

DELL GLOBALIZES BUSINESS GROUPS AROUND MAJOR CUSTOMER SEGMENTS (12/31/08)

Key Questions and Answers

What is Dell announcing?

- A. That we are organizing the company globally around three major customer segments – Large Enterprise, Public Sector and Small and Medium Business. Dell’s Consumer business is already organized globally. Dell believes the four groups best capitalize on the company’s competitive advantages, while strengthening execution and synergies. Today’s changes are the next logical step in Dell’s business, from a global company managed regionally to truly global businesses, putting us even closer to our customers.

Why is the company making these changes now?

- A. Over the past 24 months we have significantly improved our competitiveness, reengineered our supply chain, broadened the product portfolio and introduced Dell to more people in more places than ever before. Now, we’re listening to customers and responding to their desire for faster innovation and globally standardized products and services. These changes will enable us to move with even greater agility to unleash innovation and respond to our customers’ changing needs.

How did the challenging economic environment play into your decision?

- A. Discussions about such an organization have been going on for some time, since well before more recent economic challenges. However, economic downturns have favored those that use such periods to sharpen their ability to execute and create new value for customers—and we’re doing just that.

How are the changes related to Dell’s 5 strategic initiatives—Emerging Countries, SMB, Enterprise, Notebooks and Consumer?

- A. The changes align our organization even more closely with these successful initiatives and to our customers. Enterprise (focused through Large Commercial and Public), SMB and Consumer are directly represented by global business units. Notebooks and Emerging Countries span all the businesses.

What benefits will customers see from these organizational changes?

- A. This will enhance every facet of the customer experience by accelerating innovation, increasing responsiveness and driving competitiveness. Customers can also expect more consistent account management, deeper solutions for specific industries, more tailored products, and solutions and services that best address their specific needs. In the immediate term, the changes will help customers use IT to sharpen their ability to execute

in the midst of economic challenges. Customers are turning to Dell for more cost effective and scalable solutions from a partner they trust.

Who will lead the business units?

A. The leaders of the global businesses announced today are:

LARGE ENTERPRISE—**Steve Schuckebrook**, currently president, global services, and chief information officer.

PUBLIC—**Paul Bell**, currently president, Dell Americas.

SMALL and MEDIUM BUSINESS—**Steve Felice**, based in Singapore, currently president, Dell Asia-Pacific and Japan.

CONSUMER—**Ron Garriques** continues to lead this already global organization.

When will the organizational changes take effect?

A. We have begun the process of organizing people, functions and practices into the global business units, and of course are doing so consistent with local laws and practices, including employee consultation obligations. We plan to align our external and internal financial reporting with the new structure during the first half of the company's fiscal-year 2010, which begins in February.

What do these changes mean for Dell's Consumer business?

A. Dell's Consumer business is already functioning as a worldwide business. In fact, Dell's growth in the consumer market has proved that an integrated business unit can move with greater agility to unleash innovation to respond to the changing needs of customers.

What other personnel changes are associated with today's announcement?

A. **Mike Cannon**, president, Global Operations, will retire from Dell Jan. 31 having contributed to transforming the company's supply chain and improving its cost competitiveness. Mr. Cannon will be succeeded by **Jeff Clarke** who, in addition to his current responsibilities as head of Dell's Business Client Product Group, will become vice chairman, Global Operations. Mr. Cannon will serve as a consultant to Mr. Clarke.

Chief Marketing Officer **Mark Jarvis**, having completed the transformation of Dell's marketing organization, including revitalizing the brand and instilling new levels of marketing effectiveness and efficiency, will leave the company this fiscal quarter and provide ongoing counsel to Dell through the consulting business that brought him to the company. **Erin Nelson**, formerly vice president of marketing for Dell EMEA, will assume the role of CMO.