

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 September 30, 2010 and 2009

(in thousands)

(unaudited)

	For the Three Months Ended September 30,	
	2010	2009
GAAP cash flows from operating activities	\$ 196,699	\$ 199,366
Capitalized software development costs	(7,023)	(8,844)
Excess tax benefits from stock-based compensation	78,703	8,365
Non-GAAP cash flows from operating activities	\$ 268,379	\$ 198,887
Capital Expenditures	(31,137)	(14,245)
Free Cash Flows	\$ 237,242	\$ 184,642
Free cash flows per weighted-average share, diluted for Class A and Class B	\$ 0.56	\$ 0.46
Weighted-average shares, diluted for Class A and Class B	426,581	402,888

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 September 30, 2010 and 2009

(in thousands)

(unaudited)

	For the Trailing Twelve Months Ended September 30,	
	2010	2009
GAAP cash flows from operating activities	\$1,051,465	\$ 974,737
Capitalized software development costs	(63,281)	(90,529)
Excess tax benefits from stock-based compensation	180,580	13,343
Non-GAAP cash flows from operating activities	\$1,168,764	\$ 897,551
Capital Expenditures	(114,707)	(137,924)
Free Cash Flows	<u>\$1,054,057</u>	<u>\$ 759,627</u>
Free cash flows per weighted-average share, diluted for Class A and Class B	\$ 2.51	\$ 1.92
Weighted-average shares, diluted for Class A and Class B	419,185	394,890