

INFORMATION ON VMWARE DIVIDEND U.S. FEDERAL TAX TREATMENT

March 21, 2019

This document provides information regarding U.S. federal tax treatment of the special dividend of \$26.81 per share paid by VMware to its stockholders on December 28, 2018. This information is current as of the date set forth above and may be updated from time to time as further information is known and can be made publicly available.

This information is intended to supplement, and not replace, information provided on Form 8937 (Report of Organizational Actions Affecting Basis of Securities) available on VMware's Investor Relations webpage at ir.vmware.com and the Form 1099-DIV you will receive from your broker or bank where you hold your VMware shares.

U.S. Federal Tax Treatment For federal tax purposes, 62.04% of the conditional special dividend (\$16.63 per share) will be treated as a taxable dividend, with the other 37.96% of the conditional special dividend (\$10.18 per share) being first treated as a return on capital to stockholders to the extent of their basis in VMware common stock, and then as capital gain.

Form 1099 and Form 8937 The initial 1099 forms distributed to stockholders in early 2019 by your dividend paying agent (in most cases, your broker or bank through which you hold your VMware shares) reported the portion taxable as a dividend based upon information available at that time.

The calculation of the portion taxable as a dividend has now been modified following the completion of FY19. Information on the portion of the distribution in excess of current and accumulated earnings and profits (i.e. in excess of the portion taxable as a dividend) is provided in Form 8937, which is posted on our website at ir.vmware.com. Amended 1099 forms to stockholders are now expected to be delivered to shareholders by the dividend paying agents.

The precise tax impact of the dividend to specific stockholders depends upon the stockholder's individual tax situation. Stockholders are urged to consult with their personal tax advisors. For timing of the Form 1099, please contact your broker.