

VMware Issues Statement on Dell Technologies SEC filing

VMware filed an 8-K today with the U.S. Securities and Exchange Commission, following a Schedule 13D filing by Dell Technologies.

Dell announced that it is exploring potential alternatives with respect to its ownership interest in VMware, including a potential tax-free spin-off of Dell's equity ownership in VMware to Dell shareholders. Any potential spin-off would not occur prior to September 2021.

VMware has formed a special committee of the board of directors to evaluate and engage in discussions and negotiations with Dell with respect to any proposal that may be made by Dell regarding a spin-off. Although the process is only at an exploratory stage, VMware believes that a spin-off may be value-enhancing to VMware and its stockholders and could result in a simpler capital structure and a broader stockholder base, provide greater strategic flexibility and address certain governance arrangements, while still maintaining a mutually beneficial strategic and commercial partnership with Dell, which includes supporting our numerous joint customers.

There can be no assurance that any discussions with respect to a potential spin-off will result in any definitive agreements or, if definitive agreements were to be reached, that they would reflect terms consistent with those described in VMware's 8-K filing. Discussions concerning a potential spin-off and related matters may be terminated at any time by VMware or Dell.

VMware remains focused on helping its customers navigate their business resiliency requirements while also enabling customers to accelerate their digital transformations.