

VMware, Inc.

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

(in thousands, except per share amounts)

(unaudited)

	For the Three Months Ended	
	June 30,	
	2012	2011
GAAP cash flows from operating activities	\$ 391,325	\$ 462,796
Capitalized software development costs	—	(25,437)
Excess tax benefits from stock-based compensation	32,701	101,256
Non-GAAP cash flows from operating activities	424,026	538,615
Capital Expenditures	(44,336)	(95,186)
Free Cash Flows	<u>\$ 379,690</u>	<u>\$ 443,429</u>
Free cash flows per weighted-average share, diluted for Class A and Class B	\$ 0.87	\$ 1.03
Weighted-average shares, diluted for Class A and Class B	434,647	430,473