

Forward-Looking Statements

This presentation contains forward-looking statements including, among other things, statements regarding the proposed acquisitions of Carbon Black and Pivotal Software by VMware, such as: the amount and type of consideration expected to be paid for each acquisition; the net cash and equity payouts and dilutive impact on VMware; the sources of funding for the acquisitions, including VMware's ability to access short-term borrowing; the expected timing for the acquisitions; the growth opportunities and expansion of VMware's offerings associated with each acquisition and potential benefits to VMware and its customers; as well as, increasing customer interest in VMware cloud infrastructure technology; and the expected benefits to and adoption by customers of VMware products and services, including, for example, those relating to the announcements of Google Cloud VMware Solution, Azure VMware Solutions, VMware HCX Enterprise and VMware's recently completed acquisitions; VMware's expectations and estimates regarding total and license revenues, GAAP and non-GAAP operating margin, diluted GAAP and non-GAAP net income per share, diluted share count and GAAP and non-GAAP tax rates for Q3 fiscal year 2020 (FY20) and full year FY20; expectations regarding and non-GAAP to GAAP reconciliations of FY20 cash flow from operations, capital expenditures and free cash flow; expectations related to VMware's non-GAAP to GAAP reconciliations of operating margin and diluted net income per share for Q3 FY20 and FY20; and expectations regarding growth in total revenue plus the sequential change in total unearned revenue for Q3 FY20. These forward-looking statements are subject to applicable safe harbor provisions under federal securities laws, such as the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from those projected in the forward-looking statements as a result of certain risk factors, including but not limited to: (1) the satisfaction or waiver of the conditions to closing the proposed acquisitions (including the failure to obtain necessary regulatory approvals) in the anticipated timeframe or at all; (2) uncertainties as to how many of Carbon Black's stockholders will tender their shares in the tender offer and the outcome of the vote by Pivotal stockholders to approve the Pivotal acquisition; (3) the possibility that either or both acquisitions do not close; (4) the possibility that competing offers may be made; (5) risks related to obtaining the requisite consents to each acquisition, including, without limitation, the timing (including possible delays) and receipt of regulatory approvals from various governmental entities (including any conditions, limitations or restrictions placed on these approvals and the risk that one or more governmental entities may deny approval); (6) risks related to the ability to realize the anticipated benefits of the proposed acquisitions, including the possibility that the expected benefits from the proposed acquisitions will not be realized or will not be realized within the expected time period; (7) the risk that the businesses will not be integrated successfully; (8) disruption from the transactions making it more difficult to maintain business and operational relationships; (9) negative effects of this announcement or the consummation of the proposed acquisitions on the market price of VMware's common stock, credit ratings and operating results; (10) the risk of litigation and regulatory actions related to the proposed acquisitions; (11) other business effects, including the effects of industry, market, economic, political or regulatory conditions; (12) other unexpected costs or delays in connection with the acquisitions; (13) adverse changes in general economic or market conditions; (14) delays or reductions in consumer, government and information technology spending; (15) competitive factors, including but not limited to pricing pressures, industry consolidation, entry of new competitors into the virtualization software and cloud, end user and mobile computing industries, and new product and marketing initiatives by VMware's competitors; (16) VMware's customers' ability to transition to new products and computing strategies such as cloud computing, desktop virtualization and the software defined data center; (17) VMware's ability to enter into, maintain and extend strategically effective partnerships and alliances; (18) the uncertainty of customer acceptance of emerging technology; (19) the ability to successfully integrate into VMware acquired companies and assets and smoothly transition services related to divested assets from VMware; (20) rapid technological changes in the virtualization software and cloud, end user and mobile computing industries; (21) changes to product and service development timelines; (22) VMware's relationship with Dell Technologies and Dell's ability to control matters requiring stockholder approval, including the election of VMware's board members and matters relating to Dell's investment in VMware; (23) VMware's ability to protect its proprietary technology; (24) VMware's ability to attract and retain highly qualified employees; (25) the ability of VMware to realize synergies from Dell; (26) disruptions resulting from key management changes; (27) risks associated with international sales such as fluctuating currency exchange rates and increased trade barriers; (28) changes in VMware's financial condition; (29) risks associated with cyber-attacks, information security and privacy; and (30) geopolitical changes such as Brexit and increased tariffs and trade barriers that could adversely impact our non-U.S. sales. These forward-looking statements are made as of the date of this press release, are based on current expectations and are subject to uncertainties and changes in condition, significance, value and effect as well as other risks detailed in documents filed with the Securities and Exchange Commission, including VMware's most recent reports on Form 10-K and Form 10-Q and current reports on Form 8-K that we may file from time to time, which could cause actual results to vary from expectations. VMware assumes no obligation to, and does not currently intend to, update any such forward-looking statements after the date of this release.