

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 June 30, 2010 and 2009

(in thousands)

(unaudited)

	For the Three Months Ended June 30,	
	2010	2009
GAAP cash flows from operating activities	\$ 216,123	\$ 243,320
Capitalized software development costs	(19,310)	(14,745)
Excess tax benefits from stock-based compensation	64,583	4,243
Non-GAAP cash flows from operating activities	<u>\$ 261,396</u>	<u>\$ 232,818</u>
Capital Expenditures	(28,996)	(29,843)
Free Cash Flows	<u><u>\$ 232,400</u></u>	<u><u>\$ 202,975</u></u>
Free cash flows per weighted-average share, diluted for Class A and Class B	\$ 0.55	\$ 0.51
Weighted-average shares, diluted for Class A and Class B	422,333	395,826

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 June 30, 2010 and 2009

(in thousands)

(unaudited)

	For the Trailing Twelve Months Ended June 30,	
	2010	2009
GAAP cash flows from operating activities	\$1,054,132	\$ 1,018,876
Capitalized software development costs	(65,102)	(119,646)
Excess tax benefits from stock-based compensation	110,242	10,822
Non-GAAP cash flows from operating activities	\$1,099,272	\$ 910,052
Capital Expenditures	(97,815)	(156,343)
Free Cash Flows	<u>\$1,001,457</u>	<u>\$ 753,709</u>
Free cash flows per weighted-average share, diluted for Class A and Class B	\$ 2.42	\$ 1.92
Weighted-average shares, diluted for Class A and Class B	413,262	392,726