Company's EUC business specifically and the potential for this uncertainty to persist over time, (iii) the Company's financial performance and management's projections of financial performance, including the fact that analyst estimates had lower expectations regarding the Company's financial outlook than was suggested by the September 21 Case and (iv) the present value of future share prices implied by management's projections in the September 21 Case. Goldman Sachs also reviewed with the Special Committee various strategic alternatives available to the Company, including illustrative analyses of a leveraged buyout, a separation of the Company's EUC and ESS businesses, a sale of DFS, a spin-merger transaction involving the Company's EUC business and a strategic company, and a return of capital strategy by means of a share repurchase or cash dividend funded with new debt and/or existing cash. The Special Committee discussed with Goldman Sachs these alternatives, including the values implied for them by management's projections in the September 21 Case and the timing and execution risks associated with each, particularly with respect to alternatives involving a separation of the Company's businesses. The Special Committee also discussed with Goldman Sachs which of these alternatives could be effectuated by a public company, and the extent to which alternatives that could more readily be effectuated by a private company would represent value that could be unlocked in a going private transaction. After Goldman Sachs concluded its presentation and withdrew from the meeting, the Special Committee discussed the presentations by J.P. Morgan and Goldman Sachs, including, among other matters, similarities and differences between them, and the role of Goldman Sachs as an advisor to the Company, rather than as an advisor to the Special Committee. The Special Committee also discussed the role of management in the process that the Special Committee had undertaken, management's potential future role in the Company after any going private transaction, and methods by which the Special Committee might further inform itself regarding the strategic alternatives available to the Company. The Special Committee determined that the other independent members of the Board would benefit from hearing presentations from J.P. Morgan and Goldman Sachs.

On October 11, 2012, Silver Lake attended a due diligence session with Mr. Dell, Mr. Gladden, Mr. Sweet and Mr. Likosar, at which representatives of J.P. Morgan and Debevoise were also present. Subsequently, Silver Lake had several follow-up due diligence calls and meetings with members of the Company's management, at which representatives of J.P. Morgan were also present.

Also on October 11, 2012, representatives of J.P. Morgan discussed the transaction process with representatives of Sponsor A, including questions regarding the due diligence process and the timing of submission of proposals.

On October 16, 2012, J.P. Morgan, on behalf of the Special Committee, sent a letter to each of Silver Lake and Sponsor A requesting that they submit proposals no later than October 23, 2012 to acquire the Company.

On October 18, 2012, the Special Committee held a telephonic meeting at which certain other independent members of the Board, including Donald Carty, William Gray, Gerard Kleisterlee, Klaus Luft, Shantanu Narayen and Ross Perot Jr., and representatives of Debevoise were present. Representatives of Goldman Sachs were also present for a portion of the meeting, during which they made a presentation regarding the Company and strategic alternatives available to it. After discussion of the Goldman Sachs presentation, representatives of Goldman Sachs withdrew from the meeting. Representatives of J.P. Morgan subsequently joined the meeting and made a presentation regarding the Company and strategic alternatives available to it. After discussion of the J.P. Morgan

presentation, representatives of J.P. Morgan withdrew from the meeting. The Special Committee and the other independent directors present then discussed the presentations made by Goldman Sachs and J.P. Morgan, both of which covered largely the same topics as were addressed at the Special Committee's October 9 and 10 meetings. Representatives of Debevoise outlined process considerations for the Special Committee with respect to evaluating the proposals expected to be received from Silver Lake and Sponsor A.

On October 19, 2012, representatives of J.P. Morgan further discussed with representatives of Sponsor A the ongoing process, including questions regarding the due diligence process and the timing of submissions of proposals.

On October 22, 2012, representatives of Silver Lake shared with Mr. Dell and Wachtell Lipton a draft proposal that included a preliminary range of proposed purchase prices. On October 23, 2012, representatives of Sponsor A shared with Mr. Dell and Wachtell Lipton a draft proposal with the proposed purchase price left blank. Neither Silver Lake nor Sponsor A shared with Mr. Dell or Wachtell Lipton an updated draft proposal or its final proposed purchase price before submitting its proposal.

On October 23, 2012, Silver Lake and Sponsor A each submitted a preliminary non-binding proposal to acquire the Company. Silver Lake proposed a purchase price of $11.22-$12.16 per share for all of the Company's outstanding shares, other than those held by Mr. Dell (all of which it assumed would be rolled over in the transaction), and indicated that Silver Lake's interest was solely in pursuing a transaction in partnership with Mr. Dell. Sponsor A proposed a purchase price of $12-$13 per share for all of the Company's outstanding shares, other than those held by Mr. Dell and Southeastern (all of which it assumed would be rolled over in the transaction) and contemplated an additional $500 million cash investment by Mr. Dell. Both proposals were subject to further due diligence, negotiation of definitive documentation, receipt of financing commitments and other significant contingencies.

On October 24, 2012, representatives of J.P. Morgan contacted representatives of Silver Lake and Sponsor A to discuss follow-up questions with respect to their preliminary proposals.

On October 27, 2012, the Special Committee held a telephonic meeting at which representatives of Debevoise were present. Mr. Tu and Mr. Gladden were present for a portion of the meeting. Mr. Gladden provided an update on the Company's financial performance during the third quarter of the Company's 2013 fiscal year. Mr. Gladden identified certain factors underlying the disparity between the Company's public market valuation and Mr. Gladden's expectations as to the Company's potential future performance, including (i) market uncertainty with respect to the Company's EUC business, (ii) the value of the Company's overseas cash reserves and (iii) the Company's ability to execute its transformation plan to grow its ESS business. Mr. Gladden stated that the September 21 Case continued to reflect senior management's view as to the Company's expected future performance, but acknowledged that the Company's public market valuation reflected, and likely would continue to reflect, a much less favorable view. The Special Committee also discussed with Mr. Gladden management's views regarding certain potential strategic alternatives available to the Company, including returning capital to shareholders through a leveraged recapitalization, an acceleration of the Company's current transformation plan, a repositioning of the Company's EUC business, a transformative acquisition and a separation of the Company's ESS and EUC businesses. Mr. Gladden highlighted benefits and risks associated with each of the alternatives and discussed the feasibility of certain alternatives in light of the Company's highly integrated organizational structure. Following this discussion, Mr. Gladden and Mr. Tu withdrew from the meeting. The Special Committee then met in executive session and discussed Mr. Gladden's presentation and his views regarding the disparity between the Company's public market valuation and his beliefs about the Company's potential future performance. The Special Committee also noted the prior advice of its financial advisors that the projections in the September 21 Case appeared optimistic in light of the Company's recent operating underperformance, industry forecasts provided by independent third parties, and consensus analyst estimates. The Special Committee recognized that there was significant uncertainty associated with the September 21 Case. In light of this uncertainty, the Special Committee determined that a deeper understanding of the strategic alternatives

available to the Company and its prospects on a stand-alone basis would allow the committee to better assess the opportunities and risks to stockholders of the various courses available, including the possibility of a sale transaction. In light of the foregoing, the Special Committee discussed engaging a management consulting firm to perform an independent analysis of the Company's potential strategic alternatives and its prospects as an independent public company. The Special Committee also determined to continue discussions with Silver Lake and Sponsor A regarding a potential acquisition of the Company while it evaluated various strategic alternatives.

Representatives of J.P. Morgan joined the meeting to review the preliminary proposals received from Silver Lake and Sponsor A. J.P. Morgan compared the proposals with respect to price, key assumptions, conditionality and timing, and benchmarked the bids against valuation metrics generally of the type described under "*—Opinion of J.P. Morgan Securities LLC.*" J.P. Morgan provided its perspective on the leveraged finance markets and the feasibility of executing a leveraged buyout of the Company, highlighting that a leveraged buyout of this size had not been completed since 2007. J.P. Morgan then discussed the potential process for continued discussions with Silver Lake and Sponsor A and the evaluation of certain other strategic alternatives available to the Company, including a spin-off or restructuring of the EUC business. The Special Committee then directed J.P. Morgan to inform Silver Lake and Sponsor A that the Special Committee was dissatisfied with the price ranges and significant conditionality reflected in the preliminary non-binding proposals, and that the Special Committee's willingness to allow Silver Lake and Sponsor A to continue in the process was predicated on their proposing transactions only at a materially higher price and with greater deal certainty.

On November 2, 2012, representatives of J.P. Morgan contacted representatives of Silver Lake and Sponsor A to discuss the Special Committee's feedback on the preliminary proposals and next steps in the transaction process, including their conducting further due diligence in order to be in a position to propose a higher price and greater deal certainty. During the month of November 2012, representatives of the Company and J.P. Morgan facilitated the continued due diligence efforts of Silver Lake, Sponsor A and their respective representatives.

Also on November 2, 2012, the Company entered into an engagement letter with Goldman Sachs to retain Goldman Sachs as its financial advisor, effective as of September 1, 2012, in connection with the review of the strategic alternatives available to the Company.

On November 5, 2012, the Special Committee held a telephonic meeting, at which representatives of Debevoise and The Boston Consulting Group, Inc. ("BCG") were present, to discuss the possibility of retaining BCG as a management consultant to assist the Special Committee in evaluating the strategic alternatives available to the Company. BCG described its qualifications and prior relationships with the Company and discussed the decisions facing the Special Committee and the strategic issues on which the Special Committee might seek assistance from BCG.

On November 7, 2012, the Special Committee held a telephonic meeting, at which representatives of Debevoise were present, to discuss further the possibility of retaining BCG as a management consultant to assist the Special Committee in evaluating the strategic alternatives available to the Company. The Special Committee discussed the key areas in which the Committee desired input from BCG, including a review of the Company's strategic alternatives and advice as to the pathway that would deliver the best value to the Company's stockholders from a value and risk perspective. The Special Committee reviewed a draft engagement letter provided by BCG and determined to retain BCG, subject to further discussion between Mr. Mandl and BCG regarding certain proposed terms of engagement, based on BCG's expertise in business strategy, experience with the industries in which the Company operates and familiarity with the Company.

On November 12, 2012, the Company entered into an engagement letter with BCG.

On November 15, 2012, the Company publicly reported its financial results for the third quarter of its 2013 fiscal year, which were generally lower than the guidance the Company had disclosed on August 21, 2012 and below consensus analyst expectations for that quarter. The Company's actual revenue of $13.72 billion was $260

million below the midpoint of the third quarter guidance range that the Company had included in its August 21, 2012 report of its financial results. The market price of the Common Stock fell approximately 7.3% the following day, closing at $8.86 per share.

On November 16, 2012, J.P. Morgan provided the Special Committee with charts showing that the Company's revenue for each of its prior seven fiscal quarters had been below both management's budget and, with the exception of one quarter, consensus analyst estimates, while the Company's earnings per share performance had been mixed as compared to management's budget and consensus analyst estimates. The report also highlighted the continued impact on the Company's earnings of a weakening EUC market.

Also on November 16, 2012, Mr. Dell, Mr. Gladden and certain other senior executives of the Company met with representatives of Silver Lake and, on November 17, 2012, Mr. Dell, Mr. Gladden and the other senior executives met with representatives of Sponsor A, to discuss Silver Lake's and Sponsor A's respective willingness to submit revised bids. Representatives of Wachtell Lipton and of MSD Capital L.P. ("MSD Capital") were also present at each of these meetings. The representatives of Silver Lake and of Sponsor A each presented their views of the Company and the potential going private transaction. Mr. Dell encouraged the representatives of each of Silver Lake and Sponsor A to submit revised bids that were as strong as possible. With respect to price, Mr. Dell told the representatives of each of Silver Lake and Sponsor A that they should assume that he would be prepared to participate at the highest price they were willing to pay.

On November 20, 2012, J.P. Morgan, on behalf of the Special Committee, sent a letter to each of Silver Lake and Sponsor A requesting that they submit updated proposals no later than December 4, 2012 to acquire the Company.

Following this request, Silver Lake indicated to J.P. Morgan that it was having difficulty addressing a number of industry- and Company-specific risks and challenges that it had identified with respect to the Company's business, including the Company's recent failure to achieve its projections, the increasing weakness in the PC market, the Company's loss of market share in emerging markets, and the execution risks associated with evolving into an ESS provider.

On November 26, 2012, representatives of Silver Lake shared with Mr. Dell and Wachtell Lipton a draft revised proposal in which the proposed price was left blank. On November 28, 2012, Mr. Dell met with representatives of Sponsor A and again encouraged them to submit as strong a revised proposal as possible. On November 30, 2012, representatives of Sponsor A shared with Mr. Dell and Wachtell Lipton a draft revised proposal in which the proposed price was left blank. Neither Silver Lake nor Sponsor A shared with Mr. Dell further drafts of its revised proposal.

On November 30, 2012, Mr. Dell contacted Mr. Mandl to discuss the ongoing transaction process. Mr. Dell expressed his enthusiasm for a going private transaction. Mr. Dell also stated that, while he had spoken in June and July with Southeastern about the potential for a going private transaction, he had not spoken with Southeastern about the possibility of such a transaction since that time. Mr. Dell also indicated to Mr. Mandl that, if required, he had the ability to supply as much additional equity as might be needed for a transaction.

Also on November 30, 2012, the Special Committee held a telephonic meeting at which representatives of Debevoise were present. Mr. Mandl reported on his conversation with Mr. Dell earlier in the day. The Special Committee discussed the potential going private transaction, including, among other topics, Mr. Dell's intentions, the updated proposals expected to be received from Silver Lake and Sponsor A, the benefits and potential risks of bringing other financial sponsors into the process, and the expected process going forward. Mr. Mandl also updated the Special Committee on the work being conducted by BCG regarding the Company's strategic alternatives.

On December 3, 2012, after an analyst report was issued by Goldman Sachs suggesting that the Company might be a target for a leveraged buyout transaction, the market price of the Common Stock increased 4.4%, closing at $10.06 per share.

Also on December 3, 2012, Sponsor A notified Mr. Dell that it would not be submitting an updated proposal to acquire the Company and was withdrawing from the process. Mr. Dell then informed Mr. Mandl of Sponsor A's decision.

On December 4, 2012, Sponsor A confirmed its decision to J.P. Morgan and explained to J.P. Morgan, and later to Mr. Mandl, that its decision was driven largely by the fact that its investment committee was not able to get comfortable with the risks to the Company associated with the uncertain PC market, and the concerns of industry analysts regarding the competitive pressures the Company faced, which Sponsor A believed had been validated by the Company's recent operating performance and market share information.

Also on December 4, 2012, Silver Lake submitted an updated non-binding proposal to acquire the Company for $12.70 per share, which proposal was significantly less conditional than Silver Lake's previous proposal.

During the month of December 2012, Silver Lake and its representatives continued to conduct due diligence with respect to business, tax and accounting diligence, transaction structuring and other matters.

On December 5, 2012, the Special Committee held an in-person meeting at which representatives of Debevoise were present. Representatives of BCG were also present for a portion of the meeting and made a presentation as to their perspectives on the Company. BCG noted that, after an early period of dramatic growth and value creation following the Company's initial public offering, the Company in recent years has seen its value decline significantly on the public market. BCG also noted, however, that the Company had certain positional strengths which BCG believed were not reflected in the Company's public market valuation, likely as a result of investor concerns about the durability or use of the Company's cash flows and uncertainty about the Company's EUC business.

BCG reviewed the key challenges facing the Company's two principal business operations: the EUC business and ESS business. BCG noted that several trends were causing the Company to be displaced as a market leader in the EUC business, including a decline in the worldwide revenues for desktops and laptops, and a shift towards the lower-margin segment of the EUC business. BCG concluded that as a result of a likely persistent decline in the premium segment of the EUC business, unless the Company changed its strategy to become more competitive in the lower-margin segment of the EUC business, the Company would require years of aggressive restructuring in order to maintain its value, and would face the risk that its decreasing scale would render it less competitive. BCG expressed the view that the Company would need to compete more aggressively in higher-growth markets, and would need to transform the EUC business from a primarily build-to-order model to a more efficient build-to-stock model, which would involve ongoing execution risks, significant capital expenditures and sharply increased working capital needs. Furthermore, BCG observed that the Company's expansion of its ESS business has been slower than expected and noted that the Company's revenue growth across the different ESS business segments had been mixed. BCG also noted that the Company was still in the process of integrating its numerous recent acquisitions and that these acquisitions had yielded lower returns to date relative to the returns expected by the Company's management. BCG expressed the view that the Company would have to take steps to drive growth in its ESS business, including increasing investment in research and development and expanding the Company's sales force. BCG concluded its presentation by (i) evaluating the strategic options available to the Company, including a continuation of the Company's current transformation strategy, the adoption of a revised strategy, a separation of the EUC business, a sale to a strategic buyer, and a sale to a financial sponsor, (ii) assessing the execution risk inherent in the Company's current strategy and in revisions to that strategy and (iii) comparing the value-enhancing tools available to the Company as a privately held company and as a publicly held company. After a discussion of these matters, representatives of BCG withdrew from the meeting.

Representatives of J.P. Morgan joined the meeting to make a presentation regarding developments with respect to a possible going private transaction. J.P. Morgan reviewed the key terms of Silver Lake's December 4 proposal, including a comparison to Silver Lake's prior proposal and an analysis benchmarking it against valuation metrics generally of the type described under "*—Opinion of J.P. Morgan Securities LLC.*" J.P. Morgan

also discussed, among other matters, the stock market's reaction to the Goldman Sachs analyst report raising the possibility of a leveraged buyout of the Company. The Special Committee and J.P. Morgan discussed Silver Lake's December 4 proposal and process considerations, including whether to approach other financial sponsors or strategic parties to solicit additional proposals. J.P. Morgan identified a number of potential financial sponsors for the Special Committee's consideration and assessed each firm's likely interest in pursuing, and ability to execute, a going private transaction. J.P. Morgan expressed its view that Silver Lake and Sponsor A were the two financial sponsors most likely to have the resources and industry expertise necessary to evaluate and execute such a transaction, and that another financial sponsor ("Sponsor B") was the sponsor next most likely to make a credible proposal. J.P. Morgan also expressed the view that, given Sponsor A's withdrawal from the process, it was less likely that other financial sponsors, other than Sponsor B, would submit proposals if invited to enter the process. J.P. Morgan also reiterated its previous advice as to the low probability of credible strategic buyer interest in acquiring the Company as a result of the Company's large market capitalization, significant exposure to the PC market, deteriorating operating income performance over the prior two-year period, and the absence of any stated third-party interest in acquiring the Company over the prior two-year period.

On December 6, 2012, the Board held an in-person meeting at which representatives of Debevoise were present. At that meeting, Mr. Mandl updated the Board on the work of the Special Committee and the roles and contributions of J.P. Morgan and BCG. Mr. Dell and certain other members of management, including Mr. Gladden, were present for a portion of the meeting. Mr. Dell made a presentation to the Board in which he expressed his conviction that a going private transaction was the best course for the Company and its unaffiliated stockholders. He outlined strategic initiatives he would cause the Company to pursue as a private company, including (i) extending the Company's ESS capabilities through significant investments in research and development and additional acquisitions, (ii) hiring large numbers of additional sales personnel, (iii) expanding in emerging markets and (iv) investing in the PC and tablet business. Mr. Dell stated his belief that such initiatives, if undertaken as a public company, would be poorly received by the stock market because they would reduce near-term profitability, raise operating expenses and capital expenditures, and involve significant risk. Mr. Dell stated his view that a going private transaction was in the best interests of the Company's unaffiliated stockholders because they would receive a portion of the potential upside from these initiatives in the form of a premium for their shares without bearing the risk and uncertainties related to executing such initiatives. Following Mr. Dell's presentation, the Board discussed with Mr. Dell a number of issues, including, among others, the role of Silver Lake in a going private transaction and the reasons Mr. Dell believed the initiatives he outlined could not be readily achieved in a public company setting. Mr. Dell reiterated his belief that implementing such initiatives would require additional investments that could weaken earnings and cause greater volatility in the performance of the Common Stock. Mr. Dell also noted that, in the absence of a transaction, he would be prepared to stay on as Chief Executive Officer and attempt to implement certain of these initiatives despite the increased risks he identified.

Also at the meeting, Mr. Gladden made a presentation to the Board describing (i) the progress that the Company had made in its transformation plan, (ii) the outlook for fiscal years 2013 and 2014 and (iii) the principal strategic alternatives available to the Company as a public company, ranging from continuing the Company's current strategy, attempting to implement the strategic initiatives outlined earlier in the meeting by Mr. Dell, effecting a leveraged recapitalization transaction and separating the Company's EUC and ESS businesses. Mr. Gladden discussed the risks and timetable associated with each of these options. With respect to the Company's current strategy, Mr. Gladden stated that, while the Company had substantially increased the size of its ESS business since initiating the transformation plan four years ago, fully implementing the plan would require another three to five years and entail ongoing execution risk. Mr. Gladden expressed the view that continuing with the Company's transformation plan would require additional investments that could weaken earnings for two or more years and increase pressure on the Company's stock price. In addition, Mr. Gladden stated that, because the Company has historically used the cash flow generated by its EUC business to finance the growth of its ESS business, the Company's ability to make such investments would likely be affected by the negative trends in the EUC business, as well as by the need for substantial cash resources required to transition to a build-to-stock business model, which requires more inventory. Mr. Gladden noted that implementing the strategic initiatives

outlined earlier in the meeting by Mr. Dell would raise similar issues. With respect to a leveraged recapitalization transaction, Mr. Gladden stated that such a transaction could unlock short-term value but pose long-term risks, including a downgrade of the Company's debt rating and a reduction in its operating flexibility. Finally, Mr. Gladden expressed the view that a separation of the Company's EUC and ESS businesses would be difficult to execute and would entail significant dis-synergies, with negative effects for the Company's customers and growth prospects. Following this discussion, Mr. Gladden, Mr. Dell and other members of management withdrew from the meeting.

Representatives of J.P. Morgan joined the meeting to make a presentation regarding developments with respect to a possible going private transaction. J.P. Morgan reviewed recent developments since the previous Board meeting, including (i) the difficult environment faced by the Company as a result of its underperformance relative to a number of its competitors, (ii) the deteriorating outlook for the PC market as a result of, among other things, smartphones and tablets cannibalizing PC sales, the uncertain adoption of the Windows 8 operating system and unexpected slowdowns in enterprise Windows 7 upgrades, and faster than expected declines in PC shipments in emerging markets and (iii) the differences between Company management's expectations, reflected in the September 21 Case, and consensus analyst estimates, which were generally lower than management's expectations. J.P. Morgan then presented its analysis of the $12.70 per share proposal made by Silver Lake, using various valuation methodologies generally of the type described under "*—Opinion of J.P. Morgan Securities LLC*" beginning on page 62. J.P. Morgan also discussed the potential advantages and disadvantages of seeking to bring in other potential bidders, particularly in light of Sponsor A's decision not to continue in the process. The independent directors and J.P. Morgan discussed additional bidders that could be invited to participate and their likely levels of interest, and J.P. Morgan confirmed its prior advice that, of these additional bidders, Sponsor B was the financial sponsor next most likely to have the ability and desire to lead a going private transaction involving the Company. Following this discussion, representatives of J.P. Morgan withdrew from the meeting.

Representatives of BCG joined the meeting and made a presentation similar to the presentation made to the Special Committee on December 5, covering, among other matters, (i) the Company's current public market valuation, (ii) the Company's current strategy and key challenges, (iii) the extent to which the Company's strategic goals could be achieved in a public company setting, (iv) BCG's outlook for the PC industry and (v) the strategic alternatives available to the Company. Following a discussion of BCG's presentation, representatives of BCG withdrew from the meeting.

The meeting continued with representatives of Debevoise present. The Board discussed, among other topics, the presentations from J.P. Morgan and BCG, next steps in responding to Silver Lake, Sponsor A's decision not to continue in the process, the potential advantages and disadvantages of contacting additional possible bidders, and how the Company might pursue its goals if agreement on a going private transaction could not be reached. After this discussion, the Board determined that (i) BCG should continue its work in evaluating the Company's strategic alternatives, (ii) Mr. Mandl should inform Silver Lake that it would need to improve its price and submit a firm proposal, (iii) Mr. Mandl should contact Sponsor B to invite it to participate in the process and (iv) Mr. Mandl should discuss with Mr. Dell the Company's strategic plans in the absence of a transaction.

On December 7, 2012, Mr. Mandl contacted Sponsor B to invite it to consider making a proposal to acquire the Company.

On December 8, 2012, representatives of J.P. Morgan contacted representatives of Sponsor B to discuss a confidentiality agreement and outline the transaction process.

On December 9, 2012, Sponsor B entered into a confidentiality agreement with the Company. Sponsor B was subsequently granted access to the online data room. Sponsor B attended in-person due diligence sessions with the Company's management on December 10, 2012 and subsequently held numerous due diligence discussions with the Company's management and representatives, including Mr. Dell.

On December 10, 2012, Mr. Mandl and representatives of J.P. Morgan met with representatives of Silver Lake. At that meeting, Mr. Mandl informed Silver Lake that its offer price of $12.70 was too low and that the Special Committee's willingness to allow Silver Lake to continue in the process was predicated on Silver Lake's understanding that the Special Committee would consider a transaction only at a materially higher price.

Also at that meeting, Silver Lake asked Mr. Mandl for permission to discuss the transaction with Microsoft Corporation ("Microsoft"), from which it intended to seek financing, and with other potential sources of debt financing. Mr. Mandl said he would discuss the request with the other members of the Special Committee and with its advisors.

Later on December 10, 2012, representatives of Debevoise contacted representatives of Silver Lake to discuss Silver Lake's request to involve Microsoft in the transaction. During that discussion, Silver Lake stated that it would not continue in the process unless it was permitted to engage in discussions with Microsoft.

On December 11, 2012, the Special Committee held a telephonic meeting, at which representatives of Debevoise were present, to discuss Mr. Mandl's meeting the previous day with Silver Lake and J.P. Morgan and Mr. Mandl's conversation with Sponsor B on December 7. The Special Committee also discussed the extent to which the Company, if it continued as a public company, could undertake the strategic initiatives that Mr. Dell outlined at the December 6 Board meeting. Mr. Mandl and Debevoise reported on their respective conversations with Silver Lake regarding Microsoft. The Special Committee then discussed Silver Lake's desire to discuss the transaction with potential sources of debt financing. After discussion, the Special Committee determined to allow Silver Lake to hold discussions with Microsoft and a small number of potential debt financing sources, subject to all such parties entering into confidentiality agreements with the Company and subject to Silver Lake agreeing not to enter into any exclusive arrangement with any of such parties (other than Microsoft). The Special Committee also discussed the risks to a possible transaction posed by the eventual need for Mr. Dell and Silver Lake to reach agreement regarding the governance of the Company after a going private transaction. Mr. Mandl then described his conversation with Sponsor B on December 7 and noted that over the weekend Sponsor B had rapidly assembled a team and had begun due diligence. The meeting concluded with a discussion of the September 21 Case. The members of the Special Committee agreed that, while the September 21 Case was potentially useful to help negotiate a higher price from bidders, it was not particularly helpful in assisting the Special Committee in evaluating the Company's alternatives to a sale transaction because of the Special Committee's belief that some of the assumptions underlying the projections were overly optimistic and given management's repeated difficulty in accurately predicting the Company's performance. In particular, the Special Committee noted that the September 21 Case assumed a higher growth rate in the PC business than predicted by analyst estimates. After discussion, it was the consensus of the Special Committee that BCG should be requested to express its views regarding the Company's future financial performance based on BCG's industry outlook.

On December 13, 2012, J.P. Morgan sent a letter to Sponsor B requesting that it submit a proposal on December 21, 2012 to acquire the Company.

Between December 14, 2012 and December 16, 2012, the Company entered into confidentiality agreements with the following potential debt financing sources of Silver Lake: RBC Capital Markets, LLC ("RBC"), Credit Suisse Securities (USA) LLC ("Credit Suisse"), Barclays Capital Inc. ("Barclays"), and Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Bank of America Merrill Lynch").

On December 14, 2012 and again on December 17, 2012, representatives of Sponsor B informed representatives of J.P. Morgan that Sponsor B's proposal would be ready shortly after the deadline of December 21, 2012. On December 17, 2012, Mr. Dell met with senior representatives of Sponsor B to discuss Sponsor B's potential proposal.

Also on December 17, 2012, Silver Lake held a meeting with Barclays, Bank of America Merrill Lynch, RBC and Credit Suisse, with Mr. Dell, Mr. Gladden and representatives of J.P. Morgan and Debevoise in attendance. At this meeting, Silver Lake requested initial financing proposals by January 3, 2013.

On December 17, 2012, the Company engaged Morris, Nichols, Arsht & Tunnell LLP ("MNAT") as Delaware counsel to the Special Committee. The Special Committee determined to engage MNAT following consideration of MNAT's qualifications, expertise and prior representations.

On December 21, 2012, Sponsor B informed J.P. Morgan that it would not be submitting a proposal on that day, as J.P. Morgan had requested, but that it intended to submit a proposal within the next few days. J.P. Morgan indicated to Sponsor B that it was acceptable to submit a proposal in that time frame.

On December 22, 2012, the Special Committee held a telephonic meeting, at which representatives of Debevoise, J.P. Morgan and BCG were present, to receive updates from J.P. Morgan and BCG regarding the transaction process. J.P. Morgan noted that Sponsor B had done a great deal of work over the last two weeks and that, although Sponsor B had been targeting a December 21 submission of a proposal as requested by J.P. Morgan, it had requested a few additional days to do so. The Special Committee and J.P. Morgan discussed the work performed by Sponsor B to date, as well as, among other topics, Sponsor B's familiarity with the PC industry. J.P. Morgan also provided an update on Silver Lake's activities with respect to a transaction, including its December 17 meeting with potential financing sources.

The Special Committee and its advisors discussed process considerations and next steps. Debevoise noted that it was in the process of preparing drafts of a merger agreement and a voting and support agreement, and discussed with the Special Committee certain features of the "go-shop" provision contemplated by the draft merger agreement that would permit the Special Committee and its representatives to actively solicit and negotiate alternative transaction proposals after the signing of the merger agreement. Debevoise also discussed the overall process the Special Committee had pursued to date, noting that potential strategic acquirors had not been invited to participate in the process based on, among other considerations, advice received by the Special Committee regarding the low probability that a credible strategic acquiror would be interested in acquiring the Company and concerns regarding the risk of competitive harm to the Company if potential strategic acquirors conducted due diligence but a transaction did not occur. J.P. Morgan then provided an overview of the potential strategic acquirors that it believed could be interested in a potential transaction and advised the Special Committee that, given the low probability of any of these potential strategic acquirors making a credible proposal, the advantages of reaching out to potential strategic acquirors at the current stage of the process were offset by risks of premature disclosure and competitive harm to the Company. J.P. Morgan expressed its view that it would be in the Company's best interests to generate interest from such acquirors during a go-shop period. BCG also noted its view that, based on its knowledge of the strategic players in the market at that time, it was unlikely that any of those players might be interested in a potential transaction. In light of the foregoing, the Special Committee determined not to expand the process at the current stage to include strategic acquirors. Following this discussion, at the Special Committee's request, J.P. Morgan reviewed the fees received by J.P. Morgan in connection with work performed for certain financial sponsors over the preceding two years, including Silver Lake, Sponsor A and Sponsor B.

On December 23, 2012, Sponsor B informed J.P. Morgan that it had decided not to submit a proposal to acquire the Company and was withdrawing from the process. Sponsor B cited as the primary reasons for its decision the risks and uncertainties in the PC business, including its concerns about the negative trends in gross margin and earnings in the PC business, and the decline in the Company's operating performance, including the decline in its operating margins.

Also on December 23, 2012, Microsoft entered into a confidentiality agreement with the Company.

On December 28, 2012, the Special Committee held a telephonic meeting at which representatives of Debevoise were present. At that meeting, the Special Committee discussed the process conducted to date, including the withdrawal of Sponsor B from the process. In light of the importance of the go-shop process in the event the Special Committee agreed to recommend a going private transaction, the Special Committee determined that it would be advantageous to engage an additional independent financial advisor that had specific financial

incentives to obtain a higher purchase price for the Company in a go-shop process. The Special Committee believed that engaging this additional independent financial advisor would aid the Special Committee in seeking the most favorable proposals available. The Special Committee also discussed the potential benefits of retaining an additional financial advisor to provide another expert view on process and valuation issues. After discussion, the Special Committee determined that Mr. Mandl should interview prospective firms on the Special Committee's behalf.

On January 2, 2013, the Special Committee held a telephonic meeting, at which representatives of Debevoise and BCG were present, to receive a presentation from BCG summarizing its financial forecast for the Company. BCG stated that its forecast was prepared based on its knowledge of the Company and the markets in which the Company operates, its discussions with the Company's management and its expertise and experience as a management consultant. BCG observed that its financial forecast for the Company was similar to consensus analyst estimates and materially lower than the projections in the September 21 Case.

BCG also assessed and estimated the likely impact that certain management initiatives, including productivity cost reductions, steps to increase market share for the Company's EUC business, particularly in emerging markets, and steps to increase the effectiveness of the Company's sales force, would have on the Company's financial performance based on various factors, including BCG's assessment of management's ability to implement such initiatives. BCG then described the potential effect that such initiatives would have on its projections. BCG also discussed the key drivers and assumptions underlying its projections, including (i) a continuing shift in the EUC market from the high-margin premium segment, in which the Company has historically held substantial market share, to the lower-margin segment, in which the Company has historically not been competitive, (ii) a declining profit pool in the overall EUC market (which BCG estimated would decline by as much as $10 billion over the next four years), (iii) continued growth in the Company's ESS business and (iv) the Company's ability to grow its market share in the tablet segment. The Special Committee discussed with BCG the extent to which the Company, if it continued as a public company, could take the actions required to implement these strategic initiatives and whether changes to management would be necessary in order to do so. BCG expressed the view that, although the Company could attempt to implement these initiatives as a public company, there would be risks and challenges to doing so, including the challenges associated with the ability of current management to execute this plan and the negative impact the initiatives could have on the Company's near term financial condition and the possibility that the Company's relationships with existing customers and vendors would deteriorate as the Company transitioned to other businesses. BCG also noted that even though the Company had used $11.4 billion of the Company's cash resources over the previous four years to fund acquisitions in its ESS business and devoted a significant amount of management time and attention to expanding the ESS business, the EUC and EUC-driven businesses remained the source of approximately 65% of the Company's revenue.

During the month of January 2013, Silver Lake and its representatives continued to conduct due diligence with respect to the Company, including the completion of confirmatory legal, business, tax and accounting diligence.

On January 7, 2013, Mr. Mandl and representatives of Debevoise held separate meetings with representatives of Evercore and two other independent investment banking firms to discuss the possibility of retaining one of them as an additional financial advisor to the Special Committee.

On January 8, 2013, the Special Committee held a telephonic meeting, at which representatives of Debevoise were present, to discuss Mr. Mandl's meetings the previous day with potential financial advisors to the Special Committee. After discussing the qualifications and merits of each of the firms, as well as the prior relationships between each of the firms and the Company, Mr. Dell and Silver Lake, the Special Committee determined to engage Evercore as an additional financial advisor based on, among other factors, Evercore's qualifications, expertise, reputation and knowledge of the Company's business and affairs and the industry in which it operates. The Special Committee also determined to have each of its advisors conduct updated valuation analyses, and

discussed the need to review the budget for the Company's 2014 fiscal year, which would begin in February 2013.

Also on January 8, 2013, representatives of J.P. Morgan met with Mr. Dell, Mr. Gladden, Mr. Sweet, Mr. Likosar, Marius Haas, the Company's President, Enterprise Solutions, Suresh Vaswani, the Company's President, Services, Douglas Schmitt, the Company's Vice President, Global Support and Deployment, John Swainson, the Company's President, Software Group, Jeffrey Clarke, the Company's Vice Chairman and President, End User Computing Solutions & Operations, Stephen Felice, the Company's President, Chief Commercial Officer, Patrick Poljan, the Company's Vice President, Productivity Transformation, Prakash Jothee, the Company's Vice President, Corporate Strategy and representatives of Silver Lake to review the current operating trends and the preliminary outlook for fiscal year 2014. During this meeting, J.P. Morgan also discussed a representative transaction process and timeline with Mr. Dell and Silver Lake.

On January 11, 2013, Debevoise sent drafts of a merger agreement and a voting and support agreement to the Special Committee.

On January 14, 2013, Bloomberg News reported that the Company was in talks with several financial sponsors regarding a going private transaction. The market price of the Common Stock rose approximately 13% that day, closing at $12.29 per share.

On January 15, 2013, a representative of Silver Lake informed Mr. Mandl that Silver Lake planned to submit a revised proposal the next day, which would include fully committed debt financing. Silver Lake emphasized that it wished to move as quickly as possible to enter into a definitive agreement to acquire the Company. Later that day, representatives of Silver Lake shared with Mr. Dell and Wachtell Lipton a draft revised proposal reflecting a revised proposed price of $12.90 per share.

Also on January 15, 2013, the Special Committee held an in-person meeting at which representatives of Debevoise, BCG, Evercore and J.P. Morgan were present. Mr. Gladden was also present at the beginning of the meeting to review with the Special Committee the results of the Company's current fiscal quarter and the draft 2014 fiscal year budget that he had prepared. Mr. Gladden noted that the Company's financial results through week ten of the final quarter of the Company's 2013 fiscal year had been worse than projected and described trends that contributed to those results, including lower customer demand and lower margins for certain products. After a discussion of these matters, Mr. Gladden withdrew from the meeting. BCG then presented a revised version of its financial forecast for the Company (the "BCG Forecast"), which reflected updates and refinements to the forecast it had provided to the Special Committee on January 2, 2013, after having had further discussions with the Company's management, J.P. Morgan and Evercore.

The Special Committee and its advisors discussed the BCG Forecast, including the importance of achieving the productivity cost reduction goals management had identified and the risks associated with doing so, including, among other things, the potential need for management changes to implement those initiatives effectively. In addition, J.P. Morgan and Evercore benchmarked the operating margins set forth in the BCG Forecast for the Company. J.P. Morgan indicated that those margins were substantially higher than the Company's historical margins as well as the margins of the Company's international competitors who were gaining significant share in the marketplace.

Following this discussion, J.P. Morgan and Evercore each separately presented its observations regarding the September 21 Case, the BCG Forecast and the draft 2014 fiscal year budget and then presented its valuation analyses of the Company using metrics generally of the type described under *"—Opinion of J.P. Morgan Securities LLC"* beginning on page 62 and *"—Opinion of Evercore Group L.L.C."* beginning on page 69, respectively, in each case based on the September 21 Case, the BCG Forecast and other measures. Evercore also presented an analysis of certain other strategic alternatives available to the Company, including a complete separation of the EUC and ESS businesses, a partial separation of the ESS business, a tracking stock for the ESS business and a share repurchase

funded with the Company's existing cash. The Special Committee and its advisors then discussed the possibility of approaching other financial sponsors or strategic buyers to solicit additional bids, and the potential benefits and risks of doing so. Evercore discussed the overall process the Special Committee had pursued to date and expressed the view that it would not be beneficial to contact additional parties at the current stage of the process. Evercore also advised the Special Committee that in light of the Bloomberg News report published the previous day, it was likely that any interested prospective buyers would contact the Company shortly or, if the Company entered into a definitive agreement with Silver Lake and Mr. Dell, during the subsequent go-shop period.

On January 16, 2013, Silver Lake submitted a written non-binding proposal to acquire the Company for $12.90 per share, which was accompanied by debt commitment letters from each of Barclays, Bank of America Merrill Lynch, RBC and Credit Suisse, a draft term sheet for $2 billion in financing from Microsoft, and draft equity commitment letters from each of the MD Investors and the SLP Investors. On January 17, 2013, Silver Lake submitted a revised version of this non-binding proposal that clarified the amount of equity financing to be provided by the SLP Investors and by Mr. Dell.

On January 17, 2013, Mr. Mandl contacted Mr. Dell to inform him that, having received Silver Lake's revised proposal and based on discussions with the Special Committee, Mr. Mandl was pessimistic that an agreement would be reached with respect to a going private transaction and that Mr. Mandl therefore wanted to discuss the Special Committee's views as to changes the Company would need to make as a public company. In particular, Mr. Mandl discussed with Mr. Dell the opportunity to increase value by cutting costs, speeding up the process of moving to a build-to-stock business model and reaching into higher-growth markets in the EUC business.
Mr. Mandl expressed the view that the Company may need to hire a chief operating officer and asked Mr. Dell about his plans in the event a going private transaction did not occur. Mr. Dell said that he continued to believe that a going private transaction was in the best interests of the Company's stockholders, but that if such a transaction did not occur he remained committed to the Company and would continue working with the Board to increase stockholder value.

On January 18, 2013, the Board held a telephonic meeting in which Mr. Dell did not participate and at which representatives of Debevoise were present. Mr. Mandl updated the Board on the current status of the sale process, including the receipt of Silver Lake's $12.90 per share proposal. Mr. Mandl also described his conversation the previous day with Mr. Dell.

Mr. Gladden was also present for a portion of the meeting, during which he reviewed with the Board the preliminary estimates of the Company's current fiscal quarter and the Preliminary FY14 Internal Plan (as described under "*—Projected Financial Information—Fiscal Year 2014 Plans and Budgets*") that establishes targets, on a detailed basis, for each of the Company's business segments consistent with each segment's strategic objectives and the Preliminary FY14 Board Case (as described under "*—Projected Financial Information—Fiscal Year 2014 Plans and Budgets*"), a consolidated financial forecast for the Company's business segments that reflects a more conservative view of the Company's financial performance, which is used to establish performance-based compensation targets for management. After a discussion of these matters, Mr. Gladden withdrew from the meeting and BCG, J.P. Morgan and Evercore made presentations similar to those made to the Special Committee on January 15, 2013. During the meeting, J.P. Morgan was contacted by Silver Lake, which informed J.P. Morgan that Microsoft's board had authorized it to provide $2 billion in financing for Silver Lake's proposed going private transaction. After discussion of these presentations, representatives of BCG, J.P. Morgan and Evercore withdrew from the meeting and the independent directors discussed the Company's valuation, the proposed transaction and next steps. Mr. Mandl discussed with the Board prices at which the Special Committee might be prepared to recommend a transaction, based on its evaluation of the presentation by BCG (including the BCG Forecast), the valuation analyses presented by J.P. Morgan and Evercore, and the risks presented by the other strategic alternatives available to the Company. The other directors expressed general agreement with the views of the Special Committee.

On January 19, 2013, Mr. Mandl contacted Mr. Dell to tell him that the Special Committee was willing to support a transaction at a price of $13.75 per share, subject to satisfactory resolution of contractual terms.

Mr. Dell then discussed this proposal with a representative of Silver Lake, who contacted Mr. Mandl later that day to propose a price of $13.25 per share. Mr. Mandl informed the representative of Silver Lake that his proposal to Mr. Dell was not intended to be the start of a price negotiation. The representative of Silver Lake responded that Silver Lake's investment committee had not authorized a potential transaction at a price in excess of $13.25 per share and Silver Lake would therefore have to cease work on the transaction. Mr. Mandl acknowledged that such a decision would be at Silver Lake's discretion.

Later on January 19, 2013, Mr. Dell and a representative of Silver Lake contacted Mr. Mandl to suggest that Silver Lake discuss its purchase price proposal with J.P. Morgan in order to move the process forward. Thereafter, Mr. Mandl authorized J.P. Morgan to speak with Silver Lake regarding the purchase price.

J.P. Morgan subsequently held discussions with Silver Lake regarding its purchase price proposal between January 19, 2013 and January 22, 2013.

On January 20, 2013, a representative of Silver Lake informed J.P. Morgan that Silver Lake would be willing to increase its offer price to $13.50 per share. J.P. Morgan stated that the Special Committee would not be satisfied with a price of $13.50 per share.

On January 21, 2013, representatives of Silver Lake shared with Mr. Dell and representatives of Wachtell Lipton a draft investor agreement and shareholder agreement term sheet including proposed terms with respect to the governance of the Company following a going private transaction, a term sheet reflecting proposed terms for Mr. Dell's employment and a proposal that Mr. Dell value his shares for purposes of a rollover in the transaction below the price to be offered to the public shareholders as a means for Silver Lake to be willing to increase its price above $13.50 per share. Representatives of Silver Lake and Simpson Thacher began discussing these proposals with Mr. Dell and representatives of Wachtell Lipton and MSD Capital over the next several days. Mr. Dell stated that he would consider reducing the valuation of his rollover shares to $13.36 per share as a means of permitting Silver Lake to increase its offer to $13.60 per share, and prior to the execution of the merger agreement, Mr. Dell agreed to do so.

On January 22, 2013, a representative of Silver Lake informed J.P. Morgan that it would submit a revised proposal within the next few days.

On January 24, 2013, a representative of Silver Lake notified J.P. Morgan by telephone that Silver Lake was willing to increase its offer price to $13.60 per share, and that this price represented its best and final offer. That day, a representative of Silver Lake informed Mr. Mandl that $13.60 per share was the highest price it was willing to pay. Mr. Dell separately informed Mr. Mandl that Mr. Dell did not believe that Silver Lake would be willing to agree to any further increase in its offer price.

Also on January 24, 2013, Evercore received a telephone call from a strategic party ("Strategic Party A"), expressing interest in purchasing DFS for an amount approximately equal to the book value of its assets, which was estimated to be approximately $3.5 billion to $4 billion, not taking into account related indebtedness. Evercore also received a telephone call from Blackstone, stating that it would expect to explore making a proposal to acquire the Company during a go-shop period, and seeking assurances that any definitive agreement the Company may be considering entering into would provide for a meaningful go-shop process. In addition, on January 24, 2013 and on certain occasions in the days prior to that date, Mr. Tu received requests from Southeastern to enter into a confidentiality agreement with the Company in order to obtain confidential information regarding the Company's reported consideration of a going private transaction.

Later on January 24, 2013, the Special Committee held a telephonic meeting at which representatives of Debevoise were also present. Mr. Mandl reported on the calls he had received from J.P. Morgan, Mr. Dell and Silver Lake regarding the increased offer price of $13.60 per share. Representatives of Debevoise reported on the

calls received by Evercore from Strategic Party A and Blackstone and the calls received by Mr. Tu from Southeastern. The Special Committee discussed these matters, including, among other topics, how the Special Committee might evaluate the proposal by Strategic Party A, how the go-shop process should be structured and what assurances might be sought from Mr. Dell to increase the likelihood of a successful competing bid, and how the Company should respond to Southeastern. It was the consensus of the Special Committee that Mr. Mandl should communicate to Mr. Dell that the Special Committee desired to learn what material issues might arise from the negotiation of the draft definitive merger agreement and related agreements prepared by Debevoise, and that these issues should progress in parallel with issues relating to valuation. Accordingly, the Special Committee authorized Debevoise to send draft transaction agreements to Silver Lake and to Mr. Dell. The Special Committee determined that Mr. Mandl should contact Southeastern to understand its intentions. The Special Committee also determined that it would request further analysis from BCG regarding the potential sale of the DFS business and the possibility of separating the Company's EUC business.

On January 25, 2013, Mr. Mandl informed Mr. Dell by telephone that, while the Special Committee had not decided whether it would recommend a sale transaction at $13.60 per share, the Special Committee desired to learn what material issues would arise from the negotiation of the draft definitive merger agreement and related agreements prepared by Debevoise, and that these issues should progress in parallel with issues relating to valuation. Later that day, Debevoise sent a draft merger agreement and voting and support agreement to Silver Lake, and forwarded the draft agreements to Wachtell Lipton the next day.

On January 29, 2013, Mr. Mandl and a representative of Debevoise met with representatives of Southeastern and its outside counsel. At the meeting, Southeastern indicated that it had read reports of a potential going private transaction and that it would oppose any deal involving merger consideration in the range of $14 or $15 per share that did not provide existing large stockholders with an opportunity to roll over a portion of their equity interests in the Company. Southeastern requested that the Company enter into a confidentiality agreement that would permit Southeastern to receive information about any proposed going private transaction.

Also on January 29, 2013, Simpson Thacher sent Debevoise a revised draft of the merger agreement, reflecting Simpson Thacher's and Wachtell Lipton's collective comments. That afternoon, the Special Committee held a telephonic meeting, at which Debevoise was present, to discuss certain of the issues raised by the revised draft of the merger agreement. Among other changes proposed by the revised draft, the agreement would (i) not permit the Company to continue to pay regular quarterly cash dividends between signing and closing, (ii) not include a closing condition requiring that the merger agreement be adopted by holders of a majority of the outstanding shares of Common Stock entitled to vote thereon not held by Mr. Dell, certain parties related to him and members of management, (iii) limit the Company's flexibility to consider and approve competing proposals, including by providing the buyer with unlimited "matching rights" with respect to any competing proposal that the Special Committee was prepared to recommend and (iv) not provide the Company with the right to seek specific performance of the terms of the agreement. The Special Committee discussed the risk that requiring that the merger agreement be adopted by holders of a majority of the outstanding shares of Common Stock entitled to vote thereon not held by Mr. Dell, certain parties related to him and members of management, might incentivize some market participants to seek to disrupt the proposed transaction in order to generate short-term gain. However, the Special Committee determined to continue to insist that such a provision be included because the Special Committee believed it was in the best interests of the Company's unaffiliated stockholders. After discussion, the Special Committee determined that Debevoise should contact Simpson Thacher and Wachtell Lipton to seek satisfactory resolution of those fundamental issues. Mr. Mandl also updated the Special Committee on the meeting he had attended earlier in the day with representatives of Southeastern.

Also on January 29, 2013, Mr. Mandl and Mr. Dell discussed by telephone the next steps in the process of negotiating the terms of the transaction and agreed that the parties and their advisers should meet in person on January 31, 2013.

Later on January 29, 2013, representatives of Debevoise contacted representatives of Wachtell Lipton and Simpson Thacher to describe the discussion with Southeastern earlier that day and to explain the Special

Committee's views on the fundamental issues raised by the proposed revisions to the merger agreement. Representatives of Wachtell Lipton and Simpson Thacher subsequently confirmed to representatives of Debevoise that Mr. Dell and Silver Lake were not willing to modify their previous proposal in order to provide that the public stockholders would have an opportunity to retain an interest in the Company.

On January 31, 2013, Mr. Dell, certain other members of Dell management, Mr. Mandl and representatives of Silver Lake, J.P. Morgan, Evercore, Debevoise, Simpson Thacher and Wachtell Lipton met at Debevoise's offices in New York to negotiate the terms of a possible transaction. During that day and the days that followed until the morning of February 5, 2013, the parties held numerous discussions regarding the terms, and exchanged revised drafts, of the merger agreement and related agreements, including equity commitment letters from the MD Investors, the SLP Investors and the MSDC Investor (collectively, the "equity commitment letters"). Among other matters, the parties ultimately agreed to (i) allow the Company to continue to pay regular quarterly cash dividends between signing and closing, (ii) include a closing condition requiring that the merger agreement be adopted by holders of a majority of the outstanding shares of Common Stock entitled to vote thereon not held by Mr. Dell, certain related family trusts and members of management, or other persons having an equity interest in, or any right to acquire any equity interest in, Merger Sub or any person of which Merger Sub is a direct or indirect subsidiary, (iii) allow the Company to actively solicit competing proposals during a 45-day go-shop period and, in certain circumstances, continue negotiating after the expiration of that go-shop period with parties that made competing proposals during that initial 45-day period, (iv) sharply limit the buyer's "matching rights" by allowing it, only on a single occasion, to negotiate with the Company to match the terms of any superior proposal, and (v) provide the Company with the right, under certain circumstances, to seek specific performance of the buyer's obligation to cause, and to seek specific performance to directly cause, the buyer's equity financing sources to fund their contributions as contemplated by their equity commitment letters. Also during this time period, representatives of Simpson Thacher and Wachtell Lipton continued to discuss and negotiate the drafts of the investor agreement, shareholder agreement term sheet and employment agreement term sheet reflecting the proposed arrangements among the SLP Investors, the MD Investors and the MSDC Investor.

On February 2, 2013, the parties met at Debevoise's offices in New York to discuss the major outstanding issues in the negotiations, including the purchase price and whether the Company would be permitted to continue to pay regular quarterly dividends after entering into a merger agreement. Mr. Mandl stated that the Special Committee would be willing to agree to discontinue payments of the Company's regular quarterly dividends if the merger price per share was $13.80. Silver Lake responded that it would not be able to agree to a price in excess of that reflected in its prior proposal. Mr. Mandl stated that the Special Committee was not satisfied with Silver Lake's proposal.

On February 3, 2013, Silver Lake submitted a revised non-binding proposal, which it stated was its best and final offer and was not subject to further negotiation. Silver Lake shared and discussed a draft of this proposal with Mr. Dell and representatives of Wachtell Lipton and MSD Capital prior to submitting it. The proposal provided alternatives of (i) a price of $13.60 per share, with the Company being permitted to continue paying its regular quarterly dividend, or (ii) a price of $13.75 per share, with the Company being prohibited from paying any dividends. That day, the Special Committee held a telephonic meeting at 12:00 p.m. at which representatives of Debevoise, J.P. Morgan and Evercore were present, to discuss these alternatives. The Special Committee and its advisors discussed the proposal and the possibility of seeking an improved price despite Silver Lake's assertion that its latest offer represented its best and final price. The Special Committee also considered the likely timetable to complete a transaction and factors that could affect that timetable, including the need for various regulatory approvals and the potential results of the Company's go-shop process, the incentives each proposal could create on the part of Silver Lake and Mr. Dell in terms of seeking to complete the transaction on a timely basis, and the likely reaction of the Company's stockholders if the quarterly dividend were to be discontinued. After discussion, it was the consensus of the Special Committee that it should focus on a structure that preserved the Company's ability to pay a regular quarterly dividend, and that Mr. Mandl should seek to negotiate a higher price.

Following this discussion, Mr. Mandl contacted Mr. Dell and a representative of Silver Lake to inform them that the Special Committee was not interested in pursuing the proposal that would require the Company to discontinue the dividend, and that the Special Committee was not satisfied with a price of $13.60 per share. Silver Lake expressed its unwillingness to increase the price. Mr. Mandl then informed Silver Lake and Mr. Dell that the Special Committee would meet later that day to consider next steps.

The Special Committee and its advisors reconvened in a telephonic meeting at 3:30 p.m. Mr. Mandl reported on his conversation with Mr. Dell and Silver Lake. Also at this meeting, Debevoise updated the Special Committee on the open issues in the merger agreement and related documents.

The Special Committee and its advisors reconvened in a telephonic meeting at 6:00 p.m. Debevoise reported that Mr. Dell and representatives of Silver Lake had left New York without agreeing to any price increase. Debevoise also updated the Special Committee on the continuing negotiation of the merger agreement and related documents. After discussion, it was the consensus of the Special Committee that the lawyers should continue to make progress on the transaction documents.

On the morning of February 4, 2013, the Special Committee held an in-person meeting, at which representatives of Debevoise were present, at Debevoise's offices in New York. Debevoise updated the Special Committee on the status of negotiations with Mr. Dell and Silver Lake, and reported that Silver Lake was continuing to evaluate the Special Committee's insistence on a price above $13.60 per share, with the Company being permitted to continue paying its regular quarterly dividend.

Following the meeting, Mr. Mandl and a representative of Debevoise received a telephone call from representatives of Simpson Thacher and Silver Lake agreeing to increase Silver Lake's proposal to $13.65 per share, with the Company being permitted to continue paying its regular quarterly dividend.

That afternoon, the Special Committee reconvened in a meeting at Debevoise's offices, at which Debevoise, BCG, J.P. Morgan and Evercore were present. Mr. Mandl reported to the Special Committee that Silver Lake had increased its price to $13.65 per share, with the Company being permitted to continue paying its regular quarterly dividend. Debevoise informed the Special Committee that Silver Lake's representatives had stated clearly that this price increase was being made to accommodate the Special Committee's insistence on a price above $13.60 per share, and that there was no further room for price negotiation.

At this meeting, Debevoise reviewed with the members of the Special Committee (i) their fiduciary duties under Delaware law, including their obligation in a change of control transaction to seek the best price reasonably available, (ii) the process the Special Committee had followed to this point and (iii) the advice the Special Committee had received from its advisers as to the financial sponsors most likely to be able to undertake an acquisition of the Company, the likelihood of a strategic party's interest in such a transaction, and the likelihood that a well-structured go-shop process would provide a meaningful opportunity for both strategic and financial parties to make proposals that could result in a superior transaction. Debevoise noted that the merger agreement contained certain provisions that were designed to encourage a fruitful go-shop process, including (i) a 45-day initial go-shop period, (ii) sharply limited "matching rights" that would allow Mr. Dell and Silver Lake, only on a single occasion, to negotiate with the Company to match the terms of any superior proposal and (iii) a low termination fee of $180 million payable by the Company if it were to terminate the merger agreement to enter into an acquisition agreement related to a superior proposal with a party that provides an acquisition proposal during the go-shop period that is or could reasonably be expected to result in a superior proposal. Debevoise also reviewed with the Special Committee the terms of the merger agreement and related documents that had been negotiated with counsel to Mr. Dell and Silver Lake.

BCG made a presentation to the Special Committee in which it reviewed its assessment of a number of strategic alternatives available to the Company and updated the Committee on its work analyzing the possibility of separating the Company's EUC business. BCG expressed the view that the risks and costs of such a transaction,

in terms of revenue and cost dis-synergies, execution risk, time to completion and transaction costs, appeared to substantially outweigh the potential benefit that would arise from having the public markets attach a higher valuation multiple to a new company containing the Company's ESS business. BCG also discussed the possibility of a disposition of DFS, agreeing with the Special Committee's financial advisors that such a transaction did not appear to create substantial value for the Company, although it could be a way for an acquiror to provide equity capital in a sale transaction.

J.P. Morgan made a presentation to the Special Committee in which it provided an overview of changes to the Company's stock price since August 20, 2012, the industry outlook for the EUC market, a review of the Company's historical and projected financial performance, and a review of the various forecasts (including the BCG Forecast, September 21 Case and consensus analyst estimates) that had been presented to the Special Committee. J.P. Morgan summarized its financial analysis of the $13.60 per share proposal (which J.P. Morgan noted would be updated to reflect the revised $13.65 per share proposal), with the Company being permitted to continue paying its regular quarterly dividend, and then rendered to the Special Committee an oral opinion, which was subsequently confirmed by delivery of a written opinion dated February 4, 2013, to the effect that, based on and subject to the matters described in the opinion, as of such date, the consideration to be paid to the holders of Common Stock (other than shares of Common Stock held in treasury or owned by Merger Sub and its subsidiaries, other excluded shares, Company restricted shares and dissenting shares) in the proposed merger was fair, from a financial point of view, to such holders.

Evercore made a presentation to the Special Committee in which it provided an overview of the stock price performance of the Company over the past year, the valuation analyses Evercore performed and the assumptions underlying those analyses. Evercore summarized its financial analysis of the $13.60 per share proposal (which it noted would be updated to reflect the revised $13.65 per share proposal), with the Company being permitted to continue paying its regular quarterly dividend, and then rendered to the Special Committee an oral opinion, which was subsequently confirmed by delivery of a written opinion dated February 4, 2013, to the effect that, based on and subject to the matters described in the opinion, the $13.65 per share merger consideration was fair, from a financial point of view, to the holders of the shares of Common Stock entitled to receive such merger consideration.

Following a discussion of the presentations from Debevoise, BCG, J.P. Morgan and Evercore, the Special Committee unanimously resolved to recommend to the Board that it accept the $13.65 per share proposal.

Later on February 4, 2013, the Board held a telephonic meeting at which representatives of Debevoise, BCG, Evercore and J.P. Morgan were present. Mr. Dell did not participate in this meeting. Mr. Mandl began the meeting by announcing that Silver Lake had increased its price to $13.65 per share, with the Company's being permitted to continue paying its regular quarterly dividend. Mr. Mandl stated that it was the recommendation of the Special Committee that the Board accept the $13.65 per share going private proposal made by Mr. Dell and Silver Lake. At the request of Mr. Mandl, each of BCG, J.P. Morgan and Evercore made presentations to the Board similar to those made to the Special Committee earlier that afternoon. A representative of Debevoise then updated the Board regarding the negotiation of the merger agreement and related documents. The meeting adjourned at approximately 3:30 p.m., and the Board and the Special Committee's advisers agreed to reconvene the meeting at 11:00 p.m. that evening.

At approximately 11:00 p.m. on the evening of February 4, 2013, the Board reconvened in a telephonic meeting, again without Mr. Dell's participation. Mr. Mandl began this portion of the meeting by stating that Debevoise had circulated to the Board a form of merger agreement for the transaction.

Representatives of Debevoise then reviewed with the Board the principal terms of the merger agreement and the other transaction documents, as well as proposed resolutions to approve the transaction. After discussion, the Board (with the exception of Mr. Dell, who was not present) unanimously adopted the resolutions.

Following the adjournment of the Board meeting, representatives of Debevoise, Simpson Thacher and Wachtell Lipton worked through the night of February 4 to finalize the transaction documentation.

On the morning of February 5, 2013, the parties executed and delivered the merger agreement and related agreements and the Company issued a press release announcing the transaction.

On March 7, 2013, the Board held an in-person meeting at which representatives of Debevoise were present. During the meeting, Mr. Gladden presented proposed final versions of the Internal Plan and the Board Case for fiscal year 2014 to the Board (as described under "*—Projected Financial Information—Fiscal Year 2014 Plans and Budgets*" beginning on page 98). Mr. Dell was present at the meeting but did not participate in Mr. Gladden's presentation. Following Mr. Gladden's presentation, members of the Board raised concerns about the increase in projected revenue contained in the Board Case as compared to the Preliminary FY14 Board Case, as well as the achievability of the projections in the Board Case more generally. At the meeting, it was decided that Mr. Gladden should work with Shantanu Narayen, the chair of the Leadership Development and Compensation Committee, to consider more conservative sensitivities and develop a final proposal for the Board Case for fiscal year 2014. Thereafter, management presented a more conservative version of the Board Case. The Internal Plan as presented at the March 7, 2013 meeting and the Board Case as revised after that meeting were approved by the Board by unanimous written consent as of March 20, 2013.

The merger agreement provides that after the execution and delivery of the merger agreement and until 12:01 a.m., New York time, on March 23, 2013 (the "go-shop period"), the Company and its subsidiaries and their respective representatives may initiate, solicit and encourage the making of alternative acquisition proposals, including by providing nonpublic information to, and participating in discussions and negotiations with, third parties in respect of alternative acquisition proposals (the "go-shop process"). Promptly after the announcement of the merger agreement on February 5, 2013, at the direction and under the supervision of the Special Committee, Evercore began the go-shop process on behalf of the Company. During the go-shop period, Evercore contacted a total of 67 parties, including 19 strategic parties, 18 financial sponsors and 30 other parties, including sovereign wealth funds, to solicit interest in pursuing a possible transaction. Evercore also received unsolicited inquiries regarding a possible transaction from four additional parties, including two strategic parties and two financial sponsors. Of the 71 total parties with which Evercore communicated, the 11 parties discussed below expressed interest in evaluating a possible transaction. In addition, Evercore contacted Sponsor A to inquire whether Sponsor A would participate in the go-shop process but Sponsor A declined.

On February 6, 2013, Blackstone informed Evercore that it would like to obtain confidential information regarding the Company in connection with its consideration of a possible transaction with respect to the Company, and Evercore sent a draft confidentiality agreement to Blackstone. On February 15, 2013, Blackstone delivered a mark-up of the confidentiality agreement to Debevoise. After subsequent negotiations, a confidentiality agreement between the Company and Blackstone was executed on February 22, 2013. Blackstone was granted access to an electronic data room later that day and subsequently conducted due diligence, including through discussions with members of the Company's management (including with Mr. Dell), with respect to the Company. In their initial discussions, representatives of Blackstone indicated to representatives of Evercore that Blackstone intended to form a consortium to pursue a possible transaction, which it was permitted to do, subject to certain limitations, by the terms of its confidentiality agreement with the Company.

Also on February 6, 2013, the confidentiality agreement that was previously signed by Sponsor B was amended to allow Sponsor B to discuss the transaction with other parties and Evercore reinstated Sponsor B's access to an electronic data room.

On February 8, 2013, Strategic Party A informed Evercore that it would like to obtain confidential information regarding the Company in connection with its consideration of a possible transaction with respect to DFS, and Evercore sent a draft confidentiality agreement to Strategic Party A. On February 14, 2013, Strategic Party A delivered a mark-up of the confidentiality agreement to Debevoise. After subsequent negotiations, a

confidentiality agreement between the Company and Strategic Party A was executed on February 20, 2013. Strategic Party A was granted access to an electronic data room the following day and subsequently conducted due diligence, including through discussions with members of the Company's management (not including Mr. Dell), with respect to DFS. Each of Strategic Party A and Blackstone informed representatives of Evercore that it was considering pursuing a transaction as part of a consortium with the other.

On February 9, 2013, another financial sponsor ("Sponsor C") informed Evercore that it would like to obtain confidential information regarding the Company in connection with its consideration of a possible transaction with respect to the Company, and Evercore sent a draft confidentiality agreement to Sponsor C. On February 11, 2013, Sponsor C delivered a mark-up of the confidentiality agreement to Debevoise. After subsequent negotiations, a confidentiality agreement between the Company and Sponsor C was executed on February 17, 2013. Sponsor C was granted access to an electronic data room the following day and subsequently conducted due diligence, but did not hold discussions with members of the Company's management, with respect to the Company. On March 8, 2013, Sponsor C informed Evercore that it was not interested in pursuing a possible transaction.

Also on February 9, 2013, another strategic party ("Strategic Party B") informed Evercore that it would like to obtain confidential information regarding the Company in connection with its consideration of a possible transaction with respect to a portion of the Company's business, and Evercore sent a draft confidentiality agreement to Strategic Party B. On February 27, 2013, Strategic Party B sent a mark-up of the confidentiality agreement to Debevoise. After subsequent negotiations, a confidentiality agreement between the Company and Strategic Party B was executed on March 7, 2013. Strategic Party B was not provided with access to an electronic data room or permitted to conduct due diligence due to its interest in only acquiring a portion of the Company's business and its failure to reach an arrangement with a potential partner willing to team with Strategic Party B to pursue a possible transaction for the entire Company, after Evercore had directed it to attempt to do so.

On February 13, 2013, Evercore held an in-person meeting with the senior management of a strategic party ("Strategic Party C") to present the merits of a possible transaction involving the Company. On February 14, 2013, Strategic Party C informed Evercore that it would like to obtain confidential information regarding the Company in connection with its consideration of a possible transaction with respect to the Company, and Evercore sent a draft confidentiality agreement to Strategic Party C. On February 16, 2013, Strategic Party C delivered a mark-up of the confidentiality agreement to Debevoise. After subsequent negotiations, a confidentiality agreement between the Company and Strategic Party C was executed on February 24, 2013. Strategic Party C was invited to access an electronic data room later that day, but did not accept the invitation or make any requests regarding due diligence activities.

On February 22, 2013, the Special Committee held a telephonic meeting, at which representatives of Evercore and Debevoise were present, to discuss the status of the go-shop process.

On February 26, 2013, Icahn Enterprises informed Debevoise that it would like to obtain confidential information regarding the Company in connection with its consideration of a possible transaction with respect to the Company, and Debevoise sent a draft confidentiality agreement to Icahn Enterprises. That evening, representatives of J.P. Morgan and Debevoise met with Carl C. Icahn to discuss his potential interest in pursuing a possible transaction.

On February 28, 2013, a financial advisor to a strategic party ("Strategic Party D") contacted Evercore to convey Strategic Party D's potential interest in acquiring a portion of the Company's business. Evercore sent a draft confidentiality agreement to Strategic Party D on March 1, 2013. Later on March 1, 2013, Strategic Party D sent a mark-up of the confidentiality agreement to Debevoise. After subsequent negotiations, a confidentiality agreement between the Company and Strategic Party D was executed on March 4, 2013. Strategic Party D was not provided with access to an electronic data room or permitted to conduct due diligence due to its interest in only acquiring a portion of the Company's business and its failure to reach an arrangement with a potential

partner willing to team with Strategic Party D to pursue a possible transaction for the entire Company, after Evercore had directed it to attempt to do so.

On March 1, 2013, Francisco Partners III, LP ("Francisco") signed a joinder to Blackstone's confidentiality agreement, and Francisco was granted access to an electronic data room on March 2, 2013 and subsequently conducted due diligence with respect to the Company.

On March 1, 2013, Evercore was informed by Blackstone that Sponsor B intended to join the consortium led by Blackstone for the purposes of making an alternative acquisition proposal.

On March 5, 2013, Icahn Enterprises sent a letter to the Board, stating that it was a substantial holder of Company shares and that it believed that the transaction contemplated by the merger agreement is not in the best interests of the Company's stockholders and substantially undervalues the Company. The Icahn Enterprises letter included a proposal for a transaction involving a leveraged recapitalization and special dividend to the Company's stockholders as an alternative transaction and indicated Icahn Enterprises' intent to commence a proxy fight if the Board did not commit to support the transaction detailed in its letter in the event that the transaction contemplated by the merger agreement is not approved by the Company's stockholders.

On March 7, 2013, a representative of Icahn Enterprises contacted a representative of Debevoise to request a waiver of Section 203 of the DGCL ("Section 203"), which imposes restrictions on business combinations between a corporation and certain holders of 15% or more of such corporation's outstanding shares. The request was discussed between the Company's advisors and Icahn Enterprises' advisors from time to time thereafter.

On March 7, 2013, the Special Committee issued a press release disclosing that the Board had received the Icahn Enterprises letter and would welcome Mr. Icahn's participation in the go-shop process.

Also on March 7, 2013, representatives of Evercore and Debevoise met with representatives of Icahn Enterprises regarding the proposal described in Icahn Enterprises' March 5 letter and encouraged Icahn Enterprises to participate in the go-shop process to consider and evaluate a potential acquisition of the Company in lieu of the transaction proposed in the Icahn Enterprises letter. Prior to the meeting on March 7, 2013, Icahn Enterprises delivered a mark-up of the confidentiality agreement to a representative of Debevoise and, after subsequent negotiations, a confidentiality agreement between the Company and Icahn Enterprises was executed on March 10, 2013. Icahn Enterprises was granted access to an electronic data room the following day and subsequently conducted due diligence, including through discussions with members of the Company's management, with respect to the Company.

On March 7 and 8, 2013, Blackstone, Sponsor B and Francisco participated in in-person due diligence presentations by members of the Company's management, including Mr. Dell, at the offices of counsel to Blackstone in New York. Thereafter, Blackstone and the members of its consortium continued to conduct due diligence.

On March 11, 2013, representatives of BCG sent Blackstone a compendium of materials, which consisted of copies of the various reports that BCG had made to the Board in connection with the transaction. On March 12, 2013, representatives of Blackstone and BCG held a telephonic discussion relating to those reports.

On March 14, 2013, Icahn Enterprises notified the Company that it had filed a notification under the HSR Act with the Antitrust Division and the FTC relating to Icahn Enterprises' potential acquisition of up to 25% of the Company's outstanding shares.

On March 15, 2013, the Special Committee held a telephonic meeting, at which representatives of Evercore and Debevoise were present, to discuss the status of the go-shop process.

Later on March 15, 2013, representatives of Blackstone met with Mr. Mandl and representatives of Evercore and Debevoise to discuss the status of Blackstone's evaluation of a possible transaction. At that meeting,

representatives of Blackstone requested that the Company agree to reimburse costs incurred by Blackstone in connection with its consideration of a possible transaction. Mr. Mandl stated that he would inform the other members of the Special Committee of Blackstone's request.

On March 18, 2013, a strategic party ("Strategic Party E") signed a joinder to Blackstone's confidentiality agreement. Strategic Party E was granted access to an electronic data room on the same day and subsequently conducted due diligence with respect to DFS.

On March 21, 2013, Evercore received, on behalf of the Special Committee, a non-binding indication of interest from Strategic Party A for a proposed acquisition of DFS, which would not constitute an "acquisition proposal" under the merger agreement. The indication of interest requested that Strategic Party A's proposal be considered together with any other proposals with respect to possible transactions, including the transaction contemplated by the merger agreement and any other proposals that may emerge from the go-shop process. At Strategic Party A's request, its indication of interest was subsequently shared with Blackstone, Icahn Enterprises, Mr. Dell and Silver Lake.

On March 22, 2013, the Special Committee held a telephonic meeting, at which representatives of Debevoise were present, to discuss the status of the go-shop process and the Blackstone consortium's request for expense reimbursement. At that meeting, the Special Committee discussed the terms on which it was prepared to grant the Blackstone consortium's request, and directed its advisors to communicate those terms to representatives of Blackstone. Representatives of Debevoise and Evercore subsequently discussed with representatives of Blackstone and its counsel the terms on which the Special Committee was prepared to grant the Blackstone consortium's request, and were informed that the Blackstone consortium would make a revised proposal regarding expense reimbursement in connection with the submission of its acquisition proposal.

Also on March 22, 2013, Insight Venture Management, LLC ("Insight") signed a joinder to Blackstone's confidentiality agreement. Insight was subsequently granted access to an electronic data room and commenced due diligence with respect to the Company, but as of the date of the filing of this proxy had not yet held discussions with members of the Company's management.

Later on March 22, 2013, Evercore received, on behalf of the Special Committee, a non-binding proposal (the "Blackstone Proposal") from the Blackstone consortium, which was led by Blackstone Management Associates VI L.L.C. and included Francisco and Insight, for a transaction in which holders of shares of Common Stock would be entitled to elect to receive cash in an unspecified amount that was stated to be in excess of $14.25 per share or to roll over their shares, subject to a cap (which was not specified) on the amount of equity that could be rolled over. The Blackstone Proposal would be funded through a combination of (i) an unspecified amount of cash equity investments by the members of the consortium, which the Blackstone Proposal stated would be in excess of the amount of cash equity financing contemplated by the equity commitment letters delivered in connection with the merger agreement, (ii) an unspecified amount of the Company's cash and cash equivalents and (iii) an unspecified amount of debt financing. The Blackstone Proposal also stated that the Blackstone consortium expects to invite certain of the Company's stockholders and other strategic and financial partners to participate in the transaction as part of the buying group.

In connection with its submission of the Blackstone Proposal, the Blackstone consortium informed the Special Committee that it was not willing to proceed with its evaluation of the transaction contemplated by the Blackstone Proposal unless, prior to 5:00 p.m. Eastern Time on March 28, 2013, it received an agreement from the Company to reimburse the Blackstone consortium's out-of-pocket expenses in connection with its evaluation of a possible transaction with the Company and an acknowledgment from the Parent Parties, the SLP Investors and Mr. Dell that such an agreement would not violate the merger agreement.

Also on March 22, 2013, Evercore, J.P. Morgan and Debevoise received, on behalf of the Special Committee, a non-binding proposal (the "Icahn Proposal") from Mr. Icahn and Icahn Enterprises for a transaction in which

holders of shares of Common Stock would be entitled to either elect to roll over their shares on a one-to-one basis or to sell their shares for cash in an amount equal to $15.00 per share, with a cap of approximately $15.6 billion on the total amount of cash that could be paid out (with pro rata cutbacks if the cash election is oversubscribed). The Icahn Proposal would be funded through a combination of (i) a cash investment by Icahn Enterprises, Mr. Icahn and affiliated parties, (ii) the Company's currently available cash and (iii) new debt financing. The Icahn Proposal stated that Icahn Enterprises and affiliated entities own approximately 80 million shares of Common Stock, and contemplated that all of those shares would be rolled over in the transaction. The Icahn Proposal also contemplated that Southeastern and T. Rowe Price, which the Icahn Proposal states has disclosed that it owns approximately 82 million shares of Common Stock, would join Icahn Enterprises and affiliated entities in committing to roll over their shares (although the Icahn Proposal also stated that Mr. Icahn and certain of his affiliates would be willing to make a cash investment to replace a portion of that rollover equity in the event Southeastern and T. Rowe Price do not commit to roll over their shares).

The Icahn Proposal, the Blackstone Proposal and the proposal received from Strategic Party A were the only proposals provided by any party to the Special Committee or its advisors regarding a possible transaction during the go-shop period.

On March 23, 2013, the Special Committee held a telephonic meeting, at which representatives of Evercore, J.P. Morgan, Debevoise and Sard Verbinnen & Co. ("Sard Verbinnen"), the Special Committee's public relations advisor, were also present, to discuss the Icahn Proposal and the Blackstone Proposal. At that meeting, representatives of Evercore and Debevoise reviewed the key terms of each non-binding proposal and the Blackstone consortium's request for expense reimbursement. After discussion, the Special Committee directed representatives of J.P. Morgan and Debevoise to discuss with representatives of Silver Lake the Blackstone consortium's request for expense reimbursement, including communicating to them that the Special Committee supported the request. The Special Committee also decided to meet again on March 24, 2013, at which time it would receive a more detailed presentation from representatives of Evercore.

After the conclusion of the meeting, representatives of J.P. Morgan and Debevoise contacted representatives of Silver Lake, Simpson Thacher and Wachtell Lipton, and Mr. Mandl contacted Mr. Dell, to inform them of the Blackstone consortium's request for expense reimbursement and to communicate the Special Committee's support of the request. Each of Mr. Dell and representatives of Silver Lake indicated a willingness to consider agreeing to Blackstone's request, so long as the Company also entered into an agreement with the Parent Parties pursuant to which the Company would reimburse the transaction-related expenses of the Parent Parties and their affiliates (with any amounts reimbursed under such agreement (i) not being eligible for additional reimbursement by the Company pursuant to the merger agreement and (ii) not reducing or otherwise being offset against any termination fee or expense reimbursement that may be payable by the Company to Parent (or one or more of its designees) pursuant to the merger agreement (as such fee and expense reimbursement are described under "*The Merger Agreement—Termination Fees; Reimbursement of Expenses*" beginning on page 163)).

On March 24, 2013 the Special Committee held a telephonic meeting, at which representatives of Evercore, J.P. Morgan, Debevoise and Sard Verbinnen also were present, to discuss the Icahn Proposal and the Blackstone Proposal. Representatives of Evercore and J.P. Morgan made presentations to the Special Committee regarding the Blackstone Proposal and the Icahn Proposal, including each of their preliminary analyses as to the value of the shares of the Company that would be held by the Company's stockholders after consummation of the transaction contemplated by the Icahn proposal. Representatives of Debevoise also reviewed with the Special Committee the requirements of the merger agreement with respect to the designation of a person or group of persons as an "excluded party". After discussion, the Special Committee determined, after consultation with Evercore, J.P. Morgan and Debevoise, that both proposals could reasonably be expected to result in superior proposals, and therefore the group making the Icahn Proposal and the group making the Blackstone Proposal was each an "excluded party" under the merger agreement. Immediately after the Special Committee meeting, the members of the Special Committee and the other independent directors held a telephonic meeting at which representatives of Debevoise were also present, during which representatives of Debevoise and the members of

the Special Committee updated the board members regarding the go-shop process, the two proposals received that qualified as "acquisition proposals" under the merger agreement and the unanimous determination by the Special Committee that both groups were "excluded parties" under the merger agreement.

In addition, representatives of Debevoise and Evercore continued discussions with representatives of Blackstone, representatives of Silver Lake, Mr. Dell and their respective counsel regarding expense reimbursement. On the morning of March 25, 2013, the Company and Blackstone entered into an amendment to Blackstone's confidentiality agreement providing that the Company will reimburse the transaction-related expenses of Blackstone and its affiliates up to a cap of $25 million. At substantially the same time, the Company also entered into a letter agreement with the Parent Parties providing that the Company reimburse the transaction-related expenses of the Parent Parties and their affiliates up to a cap of $25 million (with any amounts reimbursed under such agreement (i) not being eligible for additional reimbursement by the Company pursuant to the merger agreement and (ii) not reducing or otherwise being offset against any termination fee or expense reimbursement that may be payable by the Company to Parent (or one or more of its designees) pursuant to the merger agreement (as such fee and expense reimbursement are described under "*The Merger Agreement—Termination Fees; Reimbursement of Expenses*")). The letter agreement with the Parent Parties also provides that any amounts not reimbursed as a result of the $25 million limit on reimbursement would otherwise be subject to reimbursement pursuant the merger agreement upon the terms and conditions therein (as described under "*The Merger Agreement—Termination Fees; Reimbursement of Expenses*").

Also on the morning of March 25, 2013, the Special Committee issued a press release in which it announced that it had received the Blackstone Proposal and the Icahn Proposal and stated, among other things, that (i) the groups making such proposals were "excluded parties" under the merger agreement, (ii) the Special Committee had not determined that either the Blackstone Proposal or the Icahn Proposal in fact constitutes a superior proposal under the merger agreement and neither was at that stage sufficiently detailed or definitive for such a determination to be appropriate, (iii) the Special Committee had not changed its recommendation with respect to, and continues to support, the transactions contemplated by the merger agreement, and (iv) the Special Committee intends to continue negotiations with both the group that made the Blackstone Proposal and the group that made the Icahn Proposal.

Between March 20, 2013 and April 15, 2013, various parties entered into joinders to Blackstone's confidentiality agreement or were otherwise engaged to advise the Blackstone consortium, including two potential equity financing sources, four potential debt financing sources and ten advisory firms (including accountants and consultants). These parties subsequently participated in the due diligence process being conducted by the Blackstone consortium.

On March 26, 2013, two representatives of Blackstone met with Mr. Dell to discuss the potential Blackstone proposal, including the possibility of Mr. Dell participating in a transaction as part of the Blackstone consortium. Subsequent to that meeting, Mr. Dell suggested to the Blackstone representatives that Blackstone provide Mr. Dell with a proposal as to capital structure, equity ownership and governance at such time as Blackstone was able to do so. Over the next few weeks, Mr. Dell had occasional additional contacts with the representatives of Blackstone, including in connection with Blackstone's due diligence reviews, but did not receive any proposals from Blackstone with respect to capital structure, equity ownership or governance.

On March 27, 2013, Debevoise provided to Icahn Enterprises a draft agreement that contemplated a waiver of certain transactions for purposes of Section 203 in exchange for certain restrictions on the ability of Icahn Enterprises and its affiliates to purchase, and enter into agreements with respect to, shares of Common Stock.

On March 29, 2013, representatives of Blackstone indicated to representatives of Evercore that Blackstone no longer intended to pursue a sale of DFS as a possible source of financing for a transaction and instead intended to pursue financing by selling receivables of DFS while retaining the DFS business as part of the Company's overall business. In addition to Strategic Party A and Strategic Party E, between April 8, 2013 and April 11, 2013, six parties entered into joinders to Blackstone's confidentiality agreement in order to conduct due diligence with respect to a potential sale of receivables of DFS.

On April 2, 2013, representatives of Icahn Enterprises made a request to representatives of Evercore that Icahn Enterprises, in connection with its evaluation of a potential transaction with the Company, be reimbursed for its expenses on the same terms as those provided to the Blackstone consortium and Silver Lake.

On April 5, 2013, the Special Committee held a telephonic meeting at which representatives of Evercore, J.P. Morgan, Debevoise and Sard Verbinnen were also present to discuss the status of the due diligence processes being conducted by the Blackstone consortium and Icahn Enterprises. Representatives of Evercore reported on Icahn Enterprises' expense reimbursement request, and representatives of Debevoise reported on the status of negotiations with Mr. Icahn and Icahn Enterprises regarding (i) Icahn Enterprises' request for a waiver under Section 203, and (ii) the Special Committee's request that Mr. Icahn and Icahn Enterprises agree not to purchase Company shares or enter into agreements with other stockholders that would cause them to own shares in amounts over agreed thresholds. Following this meeting, the Special Committee sent a letter to Mr. Icahn stating that it would grant the Icahn Enterprises request for expense reimbursement only if he and Icahn Enterprises would commit to work within the process the Special Committee had established for a possible transaction.

Members of the Blackstone consortium and its advisors held various telephonic due diligence discussions with management of the Company in the period after submission of the Blackstone Proposal. During the period from April 8, 2013 to April 16, 2013, representatives of the Blackstone consortium and its debt financing sources and financial, accounting and other advisors conducted in-person due diligence sessions in Round Rock, Texas on various topics with members of the Company's senior management, including Mr. Dell. During the week of April 15, Blackstone's legal advisors conducted additional telephonic discussions with Debevoise and members of the Company's management on a number of topics.

On April 10, 2013, International Data Corporation, an independent market research firm, issued a report on the PC market (the "IDC Report"), which stated that total worldwide PC shipments in the first quarter of 2013 had declined approximately 14% compared to the first quarter of 2012.

On April 12, 2013, Mr. Gladden, Mr. Dell and other members of the Company's senior management met with representatives of the Blackstone consortium, the lead bank from Blackstone's debt financing syndicate and other members of Blackstone's debt financing syndicate to deliver a management presentation to the members of the debt financing syndicate to assist with the preparation of financing proposals.

Also on April 12, 2013, the Special Committee held a telephonic meeting at which representatives of Evercore, J.P. Morgan, Debevoise and Sard Verbinnen were also present to discuss the status of discussions with the Blackstone consortium and Icahn Enterprises. At that meeting, Mr. Mandl reported that he had spoken with a representative of Blackstone who had expressed concerns about the implications of the IDC Report. Also at that meeting, representatives from Debevoise reviewed the terms of a proposed agreement with Mr. Icahn and Icahn Enterprises under which (i) Mr. Icahn and Icahn Enterprises would agree not to make purchases that would cause them to own more than 10% of the Company's shares or enter into agreements with other stockholders who, together with the Icahn entities, would collectively beneficially own in excess of 15% of the Company's shares, and (ii) the Board would adopt resolutions approving certain transactions involving Mr. Icahn, Icahn Enterprises and their respective affiliates for purposes of Section 203 (the "Icahn Agreement"). The Special Committee determined to recommend that the Board approve the Icahn Agreement.

On April 15, 2013, the Board held a telephonic meeting in which Mr. Dell did not participate, at which representatives of Debevoise and Sard Verbinnen were also present. The Board, by unanimous vote of those present, approved the Icahn Agreement and adopted resolutions granting a limited waiver under Section 203. Later that day, the Company, Icahn Enterprises and Mr. Icahn entered into the Icahn Agreement.

On April 18, 2013, a representative of Blackstone informed Mr. Mandl that Blackstone had decided not to submit a definitive proposal to acquire the Company and was withdrawing from the process as a result of its concerns about the PC industry outlook, and, in particular, the negative trend reflected in the IDC Report, as well as the

downward trend in the Company's projected operating income for the current year. Blackstone subsequently delivered a letter to this effect to the Special Committee dated the same date.

On May 9, 2013, the Company received a letter from Icahn Enterprises and Southeastern (the "Icahn-Southeastern Letter"), which was also disclosed by Icahn Enterprises and Southeastern in Schedule 13D, filings with the SEC, stating, among other things, their opposition to the transactions contemplated by the merger agreement and outlining a potential transaction in which the Company's stockholders would be entitled to elect to receive either $12.00 per share in cash or $12.00 in additional shares (based on a value which the Icahn-Southeastern Letter says would be assumed to be $1.65 per share) for each share currently held, in addition to retaining their current shares. The Icahn-Southeastern Letter did not provide details as to how the proposed transaction would be implemented and was not accompanied by commitments for the debt financing the proposed transaction would require.

On May 10, 2013, the Special Committee held a telephonic meeting, with representatives of Debevoise, J.P. Morgan, Evercore, BCG, Sard Verbinnen and MacKenzie Partners Inc. present, at which they discussed the Icahn-Southeastern Letter, among other matters. Also on May 10, 2013, the Special Committee issued a press release stating that it had received and was reviewing the potential transaction described in the Icahn-Southeastern Letter.

On May 13, 2013, the Special Committee sent a letter to Icahn Enterprises and Southeastern requesting certain clarifications and additional information regarding the potential transaction described in the Icahn-Southeastern Letter.

Also on May 13, 2013, affiliates of each of Icahn Enterprises and Southeastern sent notices to the Company of nominations of persons for election to the Board at the 2013 annual meeting of stockholders of the Company.

On May 20, 2013, in response to a number of requests for information, including a request for data room access for a potential lender, made by Icahn Enterprises and Southeastern in connection with the potential transaction outlined in the Icahn-Southeastern letter, the Special Committee sent a letter to Icahn Enterprises and Southeastern informing them that (i) neither the Special Committee nor its representatives are permitted to provide them with information or engage in discussions concerning their proposal unless the Board determines that their proposal could reasonably be expected to result in a superior proposal under the merger agreement and (ii) unless the Special Committee receives information that is responsive to the requests in its May 13 letter, it will not be in a position to evaluate whether their proposal meets that standard.

Reasons for the Merger; Recommendation of the Board of Directors; Fairness of the Merger

Determinations of the Special Committee

On February 4, 2013, the Special Committee, consisting entirely of independent and disinterested directors, and acting with the advice of its own independent legal and financial advisors and other experts, unanimously (i) determined that the transactions contemplated by the merger agreement, including the merger, are fair to and in the best interests of the Company's stockholders (other than the MD Investors and the Gift Trusts), (ii) recommended that the Board approve and declare advisable the merger agreement and the transactions contemplated therein, including the merger, and (iii) recommended that the Company's stockholders vote for the adoption of the merger agreement. The Special Committee further believes that the merger is fair to the Company's "unaffiliated security holders," as defined under Rule 13e-3 of the Exchange Act.

In the course of making the determinations described above, the Special Committee considered the following factors relating to the Company, its business and prospects, and the risks and challenges facing it, and to the merger agreement and the transactions contemplated thereby, including the merger (all of which factors tended to

SPECIAL FACTORS

The following information replaces or supplements the information under the heading "Special Factors" beginning on page 20 of the definitive proxy statement dated May 30, 2013.

Background of the Merger

The section of the Special Factors titled "Background of the Merger" beginning on page 20 of the definitive proxy statement dated May 30, 2013 describes the background of the transaction up to and including May 30, 2013. The discussion below supplements that description up to and including the date of this proxy supplement.

On or around May 31, 2013, the Company mailed the definitive proxy statement to the stockholders of the Company and began the process of soliciting proxies with respect to the original merger agreement and the merger. On or around June 10, 2013, the Company mailed the definitive proxy statement to any stockholders of the Company as of June 3, 2013, the record date for the special meeting, who had not previously been mailed a copy of the definitive proxy statement.

On June 6, 2013, Icahn Enterprises L.P. ("Icahn Enterprises") and Southeastern Asset Management, Inc. ("Southeastern") filed a preliminary proxy statement with the SEC to enable them to solicit proxies in opposition to the merger and indicated that they might file a proxy statement for use in connection with the solicitation of proxies to elect directors nominated by Southeastern and Icahn Enterprises on May 13, 2013 at the 2013 annual meeting of stockholders of the Company. Southeastern and Icahn Enterprises filed with the SEC an amended version of their preliminary proxy statement on June 20, 2013, and a definitive proxy on June 26, 2013.

On June 18, 2013, Icahn Enterprises and Southeastern each made Schedule 13D filings with the SEC announcing that Icahn Enterprises and its affiliates had purchased approximately 72 million shares of Common Stock from Southeastern at a price of $13.52 per share. In conjunction with this announcement, Icahn Enterprises issued an open letter to Company stockholders proposing, among other things, that the Company commence a tender offer for approximately 1.1 billion Company shares at $14 per share (the "Partial Tender Offer Proposal"). The letter stated the Partial Tender Offer Proposal would be funded with $5.2 billion of debt financing, together with $7.5 billion in cash available at the Company and $2.9 billion available through a sale of Company receivables, but was not accompanied by commitments for the debt financing or the receivables sale.

Later on June 18, 2013, the Special Committee issued a press release stating that it had received the letter from Icahn Enterprises and was reviewing the Partial Tender Offer Proposal and also stating that the Partial Tender Offer Proposal was not at that time a transaction that the Special Committee could endorse or execute as it did not include committed financing, any commitment from any party to roll over Common Stock, or any remedy for the Company and its stockholders if the Partial Tender Offer Proposal were not consummated. In addition, the press release noted that Icahn Enterprises and Southeastern still had not provided the information requested in the Special Committee's letter of May 13, 2013.

On June 21, 2013, the Special Committee held a telephonic meeting at which representatives of Evercore; J.P. Morgan; Debevoise & Plimpton LLP ("Debevoise"), legal counsel to the Special Committee; Cadwalader, Wickersham & Taft LLP, legal counsel to J.P. Morgan; The Boston Consulting Group ("BCG"), management consultant to the Committee; MacKenzie Partners Inc. ("MacKenzie"), proxy solicitation advisor to the Committee; and Sard Verbinnen & Co. ("Sard Verbinnen"), communications advisor to the Committee, were also present, to discuss, among other matters, the Partial Tender Offer Proposal. From time to time thereafter, the Special Committee held meetings with its advisors to discuss the various proposals made by Icahn Enterprises and Southeastern, the status of proxy solicitation efforts, steps the Committee might wish to take or recommend if the merger did not occur, and other matters related to the merger.

On July 1, 2013, the Company received a letter from Icahn Enterprises addressed to the Special Committee and Company stockholders announcing that it had received lender commitments for $5.2 billion in debt financing for

the Partial Tender Offer Proposal and requesting, among other things, that the Special Committee meet with Icahn Enterprises. On July 2, 2013, Icahn Enterprises and Southeastern each made Schedule 13D filings with the SEC that included lender commitments for $5.2 billion in debt financing subject to, among other things, the Company's stockholders electing a board of directors consisting entirely of 12 nominees proposed by Icahn Enterprises and Southeastern and the Company obtaining $2.9 billion of proceeds from a financing or sale involving the Company's receivables facilities.

On July 6, 2013, a representative of Evercore, on behalf of the Special Committee, contacted a representative of Icahn Enterprises to schedule a meeting between Alex Mandl, the Chairman of the Special Committee, and Mr. Icahn to discuss the Partial Tender Offer Proposal. The meeting was scheduled for July 10, 2013.

On July 8, 2013, shareholder advisory firm Institutional Shareholder Services ("ISS") issued a recommendation to its clients that they vote for the adoption of the original merger agreement. In recommending that the Company's stockholders vote for the adoption of the original merger agreement, ISS stated in part:

> After evaluating the risk of accepting the offer—truncation of value if the business transformation is successful—versus the risk of rejecting the offer—meaningful loss of value if the business transformation falters—ISS recommends clients vote FOR this transaction, which offers a 25.5% premium to the unaffected share price, provides certainty of value, and transfers the risk of the deteriorating PC business and the company's on-going business transformation to the buyout group.

Later on July 8, 2013, shareholder advisory firm Glass Lewis & Co. and shareholder advisory firm Egan-Jones Rating Company each announced it was recommending that the Company's stockholders vote for the adoption of the original merger agreement.

In the evening of July 8, 2013, a representative of Icahn Enterprises contacted a representative of Evercore to state that Mr. Icahn would like to reschedule the meeting with Mr. Mandl that was scheduled for July 10, 2013 and would be putting forth a revised proposal.

On July 12, 2013, Icahn Enterprises and Southeastern announced that they were revising the Partial Tender Offer Proposal by adding to the terms thereof one warrant to be issued by the Company for every four shares purchased in the self tender, entitling the holder for a period of seven years to purchase one share of Common Stock underlying such warrant for $20 per share (the "Revised Partial Tender Offer Proposal").

Later on July 12, 2013, the Board held a telephonic meeting, in which Mr. Dell did not participate, at which representatives of Evercore, J.P. Morgan, Debevoise and MacKenzie were also present, to discuss, among other matters, the Revised Tender Offer Proposal and the status of proxy solicitation efforts.

Also on July 12, 2013, the Special Committee issued a press release stating that it was reviewing the Revised Partial Tender Offer Proposal and noting that the members of the Special Committee remained willing to meet with Icahn Enterprises.

On July 14, 2013, a representative of Evercore, on behalf of the Special Committee, contacted a representative of Icahn Enterprises to offer to reschedule the meeting between the Special Committee and Mr. Icahn. The meeting was scheduled for the following day and on July 15, 2013, representatives of Icahn Enterprises and Southeastern held a telephonic discussion with Mr. Mandl and representatives of Evercore and Debevoise to discuss the Revised Partial Tender Offer Proposal.

On July 16, 2013, the Special Committee held a telephonic meeting, at which representatives of Evercore, J.P. Morgan, Debevoise and MacKenzie were also present, to review and discuss the advantages and disadvantages of a leveraged recapitalization transaction, such as the various proposals made by Icahn Enterprises and Southeastern, and affirmed its prior conclusions that the transactions contemplated by the original merger agreement provided the best available option to maximize stockholder value.

Later on July 16, 2013, the Special Committee issued a letter to Company stockholders describing certain risks it believed would be associated with a substantial recapitalization of the Company and stating that it did not believe the Revised Partial Tender Offer Proposal was superior to the transactions contemplated by the original merger agreement.

On July 17, 2013, the Special Committee held an in-person meeting, at which representatives of Debevoise, MacKenzie, J.P. Morgan and Sard Verbinnen were also present, at which MacKenzie updated the Special Committee on the status of proxy solicitation efforts. In light of MacKenzie's determination that there would likely not be sufficient votes cast at the time of the special meeting, scheduled for 8:00 a.m. Central Time on July 18, 2013, to satisfy the requirement to receive the affirmative vote (in person or by proxy) of holders of a majority of the outstanding shares held by stockholders other than the Parent Parties, Mr. Dell and certain of his related family trusts, any other officers and directors of the Company or any other person having any equity interest in, or any right to acquire any equity interest in, Merger Sub or any person of which Merger Sub is a direct or indirect subsidiary (Company stockholders other than such persons, the "unaffiliated stockholders"), to approve the proposal to adopt the original merger agreement (the "unaffiliated vote condition") and that a substantial number of the Company's stockholders had not submitted proxies to vote at the special meeting, the Special Committee determined that it would be in the best interests of stockholders to adjourn the special meeting to July 24, 2013 to provide time to solicit additional proxies. The Special Committee also believed that the Parent Parties might during the period of adjournment consider offering to improve the terms of the merger agreement.

On July 17, 2013, Debevoise held a telephonic discussion with Wachtell, Lipton, Rosen & Katz ("Wachtell Lipton"), legal counsel to Mr. Dell, and Simpson Thacher & Bartlett LLP ("Simpson Thacher"), legal counsel to Silver Lake Partners ("Silver Lake"), during which Debevoise, Wachtell Lipton and Simpson Thacher discussed the fact that there would likely not be sufficient votes cast at the time of the special meeting to approve the proposal to adopt the original merger agreement under the unaffiliated vote condition, and that the Special Committee had determined that it would be in the best interests of stockholders to adjourn the special meeting to July 24, 2013.

On July 18, 2013, Mr. Mandl, acting as chairman of the special meeting, convened and adjourned the special meeting of the Company's stockholders until July 24, 2013 at 5:00 p.m. Central Time in order to provide additional time to solicit proxies.

On July 19, 2013, representatives of J.P. Morgan had a discussion with a representative of Silver Lake during which representatives of J.P. Morgan suggested that Silver Lake consider increasing the merger consideration in order to secure stockholder approval of the proposal to adopt the merger agreement. The Silver Lake representative indicated that Silver Lake was not prepared to consider increasing the merger consideration unless the condition in the merger agreement for the Proposed Transaction requiring the approval of the majority of unaffiliated shares outstanding were amended.

Later that day, representatives of Debevoise had discussions with representatives of Wachtell Lipton and Simpson Thacher during which representatives of Wachtell Lipton and Simpson Thacher indicated that given the large number of shares that were not being voted it was in all of the parties' interests to amend the unaffiliated vote condition contained in the original merger agreement regardless of whether Mr. Dell and Silver Lake were prepared to consider increasing the merger consideration.

On July 19, 2013, the Special Committee held a telephonic meeting, at which representatives of Evercore, J.P. Morgan, Debevoise, MacKenzie and Sard Verbinnen were also present, to discuss the status of proxy solicitation efforts and the potential amendments to the unaffiliated vote condition contained in the original merger agreement suggested by the representatives of Silver Lake and Mr. Dell, as well as the increased merger consideration that the Special Committee might request and the potential impact of such increased merger consideration on the votes of Company stockholders to approve the proposal to adopt the merger agreement.

On July 20, 2013, the Special Committee held a telephonic meeting, at which representatives of Debevoise, MacKenzie, J.P. Morgan and Sard Verbinnen were also present, to discuss the potential amendment to the original merger agreement suggested by Silver Lake and Mr. Dell, as well as the increased merger consideration that the Special Committee might request and the potential impact of such increased merger consideration on the votes of Company stockholders to approve the proposal to adopt the merger agreement. During the meeting, Mr. Mandl reported that he had spoken to Mr. Dell that morning and that Mr. Dell had said that Silver Lake would not be willing to fund any portion of an increase in the merger consideration above $13.75 per share. Mr. Mandl further reported that Mr. Dell expressed a strong desire to amend the unaffiliated vote condition.

On July 22, 2013, Mr. Mandl, Mr. Dell and representatives of J.P. Morgan, Debevoise, Wachtell Lipton and MacKenzie met at the offices of Wachtell Lipton. At that meeting, Mr. Dell and representatives of Wachtell Lipton expressed their view that, because of the large number of shares for which proxies had not been submitted, which were counted as votes against the proposed merger agreement under the terms of the unaffiliated vote condition, and the fact that other stockholders promoting alternative transactions were counted as unaffiliated stockholders for purposes of the unaffiliated vote condition, the unaffiliated vote condition as drafted in the original merger agreement created an unfair result by permitting a minority of the shares held by unaffiliated stockholders voting on the proposal to adopt the merger agreement to override the will of the majority of the shares held by unaffiliated stockholders voting on the proposal to adopt the merger agreement. Therefore, they requested that the Special Committee agree to either eliminate the unaffiliated vote condition or change it so that shares not voting would not be counted as votes against the proposed merger. Mr. Dell and the representative from Wachtell Lipton did not request any other changes in the terms of the transaction. Mr. Mandl and the Special Committee's advisors stated that the Special Committee would not agree to eliminate the unaffiliated vote condition, and that the Parent Parties should instead consider increasing the merger consideration. Mr. Mandl and the Special Committee's advisors also stated that, while they were not certain as to whether the Special Committee would agree to change the terms of the unaffiliated vote condition so that shares not voted would not be counted as votes against the proposed merger, the Parent Parties should consider increasing the merger consideration to a per share amount of at least $14.00 in order to obtain the Special Committee's agreement to such a change.

On the morning of July 23, 2013, Mr. Dell called Mr. Mandl, and representatives of Wachtell Lipton and Simpson Thacher called representatives from Debevoise, to inform them that Mr. Dell and Silver Lake would be sending a revised proposal later that morning.

Following that telephone call, Wachtell Lipton, on behalf of Parent, sent to Debevoise a letter addressed to the Special Committee proposing an increase in the per share merger consideration to $13.75 per share that was conditioned on a change to the unaffiliated vote condition to require approval of a majority of the outstanding shares held by the unaffiliated stockholders that are present in person or by proxy and voting for or against the proposal to adopt the original merger agreement at the special meeting (the "Revised Parent Proposal"). The letter also suggested that the Special Committee consider a change in the record date for stockholders entitled to vote at the special meeting. The letter characterized these changes as Silver Lake and Mr. Dell's "best and final" proposal and stated that the Revised Parent Proposal would expire at 6:00 p.m. New York time on July 24, 2013, unless extended in writing by Parent. Wachtell Lipton subsequently sent a draft amendment to the original merger agreement to Debevoise that reflected the terms of the Revised Parent Proposal.

Later on July 23, 2013, the Special Committee held a telephonic meeting, at which representatives of Debevoise, Evercore, J.P. Morgan, MacKenzie and Sard Verbinnen were also present, to discuss the Revised Parent Proposal, including anticipated stockholder reaction and potential courses of action the Special Committee might take in response, including a further adjournment of the special meeting of stockholders scheduled to be reconvened the following day to allow additional time for the Special Committee to consider the Revised Parent Proposal. The Special Committee determined that it needed more time to consider the proposal and that it should therefore issue a press release announcing that it had received the Revised Parent Proposal and that such special
meeting of stockholders would be further adjourned to August 2, 2013 at 9:00 a.m. Central Daylight Time. The following morning, the Special Committee issued such a press release.

Later on July 24, 2013, the Board held a telephonic meeting, in which Mr. Dell did not participate, at which representatives of Debevoise, Evercore, J.P. Morgan, MacKenzie and Sard Verbinnen were also present. At that meeting, the Special Committee updated the Board on the status of the transaction and the Revised Parent Proposal.

Also on July 24, 2013, Silver Lake and Mr. Dell issued a public statement regarding the Revised Parent Proposal and their reasons for requesting the modification to the unaffiliated vote condition contained therein. Later that day, Wachtell Lipton, on behalf of Parent, sent Debevoise a letter extending the Revised Parent Proposal until August 2, 2013 at 9:00 a.m. Central Daylight Time, which extension was subsequently publicly disclosed, and Mr. Dell publicly issued a letter to stockholders explaining his position regarding the proposed merger and his reasons for requesting the modification to the unaffiliated vote condition contained in the Revised Parent Proposal.

At 5:00 p.m. Central Daylight Time on July 24, 2013, Lawrence P. Tu, General Counsel and Secretary of the Company, acting as chairman of the special meeting at the request of the Special Committee, convened and adjourned the special meeting of the Company stockholders until August 2, 2013 at 9:00 a.m. Central Daylight Time.

On July 26, 2013, the Special Committee held a telephonic meeting at which representatives of Debevoise, MacKenzie and Sard Verbinnen were also present, to discuss proxy solicitation efforts and reactions from stockholders to the requested change to the unaffiliated vote condition.

Later on July 26, 2013, Mr. Mandl and a representative of Debevoise met with Mr. Dell and a representative of Wachtell Lipton to discuss the Revised Parent Proposal. At the meeting, Mr. Mandl expressed to Mr. Dell his belief that an increase in the merger consideration to $14.00 per share would be sufficient to obtain enough votes to approve the proposal to adopt the merger agreement without changing the unaffiliated vote condition, and urged Mr. Dell to agree to such an increase. Mr. Dell said that he would discuss the matter with Silver Lake, but that he did not believe that he and Silver Lake would agree to an increase to the merger consideration.

On July 27, 2013, Mr. Dell telephoned Mr. Mandl and informed him that Mr. Dell and Silver Lake were unwilling to increase the merger consideration above $13.75 per share.

On July 28, 2013, The Wall Street Journal published an interview with Mr. Dell in which he indicated that, in his view, it would be appropriate to reset the record date for stockholders entitled to vote at the special meeting in order to give all stockholders sufficient time to consider the Revised Parent Proposal.

On July 29, 2013, Mr. Dell and a representative of Silver Lake called Mr. Mandl and offered to enhance the Revised Parent Proposal by ensuring that the Company would be able to pay the third quarter dividend of $0.08 per share regardless of the timing of the closing of the merger and reducing the termination fee payable by the Company in the event that a leveraged recapitalization or similar transaction is consummated within 12 months after the termination of the merger agreement due to the failure to obtain stockholder approval in respect of the proposal to adopt the merger agreement.

On July 30, 2013, Mr. Dell and representatives from Silver Lake, MacKenzie, Wachtell Lipton, Debevoise, J.P. Morgan, Evercore, Simpson Thacher and Innisfree M&A Incorporated, proxy solicitation advisor to Parent, held a telephonic meeting to discuss MacKenzie's analysis of the potential impact of an increase in the per share merger consideration to $13.75 on the outcome of the stockholder vote, with or without making the requested change to the unaffiliated vote condition.

Later on July 30, 2013, the Special Committee held a telephonic meeting, at which representatives of Evercore, J.P. Morgan, Debevoise, MacKenzie and Sard Verbinnen were also present, to discuss the Revised Parent Proposal. At that meeting, the Special Committee determined that it was not willing to accept the Revised Parent Proposal, but that it would be willing to amend the original merger agreement to increase the price to $13.75 per share and set a new record date for a reconvened special meeting in order to allow the stockholders as of a date

closer to the special meeting of the Company to vote on the proposal to adopt the merger agreement. The Special Committee also determined that it should send a letter to that effect to Mr. Dell and Silver Lake, and publicly release that letter. Later that evening, a representative of Debevoise sent the contemplated letter to Wachtell Lipton and Simpson Thacher, and, on the morning of July 31, 2013, the Special Committee issued a press release disclosing the letter.

On July 31, 2013, Kenneth Duberstein, a member of the Special Committee, received a telephone call from Mr. Dell and a representative of Silver Lake inquiring as to what would be required for the Special Committee to accept the proposal presented to Mr. Mandl on July 29, 2013. Mr. Duberstein said that the Special Committee would not accept the July 29 proposal unless the consideration per share were further increased.

Shortly thereafter, Mr. Mandl received a telephone call from Mr. Dell and a representative of Silver Lake in which they suggested that the Special Committee should place substantial value on the offers they had made to modify the terms of the original merger agreement other than the merger consideration, particularly the assurance of the Company's ability to pay the third quarter dividend of $0.08 per share.

Also on July 31, 2013, a representative of Silver Lake held an in-person meeting with Mr. Dell. Mr. Dell stated that he was willing to permit the Company to pay an $0.08 per share special cash dividend to stockholders in exchange for the Special Committee agreeing to modify the unaffiliated vote condition. When the representative of Silver Lake stated that Silver Lake was not willing to increase the aggregate transaction consideration, Mr. Dell said that he was willing to bear the economic cost of such $0.08 per share increase. On July 31 and August 1, Mr. Dell, representatives of Wachtell Lipton, Silver Lake and Simpson Thacher negotiated the terms under which Mr. Dell would bear the economic cost of any special cash dividend.

Later on July 31, 2013, Mr. Mandl received a telephone call from Mr. Dell, suggesting the possibility of an amendment to the original merger agreement to (i) increase the per share merger consideration to $13.75, (ii) provide for the payment of a special cash dividend of $0.08 per share, bringing the total consideration to at least $13.83 per share, (iii) ensure that the Company would be permitted to pay its third quarter dividend of $0.08 per share to stockholders regardless of the closing date and (iv) reduce the Company termination fee payable from $450 million to $180 million in the event that certain leveraged recapitalizations or similar transactions that, together with any related transactions, would not result in any person or group beneficially owning 50% or more of any class of equity securities of the Company and are consummated within 12 months after termination of the merger agreement due to the failure to obtain stockholder approval of the proposal to adopt the merger agreement. Mr. Dell informed Mr. Mandl that these changes would be conditioned on the Special Committee's making the requested change to the unaffiliated vote condition, and that he was unwilling to agree to any change to the terms of the transaction if the Special Committee was unwilling to accept the requested change to the unaffiliated vote condition. Mr. Mandl informed Mr. Dell that he would discuss this revised proposal with the other members of the Special Committee.

In the evening of July 31, 2013, the Special Committee held a telephonic meeting at which representatives of J.P. Morgan and Debevoise were also present, to discuss the new proposal put forth by Mr. Dell. After discussion, it was the consensus of the Special Committee that the total consideration of $13.83 represented by Mr. Dell's proposal was insufficient, but that the proposal would be acceptable if the special cash dividend was increased to $0.13 per share.

Following the meeting, at the Special Committee's request, Mr. Duberstein, a member of the Special Committee, contacted Mr. Dell to inform him that the Special Committee would be prepared to recommend that the Board accept his entire proposal if he and Silver Lake increased the special cash dividend component to $0.13 per share. Mr. Dell indicated that he needed to discuss this counterproposal with Silver Lake and would contact Mr. Duberstein after doing so.

Later that evening, Mr. Dell contacted Mr. Duberstein to inform him that he and Silver Lake were prepared to permit a $0.13 per share special cash dividend as proposed by Mr. Duberstein, subject to negotiation of the revised agreement.

Early in the morning of August 1, 2013, Wachtell Lipton and Simpson Thacher sent a revised draft of an amendment to the original merger agreement to Debevoise, reflecting these revised terms.

Later in the morning of August 1, 2013, the Board held a telephonic meeting, in which Mr. Dell did not participate, at which representatives of Evercore, J.P. Morgan, Debevoise, MacKenzie and Sard Verbinnen were also present, to discuss the current status of negotiations related to the proposed transaction. Mr. Mandl reported on the discussions with Mr. Dell and Silver Lake the previous day and described the revised terms resulting from these discussions. Members of the Special Committee and Debevoise also described the reasoning for the change to the unaffiliated vote condition, including that the Special Committee believed modifying the unaffiliated vote condition is in the best interests of the stockholders, both because it would enable the Special Committee to secure substantial additional value for the Company's stockholders and because it would provide a more level playing field for the decision facing stockholders. The Special Committee discussed the fact that the original voting standard was set at a time when the decision to be made by the stockholders at the special meeting would have been between a going-private transaction and remaining a public company, but since then the nature of the choice facing stockholders had changed because of the emergence of an alternative proposal by Icahn Enterprises and Southeastern who held a substantial number of shares included as unaffiliated. In the context of the current decision to be made by stockholders, the Special Committee concluded that it did not believe it was appropriate to count shares that have not been voted as supporting any particular alternative for purposes of the unaffiliated vote condition. Debevoise noted that by resetting the record date for stockholders entitled to vote on the proposal to adopt the merger agreement and providing a significant notice period for the reconvened special meeting date, the Special Committee would ensure that all unaffiliated stockholders, including those who acquired their shares after June 3, would have ample opportunity to vote for or against the proposal to adopt the merger agreement. Debevoise also noted that the adoption of the new voting standard is to be effected by an amendment of the original merger agreement, as expressly permitted by Section 8.11 of the original merger agreement and described in the definitive proxy statement dated May 30, 2013. While under the original merger agreement the unaffiliated vote closing condition could not be waived by the parties after the stockholder vote had occurred, Debevoise noted that the prohibition on such a waiver does not prevent an amendment to the standard accomplished prior to the stockholder vote. Debevoise further noted that the amendment to the standard is part of a group of amendments that also changes the aggregate consideration payable to stockholders and advised that the change in the voting standard would not alter the judicial standard of review applicable to the directors' decision to approve the transaction.

Later on August 1, 2013, Debevoise sent a revised draft of the amendment to the original merger agreement to Wachtell Lipton and Simpson Thacher. Over the course of the day on August 1, 2013, representatives of Debevoise, Wachtell Lipton and Simpson Thacher negotiated the language of the amendment to the original merger agreement.

Also on August 1, 2013, Icahn Enterprises issued a press release stating that Mr. Icahn and his affiliates had filed a complaint against the Company and the members of the Board in the Court of Chancery of the State of Delaware, described under "*Special Factors—Litigation*" beginning on page 63 of this proxy supplement.

In the morning of August 2, the Special Committee held a telephonic meeting, at which representatives of Evercore, J.P. Morgan, Debevoise, MacKenzie and Sard Verbinnen were also present, to discuss the proposed amendments to the original merger agreement and receive presentations from the financial advisors regarding the revised proposal.

J.P. Morgan made a presentation to the Special Committee in which it summarized its financial analysis of the $13.75 per share merger consideration in cash together with the $0.13 per share special cash dividend and then rendered to the Special Committee an oral opinion, which was subsequently confirmed by delivery of a written opinion dated August 2, 2013, to the effect that, based on and subject to the matters described in the opinion, as of such date, the consideration to be paid to the holders of Common Stock (other than shares of Common Stock held in treasury or owned by Merger Sub and its subsidiaries, other excluded shares, Company restricted shares and dissenting shares) in the proposed merger was fair, from a financial point of view, to such holders.

Evercore made a presentation to the Special Committee in which it summarized its financial analysis of the $13.75 per share merger consideration in cash together with the $0.13 per share special cash dividend and then rendered to the Special Committee an oral opinion, which was subsequently confirmed by delivery of a written opinion dated August 2, 2013, to the effect that, based on and subject to the matters described in the opinion, the $13.75 per share merger consideration in cash together with the $0.13 per share special cash dividend was fair, from a financial point of view, to the holders of the shares of Common Stock entitled to receive such consideration.

Also, Debevoise reviewed with the Special Committee the terms of the proposed amendment to the original merger agreement. Following a discussion of the presentations from J.P. Morgan, Evercore and Debevoise, the Special Committee unanimously resolved to recommend to the Board that it accept the $13.75 per share merger consideration together with the $0.13 per share special cash dividend, along with the assurance that the $0.08 regular quarterly dividend will be paid and the reduction in the termination fee in certain specified circumstances. The Special Committee also determined to adjourn the special meeting until September 12, 2013 and establish August 13, 2013 as the record date for the reconvened special meeting.

Later in the morning on August 2, 2013, the Board held a telephonic meeting, at which representatives of Debevoise, Evercore, J.P. Morgan, MacKenzie and Sard Verbinnen were present, to discuss the proposed amendments to the original merger agreement and receive presentations from the financial advisors regarding the revised proposal. Mr. Dell did not participate in this meeting. Mr. Mandl stated that it was the recommendation of the Special Committee that the Board approve the proposed amendments to the original merger agreement, which had been discussed with the Board the previous day. At the request of Mr. Mandl, each of J.P. Morgan, Evercore and Debevoise made presentations to the Board similar to those made to the Special Committee earlier that morning. A representative of Debevoise then updated the Board regarding the events expected to occur later that day. After discussion, the Board approved and authorized the Company to enter into Amendment No. 1 to the original merger agreement.

Following the Board meeting, the parties executed Amendment No. 1 to the original merger agreement and issued a press release announcing the amended transaction.

At 9:00 a.m. Central Daylight Time on August 2, 2013, Mr. Tu, acting as chairman of the special meeting at the request of the Special Committee, convened and adjourned the special meeting of the Company stockholders until September 12, 2013 at 9:00 a.m. Central Daylight Time.

Reasons for the Merger; Recommendation of the Board of Directors; Fairness of the Merger

The following information replaces the information in the ninth bullet on page 58 of the definitive proxy statement dated May 30, 2013.

- the fact that the terms of Mr. Dell's non-disclosure agreement with the Company prohibited him from providing confidential information about the Company to potential equity partners and other persons in connection with a possible transaction involving the Company and contained a standstill provision prohibiting him from acquiring additional shares of Common Stock;

The following information replaces or supplements the information under the heading "Reasons for the Merger; Recommendation of the Board of Directors; Fairness of the Merger" beginning on page 50 of the definitive proxy statement dated May 30, 2013.

PROPOSAL 1: APPROVAL OF THE MERGER AGREEMENT

General

This proxy statement/prospectus is being provided to EMC shareholders in connection with the solicitation of proxies by the EMC board of directors to be voted at the special meeting and at any adjournments or postponements of the special meeting. At the special meeting, EMC will ask its shareholders to vote on (1) the approval of the merger agreement, (2) the approval, on a non-binding, advisory basis, of the compensation payments that will or may be paid by EMC to its named executive officers in connection with the merger and (3) the approval of the adjournment of the special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the merger agreement.

The merger agreement provides for the merger of Merger Sub with and into EMC; as a result of the merger, the separate corporate existence of Merger Sub will cease, and EMC will continue as a wholly owned subsidiary of Denali. **The merger will not be completed without the approval of the merger agreement by EMC shareholders**. A copy of the merger agreement is attached as *Annex A* to this proxy statement/prospectus. You are urged to read the merger agreement in its entirety because it is the legal document that governs the merger. For additional information about the merger, see "*The Merger Agreement*."

Upon the closing of the merger, each share of EMC common stock (other than shares owned by Denali, Merger Sub, EMC or any of its wholly owned subsidiaries, and other than shares with respect to which EMC shareholders are entitled to and properly exercise appraisal rights) automatically will be converted into the right to receive the merger consideration, consisting of (1) $24.05 in cash, without interest, and (2) a number of shares of validly issued, fully paid and non-assessable Class V Common Stock equal to the quotient (rounded to the nearest five decimal points) obtained by dividing (A) 222,966,450 by (B) the aggregate number of shares of EMC common stock issued and outstanding immediately prior to the effective time of the merger, plus cash in lieu of any fractional shares.

The Class V Common Stock is intended to track and reflect the performance of a portion of Denali's economic interest in the VMware business following the completion of the merger; however, there can be no assurance that the market price of the Class V Common Stock will, in fact, reflect the performance of such economic interest. The approximately 223 million shares of Class V Common Stock issuable in the merger (assuming EMC shareholders either are not entitled to or do not properly exercise appraisal rights) are intended to track and reflect approximately 65% of EMC's current interest in the VMware business, which currently consists of approximately 343 million shares of VMware common stock. The number of shares of Class V Common Stock will initially have a one-to-one relationship to approximately 65% of the number of shares of VMware common stock currently owned by EMC. Based on the number of shares of EMC common stock we currently expect will be issued and outstanding immediately prior to the completion of the merger, we estimate that EMC shareholders will receive in the merger approximately 0.111 shares of Class V Common Stock for each share of EMC common stock.

Approval of the merger agreement requires the affirmative vote, in person or by proxy, of holders of a majority of the outstanding shares of EMC common stock entitled to vote as of the record date for the special meeting.

THE EMC BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EMC SHAREHOLDERS VOTE "FOR" THE APPROVAL OF THE MERGER AGREEMENT.

Background of the Merger

The EMC board of directors conducts regular, ongoing assessments of EMC's business strategy, competitive position and prospects to best position EMC to successfully compete in the rapidly changing IT infrastructure environment and meet evolving customer requirements. In this regard, the EMC board of directors,

together with senior management, engages in regular, in-depth evaluations of EMC's Federation operating model and strategic alternatives, in each case with a view to improving EMC's operations and financial performance and enhancing shareholder value. In particular, over the course of the last several years, the EMC board of directors and senior management have reviewed and considered a variety of strategic alternatives in light of growing challenges and disruptions in the IT industry caused by macro trends towards technology that is mobile, social, cloud-based and big data-driven and which have increased competition in the IT industry and reduced customer demand for traditional storage products. In the past, these reviews have resulted in the EMC board of directors considering a variety of enhancements to its operating model, code-named "Federation 2.X," including, among other alternatives, a spin-off of EMC's shares in VMware to EMC shareholders, capital restructuring transactions, the creation of a tracking stock with respect to EMC's economic interest in VMware, share buy-backs, strategic alliances and acquisition transactions and, more recently, alternatives such as a strategic sale of EMC as a whole, take-private transactions and industry consolidation acquisitions.

From 2012 through the end of September 2015, the EMC board of directors, with assistance from outside consultants, reviewed and discussed EMC's plans for CEO succession.

In connection with its ongoing review of strategic alternatives, commencing in November 2013, the EMC board of directors and senior management, with the assistance of EMC's financial advisors and legal counsel, Skadden, Arps, Slate, Meagher & Flom LLP, referred to as Skadden, engaged in discussions and negotiations with Company X, a leading global provider of enterprise information technology products and services, regarding a potential business combination transaction. The parties ceased discussions regarding a potential transaction in mid-October 2014.

On July 11, 2014, each of Elliott Associates, L.P. and Elliott International Limited, referred to collectively as the Elliott Parties, notified EMC that it intended to file a Hart-Scott Rodino Notification and Report Form with the FTC and the DOJ regarding its intention to acquire a significant interest in EMC's common stock. The Elliott Parties filed their respective notices with the FTC and the DOJ on July 14, 2014 and, since that time, have held a significant interest in EMC's common stock.

On July 21, 2014, The Wall Street Journal reported that an affiliate of the Elliott Parties, Elliott Management Corp., referred to as Elliott Management, and, together with the Elliott Parties, referred to as Elliott, planned to push for a breakup of EMC through a spin-off of EMC's shares in VMware.

From mid-July 2014 through early October 2014, EMC engaged in a number of discussions with representatives of Elliott regarding Elliott's perspectives on strategic alternatives EMC might undertake to enhance shareholder value and on the composition of the EMC board of directors. During this period, EMC, with the assistance of Skadden, also engaged in negotiations with Elliott and its legal counsel regarding the terms of a draft confidentiality and standstill agreement.

On September 24, 2014, Michael S. Dell, the Chief Executive Officer and a director of Denali, contacted Joseph Tucci, EMC's Chief Executive Officer and Chairman, to discuss their respective views of market trends and to assess EMC's interest in a potential transaction between EMC and Denali.

At a meeting of the EMC board of directors held on October 6, 2014, the board discussed with members of EMC's management and EMC's then financial advisors, among other matters, the risks and challenges posed by various strategic alternatives under review by EMC's management, including a spin-off of EMC's shares in VMware to EMC shareholders and a potential transaction with Company X. The board of directors also discussed with management exploring the possibility of partnering with Dell or acquiring certain assets from Dell. At the meeting, the directors expressed their concerns regarding the proposed valuation of the company as well as, among other matters, the execution risks of a potential transaction with Company X, risks associated with Company X's competitive position and the respective prospects of Company X's key businesses. The directors also determined, among other matters, that EMC's financial advisors should prepare an assessment of

the financial impact of a spin-off of EMC's shares in VMware and also reviewed the status of next steps and further analysis with respect to a potential transaction with Company X.

After several weeks of unsuccessful negotiations regarding the terms of a draft confidentiality and standstill agreement, on October 8, 2014, Elliott Management sent, on behalf of the Elliott Parties, a public letter to the EMC board of directors expressing Elliott's view that EMC's Federation structure obscured value in EMC's business and assets. The letter set forth Elliott's proposal that EMC increase shareholder value by spinning off its interest in VMware to EMC shareholders, undertaking a leveraged repurchase of EMC shares and pursuing additional strategic alternatives, including the possible sale of assets or of EMC as a whole to one or more strategic counterparties. Following receipt of the public letter and through the remainder of 2014, representatives of EMC and Elliott continued to engage in discussions regarding possible strategic alternatives and continued to negotiate, with the assistance of their respective legal counsel, the terms of a draft confidentiality and standstill agreement. Also during this period, representatives of the Corporate Governance and Nominating Committee of the EMC board of directors informed representatives of Elliott that the committee was then conducting, with the assistance of an outside consultant, a search for potential director candidates, and that if Elliott had any suggested candidates it wished to be considered, Elliott should submit a list of those names to the committee.

On October 15, 2014, Egon Durban, Managing Partner and Managing Director of Silver Lake Partners and a director of Denali, contacted a representative of EMC's senior management team by telephone to discuss a potential transaction between the parties. On October 28, 2014, Mr. Durban met with a representative of EMC's senior management team to further discuss a potential transaction between the parties.

On October 29, 2014, EMC entered into a non-disclosure agreement with Dell and Silver Lake Management Company IV, L.L.C. pursuant to which the parties agreed to keep confidential certain information disclosed by them, in the event any information were to be disclosed, and to use such information solely for the purposes of evaluating a potential transaction between Dell and EMC. The non-disclosure agreement included certain customary standstill restrictions on Dell, Silver Lake Management Company IV, L.L.C and certain of their respective affiliates, which restrictions have since expired.

At a meeting of the EMC board of directors held on November 4-5, 2014, the board discussed with members of EMC's management, among other topics, the alternatives of enhancement to the Federation model versus spinning off EMC's shares in VMware to EMC shareholders. McKinsey & Co., referred to as McKinsey, which had previously been engaged by EMC with respect to various other matters, participated in discussion at this meeting concerning strategic matters and action plans arising out of the meeting held on October 6, 2014 (noting that discussions with Company X had terminated in mid-October 2014), a review of the current benefits of the Federation model and potential enhancements and improvements to such model and related benefits and risks.

On November 7, 2014 and November 11, 2014, Mr. Durban met with and contacted representatives of EMC's senior management team to further discuss a potential transaction between the parties.

On November 14, 2014, Mr. Dell contacted Mr. Tucci by telephone to further discuss a potential transaction between the parties.

On December 4, 2014, a representative of Silver Lake Partners met with a representative of EMC's senior management team to further discuss a potential transaction between the parties.

At a meeting of the EMC board of directors held on December 10, 2014, the board discussed with members of EMC's management the strategic direction of EMC, including the relative challenges and rewards of enhancing the Federation model versus spinning off EMC's shares in VMware to EMC shareholders. The board also received an update regarding the status of discussions with Elliott, including consideration of a potential candidate identified by Elliott for appointment to the EMC board of directors and a proposed confidentiality and

standstill agreement under discussion between EMC and Elliott. Though no definitive decision was reached at the meeting, the board's collective view was that a spin-off of VMware common stock should be further explored. The board also determined that EMC should continue discussions with Elliott regarding director nominees and the confidentiality and standstill agreement, with the belief that reaching agreement on those issues might provide additional time for further consideration of various strategic alternatives.

On January 10, 2015, the EMC board of directors held a telephonic meeting during which the board discussed timing for further evaluation of Federation options, including execution of EMC's 2015 operating plan and a potential spin-off of EMC's shares of VMware. The board also received an update regarding negotiations of a draft confidentiality and standstill agreement with Elliott. The draft agreement provided, among other things, that the EMC board of directors would appoint Jose E. Almeida, a director nominee identified and proposed by EMC during negotiations between the parties, and Donald J. Carty, a director nominee identified and proposed by Elliott during negotiations between the parties who was determined by the Corporate Governance and Nominating Committee of the EMC board of directors, following the committee's interview and review process, to meet the committee's search criteria, to the EMC board of directors and nominate these individuals for re-election at EMC's 2015 annual meeting of shareholders. The draft agreement also required the Elliott Parties to vote in favor of EMC's slate of directors at the 2015 annual meeting of shareholders and to abide by customary standstill restrictions lasting through September 1, 2015. The EMC board of directors evaluated Mr. Almeida's and Mr. Carty's qualifications, prior experience, potential conflicts of interest and such other matters as the EMC board of directors deemed appropriate to consider with respect to the appointment of an independent director and, contingent upon finalizing the agreement, the EMC board of directors voted to approve an increase in the size of the board to thirteen and to appoint Messrs. Almeida and Carty to the board to serve until the 2015 annual meeting of shareholders. Following the appointment of Messrs. Almeida and Carty to the EMC board of directors, the Corporate Governance and Nominating Committee of the EMC board of directors continued its search for an additional potential director candidate meeting its search criteria.

Following the meeting of the EMC board of directors, EMC entered into a confidentiality and standstill agreement with the Elliott Parties, dated January 10, 2015, on the terms and conditions discussed at the meeting of the board.

On January 23, 2015, Mr. Durban met with a representative of EMC's senior management team to further discuss a potential transaction between the parties.

In late January 2015, Mr. Dell and Mr. Tucci met while attending the World Economic Forum in Davos, Switzerland. During this meeting, Mr. Dell and Mr. Tucci further discussed the possibility of a transaction between EMC and Denali. Shortly thereafter, on February 4, 2015, Mr. Tucci, along with another member of EMC's management team, met with Mr. Durban to discuss a possible transaction between the parties, including the possibility of an acquisition of EMC by Denali.

On February 24, 2015, David Strohm, in his capacity as Lead Director of EMC, met with Jesse Cohn, a Portfolio Manager of Elliott Management, in Menlo Park, California to further discuss Elliott's perspectives on how to enhance shareholder value.

On February 26, 2015 and February 27, 2015, the EMC board of directors met with members of EMC management at the offices of VMware in Palo Alto, California. At the meeting, members of management discussed with the board recently reported financial results for EMC for the fourth quarter of 2014 and reviewed EMC's consolidated financial plan for 2015. Management discussed the challenges EMC could expect to encounter to achieve its consolidated financial plan for 2015 given market trends and the need for EMC to continue to focus its product development efforts on new and emerging technologies, including hybrid cloud technologies. During this discussion, members of senior management reviewed with the board the competitive environment and possible acquisition opportunities that could arise in 2015. Following further review and discussion of the competitive landscape, market trends, EMC's results of operations for 2014 and its financial plan for 2015, the board of directors was generally of the view that while EMC should pursue decisive steps in 2015, a spin-off of EMC's shares in VMware was not a preferable option given the benefits of the current

Federation relationship and efforts directed to research and development, acquisitions of companies of strategic interest and overall Federation enhancement would be more beneficial than continued assessment of a spin-off transaction. At the meeting, Mr. Tucci also provided the board of directors with an update regarding recent discussions with representatives of Elliott, and Mr. Strohm summarized his recent meeting with Mr. Cohn of Elliott Management. Also, in connection with its annual review of the company's leadership and governance structure, the board of directors, with the non-independent directors and director William Green abstaining, voted that, effective immediately, Mr. Green should serve as the Lead Director of the company.

On March 16, 2015, March 26, 2015 and March 30, 2015, representatives of Silver Lake Partners met with and contacted representatives of EMC's senior management team to further discuss a potential transaction between the parties.

On April 2, 2015, Mr. Durban met with a representative of EMC's senior management team to further discuss a potential transaction between the parties.

On April 3, 2015, Messrs. Tucci and Green, along with another member of EMC's senior management team, met with Mr. Dell and Mr. Durban in Austin, Texas to discuss a potential acquisition of EMC by Denali. During this meeting, the parties discussed, among other matters, Denali's possible conceptual transaction structures and financing for an acquisition.

Following the April 3, 2015 meeting, the EMC board of directors received a letter from Denali, dated April 9, 2015, setting forth its interest in continuing to evaluate a potential acquisition of 100% of EMC's core business, excluding VMware, for cash consideration, referred to as the April 9 Letter. The letter did not include a specific offer price but indicated that, based on preliminary due diligence, the amount of consideration that Denali would be willing to pay would represent a substantial premium over the value implied by EMC's and VMware's then current public share trading prices. Additionally, Denali conveyed in the letter its strong interest in continuing to evaluate as part of any such transaction the acquisition by it of a meaningful portion of EMC's economic interest in VMware. The April 9 Letter indicated that Denali anticipated that any acquisition of EMC's core business would be financed through a combination of new cash equity from Michael S. Dell, MSD Partners, Silver Lake and potentially Silver Lake's limited partners or other co-investors, excess cash on hand at EMC and Denali and new debt financing from third-party financing sources, with any acquisition of EMC's VMware shares also financed with a combination of new equity and debt capital.

On April 12, 2015, the EMC board of directors met telephonically to discuss with management, among other matters, the April 9 Letter. During this meeting, a member of EMC's senior management team summarized for the board the April 3, 2015 meeting between representatives of EMC and Denali and discussed Denali's interest in an acquisition of EMC. After further discussion of Denali's expression of interest, the EMC board of directors requested that Mr. Tucci inform Denali that the board had received and discussed its letter. The EMC board of directors reserved for further discussion the topic of a potential transaction with Denali if and as the board deemed such discussion useful for the purpose of building shareholder value. At the meeting, a representative of Skadden also reviewed with the board its fiduciary duties in connection with receipt of the April 9 Letter. Additionally, in connection with EMC's plan to enhance the Federation model by creating a managed cloud services business, the board reviewed and discussed with management, and approved a letter of intent with respect to, a potential acquisition by EMC of Virtustream Group Holdings, Inc., referred to as Virtustream, a cloud software and services company.

During the remainder of April 2015 and throughout May 2015, representatives of Denali, including its legal counsel, Simpson Thacher & Bartlett LLP, referred to as Simpson Thacher, and its accounting and tax advisor, Deloitte & Touche LLP, referred to as Deloitte, conducted a preliminary tax due diligence review of EMC for the purposes of considering various transaction structures for the potential transaction. This review generally consisted of meetings and calls between the parties' respective tax advisors, management teams and legal counsel. Also during this period, McKinsey began preparing, with the help of EMC's management team, an

analysis of the potential synergies of a transaction with Denali and an analysis of certain "Federation 2.X" enhancements. During this period, following director review of a number of potential financial advisory candidates, Mr. Green, with coordination and assistance from members of EMC's management team, also interviewed a number of financial advisors, including Morgan Stanley and Evercore, to act as financial advisors to the EMC board of directors in its review of strategic alternatives.

On April 30, 2015, the EMC board of directors met in Hopkinton, Massachusetts to discuss, among other matters, recent communications with Elliott. At the meeting, the board received and discussed a copy of a letter addressed to the board, dated April 29, 2015, which was sent by Mr. Cohn on behalf of Elliott Management. In the letter, Elliott Management called on the board to take significant and prompt action to maximize EMC's value and requested a meeting between representatives of Elliott Management and a relevant group of EMC's directors, including Mr. Tucci. Mr. Tucci confirmed for the board that, in response to Elliott Management's letter, he along with one or more members of the board would be meeting with representatives of Elliott Management in the upcoming weeks. The board of directors also discussed with management the competitive forces affecting EMC's business, including cloud service offerings and initiatives of various competitors. In connection with this discussion, the board of directors received an update from management regarding ongoing negotiations with respect to the company's proposed acquisition of Virtustream.

On May 5, 2015, Mr. Durban met with a representative of EMC's senior management team to further discuss a potential transaction between the parties.

On May 21, 2015, representatives of Silver Lake Partners contacted a representative of EMC's senior management team by telephone to discuss certain tax matters related to a potential transaction between the parties.

On May 22, 2015, EMC entered into a merger agreement to acquire Virtustream.

On June 2, 2015, Messrs. Tucci and Green, along with other members of the EMC board of directors and senior management, met with Mr. Cohn and other representatives of Elliott Management at EMC's headquarters in Hopkinton, Massachusetts. The representatives of EMC and Elliott Management discussed Elliott Management's concerns reflected in its April 29, 2015 letter, Elliott Management's views regarding potential strategic alternatives available to EMC that could possibly enhance shareholder value and recent initiatives undertaken by EMC to add value, including the pending acquisition of Virtustream.

On June 3, 2015, the non-management directors of the EMC board held a telephonic meeting at which Mr. Green provided the directors with a summary of the June 2, 2015 meeting with representatives of Elliott Management and reviewed an agenda for a call with members of senior management scheduled to occur immediately following the conclusion of the board meeting to discuss the status of the company's review of strategic alternatives. During this later call, members of senior management reviewed: (1) the status of engaging Morgan Stanley and Evercore as financial advisors to assist the company and the board in their assessment of strategic alternatives; (2) the strategic alternatives then being evaluated by senior management, including various "Federation 2.X" enhancements (including acquisitions of companies of strategic interest, a leveraged recapitalization transaction and continued share buy-backs), a potential sale of the company to Denali and the possibility of investigating whether there might be an opportunity with respect to a potential transaction with Company Y, a global provider of servers, storage and networking solutions; (3) strategies to create a managed cloud services business within the Federation, including through the pending acquisition of Virtustream; and (4) additional considerations, beyond strategic and financial concerns, regarding the various strategic alternatives being considered, including the impact of these alternatives on customers, partners and employees of EMC. During this call, members of senior management also presented a process update with respect to a potential transaction with Denali, including a potential meeting to occur in the coming days between certain members of the EMC board and senior management with representatives of Denali, and a preliminary analysis of the estimated cost and revenue synergies of a potential transaction.

On June 8, 2015, Messrs. Dell and Durban met with a member of the EMC board of directors and a representative of EMC's senior management team in Boston, Massachusetts to discuss the potential merits and terms of a transaction between the parties and to obtain additional background information regarding Denali's operations and its strategic vision.

On June 9, 2015, EMC entered into a letter agreement with Morgan Stanley, engaging Morgan Stanley to act as a financial advisor to the EMC board of directors with respect to EMC's evaluation of various strategic alternatives for the company. The letter agreement provided for Morgan Stanley to receive a monthly advisory fee during the term of the agreement but did not require EMC to engage Morgan Stanley as a financial advisor in connection with a potential sale transaction or entitle Morgan Stanley to receive a fee if a sale transaction were consummated.

Also on June 9, 2015, Messrs. Tucci and Green, along with a member of EMC's senior management team, met with Messrs. Dell and Durban in Boston, Massachusetts, to further discuss a potential transaction between the parties, including the parties' respective strategic visions of how a combined Denali-EMC organization would operate following the closing of any such transaction, and to review certain preliminary due diligence questions posed by Denali regarding EMC's business and operations.

On June 15, 2015, the EMC board of directors held a telephonic meeting at which representatives of Morgan Stanley provided the board with Morgan Stanley's preliminary assessment of several strategic alternatives which might be available to EMC to potentially enhance shareholder value. These alternatives included several standalone strategies, including a levered recapitalization of EMC, the issuance by EMC of a tracking stock that would track EMC's economic interest in VMware, the buy-in of VMware's publicly-held shares and a spin-off of VMware, as well as actions involving third parties, including a sale of EMC to a third party and acquisitions of companies of strategic interest. Morgan Stanley also reviewed and discussed with the board of directors financial forecasts for EMC's core businesses prepared by management and presented its preliminary assessment of the potential future prices of EMC stock under various assumptions. Representatives of Evercore also presented Evercore's independent preliminary view of industry and market dynamics and discussed several alternative strategies EMC could potentially pursue that might positively impact EMC's revenue and earnings per share, including a levered recapitalization transaction and acquisitions of companies of strategic interest. Certain members of management, together with a representative of McKinsey, delivered a presentation discussing EMC's Federation strategy and the status and progress of various "Federation 2.X" enhancements to this strategy. Certain members of management also presented an update on EMC's long-range planning, including reviewing multi-year forecasts prepared by management under varied assumptions, and a representative of Skadden discussed with EMC's board of directors its fiduciary duties with respect to its review of the various strategic alternatives potentially available to EMC. The EMC board of directors, together with representatives of Morgan Stanley, Evercore and members of management, engaged in a discussion of certain potential benefits associated with the various potential strategic alternatives discussed, as well as certain concerns and considerations related to the various strategic alternatives. Among the concerns or considerations noted were: with respect to a levered recapitalization of EMC, the sustainability of any price impact following share repurchases, the impact of a higher debt load and lower credit rating for EMC's business, and that this alternative might preclude future large business investments or acquisitions; with respect to the issuance by EMC of a tracking stock to track EMC's economic interest in VMware, the potential complexity from having another publicly traded security representing an interest in VMware, possible financial reporting issues, the continuing need to maintain ownership of 80% of outstanding VMware shares to continue to include VMware in its consolidated tax returns, and that this alternative appeared to present only a modest opportunity to EMC to unlock near-term value; with respect to a sale of EMC to a third party strategic buyer, the limited universe of potential buyer candidates, the challenging deal size for any potential buyer, and the potential impact of exogenous distractions on likely buyer candidates; with respect to a take-private transaction, the complexity of such a transaction, the absence of potential synergies to be realized in a transaction with a financial buyer, the limited universe of potential financial buyer candidates, the significant debt financing that would be required for a financial buyer and the limited range of exit opportunities that would be available to a financial buyer; with

respect to a possible buy-in of outstanding VMware shares, the likely premium required to effectuate the buy-in, the uncertain valuation of EMC common stock post buy-in, and the effect of the loss of an employee hiring and retention tool; with respect to a spin-off of VMware, the loss of full operational alignment, the potential for material dis-synergies on both revenue and earnings and questions about the future of a separate storage entity; and with respect to acquisitions of strategic interest, potential tax issues and timing, the availability and willingness of potential acquisition targets, the need to pay a transaction premium, potential dilution and execution risks in consummating such acquisitions. Mr. Tucci provided the board of directors with an update on a recent meeting between representatives of EMC and Denali to discuss a potential sale transaction, and another member of the board discussed his recent separate meeting with a representative of Denali. EMC's non-management directors engaged in a discussion of the structural alternatives and "Federation 2.X" enhancements presented during the meeting and the option of further engaging with Denali regarding a potential transaction in light of the concerns identified with respect to various strategic alternatives. Following this discussion, the directors established a protocol for further discussions with Denali, pursuant to which Mr. Green, with the advice of EMC's financial advisors and the assistance of other non-management directors of EMC, would lead consideration of whether and how to further engage in discussions with Denali regarding a potential transaction.

Following the June 15, 2015 meeting of the EMC board of directors and through September 2015, members of EMC's senior management team and its legal and financial advisors engaged in a number of discussions with respect to, and conducted research and analysis of, several standalone strategies that EMC could pursue to potentially enhance shareholder value, including the issuance by EMC of a tracking stock that would track EMC's economic interest in VMware, and also reviewed certain key terms and conditions that EMC would expect to see reflected in a draft merger agreement for a potential transaction with Denali.

On June 25, 2015, representatives of Silver Lake Partners contacted a representative of EMC's senior management team by telephone to further discuss a potential transaction between the parties.

On June 26, 2015, EMC entered into a letter agreement with Needham & Company, LLC, referred to as Needham, to engage Needham as a financial advisor to EMC in connection with a possible transaction. In connection with this engagement, Needham reviewed and summarized publicly available financial and market data, including with respect to Denali and Dell, for use by management of EMC in evaluating a possible transaction.

On July 1, 2015, representatives of Silver Lake Partners contacted a representative of EMC's senior management team by telephone to further discuss a potential transaction between the parties.

On July 7, 2015, Mr. Tucci and Mr. Dell participated in a call to further discuss the status of a potential transaction.

On July 9, 2015, the closing of the Virtustream transaction occurred, pursuant to which Virtustream became a wholly-owned subsidiary of EMC.

On July 15, 2015, the EMC board of directors received a letter, dated July 13, 2015, from Denali setting forth its non-binding indication of interest regarding an acquisition of 100% of EMC's core federated businesses and EMC's shareholdings in VMware in a transaction that would deliver to EMC shareholders $33.05 per share of total value to EMC shareholders, referred to as the July 15 Letter. Per the July 15 Letter, the proposed per share consideration would consist of $24.69 per share in cash and $8.36 per share in non-voting tracking stock, which tracking stock would be linked to up to 60% of EMC's economic interest in VMware. The July 15 Letter stated that the $33.05 proposal represented a premium to the implied enterprise value of EMC's core federated businesses (excluding VMware) based on trading prices of EMC common stock and VMware Class A common stock as of July 10, 2015, as well as a premium to EMC's one-, two- and five-year trading highs, and that for purposes of Denali's analysis, Denali valued the economic interest represented by the tracking stock at the then-current public market price of the underlying VMware shares. The July 15 Letter also set forth certain terms that Denali expected would be included in a definitive merger agreement for the transaction, including a go-shop period of unspecified duration during which EMC would be permitted to solicit alternative acquisition proposals

and to enter into such a proposal if superior to the transaction agreed to by EMC and Denali, subject to EMC paying Denali an unspecified termination fee. The July 15 Letter set forth Denali's view that debt financing for the transaction could be readily obtained, enclosed a letter, dated July 13, 2015, from J.P. Morgan Securities LLC, referred to as JP Morgan, expressing JP Morgan's confidence in underwriting a significant amount of Denali's debt financing and provided additional detail regarding the proposed equity financing for the transaction. The July 15 Letter also indicated that EMC would have the ability to specifically enforce Denali's obligation to close the transaction if Denali's closing conditions are satisfied and the necessary debt financing were to be funded, and that a substantial reverse termination fee would be included in the event the merger agreement were terminated because of Denali's breach or because Denali fails to close because its third-party debt financing is not available. The financing structure outlined in the July 15 Letter assumed that Denali would raise $14 to 16 billion in new common and preferred equity from Michael S. Dell, MSD Partners, Silver Lake and potentially Silver Lake's limited partners.

On July 16, 2015, the EMC board of directors met in Boston, Massachusetts to discuss, among other matters, the July 15 Letter with management and EMC's financial advisors. Representatives of Morgan Stanley, which had been provided a version of the July 15 Letter which had the identity of Denali redacted, provided its assessment of Denali's proposal. The EMC board of directors discussed this assessment and Denali's proposal in detail with the representatives of Morgan Stanley, including in the context of EMC's ongoing assessments of strategic alternatives for the company. The non-management directors agreed that a sale of EMC might be attractive and in the best interests of EMC's shareholders, but that an increase in the proposed consideration should be pursued. The non-management directors instructed Mr. Green, as the board's representative, to inform Denali that the consideration proposed in the July 15 Letter was inadequate, while at the same time communicating the board's desire for additional information regarding Denali's indication of interest. The non-management directors also authorized Mr. Green to further engage Morgan Stanley to advise the board regarding a possible transaction with Denali and with respect to alternative strategies to enhance shareholder value. A representative of Skadden advised the board of directors regarding their fiduciary duties under Massachusetts law in light of their receipt of the July 15 Letter. During the meeting, certain members of management also reviewed with the board of directors EMC's second quarter financial results, noting management's expectation that it would reduce its internal forecast of full-year product bookings for the company and would discuss this information in the upcoming earnings call with investors.

On July 21, 2015, representatives of Silver Lake Partners contacted a representative of EMC's senior management team by telephone to further discuss a potential transaction between the parties.

On July 22, 2015, members of EMC's management team held a conference call with investors to discuss EMC's second quarter financial results and full year outlook. During this call, members of EMC's management team discussed the company's decision to reduce its full year revenue forecast by $400 million, identifying as relevant factors a decline in customer demand for traditional storage products, pressure in certain international markets due to geopolitical issues and its general cost structure.

On July 23, 2015, Messrs. Tucci and Green received an email from Mr. Cohn for circulation to the other members of the EMC board of directors. In the email, Mr. Cohn expressed Elliott Management's disappointment with EMC's second quarter financial results and stated that, upon termination of the standstill restrictions on September 1, 2015, Elliott Management intended to appeal directly to EMC's shareholders for change.

As discussed during the July 16, 2015 meeting of the EMC board of directors, on July 27, 2015, Mr. Green contacted Mr. Dell by telephone to further discuss a potential transaction between the parties. During the call, Mr. Green noted that the EMC board of directors had reviewed and discussed the July 15 Letter and had determined that further discussions should take place between the parties to develop a better understanding of Denali's proposal and to further assess the possibility of a transaction. Mr. Green also conveyed to Mr. Dell the EMC board of directors' position that the consideration referenced in the July 15 Letter did not reflect EMC's full value, noting that while the proposed consideration reflected a premium to the then current trading price of EMC shares, the board of directors' position was that EMC's recent investments and growth opportunities were

not fully reflected in the company's then current market price. Mr. Green also discussed the tracking stock component of the consideration referenced in the July 15 Letter, noting that it would be a key element in the evaluation by EMC shareholders of Denali's proposal, and expressed a need for additional information regarding both the tracking stock and the scope and terms of Denali's financing for the proposed transaction.

On July 28, 2015, representatives of Silver Lake Partners contacted a representative of EMC's senior management team and a representative of Morgan Stanley by telephone to further discuss a potential transaction between the parties.

On July 29, 2015, the EMC board of directors met with representatives of EMC's management and Morgan Stanley in Boston, Massachusetts. At the meeting, a representative of Morgan Stanley discussed Morgan Stanley's assessment, including the valuation implications thereof, of certain standalone "Federation 2.X" strategies that EMC could pursue, including a leveraged recapitalization of EMC and the issuance by EMC of a tracking stock linked to EMC's interest in VMware, and compared these alternatives to several other strategies involving third parties, including a strategic sale of EMC and the sale of certain non-core businesses. The EMC board of directors discussed these alternatives in detail, including the concerns and considerations associated with these alternatives previously identified. The board of directors also discussed next steps for engaging with Denali regarding a potential transaction, including the need for greater certainty regarding Denali's ability to obtain necessary financing. Mr. Green also provided the board with a summary of his July 27, 2015 call with Mr. Dell. After further discussion, the EMC board of directors determined that the various standalone strategies discussed with Morgan Stanley at the meeting should be developed and considered in parallel with further discussions with Denali regarding a potential transaction.

On July 30, 2015, a meeting of the EMC board of directors was held in Boston, Massachusetts to discuss, among other matters, the principal terms of a proposed engagement letter with Morgan Stanley providing for Morgan Stanley to act as a financial advisor to the board with respect to the evaluation of strategic alternatives. Following the board's discussion of the terms of the proposed engagement letter, the board directed Mr. Green to finalize and execute the engagement letter. Members of Virtustream's management team also presented an overview of the Virtustream business and the opportunities it could provide the Federation in connection with the creation of a managed cloud services business.

On July 31, 2015, representatives of Silver Lake Partners contacted a representative of EMC's senior management team by telephone to further discuss a potential transaction between the parties.

In August 2015, after the board's consideration of Morgan Stanley's qualifications, expertise, reputation, relationships and knowledge of EMC's business, and negotiations as to the terms of its engagement, EMC entered into a letter agreement, dated August 5, 2015, confirming EMC's engagement of Morgan Stanley as of May 24, 2015 to act as a financial advisor to the EMC board of directors in connection with EMC's evaluation of strategic alternatives for the company, including a possible sale of EMC as a whole. Pursuant to the letter agreement, in addition to a monthly advisory fee, Morgan Stanley was entitled to receive a fee if EMC consummated a sale transaction.

On August 3, 2015, representatives of Silver Lake Partners contacted a representative of EMC's senior management team by telephone to further discuss a potential transaction between the parties.

On August 6, 2015, an organizational call was held between representatives of Bain & Company, Inc., referred to as Bain, consultants to Denali, and McKinsey, consultants to EMC, to discuss various business and financial due diligence related matters, including the creation of a data room and the establishment of a "clean room" protocol for antitrust and competition purposes. Thereafter and continuing throughout the period leading to the execution of the merger agreement, members of Denali's management team, representatives of Silver Lake Partners and Denali's advisors conducted a financial and business due diligence investigation of EMC with the assistance of antitrust counsel to both parties. Denali's financial and business due diligence investigation of EMC generally consisted of, among other things, EMC providing Denali's management team, representatives of Silver

Lake Partners and Denali's financial advisors with financial and other documents related to its business and operations and numerous meetings between the parties' respective management teams, representatives and advisors.

On August 7, 2015, representatives of Silver Lake Partners met with a representative of EMC's senior management team to further discuss a potential transaction between the parties.

On August 18, 2015, a representative of Silver Lake Partners contacted a representative of EMC's senior management team by telephone to further discuss a potential transaction between the parties.

On August 18, 2015, during a telephonic meeting of the Corporate Governance and Nominating Committee of the EMC board of directors, the committee authorized another independent director of the EMC board to assist Mr. Green in his communications with both Denali and Elliott and to serve as a liaison to the committee with respect to such communications.

The following day, on August 19, 2015, the EMC board of directors met telephonically with members of EMC's management and representatives of Morgan Stanley and Skadden to further discuss, among other matters, certain standalone strategies that could be pursued by EMC to potentially enhance shareholder value. At the meeting, representatives of Morgan Stanley provided to the EMC board of directors its views with respect to two such strategies – the issuance by EMC of a tracking stock reflecting EMC's economic interest in VMware and a leveraged recapitalization of EMC – which the directors discussed in detail, noting the issues previously identified with respect to these alternatives continued to be of concern. Morgan Stanley reviewed with the EMC board of directors the terms of certain precedent tracking stocks, noting the potential advantage that a tracking stock linked to EMC's interest in VMware would be well understood given the existing VMware Class A common stock, as well as potential disadvantages, including accounting, legal and corporate complexity, a limitation of EMC's ability to access VMware's cash flows, and that such distribution would reduce the market capitalization of EMC common stock. A representative of Skadden also provided the directors with advice with respect to certain legal considerations related to the issuance of tracking stock. At the meeting, a member of EMC's management team reviewed with the board of directors the data room and related protocols established for Denali and its representatives to continue its financial and business due diligence investigation of the company, which protocols were formulated through discussions with EMC's advisors and representatives of Denali.

In connection with finalizing a "clean room" protocol, on August 21, 2015, EMC, Dell, Bain and McKinsey & Company, Inc. United States entered into a non-disclosure agreement related to the exchange of confidential information among designated representatives of EMC and Dell and a clean team non-disclosure agreement related to the exchange of competitively sensitive information among designated representatives of EMC and Dell.

On August 27, 2015, Messrs. Green and Tucci and a representative of EMC's senior management team met with Messrs. Dell and Durban to further discuss a potential transaction between the parties.

On August 28, 2015, members of EMC's senior management, together with Mr. Green and another member of the EMC board of directors, met with representatives of Silver Lake Partners and representatives of JP Morgan, Denali's financial advisor, in Morristown, New Jersey. At the meeting, EMC's senior management provided the representatives of Silver Lake Partners and the representatives of JP Morgan with additional information regarding EMC's business, operations and financial position, and the representatives of Silver Lake Partners and the representatives of JP Morgan provided EMC's senior management with additional information regarding the terms of Denali's proposed debt financing.

On September 1, 2015, Messrs. Green and Tucci received a letter from Denali addressed to the EMC board of directors, dated September 1, 2015, referred to as the September 1 Letter. The September 1 Letter set forth Denali's revised non-binding indication of interest to acquire 100% of EMC's core federated businesses and

EMC's shareholdings in VMware for cash consideration and non-voting tracking stock. The September 1 Letter reconfirmed Denali's overall per share consideration price set forth in the July 15 Letter of $33.05 per share, but modified the allocation of this consideration between cash and tracking stock so as to consist of $24.92 per share in cash and $8.13 per share in tracking stock. Denali's revised indication of interest also provided that the tracking stock would be linked to up to 60-70% of EMC's economic interest in VMware, an increase from the 60% interest referenced in the July 15 Letter, and that for purposes of Denali's analysis, that Denali was valuing the economic interest represented by the tracking stock at the then-current public market price of the underlying VMware shares. The September 1 Letter stated that the $33.05 proposal represented a premium to the implied enterprise value of EMC's core federated businesses (excluding VMware) based on trading prices of EMC common stock and VMware Class A common stock as of September 1, 2015, as well as a premium to EMC's one-, two- and five-year trading highs. The revised indication of interest also set forth Denali's view that EMC's shareholders would receive additional value, not reflected in the $33.05 proposal, through their ownership of the tracking stock and the synergies Denali expected VMware would realize as a result of the transaction. The September 1 Letter noted Denali's intent to continue to invest heavily in the Boston area community and corporate presence and its belief that the enhanced prospects of a combined Dell-EMC would provide retained EMC employees and executives with greater financial and other opportunities than a standalone EMC. The September 1 Letter also reiterated Denali's confidence in obtaining debt financing for the transaction, provided additional information regarding the nature and timing of its proposed financing, and enclosed letters from JP Morgan, dated September 1, 2015, regarding JP Morgan's continued confidence in underwriting Denali's debt financing and its prior favorable financing experiences with Dell and Silver Lake Partners. The financing structure outlined in the September 1 Letter assumed that Denali would raise $6 to 11 billion of preferred equity from unspecified existing limited partners of Silver Lake and $3 to 8 billion of new equity from Michael S. Dell, MSD Partners, Silver Lake and co-investors.

On September 2, 2015, a meeting of the EMC board of directors was held in New York City, at which members of EMC's management provided the directors with additional information regarding a number of "Federation 2.X" alternatives the company could potentially pursue. The directors compared these alternatives to various other potential strategic options, including a potential transaction with Denali and additional strategic acquisitions of companies of interest. EMC's management also presented data concerning potential aspects of a transaction with Denali, including potential cost and revenue synergies. Representatives of Morgan Stanley provided a market update, including its assessment of current capital market conditions and certain market observations regarding EMC's performance relative to its industry peers, reviewed the financial forecasts for EMC and its valuation analysis of EMC as a standalone company, provided additional financial analysis of a possible recapitalization transaction through the issuance by EMC of a standalone tracking stock and provided an update on the ongoing negotiations of a potential transaction with Denali. The EMC board of directors engaged in a lengthy discussion of the matters presented by management and Morgan Stanley, as well as the September 1 Letter, which was circulated to the directors. The discussion addressed, among other topics, the comparative strategic merits, execution risks and stakeholder considerations of the "Federation 2.X" alternatives presented and of a potential transaction with Denali, as well as timing considerations applicable to each. With respect to the "Federation 2.X" alternatives, the directors considered as potential strategic merits the anticipated continued customer support of Federation strategies, the possibility of EMC realizing additional synergies from consolidation transactions and the availability of capital for strategic acquisitions, and as potential risks the uncertainties as to the anticipated growth rates of certain EMC businesses, EMC's size relative to other large information technology companies, possible limited opportunities for strategic partnerships and the culture challenges of strengthening Federation governance and a CEO transition. With respect to a potential transaction with Denali, in addition to the anticipated value of the merger consideration, the directors considered as possible strategic merits the potential position of the combined company as an information technology leader and possible cross-selling opportunities, and as potential risks the uncertainties and impact on EMC's business that could result from possible other bids for EMC, as well as the possible impact on EMC stakeholders, including employees and the local economy, that might result from any workforce reductions implemented by the surviving company. Following this discussion, Messrs. Dell and Durban and a representative of JP Morgan joined the meeting. Mr. Dell discussed with the board of directors the opportunities that could be created by, and benefits

of, combining Denali's and EMC's respective operations and, along with Mr. Durban and the representative of JP Morgan, provided additional details regarding Denali's proposed financing. Messrs. Dell and Durban also answered a number of questions from the EMC board of directors regarding the effect of the proposed transaction on EMC's employees and other Massachusetts constituencies. Following the departure of Messrs. Dell and Durban and the representative of JP Morgan, the directors continued to discuss the potential transaction with Denali, including the timing and risks of such a transaction, and various "Federation 2.X" alternatives and the possible benefits and risks of these alternatives as discussed in prior meetings of the EMC board of directors. From this discussion, the non-management directors concluded that they needed additional information to better understand the potential risks and rewards associated with Denali's proposal, including the proposed issuance of tracking stock. At the meeting, the EMC board of directors also unanimously approved the creation of a special committee of the board to consider certain matters related to the creation of a managed cloud services business.

On September 4, 2015, Mr. Durban met with a representative of VMware's senior management to discuss the potential transaction between EMC and Denali.

On September 8, 2015, during a telephonic meeting of the Corporate Governance and Nominating Committee of the EMC board of directors, which certain other members of the EMC board also attended, the directors discussed Temasek as a possible preferred equity financing source proposed by Denali in connection with a potential transaction.

On September 14, 2015, Denali provided representatives of EMC a summary of key terms that Denali proposed be included in a merger agreement for the transaction. Among other matters, Denali's summary proposed a thirty-day go-shop period, an eighteen-month "tail" period for any EMC termination fee payable due to entry into or consummation of an alternative transaction following termination of the merger agreement, and a closing condition for the benefit of Denali imposing a limit on the percentage of EMC shareholders seeking to assert appraisal rights in respect of the transaction.

The next day, on September 15, 2015, a member of EMC's senior management team and a representative of Morgan Stanley met in-person in Menlo Park, California with representatives of Silver Lake Partners to discuss the summary of key terms proposed by Denali.

Also on September 15, 2015, the Corporate Governance and Nominating Committee of the EMC board of directors met telephonically, along with another member of the EMC board of directors, to discuss, among other matters, the status of certain "Federation 2.X" enhancements and initiatives undertaken by the company and discussions and work related to a potential transaction with Denali. At the meeting, Mr. Green indicated that he would be participating in an upcoming discussion with representatives of Denali to further review a potential transaction and that he, Mr. Tucci and other representatives of EMC would also be separately meeting with representatives of Elliott Management.

In mid-September 2015, Mr. Green attended a meeting with representatives of Denali. At the meeting, the parties discussed certain proposed terms for a transaction.

On September 17, 2015, Messrs. Green and Tucci, along with another independent director of the EMC board of directors and a member of EMC's senior management team, met with representatives of Elliott Management in New York City. At the meeting, the representatives of EMC and Elliott Management discussed, among other matters, Elliott Management's perspectives on steps EMC could take to enhance shareholder value, reviewed recent value-creating initiatives undertaken by EMC and various other strategic alternatives being considered by EMC and discussed the possibility of the parties entering into another non-disclosure agreement.

On September 18, 2015, members of EMC's senior management team, and representatives of Denali, Silver Lake Partners and Deloitte met to discuss certain tax issues, a proposed requirement that EMC have a minimum amount of cash on hand at closing and related cash repatriation issues in connection with the proposed transaction.

Also, on September 18, 2015, members of EMC's senior management team met with representatives of Silver Lake Partners to discuss certain financial matters in connection with the proposed transaction.

On September 18, 2015, Denali provided a draft merger agreement to EMC. Among other provisions, Denali's draft merger agreement proposed a forty-five day go-shop period, a five business day match right that would continuously reset for another five business days as a result of any amendment to financial or other material terms, an EMC termination fee of $3 billion (reduced to $2 billion with respect to the go-shop period), Denali's right to uncapped expense reimbursement from EMC if the merger agreement is terminated in certain circumstances, an eighteen-month "tail" period for any EMC termination fee payable, a closing condition for the benefit of Denali related to assertion of appraisal rights by EMC shareholders, a requirement that Denali's proposed preferred equity financing be available in order for EMC to be entitled to specific performance of Denali's obligations to consummate the merger, a reverse termination fee of $2 billion, and Delaware governing law and submission to jurisdiction provisions. Denali's draft merger agreement also contemplated a closing condition solely in favor of Denali related to receipt of a tax opinion from Denali's counsel that the merger should be treated as an exchange described in Section 351 of the Internal Revenue Code and that for U.S. federal income tax purposes, the Class V Common Stock should be considered common stock of Denali.

Through October 12, 2015, EMC, Denali, Silver Lake Partners and their respective legal counsel and financial advisors engaged in negotiations concerning the draft merger agreement and its exhibits and schedules, including, among other items, covenants related to the solicitation of acquisition proposals, the ability of the EMC board of directors to change its recommendation, Denali's obligations to obtain financing and consummate the transaction, EMC's rights to specific performance, the parties' respective termination rights and the size and triggers for termination fees, including a reverse termination fee.

Commencing in mid-September 2015 and continuing throughout the period leading to the execution of the merger agreement, representatives of Denali, including its legal counsel and accounting advisors, and Silver Lake Partners conducted confirmatory legal, tax and accounting due diligence of EMC. In connection with this review, on September 23, 2015, Simpson Thacher provided a list to Morgan Stanley regarding the legal due diligence that Denali wished to perform on EMC. In response to this legal due diligence request list and other requests from Denali and its advisors regarding tax and accounting due diligence, EMC provided Denali and its legal counsel and accounting advisors with a number of documents related to its business and operations and held several calls between the parties' respective legal counsel and accounting advisors.

On September 21, 2015, representatives of EMC, Denali, Silver Lake Partners, Morgan Stanley, Skadden and Simpson Thacher met in person and by videoconference to discuss proposed terms of the tracking stock to be issued to EMC shareholders in connection with the proposed transaction. During the call, Denali provided a written summary of certain key tracking stock principles proposed by Denali, which the parties discussed during the call. Among other matters, Denali's summary proposed that the tracking stock be convertible into Denali common stock at any time based on the relative market value of each security at such time, that the tracking stock represent 60% of EMC's current stake in VMware and that the tracking stock vote together as a single class with Denali's other stockholders. Denali's summary also contained provisions related to a proposed capital stock committee of the Denali board, whose initial members were proposed by Denali to be selected in Denali's sole discretion.

On September 22, 2015, during a telephonic meeting of the Corporate Governance and Nominating Committee of the EMC board of directors, which certain other members of the EMC board also attended, Mr. Green discussed with the directors the substance of his September 17, 2015 meeting with representatives of Elliott Management and a conversation between him and Mr. Cohn of Elliott Management that occurred shortly following the September 17, 2015 meeting. Also at this meeting, the committee determined to recommend that Laura Sen, having been determined after the committee's interview and review process to meet its search criteria, be appointed to the EMC board of directors.

Following the meeting of the Corporate Governance and Nominating Committee of the EMC board of directors, on September 22, 2015, the EMC board of directors met telephonically with certain members of

EMC's management team. At the meeting, Mr. Green provided the directors with an update regarding a potential transaction with Denali, including information regarding the work undertaken by Denali to secure financing for the transaction and possible timing of next steps to reach agreement on transaction terms. He also provided the directors with an update regarding the status of certain ongoing work related to "Federation 2.X" initiatives, including with respect to the possible standalone strategy of EMC issuing tracking stock reflecting its economic interest in VMware. The EMC board of directors discussed at length these matters, including the interdependency of efforts related to a potential transaction with Denali, certain "Federation 2.X" initiatives and the creation of a managed cloud services business within the Federation, and agreed on the importance aligning these efforts and director oversight given the interrelatedness of these matters. At this meeting, following an evaluation by the EMC board of directors of Ms. Sen's qualifications, prior experience, potential conflicts of interest and such other matters as the EMC board of directors deemed appropriate to consider with respect to the appointment of an independent director, the EMC board of directors also unanimously agreed to increase the size of the board to thirteen members and to elect Ms. Sen to the board.

On September 23, 2015, Skadden provided a revised draft of the merger agreement to representatives of Denali and Silver Lake Partners.

Also on September 23, 2015, Messrs. Green and Tucci received a letter from Denali addressed to the EMC board of directors, dated September 23, 2015, referred to as the September 23 Letter. The September 23 Letter set forth Denali's further revised non-binding indication of interest to acquire 100% of EMC's core federated businesses, excluding VMware, and EMC's shareholdings in VMware for cash consideration and tracking stock. The September 23 Letter proposed total consideration per share of $33.05 to $33.15 (valuing the economic interest represented by the tracking stock at the then current market price of the underlying VMware common stock), noting that Denali had increased its per share consideration of its offer despite a decrease in the EMC share price and industry valuation multiples since its first proposal. The September 23 Letter did not indicate what portion of the consideration would consist of cash consideration versus tracking stock, but provided that the tracking stock would be linked to 60% of EMC's economic interest in VMware. The September 23 Letter stated that the $33.05-$33.15 proposal represented a premium to the implied enterprise value of EMC's core federated businesses (excluding VMware) based on trading prices of EMC common stock and VMware Class A common stock as of September 22, 2015, as well as a premium over specified mean current trading multiples of a group of EMC's industry peers. The September 23 Letter also provided additional information regarding the anticipated timing, sources and amounts of its proposed debt and equity financing. Also enclosed with the September 23 Letter were letters from Merrill Lynch, Pierce, Fenner & Smith Incorporated, referred to as Merrill Lynch, and JP Morgan, each dated September 22, 2015, expressing the confidence of each of Merrill Lynch and JP Morgan in underwriting Denali's debt financing, as well as term sheets for the debt and equity financing. The financing structure outlined in the September 23 Letter assumed that Denali would raise up to $7 billion of preferred equity from existing limited partners of Silver Lake and up to $4 billion of new common equity from Michael S. Dell, MSD Partners, Silver Lake and Silver Lake's and MSD Partners limited partners.

On September 23, 2015, representatives of EMC's senior management team and representatives of Silver Lake Partners met to further discuss the proposed transaction between the parties.

On September 25, 2015, the EMC board of directors met telephonically with management and representatives of Morgan Stanley and Skadden to discuss, among other matters, the September 23 Letter. At the meeting, representatives of Morgan Stanley provided to the board its assessment of the terms of September 23 Letter, including its valuation analysis of the proposed merger consideration, and discussed Denali's proposed sources and uses to fund the transaction. During this review, Morgan Stanley also discussed certain standalone "Federation 2.X" strategies EMC could alternatively pursue from the point of view of determining the best strategic alternative for EMC shareholders on a risk-adjusted basis. The representatives of Morgan Stanley also provided a valuation analysis of EMC for fiscal years 2015 and 2016 relative to EMC's industry peers. A representative of Skadden reviewed with the board of directors certain key open issues under discussion between Denali and EMC regarding the proposed issuance of tracking stock and Denali's financing for the potential transaction, focusing on issues that

could potentially impact the estimated value of the tracking stock and deal certainty, and also reviewed with the directors their fiduciary duties under Massachusetts law under the circumstances. The key open issues as to the proposed tracking stock included whether the tracking stock would be convertible into Denali common stock at a premium, whether the tracking stock would have a separate class vote and under what circumstances, and the composition of the Capital Stock Committee of the Denali board of directors. The key open issues as to deal certainty regarding Denali's financing included whether Denali's debt commitment letters would be subject to funding conditions related to Denali's existing business or the combined enterprise, whether Denali's debt and common equity commitments would be subject to funding conditions related to the availability of Denali's proposed preferred equity financing, the timing of the marketing period and the size and triggers for the reverse termination fee. Mr. Green provided the directors with an update regarding possible next steps with respect to the proposed transaction with Denali. In executive session, the non-management directors discussed the various presentations by Morgan Stanley and Skadden at length and their respective views of the challenges and risks presented by certain aspects of both Denali's revised indication of interest and the various alternative standalone "Federation 2.X" strategies and their view that EMC should continue to pursue a possible transaction with Denali.

On September 25, 2015, representatives of EMC's senior management team, Silver Lake Partners and Bain met to further discuss the proposed transaction between Denali and EMC.

On September 26, 2015, a member of EMC's senior management team attended a call with Mr. Durban to discuss EMC's and Denali's respective positions as to certain key open transaction terms. Among the principal provisions discussed were those relating to the terms of EMC's right to solicit alternative acquisition proposals during a go-shop period, Denali's obligations to secure debt and common equity financing sufficient to close the transaction, risks associated with the availability of the proposed preferred stock financing and the amount of the per share merger consideration and the allocation of the consideration between cash and tracking stock.

Following the call between a member of EMC's senior management team and Mr. Durban, on September 26, 2015, Simpson Thacher circulated to EMC, Morgan Stanley and Skadden a list setting forth principal open business issues identified by Simpson Thacher, Denali and Silver Lake Partners in their review of the revised draft merger agreement. Shortly following circulation of the list, the parties and their respective legal and financial advisors participated in a call to discuss the open transaction terms which related to, among other things, Denali's financing, including the timing of the marketing period and conditions to funding, a proposed requirement that EMC have a minimum amount of cash on hand at closing to be available in connection with the financing of the transaction, the terms of EMC's right to solicit alternative acquisition proposals during a go-shop period, the ability of the EMC board of directors to change its recommendation, the parties' respective termination rights and the size and triggers for termination fees, including a reverse termination fee, EMC's rights to specific performance, the appropriate efforts standard to obtain the requisite antitrust approvals for the transaction, the treatment of equity awards and other employee compensation and benefits matters and the scope of the parties' respective conditions to closing. During this call, the parties resolved certain of the identified open issues (including the 60-day duration of the go-shop period and the twelve-month "tail" period for any EMC termination fee) and deferred others for further negotiation and discussion. In response to EMC's concerns over the certainty of Denali's financing, Denali indicated that it was seeking to obtain debt commitment letters with a funding condition related to EMC's business that would follow the material adverse effect definition in the merger agreement (and no condition related to Denali's existing business or the combined enterprise), and that Denali was reviewing the size of any preferred equity investment. The parties also discussed the status of Denali's due diligence investigation of EMC. At the conclusion of the call, the parties agreed that certain members of the parties' respective management teams and Skadden and Simpson Thacher would participate in a call to further discuss the status of the remaining key open business issues and that this call would occur prior to an in-person meeting of the parties' respective management teams expected to take place on September 29, 2015 in Menlo Park, California. Shortly following the conclusion of the parties' call on September 26, 2015, a member of EMC's senior management team contacted a representative of Silver Lake Partners to confirm the timing of the call between Denali's and EMC's respective legal advisors and select members of management and to confirm next steps to facilitate a discussion between the parties' respective business teams on September 29, 2015.

On the morning of September 28, 2015, Simpson Thacher circulated to EMC, Morgan Stanley and Skadden an updated list of the principal open business issues, identifying the status of, and proposed next steps to resolve, each issue. Later that day, members of each party's respective management team and Skadden and Simpson Thacher participated in a call to discuss the updated issues list and further discuss each party's respective position.

On September 29, 2015, EMC's and Denali's respective management teams and representatives of Silver Lake Partners met in Menlo Park, California to further discuss the status of the principal open business issues. Representatives of Skadden, Morgan Stanley and Simpson Thacher also participated in the meeting by telephone. Later that day, Skadden and Simpson Thacher participated in a call to negotiate and discuss certain other open legal issues and terms reflected in the draft merger agreement.

Among other matters, the updated list of principal open business issues and related discussions with advisors on September 28-29, 2015 confirmed that EMC and Denali were aligned on the expectation that Denali's debt commitment letters would not include any material adverse effect condition related to Denali's business. However, Denali and its representatives indicated that Denali was continuing to look at alternatives related to sizing and terms of potential preferred equity financing and that the availability of specific performance to EMC if such financing were not available remained an open issue. The parties also discussed the need to develop a mutually agreed plan on availability of EMC cash at closing and a minimum amount to be reflected in the merger agreement reflecting an appropriate cushion above forecasted cash levels. The parties further acknowledged that resolution of open issues as to the delivery of opinions of tax counsel as a condition to closing and the level of certainty in such opinions would be dependent on the terms of the tracking stock.

Also on September 29, 2015, a telephonic meeting of the Corporate Governance and Nominating Committee of the EMC board of directors was held, which certain other members of the EMC board also attended. At the meeting, the directors discussed, among other matters, certain items that they believed should be addressed in an upcoming board update being prepared by management and the company's financial advisors regarding "Federation 2.X," including a review of prior analysis of various strategic alternatives and a risk-adjusted valuation of certain "Federation 2.X" alternatives, and the proposed transaction with Denali, including the anticipated trading range for EMC stock upon announcement of a transaction and the anticipated tracking stock value.

On October 1, 2015, in response to the written summary of certain key tracking stock principles proposed by Denali on September 21, Skadden provided Denali and Simpson Thacher with an initial draft of terms related to the proposed tracking stock to be included in the amended and restated certificate of incorporation of Denali to be in effect upon the closing of the proposed transaction. The proposed terms included that the tracking stock be convertible into Denali common stock only at such time as the Denali common stock was publicly traded and at a 20% premium to the relative trading values at such time, that the tracking stock have a separate class vote in certain circumstances, including charter amendments and business combinations, and that the members of the Capital Stock Committee of the board of directors of Denali be agreed upon by Denali and EMC as of signing definitive transaction documents. Through October 12, 2015, EMC, Denali and their respective legal counsel and applicable financial advisors engaged in negotiations of the draft certificate of incorporation and other related tracking stock documents, including by-law provisions of Denali to be adopted in connection with the closing of the proposed transaction and a tracking stock policy statement of the board of directors of Denali setting forth certain procedures intended to protect the rights of the holders of the tracking stock following the closing of the proposed transaction. During this time, the parties discussed and negotiated, among other matters, the voting, conversion, redemption and dividend rights of holders of the tracking stock, as well as matters relating to a Capital Stock Committee of the board of directors of Denali that would oversee certain matters relating to the tracking stock. While certain terms were included in or omitted from the Class V Common Stock in order to further support the intended tax treatment of the transaction and the Class V Common Stock being recognized as common stock of Denali (see "*Proposal 1: Approval of the Merger Agreement—Material U.S. Federal Income Tax Consequences of the Merger to U.S. Holders*"), EMC's management team and representatives of Skadden and Morgan Stanley were able to negotiate transaction terms that were more favorable to EMC shareholders than

those originally proposed by Denali. In particular, the parties agreed that the tracking stock would be convertible into Denali common stock only at such time as the Denali common stock was publicly traded and at a premium of 10-20% to the relative trading values at such time depending on the date of conversion, and that the tracking stock would have a separate class vote for certain charter amendments and business combinations. In addition, the parties agreed that (1) prior to consummation of the merger, Denali would consult with the chairman of the EMC board of directors concerning the individuals proposed by Denali to serve on the Denali board of directors following closing who would satisfy the independence requirements of a company listed on the national securities exchange on which the tracking stock would be listed, (2) the chairman of the EMC board of directors would be able to remove from consideration one person so proposed by Denali to serve on the Denali board of directors following consummation of the transaction, and (3) certain restrictions would be included in the Denali charter prohibiting Denali for two years from acquiring shares of VMware if such share acquisitions would cause the VMware common stock to cease to be publicly traded or VMware to cease to file reports under the Exchange Act.

Beginning in the spring of 2015 and continuing through October 12, 2015, representatives of Denali and Silver Lake engaged in extensive negotiations with respect to the arrangement of the debt financing for the transaction, providing representatives of EMC with periodic updates regarding such negotiations. Following such negotiations, a banking group consisting of eight banks and their affiliates agreed to provide debt financing for the transaction. On October 2, 2015, Simpson Thacher circulated to Skadden a revised draft of the merger agreement and drafts of certain documents related to Denali's proposed equity and debt financing, including a form of common stock purchase agreement pursuant to which certain investors would provide common equity financing for the transaction, a form of securities purchase agreement pursuant to which certain investors would provide preferred equity financing for the transaction and a debt commitment letter. Consistent with prior discussions among Denali, Silver Lake, EMC and certain of their advisors, the debt commitment letter did not include any material adverse effect condition related to Denali's business. However, the initial draft of the debt commitment letter included a funding condition related to Denali's proposed preferred equity financing. Through October 12, 2015, EMC, Denali and their respective legal counsel and financial advisors, as well as Mr. Dell, MSD Partners, Silver Lake Partners, and the banks and other parties providing financing, and their respective legal counsel, engaged in negotiations of the documents related to Denali's proposed equity and debt financing. During this time, EMC and Denali discussed and negotiated, among other matters, deal certainty risks associated with Denali's ability to secure its proposed preferred equity financing, with the parties ultimately agreeing that Denali's financing package would consist of debt and common equity and that the SLP investors, the MD stockholders and the MSD Partners stockholders would commit to an aggregate common equity investment of up to $4.25 billion. For more information about the terms of Denali's debt and equity financing, see "—*Financing of the Merger*" and "*The Merger Agreement—Common Stock Purchase Agreements.*"

Also, on October 2, 2015, representatives of EMC's senior management team met telephonically with representatives of a potential financing source for Denali to discuss the potential transaction.

Also on October 2, 2015, representatives of EMC's senior management team and representatives of Silver Lake Partners met telephonically to further discuss the proposed transaction between EMC and Denali.

On October 4, 2015, Mr. Green participated in a conference call with members of EMC's management and representatives of Skadden and Morgan Stanley to review and discuss the key remaining open issues in the draft merger agreement and possible EMC responses with respect to such matters. The call was held in anticipation of a call to be held the next day among Mr. Green, members of EMC's senior management team and representatives of Silver Lake Partners to continue to discuss and resolve open transaction terms. The discussion focused on matters that could affect deal certainty, including matters related to Denali's proposed debt and equity financing, such as the timing of the marketing period and risks related to Denali's proposed preferred equity financing, the parties' obligations to obtain necessary antitrust approvals, a requirement that EMC have a minimum amount of cash on hand at closing, the parties' respective termination rights and the size and triggers for termination fees, including a reverse termination fee, and the amount of the proposed per share consideration, including the

allocation between cash consideration and tracking stock. Representatives of Skadden and Morgan Stanley also reviewed with Mr. Green certain possible key issues related to the tracking stock.

During a call on October 5, 2015, Mr. Green, members of EMC's senior management team and representatives of Silver Lake Partners discussed key remaining open issues in the draft merger agreement, including the amount of the per share merger consideration and certain key issues related to the tracking stock. Following the call, certain members of EMC's senior management team and representatives of Silver Lake Partners who participated in the call communicated by email and telephone to confirm resolution of certain items (including per share merger consideration of $33.15, that no closing condition would be included in relation to assertion of appraisal rights by EMC shareholders and that the merger agreement would be governed by Massachusetts law and disputes resolved in Massachusetts courts), and to reiterate the parties' respective positions with respect to certain remaining open issues.

Also, on October 5, 2015, Mr. Tucci met telephonically with representatives of Temasek, a potential financing source for Denali, to discuss the potential transaction.

On October 6, 2015, the EMC board of directors met in New York City to discuss, among other matters, the proposed transaction with Denali. At the meeting, representatives of Morgan Stanley provided to the board a capital markets update, its updated assessment and financial analysis of various "Federation 2.X" alternatives, its analysis of the issuance of a VMware tracking stock, its updated assessment of a transaction with Denali, including the size of the termination fees under discussion by the parties, its updated valuation of EMC as a standalone company, and its analysis of whether there were other potential competing buyers for a sale transaction. Morgan Stanley also confirmed for the board its view that the proposed transaction with Denali offered a greater risk-adjusted value to EMC shareholders than other strategic alternatives available to the company and also noted that in its view the proposed termination fees to be paid by EMC were unlikely to deter any potential third-party bidders. Morgan Stanley also discussed with the EMC board of directors the favorable comparison of the proposed tracking stock to precedent tracking stocks, in that this would initially be tracking an economic interest in a publicly traded company with an established trading market as well as its own audit committee and governance protocols. Representatives of Evercore also presented their independent preliminary view of the current business environment, tracking stock dynamics and the proposed transaction with Denali. Evercore noted that, in its view and based on the information made available in connection with its preliminary analyses, the proposed transaction with Denali was more attractive than a standalone alternative. The preliminary analyses of Morgan Stanley and Evercore were discussed at the meeting, and the financial analyses used for purposes of Morgan Stanley and Evercore rendering their respective opinions on October 11, 2015 are described below under the headings "*—Opinions of EMC's Financial Advisors—Opinion of Morgan Stanley*" and "*—Opinions of EMC's Financial Advisors—Opinion of Evercore*." Representatives of Skadden described provisions of the proposed merger agreement, including the proposed treatment of outstanding equity awards, and provided the directors with an overview of key outstanding issues under negotiation with respect to the draft merger agreement, focusing on matters that could potentially affect deal certainty. Skadden also discussed with the board its fiduciary duties under Massachusetts law. The directors reviewed with members of management forecasts and valuation analyses for the company in comparison to the proposed per share merger consideration, and certain members of management provided the directors with their views regarding the proposed transaction as compared to alternative "Federation 2.X" strategies. EMC's management also reviewed its analysis of potential revenue synergies of the proposed transaction and discussed with the board preliminary third quarter financial results for 2015, which preliminary results indicated that the company's storage bookings for the quarter were below those forecasted by management. The directors again considered the concerns and risks associated with alternative strategies and the anticipated transaction value and perceived degree of transaction certainty associated with the proposed transaction with Denali. Thereafter, an independent director provided the board with a summary of his and Mr. Green's recent discussion with certain senior executives of VMware regarding the proposed transaction, and Mr. Green summarized potential next steps with respect to discussions with Denali. The board also reviewed the principal terms of a proposed engagement letter with Evercore to serve as a financial advisor to the board and directed Mr. Green to continue to finalize the engagement letter.

Following the meeting of the EMC board of directors, on October 6, 2015, Mr. Strohm resigned from the board of directors and all committees thereof due to increasing conflict with other business and personal obligations.

Also on October 6, 2015, Mr. Green and another independent director of EMC met with certain members of VMware's executive team and two independent directors who were unaffiliated with EMC in New York City to discuss the proposed transaction with Denali. The VMware executives had previously reviewed McKinsey's assessment of potential synergies that could be realized as a result of the transaction.

In early October 2015, Mr. Tucci contacted Mr. Dell to discuss EMC's expectations with respect to its third quarter financial results, including that storage bookings for the quarter were likely to be lower than analyst estimates. Also in early October 2015, a member of EMC's senior management team separately contacted Mr. Durban to discuss EMC's expectations with respect to its third quarter financial results.

On October 7, 2015, Mr. Green, Mr. Tucci, several other members of the EMC board of directors, certain members of EMC's management and representatives of Morgan Stanley met in New York City with two independent directors of VMware who were unaffiliated with EMC to discuss the proposed transaction.

Also on October 7, 2015, EMC entered into a letter agreement with Needham confirming that Needham would receive $500,000 upon the announcement of the merger agreement and $2,000,000 upon the closing of the proposed transaction with Denali for services provided under the terms of the parties' June 26, 2015 engagement letter.

On October 7, 2015, representatives of EMC's senior management team met telephonically with representatives of Silver Lake Partners to discuss certain open transaction issues relating to the repatriation of cash in connection with the requirement that EMC have a minimum amount of cash on hand at closing.

On the evening of October 7, 2015, The Wall Street Journal reported that according to unidentified sources Dell and EMC were engaged in discussions regarding a possible transaction.

On October 8, 2015, Skadden provided a revised draft of the merger agreement to representatives of Denali and Silver Lake Partners. From October 8, 2015 through the morning of October 11, 2015, members of EMC's management team and representatives of Skadden and Morgan Stanley participated in extensive telephonic negotiations with members of Denali's management team, representatives of Silver Lake Partners and representatives of Simpson Thacher regarding remaining open issues reflected in the draft merger agreement markups and related tracking stock and financing documents. Among the principal issues discussed were the allocation of the per share merger consideration between cash and tracking stock, the termination and reverse termination fee amounts, the circumstances under which either party could terminate the draft merger agreement and receive a fee, the amount of minimum cash on hand EMC would be required to make available at closing, the timing of the marketing period, Denali's obligation to secure common equity and debt commitments sufficient to close the transaction (regardless of the availability of preferred equity financing), EMC's ability to issue equity awards between signing and closing, the dividend rights of the holders of the tracking stock and the role of the Capital Stock Committee with respect to the oversight of certain tracking stock matters. During the course of these discussions, EMC's management team and representatives of Skadden and Morgan Stanley were able to negotiate transaction terms that were more favorable to EMC shareholders than those originally proposed by Denali and that were in addition to the increase in transaction price set forth in the September 23 Letter. In particular, the parties agreed: that the Class V Common Stock would be linked to 65% of EMC's economic interest in VMware (versus Denali's proposal of 60% in the September 23 Letter); that the SLP investors, the MD stockholders and the MSD Partners stockholders would commit to an aggregate common equity investment of up to $4.25 billion (eliminating the risk associated with the proposed preferred equity financing); to a reverse termination fee of $4 billion (versus Denali's original proposal of $2 billion) (increased to $6 billion if Denali and Dell do not make available the amount of cash on hand to be made available by Denali for the purpose of financing the merger); to a decrease to the amount of minimum cash on hand EMC would be required to make

available at closing (and an increase to the amount of cash on hand to be made available by Denali); to an EMC termination fee of $2.5 billion (versus Denali's original proposal of $3 billion) outside of the go-shop period; to a $50 million cap on expense reimbursement (versus Denali's original proposal of uncapped expense reimbursement) to Denali if the merger agreement is terminated in certain circumstances; and to a two-business day reset period (versus five business days proposed by Denali) for match rights resulting from any amendment to financial or other material terms (as well as an exception to match rights in the case of an acquisition proposal valued at 115% or more of the merger consideration). In addition, the parties agreed to reciprocal closing conditions with respect to receipt of tax opinions from counsel that the merger, taken together with related transactions, should qualify as an exchange described in Section 351 of the Internal Revenue Code and that for U.S. federal income tax purposes the Class V Common Stock should be considered common stock of Denali.

In October 2015, after the board's consideration of Evercore's qualifications, expertise, reputation and relationships, and negotiations as to the terms of its engagement, and in order to secure the advice of a second independent financial advisor in connection with EMC's evaluation of a sale transaction, EMC entered into a letter agreement, dated October 9, 2015, confirming EMC's engagement of Evercore to act as a financial advisor to the EMC board of directors.

On October 11, 2015, the EMC board of directors met telephonically to consider the terms of the proposed transaction with Denali. Members of EMC's management team and representatives of Skadden and Morgan Stanley also participated in the meeting. A representative of Skadden stated that discussions regarding the draft merger agreement were substantially complete and led the directors through a discussion of a detailed written summary of the merger terms and conditions and the proposed tracking stock terms. The representative from Skadden also discussed with the board the limited open transaction terms under final discussion with representatives of Denali and Silver Lake Partners, including tax treatment for holders of the tracking stock in the event of future changes to tax laws, EMC's and Denali's respective caps on liability and the ability of EMC to grant equity awards prior to closing of the proposed transaction, and reviewed with the directors their fiduciary duties in considering the proposed transaction, including applicable standards for director conduct under Massachusetts law. Representatives of Morgan Stanley also provided Morgan Stanley's assessment of certain key transaction terms, including the terms of the go-shop provision and the size of the termination fees. Representatives of Morgan Stanley and Evercore discussed with the board of directors their respective financial analyses of the proposed transaction, and following their respective discussions, delivered to the EMC board of directors their respective oral opinions, subsequently confirmed in writing, that, as of October 11, 2015, and based upon and subject to the factors, procedures, assumptions, qualifications, limitations and other matters set forth in their respective written opinions, the per share merger consideration set forth in the merger agreement to be received by the holders of EMC common stock entitled to receive such merger consideration was fair, from a financial point of view, to such holders. As the EMC board of directors received fairness opinions from Morgan Stanley and Evercore, the EMC board of directors did not determine it necessary to obtain a fairness opinion with respect to the proposed transaction from an additional financial advisor. For more information about Morgan Stanley's and Evercore's respective opinions, see the discussion under the headings "*—Opinions of EMC's Financial Advisors—Opinion of Morgan Stanley*" and "*—Opinions of EMC's Financial Advisors—Opinion of Evercore*." The directors engaged in a detailed discussion of the terms and conditions of the draft merger agreement, including their respective views on the remaining open transaction terms, with the representatives of Skadden. Following further discussion and careful consideration of the potential reasons for and against the proposed transaction (see "*—EMC's Reasons for the Merger; Recommendation of the EMC Board of Directors*" for additional information), the EMC board of directors unanimously declared the merger agreement and the transactions contemplated thereby advisable and in the best interests of EMC and its shareholders and approved and adopted the merger agreement and the transactions contemplated thereby in all respects, subject to Mr. Green's satisfaction, on behalf of the board of directors, of the resolution of the remaining open transaction issues discussed at the meeting.

Following the meeting of EMC's board of directors, during the evening of October 11, 2015, representatives of EMC, Denali and Silver Lake Partners came to agreement on the remaining open transaction terms.

Representatives of EMC described and discussed the resolution of these matters with Mr. Green, who, on behalf of the EMC board of directors, expressed his satisfaction with such terms. Following the discussion with Mr. Green, legal counsel to EMC, Denali and Silver Lake Partners finalized the transaction documents.

On the morning of October 12, 2015, EMC, Denali and Dell executed the merger agreement. As planned, EMC and Dell then issued a joint press release announcing the transaction.

Following the announcement of the transaction, on October 12, 2015, Elliott Management publicly expressed its strong support for the transaction.

Under the merger agreement, during the "go-shop period" that began on the date of the merger agreement and continued until 11:59 p.m. (Eastern time) on December 11, 2015, EMC was permitted to solicit, initiate, encourage and facilitate acquisition proposals from unaffiliated third parties, including by providing unaffiliated third parties with nonpublic information pursuant to acceptable confidentiality agreements, and to enter into, continue or otherwise participate in discussions or negotiations with any unaffiliated third party in connection with an acquisition proposal. In the go-shop process, representatives of EMC or Morgan Stanley contacted a total of 15 parties (including 10 potential strategic buyers and 5 potential financial buyers) regarding each such party's interest in exploring a transaction with EMC. Company X was not among the potential strategic buyers contacted during the go-shop period due to changes in the structure and business of Company X which had significantly reduced the strategic rationale for a transaction with EMC and the ability of Company X to undertake such a transaction. Company Y was contacted during the go-shop period but declined to enter into a confidentiality agreement or participate in discussions. No party entered into a confidentiality agreement with EMC. Through the end of the go-shop period, no party submitted an acquisition proposal to EMC or its representatives with respect to a possible transaction.

On May 16, 2016, EMC, Denali, Dell and Merger Sub entered into an amendment to the merger agreement to facilitate mechanisms for timely and orderly allocation of the merger consideration.

EMC's Reasons for the Merger; Recommendation of the EMC Board of Directors

At a meeting held on October 11, 2015, the EMC board of directors unanimously determined that the merger agreement and the transactions contemplated thereby, including the proposed merger, are advisable and in the best interest of EMC and its shareholders, and unanimously resolved to approve and adopt the merger agreement and the transactions contemplated thereby, including the proposed Merger. **The EMC board of directors unanimously recommends that EMC shareholders vote "FOR" the approval of the merger agreement.**

In evaluating the proposed transaction, the EMC board of directors consulted with EMC's management and advisors and, in reaching its determination and recommendation, considered a number of factors. The EMC board of directors also consulted with outside legal counsel regarding its obligations and the terms of the merger agreement and the Class V Common Stock.

Many of the factors that were considered favored the conclusion of the EMC board of directors that the merger agreement and the transactions contemplated thereby are advisable and in the best interests of EMC and its shareholders, including the following:

- the belief of the EMC board of directors that, as a result of negotiations between the parties, the merger consideration was the highest value per share for EMC common stock that Denali was willing to pay at the time of those negotiations, and that the combination of Denali's agreement to pay such consideration and the go-shop process described below and under "*The Merger Agreement—Solicitation of Acquisition Proposals*" would result in a sale of EMC at the highest value per share for the EMC common stock that was reasonably available;

- the affirmative vote of holders of record of a majority of the outstanding shares of Class B Common Stock, voting as a separate class; and
- the affirmative vote of holders of record of outstanding shares of Class V Common Stock, Class A Common Stock, Class B Common Stock and Class C Common Stock representing a majority of the voting power of the outstanding shares of all such series of common stock, voting together as a single class.

If you abstain or fail to vote your shares in favor of Proposal 1, your abstention or failure to vote will have the same effect as a vote "**AGAINST**" Proposal 1 as well as a vote "**AGAINST**" Proposal 2 to adopt the amended and restated Company certificate.

THE SPECIAL COMMITTEE UNANIMOUSLY RECOMMENDS THAT ALL HOLDERS OF THE CLASS V COMMON STOCK ENTITLED TO VOTE THEREON VOTE "FOR" THE ADOPTION OF THE MERGER AGREEMENT AND THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT ALL STOCKHOLDERS VOTE "FOR" THE ADOPTION OF THE MERGER AGREEMENT.

Background of the Class V Transaction

On September 7, 2016, Dell Technologies completed its acquisition of EMC. As a result of the EMC merger, Dell Technologies indirectly acquired the approximately 81.9% of the outstanding shares of VMware common stock that were owned by EMC at the time of the EMC merger. In connection with the EMC merger, former EMC shareholders received a combination of cash and shares of the newly created Class V Common Stock. The Class V Common Stock is considered a "tracking stock," the economic terms of which are intended to track the economic performance of a portion of Dell Technologies' economic interest in the VMware business. The number of shares of Class V Common Stock initially issued had a one-to-one relationship to approximately 65% of the number of shares of VMware common stock owned by Dell Technologies through EMC after the EMC merger and that constituted the sole assets of the Class V Group. In connection with the EMC merger, the board of directors of Dell Technologies established the Capital Stock Committee, consisting solely of independent directors, that was granted certain powers, authority and responsibilities by the board of directors at such time to, among other things, adopt and administer policies with respect to relationships between the DHI Group and the Class V Group and certain matters arising in connection with such relationships. David Dorman, William Green and Ellen Kullman have served on the Capital Stock Committee since its establishment. The board of directors has determined that each member of the Capital Stock Committee is independent. Following the EMC merger, Messrs. Dell and Durban, who were serving as directors of Dell Technologies, became directors of VMware.

On September 15, 2016, Dell Technologies filed a beneficial ownership statement on Schedule 13D with the SEC to report its acquisition of VMware common stock in connection with the EMC merger. In this filing, Dell Technologies disclosed, among other things, that it intended to review its investment in VMware on a continuing basis and that it could change its investment in VMware based upon further developments, including the ongoing evaluation of VMware's business, financial condition, operating results and prospects, the business and prospects of Dell Technologies and EMC, other investment and business opportunities available to Dell Technologies, general stock market and economic conditions, and tax considerations.

In the year following the EMC merger, Dell Technologies repurchased 23.5 million shares of Class V Common Stock. Dell Technologies repurchased 6.7 million of such shares in the open market for $324 million using cash on hand at the DHI Group. The remaining 16.8 million shares were repurchased in the open market using proceeds of approximately $1.1 billion received from sales of VMware Class A common stock by Dell Technologies, through a subsidiary, to VMware in three separate transactions. The purchase price paid by VMware for the shares of VMware Class A common stock it purchased from Dell Technologies was based on the volume-weighted average per share price of such shares as reported on the NYSE during a specified reference

period prior to each such sale, less a discount of 3.5% from that volume-weighted average per share price, and subject to adjustment in certain circumstances. Each of the foregoing repurchases was approved by the Capital Stock Committee.

Following the repurchase transactions referred to above, Dell Technologies indirectly owned approximately 82.1% of the outstanding shares of VMware common stock, as VMware had retired the shares purchased from Dell Technologies and continued to repurchase shares under its open market share repurchase program.

As part of the ongoing evaluation of our business, the Dell Technologies board of directors, together with members of senior management, regularly review, evaluate and consider, in light of our financial performance and applicable market, economic and other conditions and factors, a wide range of potential business opportunities to enhance stockholder value, including acquisitions, divestitures of non-core assets, strategic partnerships, share repurchases, whether to do an initial public offering and financing alternatives. In addition, Michael S. Dell, Chairman and Chief Executive Officer of Dell Technologies, and Egon Durban, a director of Dell Technologies and Managing Partner and Managing Director of Silver Lake Partners, regularly speak, and periodically meet, to discuss, evaluate and consider our business and potential business opportunities to enhance stockholder value.

On August 8, 2017, in connection with their regular and ongoing discussions about potential business opportunities to enhance stockholder value, Messrs. Dell and Durban began a series of conversations related to Dell Technologies and VMware during which they discussed, among other things, how potentially significant synergy opportunities between Dell Technologies and VMware might be achieved, how the Dell Technologies capital structure might be simplified, and how the dilutive effect on the demand for VMware Class A common stock resulting from the existence of the Class V Common Stock might be removed. During the course of their conversations, Messrs. Dell and Durban discussed four business opportunities in concept for their investment in Dell Technologies: (1) a potential initial public offering of Class C Common Stock; (2) a potential business combination between Dell Technologies and VMware in which the shares of VMware Class A common stock held by the public could be converted into shares of Class C Common Stock and the shares of Class V Common Stock could also be converted into Class C Common Stock; (3) an acquisition by Dell Technologies of VMware for cash; and (4) a large-scale joint stock repurchase program between Dell Technologies and VMware financed with new VMware debt. In their meeting, Mr. Durban presented financial analyses that reflected an illustrative equity value for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock) of $38.9 billion. Messrs. Dell and Durban agreed to continue such discussions and to continue exploring potential business opportunities.

On October 15, 2017, Mr. Dell spoke with Pat Gelsinger, Chief Executive Officer and director of VMware. On the call, Mr. Dell explained to Mr. Gelsinger that he was beginning to consider a number of potential business opportunities for Dell Technologies, raised the possibility of exploring a potential business combination between Dell Technologies and VMware and suggested that Mr. Durban would like to meet with Mr. Gelsinger to discuss such a potential business combination.

On October 17, 2017, Mr. Durban met with Mr. Gelsinger to discuss the business rationale for a potential business combination between Dell Technologies and VMware, which he had been discussing in concept with Mr. Dell. Mr. Durban also discussed the potential business combination to the two companies and their respective stockholders, including potentially significant synergy opportunities between Dell Technologies and VMware, the simplification of Dell Technologies' capital structure, the removal of the dilutive effect on the demand for VMware Class A common stock resulting from the existence of the Class V Common Stock, the combination of Dell Technologies, EMC and VMware go-to-market models, an accelerated deleveraging profile that could allow Dell Technologies to pay down sufficient debt to achieve an investment grade credit rating more quickly, and providing the holders of Class V Common Stock and VMware common stock the opportunity to participate in any potential future appreciation in the value of a combined company. In connection with discussing what the pro forma ownership of a combined company might look like, Mr. Durban presented a range

of illustrative equity values for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock) of $30.0 to $48.0 billion, reflecting a mid-point value that was consistent with the $38.9 billion value Mr. Durban had discussed with Mr. Dell in August. Because valuation was not a focus of this discussion, Mr. Durban presented a wide range of illustrative equity values to illustrate the potential impact that changes in the relative value of Dell Technologies could have on the pro forma ownership of the VMware public stockholders. The high end of the valuation range reflected a price-to-estimated-adjusted-earnings per share multiple for Dell Technologies (excluding its publicly traded subsidiaries) in line with publicly traded large capitalization IT infrastructure peer companies based on Dell Technologies' then-current financial forecast for Fiscal 2018. The low end of the valuation range, by contrast, reflected a material discount to the trading multiples of those peer companies based on this Dell Technologies financial forecast. In the meeting, Mr. Durban noted that consideration of any potential business combination was still at a conceptual stage and explained that neither Silver Lake Partners' investment committee nor the Dell Technologies' board of directors had reviewed or approved the matters which they discussed or determined whether to pursue a combination with VMware or any other potential business opportunity. Mr. Durban explained that while Dell Technologies regularly evaluates multiple potential alternatives to enhance stockholder value and conducts illustrative financial analyses in the preliminary stages of evaluating such potential alternatives, the majority of such alternatives do not progress beyond such preliminary stages and a much smaller percentage are ultimately completed.

As longstanding financial advisors to Dell Technologies, representatives of Goldman Sachs met from time to time with Dell Technologies management to discuss potential business opportunities. Dell Technologies management discussed the meeting held on August 8, 2017 with representatives of Goldman Sachs, and requested that Goldman Sachs provide financial advice in connection with Dell Technologies' consideration of various potential business opportunities, including a potential public offering of Dell Technologies common stock and a possible strategic transaction between Dell Technologies and VMware. Beginning in October 2017, representatives of Goldman Sachs participated in meetings and discussions as to valuation and other matters as described below in connection with Dell Technologies' consideration of these potential business opportunities, at the direction of and after consultation with Dell Technologies management, and provided regular and detailed updates to Dell Technologies management with respect to such meetings and discussions.

On October 31, 2017, representatives of Silver Lake Partners met telephonically with representatives of Goldman Sachs to provide them with background information on Dell Technologies and its capital structure, including the mechanics, process and terms of a conversion of the Class V Common Stock into Class C Common Stock following an initial public offering of the Class C Common Stock that is provided for in the existing Company certificate.

Between October 2017 and January 2018, representatives of Dell Technologies, Silver Lake Partners and Goldman Sachs, together with representatives of Simpson Thacher & Bartlett LLP, legal advisor to Dell Technologies and Silver Lake Partners, referred to as Simpson Thacher, and representatives of Wachtell, Lipton, Rosen & Katz, legal advisor to Mr. Dell and MSD Partners, referred to as Wachtell Lipton, analyzed various potential business opportunities, including a potential public offering of Dell Technologies common stock and a possible strategic transaction between Dell Technologies and VMware.

On December 13, 2017, the VMware board of directors held a regularly scheduled meeting with certain directors attending telephonically. During the meeting, Mr. Durban gave a presentation which, among other things, outlined some of the potential business opportunities then being analyzed by Dell Technologies, including (1) a potential initial public offering of Class C Common Stock and (2) a potential business combination between Dell Technologies and VMware. Following the meeting, the VMware board of directors, other than Messrs. Dell and Durban, met in executive session with VMware management present to discuss the presentations they had just received. Following the presentations and discussion among the directors and members of VMware management, the VMware board of directors directed members of VMware management to commence a preliminary due diligence review of Dell Technologies.

Subsequent to the meeting of the VMware board of directors on December 13, 2017, certain independent directors of the VMware board of directors met on January 9, 2018 and January 31, 2018, together with representatives of Gibson, Dunn & Crutcher LLP, referred to as Gibson Dunn, legal advisor to the existing standing committee of the VMware board of directors, which had previously been established to review and approve certain related persons transactions involving VMware, referred to as the VMware related persons transactions committee, and Lazard Frères & Co., referred to as Lazard, which had previously been engaged to act as financial advisor to the VMware related persons transactions committee, to discuss their views on the potential business opportunities as described by Mr. Durban in his presentation to the VMware board of directors as part of the December 13 meeting.

On December 18, 2017, Mr. Durban met with Mr. Gelsinger and Zane Rowe, Chief Financial Officer of VMware, to further discuss Dell Technologies' businesses, financial results and prospects. During the meeting, Mr. Durban gave a presentation outlining some of the potential business opportunities then being analyzed by Dell Technologies. As part of his presentation, Mr. Durban presented an illustrative range of equity values for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock) in a potential initial public offering of Dell Technologies common stock of $35.0 to $48.0 billion. The increase in the low end of the range of the illustrative equity values since the October 17 meeting primarily reflected a smaller, but still significant, discount to the trading multiples of the publicly traded large capitalization IT infrastructure peer companies. As with the meeting on October 17, valuation was not a key focus of this discussion.

During December 2017 and January 2018, representatives of Dell Technologies, Silver Lake Partners and VMware participated in discussions regarding their respective analyses of various potential business opportunities, including a possible strategic transaction between Dell Technologies and VMware. In connection with such analyses, VMware engaged JPMorgan Chase & Co., referred to as JPMorgan, and Perella Weinberg Partners L.P., referred to as Perella Weinberg, as its financial advisors and a prominent strategy consulting firm, referred to as VMware's consultants, to carry out a synergies analysis with the help of VMware management with respect to a possible strategic transaction between Dell Technologies and VMware.

On December 19, 2017, the board of directors of Dell Technologies held a regularly scheduled meeting. At the meeting, Tom Sweet, Dell Technologies' Chief Financial Officer, provided the directors with an update on the financial performance of Dell Technologies. Mr. Sweet then outlined various potential business opportunities that Dell Technologies was exploring. Following this update, as contemplated by the Management Stockholders Agreement, the board of directors set the valuation of Class C Common Stock for purposes of the grant of compensatory equity awards and the repurchase of existing common stock at a value of $33.17 per share, which represented the mid-point of the valuation range of $27.95 per share to $38.39 per share as of November 3, 2017 presented to Dell Technologies by an independent valuation firm and reviewed by the board of directors, and which implied an equity value for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock) of $19.5 billion. The November 3 valuation reflected an increase of less than $1.00 per share from the prior quarter's valuation and was determined using, among other things, the financial results for the fiscal quarter ended November 3, 2017 and non-audited financial projections with respect to Dell Technologies and its subsidiaries that were prepared in the third quarter of calendar year 2017, each of which preceded the significant improvement and acceleration in growth which would begin in the fourth fiscal quarter of Fiscal 2018 and meaningfully accelerate in the first fiscal quarter of Fiscal 2019. The November 3 third-party valuation report was based on a private company valuation framework combined with a public market valuation for Dell Technologies' public subsidiaries.

On January 25, 2018, the *Wall Street Journal* reported that, according to unidentified sources, Dell Technologies was in the preliminary stages of considering a range of strategic alternatives, including a public offering of Dell Technologies common stock and a purchase of the publicly held shares of VMware common stock.

On January 31, 2018, the Dell Technologies board of directors met telephonically to receive a business review of Dell Technologies and to review potential business opportunities with representatives of Goldman Sachs. Prior to such presentations, Richard Rothberg, General Counsel and Secretary of Dell Technologies, reviewed with the board of directors their fiduciary duties in the context of the matters to be discussed at the meeting. At the meeting, Mr. Sweet provided the directors with an update on the financial performance of Dell Technologies and the significant improvement and acceleration in growth which the business had begun to experience during the quarter. The directors engaged in a detailed discussion of potential business opportunities as well as the financial markets' reaction to media reports that Dell Technologies was in the preliminary stages of considering potential business opportunities. Following their discussion, the Dell Technologies board of directors unanimously adopted resolutions authorizing Dell Technologies to undertake a formal evaluation of potential business opportunities, including the possibilities, without limitation, of a public offering of Dell Technologies common stock, a business combination with VMware or maintaining the status quo, and directed management to periodically update and consult with the board of directors with respect to the status and findings of such evaluations. The board of directors considered that the potential business opportunities could include (1) a business combination with VMware that, if consummated, would result in the conversion or exchange of all or any portion of the Class V Common Stock into cash or other securities or (2) another transaction that, if consummated, would (a) amend the existing Company certificate to change the powers, preferences, rights or terms of the Class V Common Stock and/or (b) result in the conversion or exchange of all or any portion of the Class V Common Stock into cash or other securities, in the case of clauses (a) or (b), other than in accordance with the terms of the existing Company certificate (any potential transaction having any of the effects described in clause (1) or (2) referred to as a potential Class V Common Stock transaction). As a result, the board of directors resolved that the consummation of any potential Class V Common Stock transaction would be irrevocably conditioned on both (i) the approval of the Capital Stock Committee and (ii) the affirmative vote of the holders of Class V Common Stock representing a majority of the aggregate voting power of the outstanding shares of Class V Common Stock (excluding any shares beneficially owned by any "affiliate" of Dell Technologies as defined by Rule 405 under the Securities Act). In furtherance of the foregoing, the board of directors directed the Capital Stock Committee to make, on behalf of the holders of the Class V Common Stock, such investigations as it deemed appropriate, directed the officers of Dell Technologies to assist the Capital Stock Committee with such investigations and authorized the Capital Stock Committee to evaluate, negotiate and approve or disapprove of any potential Class V Common Stock transaction that may be pursued or proposed by the board of directors or by VMware and to make a recommendation to the board of directors of Dell Technologies and, as applicable, the holders of the Class V Common Stock with respect to any such potential Class V Common Stock transaction that would be submitted to a vote of the holders of Class V Common Stock.

Following the Dell Technologies board of directors meeting on January 31, 2018, the members of the Capital Stock Committee had multiple conversations to consider the selection of advisors and to discuss the process it would undertake in order to evaluate the potential business opportunities being considered by Dell Technologies from the perspective of the Class V stockholders and its role in such an evaluation.

On February 1, 2018, the VMware board of directors met to discuss, among other matters, Dell Technologies' review of potential business opportunities, including a potential business combination with VMware, and to consider the establishment of a special committee consisting of independent and disinterested directors who would have full responsibility for the evaluation and oversight of any such potential business combination. Members of VMware management and representatives of Gibson Dunn and Morrison & Foerster LLP, legal advisors to VMware, referred to as Morrison Foerster, JPMorgan and VMware's consultants also participated in the meeting. The VMware board of directors unanimously resolved to establish a special committee, referred to as the VMware special committee, comprised of Karen Dykstra and Paul Sagan, both of whom the VMware board of directors determined to be independent and disinterested directors, who would have the power and authority, among other responsibilities, to negotiate, evaluate and disapprove of any potential business combination involving Dell Technologies. The VMware board of directors also unanimously resolved that it would not authorize, approve or proceed with any business combination involving Dell Technologies without the prior approval of the VMware special committee.

Later on February 1, 2018, the VMware special committee engaged Gibson Dunn as its legal advisor and thereafter engaged Morris, Nichols, Arsht & Tunnell LLP as its independent Delaware legal advisor and Lazard as its independent financial advisor. Following such date, Lazard would act at the direction of the VMware special committee with respect to the consideration of any potential business combination involving Dell Technologies and would provide regular and detailed updates to the VMware special committee with respect to such consideration and business combination.

On February 2, 2018, Dell Technologies filed an amended Schedule 13D statement disclosing that Dell Technologies was evaluating potential business opportunities, including a potential public offering of Dell Technologies common stock or a potential business combination between Dell Technologies and VMware. In addition, the amended Schedule 13D disclosed that Dell Technologies was considering maintaining the status quo and that the potential business opportunities being evaluated by Dell Technologies did not include the sale to a third party of Dell Technologies or VMware.

Later in the day on February 2, 2018, representatives of Gibson Dunn, on behalf of the VMware special committee, directed VMware management to begin a detailed due diligence investigation of Dell Technologies and informed VMware management of the VMware special committee's expectation that VMware management would coordinate such efforts with Gibson Dunn and Lazard, together with Morrison Foerster and JPMorgan, as appropriate, and report back to the VMware special committee on a regular basis. Following this directive, an informational session of the VMware board of directors was scheduled for February 8, 2018 in the New York City offices of Silver Lake Partners.

On February 6, 2018, at the direction of the VMware special committee, VMware management provided to Dell Technologies a due diligence request list identifying the financial and business due diligence that VMware wished to perform on Dell Technologies. Shortly thereafter, in response to this request and other similar requests which would follow in the weeks to come, Dell Technologies began to provide the VMware special committee and its legal and financial advisors with due diligence material.

On February 7, 2018, the Capital Stock Committee engaged Latham & Watkins LLP, referred to as Latham, as its legal advisor in connection with any potential Class V Common Stock transaction.

On February 8, 2018, an informational session for the benefit of the directors of VMware, other than Messrs. Dell and Durban, was held in the New York City offices of Silver Lake Partners. Representatives of Silver Lake Partners, Dell Technologies, VMware management, Goldman Sachs, Lazard, Gibson Dunn, Simpson Thacher and Wachtell Lipton were also in attendance. Representatives of Silver Lake Partners, including Mr. Durban, provided their perspectives regarding the transformation at Dell Technologies since the going-private transaction, including the positive preliminary results of the fourth quarter with respect to the turnaround of the storage business, and the potential business opportunities which Dell Technologies was evaluating. Mr. Durban advised the participants in the meeting that the perspectives and related materials that were being shared were being provided for informational purposes only and were not prepared by or on behalf of Dell Technologies. Prior to the informational session, Mr. Durban met with Ms. Dykstra as chairperson of the VMware special committee to express his interest in exploring a potential transaction with VMware, noting that any discussion would follow an appropriate process and that he and Mr. Dell would provide the VMware special committee with all information it requested.

On February 10, 2018, the Capital Stock Committee engaged Abrams & Bayliss LLP, referred to as Abrams & Bayliss, as its Delaware legal advisor in connection with any potential Class V Common Stock transaction.

On February 12, 2018, the Capital Stock Committee initiated discussions with representatives from Evercore regarding its potential engagement as financial advisor to the Capital Stock Committee in connection with any potential Class V Common Stock transaction. On or about February 15, the Capital Stock Committee

began working with Evercore as its financial advisor in connection with any such potential transaction. Following such date, Evercore would act at the direction of the Capital Stock Committee (until March 14, 2018) and the Special Committee (from March 14, 2018 through July 1, 2018) with respect to the consideration of potential Class V Common Stock transactions and would provide regular and detailed updates to the applicable directing committee with respect to such consideration and transactions.

On February 18, 2018, representatives of Silver Lake Partners and Evercore participated in a telephonic meeting to discuss potential transactions involving the Class V Common Stock, including a potential business combination involving Dell Technologies and VMware and a potential public offering of Dell Technologies common stock involving the subsequent or concurrent conversion of the Class V Common Stock into Class C Common Stock. At the meeting, representatives of Silver Lake Partners presented an illustrative range of equity values for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock) of $34.5 to $47.5 billion. As with the meeting on December 18, valuation was not a key focus of this discussion and, therefore, the valuation range presented at this meeting was substantially the same as the range presented by Mr. Durban to Messrs. Gelsinger and Rowe at the December 18 meeting.

On February 20, 2018, the Capital Stock Committee met telephonically to discuss the potential Class V Common Stock transactions discussed at the February 18 meeting between representatives of Silver Lake Partners and Evercore. During the meeting, representatives of Latham reviewed with members of the Capital Stock Committee their fiduciary duties in connection with their consideration of any potential Class V Common Stock transaction and the process to evaluate each member's independence and eligibility to serve on a special committee of independent directors in the context of any such potential transaction. Latham then provided an overview of potential transactions which could affect the Class V Common Stock, the relevant terms of Dell Technologies' organizational documents and the purposes and scope of the authority granted to the Capital Stock Committee. Evercore presented an overview of a proposed transaction evaluation process and associated financial diligence and analyses. Latham then reviewed the proposed terms of Evercore's engagement.

Between February 23, 2018 and March 22, 2018, the VMware special committee met several times (on each of February 23, March 1, March 5, March 8, March 14 and March 22), and received presentations from members of VMware's management, representatives of JPMorgan and representatives of Perella Weinberg, representatives of VMware's consultants and representatives of Morrison Foerster, regarding ongoing due diligence and evaluation of potential business opportunities between VMware and Dell Technologies. The VMware special committee also received presentations from Lazard and Gibson Dunn regarding, among other things, the directors' fiduciary duties under applicable law. Members of the VMware board of directors who were not members of the VMware special committee (other than Messrs. Dell and Durban) participated as observers in portions of certain of the VMware special committee meetings.

On February 24, 2018, the Capital Stock Committee met telephonically to discuss the delegation of authority granted to them by the board of directors of Dell Technologies on January 31, the independent and disinterested status of each of the members of the Capital Stock Committee and the potential formation of a special committee to consider any potential Class V Common Stock transaction on behalf of the holders of the Class V Common Stock. At the meeting, Ms. Kullman discussed with the other members of the Capital Stock Committee her role as a director of Goldman Sachs, noting Goldman Sachs' role as financial advisor to Dell Technologies in connection with a potential Class V Common Stock transaction. Although Ms. Kullman expressed confidence in her ability to act independently and in the best interest of the holders of the Class V Common Stock, given her position as a director of Goldman Sachs and Goldman Sachs' role in any potential Class V Common Stock transaction, and because there were two other independent members of the Capital Stock Committee able and willing to serve on a special committee relating to a potential Class V Common Stock transaction, Ms. Kullman determined not to serve on the special committee relating to a potential Class V Common Stock transaction. Latham recommended that the Capital Stock Committee consider recommending to the board of directors that a special committee be formed, consisting of David Dorman and William Green, to evaluate, negotiate and approve or disapprove any potential Class V Common Stock transaction.

In February 2018, members of Dell Technologies management prepared certain non-public unaudited financial projections with respect to the business of Dell Technologies and its subsidiaries (including VMware) for Fiscal 2018 through its fiscal year ending January 28, 2022 (which are summarized below under "*—Certain Financial Projections*"), referred to as the initial Dell projections. The initial Dell projections were provided and considered by the Dell Technologies board of directors, Goldman Sachs, the Capital Stock Committee, Evercore, the VMware board of directors, JPMorgan, Perella Weinberg, the VMware special committee and Lazard.

On February 28, 2018, representatives of Gibson Dunn, on behalf of the VMware special committee, provided a memorandum to the directors and executive officers of VMware through their respective legal advisors regarding certain proposed processes and communications guidelines to be observed in connection with VMware's assessment, evaluation, negotiation, and approval or disapproval of a potential business combination involving Dell Technologies. Among other things, the memorandum provided that, with respect to such a potential transaction, (1) VMware management would act at the direction of the VMware special committee, (2) except as otherwise determined by the VMware special committee, Messrs. Dell and Durban would be asked to recuse themselves from any discussions of the board of directors of VMware regarding the potential transaction and (3) VMware management was not to have any discussions with Dell Technologies or Silver Lake Partners regarding their individual roles (including with respect to compensation) in any combined company without direction from the VMware special committee.

In March 2018, members of VMware management prepared certain non-public unaudited financial projections with respect to the business of VMware and its subsidiaries for Fiscal 2018 through its fiscal year ending January 28, 2022 (which are summarized below under "*—Certain Financial Projections*"), referred to as the VMware projections. The VMware projections were provided to the Dell Technologies board of directors, Goldman Sachs, the Special Committee, Evercore, JPMorgan and Lazard.

On March 6, 2018, as a result of prior discussions, including the discussion at the February 24, 2018 meeting of the Capital Stock Committee, the members of the Capital Stock Committee delivered a unanimous written consent pursuant to which they determined that it was in the best interests of Dell Technologies and its stockholders, including the Class V stockholders, to (1) form a special committee of the board of directors of Dell Technologies, comprised solely of independent and disinterested directors, to make such investigations as it deemed appropriate and to evaluate, negotiate and approve or disapprove any potential Class V Common Stock transaction on behalf of, and acting solely in the interests of, the Class V stockholders, (2) in connection with the formation of such a special committee, rescind the prior authority granted to the Capital Stock Committee by the board of directors of Dell Technologies on January 31 to evaluate potential Class V Common Stock transactions, (3) clarify certain matters with respect to the authority, mandate and compensation of the special committee and (4) recommend to the board of directors of Dell Technologies that it adopt resolutions to effect the foregoing. The resolutions recommended by the Capital Stock Committee for adoption by the board of directors provided for the appointment of Messrs. Dorman and Green to serve as members of the new special committee, referred to as the Special Committee, which would be authorized to make such investigations as it deemed appropriate and to evaluate, negotiate and approve or disapprove any potential Class V Common Stock transaction solely on behalf of the holders of the Class V Common Stock, and for the members of the Special Committee to receive $20,000 per month, payable in arrears and beginning with respect to the month of February 2018, as compensation for the additional services to be performed by such members in connection with a potential Class V Common Stock transaction.

On March 7 and March 8, 2018, representatives of Dell Technologies hosted a series of due diligence sessions. At the sessions, representatives of VMware, Lazard, JPMorgan, Perella Weinberg, Evercore and a prominent strategy consulting firm which had been retained as an independent advisor by the VMware special committee to assist the VMware special committee in its due diligence and evaluation of Dell Technologies, referred to as the VMware special committee's consultants, had the opportunity to ask questions regarding Dell Technologies' various business segments, including questions of Jeff Clarke, Vice Chairman of Products and Operations, with respect to Dell Technologies' Infrastructure Solutions Group and Client Solutions Group and

Mr. Sweet with respect to financial model- and synergy-related questions. Representatives of Silver Lake Partners and Goldman Sachs also attended the due diligence sessions.

On March 12, 2018, representatives of Goldman Sachs, Lazard, JPMorgan and Perella Weinberg met in Goldman Sachs' offices in San Francisco to exchange views regarding how a potential business combination between Dell Technologies and VMware might be valued and structured. At the meeting, representatives of Goldman Sachs presented an illustrative range of equity values for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock) of $48.0 to $52.0 billion for the group's consideration and discussed the valuation of the Class V Common Stock and the VMware Class A common stock at current market prices. The equity value range discussed for Dell Technologies was above the range previously discussed in December 2017 and reflected an updated valuation perspective for Dell Technologies, which was the focus of this meeting. The focus of the valuation discussion shifted to a narrower range above the top end of the previously discussed range due to the significant improvement in Dell Technologies' business momentum evident by this point in the quarter, including double-digit orders growth in the Infrastructure Solutions Group and Client Solutions Group segments. Over the course of the next month, representatives of Goldman Sachs, on the one hand, and representatives of Lazard, JPMorgan and Perella Weinberg, on the other hand, continued to have discussions regarding their respective perspectives about how a potential business combination between Dell Technologies and VMware might be valued.

Later on March 12, 2018, representatives of Goldman Sachs and Evercore met in Goldman Sachs' offices in San Francisco to discuss a potential business combination between Dell Technologies and VMware, including potential changes to Dell Technologies' current governance documents in the event of a potential Class V Common Stock transaction. At the meeting, representatives of Goldman Sachs gave substantially the same presentation to Evercore as had been given earlier that day to Lazard, JPMorgan and Perella Weinberg.

On March 14, 2018, in accordance with the recommendation of the Capital Stock Committee, the board of directors of Dell Technologies acted by unanimous written consent to establish the Special Committee comprised of Messrs. Dorman and Green and to address the other matters recommended by the Capital Stock Committee on March 6. Evercore, Latham and Abrams & Bayliss continued as financial and legal advisors, respectively, to the Special Committee.

On March 19, 2018, representatives of Goldman Sachs raised to Evercore the possibility of a potential negotiated conversion of the Class V Common Stock to Class C Common Stock other than in connection with an initial public offering of Class C Common Stock.

On March 20, 2018, representatives of Dell Technologies hosted a follow-up due diligence session during which representatives of VMware, Lazard, JPMorgan, Perella Weinberg, Evercore and the VMware special committee's consultants had the opportunity to ask additional questions regarding Dell Technologies' Infrastructure Solutions Group segment. Representatives of Silver Lake Partners and Goldman Sachs also attended the due diligence session.

On March 20, 2018, representatives of VMware hosted a due diligence session during which representatives of Goldman Sachs, Evercore and Silver Lake Partners reviewed and asked questions regarding the VMware projections. Representatives of Lazard, JPMorgan and Perella Weinberg were also in attendance.

Also on March 20, 2018, the Special Committee held an in-person meeting in New York City to discuss the potential Class V Common Stock transactions, Evercore's financial due diligence and the transaction and valuation framework provided by Dell Technologies at the March 12 meeting described above with respect to a potential business combination transaction involving Dell Technologies and VMware. Evercore provided its preliminary views on the rationale for the VMware transaction, a financial overview of Dell Technologies and the Class V Common Stock, selected tracking stock precedents and certain alternative transaction scenarios. At the meeting, the Special Committee also received a detailed presentation from Latham regarding the provisions

of Dell Technologies' organizational documents concerning the Class V Common Stock. The participants also discussed the potential negotiated conversion of the Class V Common Stock to Class C Common Stock, including its viability compared to a business combination with VMware. In connection with the Special Committee's evaluation of the potential Class V Common Stock transactions, the Special Committee also discussed certain negotiating strategies available to the Special Committee, considerations unique to tracking stocks and the rights and obligations of Dell Technologies with respect to the Class V Common Stock following an initial public offering of the Class C Common Stock. The Special Committee decided to monitor the ongoing negotiations between Dell Technologies and VMware with respect to a potential business combination, recognizing the alignment of interests between it and the VMware special committee to negotiate the highest valuation for VMware reasonably available in the circumstances. The Special Committee also determined not to engage substantively with Dell Technologies on valuation until it received further diligence information from Dell Technologies and considered the financial analyses associated with this information from Evercore.

On March 22, 2018, representatives of Lazard and Evercore discussed telephonically the status of a potential business combination involving Dell Technologies and VMware. Lazard informed Evercore that Lazard had been instructed by the VMware special committee not to discuss any potential revised framework regarding such a business combination until after Lazard had delivered feedback to Goldman Sachs on the framework.

On March 25, 2018, following the March 22 meeting of the VMware special committee, and at the VMware special committee's request, representatives of Lazard met telephonically with representatives of Goldman Sachs to provide feedback with respect to Lazard's perspective regarding valuation of a potential business combination involving Dell Technologies and VMware. The representatives of Lazard indicated that the VMware special committee had a different view on certain assumptions underlying the valuation analysis which Goldman Sachs had presented on March 12, including the projected financial metrics for Dell Technologies for fiscal year 2020 and assumptions regarding run-rate synergies that could be obtained as a result of the potential business combination. The representatives of Lazard also shared the perspective of the VMware special committee that the VMware common stock should be valued in any potential business combination at a historical, undisturbed price plus a transaction premium.

On March 26 and March 28, 2018, representatives of Goldman Sachs reported to Evercore feedback which they had received from Lazard and the VMware special committee regarding Dell Technologies' transaction framework for a potential business combination involving Dell Technologies and VMware. Specifically, the representatives of Goldman Sachs informed Evercore that there remained significant differences in the parties' views with respect to valuation.

On March 27, 2018, representatives of VMware hosted a follow-up due diligence session during which representatives of Evercore had the opportunity to ask additional questions regarding the VMware projections. Representatives of Goldman Sachs also participated in the due diligence session.

On March 30, 2018, representatives of Dell Technologies indicated to representatives of Evercore that the VMware special committee had communicated its preliminary views regarding the valuation of Dell Technologies and VMware and that, based on information available to it at the time, any potential business combination between Dell Technologies and VMware should result in a pro forma ownership by VMware's stockholders (other than Dell Technologies and its affiliates) of at least 25%, including equity securities issuable in connection with the vesting or exercise of equity awards.

During the week of April 2, 2018, representatives of Evercore discussed with the Special Committee the status of a potential business combination between Dell Technologies and VMware and the status of its operational and financial due diligence. Following such discussions, the Special Committee determined that additional progress would need to be made in the discussions between Dell Technologies and VMware, and that further financial and operational diligence regarding Dell Technologies and VMware would need to be conducted, before the Special Committee would be prepared to consider the terms of any potential Class V Common Stock transaction.

On April 3, 2018, the Dell Technologies board of directors held a regularly scheduled telephonic meeting, from which Messrs. Dorman and Green recused themselves, to set the valuation of Class C Common Stock for purposes of the grant of compensatory equity awards and the repurchase of existing common stock at $49.28 per share, which represented the low point of the valuation range of $49.28 per share to $58.59 per share as of February 2, 2018 presented to Dell Technologies by an independent valuation firm that had been selected to perform the valuation services following a routine reassessment during the prior quarter of various firms offering valuation services. The updated valuation implied an equity value for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock) of $29.3 billion. The midpoint of the valuation range as of February 2 presented at this board meeting represented an increase of $20.77 per share over the midpoint of the valuation range as of November 3, 2017, reflecting the significantly improved momentum across all of Dell Technologies' businesses, as evidenced by (1) the acceleration in net revenue growth to 8% year-over-year in the fourth fiscal quarter, and as a result, an improved long-term financial forecast, (2) the strong levered free cash flow generation of $2.0 billion (excluding cash flow from VMware) in the fourth fiscal quarter and (3) the increase in VMware's market capitalization over the measurement period. The February 2 third-party valuation report was based on a private company valuation framework combined with a public market valuation for Dell Technologies' public subsidiaries.

On April 17, 2018, representatives of Dell Technologies and VMware hosted another due diligence session during which representatives of Goldman Sachs, Lazard, JPMorgan, Perella Weinberg, Evercore and the VMware special committee's consultants were informed of the views of Dell Technologies' and VMware's managements, following a series of internal discussions over the previous two months, regarding the potential cost and revenue synergies that could be obtained as a result of a potential business combination between VMware and Dell Technologies. Representatives of Silver Lake Partners also attended the due diligence session.

On April 19, 2018, the Dell Technologies board of directors held a regularly scheduled meeting to approve matters relating to the 2018 annual meeting of stockholders. Following the board meeting, representatives of Goldman Sachs met with Messrs. Dell and Durban to provide an update on the feedback Goldman Sachs had received from certain large holders of Class V Common Stock and VMware Class A common stock concerning a potential business combination between Dell Technologies and VMware and the related discussions of Goldman Sachs representatives with representatives of Lazard, JPMorgan and Perella Weinberg. The representatives of Goldman Sachs advised Messrs. Dell and Durban that, as part of such feedback (in which no non-public information was disclosed), investors had expressed a range of sentiments. The representatives of Goldman Sachs then indicated that there were some significant differences in the financial analyses which Goldman Sachs and Lazard had conducted, including, among others, differences with respect to projected financial metrics for Dell Technologies for fiscal year 2020, assumptions regarding run-rate synergies that could be obtained as a result of the potential business combination, and whether VMware common stock should be valued at current market prices or at historical, undisturbed prices plus a transaction premium. Such differences, the representatives of Goldman Sachs reported, resulted in implied pro forma ownership by VMware's stockholders (other than Dell Technologies and its affiliates) of 11.6% in Goldman Sachs' analysis versus an implied pro forma ownership of approximately 20% in Lazard's analysis, in each case, excluding equity securities issuable in connection with the vesting or exercise of VMware equity awards. In each case, the remainder of the pro forma ownership of the combined entity (approximately 88.4% in the case of the Goldman Sachs analysis and approximately 80% in the case of the Lazard analysis) would be shared by all holders of Dell Technologies common stock, including holders of Class V Common Stock. Following the update, Messrs. Dell and Durban instructed Goldman Sachs to continue their discussions with Lazard in an attempt to narrow the differences in their respective financial analyses. Following the meeting, representatives of Goldman Sachs continued to discuss with representatives of Lazard their respective financial analyses.

During this period, Dell Technologies, with the assistance of representatives of Goldman Sachs, Simpson Thacher and Wachtell Lipton, began to further explore an additional potential business opportunity while continuing to evaluate a potential public offering of Dell Technologies common stock and a potential business combination between Dell Technologies and VMware. In this additional potential business opportunity, referred

to as the Class V transaction, VMware would remain a publicly traded subsidiary of Dell Technologies, but Dell Technologies would eliminate its tracking stock structure by exchanging shares of Class V Common Stock for shares of Class C Common Stock at a to-be-agreed upon exchange ratio. As Dell Technologies evaluated such a Class V transaction, it also began to explore the potential for holders of Class V Common Stock to elect to receive cash in lieu of a portion of the shares of Class C Common Stock that might be offered in such a transaction, including the sources from which such cash could be obtained and the maximum aggregate amount of cash that could potentially be offered. There were a number of reasons why Dell Technologies determined to consider this additional potential business opportunity, including feedback from stockholders in response to the public disclosure on February 2 that Dell Technologies was evaluating potential business opportunities, the differences in the parties' views with respect to the respective pro forma equity ownership percentages of Dell Technologies stockholders and VMware stockholders (other than affiliates of Dell Technologies), the potential adverse implications of VMware no longer being a separate publicly traded company and the prospect that significant potential cross-selling revenue and related synergies could be achieved under the existing corporate structure.

Following the public disclosure on February 2, 2018 that Dell Technologies was evaluating potential business opportunities, including a potential business combination with VMware, each of VMware, Dell Technologies and the VMware special committee received feedback from stockholders, employees, customers, channel partners and other stakeholders regarding such a potential transaction. Based on the due diligence and other analyses being performed by Dell Technologies, VMware and their advisors, as well as such feedback, Dell Technologies continued to believe that there were significant potential benefits to a business combination with VMware. However, potential adverse implications of such a business combination had also been identified, including the potential impact on VMware's relationships with customers who use VMware software in conjunction with third-party products and services that compete with those of Dell Technologies, the potential impact on VMware's ability to attract and retain key employees if VMware were no longer to be a publicly traded company and whether investors in Dell Technologies would have difficulty valuing Dell Technologies' interest in VMware without a public market price for VMware's common stock. In addition, as VMware continued to achieve increased growth synergies from its existing affiliation with Dell Technologies (by generating approximately $400 million of incremental annual bookings synergies in Fiscal 2018 with Dell Technologies and being expected to realize an estimated $700 million of incremental annual bookings synergies in Fiscal 2019), Dell Technologies management and advisors concluded that significant potential revenue and related synergies could be achieved under the existing corporate structure.

On April 27, 2018, representatives of Goldman Sachs met with representatives of Evercore to provide an update on Dell Technologies business performance and the potential business opportunities being evaluated by Dell Technologies. During the meeting, the representatives of Goldman Sachs outlined the framework of the potential Class V transaction, including that the newly issued shares of Class C Common Stock would be publicly listed. Under this framework, upon the completion of the Class V transaction, the former holders of Class V Common Stock would, by virtue of their ownership of Class C Common Stock, own direct interests in Dell Technologies that would represent a full economic interest in all of the businesses of Dell Technologies, including the approximately 82% of VMware common stock owned by it. The representatives of Goldman Sachs also pointed out that no shares of Class V Common Stock would remain outstanding following such a transaction. The representatives of Goldman Sachs noted that, as part of any Class V transaction, two key economic points would need to be agreed upon: (1) the equity value of Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock) because there was no public market price for the Class C Common Stock on which to base such equity value and (2) the amount of the consideration to be received on a per share basis by the holders of Class V Common Stock. The representatives of Goldman Sachs then presented Dell Technologies' framework with respect to a potential Class V transaction, which provided that the holders of Class V Common Stock would receive shares of Class C Common Stock based on a valuation of $100 per share of Class V Common Stock, representing a premium of 36.8% to the closing price of Class V Common Stock on April 23, 2018, and an equity value for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock) equal to $50 billion. Such a Class V

transaction would result in pro forma ownership of approximately 28.5% in the post-transaction entity by former holders of Class V Common Stock. The representatives of Goldman Sachs also presented a sensitivity analysis showing (1) equity values of Dell Technologies ranging between $45 billion and $55 billion and (2) the value of the Class V Common Stock ranging between $90 and $110 per share, which produced a range of pro forma ownership in the post-transaction entity by former holders of Class V Common Stock of approximately 24.6% to 32.8%. At this meeting, the representatives of Goldman Sachs did not discuss the potential for the Class V transaction to include an opportunity for the holders of Class V Common Stock to elect to receive cash in lieu of Class C Common Stock. The representatives of Evercore expressed their differences on the valuations of Dell Technologies and the Class V Common Stock presented by the representatives of Goldman Sachs, but indicated that Evercore would discuss the potential Class V transaction with the Special Committee.

On April 29, 2018, Messrs. Dell and Durban delivered a letter to the other members of the VMware board of directors, referred to as the April 29 Letter. The April 29 Letter stated that Dell Technologies was continuing to evaluate potential business opportunities, including, among others, a potential business combination with VMware. The April 29 Letter explained that while no decision had been made regarding which business opportunity to pursue, or whether to pursue any business opportunity, certain potential opportunities that Dell Technologies was considering would involve financing from a cash dividend from VMware. The April 29 Letter requested that VMware consider authorizing a special dividend of up to $11.4 billion payable pro rata to all holders of VMware common stock in the event Dell Technologies should decide to pursue any such opportunity. At the direction of the independent directors of the VMware board of directors, VMware management, in consultation with their advisors, began an extensive analysis of the appropriateness of the requested special dividend, taking into consideration VMware's capital allocation strategy and potential uses of cash on VMware's balance sheet in comparison to potential alternative strategies.

On May 1, 2018, because the VMware special committee did not then have the power or the authority to consider the declaration and payment of a potential VMware special dividend, the independent directors of the VMware board of directors met with members of VMware's management and representatives of Gibson Dunn and Morrison Foerster to discuss the April 29 Letter. At this meeting, the independent directors received an initial financial analysis from members of VMware's management with respect to VMware's ability to declare and pay such a potential special dividend.

On May 2, 2018, representatives of Goldman Sachs met telephonically with representatives of Evercore to describe to them some of the feedback Goldman Sachs had received from certain large holders of Class V Common Stock with respect to a potential Class V transaction.

Also on May 2, 2018, the Special Committee met telephonically to discuss the framework suggested by Dell Technologies with respect to a potential Class V transaction, which representatives of Goldman Sachs had described to representatives of Evercore on April 27. At the meeting, representatives of Evercore also reviewed with the Special Committee the financial and business due diligence that had been conducted by Evercore and the status of discussions between Dell Technologies and VMware on a potential business combination transaction. The representatives of Evercore discussed with the Special Committee the key considerations and assumptions underlying, and the financial aspects of, the potential Class V transaction framework and the feedback from certain large holders of Class V Common Stock with respect to potential Class V transactions that had been described to representatives of Evercore by representatives of Goldman Sachs. The Special Committee determined to seek direct input from holders of Class V Common Stock with respect to potential transaction alternatives and, accordingly, that the establishment of the Special Committee and retention of its financial advisor would need to be publicly announced to facilitate these direct discussions.

On May 7, 2018, representatives of Dell Technologies, Silver Lake Partners and Goldman Sachs participated in a call to discuss four potential business opportunities then under consideration: (1) an initial public offering of Class C Common Stock with a potential subsequent conversion of the Class V Common Stock into Class C Common Stock pursuant to the terms of the existing Company certificate; (2) an acquisition of

VMware's publicly traded Class A common stock for cash, potentially combined with the exchange of the Class V Common Stock into Class C Common Stock; (3) an exchange of Class V Common Stock for shares of Class C Common Stock at a to-be-agreed exchange ratio; and (4) an exchange of Class V Common Stock for shares of Class C Common Stock at a to-be-agreed exchange ratio carried out in conjunction with a pro rata special dividend of up to $11.4 billion from VMware that could be used either as consideration to be offered to the holders of Class V Common Stock or to pay down debt. The representatives of Goldman Sachs discussed financial considerations relating to each potential transaction, including that the initial public offering option and the exchange options would yield lower synergy opportunities because they would not result in a combination of Dell Technologies and VMware and that the cash acquisition of VMware would require Dell Technologies to incur additional debt, which would increase Dell Technologies' leverage and delay its path to achieving an investment grade credit rating.

On May 11, 2018, representatives of Goldman Sachs met telephonically with representatives of Evercore to discuss the possible public announcement of the existence of the Special Committee and to further describe the feedback representatives of Goldman Sachs had received from certain large holders of Class V Common Stock with respect to a potential Class V Common Stock transaction. Also on May 11, representatives of Simpson Thacher, Wachtell Lipton and Latham met telephonically to discuss the possible public announcement of the existence of the Special Committee.

On May 11, May 18 and May 24, 2018, the independent directors of the VMware board of directors met with members of VMware's management and with representatives of JPMorgan, Perella Weinberg, Gibson Dunn and Morrison Foerster to evaluate a potential special dividend. During this period, at the direction of the independent directors of the VMware board of directors, VMware management, in consultation with its advisors, continued its analysis of, and report to the VMware independent directors regarding, the appropriateness of the requested special dividend, taking into consideration VMware's capital allocation strategy and potential uses of cash on VMware's balance sheet in comparison to potential alternative strategies.

On May 14, 2018, the Special Committee met telephonically to discuss the feedback that representatives of Goldman Sachs had received from certain of the Class V stockholders and described to Evercore. The Special Committee also further discussed publicly disclosing the existence of the Special Committee to facilitate direct discussions by the Special Committee and its advisors with holders of Class V Common Stock.

Following the conclusion of Dell Technologies' first fiscal quarter of Fiscal 2019 on May 4, 2018, in light of the strong preliminary financial results for the quarter, with non-GAAP net revenue up 17% over the prior year and double-digit growth in the Infrastructure Solutions Group and Client Solutions Group segments, among other highlights, and certain accounting changes described below, members of Dell Technologies management determined it was appropriate to update the initial Dell projections which had previously been provided to Goldman Sachs and Evercore, among others. In particular, the actual results for the first fiscal quarter of Fiscal 2019 had exceeded estimates by Dell Technologies management that were reflected in the initial Dell projections prepared in February 2018 by $2.2 billion for non-GAAP net revenue, $0.5 billion for non-GAAP operating income and $1.9 billion for operating cash flow, in each case excluding VMware. Accordingly, in May 2018, Dell Technologies management prepared updated non-public unaudited financial projections with respect to the business of Dell Technologies and its subsidiaries (including VMware) for fiscal years ending in January or February 2019 through 2023, collectively referred to as the updated Dell projections. The initial Dell projections were revised to reflect the adoption of the new revenue standard set forth in ASC 606, "Revenue From Contracts With Customers," the adoption of the new accounting standards set forth in ASC 230, "Statement of Cash Flows—Classification of Certain Cash Receipts and Cash Payments" and "Statement of Cash Flows—Restricted Cash," certain segment reporting changes and the good faith belief of Dell Technologies management at such time regarding the future performance of Dell Technologies' business given the improvements reflected in the preliminary results for the first fiscal quarter of Fiscal 2019 and the significant outperformance of Dell Technologies' business as compared to management's estimates reflected in the initial Dell projections (which are summarized below under "*—Certain Financial Projections*"). The updated Dell projections were provided to

the Dell Technologies board of directors, Goldman Sachs, the Special Committee, Evercore and Lazard on May 16.

On May 17, 2018, consistent with the request of the Special Committee, Dell Technologies filed a current report on Form 8-K with the SEC disclosing that, among other things, it was continuing to evaluate potential business opportunities, including a potential public offering of shares of Dell Technologies common stock, a potential business combination with VMware and a potential conversion of shares of Class V Common Stock into shares of Dell Technologies common stock. Dell Technologies also disclosed that it was also considering maintaining the status quo and that the potential business opportunities then currently being evaluated by Dell Technologies did not include the sale to a third party of Dell Technologies or VMware. In addition, Dell Technologies disclosed that, in connection with such review, the Dell Technologies board of directors had established the Special Committee comprised of two independent directors, Messrs. Dorman and Green, that the Special Committee was empowered to act solely in the interests of the holders of Class V Common Stock, that any business opportunity that would require that the Class V Common Stock be modified, converted or exchanged other than pursuant to the terms of the existing Company certificate would be irrevocably conditioned on both the unanimous approval of the Special Committee and the affirmative vote of a majority of the holders of outstanding shares of Class V Common Stock held by unaffiliated stockholders, that the Special Committee had retained Evercore as its financial advisor, and that Evercore might seek to contact investors in the Class V Common Stock to solicit their perspectives on a potential Class V Common Stock transaction.

Following the filing of the current report on Form 8-K described above and through the signing of the merger agreement, representatives of Evercore spoke with more than 20 of the largest holders of the Class V Common Stock, representing nearly 40% of the outstanding shares of Class V Common Stock, in order to gain direct feedback on such holders' views regarding potential Class V Common Stock transactions, including a potential Class V transaction; no non-public information was disclosed in these meetings.

On May 21, 2018, representatives of Dell Technologies hosted a follow-up due diligence session during which representatives of Evercore had the opportunity to ask additional questions regarding the updated Dell projections.

On May 22, 2018, representatives of Goldman Sachs met telephonically with representatives of Evercore to discuss the potential Class V transaction which representatives of Goldman Sachs had detailed to representatives of Evercore on April 27. As part of the discussion, the representatives of Goldman Sachs presented three potential alternative scenarios of a Class V transaction in which holders of Class V Common Stock would receive: (1) an amount of Class C Common Stock with a value equal to $100 per share of Class V Common Stock; or (2) a choice between (a) the equity consideration described in the first scenario and (b) an amount per share in cash equal to a 25% premium to the 30-day trailing volume-weighted average per share price of shares of Class V Common Stock as reported on the NYSE (such cash amount illustratively presented as part of the discussion at $90 in cash), with the aggregate cash portion capped at $3 billion; or (3) a choice between (a) an amount of Class C Common Stock with a value equal to $107.50 per share of Class V Common Stock and (b) an amount per share in cash equal to a 20% premium to the 30-day trailing volume-weighted average per share price of shares of Class V Common Stock as reported on the NYSE (such cash amount illustratively presented as part of the discussion at $85 in cash), with the aggregate cash portion capped at $3 billion. The value of Class C Common Stock in all three scenarios was based on a $50 billion equity value for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock). The scenarios all assumed that the cash portion of the consideration, if any, would be funded out of the proceeds of an $11.4 billion pro rata special dividend from VMware and that any remaining proceeds of such a special dividend would be used to pay down debt at Dell Technologies. The Evercore representatives again expressed their differences on the valuations of Dell Technologies and the Class V Common Stock presented by representatives of Goldman Sachs, but confirmed that Evercore would discuss the three scenarios with the Special Committee.

Also on May 22, 2018, representatives of Latham met telephonically with representatives of Gibson Dunn to discuss the status of a potential business combination transaction involving Dell Technologies and VMware.

Gibson Dunn stated to Latham that there remained significant differences in the parties' views with respect to the respective pro forma equity ownership percentages of Dell Technologies stockholders and VMware stockholders (other than affiliates of Dell Technologies) and the strategic implications of the potential transaction, and that, unless these differences were resolved, the VMware special committee believed that a transaction between Dell Technologies and VMware was unlikely to be approved by the VMware special committee.

On May 24, 2018, representatives of Goldman Sachs led a discussion to update Messrs. Dell and Durban regarding the potential business opportunities being evaluated by Dell Technologies. The update focused on the analyses with respect to a potential initial public offering of Class C Common Stock and a potential Class V transaction. The representatives of Goldman Sachs reviewed the three scenarios that had been presented to Evercore on May 22, 2018.

On May 24, 2018, representatives of Goldman Sachs met telephonically with representatives of Evercore to share their respective client's views regarding a potential initial public offering of Dell Technologies common stock. The discussion focused on how Dell Technologies might be presented to the public market and valuation considerations based on Dell Technologies' financial projections and comparisons with certain industry peers. As part of the discussion, the representatives of Goldman Sachs communicated the view that a potential initial public offering of Dell Technologies common stock could result in a $50 billion equity value for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock).

On May 25, 2018, Dell Technologies management responded to due diligence requests from the Special Committee regarding financial projections for three Dell Technologies subsidiaries: Virtustream; RSA Security; and Boomi.

On May 29, 2018, the Special Committee met telephonically to discuss the status of the potential Class V transaction. The Special Committee received a summary of Evercore's discussions with various holders of Class V Common Stock. Evercore discussed and provided its preliminary financial analysis on the three scenarios presented by Goldman Sachs with respect to the potential Class V transaction and the updated Dell projections. The Special Committee discussed the desirability of engaging an outside industry consultant to assist in analyzing the assumptions and analyses underlying the revised financial projections, and the Special Committee directed its advisors to assist in engaging such a consultant. Representatives of Latham also reported on their May 22 telephonic meeting with representatives of Gibson Dunn.

On May 31, 2018, VMware announced the results of its fiscal quarter ended May 4, 2018. VMware reported total revenue growth of 14% year-over-year, among other highlights.

On May 31, 2018, representatives of Silver Lake Partners, Goldman Sachs and Evercore met telephonically to discuss the status of discussions regarding the potential Class V transaction and other related matters. The parties discussed the timing of a Special Committee response to Dell Technologies' most recent proposal, Dell Technologies' upcoming earnings call, a potential public offering of Dell Technologies common stock and the request by Dell Technologies for specific feedback from the Special Committee on the terms of Dell Technologies' proposal before the upcoming earnings call.

On June 1, 2018, the Special Committee met telephonically to discuss the potential Class V transaction. The Special Committee was updated regarding recent discussions between representatives of Evercore and representatives of Silver Lake Partners and Goldman Sachs, including Dell Technologies' perspectives on a potential public offering of Dell Technologies common stock. The Special Committee declined to respond to the request for a specific response on terms of the potential Class V transaction. After the Special Committee meeting, representatives of Dell Technologies and Silver Lake Partners informed Evercore that the cash component of the May 22 framework proposal described above could be increased to $8 billion from $3 billion.

On June 1, 2018, the VMware board of directors adopted, by way of unanimous written consent, resolutions expanding the scope of the VMware special committee's responsibilities and granting it full power and authority

to, among other things: (1) review and evaluate in connection with the April 29 Letter whether a special dividend may be in the best interests of VMware and its stockholders; (2) interact with Dell Technologies, its representatives and affiliates concerning a potential special dividend; (3) review and evaluate a potential special dividend in comparison to potential alternative strategies and uses of capital available to VMware; (4) supervise and direct VMware's management with respect to its involvement in a potential special dividend; and (5) in the event that Dell Technologies were to propose that VMware declare and pay a special dividend as part of Dell Technologies' review of potential business opportunities, recommend to the VMware board of directors what action, if any, the board should take with respect to a special dividend, including determining whether to recommend to the board that the board declare a special dividend. In addition, the VMware board of directors resolved that it would not declare a special dividend in connection with Dell Technologies' review of potential business opportunities without the approval of the VMware special committee.

On June 2, 2018, Mr. Durban and representatives of Goldman Sachs met telephonically with the members of the Special Committee and representatives of Evercore and Latham to discuss the potential Class V transaction and other related matters. Representatives of Simpson Thacher and Wachtell Lipton also attended the meeting. Representatives of Evercore conveyed the feedback they had received from holders of Class V Common Stock with whom they had spoken regarding such holders' expectations of value with respect to both the equity value of Dell Technologies and the price to be paid per share of Class V Common Stock in a potential Class V transaction. The representatives of Evercore then invited Mr. Durban and the representatives of Goldman Sachs to provide their perspective on the rationale for the three potential Class V transaction scenarios which Goldman Sachs had previously discussed with Evercore on May 22 and the current status of the evaluation of the potential initial public offering of Dell Technologies common stock. During the meeting, Mr. Durban suggested for consideration another potential Class V transaction in which holders of Class V Common Stock would be offered a choice between receiving (1) an amount of Class C Common Stock with a value equal to $100 per share of Class V Common Stock based on a $50 billion equity value for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock) and (2) $100 per share in cash, with the aggregate cash portion of the consideration capped at either $8 billion or $9 billion. Such a scenario would result in pro forma ownership of approximately 28.5% in the post-transaction entity by former holders of Class V Common Stock if all holders elected to receive Class C Common Stock and 19.3% if such former holders elected to receive the maximum amount of cash. The participants also discussed the scheduled release by Dell Technologies of its quarterly earnings on June 4, 2018.

Later on June 2, 2018, representatives of Goldman Sachs and representatives of Evercore met to discuss further the additional potential scenario which Mr. Durban had first described in the telephonic meeting with the members of the Special Committee and their advisors earlier that day.

On June 4, 2018, Dell Technologies announced the results of its first fiscal quarter of Fiscal 2019. Dell Technologies reported, among other highlights, an increase of 19% in net revenue over the first fiscal quarter of Fiscal 2018, double-digit growth in the Infrastructure Solutions Group and Client Solutions Group segments and the first quarter of storage share gain since the closing of the EMC merger.

Also on June 4, 2018, Latham, on behalf of the Special Committee, engaged DISCERN Analytics, Inc., referred to as DISCERN, to perform an independent analysis of certain financial forecasts and other financial and operating data of Dell Technologies (including assumptions of Dell Technologies management for VMware based on VMware's long-range plan) and certain industry and market research, including assumptions concerning market growth, as well as growth and operating margin trajectory for each of the Dell Technologies' Infrastructure Solutions Group and Client Solutions Group segments.

On June 12, 2018, Pivotal, which completed an initial public offering on April 24, 2018 at $15.00 per share, announced the results of its first fiscal quarter of Fiscal 2019. During the course of June 13, Pivotal's stock price appreciated 33%, closing at $28.20 per share, which implied a fully-diluted market capitalization of approximately $8.6 billion.

On June 15, 2018, the Special Committee met telephonically and discussed the prospects for Dell Technologies pursuing a public offering of its common stock and the potential for a subsequent conversion of the shares of Class V Common Stock into Class C Common Stock in accordance with the existing Company certificate as an alternative to a potential negotiated Class V transaction. Latham reviewed the fiduciary duties of the board of directors of Dell Technologies with respect to a potential post-public offering conversion of the shares of Class V Common Stock into shares of Class C Common Stock. A representative of DISCERN presented his evaluation and analysis of (1) certain financial forecasts and other financial and operating data of Dell Technologies (including Dell Technologies management's assumptions for VMware) and (2) certain industry and market research. Following the presentation, the Special Committee discussed with its advisors the potential initial public offering of Dell Technologies common stock and the potential Class V transaction. Evercore reviewed its preliminary financial analysis of Dell Technologies' then-current framework with respect to the Class V transaction, including the transaction alternatives available for the Class V Common Stock, the history of the framework scenarios received from Dell Technologies, a negotiating framework for responding to Dell Technologies, and Evercore's preliminary financial analyses of Dell Technologies and VMware and associated valuation implications for the Class V Common Stock based upon the financial forecasts summarized under "*—Certain Financial Projections*." After deliberation, the Special Committee directed Evercore to communicate a proposed framework to Goldman Sachs which consisted of a $42.5 billion equity value for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock) and $115 per share value for the Class V Common Stock, with a right for the holders of the Class V Common Stock to elect to receive $115 per share in cash, with the aggregate cash portion of the consideration capped at $9 billion.

On June 16, 2018, representatives of Evercore shared with representatives of Goldman Sachs the Special Committee's view on the respective valuations of Dell Technologies and the Class V Common Stock as they related to a potential Class V transaction. The representatives of Evercore conveyed the Special Committee's view that holders of Class V Common Stock should have the right to elect between receiving (a) an amount of Class C Common Stock with a value equal to $115 per share of Class V Common Stock based on a $42.5 billion equity value for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock) and (b) $115 per share in cash, with the aggregate cash portion of the consideration capped at $9 billion. Such a scenario would result in pro forma ownership of approximately 35.0% in the post-transaction entity by former holders of Class V Common Stock if all holders elected to receive Class C Common Stock and 24.7% if such former holders elected to receive the maximum amount of cash.

On June 18, 2018, representatives of Latham met telephonically with representatives of each of Simpson Thacher and Wachtell Lipton to discuss the potential corporate governance of Dell Technologies in the context of the potential Class V transaction. Representatives of Simpson Thacher indicated that Dell Technologies' view regarding corporate governance following the completion of the potential Class V transaction did not include any changes to Dell Technologies' existing corporate governance.

On June 19, 2018, representatives of Evercore and Goldman Sachs met telephonically to discuss their respective views on the valuations of Dell Technologies and the Class V Common Stock as they related to a potential Class V transaction. On the call, the representatives of Goldman Sachs described to the representatives of Evercore the positive momentum of Dell Technologies business since the beginning of the current fiscal year in February, including, among other factors, (1) the incremental $1.9 billion of operating cash flow that had been generated in excess of the estimates by Dell Technologies management, which were reflected in the initial Dell projections, during the first fiscal quarter of Fiscal 2019, (2) the increase in the market value of Dell Technologies' stake in Pivotal following Pivotal's initial public offering on April 24, 2018, (3) the increase in the market value of Dell Technologies' stake in VMware during this period and (4) the improved outlook on the Dell Technologies business, which resulted in the updated Dell projections.

On June 21, 2018, representatives of Goldman Sachs gave a presentation to Mr. Dorman comparing the views shared by Goldman Sachs and Evercore, on behalf of their respective clients, relating to

Dell Technologies' financial outlook, valuation matters and corporate governance. Mr. Durban was also present at the meeting. Following discussion, representatives of Goldman Sachs presented a revised scenario for the Class V transaction in which holders of Class V Common Stock would be offered a choice between receiving (a) an amount of Class C Common Stock with a value equal to $105 (increased from $100) per share of Class V Common Stock based on a $50 billion equity value for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock) and (b) $105 (increased from $100) per share in cash, with the aggregate cash portion of the consideration capped at $9 billion. Such a scenario would result in pro forma ownership of approximately 29.5% in the post-transaction entity by former holders of the Class V Common Stock if all holders elected to receive Class C Common Stock and 19.3% if such former holders elected to receive the maximum amount of cash. The Evercore representatives and Mr. Dorman summarized the valuation perspectives that Evercore, on behalf of the Special Committee, had presented to Goldman Sachs on June 16. With respect to the corporate governance of Dell Technologies after the Class V transaction, Mr. Dorman expressed the view that any Class V transaction should have substantially the same effect as an initial public offering of Dell Technologies common stock and, therefore, should be treated under the existing Company certificate, the various Dell Technologies stockholders agreements and the other governance documents as equivalent to an "IPO" and a "Minimum Float IPO" (as each term is defined in the existing Company certificate and the Sponsor Stockholders Agreement, respectively). Such a treatment of the Class V transaction for corporate governance purposes would result in the elimination of the separate director classes and high-vote directorships of Dell Technologies and the elimination of the consent rights of Mr. Dell and Silver Lake Partners with respect to certain major transactions involving Dell Technologies.

Later on June 21, 2018, the Special Committee met telephonically to discuss the meeting with Mr. Durban and Goldman Sachs. The Special Committee determined to consider Dell Technologies' revised framework for the Class V transaction further before making any response to Dell Technologies or Goldman Sachs. Representatives of Latham also reviewed recent telephonic meetings with representatives of Simpson Thacher and Wachtell Lipton, in which the respective legal advisors concurred that any conversion of the Class V Common Stock into Class C Common Stock after a public offering of Dell Technologies common stock would be a fiduciary decision of the Dell Technologies board of directors, acting in the interest of Dell Technologies and all of its stockholders.

On June 25, 2018, the Special Committee met telephonically to continue consideration of the most recent framework received from Dell Technologies relating to a negotiated Class V transaction and corporate governance terms. The Special Committee determined to deliver a revised transaction framework, under which holders of Class V Common Stock would have the right to elect between receiving (a) an amount of Class C Common Stock with a value equal to $112.50 per share of Class V Common Stock based on a $45 billion equity value for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock) and (b) $112.50 per share in cash, with the aggregate cash portion of the consideration capped at $9 billion. Such a revised framework would result in pro forma ownership of approximately 33.3% in the post-transaction entity by former holders of the Class V Common Stock if all holders elected to receive Class C Common Stock and 23.0% if such former holders elected to receive the maximum amount of cash. Later on June 25, representatives of Evercore delivered the revised framework to representatives of Goldman Sachs.

On June 26, 2018, representatives of Goldman Sachs presented another transaction framework to Evercore in response to the revised framework delivered by Evercore the night before. Under the revised framework delivered by Goldman Sachs, holders of Class V Common Stock would have the right to elect between receiving (a) an amount of Class C Common Stock with a value equal to $107 per share of Class V Common Stock based on a $50 billion equity value for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock) and (b) $107 per share in cash, with the aggregate cash portion of the consideration capped at $9 billion. Such a scenario would result in pro forma ownership of approximately 29.9% in the post-transaction entity by former holders of the Class V Common Stock if all holders elected to receive Class C Common Stock and 19.8% if such former holders elected to receive the maximum amount of cash.

Later on June 26, 2018, following the Special Committee's consideration of the revised Dell Technologies framework delivered by Goldman Sachs, representatives of Evercore presented a revised transaction framework to Goldman Sachs. Under the revised framework presented by Evercore, holders of Class V Common Stock would have the right to elect between receiving (a) an amount of Class C Common Stock with a value equal to $112.50 per share of Class V Common Stock based on a $46 billion equity value for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock) and (b) $112.50 per share in cash, with the aggregate cash portion of the consideration capped at $9 billion. Such a scenario would result in pro forma ownership of approximately 32.8% in the post-transaction entity by former holders of the Class V Common Stock if all holders elected to receive Class C Common Stock and 22.6% if such former holders elected to receive the maximum amount of cash.

In response to the revised framework presented by Evercore, on June 26, 2018, representatives of Goldman Sachs presented a final transaction framework to Evercore in which holders of Class V Common Stock would have the right to elect between receiving (a) an amount of Class C Common Stock with a value equal to $109 per share of Class V Common Stock based on a $48.4 billion equity value for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock) and (b) $109 per share in cash, with the aggregate cash portion of the consideration capped at $9 billion. Such a scenario would result in pro forma ownership of approximately 31.0% in the post-transaction entity by former holders of the Class V Common Stock if all holders elected to receive Class C Common Stock and 20.8% if such former holders elected to receive the maximum amount of cash.

Also on June 26, 2018, representatives of Gibson Dunn and Simpson Thacher discussed the potential structure and process relating to the potential declaration and payment of a pro rata special dividend by VMware in connection with a potential Class V transaction. Gibson Dunn stated that the VMware special committee had been evaluating such a potential dividend and the board of directors of VMware had engaged a nationally recognized financial advisory firm, referred to as the valuation firm, to conduct a solvency analysis in connection with the potential declaration and payment of the VMware special dividend.

On June 27, 2018, the Special Committee met telephonically to discuss the most recent framework from Dell Technologies with respect to the potential Class V transaction as described to representatives of Evercore by representatives of Goldman Sachs on June 26. Evercore indicated that it believed this represented Dell Technologies' final framework for purposes of the negotiation. Nonetheless, the Special Committee determined to request that the final framework presented by Goldman Sachs be revised to increase the valuation of the consideration to be received per share of Class V Common Stock to $110 at an equity value of Dell Technologies for $48.4 billion, with the aggregate cash portion of the consideration capped at $9 billion. The Special Committee also discussed potential timing and documentation for the potential Class V transaction, including a term sheet for the potential transaction documents prepared by representatives of Latham. The Special Committee directed Evercore to communicate this request to Goldman Sachs.

Later on June 27, 2018, representatives of Evercore presented a revised transaction framework to Goldman Sachs. Under the revised framework presented by Evercore, holders of Class V Common Stock would have the right to elect (a) an amount of Class C Common Stock with a value equal to $110 per share of Class V Common Stock based on a $48.4 billion equity value for Dell Technologies (excluding the value of the VMware common stock associated with the Class V Common Stock) and (b) $110 per share in cash, with the aggregate cash portion of the consideration capped at $9 billion. Such a scenario would result in pro forma ownership of approximately 31.2% in the post-transaction entity by former holders of the Class V Common Stock if all holders elected to receive Class C Common Stock and 21.1% if such former holders elected to receive the maximum amount of cash.

Representatives of Goldman Sachs discussed this proposal with Messrs. Dell and Durban and then responded to Evercore that the $109 per share which had been previously communicated was the highest per share valuation for Class V Common Stock which Dell Technologies was prepared to offer. Representatives of

Evercore then asked representatives of Goldman Sachs if Dell Technologies was prepared to increase the cap on the aggregate cash portion of the consideration. The representatives of Goldman Sachs responded that the $9 billion aggregate cap which had been previously communicated was the maximum amount of cash consideration which Dell Technologies was prepared to offer.

After consulting with the Special Committee, representatives of Evercore indicated to Goldman Sachs that Dell Technologies' transaction framework, which consisted of $109 per share of Class V Common Stock at an equity value for Dell Technologies of $48.4 billion, with the aggregate cash portion of the consideration capped at $9 billion, was an acceptable basis on which to proceed with a Class V transaction, subject to mutually acceptable documentation of the terms of the transaction.

Later in the evening on June 27, 2018, following the discussion between the representatives of Evercore and Goldman Sachs, Evercore, at the direction of the Special Committee, provided a draft term sheet to Goldman Sachs outlining the key terms that the Special Committee would seek in the transaction agreements relating to the Class V transaction. Among other provisions, the term sheet proposed that: (1) the exchange would be structured as a merger of a wholly owned subsidiary of Dell Technologies with and into Dell Technologies, with Dell Technologies continuing as the surviving corporation in the merger as had been previously discussed by Simpson Thacher and Latham; (2) the merger agreement would contain the terms of the potential Class V transaction scenario discussed earlier that day; (3) the issuance of Class C Common Stock in the Class V transaction would qualify as an "IPO" and a "Minimum Float IPO" for purposes of governance provisions in the existing organizational documents of Dell Technologies; (4) the merger would be subject to customary representations, warranties, covenants and conditions, including that (a) the adoption of the merger agreement would require approval by the affirmative vote of the holders of Class V Common Stock representing a majority of the aggregate voting power of the outstanding shares of Class V Common Stock (excluding any shares beneficially owned by any "affiliate" of Dell Technologies as defined by Rule 405 under the Securities Act) and (b) the Class C Common Stock would be listed on the NYSE; (5) the proxy statement/prospectus with respect to the merger would be subject to the Special Committee's approval; (6) the Special Committee would be permitted, in specified circumstances, to change its recommendation to the holders of Class V Common Stock to vote for approval of the transaction; and (7) Mr. Dell and Silver Lake Partners would agree to a customary support agreement pursuant to which Mr. Dell and Silver Lake Partners would irrevocably commit to vote in favor of the merger and, in addition, would agree to a 180 day lock-up after the merger closing with respect to transfers of the Dell Technologies common stock beneficially owned by them, other than permitted transfers to affiliates.

On June 28, 2018, representatives of Dell Technologies, Silver Lake Partners, Goldman Sachs, Simpson Thacher and Wachtell Lipton met telephonically to discuss the term sheet received the previous evening. Following the discussion, representatives of Simpson Thacher and Wachtell Lipton called representatives of Latham to provide feedback on the term sheet. The representatives of Simpson Thacher confirmed that their clients were willing to accept the proposed structure and economic terms of the transaction, but that (1) they believed there was disagreement as to whether the issuance of Class C Common Stock should qualify as an "IPO" or a "Minimum Float IPO" for purposes of governance provisions in the existing organizational documents of Dell Technologies; (2) the merger agreement would contain fewer covenants and representations applicable to Dell Technologies than a typical merger agreement with a third-party acquirer given that the transaction would consist of a merger of Dell Technologies with its wholly owned subsidiary; and (3) the merger would also be conditioned upon the payment of the VMware special dividend and the ability of the Dell Technologies subsidiaries receiving the VMware special dividend to distribute the dividend proceeds to Dell Technologies, among other customary conditions.

Later in the evening on June 28, 2018, following further discussion with their respective clients, representatives of Simpson Thacher and Wachtell Lipton informed representatives of Latham that Mr. Dell, as the largest holder of Class A Common Stock, and Silver Lake Partners, as the sole holder of Class B Common Stock, confirmed that the issuance of Class C Common Stock in the Class V transaction would qualify as an "IPO" and a "Minimum Float IPO" for purposes of governance provisions in the existing organizational documents of Dell Technologies.

On June 28, 2018, Simpson Thacher provided a draft voting and support agreement to Latham. Among other provisions, the draft voting and support agreement proposed that the MD stockholders, the MSD Partners stockholders and the SLP stockholders would (1) vote all shares over which they had control in favor of the merger and against actions that would materially impede or delay the merger and (2) not transfer any such shares until the closing of the merger, other than permitted transfers to affiliates. The MD stockholders and SLP stockholders would also consent to the merger under the Sponsor Stockholders Agreement. The draft voting and support agreement contemplated a schedule setting forth the amendments to be made to Dell Technologies' various stockholder agreements and Registration Rights Agreement, although a draft of this schedule was not included in the initial distribution.

On June 28, 2018, Mr. Durban requested the opportunity to speak with the VMware special committee and joined a portion of the VMware special committee meeting on June 28, 2018 (further described below) in order to describe the terms of the proposed Class V transaction and Dell Technologies' request that VMware declare a special dividend.

Between June 28 and July 1, 2018, the VMware special committee met on each day with members of VMware's management, representatives of JPMorgan, Perella Weinberg, Morrison & Foerster, Lazard and Gibson Dunn to review and evaluate the potential declaration and payment of the VMware special dividend, including evaluations of VMware's financial position and cash outlook, alternative uses of capital, the potential impact on VMware's credit profile and the reaction of credit ratings agencies, and review of the terms and conditions of the VMware special dividend and of the VMware Agreement, which would require, among other provisions, that: (1) any future request from Dell Technologies or its affiliates that VMware issue a special dividend would be subject to review and approval by a special committee of the VMware board of directors comprised solely of independent directors; and (2) Dell Technologies and its affiliates would not directly or indirectly effectuate or vote in favor of any transaction that would cash out, or otherwise require a vote of, or tender by, the holders of VMware common stock unless the transaction was approved by both (a) a special committee of the VMware board of directors comprised solely of independent and disinterested directors and (b) holders of a majority of the outstanding shares of Class A common stock of VMware not beneficially owned by Dell Technologies or its affiliates or by officers or employees of VMware. Representatives of Gibson Dunn also discussed with the VMware special committee their fiduciary duties under applicable law. VMware and its and the VMware special committee's advisors also reviewed drafts of the Class V transaction documents, held a number of meetings with Dell Technologies' and Silver Lake Partners' advisors to discuss the special dividend and the Class V transaction and received due diligence information regarding Dell Technologies and its credit profile from representatives of Goldman Sachs, which was used to validate the views of VMware, its advisors and the VMware special committee's advisors on the likely impact of the dividend on VMware.

On June 29, 2018, Simpson Thacher and Latham held telephonic discussions regarding the potential Class V transaction and the related documentation. Thereafter, Simpson Thacher provided an initial draft of the merger agreement to Latham contemplating a merger between Dell Technologies and Teton Merger Sub Inc., referred to as Merger Sub, reflecting the key terms set out in the term sheet previously provided by Latham, modified as had been previewed by Simpson Thacher and Wachtell Lipton to Latham on June 28.

Later on June 29, 2018, Latham sent Simpson Thacher a draft of the voting and support agreement revised to provide that the voting and support agreement could not be amended without the consent of the Special Committee, adding certain representations from the stockholders with respect to ownership of the subject securities, and proposing certain non-substantive changes. Representatives of Simpson Thacher and Wachtell Lipton informed representatives of Latham that they believed there was substantive agreement with respect to the contents of the draft, subject to finalization of the schedule to the voting and support agreement, which had yet to be circulated.

Later on June 29, 2018, representatives of Simpson Thacher and Gibson Dunn met telephonically to discuss the VMware special committee's desire that VMware and Dell Technologies enter into a letter agreement with

respect to certain VMware governance and disclosure matters in connection with the potential declaration of the VMware special dividend. Following the discussion, Gibson Dunn provided a draft of the VMware Agreement to Simpson Thacher that included certain terms relating to certain VMware governance matters in connection with the potential declaration of the VMware special dividend and contemplated that Dell Technologies would disclose that it was no longer considering a merger or consolidation with VMware. Among other provisions, the draft VMware Agreement proposed that: (1) any future request from Dell Technologies or its affiliates that VMware issue a special dividend would be subject to review and approval by a special committee of the VMware board of directors comprised solely of independent directors; (2) VMware would adopt an amendment to its bylaws providing that a majority of VMware's board of directors would be required to consist of independent directors; and (3) Dell Technologies and its affiliates would not directly or indirectly effectuate or vote in favor of any transaction that would cash out, or otherwise require a vote of, or tender by, the holders of VMware common stock unless the transaction was approved by both (a) a special committee of the VMware board of directors comprised solely of independent and disinterested directors and (b) holders of a majority of the outstanding shares of Class A common stock of VMware not beneficially owned by Dell Technologies or its affiliates or by officers or employees of VMware.

On June 30, 2018, Simpson Thacher sent Latham a draft of the schedule to the voting and support agreement, which set forth certain amendments that the parties to the voting and support agreement would make to Dell Technologies' stockholders agreements and Registration Rights Agreement. The proposed amendments included (1) an agreement to treat the transaction as an "IPO" and a "Minimum Float IPO" for the purposes of Dell Technologies' various stockholders agreements (except the Management Stockholders Agreement) and the Registration Rights Agreement, (2) an agreement that all parties to the Registration Rights Agreement would be subject to an 180-day lock-up on transfers of their shares after the merger closing similar to the lock-up that would have been imposed by that agreement upon an initial public offering and (3) an agreement regarding the treatment of share transfer restrictions and certain employee "put" and "call" rights under the Management Stockholders Agreement. Later on June 30, 2018, Simpson Thacher also provided Latham with a revised draft of the voting and support agreement incorporating the schedule, as well as some non-substantive changes to the agreement, at which point there were no material, substantive open issues remaining on the voting and support agreement and its annexes and schedules.

On June 30, 2018, Simpson Thacher provided a draft amended and restated Company certificate to Latham reflecting the post-transaction governance terms as agreed among the parties on June 28. Among other provisions, the draft amended and restated Company certificate proposed to treat the merger as an "IPO" under the amended and restated Company certificate and provided certain mechanics for the reclassification of existing Group II Directors and Group III Directors into Group I Directors.

On June 30, 2018, the Special Committee met telephonically to discuss the status of negotiations of the potential Class V transaction. Latham presented a summary of the current status of negotiations regarding the merger agreement and the other transaction documents, and the Special Committee provided instruction to Latham on how it should respond to Simpson Thacher. The Special Committee also discussed investor communications strategies.

On June 30, 2018, Latham provided a revised draft merger agreement to Simpson Thacher. Through July 1, 2018, Dell Technologies, Silver Lake Partners, Simpson Thacher, Wachtell Lipton, the Special Committee and Latham engaged in negotiations concerning the draft merger agreement and its exhibits and schedules, including, among other items, (1) the scope of the representations and covenants to be provided by Dell Technologies, (2) the process for and any conditions relating to the VMware special dividend, (3) the approval rights of the Special Committee with respect to actions to be taken in connection with the merger by Dell Technologies and (4) termination rights under the merger agreement. Representatives of Dell Technologies, Silver Lake Partners, Simpson Thacher, Wachtell Lipton, the Special Committee and Latham also discussed the timing of the Dell Technologies special meeting of stockholders to approve the Class V transaction.

Through July 1, 2018, Dell Technologies, Silver Lake Partners, Simpson Thacher, Wachtell Lipton, the VMware special committee, Gibson Dunn, the Special Committee and Latham engaged in negotiations concerning the draft VMware Agreement and its exhibits and schedules, including, among other items, (1) whether to include a requirement that VMware's board of directors would consist of a majority of independent directors, (2) the scope and specific terms of restrictions relating to future requests by Dell Technologies that VMware issue a special dividend, (3) the scope and specific terms of restrictions relating to future acquisitions of VMware common stock by Dell Technologies, (4) Dell Technologies' obligations to use reasonable best efforts to complete the Class V transaction, (5) obligations of Dell Technologies not to terminate the merger agreement and VMware not to terminate the resolutions authorizing the dividend and (6) the term of the VMware Agreement. The final terms of the VMware Agreement did not include an amendment regarding the composition of the VMware board of directors, but did include commitments on behalf of Dell Technologies with respect to future dividends and business combinations as well as with respect to the obligation of Dell Technologies not to terminate the merger agreement, which are summarized in more detail below under "*The Merger Agreement—VMware Agreement.*"

On July 1, 2018, Latham held a due diligence call with representatives of Dell Technologies. During the call, the representatives of Dell Technologies responded to a series of customary due diligence questions pertaining to the absence of material changes and to developments relating to, among other matters, Dell Technologies' business, operations, accounting practices and litigation or any material proceedings and contingencies.

Early in the afternoon of July 1, 2018, representatives of Simpson Thacher and Latham met telephonically to confirm to one another that they had no further comments to the merger agreement or any of the other transaction agreements, subject in all respects to any comments which might arise out of the Special Committee meeting and the board of directors meeting, in each case, scheduled to be held later that day.

At 3:00 p.m. Eastern time on July 1, 2018, the Special Committee met telephonically to consider the terms of the proposed Class V transaction. Representatives of Latham led the members of the Special Committee through a detailed discussion of the terms and conditions set forth in the merger agreement and the other transaction documents, including the post-closing governance arrangements. Representatives of Evercore then discussed with the members of the Special Committee their financial analysis of the proposed Class V transaction and, following such discussion, delivered to the members of the Special Committee Evercore's oral opinion, which opinion was subsequently confirmed by delivery of a written opinion dated July 1, 2018, that, as of the date thereof, and based upon and subject to the factors, procedures, assumptions, qualifications, limitations and conditions set forth in its written opinion, the transaction consideration was fair, from a financial point of view, to the Class V stockholders (other than Dell Technologies and its affiliates). Following discussion, the Special Committee unanimously determined that the merger agreement and the transactions contemplated thereby, including the amended and restated Company certificate, and the VMware Agreement were in the best interests of holders of the Class V Common Stock and declared the merger agreement and the transactions contemplated thereby, including the amended and restated Company certificate, and the VMware Agreement advisable. Accordingly, the Special Committee resolved to recommend that the Dell Technologies board of directors approve the merger agreement and the VMware Agreement and approve the execution, delivery and performance thereof and the other transactions contemplated by the merger agreement, including the amended and restated Company certificate, and resolved to recommend adoption of the merger agreement and the transactions contemplated by the merger agreement, including the amended and restated Company certificate, by the holders of Class V Common Stock.

At 4:30 p.m. Eastern time on July 1, 2018, the VMware special committee met telephonically to consider the terms of the VMware special dividend and the entry by VMware into the VMware Agreement. Representatives of Gibson Dunn and Lazard were also in attendance. At the meeting, the VMware special committee was presented with the analysis of the valuation firm and received the valuation firm's opinion, referred to as the VMware solvency opinion, to the effect that, as of July 1, 2018, and based upon and subject to

the factors, procedures, assumptions, qualifications, limitations and other matters set forth in the opinion, (1) the surplus of VMware (on a consolidated basis) exceeded the amount of the VMware special dividend and (2) after giving effect to the payment of the VMware special dividend, (a) the assets of VMware (on a consolidated basis), at a fair valuation, exceeded its debts (including contingent liabilities), (b) VMware (on a consolidated basis) would be able to pay its debts (including contingent liabilities) as they became due, and (c) VMware (on a consolidated basis) would not have an unreasonably small amount of assets (or capital) for the businesses in which it was engaged or in which VMware management had indicated it intended to engage. Following presentations from representatives of Lazard and Gibson Dunn, the VMware special committee resolved to recommend to the VMware board of directors that it authorize and declare a special dividend in the aggregate amount of $11 billion, subject to the satisfaction of certain conditions described under "*—Special Cash Dividend by VMware*" and specified in the merger agreement, and that it enter into the VMware Agreement, and directed representatives of Gibson Dunn to inform representatives of Simpson Thacher that the VMware special committee had adopted such resolution.

Following the VMware special committee meeting on July 1, 2018, Simpson Thacher confirmed with Latham that the final version of the conditions in the merger agreement to payment of the VMware special dividend, which reflected the conditions contained in the resolution of the VMware special committee, were the same as the version contained in the merger agreement approved by the Special Committee.

At 9:00 p.m. Eastern time on July 1, 2018, the VMware board of directors met telephonically to consider the terms of the VMware special dividend and the entry by VMware into the VMware Agreement. Representatives of Morrison Foerster and Gibson Dunn and JPMorgan and Perella Weinberg were also in attendance. Representatives of Morrison Foerster reviewed with the VMware board of directors their applicable fiduciary duties. Ms. Dykstra informed the VMware board of directors that, earlier that day, the VMware special committee had resolved to recommend to the VMware board of directors that, subject to the satisfaction of certain conditions described below under "*—Special Cash Dividend by VMware*" and specified in the merger agreement, it authorize and declare a special dividend in the aggregate amount of $11 billion and that it enter into the VMware Agreement and discussed the VMware special committee's rationale for such recommendation. The VMware board of directors also were presented with the analysis of the valuation firm and received the VMware solvency opinion. Following discussion, the VMware board of directors resolved to authorize and declare a special dividend in the aggregate amount of $11 billion, subject to the satisfaction of certain conditions described below under "*—Special Cash Dividend by VMware*" and specified in the merger agreement and enter into the VMware Agreement. The VMware board of directors also directed representatives of Morrison Foerster to inform representatives of Simpson Thacher that the VMware board of directors had adopted such resolution.

At 10:30 p.m. Eastern time on July 1, 2018, the Dell Technologies board of directors met telephonically to consider the terms of the proposed Class V transaction. Members of Dell Technologies management and representatives of Silver Lake Partners, Simpson Thacher, Wachtell Lipton and Goldman Sachs were also in attendance. Mr. Rothberg reviewed with the directors their fiduciary duties in considering the proposed Class V transaction, including applicable standards for director conduct under Delaware law. Messrs. Dorman and Green stated that the Special Committee had convened a meeting earlier in the day and had unanimously determined that the merger agreement and the transactions contemplated thereby, including the amended and restated Company certificate, and the VMware Agreement were in the best interests of holders of shares of Class V Common Stock and had declared the merger agreement and the transactions contemplated thereby, including the amended and restated Company certificate, and the VMware Agreement advisable. Accordingly, the Special Committee recommended that the Dell Technologies board of directors approve the merger agreement and the VMware Agreement and approve the execution, delivery and performance thereof and the other transactions contemplated by the merger agreement and stated that they had resolved to recommend adoption of the merger agreement and the transactions contemplated by the merger agreement, including the amended and restated Company certificate, by the holders of Class V Common Stock (other than affiliates of Dell Technologies). Representatives of Goldman Sachs led the directors through an overview of the potential business opportunity transactions which the Dell Technologies board of directors had considered as part of the process to consider

strategic options for Dell Technologies: (1) a primary initial public offering of the common stock of Dell Technologies with a potential subsequent conversion of the Class V Common Stock into Class C Common Stock; (2) a business combination of Dell Technologies with VMware; (3) a Class V transaction that did not involve the VMware special dividend or the opportunity for the holders of Class V Common Stock to elect to receive cash; and (4) the proposed Class V transaction. The representatives of Goldman Sachs then discussed certain of the benefits and challenges of each transaction. The representatives of Goldman Sachs also discussed with the board of directors Goldman Sachs' financial analysis of the proposed Class V transaction and, following this discussion, delivered to the Dell Technologies board of directors Goldman Sachs' oral opinion, subsequently confirmed in writing, that, as of July 1, 2018, and based upon and subject to the factors, procedures, assumptions, qualifications, limitations and other matters set forth in the written opinion, the aggregate consideration to be paid by Dell Technologies in the Class V transaction for all of the shares of Class V Common Stock pursuant to the merger agreement was fair from a financial point of view to Dell Technologies. A representative of Simpson Thacher then led the directors through a discussion of a detailed written summary of the merger terms and conditions and the post-closing governance arrangements. Mr. Sweet then led the directors through a discussion of certain financial matters relating to Dell Technologies' businesses. Following that discussion, Messrs. Dorman and Green, in their capacity as members of the Special Committee, were excused in order to allow the remaining members of the board of directors to discuss the proposed Class V transaction with respect to the interests of the holders of Class A Common Stock, Class B Common Stock and Class C Common Stock. With the benefit of the foregoing presentations and discussion and taking into consideration the opinion of Goldman Sachs, the remaining directors then considered the terms and conditions of the draft merger agreement and the transactions contemplated thereby, including the draft amended and restated Company certificate, and the draft VMware Agreement with respect to the interests of the holders of Class A Common Stock, Class B Common Stock and Class C Common Stock. The Dell Technologies board of directors (except for Messrs. Dorman and Green, who did not vote) unanimously determined that the merger agreement and the transactions contemplated thereby, including the amended and restated Company certificate, and the VMware Agreement were in the best interests of the holders of Class A Common Stock, Class B Common Stock and Class C Common Stock, declared the merger agreement and the transactions contemplated thereby, including the amended and restated Company certificate, and the VMware Agreement advisable, recommended that the Dell Technologies board of directors adopt the merger agreement and approve the execution, delivery and performance of the merger agreement and the other transactions contemplated by the merger agreement, including the amended and restated Company certificate, and the VMware Agreement. Following such resolutions, Messrs. Dorman and Green rejoined the meeting and were informed of the resolutions just passed by the Dell Technologies board of directors (other than Messrs. Dorman and Green). In light of the recommendation of the Special Committee and of the Dell Technologies board of directors (other than Messrs. Dorman and Green) and following further careful consideration of the potential reasons for and against the proposed Class V transaction (as discussed below under "*—Recommendation of the Board of Directors*"), the Dell Technologies board of directors unanimously determined that the merger agreement and the transactions contemplated thereby, including the amended and restated Company certificate, and the VMware Agreement were in the best interests of the stockholders of Dell Technologies, declared the merger agreement and the transactions contemplated thereby, including the amended and restated Company certificate, and the VMware Agreement advisable, adopted the merger agreement and approved the execution, delivery and performance of the merger agreement and the other transactions contemplated by the merger agreement, including the amended and restated Company certificate, and of the VMware Agreement and resolved to recommend adoption of the merger agreement and the transactions contemplated by the merger agreement, including the amended and restated Company certificate, by the stockholders of Dell Technologies.

On the evening of July 1, 2018, Dell Technologies and Merger Sub executed the merger agreement and Dell Technologies and the other parties thereto executed the voting and support agreement and the VMware Agreement. Thereafter, Dell Technologies, as sole stockholder of Merger Sub, adopted the merger agreement.

Prior to the opening of the markets on July 2, 2018, Dell Technologies issued a press release announcing the Class V transaction.

Prior to the opening of the markets on July 2, 2018, the Special Committee issued a press release announcing the Class V transaction.

Prior to the opening of the markets on July 2, 2018, VMware issued a press release announcing the VMware special dividend and the terms of the VMware Agreement.

On July 3, 2018, in accordance with the terms of the VMware Agreement, Dell Technologies filed with the SEC a further amendment to its amended Schedule 13D statement in respect of its beneficial ownership of VMware common stock, which in part states that Dell Technologies has concluded its review of potential business opportunities and has determined not to pursue a business combination with VMware.

Recommendation of the Special Committee

At a meeting held on July 1, 2018, the Special Committee unanimously determined that the merger agreement and the transactions contemplated thereby, including the Class V transaction and the amended and restated Company certificate, are fair to and in the best interest of the Class V stockholders, and unanimously resolved to recommend that the board of directors approve the merger agreement and the transactions contemplated thereby, including the Class V transaction and the amended and restated Company certificate. **The Special Committee unanimously recommends that the holders of the Class V Common Stock entitled to vote thereon vote "FOR" the adoption of the merger agreement and "FOR" the adoption of the amended and restated Company certificate.**

In evaluating the proposed transactions, including the Class V transaction, the Special Committee consulted with its advisors and, in reaching its determination and recommendation, considered a number of factors.

Many of the factors which the Special Committee considered favored its conclusion that the merger agreement and the transactions contemplated thereby are fair to and in the best interests of the Class V stockholders, including the following:

- the anticipated value of the transaction consideration in comparison to historical trading prices for shares of Class V Common Stock, which transaction consideration had an implied value of $109 per share based on an assumed total equity value of Dell Technologies of $48.4 billion (which assumption was used by the Special Committee recognizing that the market price of the Class C Common Stock following the Class V transaction may imply a total equity value for the Company that is more than or less than such assumed equity value), and, therefore, the transaction consideration represents a premium of approximately 28.9% to the closing price of the Class V Common Stock on June 29, 2018, 26.7% to the 30 day trailing volume weighted average price of the Class V Common Stock on June 29, 2018 and 23.2% to the closing price of the Class V Common Stock on January 25, 2018, the last trading day prior to the day on which the Company filed an amended Schedule 13D statement with respect to its shares of VMware common stock;
- the fact that up to $9 billion of the transaction consideration will be paid in cash, giving Class V stockholders the opportunity to realize immediate value for all or a portion of their investment and providing certainty of value for such portion;
- the fact that the Class V stockholders may elect to receive only the share consideration, giving Class V stockholders the opportunity to participate in the future value of the Class C Common Stock;
- the fact that the value of the Class C Common Stock to be received by the Class V stockholders may increase, and that any such increase in value will not be limited by any "cap," "collar" or similar arrangement;
- the fact that, based on the capitalization of Dell Technologies determined using the treasury stock method immediately prior to the announcement of the Class V transaction, the Class V stockholders