

EMC Q1 2007 Financial Results

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Forward-Looking Statements and GAAP Reconciliation

This presentation contains “forward-looking statements” as defined under the Federal Securities Laws. 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: (i) adverse changes in general economic or market conditions; (ii) delays or reductions in information technology spending; (iii) risks associated with acquisitions and investments, including the challenges and costs of integration, restructuring and achieving anticipated synergies; (iv) risks associated with the VMware IPO, including the inability to manage successfully and complete the IPO, and risks associated with trading of VMware stock if the IPO is completed; (v) competitive factors, including but not limited to pricing pressures and new product introductions; (vi) the relative and varying rates of product price and component cost declines and the volume and mixture of product and services revenues; (vii) component and product quality and availability; (viii) the transition to new products, the uncertainty of customer acceptance of new product offerings and rapid technological and market change; (ix) insufficient, excess or obsolete inventory; (x) war or acts of terrorism; (xi) the ability to attract and retain highly qualified employees; (xii) fluctuating currency exchange rates; and (xiii) other one-time events and other important factors disclosed previously and from time to time in EMC’s filings with the U.S. Securities and Exchange Commission. EMC disclaims any obligation to update any such forward-looking statements after the date of this presentation.

This presentation contains non-GAAP financial measures. A reconciliation to GAAP is included within this presentation or in the Current Report on Form 8-K furnished by EMC today which can be found at www.EMC.com.



CFO Commentary

David Goulden
Executive Vice President & CFO

1Q 07 Results

	Q1 07	Y/Y Growth
Revenue	\$2.975B	17%
EPS*	\$ 0.15	36%
Free Cash Flow	\$ 586M	37%

*includes \$0.01 in income tax benefits consisting primarily of statute of limitations expirations.

1Q 07 Revenue Results

	Revenue Mix	
	Q1 07	Q1 06
Systems: up 6% Y/Y	44%	48%
Software: up 29% Y/Y	40%	36%
Services: up 21% Y/Y	16%	16%

Global Revenue Growth Y/Y

	Q1 07
North America	16%
Europe, Middle East, Africa	16%
Asia-Pacific/Japan	28%
Latin America	-4%

Business Segments: Revenue and Y/Y Growth

	Q1 07	Y/Y Growth
Information Storage	\$2.4B	8%
Content Management and Archiving	\$172M	3%
RSA Information Security	\$120M	25%*
VMware Virtual Infrastructure	\$256M	95%

**On a comparable basis*

Q1 2007 Margins and Taxes

- Gross Margin: 52.8%
 - benefit from strategic mix shift
- Operating Expenses down 190 bps
 - excluding VMware and RSA
- Operating Margin: 11.5%
 - reflects impact of VMware and RSA
- Tax rate:
 - 23% excluding one-time benefits

Q1 07 Cash Flow

- Operating cash flow: \$809M, up 27%
 - DSO's: 47 days
 - Inventory turns: 6.9x
- Free cash flow*: \$586M, up 37% Y/Y
 - Capital expenditures: \$171M
 - Capitalized software: \$52M

*Free cash flow = Operating cash flow – (PP&E + Capitalized Software)

Q1 2007 Cash

- Stock repurchase: \$489M
- Average share count: 2.122B, down 12% Y/Y
- Cash and investments: \$5.8B

2007 Expectations

		Growth
Revenues	≥\$12.7B	14%
GAAP EPS	≥\$0.64	19%

Includes:

- Stock option expense impact: \$0.09
- Acquisition amortization impact: \$0.07


CEO Commentary

Joe Tucci
Chairman, President & CEO

2007 IT Spending Priorities

- **Virtualization**
- **Storage**
- **Security**
- **VoIP**
- **Enterprise 2.0 / SOA**
- **SaaS**
- **Energy/Data Center Efficiency**

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 - **Stay tuned!**
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 - **Stay tuned!**
- **Energy/Data Center Efficiency**
 - **VMware, EMC storage**

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Q&A