

VMware, Inc.

**RECONCILIATION OF GAAP CASH FLOWS FROM OPERATING ACTIVITIES
TO FREE CASH FLOWS PER SHARE
(A NON-GAAP FINANCIAL MEASURE)**

For the Year Ended December 31, 2009 and 2008

(in thousands)

(unaudited)

	For the Year	
	Ended December 31,	
	2009	2008
GAAP cash flows from operating activities	\$ 985,616	\$ 800,131
Capitalized software development costs	(68,611)	(90,900)
Excess tax benefits from stock-based compensation	26,214	85,776
Additions to property and equipment	(103,375)	(191,596)
Free cash flows	<u>\$ 839,844</u>	<u>\$ 603,411</u>
Free cash flow per weighted-average share, diluted for Class A and Class B	\$ 2.10	\$ 1.52
Weighted-average shares, diluted for Class A and Class B	399,776	397,185