

DELL INC.

Condensed Consolidated Statement of Cash Flows

(in millions)
(unaudited)

	Prior Quarter Results					Prior Annual Results (As Restated)		
	Q4-FY08	Q1-FY09	Q2-FY09	Q3-FY09	Q4-FY09	FY07 ¹	FY08	FY09
Cash flows from operating activities:								
Net income:	\$ 679	\$ 784	\$ 616	\$ 727	\$ 351	\$ 2,583	\$ 2,947	\$ 2,478
Adjustments to reconcile net income to net cash provided by operating activities:								
Depreciation and amortization	183	185	196	194	196	471	607	771
Stock-based compensation	38	50	78	73	217	368	329	418
In-process research and development charges	83	-	-	-	-	-	83	-
Excess tax benefits from stock-based compensation	-	-	-	-	-	(80)	(12)	-
Effects of exchange rate changes on monetary assets and liabilities denominated in foreign currencies:	(10)	(90)	(20)	(3)	(2)	37	30	(115)
Deferred income taxes	(222)	34	(53)	228	(151)	(262)	(308)	58
Other	57	38	47	52	94	61	133	231
Changes in assets and liabilities, net of effects from acquisitions:								
Accounts receivables	323	103	(495)	230	753	(542)	(990)	591
Financing receivables	(210)	154	(135)	(47)	(274)	(163)	(394)	(302)
Inventories	(61)	(76)	153	(12)	244	(72)	(498)	309
Other assets	157	(192)	(281)	(175)	542	(286)	(121)	(106)
Accounts payable	(62)	(652)	324	(1,664)	(1,125)	505	837	(3,117)
Deferred service revenue	242	141	264	19	187	516	1,032	611
Accrued and other liabilities	-	(336)	414	292	(303)	833	274	67
Change in cash from operating activities:	1,197	143	1,108	(86)	729	3,969	3,949	1,894
Cash flows from investing activities:								
Investments:								
Purchases	(306)	(172)	(616)	(362)	(434)	(8,343)	(2,394)	(1,584)
Sales and maturities	934	434	1,318	282	299	10,320	3,679	2,333
Capital expenditures	(195)	(122)	(142)	(137)	(39)	(896)	(831)	(440)
Proceeds from sale of facility and land	-	-	44	-	-	40	-	44
Acquisition of business, net of cash and cash equivalents acquired	(2,111)	(170)	5	-	(11)	(118)	(2,217)	(176)
Change in cash from investing activities:	(1,678)	(30)	609	(217)	(185)	1,003	(1,763)	177
Cash flows from financing activities:								
Purchase of common stock	(4,003)	(1,031)	(1,420)	(415)	(1)	(3,026)	(4,004)	(2,867)
Issuance of common stock under employee plans	115	21	47	11	-	314	136	79
Excess tax benefits from stock-based compensation	-	-	-	-	-	80	12	-
Issuance (payment) of commercial paper, net	-	101	(1)	153	(153)	100	(100)	100
Proceeds from issuance of debt	28	1,519	-	-	-	52	66	1,519
Repayments of debt	(121)	(223)	-	(14)	-	(63)	(165)	(237)
Other	(53)	-	-	-	-	(8)	(65)	-
Change in cash from financing activities:	(4,034)	387	(1,374)	(265)	(154)	(2,551)	(4,120)	(1,406)
Effect of exchange rate changes on cash and cash equivalents	43	9	7	(145)	52	71	152	(77)
Net change in cash and cash equivalents:	(4,472)	509	350	(713)	442	2,492	(1,782)	588
Cash and cash equivalents at end of period:	7,764	8,273	8,623	7,910	8,352	9,546	7,764	8,352

¹ Dell restated its financial statements relating to fiscal 2003, 2004, 2005 and 2006 (including the interim periods within those years) and the first quarter of fiscal 2007. Dell's restated financial information is in its Annual Report on Form 10-K for the fiscal year ended February 2, 2007 available via the Internet at www.sec.gov or www.dell.com/investor.