

## **VMware Announces Intent to Acquire Pivotal**

[\(https://pivotal.io/\)](https://pivotal.io/)

### **VMware FAQ**

**22 August 2019**

#### **1. What did VMware announce today (August 22, 2019)?**

- VMware announced its intent to acquire Pivotal and Carbon Black. These companies address key strategic IT priorities - building apps with a modern approach and protecting enterprise workloads and clients.
- With Pivotal, VMware will be able to deliver an integrated modern apps portfolio combining Pivotal's next-generation developer platform and VMware's Kubernetes portfolio.
- With Carbon Black, VMware will be able to provide a next generation security cloud with Carbon Black's protection suite and VMware's intrinsic security assets.

#### **2. What will the impact of these two acquisitions mean for VMware?**

- Adding these companies to VMware's portfolio will allow the company to deliver software solutions that enable customers to build, run, manage, connect and protect any app, on any cloud and any device.
- They will enable us to address key strategic priorities of CIOs – building apps with a modern approach and protecting enterprise applications and endpoints. They also give us access to new customer segments: developers with Pivotal, and IT security teams with Carbon Black.

#### **3. Who is Pivotal?**

- Pivotal is a leading cloud-native platform provider, offering a powerful set of developer assets with a leading developer-centric platform and services that accelerate modern app development.
- Pivotal has over 350 customers, including a third of Fortune 100 companies today. With over 75M downloads, >400K developers start new projects each month on Spring, and >1.5M projects are generated each month.
- VMware and Pivotal have a long-standing partnership, centered around our successful VMware PKS collaboration.

#### **4. Why is VMware buying this company?**

- We see Kubernetes as key to the future of infrastructure and software development. Just as VMware benefited from having control and integration across the full SDDC stack, we see a similar opportunity to own and control the complete Kubernetes stack.
- By combining Pivotal with VMware, we will bring together the most comprehensive, developer-centric Kubernetes portfolio (PAS, PKS, Heptio, etc.) combined with our infrastructure leadership. This will position us well to capitalize on growing customer demand and deliver an enterprise Kubernetes solution that accelerates software delivery for modern applications on any cloud.
- We see opportunities to scale and operationalize integrated developer offerings to drive more value to customers by leveraging VMware's enterprise customer base and go-to-market capabilities.

**5. What is VMware’s Cloud Native Applications strategy? How does this acquisition fit in with this strategy?**

- Enterprise software modernization is driving clear demand for cloud native application development, and the adoption of the Kubernetes platform as the de facto standard for multi-cloud infrastructure.
- VMware’s Cloud Native Application strategy centers around offering comprehensive cloud native solutions across the stack, from infrastructure to application, to help enterprises build, run and manage modern applications with productivity, security and efficiency.
- This acquisition builds on this strategy. By bringing VMware and Pivotal together in one company, we can deliver an enterprise Kubernetes solution that accelerates software delivery for modern apps on any Cloud.

**6. When can customers or partners buy Pivotal solutions through VMware?**

- Business is normal; customers can continue to purchase PKS through VMware as before.
- Customers will be able to buy additional Pivotal solutions as part our full, combined product portfolio after the transaction close.

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**Forward-Looking Statements**

This press release contains forward-looking statements including, among other things, statements regarding the proposed acquisition of Pivotal Software by VMware, such as: 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. These forward-looking statements are subject to applicable safe harbor provisions under 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: (1) the satisfaction or waiver of the conditions to closing the proposed acquisition (including the failure to obtain necessary regulatory approvals) in the anticipated timeframe or at all; (2) uncertainties as to the outcome of the vote by Pivotal stockholders to approve the Pivotal acquisition; (3) the possibility that the acquisition does not close; (4) the possibility that competing offers may be made; (5) risks related to the ability to realize the anticipated benefits of the proposed acquisition, including the possibility that the expected benefits from the proposed acquisition will not be realized or will not be realized within the expected time period; (6) the risk that the business will not be integrated successfully; (7) disruption from the transactions making it more difficult to maintain business and operational relationships; (8) negative effects of this announcement or the consummation of the proposed acquisition on the market price of VMware’s common stock, credit ratings and operating results; (9) the risk of litigation and regulatory actions related to the proposed acquisition; (10) other business effects, including the effects of industry, market, economic, political or regulatory conditions; and (11) other unexpected costs or delays in connection with the acquisition. 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.

**Additional Information about the Pivotal Acquisition and Where to Find It**

This communication may be deemed to be solicitation material in respect of the proposed merger with Pivotal (the “Pivotal Merger”). This communication does not constitute an offer to sell or the solicitation of an offer to buy VMware securities or the solicitation of any vote or approval. The proposed Pivotal Merger will be submitted to Pivotal’s stockholders for their consideration. In connection with the proposed transaction, Pivotal intends to file a proxy statement and other relevant materials with the Securities and Exchange Commission (the “SEC”) in connection with the solicitation of proxies by Pivotal, the Company and Dell Technologies in connection with the proposed transaction. The definitive proxy statement will be mailed to Pivotal’s stockholders.

**BEFORE MAKING ANY VOTING OR INVESTMENT DECISION WITH RESPECT TO THE PROPOSED TRANSACTION, INVESTORS AND STOCKHOLDERS OF PIVOTAL ARE URGED TO READ THE DEFINITIVE PROXY STATEMENT REGARDING THE PROPOSED TRANSACTION (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) AND OTHER RELEVANT MATERIALS CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION.** The proxy statement, any amendments or supplements thereto and other relevant materials, and any other documents filed by Pivotal with the SEC, may be obtained once such documents are filed with the SEC free of charge at the SEC’s website at [www.sec.gov](http://www.sec.gov).

In addition, Pivotal’s stockholders may obtain free copies of the documents filed with the SEC through the Investors portion of Pivotal’s website at [investors.pivotal.io](http://investors.pivotal.io) or by contacting Pivotal’s Investor Relations Department via e-mail at [ir@pivotal.io](mailto:ir@pivotal.io).

Pivotal, VMware, Dell Technologies Inc. and certain of their respective executive officers, directors, other members of management and employees, may under the rules of the SEC, be deemed to be “participants” in the solicitation of proxies from Pivotal’s stockholders in connection with the proposed transaction. Information regarding the persons who may be considered “participants” in the solicitation of proxies will be set forth in Pivotal’s preliminary and definitive proxy statements when filed with the SEC and other relevant documents to be filed with the SEC in connection with the proposed transaction, each of which can be obtained free of charge from the sources indicated above when they become available. Information regarding certain of these persons and their beneficial ownership of Pivotal’s common stock is also set forth in Pivotal’s proxy statement for its 2019 annual meeting of stockholders filed on May 3, 2019 with the SEC, which may be obtained free of charge from the sources indicated above.