

VMware, Inc.

**RECONCILIATION OF GAAP OPERATING CASH FLOWS TO NON-GAAP OPERATING  
CASH FLOWS, FREE CASH FLOWS AND FREE CASH FLOWS PER SHARE**

**For the Three Months Ended March 31, 2011 and 2010**

**(in thousands)**

**(unaudited)**

	<b>For the Three Months Ended March 31,</b>	
	<b>2011</b>	<b>2010</b>
GAAP cash flows from operating activities	\$ 477,917	\$ 354,952
Capitalized software development costs	(27,422)	(21,861)
Excess tax benefits from stock-based compensation	50,008	23,918
Non-GAAP cash flows from operating activities	500,503	357,009
Capital Expenditures	(27,046)	(31,112)
Free Cash Flows	<u>\$ 473,457</u>	<u>\$ 325,897</u>
Free cash flows per weighted-average share, diluted for Class A and Class B	\$ 1.10	\$ 0.78
Weighted-average shares, diluted for Class A and Class B	429,247	416,853

VMware, Inc.

**RECONCILIATION OF GAAP OPERATING CASH FLOWS TO NON-GAAP OPERATING  
CASH FLOWS, FREE CASH FLOWS AND FREE CASH FLOWS PER SHARE**

**For the Trailing Twelve Months Ended March 31, 2011 and 2010**

(in thousands)

(unaudited)

	<b>For the Trailing Twelve Months Ended March 31,</b>	
	<b>2011</b>	<b>2010</b>
GAAP cash flows from operating activities	\$1,297,354	\$ 1,081,329
Capitalized software development costs	(69,710)	(60,537)
Excess tax benefits from stock-based compensation	249,547	49,902
Non-GAAP cash flows from operating activities	1,477,191	1,070,694
Capital Expenditures	(127,629)	(98,662)
Free Cash Flows	<u>\$1,349,562</u>	<u>\$ 972,032</u>
Free cash flows per weighted-average share, diluted for Class A and Class B	\$ 3.16	\$ 2.39
Weighted-average shares, diluted for Class A and Class B	426,511	406,635